



MAURITIUS

# Economic Indicators

An Occasional Paper

ISSUE NO. 25

25th October, 1985

1. Consumer Price Index - 3rd Quarter 1985
2. Balance of Visible Trade
3. Government Revenue and Expenditure.

MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT  
PORT LOUIS  
MAURITIUS

Consumer Price Index - 3rd Quarter 1985

1. Movements in Consumer Price Index, 3rd Quarter 1985

As in previous years, the relative stability of the Consumer Price Index (CPI) during the second quarter was followed by a continuous increase during the three months of the third quarter (Table 1). The level rose by 3 points or 2.5 %, from 121.2 at the end of the second quarter to reach 124.2 at the end of the third quarter. The increase is attributed partly to the higher rate of stamp duty which came into force in July and partly to the relative scarcity of some locally produced commodities such as fresh vegetables, fresh fish and eggs.

Table 1 - Monthly Consumer Price Index (Jan. 1983 - September 1985)

Base: Jan - June 1982 = 100

	<u>1983</u>	<u>1984</u>	<u>1985</u>
January	104.6	109.9	119.1
February	106.1	110.6	120.7
March	106.4	112.4	121.7
April	106.7	113.2	121.0
May	106.2	113.5	121.1
June	105.8	113.2	121.2
July	106.4	114.0	121.9
August	106.5	115.6	122.7
September	107.0	117.4	124.2
October	108.1	118.0	
November	107.6	117.4	
December	107.5	118.2	
Yearly Average	<u>106.6</u>	<u>114.4</u>	

2. Table 2 shows the evolution of the monthly indices by major commodity group. It is observed that the food and non-alcoholic beverages group, which is the single most important components of the CPI market basket has undergone the largest increase during the last quarter. In fact it accounts for over 2 points of the 3 point increase in the overall index. Most of the remaining commodity groups show moderate increases over the period considered.

Table 2 - Monthly sub-indices by major commodity group (January - September 1985)

(Base: January - June 1982 = 100)

Commodity Group	% Weight	January	February	March	April	May	June	July	August	September
1. Food and non-alcoholic beverages	43.9	122.8	125.8	127.8	125.7	125.3	125.3	125.7	127.0	130.0
2. Alcoholic beverages and tobacco	6.5	111.2	111.3	111.3	111.3	111.3	111.1	110.8	110.8	112.1
3. Fuel and light	6.4	113.5	113.5	113.5	113.5	113.5	113.5	113.7	114.3	114.5
4. Housing	10.4	122.4	122.5	122.8	122.9	123.2	123.3	124.2	124.9	125.1
5. Clothing, footwear and bedding	10.5	116.4	118.6	118.5	118.8	119.4	120.4	121.4	121.8	122.4
6. Transport and communication	10.0	110.2	110.3	110.4	110.7	111.9	112.2	112.6	112.8	113.0
7. Medical care	3.0	121.6	121.6	122.6	124.3	124.3	124.7	127.1	129.4	130.7
8. Education	2.9	113.0	113.0	113.0	113.9	113.9	113.9	115.6	115.6	115.4
9. Miscellaneous	6.4	122.2	122.2	123.6	124.3	124.4	125.3	126.4	126.5	126.9
All Groups	100.0	119.1	120.7	121.7	121.0	121.1	121.2	121.9	122.7	124.2

3. Table 3 shows the net contribution of the main commodities to the 3 point increase in the CPI from 121.2 at the end of June to 124.2 at the end of September 1985. The main items which have influenced the movement are edible oil (+ 0.4), fresh fish (+ 0.3), powdered milk (+ 0.2), eggs (+0.2), fresh vegetables (+ 0.2), clothing and clothing materials (+ 0.2) and medical care (+ 0.2). It is to be noted that the price of edible oil was increased from Rs 12.25 to Rs 13.50 per litre in September. The price increases for fresh fish and eggs during the third quarter of the year are due to the seasonal scarcity of these items at this period.

Table 3 - Change in Consumer Price Index by commodity, July 1985 to September 1985

Base : January - June 1982 = 100

<u>Commodity</u>	<u>Change</u>
Baby milk foods	+ 0.1
Black lentils	+ 0.1
Fresh milk	+ 0.1
Powdered milk	+ 0.2
Edible oil	+ 0.4
Frozen mutton	+ 0.1
Fresh fish	+ 0.3
Salted fish	+ 0.1
Eggs	+ 0.2
Fresh vegetables	+ 0.2
Fresh fruits	+ 0.1
Other food products	+ 0.3
Beer and cider	+ 0.1
Clothing and clothing materials	+ 0.2
Medical care	+ 0.2
Other goods and services	+ 0.3
	<u>+ 3.0</u>

#### 4. Rate of Inflation

The current annual rate of inflation for the twelve months ending September 1985 is 7.8 % compared to 6.4 % for the twelve months ending September 1984. This rate was 7.3 % for calendar year 1984 and 8.3 % for financial year 1984/85 (Table 4)

On current price trends, it is expected that the inflation rate for calendar year 1985 will be roughly of the same magnitude as that for calendar year 1984.

Table 4 - Inflation Rate (%), 1975 - 1985

<u>Calendar Year</u>	<u>Inflation Rate</u>	<u>Financial Year</u>	<u>Inflation Rate</u>
1975	14.7	1974 - 75	20.6
1976	13.4	1975 - 76	14.7
1977	9.2	1976 - 77	9.6
1978	8.5	1977 - 78	10.1
1979	14.5	1978 - 79	8.0
1980	42.0	1979 - 80	33.0
1981	14.5	1980 - 81	26.5
1982	11.4	1981 - 82	13.4
1983	5.6	1982 - 83	7.5
1984	7.3	1983 - 84	5.6
		1984 - 85	8.3

Central Statistical Office  
Rose Hill

October 1985