

CONSUMER PRICE INDEX

2nd Quarter 2001

1. Main movements in the Consumer Price Index – 2nd Quarter 2001.

The Consumer Price Index (C.P.I) which stood at 126.3 in March 2001 registered an increase of +1.5 points (or 1.2%) over the second quarter of 2001 to reach 127.8 in June 2001 (*Table 1*). This is mainly attributable to price increases of fresh vegetables (+0.4 point), cigarettes (+0.3 point), frozen chicken (+0.2 point), fresh beef (+0.1 point), fresh eggs (+0.1 point), milk (+0.1 point), beer and stout (+0.1 point), medicinal products and health services (+0.1 point) and some other goods and services (+0.1 point) as shown in *Table 2*.

2. Changes in Major Commodity Group Sub-indices.

Table 3 gives the evolution of the major commodity group indices during the first six months of 2001. Except for “*Fuel and light*”, all the sub-indices registered changes during the second quarter of 2001.

The sub-index for “*Food and non alcoholic beverages*” increased by 2.2% following price increases of fresh vegetables (5.9%), frozen chicken (5.8%), fresh beef (8.9%), fresh eggs (14.3%) and milk (2.0%).

The sub-index for “*Alcoholic beverages and tobacco*” rose by 3.0%. This was the partial effect of price increases of cigarettes (6.9%) and beer and stout (5.0%) as from 12 June 2001 following the recent budgetary measures.

The “*Clothing and footwear*” sub-index went up by 0.1% as a result of price increases of some ready made clothing items.

The sub-index for “*Housing and household operations*” recorded an increase of 0.3%. This is attributable to higher prices of some household goods such as house cleaning supplies (0.7%) and electric iron (6.6%).

The “*Medical care and health expenses*” sub-index increased by 1.6%, mainly because of higher charges for clinics (4.6%) and price changes of some medicinal products (1.9%).

The “*Transport and communication*” sub-index increased in April and May and then fell to the March level in June, thus showing no net change over the second quarter. The increasing price trend during the first two months of the 2nd quarter was reversed in June 2001 as a result of rationalisation of import duties on private cars in the context of the 2001-2002 budget.

The sub index for “*Recreation, entertainment, education and cultural services*” rose by 0.4% mainly as a result of higher prices of newspapers and magazines (1.8%).

The sub-index for “*Miscellaneous goods and services*” went down by 0.6%. The decrease is attributable mainly to lower prices of some personal care goods such as toilet soap (10.2%).

3. Rate of inflation

The rate of inflation for financial year 2000/2001 was 4.4% compared to 5.3% for financial year 1999/2000. This rate was 4.2% for calendar year 2000 (*Table 4*).

Central Statistics Office

Ministry of Economic Development, Financial Services and Corporate Affairs

Port Louis

July 2001

Table 1 - Monthly Consumer Price Index , January 1994 - June 2001

<i>Month</i>	<i>(Base : July 1991 - June 1992 = 100)</i>				<i>(Base : July 1996 - June 1997 = 100)</i>				
	<i>1994</i>	<i>1995</i>	<i>1996</i>	<i>1997</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>
January	119.4	126.9	133.7	145.9		105.5	114.6	120.0	125.9
February	119.9	127.4	134.3	145.9		106.0	114.9	120.6	126.5
March	120.8	128.2	134.3	146.2		106.7	115.1	121.0	126.3
April	121.0	128.8	134.9	146.1		107.4	115.6	120.9	126.5
May	122.6	129.0	135.6	146.7		108.0	115.8	121.0	126.8
June	123.2	129.8	139.6	147.9		109.6	117.4	121.0	127.8
July	123.2	130.0	140.4		103.0	109.7	117.8	121.3	
August	123.8	131.4	141.7		103.3	110.0	118.3	121.7	
September	124.2	131.7	141.7		103.6	112.1	118.5	121.9	
October	124.2	132.4	142.3		103.5	112.7	118.5	124.6	
November	124.9	132.9	142.5		103.6	113.1	118.9	124.8	
December	125.6	133.1	142.9		103.9	113.4	119.6	125.2	
Yearly average	122.7	130.1	138.7		102.5	109.5	117.1	122.0	
<i>Annual change (%)</i> <i>(Inflation rate)</i>	+ 7.3	+ 6.0	+ 6.6		+ 6.6	+ 6.8	+ 6.9	+ 4.2	

Table 2 - Net contribution of main commodities that have affected the index during the second quarter of 2001

Commodity	Change in index point	% change in price between March & June 2001
Fresh beef	+0.1	+8.9
Frozen chicken	+0.2	+5.8
Fresh eggs	+0.1	+14.3
Fresh vegetables	+0.4	+5.9
Milk	+0.1	+2.0
Beer and stout	+0.1	+5.0
Cigarettes	+0.3	+6.9
Health expenses	+0.1	+1.6
Other goods & services	+0.1	-
Overall	+1.5	+1.2

Table 3 : Monthly sub-indices by major commodity group, January 2001 - June 2001

(Base: July 1996 - June 1997 = 100)

Major Commodity Group	Weight	Jan. 2001	Feb. 2001	Mar. 2001	Apr. 2001	May. 2001	June. 2001	% Change between March & June 2001
<i>1. Food and non alcoholic beverages</i>	364	120.9	121.3	120.8	121.2	121.6	123.4	+2.2
<i>2. Alcoholic beverages and tobacco</i>	87	160.3	161.3	161.7	161.7	161.9	166.6	+3.0
<i>3. Clothing and footwear</i>	79	115.6	115.7	115.7	115.7	115.7	115.8	+0.1
<i>4. Fuel and light</i>	44	121.9	121.9	121.9	121.9	121.9	121.9	-
<i>5. Housing and household operations</i>	132	119.3	120.8	121.1	121.3	121.3	121.5	+0.3
<i>6. Medical care and health expenses</i>	38	124.6	124.7	125.0	125.4	126.2	127.0	+1.6
<i>7. Transport and communication</i>	142	130.7	130.6	130.1	130.5	130.6	130.1	-
<i>8. Recreation, entertainment, education and cultural services</i>	60	129.3	131.6	132.0	132.1	132.5	132.5	+0.4
<i>9. Miscellaneous goods and services</i>	54	123.0	123.1	122.8	122.5	122.4	122.1	-0.6
ALL GROUPS	1000	125.9	126.5	126.3	126.5	126.8	127.8	+1.2

Table 4 - Inflation rate (%), 1975 - 2001

<i>Calendar year</i>	<i>Inflation rate</i>	<i>Financial year</i>	<i>Inflation rate</i>
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
1997	6.6	1996 - 97	7.9
1998	6.8	1997 - 98	5.4
1999	6.9	1998 - 99	7.9
2000	4.2	1999 - 2000	5.3
		2000 - 2001	4.4