## PRODUCER PRICE INDEX - MANUFACTURING (PPI-M) 1<sup>st</sup> Quarter 2016 (Base year: 2013 =100)

#### 1. Introduction

The Producer Price Index of the Manufacturing sector (PPI-M) measures pure price changes in the effective prices received by producers for that part of their output, which is sold on the domestic market (in Mauritian rupees) and therefore excludes Export Oriented Enterprises.

In order to reflect the changes in the production pattern of manufacturing products, a new set of weights has been calculated with 2013 as base period; the previous one being 2007. The weights for the PPI-M have been derived from the results of the 2013 Census of Economic Activities. The methodology used and changes in the weights from 2007 to 2013 as well as main explanations for the changes are given in the annex to this publication.

This issue of the Economic and Social Indicators (ESI) presents a new series of monthly PPI-M for the period April 2015 to March 2016 and quarterly indices from the first quarter of 2014 to the first quarter of 2016 with year 2013 as base period. These new indices are not strictly comparable with previously published ones because of the different weight structure in the base period. To facilitate analysis, chain-linked indices with base year 2013 have been worked out for the period January 2007 to March 2016 and are given in tables 4(a) and 4(b).

Detailed indices on the new base for the period January 2013 to March 2015 will be posted on Statistics Mauritius website in the historical series of manufacturing statistics.

The link to the series is

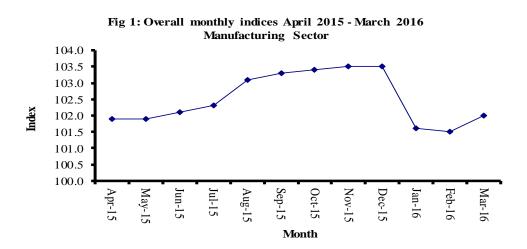
http://statsmauritius.govmu.org/English/StatsbySubj/Pages/Manufacturing.aspx

#### 2. Changes during first quarter 2016

#### 2.1 Manufacturing Sector

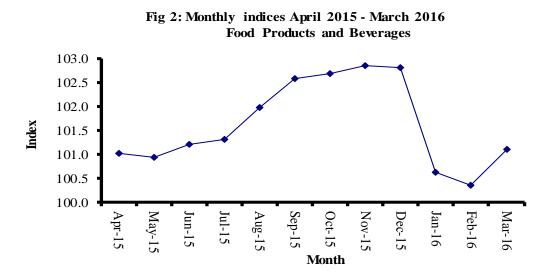
The Producer Price Index for the manufacturing sector registered a decrease of 1.5 points (-1.4%) from 103.5 in December 2015 to 102.0 in March 2016. The main reason for the net decrease was lower prices of "Food products and beverages" (-1.7%).

On a monthly basis, the PPI-M lost 1.9 points (-1.8%) and 0.1 point (-0.1%) in January and February 2016 respectively and gained 0.5 point (+0.5%) in March 2016 (Table 1a).



#### 2.2 <u>Manufacture of Food Products and Beverages</u>

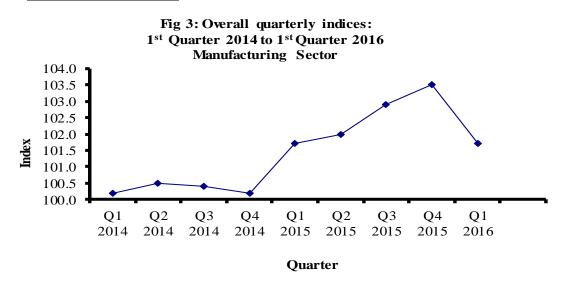
The Producer Price Index for "Food products and beverages", which accounts for 55.2% of the total weight, registered a net decrease of 1.7 points (-1.7%) from 102.8 in December 2015 to 101.1 in March 2016. The decrease was mainly attributable to lower prices of "Bakery products" (-4.0%) and "Processing and preserving of meat" (-2.1%).



On a monthly basis, the index for this activity group lost 2.2 points (-2.1%) in January 2016, 0.2 point (-0.3%) in February 2016 and gained 0.7 point (+0.7%) in March 2016 (Table 1b).

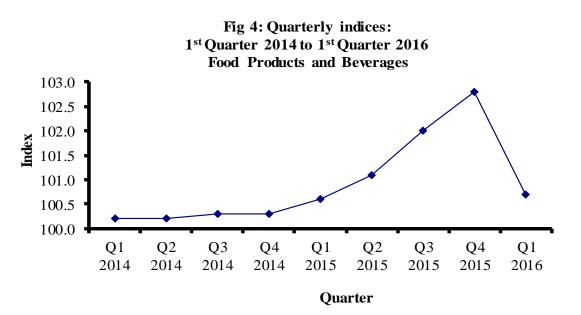
#### 3. Change in quarterly PPI-M

#### 3.1 Manufacturing Sector



The average quarterly PPI-M, decreased by 1.8 points (-1.7%) from 103.5 in the fourth quarter of 2015 to 101.7 in the first quarter of 2016 (Table 2a).

When compared to the corresponding quarter of 2015, the average PPI-M for the first quarter of 2016 remained unchanged.



#### 3.2 Manufacture of Food Products and Beverages

Compared to the previous quarter, the index for "Food products and beverages" decreased by 2.1 points (-2.0%) in the first quarter of 2016. The index for "Food products" went down by 2.6 points (-2.6%), mainly explained by lower prices of "Bakery products" (-4.2%) and "Grain mill products" (-4.8%). The index for "Beverages" went down by 1.0 point (-0.9%), explained by lower prices of "Wines" (-7.0%) and " Malt liquors and malt including non alcoholic beer" (-1.0%).

Compared to the first quarter of 2015, the index for "Food products and beverages" increased by 0.1 point (+0.1%), explained by higher prices of "Processing and preserving of meat" (+0.5%), partly offset by lower prices of "Dairy products" (-0.7%).

#### 4. Yearly Index

The average yearly index for the manufacturing sector as a whole was 102.5 in 2015, i.e. 2.2 points (+2.2%) higher than the figure of 100.3 in 2014. The index for the manufacture of food products and beverages was 101.6 in 2015 compared to 100.2 in 2014, i.e. an increase of 1.4 points (+1.4%).

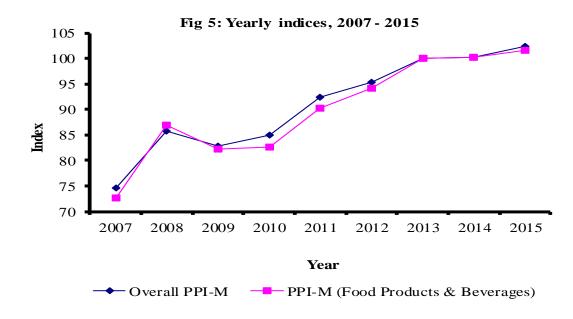


Figure 5 shows that after a sharp increase in 2008, the yearly index for the manufacturing sector as a whole as well as that for the manufacture of food products and beverages declined in 2009. A steady rise is then noted from 2010 to 2013. In the year 2014 the indices remained nearly unchanged and then picked up in 2015.

Statistics Mauritius Ministry of Finance and Economic Development Port Louis June 2016

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Base period: Year 2013=100

		ıt	5	15	5	5	5	5	2	S	5	9	6	9	Percent	tage chan	ge from
NSIC	Industry group	Weight	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Dec 15 to	Jan 16 to	Feb 16 to
		-	ł	N	ſ		ł	<b>U</b> 1	Ŭ	~	I		I	N	Jan 16	Feb 16	Mar 16
10-33	Total manufacturing	1,000	101.9	101.9	102.1	102.3	103.1	103.3	103.4	103.5	103.5	101.6	101.5	102.0	-1.8	-0.1	0.5
10/11	Food products and beverages	552	101.0	100.9	101.2	101.3	102.0	102.6	102.7	102.9	102.8	100.6	100.4	101.1	-2.1	-0.3	0.7
13	Textiles	6	102.9	102.9	103.2	103.2	103.2	103.2	103.2	103.2	103.2	101.9	102.9	102.9	-1.3	1.0	0.0
14	Wearing apparel	34	118.1	118.1	118.5	118.5	118.7	118.7	118.8	118.8	118.8	118.1	118.1	118.1	-0.6	0.0	0.0
15	Leather and related products	3	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6	0.0	0.0	0.0
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	16	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	97.3	0.0	0.0	0.0
18	Printing and reproduction of recorded media	28	95.4	95.1	97.4	94.6	99.6	103.0	104.7	105.6	105.3	96.6	99.2	99.2	-8.3	2.7	0.0
20	Chemicals and chemical products	69	101.1	101.6	101.6	102.2	104.5	104.5	104.5	104.5	104.5	100.8	100.8	100.9	-3.5	0.0	0.1
22	Rubber and plastic products	31	103.1	104.8	104.8	105.8	105.8	105.8	105.8	105.8	105.8	103.0	101.7	103.1	-2.6	-1.3	1.4
23	Other non-metallic mineral products	52	102.8	102.8	102.8	102.8	102.8	102.8	102.8	102.8	102.8	102.8	102.8	102.8	0.0	0.0	0.0
24	Basic metals	11	93.7	94.2	94.2	94.2	93.5	93.5	93.5	93.3	92.4	94.4	93.7	93.7	2.2	-0.7	0.0
25	Fabricated metal products	76	106.0	106.0	105.8	105.8	105.8	106.0	106.0	106.0	106.0	106.0	106.0	106.0	0.0	0.0	0.0
27	Electrical equipment	2	98.2	98.2	98.2	98.2	98.2	98.2	98.2	98.2	98.2	91.8	98.2	98.2	-6.5	7.0	0.0
28	Machinery and equipment, n.e.c	9	88.4	88.4	88.4	88.4	88.4	88.4	88.4	88.4	88.4	88.4	88.4	88.4	0.0	0.0	0.0
29	Motor vehicles, trailers and semi-trailers	5	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.6	0.0	0.0	0.0
30	Other transport equipment	16	95.1	95.7	96.3	103.0	109.7	98.2	99.7	97.0	97.7	92.2	92.5	94.7	-5.6	0.3	2.4
31	Furniture	65	107.2	107.2	107.2	107.2	107.2	107.2	107.2	107.2	107.2	107.1	107.2	107.2	-0.1	0.1	0.0
32	Other products	25	93.7	93.7	93.7	93.7	93.7	93.7	93.7	93.7	93.7	93.7	93.7	93.7	0.0	0.0	0.0

## Table 1(b) - Monthly indices by industry group, April 2015 to March 2016 - Manufacture of Food Products & Beverages

Base period: Year 2013=100

		ıt	5	2	2	10	N.	2	6	N	2	9	6	9	Percent	tage chan	ge from
NSIC	Industry group	Weight	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Dec 15 to	Jan 16 to	Feb 16 to
		М	¥	Ν	ſ	ſ	A	Š	0	Ż	D	ſ	H	N	Jan 16	Feb 16	Mar 16
10-11	Total food products & beverages	552	101.0	100.9	101.2	101.3	102.0	102.6	102.7	102.9	102.8	100.6	100.4	101.1	-2.1	-0.3	0.7
101-108	Food products	375	90.3	90.3	90.3	90.3	90.3	90.3	90.3	90.3	90.3	92.5	90.3	90.3	2.4	-2.4	0.0
1010	Processing and preserving of meat	97	99.1	99.8	99.8	98.6	98.6	101.7	101.7	101.7	101.7	99.6	99.6	99.6	-2.1	0.0	0.0
1020	Processing and preserving of fish, crustaceans & molluscs	3	102.6	102.6	110.0	110.0	110.0	110.0	110.0	110.0	110.0	102.6	102.6	102.6	-6.7	0.0	0.0
1030	Processing and preserving of fruits and vegetables	10	104.2	105.1	107.5	107.5	107.8	107.8	107.8	107.8	107.8	102.2	103.0	104.2	-5.2	0.8	1.2
1040	Vegetable and animal oils and fats	30	87.8	87.8	87.8	87.8	87.8	87.8	87.8	87.8	87.8	87.8	87.8	87.8	0.0	0.0	0.0
1050	Dairy products	16	106.9	106.9	106.9	106.9	106.9	106.9	106.9	106.9	106.9	106.9	106.9	106.9	0.0	0.0	0.0
1061	Grain mill products	54	98.8	96.8	97.1	97.8	97.6	97.9	98.9	100.3	99.3	93.6	91.5	98.9	-5.7	-2.2	8.1
1071	Bakery products	73	105.1	105.1	105.1	105.4	109.5	109.5	109.5	109.5	109.5	104.5	105.1	105.1	-4.6	0.6	0.0
10711/ 10712	Bread/Pastries and cakes	69	105.2	105.2	105.2	105.2	109.5	109.5	109.5	109.5	109.5	104.6	105.2	105.2	-4.5	0.6	0.0
10713/ 10730	Biscuits and other dry bakery products	4	105.6	105.6	105.6	105.6	105.6	105.6	105.6	105.6	105.6	103.0	105.6	105.6	-2.4	2.5	0.0
1074	Macaroni, noodles, couscous and similar farinaceous	11	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	0.0	0.0	0.0
1075	Prepared meals and dishes	2	106.8	106.8	106.8	106.8	106.8	106.8	106.8	106.8	106.8	106.8	106.8	106.8	0.0	0.0	0.0
1079	Other food products n.e.c	34	103.4	103.4	104.1	104.3	106.8	107.0	107.0	107.1	107.4	103.0	103.4	103.4	-4.1	0.4	0.0
10791	Tea	5	71.4	71.4	71.4	71.4	71.4	71.4	71.4	74.9	74.9	71.4	71.4	71.4	-4.7	0.0	0.0
10793/ 10799	Spices, sauces, condiments and other food products n.e.c	29	106.0	106.0	108.9	108.9	108.9	109.6	109.6	109.6	110.6	105.8	105.8	105.8	-4.3	0.0	0.0
1080	Animal feed	45	90.3	90.3	90.3	90.3	90.3	90.3	90.3	90.3	90.3	92.5	90.3	90.3	2.4	-2.4	0.0
110	Beverages	179	105.3	105.3	105.3	105.9	106.3	106.3	106.3	106.3	106.3	105.3	105.3	105.3	-0.9	0.0	0.0
1101	Distilled potable alcoholic beverages	65	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1	0.0	0.0	0.0
1102	Wines	13	111.9	111.9	111.9	120.3	120.3	120.3	120.3	120.3	120.3	111.9	111.9	111.9	-7.0	0.0	0.0
1103	Malt liquors and malt including non alcoholic beer	74	103.5	103.5	103.5	103.5	104.5	104.5	104.5	104.5	104.5	103.5	103.5	103.5	-1.0	0.0	0.0
1104	Soft drinks, mineral waters and other bottled waters	27	105.3	105.3	105.3	105.9	106.3	106.3	106.3	106.3	106.3	105.3	105.3	105.3	-0.9	0.0	0.0

Table 1(c) - Monthly indices by industry group, April 2015 to March 2016 - Manufacture of Chemicals and Chemical Products & Rubber and Plastic Products

Base period: Year 2013=100

		çht	15	.15	15	15	15	15	15	15	15	16	16	-16	Percent	age chai	nge from
NSIC	Industry group	Weight	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Dec 15 to Jan 16	to	Feb 16 to Mar 16
20	Chemicals and chemical products	69	101.1	101.6	101.6	102.2	104.5	104.5	104.5	104.5	104.5	100.8	100.8	100.9	-3.5	0.0	0.1
2011	Basic chemicals	9	100.0	100.0	100.0	101.8	101.8	101.8	101.8	101.8	101.8	100.0	100.0	100.0	-1.8	0.0	0.0
2012	Manufacture of fertilizers and nitrogen compounds	8	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9	0.0	0.0	0.0
2022	Paints, varnishes and similar coatings, printing ink and mastics	26	102.3	102.3	102.3	102.3	108.4	108.4	108.4	108.4	108.4	102.3	102.3	102.3	-5.6	0.0	0.0
2023	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	26	102.6	103.9	103.9	104.9	104.9	104.9	105.0	105.0	105.0	101.8	101.8	102.0	-3.0	0.0	0.2
22	Rubber and plastic products	31	103.1	104.8	104.8	105.8	105.8	105.8	105.8	105.8	105.8	103.0	101.7	103.1	-2.6	-1.3	1.4
2211	Rubber tyres and tubes, retreading and rebuilding of rubber tyres	5	101.0	101.0	101.0	100.0	100.0	100.0	100.0	100.0	100.0	101.0	101.0	101.0	1.0	0.0	0.0
2220	Plastic products	26	103.5	105.6	105.6	106.9	106.9	106.9	106.9	106.9	106.9	103.3	101.8	103.5	-3.4	-1.5	1.7

# Table 2(a) - Quarterly & yearly indices by industry group,1<sup>st</sup> Quarter 2014 to 1<sup>st</sup> Quarter 2016 - Manufacturing Sector

Base period: Year 2013=100

		çht			2014					2015			2016
NSIC	Industry group	Weight	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.
10-33	Total manufacturing	1000	100.2	100.5	100.4	100.2	100.3	101.7	102.0	102.9	103.5	102.5	101.7
10/11	Food products and beverages	552	100.2	100.2	100.3	100.3	100.2	100.6	101.1	102.0	102.8	101.6	100.7
13	Textiles	6	101.0	101.6	101.9	101.9	101.6	102.6	103.0	103.2	103.2	103.0	102.6
14	Wearing apparel	34	101.3	101.2	101.2	101.4	101.3	118.1	118.2	118.6	118.8	118.4	118.1
15	Leather and related products	3	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6	100.6
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	16	100.4	100.4	99.1	97.1	99.2	97.3	97.3	97.3	97.3	97.3	97.3
18	Printing and reproduction of recorded media	28	97.8	98.3	97.0	104.6	99.4	98.3	96.0	99.1	105.2	99.7	98.3
20	Chemicals and chemical products	69	100.7	101.0	100.9	100.7	100.8	100.8	101.4	103.7	104.5	102.6	100.8
22	Rubber and plastic products	31	101.3	102.1	103.0	103.0	102.4	102.6	104.3	105.8	105.8	104.6	102.6
23	Other non-metallic mineral products	52	100.9	102.8	102.8	102.8	102.3	102.8	102.8	102.8	102.8	102.8	102.8
24	Basic metals	11	98.1	96.8	95.0	94.4	96.1	93.9	94.1	93.8	93.1	93.7	93.9
25	Fabricated metal products	76	101.5	102.0	102.0	101.3	101.7	106.0	105.9	105.8	106.0	105.9	106.0
27	Electrical equipment	2	94.5	91.8	91.8	91.8	92.5	96.0	98.2	98.2	98.2	97.7	96.0
28	Machinery and equipment, n.e.c	9	100.0	100.0	100.0	100.0	100.0	88.4	88.4	88.4	88.4	88.4	88.4
29	Motor vehicles, trailers and semi- trailers	5	99.1	99.1	99.1	99.1	99.1	102.6	102.6	102.6	102.6	102.6	102.6
30	Other transport equipment	16	104.4	104.2	98.7	92.4	99.9	93.2	95.7	103.6	98.1	97.7	93.2
31	Furniture	65	99.9	99.9	100.2	100.4	100.1	107.2	107.2	107.2	107.2	107.2	107.2
32	Other products	25	92.3	96.3	96.3	89.4	93.6	95.5	93.7	93.7	93.7	94.2	93.7

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		ht		2014 2015						2016			
NSIC	Industry group	Weight	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.
10-11	Total food products & beverages	552	100.2	100.2	100.3	100.3	100.2	100.6	101.1	102.0	102.8	101.6	100.7
101-108	Food products	375	98.1	98.0	97.9	97.9	98.0	98.4	99.0	99.9	101.1	99.6	98.5
1010	Processing and preserving of meat	97	99.4	99.6	99.7	99.8	99.6	99.1	99.6	99.7	101.7	100.0	99.6
1020	Processing and preserving of fish, crustaceans & molluscs	3	102.6	102.6	102.6	102.6	102.6	102.6	105.0	110.0	110.0	106.9	102.6
1030	Processing and preserving of fruits and vegetables	10	103.8	103.9	104.2	103.1	103.8	103.1	105.6	107.7	107.8	106.1	103.1
1040	Vegetable and animal oils and fats	30	95.4	95.4	95.4	92.8	94.8	87.8	87.8	87.8	87.8	87.8	87.8
1050	Dairy products	16	102.1	104.2	104.0	105.0	103.8	107.6	106.9	106.9	106.9	107.1	106.9
1061	Grain mill products	54	87.6	87.1	88.4	90.4	88.4	94.7	97.6	97.8	99.5	97.4	94.7
1071	Bakery products	73	104.3	104.3	104.3	104.3	104.3	104.9	105.1	108.1	109.5	106.9	104.9
10711/ 10712	Bread/Pastries and cakes	69	104.5	104.5	104.5	104.5	104.5	105.0	105.2	108.1	109.5	107.0	105.0
10713/ 10730	Biscuits and other dry bakery products	4	101.0	101.0	101.0	101.0	101.0	104.7	105.6	105.6	105.6	105.4	104.7
1074	Macaroni, noodles, couscous and similar farinaceous products	11	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3	100.3
1075	Prepared meals and dishes	2	100.0	100.0	100.0	100.0	100.0	106.8	106.8	106.8	106.8	106.8	106.8
1079	Other food products n.e.c	34	102.8	102.9	102.1	101.5	102.3	103.3	103.7	106.0	107.2	105.1	103.3
10791	Tea	5	103.2	103.2	84.2	71.0	90.4	71.4	71.4	71.4	73.7	72.0	71.4
10793/ 10799	Spices, sauces, condiments and other food products n.e.c	29	100.3	100.5	100.6	100.6	100.5	105.8	107.0	109.2	110.0	108.0	105.8
1080	Animal feed	45	93.9	92.5	92.5	92.5	92.9	91.0	90.3	90.3	90.3	90.5	91.0
110	Beverages	179	104.5	104.8	105.3	105.3	105.0	105.3	105.3	106.2	106.3	105.8	105.3
1101	Distilled potable alcoholic beverages	65	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1	107.1
1102	Wines	13	101.8	105.2	111.9	111.9	107.7	111.9	111.9	120.3	120.3	116.1	111.9
1103	Malt liquors and malt including non alcoholic beer	74	103.5	103.5	103.5	103.5	103.5	103.5	103.5	104.2	104.5	103.9	103.5
1104	Soft drinks, mineral waters and other bottled waters	27	102.6	102.6	102.6	102.7	102.6	102.7	102.7	102.7	102.7	102.7	102.7

 Table 2(b) - Quarterly & yearly indices by industry group, 1<sup>st</sup> Quarter 2014 to 1<sup>st</sup> Quarter 2016 - Manufacture of Food Products & Beverages

Base period: Year 2013=100

Table 2(c) - Quarterly & yearly indices by industry group, 1<sup>st</sup> Quarter 2014 to 1<sup>st</sup> Quarter 2016 - Manufacture of Chemicals and ChemicalProducts & Rubber and Plastic Products

Base period: Year 2013=100

NSIC	Inductive group	Weight			2014					2015			2016
NSIC	Industry group	Wei	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	Year Average	1st Qr.
20	Chemicals and chemical products	69	100.7	101.0	100.9	100.7	100.8	100.8	101.4	103.7	104.5	102.6	100.8
2011	Basic chemicals	9	100.0	100.0	100.0	100.0	100.0	100.0	100.0	101.8	101.8	100.9	100.0
2012	Manufacture of fertilizers and nitrogen compounds	8	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9	93.9
2022	Paints, varnishes and similar coatings, printing ink and mastics	26	102.3	102.3	102.3	102.3	102.3	102.3	102.3	106.4	108.4	104.9	102.3
2023	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	26	101.4	102.4	102.0	101.6	101.9	101.9	103.5	104.9	105.0	103.8	101.9
22	Rubber and plastic products	31	101.3	102.1	103.0	103.0	102.4	102.6	104.3	105.8	105.8	104.6	102.6
2211	Rubber tyres and tubes, retreading and rebuilding of rubber tyres	5	101.0	101.0	101.0	101.0	101.0	101.0	101.0	100.0	100.0	100.5	101.0
2220	Plastic products	26	101.3	102.3	103.4	103.3	102.6	102.9	104.9	106.9	106.9	105.4	102.9

# Table 3(a) - Quarterly percentage change by industry group, 2<sup>nd</sup> Quarter 2014 to 1<sup>st</sup> Quarter 2016 - Manufacturing Sector

Base period: Year 2013=100

		t.				Percentage	change from			
NSIC	Industry group	Weight	1st Qr 15 to 2nd Qr 15	2nd Qr 15 to 3rd Qr 15	3rd Qr 15 to 4th Qr 15	4th Qr 15 to 1st Qr 16	2nd Qr 14 to 2nd Qr 15	3rd Qr 14 to 3rd Qr 15	4th Qr 14 to 4th Qr 15	1st Qr 15 to 1st Qr 16
10-33	Total manufacturing	1000	0.3	0.9	0.6	-1.7	1.5	2.5	3.3	0.0
10/11	Food products and beverages	552	0.4	0.9	0.8	-2.0	0.9	1.7	2.5	0.1
13	Textiles	6	0.4	0.2	0.0	-0.6	1.4	1.3	1.3	0.0
14	Wearing apparel	34	0.1	0.3	0.2	-0.6	16.8	17.2	17.2	0.0
15	Leather and related products	3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
16/17	Wood and products of wood & cork; articles of straw and plaiting materials/ Paper and paper products	16	0.0	0.0	0.0	0.0	-3.0	-1.8	0.3	0.0
18	Printing and reproduction of recorded media	28	-2.3	3.2	6.2	-6.6	-2.3	2.2	0.6	0.0
20	Chemicals and chemical products	69	0.6	2.3	0.8	-3.5	0.4	2.8	3.8	0.0
22	Rubber and plastic products	31	1.7	1.4	0.0	-3.0	2.2	2.7	2.7	0.0
23	Other non-metallic mineral products	52	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
24	Basic metals	11	0.2	-0.3	-0.7	0.9	-2.8	-1.3	-1.4	0.0
25	Fabricated metal products	76	-0.1	-0.1	0.2	0.0	3.8	3.7	4.6	0.0
27	Electrical equipment	2	2.3	0.0	0.0	-2.2	7.0	7.0	7.0	0.0
28	Machinery and equipment, n.e.c	9	0.0	0.0	0.0	0.0	-11.6	-11.6	-11.6	0.0
29	Motor vehicles, trailers and semi-trailers	5	0.0	0.0	0.0	0.0	3.5	3.5	3.5	0.0
30	Other transport equipment	16	2.7	8.3	-5.3	-5.0	-8.2	5.0	6.2	0.0
31	Furniture	65	0.0	0.0	0.0	0.0	7.3	7.0	6.8	0.0
32	Other products	25	-1.9	0.0	0.0	0.0	-2.7	-2.7	4.8	-1.9

Percentage change from Weight 1st Or 15 2nd Or 15 3rd Or 15 4th Or 15 2nd Or 14 3rd Or 14 4th Or 14 1st Or 15 NSIC **Industry group** to to to to to to to to 2nd Or 15 3rd Qr 15 4th Qr 15 1st Qr 16 2nd Qr 15 3rd Or 15 4th Qr 15 1st Or 16 10-11 **Total food products & beverages** 552 0.4 0.9 0.8 -2.0 0.9 1.7 2.5 0.1 101-108 Food products 375 0.6 0.9 1.2 -2.6 1.0 2.0 3.3 0.1 1010 Processing and preserving of meat 97 0.5 0.1 2.0 -2.1 0.0 0.0 1.9 0.5 Processing and preserving of fish, crustaceans & 1020 3 7.2 2.3 4.8 0.0 -6.7 2.3 7.2 0.0 molluscs 1030 Processing and preserving of fruits and vegetables 10 2.4 2.0 0.1 -4.4 3.4 4.6 0.0 1.6 1040 Vegetable and animal oils and fats 30 0.0 0.0 0.0 0.0 -8.0 -8.0 -5.4 0.0 Dairy products 0.0 0.0 0.0 2.8 1.8 -0.7 1050 16 -0.7 2.6 Grain mill products 10.1 1061 54 3.1 0.2 1.7 -4.8 12.1 10.6 0.0 Bakery products 2.9 1.3 0.8 5.0 1071 73 0.2 -4.2 3.6 0.0 10711/ Bread/Pastries and cakes 69 0.2 2.8 1.3 -4.1 0.7 3.4 4.8 0.0 10712 10713/ Biscuits, other dry bakery products, cocoa, 0.9 0.0 4 0.0 -0.9 4.6 4.6 0.0 4.6 chocolate and sugar confectionery 10730 Macaroni, noodles, couscous and similar 1074 11 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 farinaceous products 1075 Prepared meals and dishes 2 0.0 0.0 0.0 0.0 6.8 6.8 6.8 6.8 1079 Other food products n.e.c 34 0.4 2.2 1.1 -3.6 0.8 3.8 5.6 0.0 10791 0.0 3.2 Tea 5 0.0 -3.1 -30.8 -15.2 3.8 0.0 10793/ Spices, sauces, condiments and other food products 29 1.1 2.0 0.7 -3.7 6.5 8.6 9.3 0.0 10799 n.e.c 1080 Animal feed 45 -0.8 0.0 0.0 0.8 -2.4 -2.4 -2.4 0.0 179 0.0 0.9 0.1 -0.9 0.5 0.9 0.0 110 Beverages 0.9 Distilled potable alcoholic beverages 65 0.0 0.0 0.0 0.0 0.0 0.0 0.0 1101 0.0 1102 Wines 13 0.0 7.5 0.0 -7.0 6.4 7.5 7.5 0.0 Malt liquors and malt including non alcoholic beer 0.7 1103 74 0.0 0.3 -1.0 0.0 0.7 1.0 0.0 Soft drinks, mineral waters and other bottled waters 27 0.0 0.0 0.0 0.0 0.1 0.1 0.0 0.0 1104

Table 3(b) - Quarterly percentage change by industry group, 2<sup>nd</sup> Quarter 2014 to 1<sup>st</sup> Quarter 2016 - Manufacture of Food Products & Beverages

Base period: Year 2013=100

Table 3(c) - Quarterly percentage change by industry group, 2<sup>nd</sup> Quarter 2014 to 1<sup>st</sup> Quarter 2016 - Manufacture of Chemicals and Chemical Products & Rubber and Plastic Products

						Percentage	change from			
NSIC	Industry group	Weight	1st Qr 15 to 2nd Qr 15	2nd Qr 15 to 3rd Qr 15	3rd Qr 15 to 4th Qr 15	4th Qr 15 to 1st Qr 16	2nd Qr 14 to 2nd Qr 15	3rd Qr 14 to 3rd Qr 15	4th Qr 14 to 4th Qr 15	1st Qr 15 to 1st Qr 16
20	Chemicals and chemical products	69	0.6	2.3	0.8	-3.5	0.4	2.8	3.8	0.0
2011	Basic chemicals	9	0.0	1.8	0.0	-1.8	0.0	1.8	1.8	0.0
	Paints, varnishes and similar coatings, printing ink and mastics	8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations	26	0.0	4.0	1.9	-5.6	0.0	4.0	6.0	0.0
22	Rubber and plastic products	31	1.7	1.4	0.0	-3.0	2.2	2.7	2.7	0.0
////	Rubber tyres and tubes, retreading and rebuilding of rubber tyres	5	0.0	-1.0	0.0	1.0	0.0	-1.0	-1.0	0.0
2220	Plastic products	26	1.9	1.9	0.0	-3.7	2.5	3.4	3.5	0.0

Base period: Year 2013=100

Table 4(a) - Comparative monthly	y and quarterly indices	. January 2007 to Marc	h 2016- Manufacturing Sector
		,	

Base p	period:	Year	2013=	=100
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Month	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	69.4	82.6	85.7	83.2	89.1	94.6	98.6	100.1	101.6	101.6
February	70.3	83.3	83.3	83.3	91.9	94.3	99.9	100.1	101.5	101.5
March	70.7	84.0	83.4	83.4	91.5	93.9	100.0	100.3	102.0	102.0
Average 1 <sup>st</sup> Quarter	70.1	83.3	84.1	83.3	90.8	94.3	99.5	100.2	101.7	101.7
April	73.6	84.7	82.7	84.1	91.5	94.4	100.0	100.4	101.9	
May	73.6	84.9	82.0	84.8	91.7	94.5	99.9	100.4	101.9	
June	75.9	84.6	81.8	85.3	92.3	94.9	99.8	100.6	102.1	
Average 2 <sup>nd</sup> Quarter	74.4	84.7	82.2	84.7	91.8	94.6	99.9	100.5	102.0	
July	75.6	85.1	82.3	85.3	92.6	95.4	100.1	100.6	102.3	
August	75.5	86.7	82.3	85.4	92.9	95.5	100.1	100.3	103.1	
September	76.9	87.9	82.2	85.2	93.0	95.6	100.0	100.3	103.3	
Average 3 <sup>rd</sup> Quarter	76.0	86.6	82.3	85.3	92.8	95.5	100.1	100.4	102.9	
October	77.4	88.8	82.6	85.4	94.1	96.9	100.1	100.4	103.4	
November	78.1	88.8	82.7	86.6	94.6	97.8	100.9	100.3	103.5	
December	78.4	88.6	82.7	87.1	94.9	97.8	100.5	100.0	103.5	
Average 4 <sup>th</sup> Quarter	78.0	88.7	82.7	86.4	94.6	97.5	100.5	100.2	103.5	
Yearly average	74.6	85.8	82.8	84.9	92.5	95.5	100.0	100.3	102.5	
Annual change (%)		15.0	-3.5	2.5	8.9	3.2	4.7	0.3	2.2	

									1	1001 2018-100
Month	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	66.6	83.1	86.2	81.5	85.5	93.5	97.4	100.5	100.5	100.6
February	67.7	84.0	82.6	81.7	90.0	92.4	99.7	100.0	100.3	100.4
March	68.2	85.1	82.7	81.9	89.2	92.4	99.9	100.0	101.0	101.1
Average 1 <sup>st</sup> Quarter	67.5	84.1	83.9	81.7	88.2	92.8	99.0	100.2	100.6	100.7
April	72.4	85.9	82.8	82.0	89.4	93.1	100.0	100.0	101.0	
May	72.5	86.2	81.8	82.5	89.4	93.3	100.1	100.1	100.9	
June	74.7	85.9	81.4	82.7	89.5	93.8	100.1	100.4	101.2	
Average 2 <sup>nd</sup> Quarter	73.2	86.0	82.0	82.4	89.4	93.4	100.0	100.2	101.1	
July	73.4	85.9	81.9	82.7	89.8	94.4	100.2	100.4	101.3	
August	73.3	87.4	81.9	82.9	90.1	94.5	100.2	100.1	102.0	
September	75.1	88.8	81.6	82.8	90.5	94.4	100.0	100.4	102.6	
Average 3 <sup>rd</sup> Quarter	73.9	87.4	81.8	82.8	90.2	94.4	100.2	100.3	102.0	
October	74.9	90.0	81.4	82.5	92.4	95.5	99.8	100.4	102.7	
November	76.5	90.7	81.3	84.1	92.9	96.9	101.5	100.5	102.9	
December	76.5	90.6	81.2	84.9	93.3	96.8	101.1	99.9	102.8	
Average 4 <sup>th</sup> Quarter	76.0	90.4	81.3	83.9	92.9	96.4	100.8	100.3	102.8	
Yearly average	72.6	87.0	82.2	82.7	90.2	94.3	100.0	100.2	101.6	
Annual change (%)		19.7	-5.5	0.6	9.1	4.5	6.1	0.2	1.4	

 Table 4(b) - Comparative monthly and quarterly sub - indices, January 2007 to March 2016 - Food Products and Beverages

Base period: Year 2013=100

<u>1</u>5

## **Producer Price Index – Manufacturing (PPI-M)**

## Methodology for the computation of the PPI-M

## 1. Definition

The Producer Price Index (PPI-M) measures changes in the effective prices received by producers in the manufacturing sector for that part of their output, which is sold on the domestic market. It reflects the price trends of a fixed basket of goods representative of the output of Non Export Oriented Enterprises (Non EOE).

The concepts and definitions of the PPI-M largely follow the guidelines provided in the "IMF Producer Price Index Manual Theory and Practice".

## 2. Scope

The PPI-M covers both large and small manufacturing establishments falling within divisions 10 to 33 of the National Standard Industrial Classification Rev.2 (NSIC Rev.2), which is an adapted version of the International Standard Industrial Classification (ISIC) Rev.4. The establishments are classified under 24 divisions, 71 groups, 137 classes and 240 sub-classes.

The following divisions have been excluded for reasons given in brackets:

- (a) Division 12: Manufacture of tobacco products (no longer manufactured in Mauritius)
- (b)Division 19: Manufacture of coke and refined petroleum products (weight in the overall index is not significant)
- (c)Division 21: Manufacture of basic pharmaceutical products and pharmaceutical preparations (weight in the overall index is not significant and change of products is too dynamic)
- (d)Division 26: Manufacture of computers, electronic and optical products (weight in the overall index is not significant and change of products is too dynamic)
- (e) Division 33: Repair and installation of machinery and equipment (weight in the overall index is not significant and change of products is too dynamic)

The activities covered by the index represent around 97% of the gross output generated by the Non-EOE manufacturing sector during year 2013.

## 3. Frame

A list of all large establishments (engaging 10 or more persons) falling under the scope of the PPI-M was obtained from the 2013 Census of Economic Activities (CEA 2013). For small

#### Annex

establishments (engaging less than 10 persons), the list of respondents at the CEA 2013 was used.

## 4. Selection of establishments (producers)

A sample of 126 large establishments was selected from the list of large manufacturing establishments. Those establishments were the most important ones in terms of Gross Output (GO) in their respective 5-digit sub-class.

Small establishments selected for price collection were those engaged in the manufacture of wearing apparel, fabricated metal products and furniture as these activities were the most important ones performed by small manufacturing establishments.

Output of the selected establishments represented around 60% of the total GO generated by all establishments falling within the scope of the PPI-M.

## 5. Selection of products to be priced

Some 400 products have been selected for pricing. These are the most important ones in terms of contribution to the gross output or turnover of the selected establishments.

## 6. Price collection

Prices collected refer to the prices received by producers for the sale of their products on the local market. The prices exclude all taxes on products, namely excise duty and value added tax (VAT).

As from July 2013, prices are collected on a monthly basis and provisional monthly indices are compiled. The overall PPI-M on a monthly basis is published according to SDDS requirements.

For revised monthly and quarterly indices at division level and in some specific cases at even lower level, the selected establishments are visited on a quarterly basis and prices of the selected products are collected for each month of the reference quarter.

## 7. Updating of weights

#### 7.1 Historical background

Statistics Mauritius first published a Producers Price Index limited to the "Manufacturing of food products, beverages and tobacco" in March 1994 with 1993 as base period (1993 = 100). The index was revised in June 2002 to cover all relevant industry groups of the former Non-EPZ manufacturing sector, based on the results of the 1997 Census of Economic Activities. The base period was 1998. The base year was subsequently revised to 2003 and 2007, based on the results of the Census of Economic Activities.

The current basket of goods has been updated based on the results of the 2013 Census of Economic Activities and the index is computed with year 2013 as base period.

## 7.2 Evolution of weights from 2007 to 2013.

It is to be noted that output of small establishments has been considered in the updating of the weights from 2007 to 2013. The share of the small establishments was estimated at around 25% of the total Non EOE manufacturing sector in 2013.

The weights for the current PPI-M have been calculated from the gross output figures derived from the 2013 Census of Economic Activities. Gross output is valued at basic prices, and thus excludes all taxes on products, namely excise duties and value added tax. The weight of a product group represents the share of its gross output out of the total output of the manufacturing sector.

The changes in the weights by division from 2007 to 2013 are given in table A. The main changes are due to the following:

- (a) Some activities have gained more importance in the basket of products mainly due the inclusion of small establishments.
  - (i) Manufacture of wearing apparel (from 1.6% to 3.4%)
  - (ii) Manufacture of fabricated metal products, except machinery (from 3.8% to 7.6%)
  - (iii) Manufacture of furniture (from 2.0% to 6.5%).

(b)The weight of some divisions has decreased. The main ones are:

- (i) Manufacture of food products and beverages (from 60.8% to 55.2%) due to reclassification of mixed manufacturing and sales activities to "Wholesale and retail trade" in some cases.
- (ii) Manufacture of rubber and plastics products (from 5.9% to 3.1%) due to a significant reduction in the production of plastic bags.
- (iii) Manufacture of chemicals and chemical products (from 10.7% to 6.9%) mainly due to a reduction in the number of large establishments in this division.
- (c) The weight for 'Manufacture of other non-metallic mineral products' has increased from 0.3% to 5.2% due to a re-classification of some establishments from Construction to Manufacturing.

NSIC Division	Description	Weight 2007	Weight 2013
10	Manufacture of food products	442	374
11	Manufacture of beverages	166	178
13	Manufacture of textiles	4	6
14	Manufacture of wearing apparel	16	34
15	Manufacture of leather and related products	2	3
16	Manufacture of wood/wood products/cork, excl. furniture	0	5
17	Manufacture of paper and paper products	15	11
18	Manufacture of printing and reproduction of recorded media	56	28
20	Manufacture of chemicals and chemical products	107	69
22	Manufacture of rubber and plastics produts	59	31
23	Manufacture of other non-metallic mineral products	3	52
24	Manufacture of basic metals	34	11
25	Manufacture of fabricated metal products, except machinery	38	76
27	Manufacture of electrical equipment	12	2
28	Manufacture of machinery and equipment n.e.c	12	9
29	Manufacture of motor vehicle, trailers and semi-trailers	3	5
30	Manufacture of other transport equipment	4	16
31	Manufacture of furniture	20	65
32	Manufacture of other manufacturing	6	25
	Overall Index	1000	1000

 Table A - Distribution of weights by division, 2007 and 2013

#### 8. Index calculation

The PPI-M is computed according to the Laspeyres Formula.

The formula used is given below

$$I_{c} = \frac{\sum W_{i} * (\frac{P_{ci}}{P_{oi}})}{\sum W_{i}} * 100$$

Where Ic = Index for current month

Wi = Weight associated with product i Pci = Price of product i for the current month Poi = Price for product i for the base period (2013)

The PPI-M is calculated at the 5-digit sub-class level of the NSIC Rev.2 by the above formula. The lowest level indices are determined as a geometric average of the price relatives of the basic observations. Indices at the division level (2-digit code) are then derived as a weighted average of the indices of the products falling within each division. Finally, the overall index is obtained as a weighted average of the division indices.

#### 9. Uses of PPI

- (a) The PPI is a leading indicator of the future status of inflation. Movement of PPI is usually indicative of a similar change of part of the Consumer Price Index (CPI). PPI can also be used in the economic analysis of inflation transmission process.
- (b) It provides specific price deflators for the computation of national accounts at constant prices in order to measure real growth
- (c) It is helpful in the formulation of contract agreement. It can be used as an escalation clause to protect buyers and sellers against inflation or deflation.
- (d) PPI is also used in econometric models, in forecasting and in inventory accounting.

#### 10. Missing prices

In case of temporarily missing prices for products, the change in the prices are assumed to be following the same trend as the average price in the 5-digit sub-class or of a higher level.

## 11. Treatment of product permanently disappeared

Products may disappear permanently for various reasons. The products may disappear from the market because new products have been introduced or the establishments from which the price has been collected have stopped selling the product. When a product disappears permanently, a replacement product of a similar nature will be included in the index.

## 12. Treatment of quality change

The index is a measure of only "PURE" price changes and should as far as possible measure the price changes of the same products. Hence, the products must not be affected by quality change. If the change is due to quality, an estimate of the proportion of the change attributed to the quality element is made and adjustment done accordingly.

## 13. Reliability of the PPI-M

The statistical accuracy of the PPI-M depends heavily on the quality of information provided by the selected establishments (respondents). This office places great emphasis on the need for reporting effective selling prices, i.e. prices after discounts and other price deductions rather than the list or catalogue prices.

Standard editing procedures are used to validate the accuracy and reliability of the data. Collected prices are validated during the field work and inconsistencies discussed with the respondents and corrected.

Further computer checks are made at office level when compiling the indices. Ccomparison is also made with the CPI and with the import/export price indices. Systematic analyzes of the source data are made in the context of weight and base year revisions that occur every five years.