

OPERATIONS MEMORANDUM

TO: Amembassy, Rio de Janeiro DATE: January 12, 1967

FROM: Amconsul PORTO ALEGRE E 8

SUBJECT: Cost of Living Statistics for Porto Alegre for the month of December, 1966

REF: Consulate's OM of December 9, 1966

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 December increased by 1.34% in comparison with those of November, 1966. 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. The period of January-December 1966 shows an overall increase of 42.48 per cent.

Items	Monthly Percentage	Variation of Index
	11/30/66	12/31/66
Food	-	2.12
Housing	0.97	1.22
Clothes	3.50	0.17
Health	0.17	1.86
Tobacco & beverages	0.36	0.47
Power and fuel	0.31	0.21
Social security	-	-
Transport	-	-
Education and recreation	0.16	0.04
General Index	0.53	1.34

Items	Percentage variation during period		
	1/1/66	12/31/66	1/1/66 - 12/31/66
Food	1213	1732	42.79
Housing	1293	1903	47.18
Clothes	1169	1775	51.84
Health	1357	1809	33.31
Tobacco & beverages	1861	2544	36.70
Power & fuel	1646	1952	18.59
Social security	134	140	4.43
Transport	1018	1752	72.10
Educ. & recreation	1466	2479	69.10
General Index	1217	1734	42.48

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

Food: Corn flour 11.3%; wheat flour 3.2%; maizena 14.8%; chicken 2.1%; sausage 8.4%; salami 8.6%; lard 3.4%; cheese 4.8%; cassava 6.7%; lettuce 70%; bananas 13.2%; carrots 25%; apples 5.8%; yeast 4.8%; tomato paste 6.1%; sugar 7.2%; eggs 13.1%; bread 7.6%;

Housing: Insecticide 1.5%; earthenware 13.3%, table linen 17%; soap 16.2%; broom 9.2%; saponin 1.2%.

Clothes: Blouses 0.9%; skirts 8.3%.

Health: Barber shop 16.7%; toothpaste 14.1%; laundry 10%; toothbrush 4.6%; toilet powder 7.1%.

Tobacco & beverages: Yerba Mate 1.6%; wine 18.4%;

Power & fuel: Matches 6.2%.

Education & recreation: Decrease of 4.7% in pencils.

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