

OPERATIONS MEMORANDUM

TO: Amembassy RIO DE JANEIRO
 FROM: Amconsul PORTO ALEGRE
 SUBJECT: Cost of Living Statistics for Porto Alegre for the Month of February 1967
 REF: Consulate's OM of February 16, 1967

DATE March 16, 1967

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1. The Institute of Economic Research of the Faculty of Economic Sciences of the Federal University of the State of Rio Grande do Sul published recently the following cost of living statistics which reveal that consumer prices in February increased by 2.65 percent in comparison with those of January, 1967. The statistics are based on the consumption habits of industrial workers in the município (county) of Porto Alegre utilizing the base year of 1960 and a consumption base of 1965.

<u>Items</u>	Monthly Percentage 1/31/67	Variation of Index 2/28/67
Food	0.92	4.81
Housing	0.05	0.95
Clothing	4.34	- 9.72
Health	6.69	7.51
Tobacco & beverages	6.33	3.03
Power and fuel	5.64	1.65
Social security	-	-
Transport	0.97	-
Education and recreation	0.36	2.17
General Index	2.25	2.65

<u>Items</u>	2/28/1966		2/28/1967	
	Index	Perc. Variation	Index	Perc. Variation
Food	1317	1.23	1832	4.81
Housing	1405	1.81	1922	0.95
Clothing	1201	1.18	1672	-9.72
Health	1464	5.93	2075	7.51
Tobacco & beverages	2092	0.19	2787	3.03
Power & fuel	1802	2.50	2096	1.65
Social Security	134	-	140	-
Transport	1018	-	1769	-
Educ. & recreation	1472	0.62	2542	2.17
General Index	1311	1.71	1820	2.65

2. For February the major variations in the consumer price index are further broken down as follows:

Food: Rice 14.1%; corn flour 11.7%; wheat flour 2.5%; plain noodles 3.0%; noodles with eggs 3.2%; maizena 3.3%; dressed chicken 1.4%; sausage 15.5%; salami 6.2%; fish filet 42.9%; lard 13.8%; edible oils 4.4%; margarine 2.3%; lettuce 15.9%; bananas 15.2%; sweet potatoes 31.6%; carrots 32.1%; oranges 18.3%; cabbage 47.7%; tomatoes 46.1%; garlic 42.2%; onion 16.6%; Irish potatoes 13.7%; eggs 24.2%; jam 18%.

Housing: Cleanser 5.8%; insecticide 5.1%; mixer 3.1%; bed linen 11.9%; soap 1.1%; broom 13.4%.

Clothes: Decreased as follows: Undershirt 9.1%; shorts 18.9%; pajamas 17.2%; men's shoes 0.8%; sports shirt 4.5%; nylon raincoat 5.8%; petticoat 40.7%; women's shoes 43.6%; ordinary shoes 22.4%; summer dress 31.7%; slips 13.4%; boys' shoes 14.5%; girls' shoes 12.7%; small dresses for girls 50%.

Health: Household medicine 14.4%; hospital medicine 14.3%; laundry 13.6%.

Tobacco & beverages: yerba mate 3.6%.

Power and fuel: Alcohol 4.5%; firewood 18.2%.

Education and recreation: Movie theaters 16.7%; pencils 3.2%; copybooks 3.7%; paper 6%.

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