

OPERATIONS MEMORANDUM E

TO: Amembassy RIO DE JANEIRO

FROM: Amconsul PORTO ALEGRE

SUBJECT: Cost of Living Statistics for Porto Alegre for the Month of March 1967.

REF: ConOM of March 16, 1967

DATE: April 17, 1967

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 March increased by 2.20 percent in comparison with those of February, 1967. The statistics are based on the consumption habits of industrial workers in the municipio (county) of Porto Alegre utilizing the base year of 1960 and a consumption base of 1965. The period of January-March 1967 shows an overall increase of 7.27%.

<u>Items</u>	Monthly Percentage 2/28/67	Variation of Index 3/31/67
Food	4.81	- 0.76
Housing	0.95	4.63
Clothing	- 9.72	22.43
Health	7.51	1.20
Tobacco & beverages	3.03	1.40
Power and fuel	1.65	0.38
Social security	-	6.43
Transport	-	-
Education & recreation	2.17	-
General Index	<u>2.65</u>	<u>2.20</u>

<u>Items</u>	3/31/1966		3/31/1967	
	Index	Perc. Variation	Index	Perc. Variation
Food	1357	3.04	1818	- .76
Housing	1631	16.09	2011	4.63
Clothing	1356	12.93	2047	22.43
Health	1498	2.26	2100	1.20
Tobacco & Beverages	2106	0.68	2826	1.40
Power and fuel	1804	0.12	2104	0.38
Social security	134	-	149	6.43
Transport	1018	-	1769	-
Educ. & recreation	2103	42.89	2542	-
General Index	<u>1393</u>	<u>6.25</u>	<u>1860</u>	<u>2.20</u>

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

Food: Decreased as follows: rice 1.8%; corn flour 5.1%; wheat flour 3.8%; plain noodles 2.1%; maizena 11.8%; dressed chicken 5.4%; dried beef 3.8%; sausage 9.7%; cassava 20%; lettuce 36.8%; sweet potatoes 16.0%; carrots 13.5%; apples 25.8%; cabbage 3.1%; tomatoes 33.9%.

Housing: Insecticide 6.3%; sandpaper 26.3%; furniture 22.6%; bed linen 6.5%; table linen 15%; soap 7.5%; brooms 8.2%; powder soap 20.9%; saponin 5.6%.

Clothes: Undershirt 10%; shorts 26.7%; pajamas 20.7%; shoes 14.8%; sports shirt 81.7% nylon raincoats 6.1%; handkerchiefs 66.7%; blouses 45.8%; overcoats 73.5; slips 5.4%; nylon stockings 8.7% petticoats 82.9%; ordinary shoes 140.2%; work shoes 87.8%; summer dresses 180%; ban-lon combination 15.4%; boy's shoes 16.9%; girl's shoes 14.5%; girls' dresses 100%

Health: Gillette blades 36.2%; face powder 3.4%; toilet soap 2%; tooth brush 7.3%; talcum 34.3%.

Tobacco & beverages: Yerba Maté 3.1%; red wine 36.2%.

Power & fuel: Alcohol 16%.

Social security: Unions dues 20.7%.

Transport: No change

Education and recreation: no change.

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