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Economic Indicators

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1. Consumer Price Index 1996
2. Construction Price Index (4th Quarter 1996)

MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT
PORT LOUIS
MAURITIUS

CONSUMER PRICE INDEX 1996

1. Main movements in Consumer Price Index in 1996.

The Consumer Price Index (CPI) has risen by 1.2 points during the fourth quarter of 1996 to reach 142.9 in December 1996. Thus the net overall increase during the calendar year 1996 is 9.8 points, compared to 7.5 points in 1995.

The average level of prices in 1996 has thus increased by 6.6% as compared to 6.0% during 1995. (*Table 1*). The evolution of the monthly index for the past few years is illustrated in *Chart 1*.

The most important contributors (*Table 2*) to that overall +9.8 points increase were:

- *Price increases in a large range of food items such as prepared meals, flour preparations, meat, fish, potato, fresh vegetables, pulses, tea, fruit juice and soft drinks, offset to some extent by price decreases of powdered milk and fresh fruits (+3.4 points).*
- *Increases in the prices of alcoholic drinks and tobacco (+2.2 points), ready made clothing and clothing materials (+0.5 point), household goods and services (+0.8 point), medicines and medical services (+0.2 point), petroleum products (+0.5 point), educational items (+0.5 point) and a large variety of other goods and services (+1.7 points).*

The average monthly increase for 1996 was about +0.8 point compared to +0.6 for 1995. The highest increase was registered in the month of June 96 following the increase in sales tax from 5 to 8%.

2. Changes by Major Commodity Group and Items.

Table 3 shows the evolution of the different commodity group indices (sub-indices) of the C.P.I. over the twelve months of 1996. All major commodity group indices have undergone increases in the range of 1.3% to 20.3%.

Food and non alcoholic beverages (+6.8%)

The "*Food and non alcoholic beverages*", the most important group in the CPI basket rose by 6.8%. The main food commodity items which contributed to that increase were flour preparations (+9.8%), prepared meals (+5.6%), frozen beef (+5.7%), frozen chicken (+19%), potato (+16.7%), fresh vegetables (+12%), dry tea (+8.3%), pulses (+11.5%), soft drinks (+11.6%), confectionery (+9%) and fruit juice (+9.6%). Price decreases were observed in powdered milk (-2.7%) and fresh fruits (-6.4%).

Alcoholic beverages and tobacco (+20.3%).

Most of the commodity items in this group have undergone important price increases during the second semester of 1996. Increases of about 14% and 30% were observed respectively in prices of alcoholic drinks and cigarettes, thus raising the major group '*Alcoholic drinks and tobacco*' sub-index by 20.3%.

Clothing and Footwear (+4.4%).

This 4.4% rise in the index of the group '*Clothing and footwear*' was accounted mainly for by increases in the prices of ready made clothing (+6.9%) and children shoes (+4.7%).

Fuel and Light (+1.3%).

An increase of 14.2% in the price of kerosene following the revision of prices of all petroleum products in June 96 affected the group by a rise of 1.3 % .

Housing and household operations (+6.1%)

A 6.1 % increase in the '*Housing and household operations*' sub-index was mainly attributable to increases of household textile and furnishings (+11%), cooking appliances (+12%), household utensils (+16.5%), house cleaning supplies (+12.7%), laundry charges (+32.8%) and domestic services (+5.8%).

Medical Care and Health Expenses (+8.6%)

Most commodity items in this group have undergone price changes in the course of the year. An overall increase in the '*Medical care and health expenses*' group sub-index was the result of price increases of 9% and 8.1% in prices of medicines and medical services respectively.

Transport and Communication (+4.3%)

An increase of 18% in the prices of petrol together with increases in personal transport (+9.9%), parts and accessories (+5.3%), were the main contributors to the 4.3% rise of the 'Transport and communication' sub-index.

Recreation, entertainment, education and cultural services (+7.0%).

An overall increase of 7% in this group was caused mainly by price increases of items television, video sets, etc. (+8.6%), private tuition (+12.6%), pre-primary school fees (+13.5%), and school textbooks (+9.2%).

Miscellaneous goods and services (+9.6%)

A large range of items such as products for personal care (+9.6%), jewellery (+20.4%), writing and drawing materials (+4.5%) and services of hairdressers and beauticians (+7.3%) in the 'Miscellaneous goods and services' group, underwent price increases in the course of the year. The overall effect was a substantial increase of 9.6% in the sub-group index...

3. Rate of inflation.

The annual rate of inflation, which is the percentage rate of change of the level of prices, for calendar year 1996 is 6.6%. This rate was 5.8% for financial year 1995/96 and 6.0% for calendar year 1995.

Central Statistical Office.

Ministry of Economic Planning, Information and Telecommunications.

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Table 1 - Monthly Consumer Price Index - (July 1992 - December 1996)

(Base : July 1991 - June 1992 = 100)

<u>Month</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
January		109.0	119.4	126.9	133.7
February		110.2	119.9	127.4	134.3
March		110.7	120.8	128.2	134.3
April		111.1	121.0	128.8	134.9
May		114.0	122.6	129.0	135.6
June		114.7	123.2	129.8	139.6
July	104.0	115.4	123.2	130.0	140.4
August	105.6	116.3	123.8	131.4	141.7
September	106.4	117.2	124.2	131.7	141.7
October	106.6	117.3	124.2	132.4	142.3
November	106.8	117.9	124.9	132.9	142.5
December	107.6	118.5	125.6	133.1	142.9
<i>Yearly average</i>	<i>103.5</i>	<i>114.4</i>	<i>122.7</i>	<i>130.1</i>	<i>138.7</i>
Annual change(%) Inflation rate	+ 4.6	+10.5	+ 7.3	+ 6.0	+ 6.6

Table 2 - Main commodities that have affected the index in 1996.

<u>Commodity</u>	<u>Price change</u> <u>Dec 96 / Dec 95</u> <u>(%)</u>	<u>Contribution to</u> <u>index</u> <u>(point)</u>
Flour preparation	+ 9.8	+ 0.1
Prepared meals	+ 5.6	+ 0.2
Frozen beef	+ 5.7	+ 0.2
Frozen chicken	+ 19.0	+ 0.5
Fresh fish	+ 1.9	+ 0.1
Powdered milk	- 2.7	- 0.1
Fresh fruits	- 6.4	- 0.1
Potato	+ 16.7	+ 0.1
Fresh vegetables	+ 12.0	+ 0.5
Dry tea	+ 8.3	+ 0.1
Pulses	+ 11.5	+ 0.1
Soft drinks	+ 11.6	+ 0.2
Confectionery	+ 9.0	+ 0.1
Fruit juice	+ 9.6	+ 0.1
<i>Other food products</i>	-	<i>+ 1.3</i>
Cane spirits	+ 5.7	+ 0.2
Beer and stout	+ 22.2	+ 0.7
Cigarettes	+ 29.5	+ 1.3
Ready made clothing	+ 6.8	+ 0.5
Kerosene	+ 18.4	+ 0.1
Household goods	+ 6.7	+ 0.5
Laundry soap	+ 25.7	+ 0.2
Domestic services	+ 5.8	+ 0.1
Medicines and medicinal services	+ 8.6	+ 0.2
Motor car spare parts	+ 5.3	+ 0.1
Motor car petrol	+ 18.0	+ 0.4
Recreational goods	+ 3.0	+ 0.1
Private tuition	+ 12.6	+ 0.2
Educational services	+ 19.0	+ 0.1
School textbooks and other requisites	+ 9.2	+ 0.2
Goods for personal care	+ 8.3	+ 0.1
Other goods and services	-	+ 1.4

Table 3 : Monthly sub-indices by major commodity group - (December 1995 to December 1996).

(Base: July 1991 - June 1992 = 100)

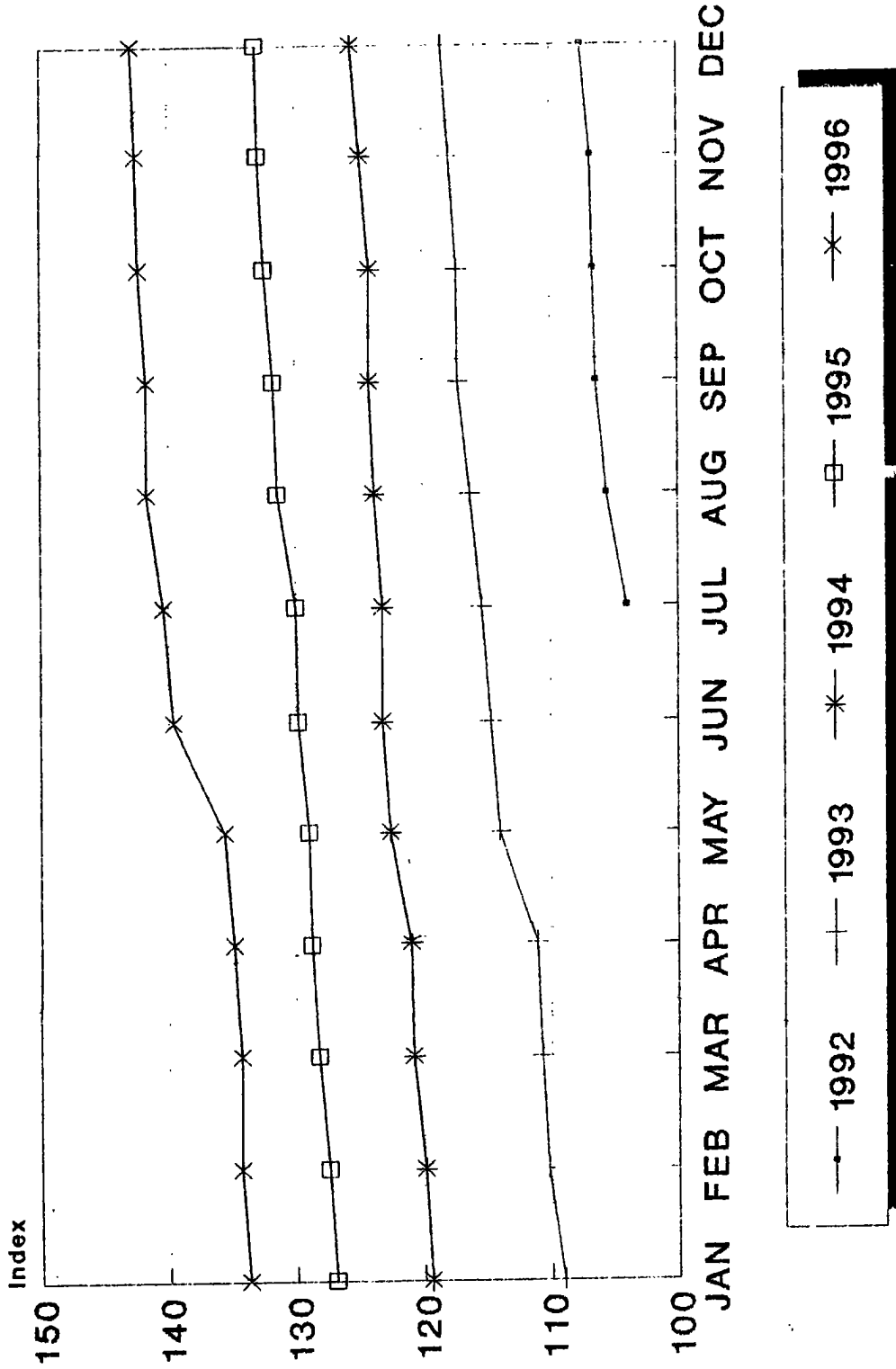
Major Commodity Group	Weight	Dec-95	Jan-96	Feb-96	Mar-96	Apr-96	May-96	Jun-96	Jul-96	Aug-96	Sep-96	Oct-96	Nov-96	Dec-96	Change between Dec 96 & Dec 95 (%)
1. Food and non alcoholic beverages	392	137.2	137.0	138.4	137.9	138.8	140.2	143.4	144.3	144.6	144.1	145.1	145.6	146.5	+6.8
2. Alcoholic beverages and tobacco	82	133.2	133.2	133.2	133.3	133.3	133.3	146.1	146.6	159.5	159.8	160.2	160.2	160.2	+20.3
3. Clothing and footwear	88	134.9	134.9	134.9	135.2	135.5	135.6	140.1	141.1	140.9	140.9	140.9	140.9	140.9	+4.4
4. Fuel and light	52	110.2	110.2	110.2	110.2	110.2	110.2	111.6	111.6	111.6	111.6	111.6	111.6	111.6	+1.3
5. Housing and household operations	131	128.9	130.0	130.0	130.0	131.1	131.8	133.6	135.4	135.4	136.1	136.9	136.8	136.8	+6.1
6. Medical care and health expenses	36	140.6	140.4	141.1	141.4	142.1	143.2	144.3	148.2	149.2	151.1	152.0	152.4	152.7	+8.6
7. Transport and communication	97	127.0	127.2	127.2	127.2	127.2	127.6	132.7	132.7	132.9	132.8	132.5	132.5	132.5	+4.3
8. Recreation, entertainment, education and cultural services	66	136.0	143.4	143.5	143.7	143.7	143.8	144.8	144.6	144.6	145.2	145.3	145.4	145.5	+7.0
9. Miscellaneous goods and services	56	134.0	135.8	136.2	137.6	138.2	138.8	145.3	145.6	145.9	146.2	146.5	146.5	146.9	+9.6
ALL GROUPS	1000	133.1	133.7	134.3	134.3	134.9	135.6	139.6	140.4	141.7	141.7	142.3	142.5	142.9	+7.4

Table 4 - Inflation rate (%), 1975 - 1996

<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
1985	6.7	1984 - 85	8.3
1986	1.8	1985 - 86	4.3
1987	0.6	1986 - 87	0.7
1988	9.2	1987 - 88	1.5
1989	12.6	1988 - 89	16.0
1990	13.5	1989 - 90	10.7
1991	7.0	1990 - 91	12.8
1992	4.6	1991 - 92	2.9
1993	10.5	1992 - 93	8.9
1994	7.3	1993 - 94	9.4
1995	6.0	1994 - 95	6.1
1996	6.6	1995 - 96	5.8

Chart 1

Movement in the C.P.I. (July 92 - Dec 96) Monthly movement



(Base: July 91-June 92=100)