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Consumer Price Index
2nd Quarter 1997

Construction Price Index
(Cost Price Index for the construction of a single storey house-
Input Price Index)- 2nd Quarter 1997

MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT
PORT LOUIS
MAURITIUS

CONSUMER PRICE INDEX *2nd Quarter 1997*

1. Main Movements in the Consumer Price Index - 2nd Quarter 1997.

The Consumer Price Index (C.P.I) registered an increase of 1.7 points (or 1.2%) during the second quarter of 1997 to reach a level of 147.9 in June 1997. The increase for the corresponding quarter of the previous year was 5.3 points (or 3.9%) - *Table 1*.

The 1.2% rise in the index is attributable to price increases in frozen mutton, fresh fish, powdered milk, fresh eggs, fresh fruits, cigarettes, medical services and motor car repairs, which were however offset to some extent by price decreases of fresh vegetables and some other food products - *Table 2*.

The evolution of the monthly index during the past few years is illustrated in Chart I.

2. Changes in Major Commodity Groups and Items.

Table 3 shows the evolution of the major commodity group sub-indices for the first six months of 1997.

The sub index of the group '*Alcoholic beverages and tobacco*' has undergone a significant rise of 10.4% in June 1997 attributable mainly to the upward revision of excise duty on cigarettes which influenced the prices of cigarettes with increases in the range 14% to 33%.

An overall increase of 2.1% in the "*Medical care and health expenses*" group sub index was due to price increases of the order of 4.2% in medical services.

The sub index for major commodity group "*Food and non alcoholic beverages*", which is the most important group in the CPI basket, rose marginally in spite of various price changes of food items. The main items which registered price increases were frozen mutton (+4.8 %), fresh fish (+3.5%), powdered milk (+ 16.0%), fresh eggs (+18.1%) and fresh fruits (+5.3%). Price decreases were registered in fresh vegetables (-5.6%) and some other food products.

Marginal increases were registered in the sub indices of the remaining major commodity groups, except that of major commodity group '*Fuel and Light*' which remained at its level of March 1997.

3. Rate of inflation

The current rate of inflation for the financial year ending June 1997 is 7.9% compared to 5.8% for the financial year 1995/96. This rate was 6.6% for calendar year 1996.

CENTRAL STATISTICAL OFFICE
Ministry of Economic Development & Regional Co-operation
PORT LOUIS
July 1997

Table 1 - Monthly Consumer Price Index - (July 1992 - June 1997)

(Base : July 1991 - June 1992 = 100)

<u>Month</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
January		109.0	119.4	126.9	133.7	145.9
February		110.2	119.9	127.4	134.3	145.9
March		110.7	120.8	128.2	134.3	146.2
April		111.1	121.0	128.8	134.9	146.1
May		114.0	122.6	129.0	135.6	146.7
June		114.7	123.2	129.8	139.6	147.9
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 - Net contribution of main commodities that have affected the index
in the second quarter of 1997.**

<u>Commodity</u>	<u>Price change</u> <u>June 97/ March 97</u> <u>(%)</u>	<u>Contribution to</u> <u>index</u> <u>(Point)</u>
Frozen mutton	+4.8	+0.1
Fresh fish	+3.5	+0.1
Powdered milk	+16.0	+0.2
Fresh eggs	+18.1	+0.1
Fresh fruits	+5.3	+0.1
Fresh vegetables	--5.6	-0.4
Other food products	-	-0.1
Cigarettes	+23.5	+1.4
Medical services	+4.2	+0.1
Motor car repairs	+17.4	+0.1
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Total		1.7
		<hr/> <hr/>

Table 3 : Monthly sub-indices by major commodity group - (January 1997 to June 1997).

(Base: July 1991 - June 1992 = 100)

Major Commodity Group	Weight	Jan-97	Feb-97	Mar-97	Apr-97	May-97	June-97	Change between Mar-97 & June 97 (%)
1. Food and non alcoholic beverages	392	148.7	147.8	148.3	147.9	148.8	148.5	+0.1
2. Alcoholic beverages and tobacco	82	160.2	160.2	160.2	160.2	160.2	176.9	+10.4
3. Clothing and footwear	88	141.1	141.2	141.2	141.6	141.6	141.6	+0.3
4. Fuel and light	52	113.9	113.9	113.9	113.9	113.9	113.9	+0.0
5. Housing and household operations	131	136.9	137.0	137.8	137.8	137.8	137.5	-0.2
6. Medical care and health expenses	36	153.3	155.2	156.1	155.9	159.0	159.4	+2.1
7. Transport and communication	97	148.3	150.0	149.8	150.9	151.2	151.3	+1.0
8. Recreation, entertainment, education and cultural services	66	151.5	153.1	153.1	153.0	153.4	153.4	+0.2
9. Miscellaneous goods and services	56	147.6	148.0	148.0	147.5	147.7	147.8	-0.1
ALL GROUPS	1000	145.9	145.9	146.2	146.1	146.7	147.9	+1.2

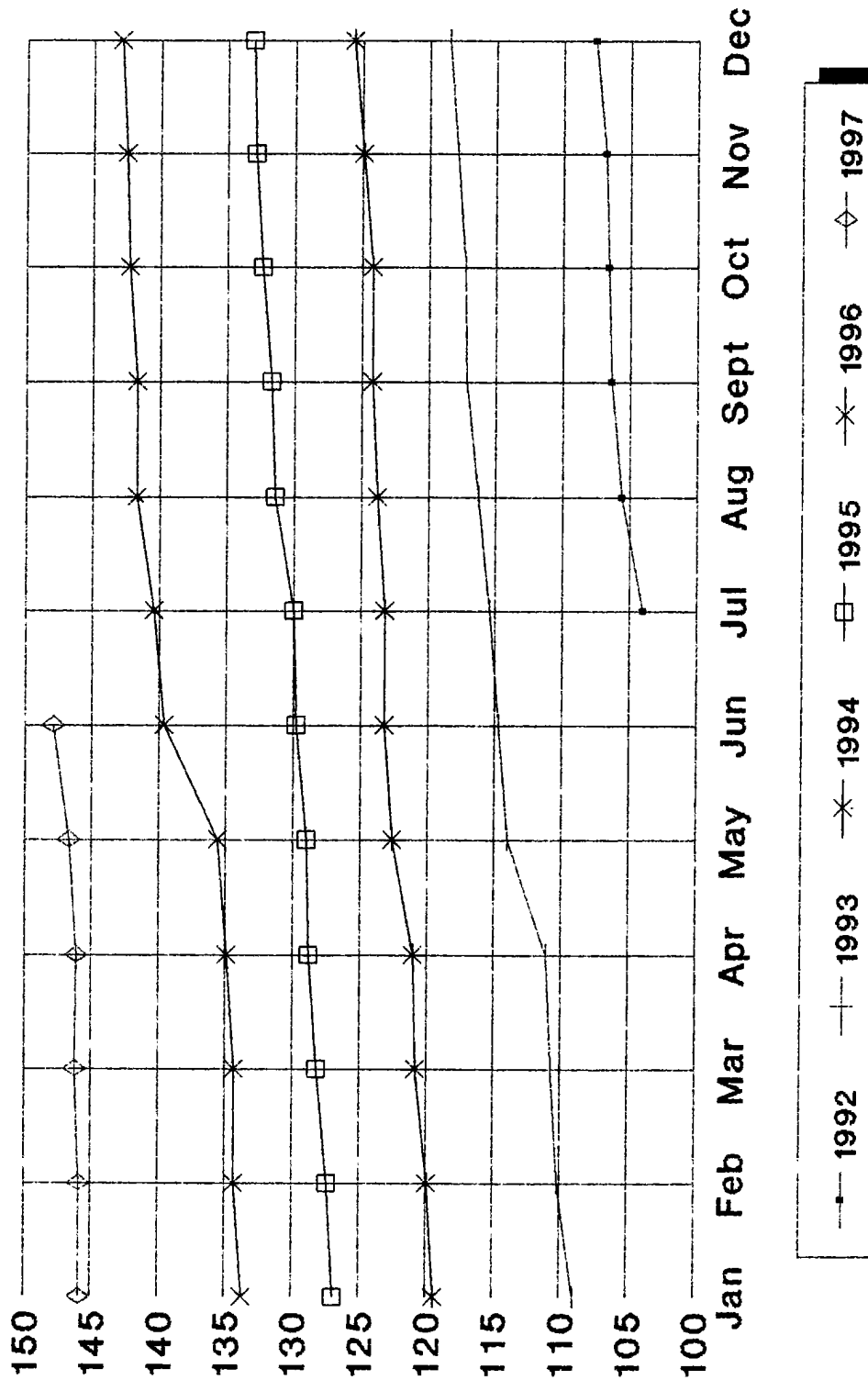
Table 4 - Inflation rate (%), 1975 - 1997

<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
		1996 - 97	7.9

CHART I

Consumer Price Index - All Groups

Evolution of the CPI -(July 92-June 97)



Base: July 91-June 92=100