

Quarterly Export and Import Price Indices

2nd Quarter 2016
(Base year: 2013=100)

1. Introduction

The Export Price Index (EPI) provides an overall measure of pure price changes (in Mauritian rupees) of goods exported to other countries. The Import Price Index (IPI), on the other hand, measures pure price changes (in Mauritian rupees) of goods purchased from other countries.

This issue of Economic and Social Indicators presents a series of export and import price indices for the period covering the first quarter of 2015 to the second quarter of 2016 with year 2013 as base year. The weights have been derived from exports and imports data for the base year, while the average import and export prices of representative products in 2013 have been used as base prices.

The methodology used and the weight structure are given in the technical notes at Annex.

2. Terms of trade (base year: 2013 = 100)

The terms of trade index 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 second quarter of 2016, export prices decreased by 0.8% and import prices increased by 7.2%, when compared to the previous quarter. Consequently, the terms of trade index decreased by 9.5 points to reach 117.2 from 126.7 in the first quarter of 2016. Compared to the corresponding quarter of 2015, the terms of trade rose by 7.7 points.

Price indices	2015					2016	
	1st Qr	2nd Qr	3rd Qr	4th Qr	Year	1st Qr	2nd Qr
Export	92.9	97.2	97.7	99.6	96.9	98.1	97.3
Import	86.9	88.8	86.3	81.6	85.9	77.4	83.0
Terms of trade	106.9	109.5	113.2	122.1	112.8	126.7	117.2

3. Export Price Index (EPI) – (Tables 1 - 4)

3.1 Structure of the EPI

The EPI covers four of the 10 sections of the Standard International Trade Classification (SITC Rev. 4), namely “Food and live animals”, “Chemicals and related products”, “Manufactured goods classified chiefly by material” and “Miscellaneous manufactured articles”. Exports of goods falling under these sections covered 91.0% of total exports in the base year. Sub indices are also available at division and section level of the SITC (Table 1).

3.2 Changes in quarterly EPI (2nd quarter 2016)

3.2.1 Overall Index

The average quarterly EPI decreased from 98.1 for the first quarter of 2016 to 97.3 for the second quarter of 2016, representing a decrease of 0.8%. That was mostly due to a decrease in the prices of “Miscellaneous manufactured articles” (-2.1%), partly offset by a small increase in the prices of “Food and live animals” (+0.7%).

Compared to price levels in the corresponding quarter of 2015, the index rose by 0.1%, mainly explained by an increase in the prices of “Manufactured goods classified chiefly by material” (+13.5%), partly offset by a decrease in the prices of “Food and live animals” (-2.4%).

3.2.2 Section 0: Food and live animals

“Food and live animals” which carries 49.1% of the total weight, is the most important section covered by the export price index. It consists mostly of “Fish and fish preparations” (50.0%) and “Sugar, sugar preparations and honey” (41.4%).

During the second quarter of 2016, the sub-index for “Food and live animals” increased to 82.4 from 81.8 in the previous quarter, representing an increase of 0.7%. That was mainly due to increases of 1.1% in the export prices of “Sugars, sugar preparations and honey” and 0.7% in the export prices of “Fish and fish preparations”, partly offset by a decrease of 3.1% in the prices of “Feeding stuff for animals”.

Compared to the corresponding quarter of 2015, the index fell by 2.4%, due to a decrease of 9.0% in the prices of “Fish and fish preparations”, partly offset by an increase of 5.7% in the prices of “Sugars, sugar preparations and honey”.

3.2.3 Section 6: Manufactured goods classified chiefly by material

During the second quarter of 2016, the index for “Manufactured goods classified chiefly by material” decreased from 115.7 to 112.8, when compared to the previous quarter. This fall is mainly explained by a decrease of 2.5% in the prices of “Textile yarn and fabrics”.

Compared to the corresponding quarter of 2015, the index rose by 13.5%.

3.2.4 Section 8: Miscellaneous manufactured articles

“Miscellaneous manufactured articles” carries about 45.7% of the total weight. It consists mainly of “Articles of apparel and clothing accessories” (92.6%).

During the second quarter of 2016, the index for “Miscellaneous manufactured articles” decreased by 2.1% compared to the previous quarter. That was due to a decrease of 2.3% in the prices of “Articles of apparel and clothing accessories”.

Compared to the corresponding quarter of 2015, the index rose by 1.0%, mainly following an increase of 1.3% in the prices of “Articles of apparel and clothing accessories”.

4. Import Price Index (IPI) (Tables 5 - 8)

4.1 Structure of the IPI

The IPI covers nine out of the 10 Standard International Trade Classification sections. The only section not covered is “Commodities and transactions not classified elsewhere”, because of the heterogeneity of the products and the inherent difficulties in pricing items of a constant quality. Imports of goods falling under the covered sections, make up for 89.0% of total imports in the base year. Sub indices are also available at division and section level of the SITC (Table 5).

4.2 Changes in quarterly IPI (2nd quarter 2016)

4.2.1 Overall Index

The Import Price Index (IPI), calculated on a quarterly basis, increased by 7.2% from 77.4 in the first quarter of 2016 to 83.0 in the second quarter of 2016. That was mainly the effect of increases in the prices of “Mineral fuels, lubricants and related materials” (+23.2%) and “Food and live animals” (+7.9%), partly offset by decreases in the prices of “Manufactured goods classified chiefly by material” (-2.5%) and “Machinery and transport equipment” (-1.3%).

Compared to the corresponding quarter of 2015, the index went down by 6.5%, mainly as a result of decreases in the prices of “Mineral fuels, lubricants and related materials” (-24.8%) and “Manufactured goods classified chiefly by material” (-5.9%), partly offset by an increase in the prices of “Food and live animals” (+8.5%).

4.2.2 Section 0: Food and live animals

“Food and live animals” which carries 25.1% of the total weight of the import price index consists mostly of “Fish and fish preparations” and “Cereals and cereal preparations”.

The index for this section rose by 7.9% from 93.4 in the first quarter of 2016 to 100.8 in the second quarter of 2016. This rise is mainly attributable to an increase in the prices of “Fish and fish preparations” (+18.1%).

Compared to the second quarter of 2015, the index rose by 8.5%, mainly due to an increase in the prices of “Fish and fish preparations” (+27.5%), partly offset by a decrease in the prices of “Cereals and cereal preparations” (-11.9%).

4.2.3 Section 3: Mineral fuels, lubricants and related materials

“Mineral fuels, lubricants and related materials” consisting mainly of “Petroleum, petroleum products and related materials”, makes up for 40.0% of the weight of the IPI.

This sub index increased by 23.2% from 43.9 in the first quarter of 2016 to 54.1 in the second quarter of 2016, due to rises in the prices of “Petroleum, petroleum products and related materials” (+26.2%) and “Coal, coke and briquettes” (+10.5%).

Compared to the corresponding period of 2015, the index fell by 24.8%, mainly as a result of price decreases in “Petroleum, petroleum products and related materials” (-26.9%) and “Gas, natural and manufactured” (-17.2%).

4.2.4 Section 6: Manufactured goods classified chiefly by material

The index for “Manufactured goods classified chiefly by material”, with 11.2% of the total weight, stood at 102.2 in the second quarter of 2016. Compared to the previous quarter figure of 104.8, a decrease of 2.5% is noted; mainly due to a decrease in the prices of “Non-metallic mineral manufactures, n.e.s” (-8.5%), partly offset by an increase in the prices of “Non-ferrous metals” (+4.8%).

Compared to the second quarter of 2015, the index decreased by 5.9%, mainly due to price decrease in “Iron and steel” (-16.4%), partly offset by an increase in the prices of “Textile yarn, fabrics, made-up articles, n.e.s” (+2.4%).

4.2.5 Section 7: Machinery and transport equipment

The index for “Machinery and transport equipment” reached 103.9 in the second quarter of 2016 from 105.3 in the first quarter of 2016, that is, a decrease of 1.3%. That was mainly due to a decrease in the prices of “Road vehicles” (-1.3%).

Compared to the corresponding quarter of 2015, the index increased by 3.1% from 100.8 to 103.9, mainly due to an increase in the prices of “Road vehicles” (+2.3%).

5. Past trends

Quarterly figures for EPI and IPI in this publication are not strictly comparable with previously published series worked out using 2007 as base year. Chain linked indices using 2013 as the base year have been worked out using appropriate conversion factors and are given at tables 4 and 8.

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Table 1 - Quarterly Export Price Index by SITC ¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	2015					2016	
			1st Qr	2nd Qr	3rd Qr	4th Qr	Year	1st Qr ²	2nd Qr ³
	Overall	10,000	92.9	97.2	97.7	99.6	96.9	98.1	97.3
0	Food and live animals	4,908	80.9	84.4	84.1	86.2	83.9	81.8	82.4
Div 00	Live animals	111	110.7	117.7	118.1	117.5	116.0	109.2	115.6
Div 03	Fish, crustaceans, molluscs, and aquatic invertebrates and preparations thereof	2,454	80.8	84.7	81.6	85.4	83.1	76.6	77.1
Div 04	Cereals and cereal preparations	151	95.8	98.1	98.2	97.3	97.3	96.1	95.1
Div 06	Sugars, sugar preparations and honey	2,033	76.3	79.1	81.4	81.9	79.7	82.7	83.6
Div 08	Feeding stuff for animals	159	106.2	112.4	119.6	122.5	115.2	117.5	113.8
5	Chemicals and related products, n.e.s	215	98.4	102.9	103.7	104.3	102.3	108.4	110.7
Div 51	Organic chemicals	26	100.5	105.3	108.2	108.7	105.7	109.0	108.5
Div 54	Medicinal and pharmaceutical products	189	98.1	102.6	103.0	103.7	101.8	108.4	111.0
6	Manufactured goods classified chiefly by material	305	99.6	99.4	105.3	108.9	103.3	115.7	112.8
Div 65	Textile yarn, fabrics, made-up articles, n.e.s., & related products	305	99.6	99.4	105.3	108.9	103.3	115.7	112.8
8	Miscellaneous manufactured articles	4,572	105.2	110.4	111.5	113.1	110.1	113.9	111.5
Div 84	Articles of apparel and clothing accessories	4,236	106.0	111.2	112.4	114.3	111.0	115.2	112.6
Div 87	Professional, scientific and controlling instruments and apparatus, n.e.s.	105	94.3	98.2	96.5	96.8	96.4	96.9	97.4
Div 88	Photographic apparatus, equipment and supplies and optical goods, n.e.s.; watches & clocks	127	100.1	106.3	107.1	102.7	104.1	102.9	104.6
Div 89	Miscellaneous manufactured articles, n.e.s	104	90.1	96.1	96.4	93.5	94.0	89.7	89.9

¹ The Standard International Trade Classification Revision 4 (SITC Rev 4)

² Revised

³ Provisional

Table 2 - Export Price Index: Percentage change by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	Percentage change						
			1st Qr 15 to 2nd Qr 15	2nd Qr 15 to 3rd Qr 15	3rd Qr 15 to 4th Qr 15	4th Qr 15 to 1st Qr 16	1st Qr 16 to 2nd Qr 16	1st Qr 15 to 1st Qr 16	2nd Qr 15 to 2nd Qr 16
	Overall	10,000	+ 4.6	+ 0.5	+ 2.0	- 1.5	- 0.8	+ 5.5	+ 0.1
0	Food and live animals	4,908	+ 4.4	- 0.4	+ 2.5	- 5.1	+ 0.7	+ 1.1	- 2.4
Div 00	Live animals	111	+ 6.3	+ 0.4	- 0.6	- 7.0	+ 5.9	- 1.4	- 1.8
Div 03	Fish, crustaceans, molluscs, and aquatic invertebrates and preparations thereof	2,454	+ 4.8	- 3.7	+ 4.7	- 10.3	+ 0.7	- 5.2	- 9.0
Div 04	Cereals and cereal preparations	151	+ 2.4	+ 0.1	- 0.9	- 1.2	- 1.0	+ 0.3	- 3.1
Div 06	Sugars, sugar preparations and honey	2,033	+ 3.7	+ 3.0	+ 0.5	+ 1.0	+ 1.1	+ 8.4	+ 5.7
Div 08	Feeding stuff for animals	159	+ 5.9	+ 6.4	+ 2.4	- 4.1	- 3.1	+ 10.7	+ 1.2
5	Chemicals and related products, n.e.s	215	+ 4.6	+ 0.7	+ 0.6	+ 3.9	+ 2.1	+ 10.2	+ 7.6
Div 51	Organic chemicals	26	+ 4.7	+ 2.7	+ 0.5	+ 0.3	- 0.5	+ 8.4	+ 3.0
Div 54	Medicinal and pharmaceutical products	189	+ 4.6	+ 0.4	+ 0.6	+ 4.5	+ 2.4	+ 10.5	+ 8.2
6	Manufactured goods classified chiefly by material	305	- 0.2	+ 5.9	+ 3.4	+ 6.3	- 2.5	+ 16.2	+ 13.5
Div 65	Textile yarn, fabrics, made-up articles, n.e.s., & related products	305	- 0.2	+ 5.9	+ 3.4	+ 6.3	- 2.5	+ 16.2	+ 13.5
8	Miscellaneous manufactured articles	4,572	+ 4.9	+ 1.0	+ 1.5	+ 0.7	- 2.1	+ 8.3	+ 1.0
Div 84	Articles of apparel and clothing accessories	4,236	+ 4.9	+ 1.1	+ 1.7	+ 0.8	- 2.3	+ 8.7	+ 1.3
Div 87	Professional, scientific and controlling instruments and apparatus, n.e.s.	105	+ 4.1	- 1.7	+ 0.3	+ 0.2	+ 0.5	+ 2.7	- 0.8
Div 88	Photographic apparatus, equipment and supplies and optical goods, n.e.s.; watches & clocks	127	+ 6.2	+ 0.7	- 4.1	+ 0.2	+ 1.7	+ 2.8	- 1.6
Div 89	Miscellaneous manufactured articles, n.e.s	104	+ 6.6	+ 0.3	- 3.0	- 4.0	+ 0.2	- 0.5	- 6.5

¹ The Standard International Trade Classification Revision 4 (SITC Rev 4)

Table 3 - Percentage change in the price and volume of exports, 2nd quarter 2015 to 2nd quarter 2016

Section/ Division	Description	Weight	F.O.B Value (R Million)		% change		
			2nd Quarter 2015	2nd Quarter 2016	Value	Price	Volume ²
	Overall	10,000	22,913	19,875	- 13.3	+ 0.1	- 13.3
0	Food and live animals	4,908	6,210	6,557	+ 5.6	- 2.4	+ 8.2
Div 00	Live animals	111	187	198	+ 5.9	- 1.8	+ 7.8
Div 03	Fish, crustaceans, molluscs, and aquatic invertebrates and preparations thereof	2,454	3,329	3,379	+ 1.5	- 9.0	+ 11.5
Div 04	Cereals and cereal preparations	151	183	218	+ 19.1	- 3.1	+ 22.9
Div 06	Sugars, sugar preparations and honey	2,033	1,885	1,935	+ 2.7	+ 5.7	- 2.9
Div 08	Feeding stuff for animals	159	267	303	+ 13.5	+ 1.2	+ 12.1
5	Chemicals and related products, n.e.s	215	855	844	- 1.3	+ 7.6	- 8.2
Div 51	Organic chemicals	26	150	96	- 36.0	+ 3.0	- 37.9
Div 54	Medicinal and pharmaceutical products	189	335	314	- 6.3	+ 8.2	- 13.4
6	Manufactured goods classified chiefly by material	305	2,540	2,076	- 18.3	+ 13.5	- 28.0
Div 65	Textile yarn, fabrics, made-up articles, n.e.s., & related products	305	1,080	1,045	- 3.2	+ 13.5	- 14.7
8	Miscellaneous manufactured articles	4,572	8,213	7,863	- 4.3	+ 1.0	- 5.2
Div 84	Articles of apparel and clothing accessories	4,236	6,552	5,897	- 10.0	+ 1.3	- 11.1
Div 87	Professional, scientific and controlling instruments and apparatus, n.e.s.	105	254	268	+ 5.5	- 0.8	+ 6.4
Div 88	Photographic apparatus, equipment and supplies and optical goods, n.e.s.; watches & clocks	127	263	282	+ 7.2	- 1.6	+ 9.0
Div 89	Miscellaneous manufactured articles, n.e.s	104	929	1,142	+ 22.9	- 6.5	+ 31.4

¹ Excluding sections 1,2,3,4,7,9 and Ship's Stores & Bunkers not covered by the EPI² Volume change has been derived as the ratio of value to price change

Table 4 - Quarterly Export Price Index, 1st Quarter 2005 - 2nd Quarter 2016 (single base)

	Reference year 2013=100											
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 ¹
Qr 1	81.2	84.4	93.6	88.9	89.9	86.6	87.3	94.1	100.6	98.3	92.9	98.1
Qr 2	81.0	86.5	91.6	88.4	90.9	86.8	87.7	94.7	100.1	95.4	97.2	97.3
Qr 3	83.1	88.5	91.6	89.3	89.3	84.7	91.5	95.3	101.2	94.9	97.7	
Qr 4	83.5	90.6	91.6	91.4	86.2	87.0	91.7	98.8	97.9	94.5	99.6	
Year	82.2	87.5	92.1	89.5	89.1	86.3	89.6	95.7	100.0	95.8	96.9	

¹ Provisional

Note that Indices prior to 2005 are posted on Statistics Mauritius website in the historical series of Export and Import Price Indices

Table 5 - Quarterly Import Price Index by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	2015					2016	
			1st Qr	2nd Qr	3rd Qr	4th Qr	Year	1st Qr ²	2nd Qr ³
	Overall Index	10,000	86.9	88.8	86.3	81.6	85.9	77.4	83.0
Section 0	Food and live animals	2,511	92.7	92.9	98.7	90.3	93.7	93.4	100.8
Div 00	Live animals	28	92.0	92.0	108.9	126.9	105.0	118.8	121.0
Div 01	Meat and meat preparations	89	112.1	107.6	109.1	106.2	108.8	106.1	107.9
Div 02	Dairy products and birds' eggs	296	97.9	97.7	97.4	96.5	97.4	96.0	93.8
Div 03	Fish, crustaceans, etc. and preparations thereof	1,160	86.6	87.9	98.7	83.3	89.1	94.9	112.1
Div 04	Cereals and cereal preparations	560	92.6	93.4	94.9	88.5	92.4	83.0	82.3
Div 05	Vegetables and fruit	56	98.9	97.8	107.2	109.6	103.4	90.7	88.2
Div 06	Sugars, sugar preparations and honey	58	98.9	98.5	98.5	98.1	98.5	98.1	97.3
Div 07	Coffee, tea, cocoa, spices and manufactures thereof	45	96.9	91.5	91.9	89.4	92.4	87.8	90.2
Div 08	Feeding stuff for animals	78	94.2	85.5	84.8	86.1	87.7	77.4	74.9
Div 09	Miscellaneous edible products and preparations	141	113.8	113.8	113.6	115.7	114.2	113.5	111.6
Section 1	Beverages and Tobacco	293	104.9	116.7	117.3	114.9	113.5	114.8	115.1
Div 11	Beverages	65	94.5	97.4	100.0	89.4	95.3	88.8	90.2
Div 12	Tobacco and tobacco manufactures	228	107.9	122.2	122.2	122.2	118.6	122.2	122.2
Section 2	Crude materials, inedible, except fuels	241	113.4	104.6	100.5	104.5	105.7	97.7	98.8
Div 24	Cork and wood	19	97.6	114.3	107.4	105.0	106.1	103.5	103.7
Div 26	Textile fibres and their wastes (not manufactured into yarn or fabric)	152	118.1	104.2	98.8	108.3	107.3	99.9	99.7
Div 27	Crude fertilisers and crude minerals (excluding coal, petroleum and precious stones)	27	88.8	84.6	81.4	61.4	79.1	52.7	63.4
Div 29	Crude animal and vegetable materials, n.e.s.	43	119.1	114.3	115.6	117.7	116.7	115.4	115.6

¹ The Standard International Trade Classification Revision 4 (SITC Rev. 4)

² Revised

³ Provisional

Table 5 (cont'd) - Quarterly Import Price Index by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	2015					2016	
			1st Qr	2nd Qr	3rd Qr	4th Qr	Year	1st Qr ²	2nd Qr ³
Section 3	Mineral fuels, lubricants and related materials	3,996	67.5	71.9	62.4	56.3	64.5	43.9	54.1
Div 32	Coal, coke and briquettes	237	82.5	85.8	76.7	72.1	79.3	75.0	82.9
Div 33	Petroleum, petroleum products and related materials	3,525	66.6	71.3	61.8	54.8	63.6	41.3	52.1
Div 34	Gas, natural and manufactured	234	65.6	65.8	57.8	62.7	63.0	52.1	54.5
Section 4	Animal and vegetable oils, fats and waxes	97	94.1	93.2	92.2	89.4	92.2	86.8	88.8
Div 42	Fixed vegetable fats and oils, crude, refined or fractionated	97	94.1	93.2	92.2	89.4	92.2	86.8	88.8
Section 5	Chemical materials & related products, n.e.s	570	98.3	101.2	103.1	100.4	100.7	100.3	101.4
Div 54	Medicinal and pharmaceutical products	300	98.1	100.5	105.6	102.9	101.8	103.6	104.9
Div 55	Essential oils and resinoids & perfume materials;toilet, etc.	166	98.5	101.1	101.7	100.1	100.3	102.1	103.4
Div 56	Fertilizers (other than those of group 272)	20	103.8	103.8	98.5	99.4	101.4	92.2	83.5
Div 57	Plastics in primary forms	46	86.0	95.4	86.1	76.0	85.9	67.5	71.2
Div 58	Plastics in non-primary forms	16	93.5	100.0	101.3	95.5	97.6	93.5	91.8
Div 59	Chemical materials & products, n.e.s	22	122.9	121.3	121.1	123.9	122.3	122.9	123.5

¹ The Standard International Trade Classification Revision 4 (SITC Rev. 4)

² Revised

³ Provisional

Table 5 (cont'd) - Quarterly Import Price Index by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	2015					2016	
			1st Qr	2nd Qr	3rd Qr	4th Qr	Year	1st Qr ²	2nd Qr ³
Section 6	Manufactured goods classified chiefly by material	1,116	109.4	108.6	108.2	106.3	108.1	104.8	102.2
Div 61	Leather, leather manufactures, n.e.s., & dressed furskins	14	130.5	138.1	139.9	142.0	137.6	138.4	138.5
Div 62	Rubber manufactures, n.e.s.	68	101.3	101.4	98.3	99.6	100.2	96.5	97.0
Div 63	Cork and wood manufactures (excluding furniture)	18	104.5	111.6	113.0	111.4	110.1	111.4	107.9
Div 64	Paper, paperboard and articles of paper pulp	22	112.3	112.5	112.0	114.2	112.7	112.5	111.7
Div 65	Textile yarn, fabrics, made-up articles, n.e.s.	306	118.6	115.0	115.0	114.9	115.9	118.9	117.8
Div 66	Non-metallic mineral manufactures, n.e.s.	296	107.1	109.8	111.3	113.5	110.4	110.9	101.5
Div 67	Iron and steel	193	107.1	104.6	102.0	94.9	102.2	87.0	87.4
Div 68	Non-ferrous metals	84	107.3	104.1	102.7	93.3	101.9	91.3	95.7
Div 69	Manufactures of metals, n.e.s.	115	98.2	98.3	97.3	91.1	96.2	90.2	87.8

¹ The Standard International Trade Classification Revision 4 (SITC Rev. 4)

² Revised

³ Provisional

Table 5 (cont'd) - Quarterly Import Price Index by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	2015					2016	
			1st Qr	2nd Qr	3rd Qr	4th Qr	Year	1st Qr ²	2nd Qr ³
Section 7	Machinery and transport equipment	887	100.3	100.8	101.4	101.6	101.0	105.3	103.9
Div 74	General industrial machinery & equipment n.e.s.	93	91.3	91.3	101.8	99.2	95.9	99.1	97.1
Div 75	Office machines and automatic data processing machines	180	104.6	104.9	105.6	105.5	105.1	111.5	110.3
Div 76	Telecommunications and sound recording	46	102.8	102.8	102.8	103.2	102.9	103.2	102.3
Div 77	Electrical machinery, apparatus and appliances, n.e.s., & parts thereof reproducing apparatus	24	104.3	104.3	104.3	104.3	104.3	104.3	103.4
Div 78	Road vehicles (including air-cushion vehicles)	544	100.0	100.8	99.8	100.5	100.3	104.5	103.1
Section 8	Miscellaneous manufactured articles	289	111.6	108.0	100.6	105.5	106.4	107.2	107.4
Div 81	Prefabricated buildings; sanitary plumbing heating & lighting fixtures and fittings, n.e.s.	11	102.2	102.2	102.2	104.8	102.9	104.8	103.3
Div 82	Furniture & parts thereof; bedding, mattresses, mattress support, cushions & similar stuffed furnishings	71	110.4	107.3	107.3	107.3	108.1	114.5	126.9
Div 85	Footwear	32	96.9	94.6	84.2	85.0	90.2	84.4	85.0
Div 87	Professional, scientific and controlling inst. and app.	28	100.8	114.6	105.8	130.0	112.8	126.0	123.6
Div 88	Photographic apparatus, equipment and supplies and optical goods, n.e.s.; watches & clocks	72	138.6	115.5	93.3	105.5	113.2	109.1	106.5
Div 89	Miscellaneous manufactured articles, n.e.s.	75	98.7	105.6	106.0	103.6	103.5	101.7	94.0

¹ The Standard International Trade Classification Revision 4 (SITC Rev. 4)

² Revised

³ Provisional

Table 6 - Import Price Index: Percentage change by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	Percentage change						
			1st Qr 15 to 2nd Qr 15	2nd Qr 15 to 3rd Qr 15	3rd Qr 15 to 4th Qr 15	4th Qr 15 to 1st Qr 16	1st Qr 16 to 2nd Qr 16	1st Qr 15 to 1st Qr 16	2nd Qr 15 to 2nd Qr 16
	Overall Index	10,000	+ 2.2	- 2.8	- 5.5	- 5.1	+ 7.2	- 10.9	- 6.5
Section 0	Food and live animals	2,511	+ 0.2	+ 6.2	- 8.5	+ 3.5	+ 7.9	+ 0.7	+ 8.5
Div 00	Live animals	28	- 0.0	+ 18.4	+ 16.5	- 6.4	+ 1.9	+ 29.1	+ 31.5
Div 01	Meat and meat preparations	89	- 4.0	+ 1.4	- 2.6	- 0.1	+ 1.7	- 5.4	+ 0.3
Div 02	Dairy products and birds' eggs	296	- 0.2	- 0.3	- 0.9	- 0.5	- 2.3	- 2.0	- 4.0
Div 03	Fish, crustaceans, etc, and preparations thereof	1,160	+ 1.5	+ 12.3	- 15.6	+ 13.9	+ 18.1	+ 9.6	+ 27.5
Div 04	Cereals and cereal preparations	560	+ 0.9	+ 1.7	- 6.8	- 6.3	- 0.8	- 10.4	- 11.9
Div 05	Vegetables and fruit	56	- 1.1	+ 9.6	+ 2.3	- 17.3	- 2.8	- 8.3	- 9.8
Div 06	Sugars, sugar preparations and honey	58	- 0.4	+ 0.0	- 0.4	- 0.0	- 0.8	- 0.8	- 1.2
Div 07	Coffee, tea, cocoa, spices and manufactures thereof	45	- 5.6	+ 0.4	- 2.7	- 1.7	+ 2.7	- 9.4	- 1.4
Div 08	Feeding stuff for animals	78	- 9.3	- 0.8	+ 1.5	- 10.1	- 3.2	- 17.8	- 12.4
Div 09	Miscellaneous edible products and preparations	141	- 0.0	- 0.1	+ 1.8	- 1.9	- 1.7	- 0.3	- 1.9
Section 1	Beverages and Tobacco	293	+ 11.2	+ 0.5	- 2.0	- 0.1	+ 0.3	+ 9.4	- 1.4
Div 11	Beverages	65	+ 3.1	+ 2.6	- 10.6	- 0.6	+ 1.6	- 6.0	- 7.4
Div 12	Tobacco and tobacco manufactures	228	+ 13.3	- 0.0	+ 0.0	+ 0.0	+ 0.0	+ 13.3	+ 0.0
Section 2	Crude materials, inedible, except fuels	241	- 7.7	- 3.9	+ 3.9	- 6.5	+ 1.1	- 13.8	- 5.5
Div 24	Cork and wood	19	+ 17.1	- 6.1	- 2.2	- 1.4	+ 0.2	+ 6.0	- 9.3
Div 26	Textile fibres and their wastes (not manufactured into yarn or fabric)	152	- 11.7	- 5.2	+ 9.6	- 7.8	- 0.2	- 15.4	- 4.3
Div 27	Crude fertilisers and crude minerals (excluding coal, petroleum and precious stones)	27	- 4.7	- 3.8	- 24.5	- 14.2	+ 20.3	- 40.7	- 25.1
Div 29	Crude animal and vegetable materials, n.e.s.	43	- 4.0	+ 1.2	+ 1.8	- 2.0	+ 0.2	- 3.1	+ 1.1

¹ The Standard International Trade Classification Revision 4 (SITC Rev. 4)

Table 6 (cont'd) - Import Price Index: Percentage change by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	Percentage change						
			1st Qr 15 to 2nd Qr 15	2nd Qr 15 to 3rd Qr 15	3rd Qr 15 to 4th Qr 15	4th Qr 15 to 1st Qr 16	1st Qr 16 to 2nd Qr 16	1st Qr 15 to 1st Qr 16	2nd Qr 15 to 2nd Qr 16
Section 3	Mineral fuels, lubricants and related materials	3,996	+ 6.5	- 13.2	- 9.7	- 22.1	+ 23.2	- 35.0	- 24.8
Div 32	Coal, coke and briquettes	237	+ 4.1	- 10.6	- 5.9	+ 4.0	+ 10.5	- 9.0	- 3.4
Div 33	Petroleum, petroleum products and related materials	3,525	+ 7.0	- 13.4	- 11.2	- 24.7	+ 26.2	- 38.0	- 26.9
Div 34	Gas, natural and manufactured	234	+ 0.3	- 12.2	+ 8.5	- 16.9	+ 4.6	- 20.6	- 17.2
Section 4	Animal and vegetable oils, fats and waxes	97	- 1.0	- 1.0	- 3.1	- 2.9	+ 2.3	- 7.8	- 4.7
Div 42	Fixed vegetable fats and oils, crude, refined or fractionated	97	- 1.0	- 1.0	- 3.1	- 2.9	+ 2.3	- 7.8	- 4.7
Section 5	Chemical materials & related products, n.e.s	570	+ 3.0	+ 1.9	- 2.6	- 0.1	+ 1.1	+ 2.1	+ 0.2
Div 54	Medicinal and pharmaceutical products	300	+ 2.5	+ 5.0	- 2.6	+ 0.7	+ 1.3	+ 5.6	+ 4.4
Div 55	Essential oils and resinoids & perfume materials;toilet, etc.	166	+ 2.6	+ 0.6	- 1.5	+ 2.0	+ 1.3	+ 3.7	+ 2.3
Div 56	Fertilizers (other than those of group 272)	20	+ 0.0	- 5.1	+ 0.9	- 7.2	- 9.4	- 11.2	- 19.6
Div 57	Plastics in primary forms	46	+ 11.0	- 9.7	- 11.8	- 11.2	+ 5.5	- 21.5	- 25.4
Div 58	Plastics in non-primary forms	16	+ 6.9	+ 1.3	- 5.7	- 2.1	- 1.8	- 0.0	- 8.2
Div 59	Chemical materials & products, n.e.s	22	- 1.3	- 0.2	+ 2.4	- 0.8	+ 0.5	- 0.0	+ 1.8

¹ The Standard International Trade Classification Revision 4 (SITC Rev. 4)

Table 6 (cont'd) - Import Price Index: Percentage change by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section / Division	Description	Weight	Percentage change						
			1st Qr 15 to 2nd Qr 15	2nd Qr 15 to 3rd Qr 15	3rd Qr 15 to 4th Qr 15	4th Qr 15 to 1st Qr 16	1st Qr 16 to 2nd Qr 16	1st Qr 15 to 1st Qr 16	2nd Qr 15 to 2nd Qr 16
Section 6	Manufactured goods classified chiefly by material	1,116	- 0.7	- 0.4	- 1.7	- 1.4	- 2.5	- 4.2	- 5.9
Div 61	Leather, leather manufactures, n.e.s., & dressed furskins	14	+ 5.8	+ 1.3	+ 1.6	- 2.6	+ 0.1	+ 6.1	+ 0.3
Div 62	Rubber manufactures, n.e.s.	68	+ 0.1	- 3.0	+ 1.3	- 3.1	+ 0.5	- 4.8	- 4.3
Div 63	Cork and wood manufactures (excluding furniture)	18	+ 6.8	+ 1.2	- 1.3	- 0.0	- 3.1	+ 6.6	- 3.3
Div 64	Paper, paperboard and articles of paper pulp	22	+ 0.2	- 0.5	+ 2.0	- 1.5	- 0.7	+ 0.2	- 0.7
Div 65	Textile yarn, fabrics, made-up articles, n.e.s	306	- 3.0	- 0.0	- 0.0	+ 3.5	- 0.9	+ 0.3	+ 2.4
Div 66	Non-metallic mineral manufactures, n.e.s.	296	+ 2.5	+ 1.4	+ 2.0	- 2.3	- 8.5	+ 3.6	- 7.6
Div 67	Iron and steel	193	- 2.4	- 2.5	- 7.0	- 8.3	+ 0.5	- 18.8	- 16.4
Div 68	Non-ferrous metals	84	- 3.0	- 1.4	- 9.1	- 2.2	+ 4.8	- 14.9	- 8.1
Div 69	Manufactures of metals, n.e.s.	115	+ 0.1	- 1.0	- 6.4	- 1.0	- 2.7	- 8.2	- 10.7

¹ The Standard International Trade Classification Revision 4 (SITC Rev. 4)

Table 6 (cont'd) - Import Price Index: Percentage change by SITC¹ section & division, 1st quarter 2015 - 2nd quarter 2016

Base year 2013=100

Section/ Division	Description	Weight	Percentage change						
			1st Qr 15 to 2nd Qr 15	2nd Qr 15 to 3rd Qr 15	3rd Qr 15 to 4th Qr 15	4th Qr 15 to 1st Qr 16	1st Qr 16 to 2nd Qr 16	1st Qr 15 to 1st Qr 16	2nd Qr 15 to 2nd Qr 16
Section 7	Machinery and transport equipment	887	+ 0.5	+ 0.6	+ 0.2	+ 3.6	- 1.3	+ 5.0	+ 3.1
Div 74	General industrial machinery & equipment, n.e.s.	93	+ 0.0	+ 11.5	- 2.6	- 0.1	- 2.0	+ 8.6	+ 6.4
Div 75	Office machines and automatic data processing machines	180	+ 0.3	+ 0.7	- 0.1	+ 5.7	- 1.1	+ 6.6	+ 5.1
Div 76	Telecommunications and sound recording	46	+ 0.0	- 0.0	+ 0.5	- 0.0	- 0.9	+ 0.4	- 0.5
Div 77	Electrical machinery, apparatus and appliances, n.e.s., & parts thereof reproducing apparatus	24	- 0.0	+ 0.0	+ 0.0	- 0.0	- 0.9	- 0.0	- 0.9
Div 78	Road vehicles (including air-cushion vehicles)	544	+ 0.8	- 1.0	+ 0.7	+ 4.0	- 1.3	+ 4.5	+ 2.3
Section 8	Miscellaneous manufactured articles	289	- 3.3	- 6.9	+ 4.9	+ 1.6	+ 0.2	- 4.0	- 0.6
Div 81	Prefabricated buildings; sanitary plumbing, heating & lighting fixtures and fittings, n.e.s.	11	- 0.0	+ 0.0	+ 2.5	- 0.0	- 1.4	+ 2.5	+ 1.1
Div 82	Furniture & parts thereof; bedding, mattresses, mattress support, cushions & similar stuffed furnishings	71	- 2.8	+ 0.0	+ 0.0	+ 6.7	+ 10.8	+ 3.7	+ 18.3
Div 85	Footwear	32	- 2.4	- 11.0	+ 0.9	- 0.7	+ 0.7	- 12.9	- 10.1
Div 87	Professional, scientific and controlling inst. and app.	28	+ 13.7	- 7.6	+ 22.8	- 3.1	- 1.9	+ 25.0	+ 7.9
Div 88	Photographic apparatus, equipment and supplies and optical goods, n.e.s.; watches & clocks	72	- 16.7	- 19.2	+ 13.1	+ 3.4	- 2.4	- 21.3	- 7.8
Div 89	Miscellaneous manufactured articles, n.e.s.	75	+ 6.9	+ 0.3	- 2.3	- 1.8	- 7.6	+ 3.0	- 11.0

¹ The Standard International Trade Classification Revision 4 (SITC Rev. 4)

Table 7 - Percentage change in the price and volume of imports¹ 2nd quarter 2015 to 2nd quarter 2016

Section/ Division	Description	Weight	C.I.F Value (R Million)		% change		
			2nd Quarter 2015	2nd Quarter 2016	Value	Price	Volume ²
	Overall Index	10,000	42,853	40,180	- 6.2	- 6.5	+ 0.3
Section 0	Food and live animals	2,511	7,628	8,090	+ 6.1	+ 8.5	- 2.3
	of which:						
Div 02	Dairy products and birds' eggs	296	817	826	+ 1.1	- 4.0	+ 5.3
Div 03	Fish, crustaceans, etc, and preparations thereof	1,160	2,205	2,917	+ 32.3	+ 27.5	+ 3.7
Div 04	Cereals and cereal preparations	560	1,230	1,031	- 16.2	- 11.9	- 4.9
Section 1	Beverages and Tobacco	293	693	1,140	+ 64.5	- 1.4	+ 66.8
Section 2	Crude materials, inedible, except fuels	241	1,147	836	- 27.1	- 5.5	- 22.8
Section 3	Mineral fuels, lubricants and related materials	3,996	6,988	5,139	- 26.5	- 24.8	- 2.3
	of which:						
Div 33	Petroleum, petroleum products and related materials	3,525	5,754	4,078	- 29.1	- 26.9	- 3.0
Section 4	Animal and vegetable oils, fats and waxes	97	245	329	+ 34.3	- 4.7	+ 40.9
Section 5	Chemical materials & related products, n.e.s	570	3,557	3,805	+ 7.0	+ 0.2	+ 6.8
	of which:						
Div 54	Medicinal and pharmaceutical products	300	1,100	1,103	+ 0.3	+ 4.4	- 3.9
Section 6	Manufactured goods classified chiefly by material	1,116	7,944	6,565	- 17.4	- 5.9	- 12.2
	of which:						
Div 65	Textile yarn, fabrics, made-up articles, n.e.s	306	2,457	2,150	- 12.5	+ 2.4	- 14.6
Div 66	Non-metallic mineral manufactures, n.e.s.	296	2,021	1,531	- 24.2	- 7.6	- 18.1
Div 67	Iron and steel	193	1,134	524	- 53.8	- 16.4	- 44.7
Section 7	Machinery and transport equipment	887	10,899	9,966	- 8.6	+ 3.1	- 11.3
	of which:						
Div 78	Road vehicles (including air-cushion vehicles)	544	2,316	2,443	+ 5.5	+ 2.3	+ 3.1
Section 8	Miscellaneous manufactured articles	289	3,518	4,043	+ 14.9	- 0.6	+ 15.6

¹ Excluding section 9 not covered by the IPI² Volume change has been derived as the ratio of value to price change

Table 8 - Quarterly Import Price Index, 1st Qr 2004 - 2nd Qr 2016 (single base)

	Reference year 2013=100												
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016 ¹
Qr 1	53.5	65.6	73.1	82.9	81.7	83.6	86.3	93.4	97.9	101.7	96.0	86.9	77.4
Qr 2	58.6	66.2	74.8	80.5	88.3	84.3	91.7	96.0	101.1	98.6	97.5	88.8	83.0
Qr 3	61.3	71.1	78.7	79.7	96.7	84.7	90.7	96.3	103.6	100.3	99.9	86.3	
Qr 4	62.3	70.4	81.3	82.9	90.3	83.8	91.7	97.4	103.5	99.4	92.1	81.6	
Year	58.9	68.3	77.0	81.5	89.3	84.1	90.1	95.8	101.5	100.0	96.4	85.9	

¹ Provisional

ANNEX**Export Price Index (EPI)****Methodology for the Construction of the EPI (Base year: 2013=100)****Definition**

The Export Price index (EPI) provides an overall measure of pure price changes in Mauritian Rupees of goods exported to other countries. This index is constructed from the export prices of a "constant" well-defined representative basket of commodities selected from trade data in the base year.

The first series of EPI was calculated with year 1993 as base. It was subsequently rebased to year 1997, 2003, 2007 and the present series has as base period year 2013.

Scope and classification

The 2013 index is based on the Nomenclature of the Standard International Trade Classification of the United Nations (SITC Rev 4). Separate sub-indices are produced for each SITC section and division.

The EPI covers total exports (domestic exports and re-exports). The most important commodities in the 2013 EPI are "Articles of apparel and clothing accessories", "Fish and fish preparations" and "Sugar".

However, some commodities were excluded in the computation of the weights because of their heterogeneity and the inherent difficulties in pricing them to a constant quality. Those were precious stones, jewellery, recorded media and free publications, and all products classified within the Sections 1, 3, 7 and 9 of the SITC; together they accounted for around 9% of total exports in 2013.

The index thus covers about 91% of the value of merchandise exported during 2013. Commodities directly represented (i.e, price movements followed) constitute 70% of the total value of exports. For the 21% not directly represented, their prices are considered to move similarly to those represented directly.

Selection of products to be priced and outlets

Around 55 exporters (outlets) have been selected from trade declarations submitted to the Customs Department in 2013 for pricing of the commodities through quarterly price surveys. These exporters are the major ones trading on a regular basis.

A total of around 140 products, representing the 34 commodities directly represented in the index, were selected for pricing on the basis of their share in total exports, regularity of trade of exports and also their importance in the trader's exports. There must also be a sustained demand for the product variety.

Specifications of products to be priced (physical and qualitative) were established in collaboration with the selected exporters to ensure that same items are priced at each price

survey. Specifications include: pricing basis, contract basis, country of destination, unit of measurement, mode of transport, terms of payment, currency and any other conditions like quality and quantity of the product, that have a bearing on the price.

Weighting scheme

Weights, derived from the 2013 exports, for each section, division, group and commodity, were based on their export values. Products selected for pricing purposes represent all commodities that fall within that weight group.

Changes in the weights from 2007 to 2013

The changes in weights at section level are shown in the table below.

Section	Description	2007	2013
	All sections	10,000	10,000
0	Food and live animals	3,445	4,908
2	Crude materials, inedible, except fuels	37	-
4	Animal and vegetable oils, fats and waxes	9	-
5	Chemicals and related products, n.e.s.	233	215
6	Manufactured goods classified chiefly by material	759	305
8	Miscellaneous manufactured articles	5,517	4,572

It is noted that the weight for:

- i. “Food and live animals” increased to 49% in 2013 compared to 34% in 2007, mainly due to the growing importance of “Fish and fish preparations”;
- ii. “Miscellaneous manufactured articles”, however, decreased from 55% in 2007 to 45% in 2013, due to the lower share of exports of “Articles of apparel and clothing accessories”;
- iii. Section 2 of the SITC –“Crude materials, inedible, except fuels” and Section 4 – “Animal and vegetable oils, fats and waxes” are not in the 2013 basket because of their low values in 2013 total exports.

Base period prices

Monthly prices were collected from selected exporters for each month of 2013 and yearly average prices, known as base year prices, were calculated for each commodity. Monthly indices were calculated and averaged to work out quarterly indices for the base year.

Price collection

A preliminary survey of the selected exporters was conducted in 2014 to gather information on products (specific brand and type) relating to the selected commodities and monthly prices for 2013 were collected. Hereafter, the selected exporters are visited every quarter but prices are collected for each month of the quarter for the computation of quarterly indices. The collected prices are reported on a free on board (F.O.B.) basis and are mostly contract prices.

Uses of the EPI

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

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

It also serves 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.

Calculation of the EPI

The lowest level (SITC 7 digit) indices are calculated as a geometric average of the price relatives of the basic observations (products). A modified Laspeyres formula, based on the weighted average of price relatives, is used to calculate higher level indices. 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

Import Price Index (IPI)

Methodology for the Construction of the IPI (Base year: 2013=100)

Definition

The Import Price Index (IPI) provides an overall measure of pure price changes in Mauritian Rupees of goods imported into the country. This index is constructed from import prices of a "constant" well-defined representative basket of commodities selected from imports data in the base year.

The first series of IPI was calculated with year 2002 as base and reference prices for the year 2003. It was subsequently rebased to year 2007 and the present series has as base period year 2013.

Scope and classification

The commodities are classified according to the United Nations Standard International Trade Classification (SITC Rev 4). Sub-indices are produced by SITC section and division.

For the computation of the 2013 weights, some commodities accounting for around 11% of total imports in 2013 were excluded because of their heterogeneity and the inherent difficulties in pricing them to a constant quality. Those were: precious stones, jewellery, cellular telephones, recorded media and free publications, aircraft, helicopters and marine vessels, certain machine parts, textile wastes and Section 9 of the SITC described as "Commodities and transactions not classified elsewhere".

Thus, the index covers about 89% of the value of merchandise imported in 2013. Commodities directly represented (price movements followed), constitute around 55% of the total value of imports. For the 34% not directly represented, their prices are considered to move similarly to those represented directly.

Selection of items to be priced and outlets

142 importers (outlets) have been selected from trade declarations submitted to the Customs Department in 2013 for the pricing of the commodities. These importers are the major ones importing the selected commodities on a regular basis.

A total of around 260 products, representing the 104 commodities directly represented, were selected for pricing on the basis of regularity of imports and also their importance in the trader's imports. There must also be a sustained demand for the product variety.

Specifications of products to be priced (physical and qualitative) were established in collaboration with the selected importers to ensure that same items are priced every quarter. Specifications include: pricing basis, contract basis, country of origin, unit of measurement, mode of transport, terms of payment, currency and any other conditions like quality and quantity of the product, that have a bearing on the price.

Weighting scheme

Weights, derived from the 2013 imports, for each section, division, group and commodity were based on their import values. Products selected for pricing purposes represent all commodities that fall within that weight group.

Changes in the weights from 2007 to 2013

The changes in weights at section level are shown in the table below.

Section	Description	2007	2013
	All sections	10,000	10,000
0	Food and live animals	1,808	2,511
1	Beverages and tobacco	138	293
2	Crude materials, inedible, except fuels	288	241
3	Minerals fuels, lubricants and related materials	2,004	3,996
4	Animal and vegetable oils, fats and waxes	104	97
5	Chemicals and related products, n.e.s.	851	570
6	Manufactured goods classified chiefly by material	2,141	1,116
7	Machinery and transport equipment	1,800	887
8	Miscellaneous manufactured articles	866	289

It is to be noted that the weight for:

- i. “Food and live animals” increased to nearly 25% in 2013 compared to 18% in 2007, mainly due to the growing importance of “Fish and fish preparations” in our imports and;
- ii. “Mineral fuels, lubricants and related materials” increased to nearly 40% in 2013 compared to 20% in 2007, mainly due to the higher value of the commodities within the section;
- iii. “Manufactured goods classified chiefly by material” decreased from 21% in 2007 to 11% in 2013 due to the lower share of imports of “Textile yarn” and;
- iv. “Machinery and transport equipment” decreased due to the removal of heavy machineries (generators, excavators, etc.) from the basket because of non-regularity of imports and hence difficulties to price them.

Base period prices

Quarterly prices were collected from selected importers for each quarter of 2013 and yearly average prices, known as base year prices, were calculated for each commodity and thus, quarterly indices were worked out for the base year.

Price collection

A preliminary survey of the selected importers was conducted in 2014 to gather information on the products (specific brand and type) relating to the selected commodities and to collect prices for the four quarters of 2013. Hereafter, the selected importers are visited every quarter to collect required prices for updating the index. Given that most imports occur at intervals longer than a month, prices refer to the last consignment of the quarter. The collected prices are reported on a cost, insurance, freight (C.I.F) basis and are mostly contract prices.

Petroleum products and rice

It is to be noted that the index for petroleum products is calculated differently given that these products, namely gasoline, gas oil, aviation fuel, fuel oil, LPG are imported more than once during a quarter. All prices available for the quarter are collected and average prices for the quarter are computed for each product. The same pricing system is applicable for rice imported by the State Trading Corporation.

Uses of the Import Price Index

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

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

Calculation of the IPI

The lowest level indices (SITC 7 digit) are determined as a geometric average of the price relatives of the basic observations (products). A modified Laspeyres formula, based on the weighted average of price relatives, is used to calculate higher level indices.

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