CONSUMER PRICE INDEX

(Base period: January – December 2017 = 100)

Year 2020

1. INTRODUCTION

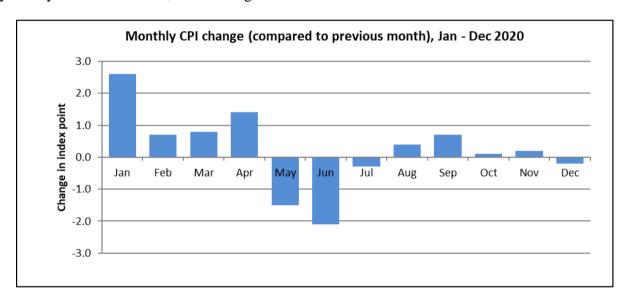
This issue of Economic and Social Indicators presents the Consumer Price Index (CPI) for the year 2020. The methodology used for computing the CPI and the inflation rate is given in the technical note at Annex.

2. KEY POINTS

2.1 Overall CPI

The Consumer Price Index, which stood at 103.3 in December 2019, registered a net increase of 2.8 points (or 2.7%) to reach 106.1 in December 2020 (Table 1A).

The monthly CPI changes in 2020 are shown in the chart below. Increases ranging from 0.1 point to 2.6 points were noted during January to April and during August to November. The highest increase was in January 2020. Decreases ranging from -0.2 point to -2.1 points were noted during May to July and in December, with the highest decrease in June 2020.



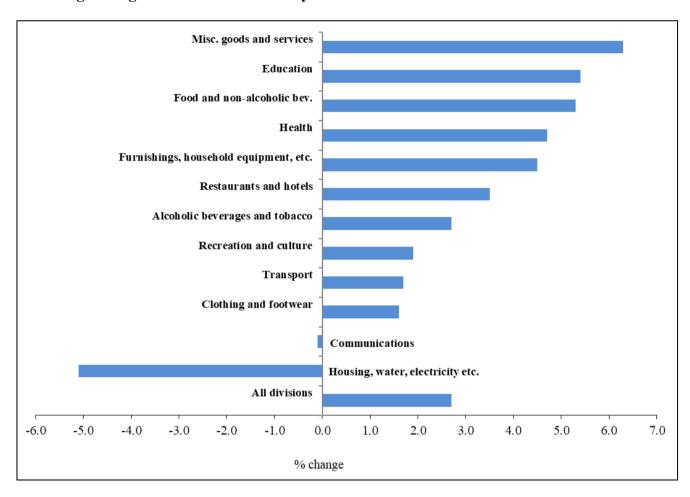
2.2 Overview of CPI movements

The main reasons for the net increase in CPI during the year 2020 (Table 2) were:

- (a) higher prices of powdered milk, meat, vegetables, fish, cooking oil, soft drinks, concentrated juice and syrups, fruits, pulses and other food products;
- (b) higher prices of beer and stout and cigarettes;
- (c) higher workman's wages;
- (d) higher prices of washing materials and softeners, and some major household appliances;
- (e) higher prices of medicinal products;
- (f) higher prices of motor vehicles;
- (g) higher university fees in private institutions;
- (h) higher prices of prepared foods and
- (i) higher prices of goods for personal care, motor vehicle insurance and other goods and services;
 - partly offset by,
- (j) lower prices of culinary herbs and
- (k) lower prices of interest on housing loan, and cooking gas.

3. MOVEMENT OF CPI SUB INDICES

Percentage change in CPI sub-indices for year 2020



The changes in the sub-indices (Table 3) for the twelve divisions of consumption expenditure during the year 2020 were as follows:

Division of consumption expenditure

Food and non-alcoholic beverages (+5.3%)

Main contributors to change

Higher prices of powdered milk (+12.7%), meat (+4.9%), vegetables (+2.7%), fish (+4.5%), cooking oil (+16.2%), soft drinks (+15.3%), concentrated juice and syrups (+26.6%),fruits (+5.4%), pulses (+34.5%), cheese (+12.0%), frozen semi-prepared foods (+7.0%), fruit juice (+24.3%), biscuits (+6.7%) and milk preparations (+7.6%), partly mitigated by lower prices of culinary herbs (-19.4%).

Alcoholic beverages and tobacco (+2.7%)

Higher prices of beer and stout (+3.2%), cigarettes (+1.8%), whisky (+4.5%), rum and other cane spirits (+2.4%) and wine (+7.2%).

Clothing and footwear (+1.6%)

Housing, water, electricity, gas and other fuels (-5.1%)

Furnishings, household equipment and routine household maintenance (+4.5%)

Health (+4.7%)

Transport (+1.7%)

Communication (-0.1%)

Recreation and culture (+1.9%)

Education (+5.4%)

Restaurants and hotels (+3.5%)

Miscellaneous goods and services (+6.3%)

Higher prices of ready-made clothing (+1.2%) and footwear (+3.1%).

Lower interest on housing loan (-18.2%) and lower prices of cooking gas (-14.3%), partly offset by higher workman's wages (+9.7%), and higher prices of materials for maintenance of dwelling (+3.3%).

Higher prices of washing materials and softeners (+5.8%), some major household appliances (+5.1%), other non-durable supplies (+7.2%) and higher charges for domestic services (+5.6%).

Higher prices of some medicinal products (+7.3%), doctors' fees (+3.1%) and clinic charges (+4.3%).

Higher prices of motor vehicles (+3.7%), higher charges for repair and maintenance of motor vehicles (+8.3%), partly offset by lower prices of air tickets (-1.1%).

Lower prices of mobile phone equipment (-0.8%).

Higher prices of newspapers and magazines (+8.3%), stationery (+6.1%), private TV subscription (+1.6%) and toys and games (+4.6%).

Higher university fees in private institutions (+8.5%), and school fees (+4.1%).

Higher prices of prepared foods (+4.2%), cakes and snacks (+6.3%), higher charges for soft drinks in restaurants (+9.3%) and higher expenditure in bar (+2.0%), partly offset by lower fees for accommodation services (-8.3%).

Higher prices of goods for personal care (+7.5%), motor vehicle insurance (+5.5%), jewellery (+39.6%), medical insurance (+4.8%) and nursery fees (+17.9%).

4. INFLATION RATE

The headline inflation rate increased from 0.5% in year 2019 to 2.5% in year 2020 (Table 5).

The headline inflation rate excluding 'Alcoholic beverages and tobacco' increased from 0.4% in year 2019 to 2.7% in year 2020.

5. INTERNATIONAL COMPARISON OF INFLATION RATE

The table below compares the inflation rate (as measured by the percentage change in the average CPI for a given year relative to the previous year) of Mauritius with those of our main trading partners and some countries in the region for year 2019. It is to be noted that inflation rates for 2020 for the selected countries are not yet available.

Inflation rate (%) of selected countries, years 2019

Country	Inflation rate (%)
France	1.3
United Kingdom	1.8
China	2.9
India	4.8
Japan	0.5
Singapore	0.6
Australia	1.6
United States	1.8
Botswana	2.8
Mauritius	0.5
Seychelles	1.8
South Africa	4.1

Source - World Economic Outlook Database, October 2020

Statistics Mauritius Ministry of Finance, Economic Planning and Development Port Louis January 2021 Note:

- (i) This publication is available on the website of Statistics Mauritius at "http://statsmauritius.govmu.org". From the homepage, choose "Publications", followed by "Economic and Social Indicators", then "Consumer Price Index".
- (ii) The monthly CPI is also available on our website. It is posted within 5 working days after the reference month.
- (iii) More detailed information on CPI can be made available upon request.

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Table 1A - Monthly Consumer Price Index, January 2013 - December 2020

		(Bas	e : Jan to D	ec 2012 = 1	<u>00)</u>		(Base	: Jan - Dec 2017 =	<u>: 100)</u>
Month	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
January	102.0	107.2	107.9	108.3	110.2	117.0		103.8	105.9
February	102.7	108.5	110.7	110.1	111.5	119.3		104.4	106.6
March	103.1	107.7	110.1	111.1	112.5	120.0		104.4	107.4
April	103.4	107.7	110.0	110.2	113.4		103.8	104.4	108.8
May	103.3	106.8	107.3	108.2	114.6		103.6	104.4	107.3
June	103.4	106.8	107.2	108.4	115.3		102.8	103.4	105.2
July	103.6	106.8	107.4	108.5	114.3		102.6	103.4	104.9
August	103.3	107.2	108.4	109.4	114.4		101.9	103.7	105.3
September	103.5	106.5	108.6	109.6	113.4		102.0	103.3	106.0
October	103.9	105.9	107.5	109.1	112.9		102.4	102.8	106.1
November	105.0	105.9	107.0	109.4	113.3		102.8	103.1	106.3
December	105.3	105.5	106.9	109.4	114.0		102.4	103.3	106.1
Yearly average	103.5	106.9	108.3	109.3	113.3			103.7	106.3
Annual change (%) (Inflation rate)	+ 3.5	+ 3.2	+ 1.3	+ 1.0	+ 3.7		+ 3.2	+ 0.5	+ 2.5

Table 1B - Comparative Monthly Consumer Price Index , January 2013 - December 2020 $^{1/}$ (Base: January - December 2017 = 100)

Month	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
January	90.0	94.6	95.2	95.6	97.3	103.2	103.8	105.9
February	90.6	95.7	97.7	97.2	98.4	105.3	104.4	106.6
March	90.9	95.0	97.1	98.1	99.3	105.9	104.4	107.4
April	91.2	95.0	97.1	97.3	100.1	103.8	104.4	108.8
May	91.1	94.2	94.7	95.5	101.1	103.6	104.4	107.3
June	91.2	94.2	94.5	95.7	101.7	102.8	103.4	105.2
July	91.4	94.2	94.8	95.7	100.9	102.6	103.4	104.9
August	91.1	94.6	95.6	96.5	100.9	101.9	103.7	105.3
September	91.3	94.0	95.8	96.7	100.1	102.0	103.3	106.0
October	91.7	93.4	94.9	96.2	99.6	102.4	102.8	106.1
November	92.7	93.4	94.4	96.5	100.0	102.8	103.1	106.3
December	92.9	93.1	94.3	96.5	100.6	102.4	103.3	106.1
Yearly average	91.4	94.3	95.5	96.5	100.0	103.2	103.7	106.3
Annual change (%) (Inflation rate)	+ 3.5	+ 3.2	+ 1.3	+ 1.0	+ 3.7	+ 3.2	+ 0.5	+ 2.5

^{1/} The CPI for January 2013 to March 2018, originally based on January to December 2012, has been converted to the new base January - December 2017=100 using a linking factor of 1.133167. Example: the monthly CPI for January 2018 has been converted to the new base by dividing 117.0 by 1.133167 (=103.2)

Table 2 - Net contribution of main commodities that affected the index from December 2019 to December 2020

Commodity	Contribution to change in overall index point	Percentage change in price index
Powdered milk	+ 0.2	+ 12.7
Meat	+ 0.2	+ 4.9
Vegetables	+ 0.1	+ 2.7
Fish	+ 0.1	+ 4.5
Cooking oil	+ 0.1	+ 16.2
Soft Drinks	+ 0.1	+ 15.3
Concentrated juice and syrups	+ 0.1	+ 26.6
Fruits	+ 0.1	+ 5.4
Pulses	+ 0.1	+ 34.5
Other food products	+ 0.3	+ 3.6
Culinary herbs	- 0.1	- 19.4
Beer & Stout	+ 0.1	+ 3.2
Cigarettes	+ 0.1	+ 1.8
Mortgage interest on housing loan	- 0.5	- 18.2
Cooking gas	- 0.1	- 14.3
Workman's wages	+ 0.1	+ 9.7
Washing materials and Softners	+ 0.1	+ 5.8
Major Household Appliances	+ 0.1	+ 5.1
Medicinal products	+ 0.1	+ 7.3
Motor vehicles	+ 0.2	+ 3.7
University fees in private institutions	+ 0.2	+ 8.5
Prepared foods	+ 0.1	+ 4.2
Goods for personal care	+ 0.1	+ 7.5
Motor vehicle insurance	+ 0.1	+ 5.5
Other goods and services	+ 0.8	+ 1.8
Overall	+ 2.8	+ 2.7

Table 3: Monthly sub-indices by division of consumption expenditure, December 2019 to December 2020 - (Base: January - December 2017 = 100)

Division	Description	Weight	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Percentage change between December 2019 and December 2020
01	Food and non-alcoholic beverages	248	104.8	112.8	116.0	118.7	123.1	117.7	109.8	108.7	109.3	110.8	110.2	110.8	110.3	+ 5.3
02	Alcoholic beverages and tobacco	110	104.3	105.3	105.4	105.5	106.0	105.9	106.2	106.7	106.3	107.1	107.4	107.4	107.1	+ 2.7
03	Clothing and footwear	46	105.7	105.9	105.9	105.9	106.6	106.6	106.3	106.7	106.7	106.9	106.9	107.2	107.4	+ 1.6
	Housing, water, electricity, gas and other fuels	112	97.6	98.3	98.3	98.2	98.0	95.6	94.6	92.9	92.5	92.5	92.5	92.6	92.6	- 5.1
	Furnishings, household equipment and routine household maintenance	59	103.5	105.4	105.0	106.1	107.4	108.0	107.5	108.3	108.0	108.9	108.8	109.1	108.1	+ 4.5
06	Health	38	105.2	106.7	106.7	106.7	107.2	107.8	108.0	108.1	108.7	109.7	109.9	110.0	110.2	+ 4.7
07	Transport	147	105.2	105.1	104.5	104.5	105.1	105.6	104.7	104.2	105.8	106.3	106.8	106.4	106.9	+ 1.7
08	Communication	44	98.7	98.7	98.7	98.6	98.6	98.6	98.7	98.7	98.7	98.7	98.6	98.6	98.6	- 0.1
09	Recreation and culture	42	102.8	103.3	103.0	103.6	103.6	103.2	104.0	104.0	104.5	104.7	105.0	105.0	104.7	+ 1.9
10	Education	50	101.1	101.5	102.2	102.2	102.2	102.2	102.2	103.2	103.2	103.2	106.5	106.5	106.5	+ 5.4
11	Restaurants and hotels	54	106.4	106.4	106.4	106.4	107.1	106.3	107.1	108.2	109.0	109.4	109.4	109.9	110.1	+ 3.5
12	Miscellaneous goods and services	50	101.4	103.9	104.7	105.3	105.6	106.1	106.8	106.5	107.9	108.5	108.7	108.8	107.8	+ 6.3
	All Divisions	1000	103.3	105.9	106.6	107.4	108.8	107.3	105.2	104.9	105.3	106.0	106.1	106.3	106.1	+ 2.7

Note: Percentage change has been computed from unrounded indices and hence may vary slightly from the change in rounded indices.

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Table 4 - Monthly CPI by division and group of consumption expenditure,

December 2019 to December 2020 (*Base: January - December 2017 = 100*)

Description	Wgt	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Division 01 - Food and non alcoholic beverages	248	104.8	112.8	116.0	118.7	123.1	117.7	109.8	108.7	109.3	110.8	110.2	110.8	110.3
Group 1 - Food	230	104.9	113.4	116.8	119.6	124.3	118.3	109.6	107.9	108.6	110.0	109.7	110.2	109.8
Group 2 - Non-alcoholic beverages	18.0	103.1	105.4	105.3	106.4	107.6	109.7	111.7	118.8	119.1	120.1	116.7	118.4	117.5
Division 02 - Alcoholic beverages and tobacco	110	104.3	105.3	105.4	105.5	106.0	105.9	106.2	106.7	106.3	107.1	107.4	107.4	107.1
Group 1 - Alcoholic beverages	61	101.8	103.6	103.7	104.0	104.9	104.7	104.8	105.7	104.8	105.2	105.8	105.9	105.3
Group 2 - Tobacco	49	107.4	107.4	107.4	107.4	107.4	107.4	108.0	108.0	108.3	109.4	109.4	109.4	109.4
Division 03 - Clothing and footwear	46	105.7	105.9	105.9	105.9	106.6	106.6	106.3	106.7	106.7	106.9	106.9	107.2	107.4
Group 1 - Clothing	36	105.5	105.7	105.7	105.7	106.4	106.4	106.3	106.3	106.3	106.4	106.4	106.5	106.8
Group 2 - Footwear	10	106.5	106.5	106.5	106.5	107.2	107.2	106.5	108.0	108.1	108.8	108.8	109.8	109.8
Division 04 - Housing, water, electricity, gas and other fuels	112	97.6	98.3	98.3	98.2	98.0	95.6	94.6	92.9	92.5	92.5	92.5	92.6	92.6
Group 1 - Actual rentals for housing	10	101.8	101.8	101.8	101.8	101.8	101.8	101.8	101.8	101.8	101.8	101.8	101.8	101.8
Group 2 - Mortgage interest on housing loan	31	94.4	94.4	94.4	94.0	93.6	84.9	84.4	78.9	77.2	77.2	77.2	77.2	77.2
Group 3 - Maintenance and repair of the dwelling	13	108.1	114.1	114.2	114.2	114.6	114.4	114.4	114.7	114.9	115.1	115.3	115.4	115.4
Group 4 - Water supply and miscellaneous services														
relating to the dwelling Group 5 - Electricity, gas and other fuels	47	95.3	95.3	95.3	95.3	95.0	95.0	93.0	92.7	92.7	92.7	92.7	92.7	92.7
Division 05 - Furnishings, household equipment and routine household maintenance	59	103.5	105.4	105.0	106.1	107.4	108.0	107.5	108.3	108.0	108.9	108.8	109.1	108.1
Group 1 - Furniture and furnishings, carpets and other floor coverings	14	101.3	101.3	101.3	101.7	102.6	102.4	102.2	102.7	102.7	102.5	103.3	103.5	103.3
Group 2 - Household textiles	5	103.5	103.7	103.7	104.4	104.5	104.5	104.5	104.9	105.3	105.3	105.5	105.3	105.7
Group 3 - Household appliances	12	102.8	103.7	103.7	103.4	104.5	104.2	105.3	106.4	106.9	105.3	108.4	108.3	108.3

Table 4 (contd.) - Monthly CPI by division and group of consumption expenditure,

December 2019 to December 2020 (*Base: January - December 2017 = 100*)

Description	Wgt	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Group 4 - Glassware,														
tableware and household														
utensils	2	100.4	101.2	100.4	99.5	99.7	99.7	100.4	104.5	105.5	105.5	105.5	105.0	105.0
Group 5 - Tools and														
equipment for house and														
garden	2	103.4	103.2	103.1	103.4	103.4	103.7	104.3	105.1	107.0	107.0	107.6	107.4	107.4
Group 6 - Goods and														
services for routine														
household maintenance	24	105.4	109.7	108.8	111.2	113.6	115.0	113.2	113.8	112.6	114.6	113.2	114.0	111.7
Division 06 - Health	38	105.2	106.7	106.7	106.7	107.2	107.8	108.0	108.1	108.7	109.7	109.9	110.0	110.2
Group 1 - Medical														
products, appliances and														
equipment	14	100.9	101.3	101.3	101.4	102.1	103.5	103.9	104.2	105.7	106.6	107.3	107.6	108.1
Group 2 - Outpatient														
services	15	107.4	110.4	110.4	110.4	110.4	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6
Group 3 - Hospital														
services	9	108.2	108.9	108.9	108.9	109.9	109.9	109.9	109.9	110.1	112.9	112.9	112.9	112.9
Division 07 - Transport	147	105.2	105.1	104.5	104.5	105.1	105.6	104.7	104.2	105.8	106.3	106.8	106.4	106.9
Group 1 - Purchase of														
vehicles	50	103.8	104.2	104.2	104.2	105.6	107.0	104.5	102.7	107.0	107.5	108.1	106.9	107.7
Group 2 - Operation of														
personal transport														
equipment	64	102.3	102.3	102.3	102.3	102.5	102.5	102.4	102.8	102.9	103.4	103.7	103.7	103.7
Group 3 - Transport														
services	33	112.7	111.7	109.4	109.4	109.4	109.4	109.4	109.4	109.8	109.9	110.8	110.9	112.0
Division 08 -														
Communication	44	98.7	98.7	98.7	98.6	98.6	98.6	98.7	98.7	98.7	98.7	98.6	98.6	98.6
Group 2 - Telephone and														
telefax equipment	5	88.3	88.3	88.3	87.7	87.7	87.7	88.4	88.4	88.4	88.4	87.7	87.7	87.6
Group 3 - Telephone and														
telefax services	39	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Division 09 - Recreation														
and culture	42	102.8	103.3	103.0	103.6	103.6	103.2	104.0	104.0	104.5	104.7	105.0	105.0	104.7
Group 1 - Audio-visual,														
photographic and														
information processing														
equipment	9	96.3	97.3	96.1	98.6	98.6	96.6	97.0	97.1	98.4	99.1	98.0	98.2	95.6
Group 3 - Other														
recreational items and														
equipment, gardens and		102.0	102 -	100 1	100 -	100 1	100 1	102.0	102.0	102.0	102.0	102.2	102.1	10.5
pets	6	102.9	103.5	102.6	103.6	103.6	103.6	103.8	103.8	103.8	103.8	103.3	103.1	104.7

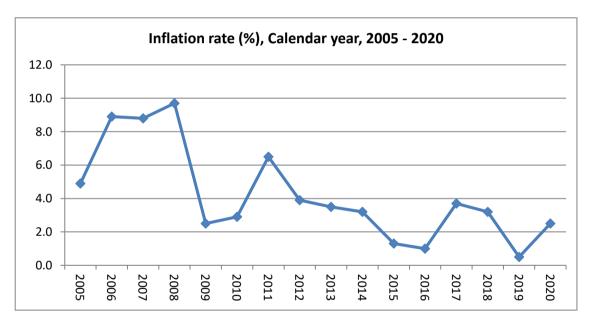
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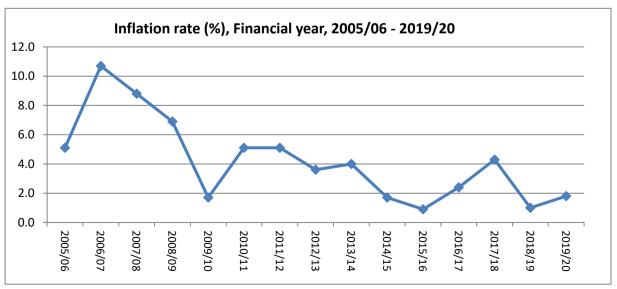
December 2019 to December 2020 (*Base: January - December 2017 = 100*)

Description	Wgt	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Group 4 - Recreational and cultural services	15	102.1	102.1	102.1	102.1	102.1	102.1	102.5	102.5	102.5	102.5	102.5	102.5	102.5
	13	102.1	102.1	102.1	102.1	102.1	102.1	103.5	103.5	103.5	103.5	103.5	103.5	103.5
Group 5 - Newspapers,														
books and stationery	12	108.5	109.0	109.3	109.4	109.4	109.4	109.9	110.0	110.7	110.9	113.1	113.0	113.2
Division 10 - Education	50	101.1	101.5	102.2	102.2	102.2	102.2	102.2	103.2	103.2	103.2	106.5	106.5	106.5
Group 1 - Pre-primary and														
primary education	5	110.6	112.7	112.7	112.7	112.7	112.7	112.7	112.7	112.7	112.7	112.7	112.7	112.7
Group 2 - Secondary														
education	10	109.1	109.8	109.8	109.8	109.8	109.8	109.8	109.8	109.8	109.8	109.8	109.8	109.8
Group 3 - Post-secondary														
and non-tertiary education	0.5	125.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0	135.0
Group 4 - Tertiary														
education	34	97.6	97.6	98.6	98.6	98.6	98.6	98.6	100.1	100.1	100.1	104.9	104.9	104.9
Group 5 - Education not														
definable by level	0.5	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2	55.2
Division 11 - Restaurants														
and hotels	54	106.4	106.4	106.4	106.4	107.1	106.3	107.1	108.2	109.0	109.4	109.4	109.9	110.1
Group 1 - Catering														
services	51	105.9	106.1	106.2	106.2	106.9	106.4	107.2	108.3	109.2	109.6	109.6	110.1	110.4
Group 2 - Accomodation														
services	3	115.2	110.3	110.3	110.3	110.3	105.6	105.6	105.6	105.6	105.6	105.6	105.6	105.6
Division 12 -		110.2	110.5	110.5	110.5	110.5	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Miscellaneous goods and														
services	50	101.4	103.9	104.7	105.3	105.6	106.1	106.8	106.5	107.9	108.5	108.7	108.8	107.8
		101.4	103.9	104.7	105.5	105.0	100.1	100.8	100.5	107.9	106.5	100.7	100.0	107.8
Group 1 - Personal care	22	98.4	100.8	102.6	104.0	104.7	105.7	106.2	105.6	105.7	106.7	107.2	107.6	105.2
Group 3 - Personal effects,														
not elsewhere classified	2	110.0	112.2	112.2	112.2	112.2	112.2	123.3	123.3	131.1	133.2	134.5	133.4	133.7
Group 4 - Social	,	7000	1150	11=0	1150	1150	1150	1150		1150		1150	1150	115.0
protection	1	100.0	117.9	117.9	117.9	117.9	117.9	117.9	117.9	117.9	117.9	117.9	117.9	117.9
Group 5 - Insurance	21	103.7	106.2	106.2	106.2	106.2	106.2	106.2	106.2	108.6	108.6	108.6	108.6	108.6
Group 6 - Financial														
services not elsewhere														
classified	1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Group 7 - Other services														
not elsewhere classified	3	101.9	101.9	101.9	101.9	101.9	101.9	102.4	102.7	102.7	103.5	103.5	103.5	103.5
All divisions	1000	103.3	105.9	106.6	107.4	108.8	107.3	105.2	104.9	105.3	106.0	106.1	106.3	106.1

Table 5 - Headline inflation rate (%), 2005 - 2020

Calendar year	Inflation rate	Financial Year	Inflation rate
2005	4.9	2005/06	5.1
2006	8.9	2006/07	10.7
2007	8.8	2007/08	8.8
2008	9.7	2008/09	6.9
2009	2.5	2009/10	1.7
2010	2.9	2010/11	5.1
2011	6.5	2011/12	5.1
2012	3.9	2012/13	3.6
2013	3.5	2013/14	4.0
2014	3.2	2014/15	1.7
2015	1.3	2015/16	0.9
2016	1.0	2016/17	2.4
2017	3.7	2017/18	4.3
2018	3.2	2018/19	1.0
2019	0.5	2019/20	1.8
2020	2.5		





Technical note

1. Methodology used for computation of Consumer Price Index

(Base period: January - December 2017 = 100)

(a) Definition

The **Consumer Price Index** (CPI) is an indicator of changes over time in the general level of prices of goods and services acquired by Mauritian consumers.

(b) Measurement of CPI

The CPI measures price change by comparing, through time, the cost of a fixed basket of goods and services. As prices vary over time, the total cost of the basket also changes and thus the CPI measures the change in the cost of this basket. It provides a way to compare what this basket costs at a given period relative to a reference or base period.

The cost of the CPI basket is assigned a value of 100 in the base period and the costs in other periods are expressed as percentage changes compared to the base period. For example, if the CPI is 110, this means that there has been an increase of 10% in the cost of the basket since the base year; similarly, an index of 90 means a 10% decrease in the cost of the basket.

(c) CPI basket

The CPI basket is based on the expenditures of private households in a reference period, currently January to December 2017. The composition of the current CPI basket has been derived from the 2017 Household Budget Survey (HBS) data. It has been determined in accordance with latest ILO and SADC recommendations.

The items constituting the basket have been selected on the basis of the importance of household consumption expenditure on them. The basket includes all important items on which consumption expenditure is significant, i.e. accounting for around 0.1% or more of total household consumption expenditure. Each item's relative importance, which is called the "weight" (usually expressed on a total of 1000), is the expenditure share of the item. Nonconsumption items such as income tax, social security contributions, purchase of land, shares and life insurance are excluded.

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The commodities in the basket are classified according to the UN COICOP (Classification of

Consumption Expenditure according to Purpose) with 12 divisions, 42 groups and 80 classes.

(d) Price coverage

The prices used in the CPI calculation are those that any member of the public would have to pay

to purchase the specified goods or services. Any taxes on products attached to the goods are

included.

Price collection is done on a regular basis. Each month, around 8,000 price quotations are

collected in respect of 1,093 item indicators from some 520 outlets selected to be representative of

regions across the islands of Mauritius and Rodrigues.

Prices of non-perishable items are collected monthly in the nine geographical districts of the

island of Mauritius and in Rodrigues.

Prices of fresh fruits, vegetables, meat and fish are collected on a weekly basis from 9 markets in

Port Louis, Rose Hill, Quatre Bornes, Vacoas, Mahebourg, Flacq, Goodlands, Pamplemousses

and Port Mathurin.

Information on rent is obtained from a quarterly rent survey of some 100 rented dwellings.

(e) Formula for computation of CPI

The CPI is computed according to the Laspeyres Formula as a weighted average of price relatives

of individual items. The weights are fixed and correspond to the base period expenditures. The

Laspeyres Index measures the cost of a basket of goods and services at different points in time,

relative to the cost of the same basket in the base period.

The formula used for computing the CPI at time t is

$$\sum W_i (P_{it} / P_{i0})$$

$$I_t = \underline{\hspace{1cm}} X 100$$

 $\sum W_i$

where,

I_t: CPI for period t with reference to a base period 0

 P_{io} : Price of item i at time 0, i.e. during base period

 $\mathbf{P_{it}}$: Price of item *i* at time t

 $\mathbf{W_i}$: Weight of item *i*

The base period is January to December 2017, the period during which the latest HBS was conducted.

2. Inflation

(a) Definition of Inflation

Inflation is the percentage change in the level of prices (as measured by the CPI) from one period to another.

(b) Calculating the Inflation Rate

The headline inflation rate in Mauritius, like in many other countries, is calculated by using the annual average method, i.e. by comparing the average level of prices during a twelve-month period with the average level during the corresponding previous twelve-month period. This type of inflation rate is more appropriate for adjusting wages, salaries and pensions to compensate for loss of purchasing power. *All inflation rates presented in this publication relate to the headline inflation*.

Another commonly used method of calculating the inflation rate is the so called 'year-on-year' method. The year-on-year inflation rate is calculated as the percentage change in the CPI for a given month with respect to the CPI for the corresponding month of the previous year. It is generally used by central banks for monetary policy decisions. Year-on-year inflation rates are not presented in this publication but can be easily calculated through the available monthly CPI.

Note: More information about the concept, computation and use of CPI is available online in the publication 'HBS 2017 Methodological Report and updated CPI'