

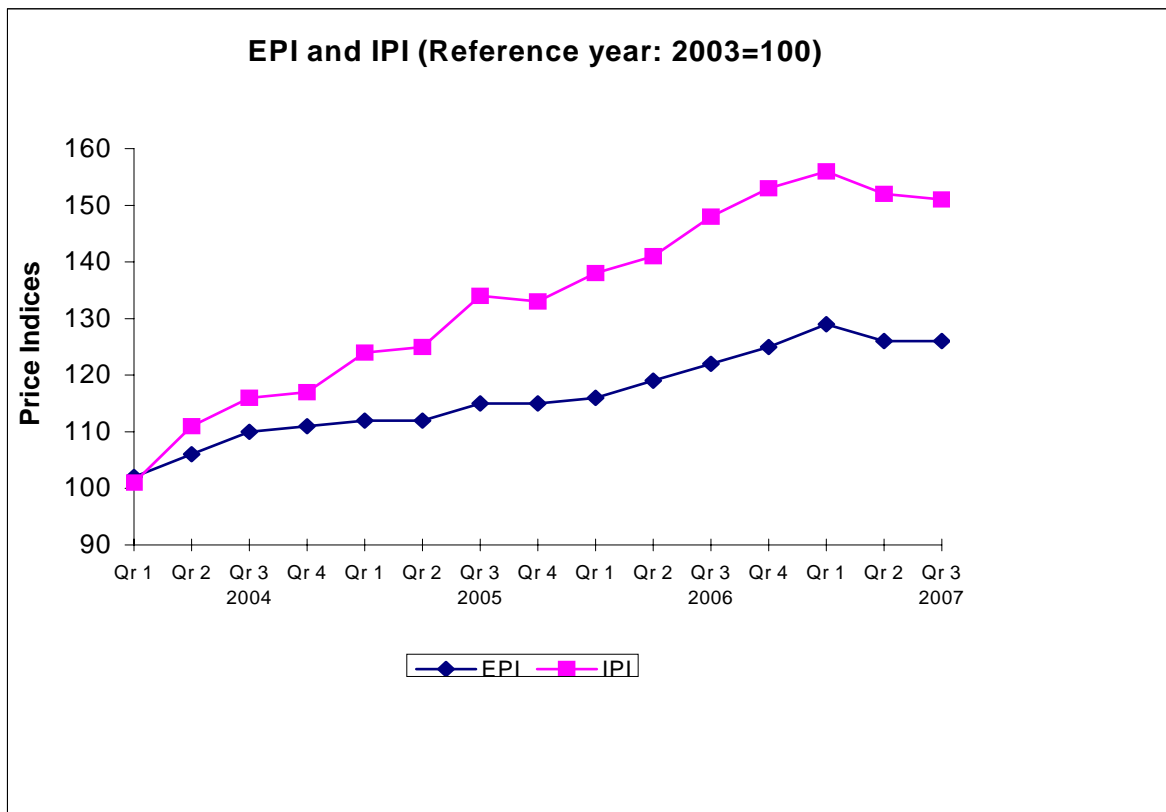
Quarterly Export and Import Price Indices
3rd Quarter 2007
(Reference year: 2003=100)

1. Introduction

The Export Price Index (EPI) provides an overall measure of pure price changes (in Mauritian rupees) of domestically produced goods exported to other countries. The Import Price Index (IPI), on the other hand, measures price changes of goods purchased from other countries (excluding Freeport activities). The weights used for the compilation of the indices have been derived from trade data for the year 2002 while the year 2003 is used as reference year (i.e. 2003=100). Details on the construction of the EPI and IPI are annexed.

2. Terms of trade (reference year: 2003 = 100)

The Terms of trade is the ratio of export price index to import price index. A rise in this ratio indicates that the terms of trade have moved in favour of Mauritius. During the third quarter of 2007, the export prices remained at the same level as the previous quarter while the import prices went down by 0.9%. The terms of trade index for the third quarter of 2007 moved up by 1 percentage point to reach 84.



3. Domestic exports (Jan-Sept 2007)

During the first nine months of 2007, domestic exports were valued at Rs 35,385 million, representing an increase of 6% in nominal terms compared to the corresponding period of 2006 (Table 2). This rise was due to an increase of 7% in prices coupled with a fall of 1% in volume.

4. Imports (Jan-Sept 2007)

Compared to the first nine months of 2006, total imports (excluding aircraft and transactions of the Freeport) went up by 18% to reach Rs 80,017 million. This can be explained by increases of 7% in prices and 10% in volume (Table 3).

5. Export Price Index (EPI) (Tables 4-7)

5.1 Structure of the EPI

The EPI covers five sections of the SITC, namely “Food and live animals”, “Crude materials, inedible, except fuels”, “Chemicals and related products”, “Manufactured goods classified chiefly by material” and “Miscellaneous manufactured articles”. Exports of goods falling under these sections covered 99% of domestic exports in reference year 2003. Distribution of weights for the different sections, groups of commodities and items are given in Table 4. In addition to the overall index, separate sub-indices are also given for different product categories.

5.2 Changes in Export Price Index (3rd quarter 2007)

5.2.1 Overall Index

During the third quarter of 2007 the EPI remained at the same level as in the second quarter, i.e 126.4. This was due to a slight decrease of 0.7% in export prices of goods falling under the section “Miscellaneous manufactured articles” which carries around 67% of the total weight offset by a rise of 1.7% in prices of “Food and live animals” representing 29% of the total weight.

Compared to price levels in the corresponding quarter of 2006, the index went up by 3.6%, with increases in export prices ranging from 3.2% to 6.8% for all SITC sections.

5.2.2 Sub-indices by section and commodity

Section 0: Food and live animals

During the third quarter of 2007, the sub-index for “Food and live animals”, moved from 128.3 to 130.5, showing an increase of 1.7%. This can be accounted for mainly by a rise of 1.3% in the export price of sugar which represents 78% of the weight of this section.

When compared to the corresponding quarter of 2006, the index for this section was higher by 3.2%, being mainly the effect of increases of 1.3% in prices of sugar and 9.3% in those of “Fish and fish preparations”.

Section 2: Crude materials, inedible, except fuels

The index for this section went up from 104.9 in the second quarter of 2007 to reach 113.4 in the third quarter, following a rise of 8.1% in the export price of fresh cut flowers.

When compared to the corresponding quarter of 2006, the index was 3.3% higher.

Section 5: Chemicals and related products

The export price index for this section stood at 137.9 during the third quarter of 2007 i.e at the previous quarter’s level. However, compared to the corresponding quarter of 2006, the index went up by 6.8%.

Section 6: Manufactured goods classified chiefly by material

During the third quarter of 2007, the export prices of goods in this section, which consists mainly of textile fabrics, declined marginally by 0.4% from 112.5 in the second quarter of 2007 to 112.1 in the third quarter. The export prices of “Textile yarn and fabrics”, the most important component of this section, fell by 1.9%.

Compared to the corresponding quarter of 2006, the index was up by 4.7% mostly as a result of a 4.2% rise in the export price of “Textile yarn and fabrics”.

Section 8: Miscellaneous manufactured articles

This is the most important section of the index as it carries about 67% of the total weight and consists mostly of articles of wearing apparel.

During the third quarter of 2007, the index for this section moved down slightly by 0.7%, from 126.2 in the second quarter to 125.3 in the third quarter of 2007 on account of a 0.7% decrease in export prices of “Articles of apparel and clothing accessories” which carries 98% of the weight for this section.

Compared to the corresponding quarter of 2006, the index rose by 3.8% as a result of price increases of 3.7% in “Articles of apparel and clothing accessories” and 10.2% in those of “Optical goods, watches and clocks”.

6. Import Price Index (IPI) (Tables 8 - 12)

6.1 Structure of the IPI

The IPI covers eight out of the 10 Standard International Trade Classification (SITC, Rev. 3) sections, namely “Food and live animals”, “Crude materials, inedible, except fuels”, “Mineral fuels, lubricants and related materials”, “Animal and vegetable oils, fats and waxes”, “Chemical materials and related products, n.e.s”, “Manufactured goods classified chiefly by materials”, “Machinery and transport equipment” and “Miscellaneous manufactured articles”.

The two SITC sections not covered are “Beverages and tobacco” and “Commodities and transactions not classified elsewhere”. Goods in these sections represented only one per cent of all imports in 2002. They are not included because of the heterogeneity of the products and the inherent difficulties in pricing the items to a constant quality.

Thus, the index, either directly or indirectly, covers about 99% of merchandise imported during 2002. Sixty one per cent of the items are directly represented; of those items which are not directly represented, the prices are considered to move similarly to those represented directly.

6.2 Changes in Import Price Index – 3rd quarter 2007

6.2.1 Overall Index

The Import Price Index (IPI) for the third quarter of 2007 went down by 0.9% to reach 150.5 from 151.8 in the previous quarter. Price increases of 2.6% and 7.8% were registered in the two sections “Food and live animals” and “Animal and vegetable oils, fats and waxes” respectively. Decreases ranging from 0.5% to 4.0% were noted in the prices of all the other SITC sections. The most important decreases were noted in: “Manufactured goods classified chiefly by material” (-0.5%), “Mineral fuels, lubricants and related materials” (-4.0%) and “Machinery and transport equipment” (-0.6%).

Compared to the corresponding period of 2006, the index moved up by 1.5%, mainly as a result of increases of 10.1% in prices of “Food and live animals” and 4.0% in those of “Machinery and transport equipment”.

6.2.2 Sub-indices by SITC section and division

Section 0: Food and live animals

The index for the section “Food and live animals”, representing about 16% of total weight, went up by 2.6%, from 163.6 in the second quarter of 2007 to 167.8 in the third quarter. During the same period, the most significant price increases were registered in the division “Cereal and cereal preparations” (+2.6%), “Fish and fish preparations” (+2.9%) and “Vegetable and fruit” (+6.2%).

Compared to the third quarter of 2006, the index went up by 10.1%, with the most important increases in prices of “Cereal and cereal preparation” (+7.4%) and “Dairy products and birds’ eggs” (+20.2%).

Section 2: Crude materials, inedible, except fuels

The index for “Crude materials, inedible, except fuels” (about 2% of total weight) fell by 1.2% from 158.3 in the second quarter of 2007 to 156.4 in the third quarter, as a result of decreases in import prices of “Textile fibres and their wastes” (-2.0%) and “Cork and wood” (-0.3%).

Compared to the corresponding period of last year, the index went up by 4.6%, as a result of an increase of 11.1% in prices of “Textile fibres and their wastes” offset by a decrease of 1.1% in those of “Cork and wood”.

Section 3: Mineral fuels, lubricants and related materials

The index for the section “Mineral fuels, lubricants and related materials” with nearly 18% of the total weight, went down by 4.0% during the third quarter of 2007 to reach 208.5 mostly explained by a decrease of 4.7% in the price of petroleum and petroleum products.

When compared to the third quarter of 2006, the index went down by 6.1%, mostly due to a decrease of 7.5% in the price of petroleum and petroleum products.

Section 4: Animal and vegetable oils, fats and waxes

During the third quarter of 2007, the section “Animal and vegetable oils, fats and waxes” which covers about one per cent of the total weight stood at 171.3 showing an increase of 7.8% over the previous quarter.

When compared to the corresponding quarter of 2006, the index showed a rise of 48.8%.

Section 5: Chemical materials and related products, not elsewhere specified (n.e.s)

The index “Chemical materials and related products, n.e.s” (about 5% of total weight) went down by 1.2% in the third quarter of 2007 to reach 128.8. During this quarter, decreases in import prices were registered in the divisions “Medical and pharmaceutical products” (-0.1%) and “Essential oils and perfume materials, etc.” (-4.3%).

The index went up by 3.3% compared to the corresponding period of last year.

Section 6: Manufactured goods classified chiefly by material

This is the most important section, carrying about 38% of the total weight. In the third quarter of 2007 the index stood at 129.6, showing a slight decrease of 0.5% over the previous quarter. This can be explained mostly by a decrease of 1.3% in

import prices of “Textile yarn, fabrics, made-up-articles n.e.s”, accounting for 69% of the weight of this section

When compared to the corresponding quarter of 2006, the index for this section fell marginally by 0.6% being mainly the effect of a decrease of 2.1% in the price of “Textile yarn, fabrics, made-up articles n.e.s”.

Section 7: Machinery and transport equipment

The index of “Machinery and transport equipment” with 11% of total weight attained 123.3 in the third quarter of 2007, going down by 0.6% compared to the previous quarter. Import prices of the divisions “Road vehicles”, “Telecommunications and sound recording and reproducing apparatus” and “General industrial machinery and equipment” went down by 1.4%, 0.1% and 2.5% respectively. On the other hand, the import price of “Office machines and automatic data processing machines” went up by 2.4%.

Compared to the corresponding quarter of 2006, the index went up by 4.0%. This rise was attributable to price increases in three divisions namely: “Telecommunications and sound recording and reproducing apparatus” (+7.6%), “Office machines and automatic data processing machines” (+15.2%), and “General industrial machinery and equipment” (+1.2 %).

Section 8: Miscellaneous manufactured articles

The index for “Miscellaneous manufactured articles” went down by 0.7% from 134.0 in the second quarter of 2007 to reach 133.0 in the third quarter. The import prices of goods classified in the division “Miscellaneous manufactured articles, n.e.s” which accounts for 80% of the weights in this section registered a slight increase of 0.5% while those of “Professional, scientific instruments” went down by 4.9%.

When compared to the corresponding quarter of last year, the index rose by 8.7% following increases of 3.9% in prices of “Miscellaneous manufactured articles, n.e.s” and 29.4% in import prices of “Professional, scientific instruments”.

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PORT LOUIS

20 December 2007

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Table 1- Price indices of exports and imports and terms of trade, 2005 - 3rd Qr 2007

Period		Price indices		Terms of trade
		Export	Import	
Reference year : 2003 = 1 0 0				
2005		113.4	128.8	88
2006		120.7	145.1	83
2006	1st Qr	116.4	137.8	84
	2nd Qr	119.3	141.1	85
	3rd Qr	122.0	148.3	82
	4th Qr ¹	125.0	153.3	82
2007	1st Qr ²	129.1	156.2	83
	2nd Qr	126.4	151.8	83
	3rd Qr	126.4	150.5	84

¹ Revised ² Provisional

Table 2-Percentage change in the price and volume of domestic exports, Jan - Sept 2006 to Jan - Sept 2007

SITC ¹ -section	Description	Weight	F.O.B Value (Rs Mn)		% change		
			Jan-Sept 2006 ²	Jan-Sept 2007 ³	Value	Price	Volume ⁴
	Overall	10,000	33,264	35,385	+6	+7	-1
0	Food and live animals	2,942	12,112	10,587	-13	+5	-17
	<i>of which:</i>						
	<i>Sugar</i>	2,296	7,242	5,178	-29	+3	-31
2	Crude materials, inedible except fuels	31	344	357	+4	+9	-5
5	Chemicals & related products, n.e.s	21	242	331	+37	+8	+27
6	Manufactured goods classified chiefly by material	293	2,758	3,119	+13	+7	+6
8	Miscellaneous manufactured articles	6,713	17,627	20,751	+18	+8	+9

¹ The Standard International Trade Classification Revision 3 (SITC Rev 3)

² Revised ³ Provisional ⁴ Volume change has been derived as the ratio of value to price change

Table 3 -Percentage change in the price and volume of imports¹, Jan - Sept 2006 - Jan - Sept 2007

SITC ² -section	Description	Weight	C.I.F Value (Rs Mn)		% change		
			Jan-Sept 2006 ³	Jan-Sept 2007 ⁴	Value	Price	Volume ⁵
	Overall	10,000	67,906	80,017	+18	+7	+10
0	Food and live animals	1,621	10,093	12,247	+21	+14	+6
2	Crude materials, inedible except fuels	221	2,023	2,375	+17	+10	+6
3	Mineral fuels, lubricants & related materials	1,789	14,462	16,647	+15	+3	+12
4	Animals and vegetables oils & fats	113	485	798	+65	+45	+13
5	Chemicals & related products, n.e.s	467	5,507	6,192	+12	+9	+3
6	Manufactured goods classified chiefly by material	3,776	14,719	17,782	+21	+5	+15
7	Machinery & transport equipment (excluding aircraft)	1,134	14,654	16,817	+15	+9	+6
8	Miscellaneous manufactured articles	879	5,147	6,065	+18	+12	+5

¹ Imports values exclude transactions of the freeport and aircraft

² The Standard International Trade Classification Revision 3 (SITC Rev 3)

³ Revised ⁴ Provisional ⁵ Volume change has been derived as the ratio of value to price change

Table 4 - Quarterly Export Price Index by SITC¹, 2005 - 3rd Qr 2007

Reference year 2003=100

SITC ¹ Section	Description	Weight	2005	2006					2007		
			Average	1st Qr	2nd Qr	3rd Qr	4th Qr	Average	1st Qr	2nd Qr ²	3rd Qr ³
	Overall	10,000	113.4	116.4	119.3	122.0	125.0	120.7	129.1	126.4	126.4
0	Food and live animals	2,942	114.6	119.8	121.3	126.4	127.6	123.8	127.9	128.3	130.5
	Fish and fish preparations	521	109.4	111.9	119.1	128.5	134.4	123.5	131.3	132.6	140.4
	Cereals and cereal preparations	55	131.4	114.8	124.5	133.2	140.0	128.1	177.7	178.7	182.2
	Sugar	2,296	115.3	121.4	121.4	125.3	125.3	123.4	125.3	125.3	126.9
	Molasses	15	185.1	213.1	213.1	259.0	259.0	236.1	259.0	259.0	163.4
	Feeding stuff for animals	55	102.7	108.1	108.4	110.5	113.1	110.0	119.2	124.4	123.8
2	Crude materials, inedible, except fuels	31	94.3	92.6	97.1	109.8	110.4	102.5	107.4	104.9	113.4
	Crude animal and vegetable materials	31	94.3	92.6	97.1	109.8	110.4	102.5	107.4	104.9	113.4
5	Chemicals and related products, n.e.s	21	132.4	129.1	129.1	129.1	129.1	129.1	140.7	137.9	137.9
	Fertilisers	21	132.4	129.1	129.1	129.1	129.1	129.1	140.7	137.9	137.9
6	Manufactured goods classified chiefly by material	293	101.6	105.0	106.2	107.1	108.3	106.7	115.0	112.5	112.1
	Paper, paperboard and articles of paper pulp, of paper or of paperboard	24	96.1	102.9	105.9	110.4	113.1	108.1	114.7	112.4	127.7
	Textile yarn, fabrics, made-up articles, n.e.s & related products	226	100.8	104.6	104.8	104.7	105.1	104.8	113.5	111.2	109.1
	Non-metallic mineral manufactures	43	108.7	108.4	113.4	118.2	122.6	115.7	123.4	119.4	119.5

¹ The Standard International Trade Classification Revision 3 (SITC Rev 3)

² Revised

³ Provisional

Table 4 (cont'd) - Quarterly Export Price Index by SITC¹, 2005 - 3rd Qr 2007

Reference year 2003=100

SITC ¹ Section	Description	Weight	2005	2006					2007		
			Average	1st Qr	2nd Qr	3rd Qr	4th Qr	Average	1st Qr	2nd Qr ²	3rd Qr ³
8	Miscellaneous manufactured articles	6,713	113.4	115.5	119.1	120.7	124.7	120.0	130.3	126.2	125.3
	Articles of apparel and clothing accessories	6,589	113.0	114.7	118.2	119.7	123.7	119.1	129.4	125.0	124.1
	<i>Men's or boys' coats, jackets, suits, blazers, trousers, shorts, shirts etc, not knitted or crocheted</i>	1,772	113.2	113.1	118.6	114.2	120.4	116.6	123.7	117.3	118.6
	<i>Women's or girls' coats, jackets, suits, blazers, trousers, shorts, shirts etc, not knitted or crocheted</i>	1,125	105.9	109.5	110.0	110.0	110.1	109.9	118.9	115.5	113.4
	<i>Men's or boys' coats, jackets, suits, blazers, trousers, shorts, shirts etc, knitted or crocheted</i>	286	122.1	124.4	127.0	130.6	131.9	128.5	136.0	132.2	130.9
	<i>Women's or girls' coats, jackets, suits, blazers, trousers, shorts, shirts etc, knitted or crocheted</i>	172	106.4	110.0	110.9	112.0	113.3	111.6	120.7	117.4	115.6
	<i>Articles of apparel, of textile fabrics, whether or not knitted or crocheted</i>	3,209	114.9	116.8	120.5	125.6	130.2	123.3	136.0	132.3	130.7
	<i>Clothing accessories, of textile fabrics, whether or not knitted or crocheted</i>	25	114.1	114.5	120.2	120.2	120.2	118.8	131.0	128.4	128.4
	Optical goods,n.e.s, watches and clocks	124	132.9	159.7	166.1	171.8	176.9	168.6	182.7	190.1	189.4
	Optical goods	38	107.7	109.5	111.1	118.3	124.5	115.9	126.9	124.8	122.4
	Watches and clocks	86	144.0	181.9	190.3	195.4	200.1	191.9	207.4	218.9	219.0

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¹ The Standard International Trade Classification Revision 3 (SITC Rev 3)

² Revised

³ Provisional

Table 5 - Export Price Index: Percentage change by SITC¹, 1st Qr 2006 - 3rd Qr 2007

Reference year 2003=100

SITC ¹ Section	Description	Weight	Percentage change from								
			1st Qr 06 to 2nd Qr 06	2nd Qr 06 to 3rd Qr 06	3rd Qr 06 to 4th Qr 06	4th Qr 06 to 1st Qr 07	1st Qr 07 to 2nd Qr 07	2nd Qr 07 to 3rd Qr 07	1st Qr 06 to 1st Qr 07	2nd Qr 06 to 2nd Qr 07	3rd Qr 06 to 3rd Qr 07
	Overall	10,000	2.5	2.3	2.5	3.3	-2.1	0.0	10.9	6.0	3.6
0	Food and live animals	2,942	1.3	4.2	0.9	0.2	0.3	1.7	6.8	5.8	3.2
	Fish and fish preparations	521	6.4	7.9	4.6	-2.3	1.0	5.9	17.3	11.3	9.3
	Cereals and cereal preparations	55	8.4	7.0	5.1	26.9	0.6	2.0	54.8	43.5	36.8
	Sugar	2,296	0.0	3.2	0.0	0.0	0.0	1.3	3.2	3.2	1.3
	Molasses	15	0.0	21.5	0.0	0.0	0.0	-36.9	21.5	21.5	-36.9
	Feeding stuff for animals	55	0.3	1.9	2.4	5.4	4.4	-0.5	10.3	14.8	12.0
2	Crude materials, inedible, except fuels	31	4.9	13.1	0.5	-2.7	-2.3	8.1	16.0	8.0	3.3
	Crude animal and vegetable materials	31	4.9	13.1	0.5	-2.7	-2.3	8.1	16.0	8.0	3.3
5	Chemicals and related products, n.e.s	21	0.0	0.0	0.0	9.0	-2.0	0.0	9.0	6.8	6.8
	Fertilisers	21	0.0	0.0	0.0	9.0	-2.0	0.0	9.0	6.8	6.8
6	Manufactured goods classified chiefly by material	293	1.1	0.8	1.1	6.2	-2.2	-0.4	9.5	5.9	4.7
	Paper, paperboard and articles of paper pulp, of paper or of paperboard	24	2.9	4.2	2.4	1.4	-2.0	13.6	11.5	6.1	15.7
	Textile yarn, fabrics, made-up articles, n.e.s & related products	226	0.2	-0.1	0.4	8.0	-2.0	-1.9	8.5	6.1	4.2
	Non-metallic mineral manufactures	43	4.6	4.2	3.7	0.7	-3.2	0.1	13.8	5.3	1.1

¹ The Standard International Trade Classification Revision 3 (SITC Rev 3)

Table 5 (cont'd) - Export Price Index: Percentage change by SITC¹, 1st Qr 2006 - 3rd Qr 2007

SITC ¹ Section	Description	Weight	Percentage change from								
			1st Qr 06	2nd Qr 06	3rd Qr 06	4th Qr 06	1st Qr 07	2nd Qr 07	1st Qr 06	2nd Qr 06	3rd Qr 06
			to 2nd Qr 06	to 3rd Qr 06	to 4th Qr 06	to 1st Qr 07	to 2nd Qr 07	to 3rd Qr 07	to 1st Qr 07	to 2nd Qr 07	to 3rd Qr 07
8	Miscellaneous manufactured articles	6,713	3.1	1.3	3.3	4.5	-3.1	-0.7	12.8	6.0	3.8
	Articles of apparel and clothing accessories	6,589	3.1	1.3	3.3	4.6	-3.4	-0.7	12.8	5.8	3.7
	<i>Men's or boys' coats, jackets, suits, blazers, trousers, shorts, shirts etc, not knitted or crocheted</i>	1,772	4.9	-3.7	5.4	2.7	-5.2	1.1	9.4	-1.1	3.9
	<i>Women's or girls' coats, jackets, suits, blazers, trousers, shorts, shirts etc, not knitted or crocheted</i>	1,125	0.5	0.0	0.1	8.0	-2.9	-1.8	8.6	5.0	3.1
	<i>Men's or boys' coats, jackets, suits, blazers, trousers, shorts, shirts etc, knitted or crocheted</i>	286	2.1	2.8	1.0	3.1	-2.8	-1.0	9.3	4.1	0.2
	<i>Women's or girls' coats, jackets, suits, blazers, trousers, shorts, shirts etc, knitted or crocheted</i>	172	0.8	1.0	1.2	6.5	-2.7	-1.5	9.7	5.9	3.2
	<i>Articles of apparel, of textile fabrics, whether or not knitted or crocheted</i>	3,209	3.2	4.2	3.7	4.5	-2.7	-1.2	16.4	9.8	4.1
	<i>Clothing accessories, of textile fabrics, whether or not knitted or crocheted</i>	25	5.0	0.0	0.0	9.0	-2.0	0.0	14.4	6.8	6.8
	Optical goods,n.e.s, watches and clocks	124	4.0	3.4	3.0	3.3	4.1	-0.4	14.4	14.4	10.2
	<i>Optical goods</i>	38	1.5	6.5	5.2	1.9	-1.7	-1.9	15.9	12.3	3.5
	<i>Watches and clocks</i>	86	4.6	2.7	2.4	3.6	5.5	0.0	14.0	15.0	12.1

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¹ The Standard International Trade Classification Revision 3 (SITC Rev 3)

Table 6 - Quarterly Export Price Index by SITC¹, Year 2003

SITC ¹ Section	Description	Weight	2003 Average	2003			
				1st Qr	2nd Qr	3rd Qr	4th Qr
	Overall	10,000	100.0	98.1	98.5	101.9	101.5
0	Food and live animals	2,942	100.0	98.1	97.8	102.4	101.7
2	Crude materials, inedible, except fuels	31	100.0	95.6	98.8	102.8	102.8
5	Chemicals and related products, n.e.s	21	100.0	94.2	98.7	103.0	104.1
6	Manufactured goods classified chiefly by material	293	100.0	99.4	99.2	101.9	99.6
8	Miscellaneous manufactured articles	6,713	100.0	98.1	98.7	101.6	101.6

¹ The Standard International Trade Classification Revision 3 (SITC Rev 3)

Table 7 - Quarterly Export Price Index, 1st Qr 1999 - 3rd Qr 2007

	Reference year 1997=100					Reference year 2003=100			
	1999	2000	2001	2002	2003	2004	2005	2006	2007
Qr 1	111.0	108.2	108.1	117.6	124.9	102.0	112.0	116.4	129.1 ¹
Qr 2	110.0	105.3	107.4	120.2	126.5	106.3	111.7	119.3	126.4 ¹
Qr 3	109.7	101.6	112.6	126.5	131.2	109.5	114.6	122.0 ¹	126.4 ²
Qr 4	109.7	102.4	114.8	126.8	132.2	111.3	115.2	125.0 ¹	
Year	110.1	104.4	110.7	122.8	128.7	107.3	113.4	120.7 ¹	

Table 8 - Quarterly Import Price Index by SITC¹ section, 2005 - 3rd Qr 2007

Reference year 2003=100

Section	Description	Weight	2005	2006				2007			
			Average	1st Qr	2nd Qr	3rd Qr	4th Qr	Average	1st Qr	2nd Qr ²	3rd Qr ³
	Overall Index	10,000	128.8	137.8	141.1	148.3	153.3	145.1	156.2	151.8	150.5
0	Food and live animals	1,621	124.6	135.2	142.1	152.4	157.1	146.7	160.3	163.6	167.8
2	Crude materials, inedible, except fuels	221	131.1	140.3	144.4	149.5	152.9	146.8	161.0	158.3	156.4
3	Mineral fuels, lubricants and related materials	1,789	181.3	201.3	210.2	222.0	223.3	214.2	224.1	217.3	208.5
4	Animal and vegetable oils, fats and waxes	113	111.3	115.4	109.1	115.1	135.9	118.9	163.8	158.9	171.3
5	Chemical materials & related products, n.e.s	467	113.2	115.8	120.4	124.7	130.1	122.8	133.9	130.3	128.8
6	Manufactured goods classified chiefly by material	3,776	117.9	124.4	124.2	130.4	134.7	128.4	137.4	130.2	129.6
7	Machinery and transport equipment	1,134	108.8	110.9	114.7	118.6	124.0	117.1	127.2	124.0	123.3
8	Miscellaneous manufactured articles	879	112.9	119.6	119.3	122.4	136.3	124.4	138.4	134.0	133.0

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¹ The Standard International Trade Classification Revision 3 (SITC Rev. 3)

² Revised

³ Provisional

Table 9 - Quarterly Import Price Index by SITC¹ section & division, 2005 - 3rd Qr 2007

Reference year 2003=100

Section/ Division	Description	Weight	2005	2006					2007		
			Average	1st Qr	2nd Qr	3rd Qr	4th Qr	Average	1st Qr	2nd Qr ²	3rd Qr ³
	Overall Index	10,000	128.8	137.8	141.1	148.3	153.3	145.1	156.2	151.8	150.5
Section 0	Food and live animals	1,621	124.6	135.2	142.1	152.4	157.1	146.7	160.3	163.6	167.8
Div 01	Meat and meat preparations	101	121.2	123.9	127.4	139.4	146.8	134.4	143.5	145.0	144.0
Div 02	Dairy products and birds' eggs	266	125.7	128.5	129.3	130.0	133.8	130.4	140.2	153.8	156.3
Div 03	Fish, crustaceans, etc, and preparations thereof	388	134.9	168.9	194.2	228.8	229.5	205.4	223.7	235.8	242.6
Div 04	Cereals and cereal preparations	472	120.1	123.6	123.2	125.7	130.6	125.8	134.6	131.6	135.0
	<i>of which:</i>										
	<i>Wheat (including spelt) & meslin, unmilled</i>	<i>196</i>	<i>113.1</i>	<i>116.9</i>	<i>114.3</i>	<i>118.7</i>	<i>125.2</i>	<i>118.8</i>	<i>125.7</i>	<i>123.2</i>	<i>123.2</i>
Div 05	Vegetables and fruit	227	122.6	126.7	127.3	125.9	134.5	128.6	149.1	142.7	151.5
Div 09	Miscellaneous edible products and preparations	167	116.6	119.2	123.7	129.9	137.5	127.6	142.3	142.2	141.7
Section 2	Crude materials, inedible, except fuels	221	131.1	140.3	144.4	149.5	152.9	146.8	161.0	158.3	156.4
Div 24	Cork and wood	102	139.7	148.8	157.7	151.8	157.3	153.9	169.7	169.1	168.6
Div 26	Textile fibres and their wastes (not manufactured into yarn or fabric)	119	123.8	133.0	133.0	147.6	149.1	140.7	153.6	149.0	146.0
Section 3	Mineral fuels, lubricants and related materials	1,789	181.3	201.3	210.2	222.0	223.3	214.2	224.1	217.3	208.5
Div 32	Coal, coke and briquettes	94	193.8	173.9	172.8	180.2	203.8	182.7	225.5	217.9	229.4
Div 33	Petroleum, petroleum products and related materials	1,554	183.9	203.6	216.9	228.5	228.5	219.4	228.7	221.8	211.3
Div 34	Gas, natural and manufactured	141	143.9	193.1	160.5	178.8	178.8	177.8	173.0	167.8	164.4
Section 4	Animal and vegetable oils, fats and waxes	113	111.3	115.4	109.1	115.1	135.9	118.9	163.8	158.9	171.3
Div 42	Fixed vegetable fats and oils, crude, refined or fractionated	113	111.3	115.4	109.1	115.1	135.9	118.9	163.8	158.9	171.3

¹ The Standard International Trade Classification Revision 3 (SITC Rev. 3)

² Revised

³ Provisional

Table 9 (cont'd) - Quarterly Import Price Index by SITC¹ section & division, 2005 - 3rd Qr 2007

Reference year 2003=100

Section/ Division	Description	Weight	2005	2006					2007		
			Average	1st Qr	2nd Qr	3rd Qr	4th Qr	Average	1st Qr	2nd Qr ²	3rd Qr ³
Section 5	Chemical materials & related products, n.e.s	467	113.2	115.8	120.4	124.7	130.1	122.8	133.9	130.3	128.8
Div 54	Medical and pharmaceutical products	252	108.8	110.7	114.5	119.3	123.9	117.1	125.6	120.4	120.3
Div 55	Essential oils and resinoids & perfume materials; toilet, etc.	103	114.7	117.1	124.4	126.0	132.1	124.9	140.7	140.6	134.5
Div 59	Chemical materials & products, n.e.s	112	121.7	126.0	130.0	135.8	142.1	133.5	146.1	142.9	142.9
Section 6	Manufactured goods classified chiefly by material	3,776	117.9	124.4	124.2	130.4	134.7	128.4	137.4	130.2	129.6
Div 64	Paper, paperboard and articles of paper pulp <i>of which:</i> <i>Paper and paperboard</i>	305 226	116.0 117.7	125.4 127.6	119.5 129.1	131.7 129.2	144.4 140.7	130.3 131.7	144.2 140.6	130.2 136.8	143.0 139.8
Div 65	Textile yarn, fabrics, made-up articles, n.e.s <i>of which:</i> <i>Textile yarn</i> <i>Cotton fabrics, woven (not including narrow or special fabrics)</i> <i>Fabrics, woven, of man-made textile materials</i> <i>Knitted/crocheted fabric including tubular knit, fabrics, n.e.s</i>	2,590 1,141 755 235 217	110.1 111.3 107.3 109.5 117.0	115.4 115.6 110.1 128.9 121.6	115.6 114.4 109.7 119.4 121.6	121.2 120.2 115.1 123.6 125.3	124.9 124.0 118.5 126.9 130.3	119.3 118.6 113.4 124.7 124.7	125.4 127.1 116.6 128.9 131.6	120.3 120.9 110.9 127.4 127.7	118.7 119.8 108.7 126.2 125.1
Div 66	Non-metallic mineral manufactures, n.e.s. <i>of which:</i> <i>Lime, cement & fab. const. materials (except glass & clay mats.)</i> <i>Pearls, precious and semi-precious stones, unworked or worked</i>	652 236 292	139.9 154.2 137.1	150.5 160.8 153.5	151.4 159.5 153.9	155.0 166.5 155.3	157.6 171.8 157.6	153.6 164.7 155.1	160.7 179.8 154.4	157.2 177.7 149.6	154.4 174.7 145.1
Div 67	Iron and steel	76	184.2	190.1	201.2	215.3	224.0	207.7	230.7	223.7	219.3
Div 69	Manufactures of metals, n.e.s.	153	125.4	131.7	123.5	135.7	137.5	132.1	180.7	136.6	136.5

¹ The Standard International Trade Classification Revision 3 (SITC Rev. 3)

² Revised

³ Provisional

Table 9 (cont'd) - Quarterly Import Price Index by SITC¹ section & division, 2005 - 3rd Qr 2007

Reference year 2003=100

Section/ Division	Description	Weight	2005	2006					2007		
			Average	1st Qr	2nd Qr	3rd Qr	4th Qr	Average	1st Qr	2nd Qr ²	3rd Qr ³
Section 7	Machinery and transport equipment	1,134	108.8	110.9	114.7	118.6	124.0	117.1	127.2	124.0	123.3
Div 74	General industrial machinery & equipment, n.e.s.	157	108.6	113.2	115.6	120.1	125.2	118.5	131.6	124.7	121.6
Div 75	Office machines and automatic data processing machines	194	109.0	114.1	116.4	120.9	126.1	119.4	135.5	136.1	139.3
Div 76	Telecommunications and sound recording and reproducing apparatus	216	104.8	107.0	110.7	116.1	122.6	114.1	127.8	125.0	124.9
Div 78	Road vehicles (including air-cushion vehicles)	567	110.2	110.7	115.4	118.4	123.4	117.0	123.0	119.3	117.6
	<i>of which:</i>										
	<i>Motor cars & other motor vehicles for the transport of persons</i>	378	113.2	116.6	120.4	124.0	129.3	122.6	128.7	125.3	116.9
Section 8	Miscellaneous manufactured articles	879	112.9	119.6	119.3	122.4	136.3	124.4	138.4	134.0	133.0
Div 87	Professional, scientific and controlling inst. and app.	179	101.7	103.7	105.6	112.5	156.2	119.5	156.9	153.1	145.6
Div 89	Miscellaneous manufactured articles, n.e.s.	700	115.8	123.6	122.8	124.9	131.2	125.6	121.6	129.1	129.8
	<i>of which:</i>										
	<i>Articles, n.e.s. of plastics</i>	195	139.0	145.9	137.0	134.6	142.3	140.0	147.6	143.3	143.3
	<i>Jewellery, goldsmiths' & silversmiths' wares of precious/semi-precious, n.e.s.</i>	233	106.2	118.3	119.8	122.8	128.4	122.3	128.9	123.2	125.7

¹ The Standard International Trade Classification Revision 3 (SITC Rev. 3)

² Revised

³ Provisional

Table 10 - Import Price Index : Percentage change by SITC¹ section, 1st quarter 2006 - 3rd quarter 2007

Reference year 2003=100

Section	Description	Weight	Percentage change from								
			1st Qr 06 to 2nd Qr 06	2nd Qr 06 to 3rd Qr 06	3rd Qr 06 to 4th Qr 06	4th Qr 06 to 1st Qr 07	1st Qr 07 to 2nd Qr 07	2nd Qr 07 to 3rd Qr 07	1st Qr 06 to 1st Qr 07	2nd Qr 06 to 2nd Qr 07	3rd Qr 06 to 3rd Qr 07
	Overall Index	10,000	2.4	5.1	3.4	1.9	-2.8	-0.9	13.4	7.6	1.5
0	Food and live animals	1,621	5.1	7.2	3.1	2.0	2.1	2.6	18.6	15.1	10.1
2	Crude materials, inedible, except fuels	221	2.9	3.5	2.3	5.3	-1.7	-1.2	14.8	9.6	4.6
3	Mineral fuels, lubricants and related materials	1,789	4.4	5.6	0.6	0.4	-3.0	-4.0	11.3	3.4	-6.1
4	Animal and vegetable oils, fats and waxes	113	-5.5	5.5	18.1	20.5	-3.0	7.8	41.9	45.6	48.8
5	Chemical materials & related products, n.e.s	467	4.0	3.6	4.3	2.9	-2.7	-1.2	15.6	8.2	3.3
6	Manufactured goods classified chiefly by material	3,776	-0.2	5.0	3.3	2.0	-5.2	-0.5	10.5	4.8	-0.6
7	Machinery and transport equipment	1,134	3.4	3.4	4.6	2.6	-2.5	-0.6	14.7	8.1	4.0
8	Miscellaneous manufactured articles	879	-0.3	2.6	11.4	1.5	-3.2	-0.7	15.7	12.3	8.7

¹ The Standard International Trade Classification Revision 3 (SITC Rev. 3)

Table 11 - Import Price Index: Percentage change by SITC¹ section & division, 1st quarter 2006 -3rd quarter 2007

Reference year 2003=100

Section/ Division	Description	Weight	Percentage change from								
			1 st Qr 06 to 2 nd Qr 06	2 nd Qr 06 to 3 rd Qr 06	3 rd Qr 06 to 4 th Qr 06	4 th Qr 06 to 1 st Qr 07	1 st Qr 07 to 2 nd Qr 07	2 nd Qr 07 to 3 rd Qr 07	1 st Qr 06 to 1 st Qr 07	2 nd Qr 06 to 2 nd Qr 07	3 rd Qr 06 to 3 rd Qr 07
	Overall Index	10,000	2.4	5.1	3.4	1.9	-2.8	-0.9	13.4	7.6	1.5
Section 0	Food and live animals	1,621	5.1	7.2	3.1	2.0	2.1	2.6	18.6	15.1	10.1
Div 01	Meat and meat preparations	101	2.8	9.4	5.3	-2.2	1.0	-0.7	15.8	13.8	3.3
Div 02	Dairy products and birds' eggs	266	0.6	0.5	2.9	4.8	9.7	1.6	9.1	18.9	20.2
Div 03	Fish, crustaceans, etc and preparations thereof	388	15.0	17.8	0.3	-2.5	5.4	2.9	32.4	21.4	6.0
Div 04	Cereals and cereal preparations	472	-0.3	2.0	3.9	3.1	-2.2	2.6	8.9	6.8	7.4
	<i>of which:</i>										
	<i>Wheat (including spelt) & meslin, unmilled</i>	<i>196</i>	<i>-2.2</i>	<i>3.8</i>	<i>5.5</i>	<i>0.4</i>	<i>-2.0</i>	<i>0.0</i>	7.5	7.8	3.8
Div 05	Vegetables and fruit	227	0.5	-1.1	6.8	10.9	-4.3	6.2	17.7	12.1	20.3
Div 09	Miscellaneous edible products and preparations	167	3.8	5.0	5.9	3.5	-0.1	-0.4	19.4	15.0	9.1
Section 2	Crude materials, inedible, except fuels	221	2.9	3.5	2.3	5.3	-1.7	-1.2	14.8	9.6	4.6
Div 24	Cork and wood	102	6.0	-3.7	3.6	7.9	-0.4	-0.3	14.0	7.2	11.1
Div 26	Textile fibres and their wastes (not manufactured into yarn or fabric)	119	0.0	11.0	1.0	3.0	-3.0	-2.0	15.5	12.0	-1.1
Section 3	Mineral fuels, lubricants and related materials	1,789	4.4	5.6	0.6	0.4	-3.0	-4.0	11.3	3.4	-6.1
Div 32	Coal, coke and briquettes	94	-0.6	4.3	13.1	10.6	-3.4	5.3	29.7	26.1	27.3
Div 33	Petroleum, petroleum products and related materials	1,554	6.5	5.3	0.0	0.1	-3.0	-4.7	12.3	2.3	-7.5
Div 34	Gas, natural and manufactured	141	-16.9	11.4	0.0	-3.2	-3.0	-2.0	-10.4	4.5	-8.1
Section 4	Animal and vegetable oils, fats and waxes	113	-5.5	5.5	18.1	20.5	-3.0	7.8	41.9	45.6	48.8
Div 42	Fixed vegetable fats and oils, crude, refined or fractionated	113	-5.5	5.5	18.1	20.5	-3.0	7.8	41.9	45.6	48.8

¹ The Standard International Trade Classification Revision 3 (SITC Rev. 3)

Table 11(cont'd) - Import Price Index: Percentage change by SITC¹ section & division, 1st quarter 2006 - 3rd quarter 2007

Reference year 2003=100

Section/ Group	Description	Weight	Percentage change from								
			1 st Qr 06 to 2 nd Qr 06	2 nd Qr 06 to 3 rd Qr 06	3 rd Qr 06 to 4 th Qr 06	4 th Qr 06 to 1 st Qr 07	1st Qr 07 to 2 nd Qr 07	2nd Qr 07 to 3 rd Qr 07	1 st Qr 06 to 1 st Qr 07	2 nd Qr 06 to 2 nd Qr 07	3 rd Qr 06 to 3 rd Qr 07
			Section 5	Chemical materials & related products, n.e.s	467	4.0	3.6	4.3	2.9	-2.7	-1.2
Div 54	Medical and pharmaceutical products	252	3.4	4.2	3.9	1.4	-4.1	-0.1	13.5	5.2	0.8
Div 55	Essential oils and resinoids & perfume materials; toilet, etc,	103	6.2	1.3	4.8	6.5	-0.1	-4.3	20.2	13.0	6.7
Div 59	Chemical materials & products, n.e.s	112	3.2	4.5	4.6	2.8	-2.2	0.0	16.0	9.9	5.2
Section 6	Manufactured goods classified chiefly by material	3,776	-0.2	5.0	3.3	2.0	-5.2	-0.5	10.5	4.8	-0.6
Div 64	Paper, paperboard and articles of paper pulp	305	-4.7	10.2	9.6	-0.1	-9.7	9.8	15.0	9.0	8.6
	<i>of which:</i>										
	<i>Paper and paperboard</i>	226	1.2	0.1	8.9	-0.1	-2.7	2.2	10.2	6.0	8.2
Div 65	Textile yarn, fabrics, made-up articles nes	2,590	0.2	4.8	3.1	0.4	-4.1	-1.3	8.7	4.1	-2.1
	<i>of which:</i>										
	<i>Textile yarn</i>	1,141	-1.0	5.1	3.2	2.5	-4.9	-0.9	9.9	5.7	-0.3
	<i>Cotton fabrics, woven (not including narrow or special fabrics)</i>	755	-0.4	4.9	3.0	-1.6	-4.9	-2.0	5.9	1.1	-5.6
	<i>Fabrics, woven, of man-made textile materials</i>	235	-7.4	3.5	2.7	1.6	-1.2	-0.9	0.0	6.7	2.1
	<i>Knitted/crocheted fabric including tubular knit, fabrics nes</i>	217	0.0	3.0	4.0	1.0	-3.0	-2.0	8.2	5.0	-0.2
Div 66	Non-metallic mineral manufactures, n.e.s.	652	0.6	2.4	1.7	2.0	-2.2	-1.8	6.8	3.8	-0.4
	<i>of which:</i>										
	<i>Lime, cement & fab. const. materials (except glass & clay mats.)</i>	236	-0.8	4.4	3.2	4.7	-1.2	-1.7	11.8	11.4	4.9
	<i>Pearls, precious and semi-precious stones, unworked or or worked</i>	292	0.3	0.9	1.5	-2.0	-3.1	-3.0	0.6	-2.8	-6.6
Div 67	Iron and steel	76	5.8	7.0	4.0	3.0	-3.0	-2.0	21.4	11.2	1.9
Div 69	Manufactures of metals, n.e.s.	153	-6.2	9.9	1.3	31.4	-24.4	-0.1	37.2	10.6	0.6

¹ The Standard International Trade Classification Revision 3 (SITC Rev 3)

Table 11(cont'd) - Import Price Index: Percentage change by SITC¹ section & division, 1st quarter 2006 - 3rd quarter 2007

Section/ Division	Description	Weight	Percentage change from								
			1 st Qr 06 to 2 nd Qr 06	2 nd Qr 06 to 3 rd Qr 06	3 rd Qr 06 to 4 th Qr 06	4 th Qr 06 to 1 st Qr 07	1st Qr 07 to 2nd Qr 07	2nd Qr 07 to 3rd Qr 07	1 st Qr 06 to 1 st Qr 07	2 nd Qr 06 to 2 nd Qr 07	3 rd Qr 06 to 3 rd Qr 07
			Section 7	Machinery and transport equipment	1,134	3.4	3.4	4.6	2.6	-2.5	-0.6
Div 74	General industrial machinery & equipment, n.e.s.	157	2.1	3.9	4.2	5.1	-5.2	-2.5	16.3	7.9	1.2
Div 75	Office machines and automatic data processing machines	194	2.0	3.9	4.3	7.5	0.4	2.4	18.8	16.9	15.2
Div 76	Telecommunications and sound recording and apparatus	216	3.5	4.9	5.6	4.2	-2.2	-0.1	19.4	12.9	7.6
Div 78	Road vehicles (including air-cushion vehicles)	567	4.2	2.6	4.2	-0.3	-3.0	-1.4	11.1	3.4	-0.7
	<i>of which:</i>										
	<i>Motor cars & other motor vehicles for the transport of persons</i>	378	3.3	3.0	4.3	-0.5	-2.6	-6.7	10.4	4.1	-5.7
Section 8	Miscellaneous manufactured articles	879	-0.3	2.6	11.4	1.5	-3.2	-0.7	15.7	12.3	8.7
Div 87	Professional, scientific and controlling inst. and app.	179	1.8	6.5	38.8	0.4	-2.4	-4.9	51.3	45.0	29.4
Div 89	Miscellaneous manufactured articles, n.e.s.	700	-0.6	1.7	5.0	-7.3	6.2	0.5	-1.6	5.1	3.9
	<i>of which:</i>										
	<i>Articles, n.e.s. of plastics</i>	195	-6.1	-1.8	5.7	3.7	-2.9	0.0	1.2	4.6	6.5
	<i>Jewellery, goldsmiths' & silversmiths' wares of precious/semi-precious, n.e.s.</i>	233	1.3	2.5	4.6	0.4	-4.4	2.0	9.0	2.8	2.4

¹ The Standard International Trade Classification Revision 3 (SITC Rev. 3)

Table 12 - Quarterly Import Price Index by SITC¹ section, Year 2003

Section	Description	Weight	Average 2003	2003			
				1st Qr	2nd Qr	3rd Qr	4th Qr
	Overall Index	10,000	100.0	100.6	97.1	101.4	100.9
0	Food and live animals	1,621	100.0	99.4	95.6	102.8	102.2
2	Crude materials, inedible, except fuels	221	100.0	91.6	92.8	101.7	113.8
3	Mineral fuels, lubricants and related materials	1,789	100.0	113.0	90.7	99.9	96.4
4	Animal and vegetable oils, fats and waxes	113	100.0	104.7	95.1	106.4	93.8
5	Chemical materials & related products, n.e.s	467	100.0	97.7	99.2	101.7	101.4
6	Manufactured goods classified chiefly by material	3,776	100.0	97.9	99.4	101.3	101.3
7	Machinery and transport equipment	1,134	100.0	97.6	100.6	102.0	99.9
8	Miscellaneous manufactured articles	879	100.0	96.4	98.7	100.2	104.7

¹ The standard International Trade Classification Revision 3 (SITC Rev. 3)

*ANNEX***Technical Note****Export Price Index (EPI)****Methodology for the Construction of the EPI****Definition**

The Export Price Index (EPI) is a measure of price change of domestically produced Mauritian products shipped to other countries, i.e it excludes re-exports. In addition to the overall index, separate sub-indices are also calculated for different product categories at more detailed level.

The first series of EPI was calculated with the year 1993 as base and reference period. The index was first revised in 1997 and subsequently revised in 2003.

Comparison with Unit Value Index

The Unit Value Export Index provides only a proxy measure for price changes of exported goods. It is derived from value and quantity data of products or groups of products obtained from trade returns and is thus highly dependent on the degree of homogeneity of the groups of products considered. On the other hand, the EPI measures pure price changes and is based on actual price measurements of relatively more homogeneous group of products. It requires elaborate specifications of products and takes into account all the main price determining factors such as country of destination, quality, mode of transport and mode of payment.

Scope and Classification

The EPI covers all domestic exports, the most important commodities being sugar and textile fabrics and articles of apparel and clothing accessories produced by the EPZ sector.

The index is based on the Nomenclature of the Standard International Trade Classification of the United Nations (SITC Rev 3). Separate sub-indices are produced for each SITC section and for more detailed groups where possible.

Selection of Items and Firms

A representative sample of 38 firms has been selected from trade declarations submitted to the Customs and Excise Department in 2002. The sample was drawn from exporting firms on the basis of regularity of their trade and their volume of exports. A total of 80 items (Entry Level Items, ELI's) which represent 36 products are priced from the selected enterprises.

Weighting Scheme

The weights are derived from the 2002 domestic exports. Weights assigned to each section and group are based on their export values in 2002. Each product or group of products selected for pricing purposes represents all products that fall within that weight group.

Base and Reference Period

The base period for the EPI is calendar year 2002 and the reference period 2003. Bench mark data for the year 2002, based on trade returns, have been used to derive weights. The selected firms have supplied prices of selected commodities for each of the 12 months in 2003. The yearly average price of each product has then been worked out and is used as base price for that product.

Price Collection

Prices are collected directly from co-operating export firms. As far as possible price quotations are reported on a free on board (F.O.B.) basis and are mostly contract prices. Each reporting firm is visited once every quarter but prices are supplied on a monthly basis and are averaged for each quarter.

Sugar and Molasses

Due to their specificity, sugar and molasses have been treated differently. Sugar and molasses produced during a crop year, which normally extends between July and June of the following year, are usually exported during that same crop year. Export prices of these commodities, sugar in particular, are mostly negotiated prices. These prices can be quite volatile between quarters depending on the destination of the shipments. Therefore, in order to eliminate these price distortions between quarters, the same average yearly price for the crop year is used for the four quarters comprising that crop year. The base price of these commodities for the year 2003 is the average price for crops years 2002/03 and 2003/04.

Calculation of the EPI

A modified Laspeyres formula based on the weighted average of price relatives is used to calculate the EPI: the mathematical form of the formula is shown below:

$$I_{ot} = \frac{\sum w_i \times \frac{P_{it}}{P_{io}} \times 100}{\sum w_i}$$

Where I_{ot} is the index for period t compared to base period 0

w_i is the weight of the i^{th} element

P_{io} is the base price of the i^{th} element

P_{it} is the price of the i^{th} element in period t

$\frac{P_{it}}{P_{io}}$ is the price relative of the i^{th} element
in period t relative to base period 0

Σ means summation over all selected elements

Uses

The primary use of the EPI is to deflate export trade statistics. It provides quarterly measures of price trends of Mauritian products sold abroad and can be used for calculating changes in the volume of exports.

It can also serve as a basis to assess the competitiveness of Mauritian products in relation to price trends of common products of other countries with which Mauritius competes for markets.

Import Price Index (IPI)

Methodology for the Construction of the IPI

1. Definition

The Import Price Index (IPI) provides an overall measure of pure price changes (in Mauritian Rupees) of goods imported into the country.

Unlike Unit Value Import Index which is affected by product mix and country of imports, the IPI is based on actual price measurements of a fixed basket of imported goods. It requires elaborate specifications of products and takes into account all the main price determining factors such as country of origin and quality.

2. Scope and Classification

The commodities are classified according to the United Nations Standard International Trade Classification (SITC Rev 3). Under this nomenclature, commodities are classified under 3,118 basic headings arranged into 261 groups. These groups are, in turn, assembled into 67 divisions designed to summarise the groups according to their broader characteristics. The divisions are finally consolidated into 10 sections.

Sub-indices are produced for each SITC section and for more detailed groups where possible.

The Import Price Index covers eight out of the 10 SITC sections, namely “Food and live animals”, “Crude materials, inedible, except fuels”, “Mineral fuels, lubricants and related materials”, “Animal and vegetable oils, fats and waxes”, “Chemical materials and related products, n.e.s”, “Manufactured goods classified chiefly by materials”, “Machinery and transport equipment” and “Miscellaneous manufactured articles”.

The two SITC sections not covered are “Beverages and tobacco” and “Commodities and transactions not classified elsewhere”. Goods in these sections represent a low one per cent of all imports in 2002. They are not included because of the heterogeneity of the products and the inherent difficulties in pricing the items to a constant quality.

Thus, the index, either directly or indirectly, covers about 99% of the value of merchandise imported during 2002. Items directly represented constitute 61% of the total value of imports, and for those items which are not directly represented, their prices are considered to move similarly to those represented directly.

3. Weighting scheme

The weights were derived from total imports in 2002. Weights assigned to each section and group are based on their import values in that year. Each product or group of products selected for pricing purposes represents all products that fall within that weight group.

4. Reference Period

The base price for the calculation of the indices refers to calendar year 2003 to be in line with the reference period used for the Export Price Index. The firms have supplied prices of selected commodities for each quarter in 2003. The yearly average price of each product has been used as base price for that product.

5. Selection of items and firms

The commodities forming the basket were selected according to the following criteria:

- (i) As far as possible, an item is included if it is imported regularly and frequently
- (ii) The items selected had to be, to a large extent, representative of the bulk of the trader's import
- (iii) There must be a sustained demand of the commodity variety
- (iv) Items had to be specific and detailed enough for pricing.

Similarly, an importer for a particular product is selected provided that he imports that product on a regular basis.

At the end of the selection process, 171 importers and 142 commodities were selected for subsequent price collection.

6. Price collection

There are two common practices for the collection of prices of items falling in the basket. Prices for the specified goods are collected each month from importers and average quarterly prices are then derived for compiling the index, or, in case where most imports occur at intervals longer than a month, prices are collected only once every quarter and refer to the last consignment. A preliminary survey of the importers has shown that, in the case of Mauritius, the second practice is more suitable.

Prices are reported on a cost, insurance and freight (c.i.f) basis and are expressed in Mauritian Rupees. Exchange rates from the Customs and Excise Department are used in case prices are reported in foreign currencies.

Though the frequency of imports has been taken into consideration in selecting items and importers, it may happen that some items in the basket have not been imported during a certain period. In such cases, the prices are estimated using the variations in the exchange rate of the currency of imports. The underlying assumption is that the only factor affecting the price is the value of the Mauritian Rupee relative to the transaction currency.

7. Uses of the Import Price Index

The Import Price Index is an important economic indicator which is used, inter alia, to:

- measure changes in prices of imports
- analyse the effect of import price changes on the various sectors of the economy
- calculate changes in the volume of imports
- calculate the terms of trade (that is the ratio of export prices to import prices)
- analyse the effect of exchange rates on import prices.

8. Calculation of the IPI

The compilation of the Import Price Index involves first the derivation of weighted averages through the four levels of the SITC, namely item, group, division and section as follows:

(a) Commodity item level

The price relative of each item forms the most basic level for the compilation of higher aggregate indices:

$$\text{Price index at commodity level: } I_{it} = \frac{\sum P_{it}}{\sum P_{io}} \times 100$$

where I_{it} is the price relative of the i^{th} commodity in period t relative to the base period

$\sum P_{it}$ is the sum of the prices of all commodity varieties imported in period t
 $\sum P_{io}$ is the sum of the prices of all commodity varieties imported in the base period

(b) Group level

The group index is derived as a weighted average of the commodity indices:

$$\text{Price index at group level: } I_{G(j)} = \frac{\sum W_i I_{it}}{\sum W_i}$$

where $I_{G(j)}$ is the index for group j
 W_i is the weight of commodity i

(c) Division level

Similarly a weighted average of the group indices yields the index at division level:

$$\text{Price Index at division level: } I_{D(k)} = \frac{\sum W_j I_{G(j)}}{\sum W_j}$$

where $I_{D(k)}$ is the index for division k
 W_j is the weight of group j

(d) Section level

The index at the division level is then derived as a weighted average of the indices of the divisions falling within that section.

$$\text{Price index at section level: } I_{s(l)} = \frac{\sum W_k I_{D(k)}}{\sum W_k}$$

where $I_{s(l)}$ is the index for section k
 W_k is the weight of group k

(e) Overall index

Finally, the overall Import Price Index is computed as a weighted average of the indices of the sections.

$$\text{Overall Import Price index: } I_{o(m)} = \frac{\sum W_m I_{s(l)}}{\sum W_m}$$

where $I_{o(m)}$ is the overall Price Index
 W_m is the weight of section m