

OPERATIONS MEMORANDUM

TO: Amembassy RIO DE JANEIRO

DATE: November 9, 1967

FROM: Amconsul, PORTO ALEGRE

SUBJECT: Cost of Living Statistics for Porto Alegre for the month of October, 1967

REF: ConOM of October 12, 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 the consumer prices in October decreased 0.14 percent in comparison with those of September, 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. The period of January-October 1967 shows an overall increase of 21.28 percent.

<u>Items</u>	Monthly Percentage 9/30/67	Variation of Index 10/31/67
Food	1.71	- 0.71
Housing	- 0.57	0.53
Clothing	- 0.29	- 0.25
Health	6.67	0.75
Tobacco & beverages	- 0.04	0.32
Power and fuel	5.56	0.47
Social security	-	-
Transport	-	-
Education & recreation	- 0.24	- 0.18
General Index	1.06	- 0.14

<u>Items</u>	Index 10/31/66	Perc. Variation	Index 10/31/67	Perc. Variation
Food	1696	- 0.91	1948	- 0.71
Housing	1862	0.38	2448	0.53
Clothing	1712	0.53	2396	- 0.25
Health	1773	0.06	2277	0.75
Tobacco & beverages	2523	2.27	2863	0.32
Power and fuel	1942	- 0.46	2554	0.47
Social security	140	-	171	-
Transport	1752	-	2504	-
Education & recreation	2476	- 0.12	3351	0.18
General Index	1702	- 0.70	2103	- 0.14

2. For October the major variations in the consumer prices are further broken down as follows:

Food: Rice -1.6%; black beans -29.2%; egg spaghetti -1.4%; dressed chicken -3.9%; white cabbage -2.9%; tomatoes -25%; garlic -25.4%; onions -39.2%; yeast -1.7%; Irish potatoes -12.5%; eggs -14.6%.

Housing: Steel wool pad 4.2%; floor wax 4.7%; insecticide 3.8%; soap 5.7%; broom 6.8%.

Clothing: Drawers -26.3; pajama -2.4%; women's shoes -3.2%; winter dress -8.8%.

Health: Barber 14.9%; Gillete blades 6.3%; shaving cream 1.1%; toothbrush 3.6%; talcum 3.7%.

Tobacco & beverages: Beer 5.7%; "Clarete" wine 3.2%.

Power and Fuel: Residential power rate 0.8% per kw.

Education & recreation: Copybook 10.7%.

	Monthly Percentage 9/30/57	Variation of Index 10/11/57
Index		- 0.71
Food	1.71	0.53
Housing	- 0.57	- 0.25
Clothing	- 0.89	0.73
Health	5.67	0.38
Tobacco & beverages	- 0.85	0.47
Power and Fuel	5.56	-
Social security	-	-
Transport	-	0.12
Education/Recreation	- 0.21	-
	1.04	- 0.11
General Index		

Index	Perc. Variation	Index	Perc. Vari
10/21/56		10/11/57	

GESNYDER/AJK:eme

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