

BANK OF MAURITIUS



ANNUAL REPORT

For the year ended June 1989

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LETTER OF TRANSMITTAL

BANK OF MAURITIUS

P.O. BOX NO. 29

PORT LOUIS,

MAURITIUS.

29th May 1990.

*The Honourable Seetannah Lutchmeenaraidoo, M.L.A.
Deputy Prime Minister and Minister of Finance,
Government House,
Port Louis.*

Dear Deputy Prime Minister and Minister of Finance,

In accordance with the provision of Section 45 (1) (b) of the Bank of Mauritius Act, 1966, I have the honour to transmit the twenty second Annual Report of the Bank for the year ended the 30th June, 1989. The Report includes a copy of the Balance Sheet and of the Profit & Loss Account of the Bank and a Report on its operations in respect of the year 1988-89.

Yours sincerely,

I. RAMPHUL
Governor

PART I — REVIEW OF THE ECONOMY

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REVIEW OF THE ECONOMY: 1988-89

INTRODUCTION

The striking improvement in the overall economic performance starting in the mid-1980's led by the vigorous expansion of the Export Processing Zone (EPZ) is reflected in all indicators of macro-economic behaviour. The pace of economic growth attained 8 per cent, unemployment rate dropped from 20 per cent to around 4 per cent and the annual rate of inflation slowed down to 1-2 per cent. The overall fiscal deficit was gradually reduced to 1.5 per cent of GDP. Domestic savings outstripped the growth of investment. These favourable developments were matched by an equally impressive performance of the external sector. After a decade of chronic deficits, a current account surplus that has been sustained to date emerged as from 1985-86. Consequently, the foreign exchange reserves of the Bank of Mauritius gradually strengthened to 18 weeks of imports at the end of June 1989, from a level equivalent to 1 week of imports in July 1982.

The economic performance in 1988-89 marked a break from the favourable trends recorded in the preceding four years. Economic growth declined to 5.4 per cent in 1988 and is projected to slow down further to 4-5 per cent in 1989 as a result of limited capacity for rapid economic expansion in the immediate future. However, this slowdown in the pace of economic growth is deemed necessary especially in the context of an overheated economy characterized by full-employment conditions and the urgent need to counter inflation. It is absolutely essential that inflationary expectations be eradicated and that price stability be restored, failing which savers' and investors' confidence would be undermined eventually leading to a still weaker growth performance in the years ahead. However, barring any major setbacks the economy is expected to grow at a sustainable rate of around 5 per cent in the medium-term.

Gross Domestic Product (GDP) at factor cost grew by 16.4 per cent in 1988 as compared to a higher rate of growth of 19.7 per cent in 1987, and is projected to decline further to 13.6 per cent in 1989. In real terms, GDP grew by 5.5 per cent in 1988, lower than the growth rate of 8.4 per cent registered in 1987 and is projected to grow by 4.2 per cent in 1989. Per Capita GNP at market prices increased by 15.6 per cent to Rs 26,520 in 1988. In terms of US dollars, it went up by 11 per cent from US \$ 1,782 in 1987 to US \$ 1,973 in 1988. The growth rate of Gross Domestic Savings declined to 10.2 per cent in 1988 and is projected to decline further to 2.7 per cent in 1989. As a percentage of GDP at market prices, Gross Domestic Savings dropped from 27.4 per cent in 1987 to 25.8 per cent in 1988 and is projected to decline to 23.5 per cent in 1989. In real terms Gross Domestic Fixed Capital Formation (GDFCF) rose by 17.0 per cent in 1988 and is projected to slow down to 4.6 per cent in 1989. Aggregate consumption expenditure continued its uptrend as it increased from 72.6 per cent of GDP at market prices in 1987 to 74.2 per cent in 1988; it is projected to rise further to 76.5 per cent in 1989.

Sugar production fell by 8.2 per cent from 691,134 tons in 1987 to 634,224 tons in 1988. During the year 1988-89, 684,000 tons of sugar valued at Rs 4,659 million were exported as compared to 624,440 tons valued at Rs 4,258 million in the preceding year.

After a few years of relative price stability, the rate of inflation rose to 16.0 per cent in 1988-89 as against 1.5 per cent in 1987-88. It is forecast to slow down to 9.0 per cent in the year 1989-90. The rate of unemployment was estimated at about 3 per cent for the year 1989 signifying the prevalence of a tight labour market in the face of an expanding economy.

The pace of monetary expansion slowed down in 1988-89. Aggregate monetary resources grew at a much lower rate of 20.0 per cent in 1988-89 as compared to 31.2 per cent in 1987-88. Money supply registered an increase of 21.0 per cent, down from a growth rate of 22.7 per cent in the preceding year. Similarly, quasi-money went up by 19.8 per cent in 1988-89, declining from a rate of increase of 33.6 per cent in 1987-88. Net domestic credit extended by the banking system rose at a slightly higher rate of 13.0 per cent as compared to 12.6 per cent in the preceding year. The rate of increase of bank credit to the private sector decelerated from 34.4 per cent in 1987-88 to 17.9 per cent in 1988-89 whereas net bank credit to Government rose by 1.3 per cent in sharp contrast to a contraction of 18.8 per cent in the preceding year.

The overall budget deficit as a proportion of GDP was 2.3 per cent in 1988-89, up from 1.1 per cent in 1987-88. However, the size of the deficit was lower at Rs 850 million than that of Rs 872 million in the preceding year. It was financed exclusively by borrowings from domestic sources, in particular from the non-bank sector. Financing from foreign sources was negative as Government pre-paid its outstanding Euro-dollar loans well in advance of their due dates.

Internal debt of Government rose by Rs 3,147 million from Rs 8,659 million at the end of June 1988 to Rs 11,806 million at the end of June 1989. In contrast, its external debt obligations declined by Rs 74 million from Rs 5,809 million to Rs 5,735 million. The debt-service ratio was 13.3 per cent, up from 11.0 per cent in the preceding year. Excluding repurchase obligations to the IMF, the debt service ratio was 10.0 per cent against 7.1 per cent in the preceding year. However, it is projected to drop to 8 per cent inclusive of IMF repurchase obligations and to around 5 per cent in 1989-90 exclusive of the IMF obligations.

The current account of the balance of payments showed a reduced surplus of Rs 162 million in 1988-89 as compared to a surplus of Rs 670 million (excluding the purchase of the two aircrafts by Air Mauritius) registered in 1987-88. Over the same period, total exports rose by 16.8 per cent as against a higher increase of 18.2 per cent in the preceding year. Total imports grew at a reduced pace, rising by 20.6 per cent in 1988-89 as compared to a much higher increase of 37.5 per cent in 1987-88. The rate of increase of total imports, however, exceeded the rate of growth of total exports in 1988-89. The trade balance deteriorated further and registered a higher deficit of Rs 1,467 million in 1988-89 as compared to Rs 558 million in the previous year. The overall balance of payments surplus shrunk from Rs 2,728 million in 1987-88

to Rs 1,996 million in 1988-89 due mainly to the reduced surplus in the current account and the pre-payment of the Euro-dollar loans amounting to US \$ 35 million by Government.

The level of foreign exchange reserves of the Bank of Mauritius rose by Rs 1,504 million from Rs 5,293 million at the end of June 1988 to Rs 6,797 million at the end of June 1989. In terms of import coverage, the level of foreign exchange reserves at the end of June 1989 was equivalent to 18 weeks of imports, the same as at the end of June 1988.

A brief overview of the New Banking Legislation and the introduction of Offshore Banking facilities in Mauritius is given in Chapter II.

The foregoing economic and financial developments during the year 1988-89 are discussed in greater details in subsequent chapters.

The Modernisation and Revision of the Banking Legislation

The 1971 Banking Act, with some subsequent minor amendments, stood the test of time and served Mauritius well. However, the internationalisation and diversification of banks, as well as the development of more innovative methods and procedures have made banking a more complex and global business. Besides, international cooperation between supervisory authorities aimed at harmonizing banking legislation and the raising of supervisory standards have further developed in the past years. Against this backdrop of developments, the Banking Act 1971 was revised and modernised. The new Banking Act which became effective in January 1989 seeks to reconcile the overriding need to adequately protect the interest of depositors with the need to encourage innovation, efficiency and competition while simultaneously encouraging ethical standards of professional conduct among banks. The new Act also incorporates the legal framework for the operation of offshore banking in Mauritius.

The main provisions of the Banking Act, 1988 are outlined below :

- (a) With a view to strengthening the capital base of banks, the minimum capital requirement of a bank holding a domestic banking licence and incorporated in Mauritius has been raised from Rs 7 million to Rs 25 million. In the case of a bank incorporated abroad, the minimum assigned capital requirement (consisting of funds transferred from abroad) has been raised from Rs 10 million to Rs 25 million. Banks holding offshore banking licences are also required to maintain a minimum capital of the equivalent of Rs 25 million which may be held outside Mauritius and used in offshore banking operations.
- (b) Provision is made in the Act for the net free assets of banks to grow with the overall size of business. In this connexion, a bank holding a domestic banking licence is required to maintain in Mauritius net free assets of not less than 5 per cent of such of its deposits and other liabilities (including contingent liabilities), or loans and such other assets as may be specified by the Central Bank. In the case of offshore banks, the net free assets ratio will be determined by the Central Bank from time to time after discussion with individual banks and will not necessarily be the same for all banks.
- (c) Limitation on concentration of risk is another requirement which has been introduced in the Act. It requires that banks will not undertake exposures in favour of any one customer or group of closely related customers beyond the thresholds determined by the Central Bank without first informing the Central Bank in writing or obtaining permission depending on the amount involved in relation to the banks' net free assets.

- (d) The Act lays great emphasis on the Central Bank's supervisory responsibilities and provides for trilateral meetings with the banks and their external auditors.
- (e) The provisions regarding the confidentiality of information relating to customers' transactions or other personal, financial or business affairs have been greatly strengthened.
- (f) As a measure to deter money laundering the new Act places the responsibility on banks for the identification of customers in whose names accounts are opened.
- (g) Another requirement of the Act is that only fit and proper persons should be appointed as Chief Executive Officers of banks.
- (h) A number of other provisions including surrender of abandoned funds to the Central Bank, control of advertisements of banks, winding-up of banks etc. are made in the new Act.

The new Banking Act provides a comprehensive and modern legal framework for a sound domestic banking system and the basis for the development of a reputable offshore banking centre in Mauritius. It also lays down the foundations for the effective servicing of the needs of a modern and growing economy.

Offshore Banking in Mauritius

The pursuance of an export-led growth strategy by the Government culminated in a rapid expansion of the industrial sector, in particular the Export Processing Zone, and in an encouraging performance of the agricultural sector. With a view to fostering economic diversification and promoting further growth of the economy, the development of the financial sector is deemed as the next logical step in the development strategy of Mauritius. This sector is identified as having tremendous potentials and its development will contribute further to the modernisation of the economic structure of the country. In this context, an offshore banking centre has been set up to play a lead role in the development of the financial services sector of Mauritius.

Mauritius has an attractive blend of physical and financial circumstances and conditions which favoured the setting up of an offshore banking centre in the country. A careful and thorough study of the project initiated in early 1988 culminated in the introduction of the legal framework for offshore banking operations in December 1988, which is embodied in the new Banking Act 1988, effective as from 1st January 1989.

Attractive tax incentives and a conducive regulatory framework have been introduced to complement the country's strategic location, excellent telecommunica-

tion facilities, comprehensive technical and other support services, a well-educated labour force and political stability. The following are some of the main incentives provided to offshore banks operating in the centre:

- (a) All offshore profits are taxed at a concessionary rate of 5 per cent,
- (b) Profits can be repatriated freely without any further tax or levy,
- (c) Exemption from withholding tax on interest paid on deposits,
- (d) Exemption from stamp duty on documents relating to offshore banking transactions,
- (e) Exemption from customs duty on equipments,
- (f) Concessionary personal income tax rate for expatriate staff at half the normal personal tax rates,
- (g) Exemption from customs duty on cars and household equipment for a maximum of two expatriate staff per bank,
- (h) Complete freedom from exchange control.

The potential benefits of hosting an offshore banking centre are substantial; such benefits may be direct or indirect, the latter being of greater importance. The most tangible benefits would be revenues accruing from processing and annual licence fees presently fixed at US \$ 20,000 and contributions to national income ascribable to expenditure of offshore banks such as salaries, rental of premises, administrative expenses and telecommunication charges. Also, there would be new employment opportunities for Mauritians in the offshore banking sector. The offshore banks would eventually attract ancillary financial services such as merchant banking, insurance, fund management, international money broking, etc. and provide additional business opportunities to professionals such as accountants, lawyers, etc. The domestic financial system would also benefit from the techniques of offshore banking thus enabling it to become more efficient.

The most important indirect benefit, however, remains the enhancing of the country's image in the international financial world thus building even more business confidence that would contribute to faster economic growth.

The licensing criteria and the supervision of offshore banks in Mauritius are very strict. Only banks and financial institutions of established reputation are encouraged to apply for a licence. An offshore bank is required to maintain a capital of Rs 25 million after deduction of accumulated losses. However, the capital is not required to be domiciled in Mauritius and its utilisation is, in practice, free of regulatory constraints. Offshore banks are also required to hold net free assets to be determined by the Central Bank after discussion with each bank. As there are no

requirements on the utilisation of net free assets, this regulation cannot be regarded as restrictive. For prudential reasons, offshore banks in Mauritius may be required to maintain liquid assets as a percentage of their deposits and other liabilities (including contingent liabilities) as the central bank may specify from time to time. The bulk of the assets of offshore banks is likely to qualify as liquid assets and this requirement is unlikely to be experienced as a hindrance or constraint on offshore banking activities. Besides the banking secrecy provisions in the Banking Act 1988 to safeguard the interests of offshore banks as well as of their customers and the absence of numbered account facilities are particularly important elements that guarantee the development of a sound offshore banking centre in Mauritius.

In May 1989, Barclays Bank became the first bank to obtain the authorities' approval for an offshore banking licence. Mauritius is therefore emerging as the only offshore banking centre in the African region providing an ideal environment to foreign banks for operating their international business.

The offshore banking project constitutes the first step of a greater plan to develop Mauritius into a regional financial centre. The second step constitutes the setting up of a fullfledged offshore business centre which would provide a greater scope for the expansion of offshore banking in Mauritius. Basically, the idea is to create an environment in Mauritius that will attract foreign companies using the country as a base to carry out their international business activities and meeting their other business objectives without involving the Mauritian rupee or any transactions with residents of Mauritius. Such companies may include holding companies, operational headquarters, offshore and captive insurance companies, fund management companies, consultancy firms, companies dealing in foreign securities, shipping companies and trading companies, etc. The stage is thus being set for Mauritius to develop into a reputable regional financial centre.

II. NATIONAL INCOME AND PRODUCTION

(a) National Income

GDP at factor cost grew at a lower rate in both nominal and real terms in 1988. It increased by 16.4 per cent in nominal terms from Rs 19,695 million in 1987 to Rs 22,928 million in 1988 as compared to an increase of 19.7 per cent in the preceding year. In real terms, GDP at factor cost grew by 5.8 per cent in 1988 against 8.4 per cent in 1987. It is projected to grow at a still lower rate of 13.6 per cent in nominal terms and 4.2 per cent in real terms in 1989. The contributions to real GDP at factor cost of the EPZ, Construction and Hotels sectors were more significant than those of all the other economic sectors. Gross National Product (GNP) at factor cost registered a growth rate of 16.6 per cent from Rs 19,157 million in 1987 to Rs 22,328 million in 1988 compared to a higher growth rate of 21.8 per cent in the preceding year. It is projected to grow at a relatively lower rate of 15.3 per cent to Rs 25,745 million in 1989. Per Capita GNP at market prices increased further by 15.6 per cent from Rs 22,951 in 1987 to Rs 26,520 in 1988. In terms of US dollars, per capita GNP went up by 11 per cent from US \$ 1,782 in 1987 to US \$ 1,973 in 1988.

(b) Savings, Investment and Consumption Expenditure

The downtrend in the growth rate of Gross Domestic Savings continued in 1988. After having attained a high growth rate of 67.1 per cent in 1986, the rate of increase of Gross Domestic Savings gradually declined to 10.2 per cent in 1988 and is projected to decline further to 2.7 per cent in 1989. Though Gross Domestic Savings increased in absolute terms from Rs 6,459 million in 1987 to Rs 7,120 million in 1988, it declined from 27.4 per cent of GDP at market prices to 25.8 per cent over the same period and is projected to decline further to 23.5 per cent of GDP in 1989.

GDFCF registered a substantial increase of 57 per cent from Rs 5,090 million in 1987 to Rs 7,990 million in 1988 due largely to the purchase of aircrafts by Air Mauritius. It is projected to decline by 2.1 per cent to Rs 7,825 million in 1989. However, in real terms GDFCF went up by 41 per cent in 1988 and is projected to decline by 13.2 per cent in 1989. Excluding the purchase of the aircrafts, GDFCF increased by only 17 per cent in 1988 as compared to a lower increase of only 4.6 per cent in 1987.

Aggregate consumption expenditure remained buoyant in 1988. As a proportion of GDP at market prices, it increased from 72.6 per cent in 1987 to 74.2 per cent in 1988 and is projected to rise further to 76.5 per cent in 1989. However, in absolute terms, it increased at a lower rate of 19.4 per cent from Rs 17,117 million in 1987 to Rs 20,440 million in 1988 as compared to 21.6 per cent in the previous year. Moreover, it is projected to increase at a still lower rate of 16.7 per cent in 1989. Private consumption expenditure which grew at a lower rate of 18.4 per cent in 1988 as against 20 per cent in 1987 is projected to increase at a relatively higher rate of 19.1 per cent in 1989. Consumption expenditure of Government increased at a declining rate, from 31.1 per cent in 1987 to 24.5 per cent in 1988 and is projected to decline further to 4.7 per cent in 1989.

Table II.1 below gives the changes in the major national accounting aggregates for the years 1986 to 1989.

Table II.1: Major National Accounting Aggregates

(Rs million)

	1986	1987	1988*	1989**
GNP at current market prices	18,971	23,038	26,960	30,865
GDP at current market prices	19,700	23,576	27,560	31,165
Aggregate Consumption Expenditure	14,076	17,117	20,440	23,850
Gross Domestic Investment	4,312	5,961	8,466	8,244
Gross Domestic Fixed Capital Formation ..	(3,890)	(5,090)	(7,990)	(7,825)
Change in Stocks	(+422)	(+871)	(+476)	(+419)
Gross Domestic Savings	5,624	6,459	7,120	7,315
Gross National Savings	4,895	5,921	6,520	7,015
Resource Balance	+1,312	+498	-1,382	-1,040

* Revised Estimates

** Revised Forecasts

Source: Central Statistical Office, Government of Mauritius

(c) Sugar

Sugar remains the mainstay of the Mauritian economy despite important strides made by the Export Processing Zone. It accounts for 13 per cent of GDP, 30 per cent of total exports, 15 per cent of total employment and generates 11 per cent of Government revenue in the form of duty on sugar exports. About 87 per cent of total arable land is devoted to sugar cane plantation.

The importance of the sugar sector to the economy and the need for support is fully recognized. In December 1988 the Sugar Industry Efficiency Act was passed stipulating a package of incentives which includes the following:

- (i) a rationalisation of the sugar export duty by establishing a uniform tax rate of 18.75 per cent and setting the exemption limit at 3,000 tons of sugar
- (ii) improvement of the planter/miller sugar apportionment ratio from 74:26 to 76:24
- (iii) abolition of export duty on molasses
- (iv) exemption from income tax on the proceeds of the first 40 tons of sugar sold by planters

- (v) improvement in the level of capital allowance against tax to encourage investment and
- (vi) introduction of measures to encourage the use of bagasse for electricity production.

These incentives are expected to improve the efficiency of the sugar industry.

Sugar cane production declined by 11.5 per cent from 6,230,700 tons in 1987 to 5,517,045 tons in 1988 due mainly to unfavourable weather conditions during the growing season. Consequently the yield of cane per hectare went down from 80.34 tons to 71.75 tons. Sugar production decreased by 8.2 per cent from 691,134 tons to 634,224 tons in 1988 in spite of the fact that the extraction rate improved from 11.09 to 11.50 as a result of good weather conditions during the maturation period. The 1988 sugar crop has been adversely affected by cyclonic weather conditions early in the year. Sugar production in 1989 would be around 570,000 tons, i.e. 9.0 per cent lower than in 1988.

During 1988-89, 648,000 tons of sugar valued at Rs 4,659 million were exported as compared with 625,440 tons valued at Rs 4,258 million in 1987-88. Nearly 72 per cent of the exports during the year went to the UK and the remaining to other EEC countries, USA and Canada.

Mauritius benefited from a temporary reallocation of 9,333 tons following failure of one of the supplier countries to deliver 34,493 tons of sugar to the EEC. This brought in an estimated additional export 'earning' of about Rs 35 million during the delivery year 1988-89. Mauritius also benefited from an increase in its sugar export quota to the USA from 12,050 tons in 1988 to 22,675 tons in 1989 as a result of severe drought in the United States. As regards the price for Mauritius sugar exports to the EEC, the basic guaranteed price of ECU 44.92 per 100 kilogrammes was maintained in 1988-89.

Table II.2 shows the trends in the production and exports of sugar for the years 1985-86 to 1988-89.

World sugar production for the period September 1988 to August 1989 is estimated at 105 million tons, the same level of production as in the previous years. Over the same period world sugar consumption rose from 106.9 million tons to 107 million tons thus implying a depletion of world sugar stocks which, as a percentage of consumption is expected to drop from 31.5 per cent to 28.8 per cent against a normal ratio of 30 per cent. The expected stock consumption ratio for 1988-89 is the lowest since the last major bull market in 1980-81. There are growing signs that production may not be sufficient to cover potential demand which would imply further reduction in stocks. Reflecting the above changes, the basic guaranteed price of raw sugar on the London Terminal Market firmed up. In June 1987, the ISA daily price of sugar per pound was 6.44 US cents, which increased to 10.57 cents in June 1988 and further to 12.58 cents in June 1989. The price of raw sugar per ton increased from US \$ 273.24 in June 1988 to US \$ 312.34 in June 1989. The average price per ton of

raw sugar reached US \$ 287.52 in 1988-89, i.e., an increase of 38.5 per cent over the 1987-88 average of US \$ 207.55.

Table II.2: Trends in Sugar Production and Exports
(tons tel quel)

	1985-86	1986-87	1987-88	1988-89
Opening Stock (1st July)	39,318	97,002	69,621	78,560
Opening ISA Special Stock	—	—	—	—
Production	637,752	724,940	673,160	643,465
Available Supplies	677,070	821,942	742,781	722,025
Exports	542,560	714,652	625,440	647,475
of which:				
U.K.	(391,351)	(424,225)	(472,032)	(463,415)
Other EEC Countries	(81,526)	(96,355)	(19,202)	(59,864)
USA	(26,573)	(9,523)	(7,177)	(15,180)
Canada	(15,750)	(76,500)	(86,950)	(29,045)
Other	(27,360)	(108,049)	(40,079)	(79,971)
Domestic Consumption	37,039	38,424	38,531	37,734
Loss/Surplus in Storage	—469	+755	—250	+317
Closing Stock (30th June)	97,002	69,621	78,560	36,499
Closing ISA Special Stock	—	—	—	—

Source: The Mauritius Chamber of Agriculture

(d) Tea

The continuing depressed prices of tea on the world markets have adversely affected tea production in recent years. Production of green leaves declined by 10.4 per cent to 36,163 tons in 1988 mostly as a result of a reduction in the area cultivated by small holders. Black tea production declined from 7,147 tons in 1987 to 6,857 tons in 1988. Exports of tea amounted to 4,861 tons in 1988-89, i.e., a drop of 26.4 per cent from the 1987-88 level of 6,607 tons. After attaining a peak of Rs 36.86 per kilo in 1984, the average export price of tea slumped to Rs 13.60 in 1987 before recovering to Rs 16.15 in 1988. The value of tea exports declined from Rs 96 million in 1987-88 to Rs 86 million in 1988-89.

Table II.3: Area, Production and Exports of Tea

	1985	1986	1987	1988*
Total area cultivated (Hectares)	3,908	3,776	3,660	3,600
Production of green leaf (kilos)	45,290,969	43,423,109	39,917,000	36,163,000
Production of black tea (kilos)	8,114,757	7,875,706	7,147,000	6,857,000
Price (Rs.per kilo, f.o.b.)	25.13	16.30	13.60	16.15
Exports of black tea (kilos)	7,063,433	6,363,747	6,615,000	5,501,000
Export receipts (Rs million)	177.5	104.0	90.0	88.0

* Estimates

Source: Tea Board

(e) Other Agricultural Production

Reflecting a slight increase in the area Harvested, production of foodcrops went up from 53,130 tons in 1987 to 54,055 tons in 1988.

Production of potatoes declined by 17.8 per cent to 12,770 tons in 1988 while production of maize remained at around 3,800 tons in spite of a decrease in the area harvested by 108 hectares. Production of onions, on the other hand, increased significantly by 44.0 per cent from 2,145 tons in 1987 to 3,090 tons in 1988.

Production of tobacco increased by 6.4 per cent to 970 tons in 1988 due mostly to an increase in the area harvested of about 125 hectares.

In line with rising demand, production of poultry increased by 17.3 per cent from 8,100 tons in 1987 to 9,500 tons in 1988. However, production of fish declined by 1.9 per cent to 15,840 tons in 1988.

With a view to improving the existing infrastructure for encouraging production and exports of meat, fruits, vegetables and flowers, the Government has set up cold storage facilities covering an area of 4,000 square metres at the Sir Seewoosagar Ramgoolam International Airport.

(f) Industries

The performance of the industrial sector was strong in 1988 and will continue to be so in 1989. Value added by this sector, which includes manufacturing, mining and quarrying, electricity, gas and water and construction, amounted to Rs 7,395 million in 1988 and is expected to reach Rs 8,685 million in 1989 showing a growth rate of 17.4 per cent against 15.5 per cent in the previous year. The share of the industrial sector in total GDP at factor cost is projected to attain 33.3 per cent in 1989 compared with 32.3 per cent in 1988. The value added by the major sectors of the economy is shown in Table II.4.

Table II.4: Value Added by Major Sectors at Current Prices
(Rs Million)

	1986	1987	1988	1989
1. Value added by Agriculture, Hunting and Fishing	2,510 (15.3)	2,884 (14.6)	3,067 (13.4)	3,170 (12.2)
2. Value added by Industrial Sector ..	5,194 (31.6)	6,401 (32.5)	7,395 (32.3)	8,685 (33.3)
Of which:				
Value added by EPZ Enterprises ...	1,900 (11.6)	2,585 (13.2)	3,125 (13.6)	3,780 (14.5)
3. Values added by other sectors	8,746 (53.1)	10,410 (52.9)	12,466 (54.3)	14,010 (53.5)
4. GDP at factor cost	16,450	19,695	22,928	26,045

Figures in brackets are percentages to GDP at factor cost

Source: Central Statistical Office, Government of Mauritius

The EPZ continued to dominate the industrial sector. The value-added of the EPZ sector is projected at Rs 3,780 million in 1989, i.e., a growth of 21 per cent, which is similar to that realised in 1988. The share of value-added of the EPZ sector in total GDP at factor cost, which increased to 13.6 per cent in 1988 is estimated to rise to 14.5 per cent in 1989. In June 1989 the number of EPZ units in operation was 575 with a total employment of 89,265.

EPZ exports accounted for 63.1 per cent of total exports in 1988-89 against 61.9 per cent in 1987-88. The share of EPZ imports in total imports was 38.2 per cent during the year under review compared with 34.2 per cent in 1987-88. The rate of growth of EPZ exports slowed down to 19.2 per cent from Rs 7,502 million in 1987-88 to Rs 8,940 million in 1988-89 compared to 32.5 per cent in the previous year. EPZ imports increased by 16 per cent from Rs 5,556 million to Rs 6,447 million as compared to an increase of 31.8 per cent in the previous year. The export performance of the EPZ has been adversely affected mainly as a result of weak demand for knitwear owing to changes in weather conditions in Europe over the last two years.

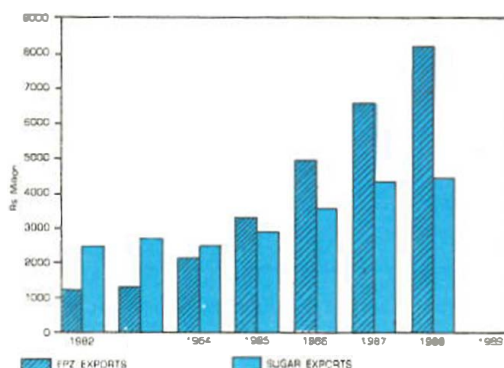


Table II.5: Export Processing Zone: Net Exports Earnings
(Rs million)

	1985-86	1986-87	1987-88	1988-89*
Total Exports (f.o.b.)	4,082	5,660	7,502	8,940
Total Imports (c.i.f.)	3,162	4,217	5,556	6,447
Net Exports	920	1,443	1,946	2,493

Source: Central Statistical Office, Government of Mauritius.

* Estimates

Net exports of the EPZ grew by 28.1 per cent from Rs 1,946 million in 1987-88 to Rs 2,493 million in 1988-89 as compared to 34.9 per cent in the preceding year. Textiles continued to dominate the Mauritian EPZ sector although its share in total EPZ exports declined from 84.4 per cent in 1987 to 81 per cent in 1989. A commodity-wise breakdown of EPZ imports and exports for 1987 and 1988 is shown in Table II.6.

Table II.6: EPZ Imports and Exports: Selected Commodities
(Rs million)

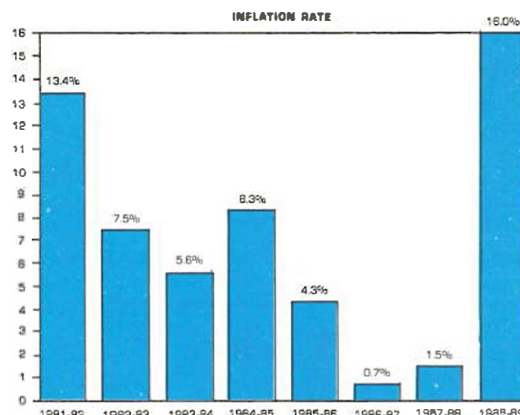
	IMPORTS			EXPORTS	
	1987	1988		1987	1988
TOTAL	4,801	5,890	TOTAL	6,567	8,176
of which			of which		
Textile Yarn and Fabrics	2,861	3,236	Articles of apparel and Clothing	5,407	6,446
Machinery and Transport Equipment ...	595	834	Watches and Clocks	337	563
Wool and Other Animal Hair	192	192	Pearls, Precious and Semi-precious Stones ...	185	302
Pearls, Precious and Semi-Precious Stones Unworked and worked ...	158	239	Fish and Fish preparations	100	173
Jewellery	46	46	Textile yarn, Fabrics, made up articles ...	138	180
			Optical goods n.e.s. ...	65	69

Source: Central Statistical Office, Government of Mauritius.

III. PRICES, WAGES AND EMPLOYMENT

Prices

The Consumer Price Index (CPI) with base July 1986 — June 1987 = 100 rose from 107.2 in June 1988 to 122.6 in June 1989 — a substantial increase of 15.4 points compared to 6.2 points increase in the preceding fiscal year. The rate of inflation (as measured by the ratio of the average CPI in 1988-89 to that of the preceding fiscal year) was 16 per cent as against 1.5 per cent in the previous year. The substantially higher rate of inflation in 1988-89 is largely attributable to the large wage awards in the public and private sectors which triggered a surge in aggregate demand in the economy. The stance of demand management policies pursued by the authorities is likely to impact on prices. An abatement in the rate of inflation to around 9 per cent for the year 1989-90 is expected. However, laxness on the wage front might reinforce inflationary pressure in the economy and hence the need for prudence in respect of wage awards.



The number of goods under price control was gradually reduced from 115 at the end of 1983 to 13 until late 1988 when, consequent to the acceleration of the rate of inflation, price controls of 9 additional essential items of imported foodstuffs were re-introduced. Price controls have been resorted to as a temporary measure to attenuate inflationary expectations in the economy.

Wages

Government provided for an increase in wages and salaries of 30 per cent in the Central Government, local Government and parastatals in 1987-88. The awards were subsequently reviewed by an independent salary commissioner whose recommendations were binding and retroactive to mid-1987. With a view to mitigating the immediate impact on aggregate demand in the economy, Government paid 75 per cent of the increase awarded by the independent commissioner in the form of 7-year savings certificates with high yields.

The increase in the cost of living gave rise to pressure for adjustment of wages and salaries in the private sector as well. Employees in the private sector were, therefore, granted a cost of living compensation in 1989-90, averaging 10.5 per cent, in addition to the 10-15 per cent increase granted after "the original public sector awards".

The overall average monthly earnings in large establishments increased by 18.5 per cent from Rs 2,815 in March 1988 to Rs 3,335 in March 1989. The average monthly earnings in the manufacturing sector increased by 14.9 per cent rising from Rs 2,435 to Rs 2,799. The financial and other business services sector, which historically had an edge over the "Electricity and Water" sector, was overtaken by the latter in 1989. Its average monthly earnings increased by only 13.6 per cent from Rs 4,126 to Rs 4,688 whereas that of "Electricity and Water" registered a substantial increase of 42.2 per cent from Rs 4,061 to Rs 5,775. The sector that carries the lowest average monthly earnings is Sugar with only Rs 2,185 in 1989 as against Rs 1,824 in 1988.

Table III.1: Average monthly earnings in large establishments by industrial group for employees on monthly rates of pay, (March 1986-March 1989)

(Rupees)

<i>Industrial Group</i>	<i>1986</i>	<i>1987</i>	<i>1988</i>	<i>1989</i>
Agriculture and fishing	1,441	1,551	1,869	2,241
Sugar	1,419	1,524	1,824	2,185
Tea ²	1,575	1,727	2,319	2,901
Other	2,327	2,379	2,881	3,210
Mining and quarrying	2,484	2,606	3,288	3,518
Manufacturing	1,941	2,059	2,435	2,799
Electricity and Water	2,996	3,177	4,061	5,775
Construction... ..	2,063	2,186	2,956	3,732
Wholesale, retail trade, restaurants and hotels	2,324	2,445	2,834	3,163
Transport, storage & communication	3,170	3,117	3,900	4,405
Financing, insurance, real estate and business services	3,412	3,589	4,126	4,688
Community, social and personal services	2,234	2,357	3,155	3,653
Government: (a) Central	2,226	2,348	3,186	3,766
(b) Local ³	1,884	2,028	2,821	3,495
Other	2,503	2,609	3,164	3,737
Activities not elsewhere specified	1,587	1,659	2,147	2,625
All sectors	2,087	2,215	2,815	3,335

¹ Including factories

² Including factories and Tea Development Authority

³ Municipalities and District Councils

Employment

The labour market in the country has undergone important transformation in recent years. The strong demand for labour over the past few years resulting from rapid economic expansion brought about a marked increase in female participation in the labour force. Over the last five years the labour force increased at an annual average rate of 3.9 per cent whilst total employment grew at 7.3 per cent leading to a rapid fall in the rate of unemployment to around 3 per cent in 1989. During the period 1984 to 1987 total employment increased at an annual average rate of 10 per cent, peaking at 11.5 per cent in 1986. This high rate of growth of total employment exceeded the rate of growth of GDP. However, in the years 1988 and 1989 although real GDP growth rate has been declining, it exceeded the growth rate of total employment as a result of a tight labour market.

Total labour force of the country stood at 437,000 in 1988 ; it is estimated to increase to 446,000 in 1989. Over the same period total employment is estimated to rise from 424,000 to 434,000.

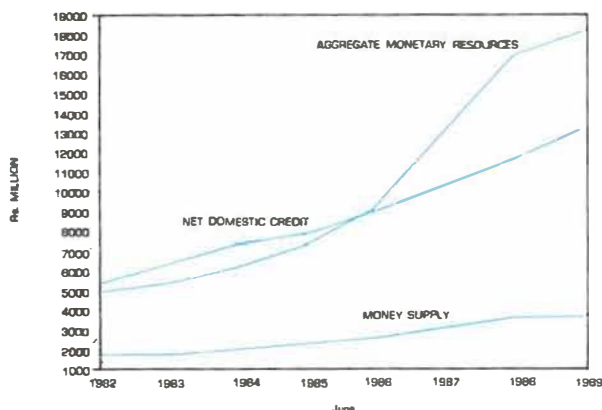
In recent years, agriculture suffered a loss of labour whilst Government services did not register any increase in employment. The manufacturing sector has eclipsed these two sectors as employment in this sector almost tripled in the last five years. However, EPZ employment is currently slowing down primarily because of the tight labour market and the gradual shift in production technique from labour-intensive to labour-saving.

IV. MONEY AND BANKING

Monetary Aggregates

The pace of monetary expansion decelerated in 1988-89 after three years of continuously rising rates of growth. This slowdown in the pace of monetary expansion is principally due to a reduced rate of increase in the net foreign assets of the banking system and the monetary policy stance of the Bank of Mauritius. Table IV.1 shows the annual changes in monetary aggregates for the years 1986-87 to 1988-89.

Net foreign assets of the banking system rose by Rs 1,613 million from Rs 6,255 million at the end of June 1988 to Rs 7,868 million at the end of June 1989 or by 25.8 per cent against an increase of Rs 2,526 million or of 67.7 per cent in the preceding year. This decline in the rate of growth of net foreign assets of the banking system brought about a slowdown in the rate of increase of other monetary aggregates.



Net domestic credit went up by Rs 1,529 million, from Rs 11,759 million at the end of June 1988 to Rs 13,288 million at the end of June 1989 showing an increase of 13.0 per cent against an increase of 12.6 per cent in the preceding year. The bulk of the increase in domestic credit was utilized by the private sector. In fact, private sector credit from the banking system rose by Rs 1,484 million, from Rs 8,284 million to Rs 9,768 million or by 17.9 per cent as compared to a much higher increase of 34.4 per cent in the preceding year. Net credit to Government increased by Rs 45 million from Rs 3,475 million to Rs 3,520 million as against a decrease of the order of Rs 801 million in the preceding year.

Aggregate Monetary Resources (AMR) registered an increase of Rs 3,037 million, from Rs 15,153 million at the end of June 1988 to Rs 18,190 million at the end of June 1989 or by 20.0 per cent as compared with much higher rates of increases of 31.2 per cent in 1987-88 and 32.6 per cent in 1986-87. Money supply (i.e. currency held by the public plus demand deposits of the banking system) accounted for 20.5 per cent of AMR at the end of June 1989 against 15.9 per cent at the end of June 1988 whereas quasi-money (i.e. savings and time deposits of the banking system) accounted for 79.5 per cent against 84.1 per cent over the same period.

Money supply continued on its upward trend in 1988-89 but at a lower rate of 21.0 per cent as compared to an increase of 22.7 per cent in 1987-88 and of 23.5 per cent in 1986-87. Between end-June 1988 and end-June 1989, money supply

Table IV.1: Changes in Monetary Aggregates

(Rs million)

	1986 - 87			1987 - 88			1988 - 89		
	June 86 to Dec. 86	Dec. 86 to June 87	June 86 to June 87	June 87 to Dec. 87	Dec. 87 to June 88	June 87 to June 88	June 88 to Dec. 88	Dec. 88 to June 89	June 88 to June 89
1. Money Supply	+397.4	+139.5	+536.9	+725.8	— 154.4	+571.4	+628.2	+20.8	+649.0
2. Quasi Money	+983.2	+1,079.0	+2,062.2	+1,035.3	+1,997.3	+3,032.6	+1,309.2	+1,078.9	+2,388.1
3. Aggregate Monetary Resources (1 + 2)	+1,380.6	+1,218.5	+2,599.1	+1,761.1	+1,842.9	+3,604.0	+1,937.4	+1,099.7	+3,037.1
(a) Net Foreign Assets	+1,141.5	+1,288.2	+2,429.7	+1,403.6	+1,122.2	+2,525.8	+1,035.4	+577.3	+1,612.7
(b) Net Domestic Assets Credit ...	+311.8	+28.6	+340.4	+538.0	+779.7	+1,317.7	+1,111.5	+418.0	+1,529.5
(i) Claims on Public Sector ...	+43.7	—701.6	— 657.9	— 331.5	— 471.4	— 802.9	+455.3	— 409.8	— 45.4
(ii) Claims on Private Sector	+268.1	+730.2	+998.3	+869.5	+1,251.1	+2,120.6	+656.2	+827.7	+1,484.0
(c) Other Items (Net)	+ 72.7	+ 98.3	+171.0	+180.5	+ 59.0	+239.5	+209.5	+104.4	+105.1

Note : Figures are inclusive of Finance Corporations.

Notes: (1) Money Supply = Currency held by the public plus Demand Deposits of the banking system.

(2) Quasi Money = Savings plus Time Deposits of the banking system

(3) Aggregate Monetary Resources = Money Supply plus Quasi-Money.

rose by Rs 649 million from Rs 3,087 million to Rs 3,736 million. Currency with the public accounted for 54.5 per cent of the increase in money supply whereas demand deposits accounted for 45.5 per cent. As a proportion of money supply, currency with the public increased from 47.0 per cent at the end of June 1988 to 48.0 per cent at the end of June 1989 whilst demand deposits fell from 53.0 per cent to 52.0 per cent.

After having increased by 36.2 per cent in 1986-87 and by 33.6 per cent in 1987-88, quasi-money grew at a much lower rate of 19.8 per cent in 1988-89. In absolute terms, it increased by Rs 2,388 million from Rs 12,067 million at the end of June 1988 to Rs 14,455 million at the end of June 1989. Savings deposits accounted for Rs 1,341 million or 56.1 per cent of the increase in quasi-money, whereas time-deposits accounted for Rs 1,047 million or 43.9 per cent. The share of savings deposits in quasi-money increased from 30.2 per cent at the end of June 1988 to 32.6 per cent at the end of June 1989 whilst the share of time deposits fell from 69.8 per cent to 67.4 per cent.

Trends in Reserve Money and Monetary Ratios

Reserve money (i.e. currency in circulation plus cash with commercial banks and their demand deposits with Bank of Mauritius) continues to be an important source of monetary expansion. After having increased at progressively higher rates over the past few years culminating in a peak of 26.0 per cent in 1987-88, reserve money increased at a lower rate of 23.6 per cent in 1988-89. In absolute terms, the monthly average level of reserve money increased by Rs 592 million from Rs 2,510 million in 1987-88 to Rs 3,102 million in 1988-89 as compared to a smaller increase of Rs 516 million in the preceding year.

The ratios of money supply and AMR to reserve money, i.e., the average money multipliers for the last four years are shown in Table IV.2. The value of the money multiplier for money supply declined from 1.12 in 1987-88 to 1.09 in 1988-89 which means that a major part of the monetary expansion in 1988-89 is explained by the growth of quasi-money, the other component of AMR. The value of the money multiplier for AMR increased from 5.33 in 1987-88 to 5.37 in 1988-89.

Sectoral Distribution of Private Sector Credit.

Bank credit to the private sector stood at Rs 9,768 million as at the end of June 1989 showing an increase of Rs 1,484 million over the figure of Rs 8,284 million as at the end of June 1988.

The pattern of sectoral distribution of private sector credit remained unchanged in 1988-89. A major part of the increase of Rs 1,484 million in private sector credit during the year 1988-89 was channelled to the priority sectors. Credit to these sectors increased by Rs 964 million, representing 64.9 per cent of the overall increase in private sector credit. Within the priority sectors, the manufacturing sector (i.e. EPZ, DC, Ex-DC and Other Industries and Manufacturers) accounted

for Rs 730 million or 49.2 per cent of the total increase in private sector credit whereas credit to the Mauritius Sugar Syndicate and the Sugar Industry shrank by Rs 76 million. Among the nonpriority sectors, "Traders" and "Personal & Professional" sectors registered the highest increases in credit — Rs 339 million and Rs 119 million, respectively.

Table IV.2: Derivation of Monetary Ratios

	June 1986	June 1987	June 1988	June 1989
Monthly Average for year ended: (Rs million)				
1. Reserve Money	1,629.8	1,992.3 (22.2)	2,510.6 (26.0)	3,102.3 (23.6)
2. Aggregate Monetary Resources (AMR) ...	7,987.8	10,217.3 (27.9)	13,380.5 (31.0)	16,666.9 (24.6)
(a) Money Supply	1,781.1	2,224.7 (24.9)	2,824.0 (26.9)	3,375.5 (19.5)
(i) Currency with Public	960.8	1,166.1 (21.4)	1,453.5 (24.6)	1,729.0 (19.0)
(ii) Demand Deposits	820.3	1,058.6 (29.1)	1,370.5 (29.5)	1,646.5 (20.1)
(b) Quasi-money	6,206.7	7,992.7 (28.8)	10,556.5 (32.1)	13,291.4 (25.9)
3. Average Money Multiplier*				
(i) Money Supply	1.09	1.12	1.12	1.09
(ii) Aggregate Monetary Resources ...	4.90	5.13	5.33	5.37
4. Other Monetary Ratios (per cent):				
(i) Currency to Money Supply	53.9	52.4	51.5	51.2
(ii) Currency to AMR	12.0	11.4	10.9	10.4
(iii) Demand Deposits to Money Supply ...	46.1	47.6	48.5	48.8
(iv) Demand Deposits to AMR	10.3	10.4	10.2	9.9
(v) Money Supply to AMR	22.3	21.8	21.1	20.3
(iv) Quasi Money to AMR	77.6	78.2	78.9	79.7

Note: Figures are inclusive of those of Finance Corporations.

Figures in brackets are percentage changes from levels of the previous year.

* The money multiplier for Money Supply is defined as Money Supply divided by Reserve Money. The money multiplier for Aggregate Monetary Resources (AMR) is defined as AMR divided by Reserve Money.

Of the total outstanding level of private sector credit of Rs 9,768 million at the end of June 1989, priority sectors accounted for Rs 7,158 million or 76.9 per cent as against 79.1 per cent at the end of June 1988. The level of credit to EPZ stood at Rs 2,456 million at the end of June 1989 showing an increase of Rs 272 million against the level of Rs 2,184 million at the end of June 1988. However, the share of EPZ in total private sector credit declined marginally from 26.4 per cent at the end of June 1988 to 25.1 per cent at the end of June 1989. The share of the manufacturing sector as a whole remained more or less the same at 47.0 per cent over the same period. The share of the sugar sector in total outstanding private sector credit fell from 15.5 per cent to 12.4 per cent. The nonpriority sectors absorbed a higher proportion of total private sector credit, rising from 19.4 per cent at the end of June 1988 to 21.9 per cent at the end of June 1989. Whereas the share of "Traders" in total private sector credit went up from 8.9 per cent to 11.0 per cent over the same period, that of "Personal and Professional" registered a slight decline from 8.4 per cent to 8.3 per cent. Table IV.3 gives the sectoral distribution of private sector credit between June 1988 and June 1989.

Monetary and Credit Policy

The sustained overall balance of payments surplus continued to generate excess liquidity during the year 1988-89 thus intensifying demand pressures in the economy and, along with other underlying forces, caused prices to go up. Anti-inflationary policies were therefore pursued in order to attenuate demand pressures and hence contain inflation while simultaneously forestalling a widening of the trade deficit.

As in the preceding year, the Bank of Mauritius issued the following new debt instruments with a view to encouraging savings and mopping excess liquidity in the economy :

- (a) a 15 per cent (Tax Free) 7-year Treasury Certificates which siphoned off Rs 359 million during the period 13th December 1988 to 13th January 1989, and
- (b) a 15 per cent (Tax Free) 7-year Bearer Bonds which mobilised an amount of Rs 300 million during the period 18th January to 17th February, 1989.

Besides, as part of a concerted effort to dampen aggregate demand and further stimulate savings in the economy, the Bank of Mauritius actively pursued a policy of positive real rate of interest policy. With effect from 1st July 1988, interest rates were fully liberalised and the minimum rate of interest of 8 per cent on savings deposits was removed. The rate of interest on 3-month Treasury Bills was stepped up from 9 per cent to 9.5 per cent on 19th July, 1989. At the same time, two Treasury Bills, of 6 months and 1 year with interest rates of 9.75 per cent and 10 per cent, respectively were introduced so as to provide investors with a wider spectrum of debt instruments for their portfolio management.

Table IV.3: Sectoral Distribution of Commercial Banks' Credit to the Private Sector

(Rs million)

	June 1988	Dec. 1988	June 1989	Change be- tween June 88 & June 89
A. Category I (1-10)	4,327.1	4,453.4	4,981.8	+654.7
	(52.2)	(49.8)	(51.0)	(44.1)
1. Mauritius Sugar Syndicate	426.5	112.3	361.9	-64.6
	(5.1)	(1.3)	(3.7)	
2. Sugar Industry	857.6	863.9	846.2	-11.4
	(10.4)	(9.7)	(8.7)	
3. Other Agricultural Interests	274.5	272.9	297.3	+22.8
	(3.3)	(3.0)	(3.1)	
4. EPZ	2,184.0	2,436.8	2,455.9	+271.9
	(26.4)	(27.3)	(25.1)	
5. Holders of Development Certificate	344.7	446.5	621.8	+277.1
	(4.2)	(5.0)	(6.4)	
6. Agricultural Development Certificate Holders	8.8	8.7	10.2	+1.4
	(0.1)	(0.1)	(0.1)	
7. Export Service Certificate Holders	14.6	23.0	28.5	+13.9
	(0.2)	(0.3)	(0.3)	
8. Hotel Management Certificate Holders	90.5	35.9	176.1	+85.6
	(1.1)	(1.5)	(1.8)	
9. Small-Entrepreneurs	106.0	131.8	160.5	+54.5
	(1.3)	(1.5)	(1.6)	
10. Rodrigues-Housing	19.9	21.6	23.4	+3.5
	(0.2)	(0.2)	(0.2)	
B. Category II (11-16)	2,224.7	2,433.8	2,533.9	+309.2
	(26.9)	(27.2)	(25.9)	(20.8)
11. Ex-Dc Industries	320.1	341.7	341.3	+21.2
	(3.9)	(3.8)	(3.5)	
12. Other Industries and Manufacturers	1,063.3	1,217.6	1,222.7	+159.4
	(12.8)	(13.6)	(12.5)	
13. Transport	235.7	219.7	221.7	-14.0
	(2.8)	(2.5)	(2.3)	
14. Hotels	181.7	187.1	251.7	+70.0
	(2.2)	(2.1)	(2.6)	
15. Statutory and Para-Statal Bodies	99.1	94.1	76.4	-22.7
	(1.2)	(1.0)	(0.8)	
16. Housing	324.8	373.6	420.1	+95.3
	(3.9)	(4.2)	(4.3)	
C. Category III (17-21)	1,606.6	1,916.7	2,137.6	+531.0
	(19.4)	(21.9)	(21.9)	(35.8)
17. Traders	737.1	936.0	1,075.9	+338.8
	(8.9)	(10.5)	(11.0)	
18. Stock Brokers	0.6	0.7	1.1	+0.5
	(..)	(..)	(..)	
19. Personal and Professional	695.6	756.0	814.2	+118.6
	(8.4)	(8.9)	(8.3)	
20. Financial Institutions	43.5	42.8	57.0	+13.5
	(0.5)	(0.5)	(0.6)	
21. Other Customers	129.8	181.2	189.4	+59.6
	(1.6)	(2.0)	(1.9)	
D. Investments in Corporate Shares	125.7	136.4	114.8	-10.9
	(1.5)	(1.5)	(1.2)	(-0.7)
E. Total credit (A + B + C + D)	8,284.1	8,940.3	9,768.1	+1,484.0

Note: Figures in brackets are percentages to total credit.

Subsequently, as the rising trend in inflation rate became increasingly more evident, the Bank of Mauritius raised the Bank Rate from 10 per cent to 11 per cent with effect from 1st April 1989, signalling to banks about the need to step up their interest rate structure. Concurrently, the rates of interest on Treasury Bills with maturities of 3 months, 6 months and 1 year were also raised from 9.5 per cent, 9.75 per cent and 10 per cent, respectively, to 10.5 per cent, 10.75 per cent and 11 per cent respectively. The Rediscount Rate of the Bank of Mauritius was correspondingly raised from 10.25 per cent to 11.25 per cent.

The ceiling on bank credit expansion continued to be the basic tenet of credit policy in 1988-89. This policy aimed at checking monetary expansion and hence aggregate demand while, at the same time, ensuring that the pace of industrial expansion is not stifled for want of financial resources as well as preventing use of bank credit for unproductive activities.

The cash ratio of 10 per cent of total deposits that commercial banks are required to maintain was continued in 1988-89. The liquidity ratio which was raised from 30 per cent to 33 per cent of commercial banks' deposits in January 1988 was also continued. The pursuance of this policy enabled further sterilization of resources mobilized by banks during the year.

Central Bank Credit to Commercial Banks

The daily average amount of central bank credit to commercial banks was smaller at Rs 60 million in 1988-89 as compared to Rs 98 million in 1987-88. This decline was largely due to a contraction from Rs 72 million to Rs 37 million in the refinancing facilities made available by the Bank of Mauritius to commercial banks. Advances at Bank Rate provided to commercial banks to tide over temporary shortfalls in liquidity increased from a daily average amount of Rs 3 million in 1987-88 to Rs 8 million in 1988-89. The daily average amount of export bills rediscounted by the Bank of Mauritius went up from Rs 13 million to Rs 15 million.

Table IV.4 shows the daily average amounts of central bank credit utilized by commercial banks between July 1988 and June 1989.

Inter-Bank Money Market

The interbank money market was more active in 1988-89 than in 1987-88 as some banks continued to be regularly short of funds whereas some other banks were in surplus.

The daily average amount of funds transacted on the interbank market rose from Rs 61 million in 1987-88 to Rs 74 million in 1988-89 with the bulk of the transactions confined to the shorter-end of the market. Call money accounted for Rs 52 million or 70.5 per cent of total interbank transactions, whilst short notice money for Rs 16 million or 21.4 per cent and term money for Rs 6 million or 9.1 per cent. The peak level of borrowings on the market was Rs 205 million in April 1989 and the trough was at Rs 31 million in September 1988.

Table IV.4: Central Bank Credit to Commercial Banks
(Daily Average)

(Rs. Million)

				<i>Advances at Bank Rate</i>	<i>Bills Rediscounted</i>	<i>SDFS*</i>	<i>Refinancing facilities to Banks: Sugar</i>	<i>Total Bank Credit</i>
1988								
July	...	...	...	11.1	73.3	35.8	—	120.2
August	...	...	...	4.6	5.6	42.0	13.2	65.4
September	...	...	...	1.7	—	44.2	34.8	80.7
October	...	...	...	0.8	—	46.0	48.1	94.9
November	...	...	...	0.1	6.0	47.2	55.3	108.6
December	...	...	...	0.6	—	54.1	48.0	102.7
1989								
January	...	...	...	1.4	3.0	48.5	45.8	98.7
February	...	...	...	1.4	3.3	48.5	39.8	93.0
March	...	...	...	18.9	34.3	48.3	16.8	118.3
April	...	...	...	6.9	68.6	48.1	3.0	126.6
May	...	...	...	19.9	19.8	48.2	—	87.9
June	...	...	...	26.5	—	48.0	—	74.5
Average: (1988-89)	...	...	...	7.8	12.8	46.6	25.4	97.6
Average: (1987-88)	...	...	...	2.8	15.5	15.7	20.9	60.1

* Small Development Financing Scheme.

The weighted average rate of interest for all inter-bank transactions gradually rose from 10.6 per cent in June 1988 to 12 per cent in June 1989 reflecting the higher rates of interest paid by banks on resources mobilised by them as a result of the positive real interest rate policy stance of the Bank of Mauritius. Also, the range of interest rates on inter-bank transactions moved from 10.5 — 11.75 per cent to 11.5 — 13.0 per cent over the same period.

Tables IV.5 and IV.6 show details of inter-bank transactions and interest rates thereon for the period July 1988 to June 1989.

Non-Bank Financial Intermediaries

This section reviews in some details the performance of the five most important non-bank financial intermediaries, namely the DBM Limited, the National Pension Fund (NPF), the Post Office Savings Bank (POSB), The Mauritius Housing Corporation (MHC) and the State Insurance Corporation of Mauritius (SICOM). The activities of two other institutions in the non-bank sector, namely the State Investment Corporation (SIC) and the Mauritius Leasing Company (MLC), are also briefly outlined.

Table IV.5: Interbank Transactions July 1988 to June 1989

(Rs million)

		1 9 8 8						1 9 8 9					
		<i>July</i>	<i>Aug.</i>	<i>Sept.</i>	<i>Oct.</i>	<i>Nov.</i>	<i>Dec.</i>	<i>Jan.</i>	<i>Feb.</i>	<i>March</i>	<i>April</i>	<i>May</i>	<i>June</i>
1. Money at Call	Peak	92.0	85.0	21.0	28.5	32.0	59.0	75.0	101.0	135.0	165.0	167.0	167.0
	Trough	50.0	—	—	—	1.0	1.0	—	24.0	5.0	98.0	89.5	25.0
	Daily Average	72.5	23.0	2.8	9.1	15.9	6.3	37.2	48.5	25.0	132.0	135.9	126.8
2. Money at Short Notice	Peak	24.0	27.0	10.0	8.0	2.0	40.0	71.0	67.0	40.0	—	5.0	5.0
	Trough	11.0	—	—	—	—	—	20.0	42.0	40.0	—	—	—
	Daily Average	15.9	14.1	4.0	4.5	1.3	13.7	32.7	61.5	40.0	—	3.1	0.3
3. Term Money	Peak	—	—	—	1.0	2.0	2.0	—	—	—	40.0	20.0	20.0
	Trough	—	—	—	—	—	—	—	—	—	20.0	20.0	—
	Daily Average	—	—	—	0.6	0.6	1.2	—	—	—	28.7	20.0	19.3
4. Total Interbank Transactions (1 + 2 + 3)	Peak	108.0	96.0	31.0	35.0	34.0	99.0	128.0	168.0	175.0	205.0	192.0	192.0
	Trough	64.6	—	—	—	3.0	3.0	30.0	74.0	45.0	138.0	113.5	25.0
	Daily Average	88.4	37.1	6.8	14.2	17.8	21.2	69.9	110.0	65.0	160.7	148.0	146.4

Table IV.6: Interbank Rates

(Per cent per annum)

PERIOD	Money at Call		Money at Short Notice		Term Money		All Interbank Transactions	
	Weighted Average Rate of Interest	Range of Interest Rates	Weighted Average Rate of Interest	Range of Interest Rates	Weighted Average Rate of Interest	Range of Interest Rates	Weighted Average Rate of Interest	Range of Interest Rates
1987: July ...	10.5	10.5 — 11.75	10.6	10.5 — 11.75	—	—	10.6	10.5 — 11.75
August ...	11.0	10.5 — 11.0	10.8	10.5 — 11.75	—	—	10.9	10.5 — 11.75
September ...	10.9	10.5 — 11.0	10.5	—	—	—	10.9	10.5 — 11.75
October ...	11.0	10.5 — 11.0	10.7	10.5 — 11.0	10.5	—	10.7	10.5 — 11.0
November ...	11.0	10.5 — 11.0	11.0	—	10.5	—	11.0	10.5 — 11.0
December ...	11.0	10.5 — 11.5	11.0	10.5 — 11.25	10.75	—	11.0	10.5 — 11.5
1988: January ...	10.9	10.5 — 11.5	11.3	10.5 — 11.5	—	—	11.1	10.5 — 11.5
February ...	10.9	10.5 — 11.5	11.1	10.75 — 11.5	—	—	11.0	10.5 — 11.5
March ...	11.0	10.75 — 11.5	11.8	11.125 — 12.0	—	—	11.5	10.75 — 12.0
April ...	11.8	11.0 — 12.25	—	—	12.4	12.0 — 12.5	11.9	11.0 — 12.5
May ...	11.9	11.5 — 13.0	12.0	—	12.5	—	11.95	11.5 — 13.0
June ...	11.9	11.5 — 13.0	12.0	—	12.5	—	12.0	11.5 — 13.0

The Development Bank of Mauritius which was privatized on the 1st January, 1989 and registered under the name of DBM Limited continued to provide medium and long-term finance to industry, tourism, agriculture and other productive sectors. Total disbursements during fiscal year 1987-88 amounted to Rs 225 million or Rs 50 million higher than in fiscal year 1986-87. Of the Rs 225 million, 53.2 per cent (Rs 120 million) went to medium and large industry and tourism. Two new schemes were set up during fiscal year 1987-88, namely a scheme for pharmacies, whereby loans, up to Rs 300,000 are given for the financing of new pharmacies or improvement of existing ones and a scheme for the construction of office space of high standard. In order to provide finance to entrepreneurs for acquiring shares in new or existing EPZ units by way of soft-term loans, the DBM made use of a line of credit from the European Investment Bank. At the end of June 1988, DBM's total assets amounted to Rs 1,321 million which is Rs 195 million higher than the June 1987 figure. Its external debt rose by Rs 84 million to Rs 579 million over the same period.

During year ended June 1989, total contributions to the National Pensions Fund amounted to Rs 793 million, of which 59.8 per cent (Rs 474 million) were made by Government and the remaining 40.2 per cent (Rs 319 million) by employers and employees from the private sector. Total retirement pensions paid during the same period amounted to Rs 359 million. The total assets of the NPF increased by Rs 521 million from Rs 2,198 million at the end of June 1988 to Rs 2,719 million at the end of June 1989. Its investments in Government Stocks and Treasury Bills at the end of June 1989 amounted to Rs 2,675 million representing 98.4 per cent of its total assets.

Between end-June 1988 and end-June 1989, total savings deposits with the Post Office Savings Bank went up by Rs 24 million from Rs 226 million to Rs 250 million and the number of accounts by 5,781 from 212,488 to 218,269. Its total investment in Treasury Bills increased from Rs 139 million to Rs 166 million over the same period while its investment in Government Stocks remained at Rs 119 million.

The State Insurance Company of Mauritius also was privatised and its undertaking of the Corporation was transferred to SICOM Limited on 1st January 1989. Activities of the SICOM span over Life and General assurance covers, management of pension funds on behalf of various bodies, and running of various schemes like medical, housing and family protection. Gross premium collected during the 18 months to December 1988 amounted to Rs 32 million compared with Rs 27 million for the 12 months to June 1987. Its total assets went up by Rs 189 million from Rs 507 million at the end of June 1987 to Rs 696 million at the end of December 1988. Over 66 per cent of its total assets at the end of December 1988 were made up of investments in Government Securities and Treasury Bills.

Total assets of the State Investment Corporation set up by the Government in 1985 to manage its investment portfolio in the private sector, went up by Rs 50 million from Rs 130 million at the end of June 1988 to Rs 180 million at the end of June 1989.

The Mauritius Leasing Company which is a joint venture between the private sector and the public sector, was set up in 1987 with the objective of providing financial leases to individuals and companies who wish to purchase machinery and equipment. The leases provide for an option to the lessee to purchase the asset at the expiry of the contract period. Between end-June 1988 and end-June 1989, total assets of the MLC increased by Rs 75 million from Rs 23 million to Rs 98 million. The total amount of leases provided by the MLC during financial year 1988-89 amounted to Rs 72 million.

V. BUDGETARY PERFORMANCE: 1988-89

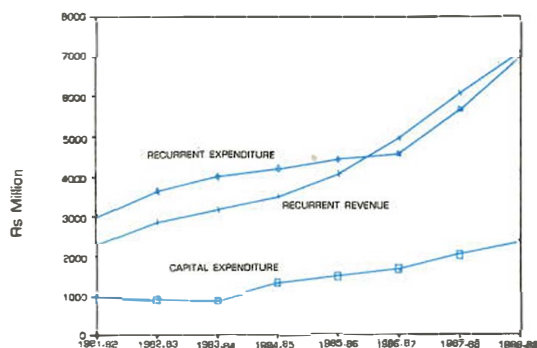
As a result of the restoration of fiscal discipline in the previous years, Government achieved a substantial reduction of the overall budget deficit. The impressive budgetary performance culminated in the re-emergence of surpluses in the recurrent Budget since 1986-87. The overall budget deficit as a proportion of GDP has been steadily brought down from a peak of 14 per cent in 1980-81 to 0.9 per cent in 1987-88. However, developments in 1988-89 marked a departure from the recent trends as the overall budget deficit for 1988-89 was higher than in the preceding three years largely due to the recent large wage awards. The overall budget deficit for 1988-89 as a proportion of GDP was 2.3 per cent in 1988-89 as against 0.9 per cent in 1987-88 and is estimated to rise to 2.5 per cent in 1989-90.

Revenue and Grants

Total revenue and grants increased by Rs 886 million, from Rs 6,355 million in 1987-88 to Rs 7,241 million in 1988-89 or by 13.9 per cent as against 23.9 per cent in the preceding year. Tax revenue and non-tax revenue accounted for 91.4 per cent and 8.6 per cent, respectively, of total revenue and grants in 1988-89.

Tax revenue rose significantly by 19.9 per cent from Rs 5,516 million in 1987-88 to Rs 6,615 million in 1988-89. As a proportion of GDP, tax revenue went up from 21.6 per cent to 22.5 per cent over the same period. The buoyancy in tax revenue reflected the acceleration in the pace of economic activities in the country.

Revenue collection from personal income tax shot up from Rs 312 million in 1987-88 to Rs 400 million in 1988-89 or by 28.2 per cent as against an increase of 27.5 per cent in the preceding year. The substantial increase in personal income tax collection is partly due to "fiscal drag" and partly to the continuing improvement in the tax collection system. The share of personal income tax in total re-



venue improved from 5.6 per cent to 6.0 per cent. Revenue on account of corporate tax, however, increased at a lower rate, that is, by 41.1 per cent from Rs 392 million to Rs 553 million as compared to an increase of 43.2 per cent in the preceding year. Its share in total tax revenue improved again from 7.1 per cent in 1987-88 to 8.4 per cent in 1988-89.

Table V.1: Consolidated Budgetary Accounts (Rs million)

	1988-89 (Revised Estimates)	1989-90 (Draft Estimates)
A. Revenue (1+2+3) ...	7,173	8,008
1. Consolidated Fund		
Adjusted Recurrent Revenue ...	6,898	7,745
Recurrent Receipts ...	7,250	8,117
Less Revenue of PTT ...	448	56
Less Revenue of Civ. Avn, Marine and Sewerage ...	82	87
Less Loan repayment from Stat. Bodies and Local government ...	222	233
Add Overall surplus of PTT ...	—	—
Add overall surplus of Civ. Avn, Marine and Sewerage ...	—	4
2. Capital Fund		
Adjusted Capital Revenue ...	275	263
Capital Receipts ...	2,569	2,105
Less Grants ...	68	155
Less Domestic Borrowings ...	1,490	1,200
Less Foreign Borrowing ...	635	386
Less Repayment of Loans ...	1	1
Less IMF allocation of SDR ...	—	—
Less IMF Reserve Tranche purchase ...	—	—
Less Transfer from Consolidated Fund ...	—100	—100
3. Consolidated Sinking Fund (CSF)		
Adjusted Revenue of CSF ...	—	—
Total Receipts ...	803	458
Less Contribution from Consolidated Fund ...	295	393
Less Interest on Holdings of Govt. Securities ...	22	65
Less Maturity Proceeds of Govt. Securities ...	445	—
Less Sale Proceeds of Govt. Securities ...	11	—
Less Profits on Appreciation and Redemption of Govt. Securities ...	30	—
B. Grants ...	68	155
C. Total Revenue and Grants (A+B) ...	7,241	8,163
D. Expenditure (4+5+6) ...	7,703	8,952
4. Consolidated Fund		
Adjusted Recurrent Expenditure ...	6,458	7,267
Recurrent Expenditure ...	7,670	7,852
Less Foreign Dept Redemption ...	1,130	418
Less Domestic Debt Redemption ...	82	167
Less Contribution to CSF ...	295	393
Less Interest paid to CSF ...	22	65
Less Expenditure of PTT ...	56	60
Less Expenditure of Civ. Avn, Marine and Sewerage ...	54	60
Less Capital Expenditure in Recurrent Budget ...	12	12
Less contribution to capital Fund ...	100	100
Add Subsidy to Marine and Sewerage ...	2	2
Add Recurrent Expenditure in Capital Budget ...	507	563
5. Capital Fund		
Adjusted Capital Expenditure ...	1,163	1,518
Capital Expenditure ...	2,300	2,360
Less Recurrent Expenditure in Capital Budget ...	507	563
Less IMF Repurchase obligations, subscription, refund ...	10	—
Less Equity purchases ...	174	25
Less Loans ...	437	245
Less Capital Expenditure of PTT ...	2	2
Less Capital Expenditure of Civ. Avn, Marine and Sew. ...	85	39
Less Capital Expenditure in Recurrent Budget ...	12	12
Add Capital Transfer to PTT, Civ. Avn, Marine & Sew. ...	66	20
6. Consolidated Sinking Fund Total Payments ...	82	167
E. Lending Minus Repayment ...	388	36
Loan by Capital Fund ...	437	245
Add Equity investment by Capital Fund ...	174	25
Less Repayment to Consolidated Fund ...	122	233
Less Repayment to Capital Fund ...	1	1
F. Total Expenditure and Lending Minus Repayment ...	8,091	8,988
G. Overall Deficit (C—F) ...	850	825

Source: Estimates, Ministry of Finance, Government of Mauritius.

Domestic taxes on goods and services including excise duties and sales tax went up by Rs 358 million from Rs 1,197 million in 1987-88 to Rs 1,555 million in 1988-89 or by 29.9 per cent against an increase of 27.7 per cent in the preceding year. Revenue from excise duties increased substantially by Rs 205 million or by 53.1 per cent from Rs 386 million to Rs 591 million while that from sales tax increased by Rs 107 million or by 23 per cent from Rs 463 million to Rs 570 million.

Table V. 2: Classification of Government Revenue and Grants
(Rs million)

	1984-85	1985-86	1986-87	1987-88 (Actual)	1988-89 (Revised Estimates)	1989-90 (Draft Estimates)
1. Tax Revenue	2,993.0	3,502.3	4,299.7	5,516.1	6,615.2	7,424.0
of which:						
(i) Individual Income Tax ...	264.8 (8.8)	185.8 (5.3)	244.6 (5.7)	312.1 (5.7)	400.0 (6.0)	574.0
(ii) Corporate Tax ...	134.9 (4.5)	169.0 (4.8)	273.7 (6.4)	391.5 (7.1)	553.0 (8.4)	697.0
(iii) Taxes on Property ...	131.5 (4.4)	159.5 (4.6)	211.3 (4.9)	313.5 (5.7)	345.0 (5.2)	382.0
(iv) Domestic Taxes on goods and services	705.6 (23.6)	775.8 (22.2)	936.8 (21.8)	1,196.6 (21.7)	1,555.2 (23.5)	1,745.0
of which:						
a) Excise	278.1 (9.3)	283.1 (8.1)	329.3 (7.7)	386.2 (7.0)	591.2 (8.9)	630.0
b) Sales Tax	227.0 (7.6)	273.5 (7.8)	349.2 (8.1)	463.2 (8.4)	570.0 (8.6)	675.0
(v) Import Duties	1,360.7 (45.5)	1,721.1 (49.1)	2,054.5 (47.8)	2,639.1 (47.8)	3,100.0 (46.9)	3,560.0
(vi) Export Duties	369.9 (13.4)	459.3 (13.1)	549.8 (12.8)	610.6 (11.1)	610.0 (9.2)	410.0
(vii) Other Tax Revenue ...	25.6 (0.8)	31.8 (0.9)	29.0 (0.7)	52.7 (0.9)	20.0 (0.3)	22.0
2. Non-Tax Revenue	403.2	395.2	638.9	624.7	557.8	584.0
3. Total Revenue (1 + 2) ...	3,396.2	3,897.5	4,938.6	6,140.8	7,173.0	8,008.0
4. Grants	165.9	233.0	187.7	214.4	68.0	155.0
5. Total Revenue and Grants (3 + 4)	3,562.1	4,130.5	5,126.3	6,355.2	7,241.0	8,163.0

Figures in Brackets are percentages to Total Tax Revenue

Source: Central Statistical Office; Draft Estimates, Ministry of Finance.

Revenue from taxation of international trade, that is, revenue from import and export duties increased by 14.2 per cent from Rs 3,250 million in 1987-88 to Rs 3,710 million in 1988-89. Its share in total tax revenue, though still high, fell from 58.9 per cent to 56.8 per cent. Whereas import duties increased by Rs 461 million from Rs 2,639 million to Rs 3,100 million, export duties, primarily in the form of sugar export tax, stayed at around Rs 610 million. Table V. 2 gives details of main items of revenue and grants for the years 1985-86 to 1989-90.

Table V.3: Distribution of Government Expenditure and Lending Minus Repayment

(Rs million)

	1984-85	1985-86	1986-87	1987-88 (Actual)	1988-89 (Revised Estimates)	1989-90 (Draft Estimates)
1. Adjusted Recurrent Expenditure & CSF payments	3,691.3	3,937.9	4,122.2	5,268.7	6,540.0	7,434.0
of which						
(i) Wages and Salaries	1,290.7 (35.0)	1,366.8 (35.2)	1,483.7 (34.7)	1,989.8 (37.8)	2,586.0 (40.1)	2,821.0 (37.9)
(ii) Interest payments	988.7 (26.8)	1,069.6 (27.2)	1,080.8 (25.3)	1,048.5 (19.9)	1,146.0 (17.5)	1,286.0 (17.3)
(iii) Other goods and services purchased	347.9 (9.4)	366.0 (9.3)	421.1 (9.9)	546.5 (10.4)	680.0 (10.4)	1,009.0 (13.6)
(iv) Subsidy on rice and flour	113.8 (3.1)	72.0 (1.8)	75.0 (1.7)	226.0 (4.3)	155.0 (2.4)	250.0 (3.4)
(v) Transfer to local Government	154.7 (4.2)	160.0 (4.1)	170.5 (4.0)	224.3 (4.2)	307.0 (4.7)	320.0 (4.3)
(vi) Other subsidies and current transfers	795.5 (21.5)	883.5 (22.4)	1,041.1 (24.4)	1,233.6 (23.4)	1,666.0 (25.5)	1,751.0 (23.5)
2. Adjusted Capital Expenditure	585.2	567.0	934.6	1,115.6	1,163.0	1,518.0
3. Lending Minus Repayment	109.6	265.8	216.1	217.2	388.0	36.0
4. Total Expenditure and Lending Minus Repayment (1 + 2 + 3)	4,386.1	4,770.7	5,422.9	6,582.4	8,091.0	8,988.0

Figures in brackets are percentages to Adjusted Recurrent Expenditure and CSF payments.

Source: Central Statistical Office. Draft Estimates, Ministry of Finance

Recurrent Expenditure

Total recurrent expenditure and CSF payments increased by Rs 1,271 million from Rs 5,269 million in 1987-88 to Rs 6,540 million in 1988-89. The two items of expenditure that contributed the most to the increase in total recurrent expenditure were "wages and salaries" which increased by Rs 596 million from Rs 1,990 million to Rs 2,586 million and "other subsidies and current transfers" which registered an increase of Rs 432 million from Rs 1,234 million to Rs 1,666 million. The share of "wages and salaries" in total recurrent expenditure increased from 37.8 per cent to 40.1 per cent whilst that for "other subsidies and current transfers" recorded a more marked increase from 23.4 per cent to 25.5 per cent. Interest payments rose by Rs 97 million from Rs 1,049 million in 1987-88 to Rs 1,146 million in 1988-89. As a percentage of GNP, recurrent expenditure rose from 21.1 per cent to 22.3 per cent over the same period.

Capital Revenue and Expenditure

The deficit in the capital budget was Rs 888 million in 1988-89, more or less the same as in the preceding year. Capital revenue amounted to Rs 275 million in 1988-89 showing an increase of Rs 38 million against the figure of Rs 237 million in 1987-88. Capital expenditure rose by Rs 47 million in 1988-89, that is, by about the same increase in capital revenue, from Rs 1,116 million to Rs 1,163 million.

The overall budget deficit for 1988-89 was Rs 850 million. It was financed largely by borrowings from domestic sources. The non-bank sector contributed for an amount of Rs 1,541 million and the commercial banks for Rs 1,359 million. However, the Government utilized the excess financing for reducing its indebtedness to the Bank of Mauritius. Net foreign financing was negative mainly as a result of the pre-payment of Government's outstanding Euro-dollar loans. Table V.4 gives a detailed breakdown of sources of deficit financing for the years 1985-86 to 1989-90.

Budget Estimates for 1989-90

The budget estimates for 1989-90 point to an overall deficit of Rs 825 million, slightly lower than the deficit of Rs 850 million in 1988-89. Total revenue and grants is budgeted at Rs 8,111 million and total expenditure at Rs 8,936 million. The budget deficit would be financed exclusively by borrowings from local sources. Net foreign financing is estimated to be negative at Rs 32 million whilst domestic financing is estimated at Rs 857 million. As a percentage of GDP, the deficit is targeted at 2.5 per cent.

The 1989-90 budget emphasizes on manpower training, regional cooperation, modernisation of the economy, housing development and protection of the environment. The following measures were announced:

- (a) increase in the basic personal travel allowance of residents from £ 1,200 to £ 2,000 every two years,

- (b) increase in the basic business travel allowance from £ 120 to £ 200 per day,
- (c) reduction of capital transfer tax from 45 per cent to 15 per cent,
- (d) increase in the limit for deductions of contributions to approved super-annuation funds and pension schemes from taxable income from Rs 6,000 to Rs 12,000,
- (e) all issues quoted on the stock exchange are exempted from stamp duty,
- (f) Housing Development Certificates will be granted to companies operating in the construction of housing units.

Holders of Housing Development Certificates will pay a reduced corporate tax of 15 per cent and will be exempted from income tax on dividends for 8 years. They would also be exempted from import duty, import levy and customs duty on all prefabricated building materials and construction equipment. Moreover, to encourage savings under the Mauritius Housing Corporation's scheme, the ceiling for housing loans has been raised.

Internal Public Debt.

Total internal debt of the Government increased by Rs 3,147 million from Rs 8,659 million at the end of June 1988 to Rs 11,806 million at the end of June 1989. As a percentage of GDP, total internal public debt went up from 33.9 per cent to 40.2 per cent over the same period. Short-term debt of Government increased by Rs 1,818 million from Rs 4,135 million to Rs 5,953 million, of which an amount of Rs 5,948 million was in Treasury Bills. As from 19th July 1988, Treasury Bills of longer maturities namely, 6 months and 1 year are also being issued. The share of short-term internal debt of Government in total outstanding debt obligations rose from 47.6 per cent at the end of June 1988 to 50.4 per cent at the end of June 1989.

External Debt

The level of external debt of the Government declined by Rs 74 million from Rs 5,809 million at the end of June 1988 to Rs 5,735 million at the end of June 1989 as a result of the prepayment of Euro-dollar loans of Rs 750 million well in advance of the due date. The decline in the outstanding level of external debt of Government at the end of June 1989 would have been much more substantial were it not for the appreciation of the currencies in which the debt is denominated vis-à-vis the rupee. During the year under review, capital repayments amounted to Rs 1,123 million whereas loans from external sources totalled Rs 635 million.

Total outstanding repurchase obligations to the IMF at the end of June 1989 stood at Rs 1,240 million (SDR 64 million) representing a decline of Rs 400 million (SDR 26 million) from Rs 1,640 million (SDR 90 million) at the end of June 1988. As a result of the relatively strong foreign exchange reserves position of the Bank of Mauritius, early repurchases from the IMF for an amount of Rs 101 million

Table V.4: **Budgetary Financing***(Rs million)*

	1984-85	1985-86	1986-87	1987-88 (Actual)	1988-89 (Revised Estimates)	1989-90 (Draft Estimates)
A. Total Revenue and Grants ...	3,562.1	4,130.5	5,126.3	6,355.2	7,241.0	8,163.0
B. Total Expenditure and lending Minus Repayment —	4,386.1	4,770.7	5,422.9	6,582.4	8,091.0	8,988.0
C. Budget Deficit (A — B) ...	-824.0	-640.2	-296.6	-227.2	-850.0	-825.0
D. Foreign Financing (Net) (1 + 2 — 3) ...	717.4	-113.9	148.2	602.4	-495.0	-32.0
1. Gross External loans received (Excluding IMF) ...	1,266.8	359.5	528.4	1,146.4	635.0	386.0
2. Change in Foreign Deposits	-3.4	2.6	0.5	—	—	—
3. Foreign Capital Repayment	546.0	476.0	380.7	544.0	1,130.0	418.0
E. Domestic Financing (Net) (4 + 5 + 6 + 7) ...	106.6	754.1	148.4	-375.3	1,345.0	857.0
4. Monetary Authorities ...	-361.8	-411.4	-1,830.4	-1,650.3	-1,165.0	
(i) Govt. Stocks ...	(-56.6)	(-0.1)	(—)	(0.1)	(-0.1)	
(ii) Treasury Bills ...	(37.9)	(-136.7)	(-1,702.3)	(—)	(—)	
(iii) Advances ...	(73.0)	(115.0)	(-191.1)	(-1,164.0)	--	
(iv) Deposits ...	(-29.8)	(45.5)	(492.3)	(-455.2)	(-1,154.9)	
(v) IMF Transactions ...	(-386.3)	(-345.8)	(-29.0)	(-31.2)	(-10.0)	
5. Commercial Banks ...	113.4	582.1	1,383.9	1,084.1	1,359.5	
(i) Govt. Stocks ...	(97.8)	(442.8)	(249.4)	(143.0)	(429.7)	
(ii) Treasury Bills ...	(-77.5)	(494.5)	(1,359.4)	(1,097.2)	(936.8)	
(iii) Deposits ...	(67.2)	(-10.5)	(-143.1)	(-247.0)	(20.8)	
(iv) Advances ...	(25.9)	(-44.4)	(-81.5)	(91.1)	(-27.8)	
6. Non-Bank Sector ...	469.7	592.6	674.8	432.3	1,541.5	
(i) Govt. Stocks ...	(333.5)	(146.5)	(14.0)	(961.7)	(289.7)	
(ii) Treasury Bills ...	(126.7)	(379.5)	(518.6)	(-538.6)	(598.0)	
(iii) Treasury Certificates and Bearer Bonds ...	(9.5)	(3.5)	(15.2)	(9.2)	(653.8)	
7. Other Domestic Financing ...	-114.7	-9.5	-79.9	-211.4	-391.0	
Ratio of overall deficit to GDP at current market prices ...	5.3	3.5	1.4	0.9	(2.3)	(2.5)

Table V.5: Central Government Debt

(Rs million)

	1984	1985	1986	1987	1988	1989
Outstanding as at 30th June						
A. Short-term obligations ...	3,784.5	3,924.5	4,771.2	4,754.8	4,135.4	5,953.5
(i) Treasury Bills ...	2,591.8	2,671.4	3,404.8	3,584.5	4,130.3	5,947.9
(ii) Advances from Bank of Mauritius ...	1,166.5	1,239.5	1,355.4	1,164.0	—	—
(iii) Tax-Reserve Certificates ...	26.2	13.6	11.0	6.3	5.1	5.6
B. Medium & Long-term obligations ...	2,278.3	2,666.0	3,004.4	3,410.0	4,524.0	5,852.9
(i) Government Stocks ...	2,224.3	2,602.6	2,937.4	3,327.9	4,432.7	5,107.7
(ii) Treasury Certificates ...	18.8	28.2	65.7	81.8	91.3	445.1
(iii) Anonymous Bearer Bonds	35.3	35.3	1.3	0.4	0.1	300.1
C. Total Internal Debt (A + B) ...	6,062.8	6,590.5	7,775.6	8,164.8	8,659.4	11,806.4
D. Total External Debt¹ ...	4,672.7	5,621.0	4,698.1	4,883.1	5,808.7	5,735.0*
E. Total Central Govt. Debt (C + D) ...	10,535.5	12,211.5	12,473.7	13,047.9	14,468.1	17,541.4*
Debt charges during Fiscal Year ending 30th June						
F. Amortization ...	800.6	1,078.4	1,026.7	605.3	773.9	1,438.8*
(i) Internal ...	121.7	146.3	172.3	195.7	222.9	315.4
(ii) External ² ...	678.9	932.1	854.4	409.6	551.0	1,123.4*
G. Interest ...	877.4	1,022.8	1,092.4	1,106.4	1,264.6	1,163.3
(i) Internal ...	558.4	613.1	732.2	789.7	912.6	785.9
(ii) External ³ ...	319.0	409.7	360.2	316.7	352.0	377.4*
H. Total Debt Servicing (F + G) ...	1,678.0	2,101.2	2,119.1	1,711.7	2,038.5	2,602.1*

* Estimates

¹ Includes liabilities to the IMF under the CFF, Trust Fund and BSFF.² Includes repurchase obligations under the CFF, Trust Fund and BSFF.³ Includes management charges and IMF charges under the CFF, Trust Fund and BSFF.

(SDR 5 million) were effected in 1988-89. Total charges paid to the IMF during the year 1988-89 amounted to Rs 146 million (SDR 8 million).

The external debt of para-statal bodies, including the debt contracted by Air Mauritius for the purchase of two aircrafts, increased by Rs 883 million from Rs 2,869 million at the end of June 1988 to Rs 3,752 million at the end of June 1989. Private external debt rose by Rs 576 million from Rs 317 million to Rs 893 million over the same period.

The debt-service ratio of the country, including repurchase obligations to the IMF, went up from 11.0 per cent in 1987-88 to 13.3 per cent in 1988-89 due mainly to the pre-payment of outstanding Euro-dollar loans by Government. It is projected to fall to around 8 per cent in 1989-90. Excluding servicing of repurchase obligations to the IMF, debt service ratio of the country rose from 7.1 per cent to 10.0 per cent and is projected to decline to around 5 per cent in 1989-90.

VI. EXTERNAL TRADE AND BALANCE OF PAYMENTS

The balance of payments outcome for 1988-89 marked a deviation from the trend of rising surpluses recorded in recent years. After having risen from Rs 643 million in 1985-86 to Rs 2,572 million in 1986-87 and further to Rs 2,728 million in 1987-88, the overall balance of payments declined to Rs 1,996 million in 1988-89. This contraction in the overall surplus is attributable mainly to the deterioration in the current account balance brought about by the faster growth of imports relative to exports and also to adverse terms of trade, the pre-payment of Euro-dollar loans and a decline in loan receipts by the Government.

The current account which showed a deficit of Rs 953 million in 1987-88, attributable mainly to the purchase of two aircrafts by Air Mauritius, recorded a surplus estimated at Rs 162 million in 1988-89. Excluding the purchase of the aircrafts, the surplus on the current account declined from Rs 670 million in 1987-88 to Rs 162 million in 1988-89 reflecting a marked deterioration in the

Table VI.1: Balance of Payments Summary

(Rs million)

	1986-87	1987-88	1988-89 (Estimates)	1989-90 (Projections)
Current Account	1,575	—953	162	—808
Merchandise	816	—2,181	—1,467	—2,473
Exports f.o.b.	10,467	12,377	14,451	16,084
Imports f.o.b.	9,651	14,558*	15,918(a)	18,557**
Imports c.i.f.	10,593	16,190*	17,570(a)	20,770
Services (net)	81	129	436	614
Transfers	678	1,099	1,193	1,051
Capital Account	360	2,014	122	1,325
Errors and Omissions	637	1,667	1,712	—
Overall Balance of Payments	2,572	2,728	1,996	1,227
Monetary Movements	—2,572	—2,728	—1,996	—1,227
Of which:				
Reserve Movements (+ indicates a decrease, — an increase)	—2,262	—2,250	—1,504	—603
Other	—310	—478	—492	—624

* Of which imports of aircrafts and spare parts: Rs 1,623 million

(a) Of which import of ship: Rs 147 million.

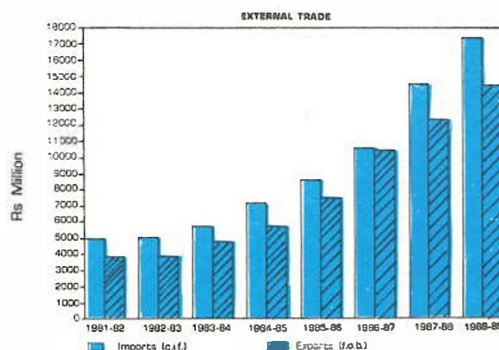
** Of which import of ship: Rs 648 million.

merchandise account. Total imports in 1988-89 rose by 20.6 per cent to Rs 17,570 million, from Rs 14,567 million (excluding the cost of aircrafts) in 1987-88. The growth of imports was more pronounced during the last quarter of the period under review. Total exports went up by 16.8 per cent from Rs 12,377 million in 1987-88 to Rs 14,451 million in 1988-89. Table VI.1 gives a summary of the balance of payments accounts for the years 1986-87 to 1989-90.

Although the overall balance of payments position is expected to remain in surplus in 1989-90, a further contraction thereof is projected. The visible trade deficit is expected to widen as a result of the higher projected growth in imports relative to exports. However, the deficit in the merchandise account is expected to be partly offset by the higher surplus projected in the services account. A deficit of Rs 808 million is projected on the current account while the overall balance of payments surplus is forecast at Rs 1,227 million.

External Trade

External trade developments during the year 1988-89 were characterised by a further widening of the visible trade deficit. The deficit on the visible trade account rose from Rs 2,205 million in 1987-88 to Rs 2,936 million in 1988-89. In terms of SDRs, the visible trade balance recorded a deficit of SDRs 156 million in 1988-89 as against a deficit of SDRs 127 million in the preceding year. The broadening of the trade deficit during the period under review stemmed from the faster growth of imports relative to exports. Table VI.2 summarizes the trends in visible trade over the period 1984-85 to 1988-89.



Exports

Total exports (excluding bunkers and ships' stores) grew by 17.2 per cent in value terms, from Rs 12,362 million in 1987-88 to Rs 14,487 million in 1988-89. The price deflator for exports is estimated to have increased by about 11.5 per cent thereby implying a growth of about 5.1 per cent in the volume of exports. Measured in SDR terms, total exports went up by 7.7 per cent, from SDRs 713 million in 1987-88 to SDRs 768 million in 1988-89.

Table VI.2: Trends in Visible Trade

	1984-85		1985-86		1986-87		1987-88 (Revised)		1988-89 (Provisional)	
	<i>Rs Mn</i>	<i>SDR Mn</i>	<i>Rs Mn</i>	<i>SDR Mn</i>	<i>Rs Mn</i>	<i>SDR Mn</i>	<i>Rs Mn</i>	<i>SDR Mn</i>	<i>Rs Mn</i>	<i>SDR Mn</i>
Exports (f.o.b.)	5,769.0	379.6	7,558.0	483.8	10,471.7	650.8	12,362.0	713.0	14,487.0	768.1
	(+22.0)	(+6.0)	(+31.0)	(+27.4)	(+38.6)	(+34.5)	(+18.1)	(+9.6)	(+17.2)	(+7.7)
Imports (c.i.f.)	7,180.4	472.5	8,630.6	552.5	10,593.7	658.4	14,567.0*	840.1	17,423.0	923.8
	(+24.5)	(+8.2)	(+20.2)	(+16.9)	(+22.7)	(+19.2)	(+37.5)	(+27.6)	(+19.6)	(+10.0)
Visible Trade Balance ...	-1,411.4	-92.9	-1,072.6	-68.7	-122.0	-7.6	-2,205.0	-127.1	-2,936.0	-155.7
	(+36.2)	(+18.3)	(-24.0)	(-26.0)	(-88.6)	(-88.9)	(+1,707.4)	(+1,572.4)	(+33.2)	(+22.5)

Notes: (1) Export figures exclude bunkers and ships' stores as these items are conventionally included in the services account

(2) Figures in brackets indicate percentage change over the previous year.

* Excluding imports of aircrafts.

Source: Central Statistical office, Government of Mauritius.

The value of sugar exports increased from Rs 4,258 million in 1987-88 to Rs 4,659 million in 1988-89 reflecting partly a 3.5 per cent increase in the volume of sugar exports, up from 625,440 tons to 647,475 tons. The average unit price, expressed in rupee terms, rose by 5.7 per cent. from Rs 6,810 per ton in 1987-88 to Rs 7,196 per ton in 1988-89 reflecting mainly the appreciation of the ECU and the pound sterling vis-à-vis the rupee. In terms of SDRs, the average unit price, however, declined by 2.9 per cent, from SDRs 393 per ton in 1987-88 to SDRs 381 per ton in 1988-89 on account of the appreciation of the SDR vis-à-vis the rupee.

The value of tea exports dropped to Rs 86 million in 1988-89 from Rs 96 million in 1987-88, the decline being essentially volume-induced.

The value of exports of molasses remained unchanged at Rs 91 million as in the preceding year. A 1.9 per cent reduction in the export volume of molasses was more or less offset by an equivalent increase in the export unit value.

The manufacturing sector continued to be buoyant, though growing at a reduced rate. Exports of manufactured goods rose by 22.1 per cent, from Rs 7,327 million in 1987-88 to Rs 8,950 million in 1988-89. The price deflator for manufactured goods is estimated to have increased by about 12 per cent, thereby implying an increase of the order of 9 per cent in the volume of manufactured exports as against an increase of 14.9 per cent in the preceding year. Expressed in SDR terms, manufacturing exports grew by 12.3 per cent, from SDRs 422 million in 1987-88 to SDRs 474 million in 1988-89. Exports of textiles and clothing, which constituted the bulk of manufactured exports, increased by 25.9 per cent, from Rs 5,429 million in 1987-88 to Rs 6,834 million in 1988-89. The share of exports of textiles and clothing in total manufacturing exports, increased from 74.1 per cent in 1987-88 to 76.4 per cent in 1988-89.

The manufacturing sector as a whole increased its share in total exports from 59.3 per cent in 1987-88 to 61.8 per cent in 1988-89. The textile and clothing sector improved its share of total exports from 43.9 per cent in 1987-88 to 47.2 per cent in 1988-89. However, the share of agricultural products in total exports declined from 36 per cent to 33.4 per cent over the same period. Sugar exports accounted for only 32.2 per cent of total exports in 1988-89 compared with 34.5 per cent in the previous year. Table VI.3 shows the main exports over the period 1984-85 to 1988-89.

Table VI.3: Main Exports

(f.o.b. Rs Million)

	1984-85	1985-86	1986-87	1987-88	1988-89
Agricultural Sector	3,025.4	3,166.7	4,427.8	4,445.0	4,836.0
Sugar	2,742.4	2,967.0	4,239.4	4,258.0	4,659.0
Tea	235.9	116.7	88.7	96.0	86.0
Molasses	47.1	83.0	99.7	91.0	91.0
Manufacturing Sector	2,408.9	4,060.9	5,691.5	7,327.0	8,949.8
Clothing and Textiles	2,036.0	3,261.7	4,720.2	5,429.5	6,833.6
Processed Diamonds and Synthetic Stones	100.5	156.6	172.2	213.6	410.2
Other Manufactured Exports	272.4	642.6	799.1	1,683.9	1,706.0
Other Exports	232.5	192.9	197.0	399.3	375.2
Fish and Fish Preparations	122.6	146.4	127.9	157.6	214.0
Other	109.9	46.5	69.1	241.7	161.2
Re-exports	102.2	137.5	155.4	190.7	326.0
TOTAL	5,769.0	7,558.0	10,471.7	12,362.0	14,487.0

Source: Central Statistical Office, Government of Mauritius.

Imports

The nominal value of total imports rose by 19.6 per cent, from Rs 14,567 million (excluding the purchase of the two aircrafts) in 1987-88 to Rs 17,423 million in 1988-89. Expressed in terms of SDRs, total imports went up by 10 per cent, from SDRs 840 million in 1987-88 to SDRs 924 million in 1988-89.

As in the preceding years, the imports of intermediate and capital goods used for supporting industrial activity contributed significantly to the uptrend in imports. The value of imports of intermediate goods (SITC 2, 5 and 6) rose from Rs 7,254 million in 1987-88 to Rs 8,580 million in 1988-89; its share in the total value of imports, however, decreased marginally from 49.8 per cent to 49.2 per cent. Imports of machinery and transport equipment (SITC 7) went up from Rs 3,193 million in 1987-88 to Rs 3,707 million in 1988-89. However, their share in total imports declined marginally from 21.9 per cent to 21.3 per cent. The share of Food and Beverages (SITC 0 and 1) in total imports increased from 11.3 per cent to 12.4 per cent as the value of imports under these items increased by Rs 515 million from Rs 1,651 million to Rs 2,166 million. Imports of petroleum products went up by 15.7 per cent in value terms, from Rs 906 million in 1987-88 to Rs 1,048 million in 1988-89. Their share in total imports, however, declined marginally from 6.2 per cent to 6 per cent. Imports of rice and flour amounted to Rs 596 million in 1988-89 as compared with Rs 489 million in 1987-88.

Table VI.4: Merchandise Imports

(Rs. million)

	1985-86	1986-87	1987-88	1988-89
Food and Live Animals ...	1,293.6	1,268.7	1,589.7	2,098.0
Meat and Meat Preparations ...	152.3	174.1	201.3	250.1
Dairy Products and Eggs ...	224.4	230.5	266.9	403.8
Milk and Cream ...	(180.6)	(173.4)	(209.3)	(326.2)
Fish and Fish Preparations ...	101.3	98.2	88.7	121.9
Cereal and Cereal Preparations ...	551.3	449.5	586.1	763.1
Rice ...	(228.5)	(180.1)	(290.3)	(353.0)
Flour ...	(236.3)	(196.0)	(198.5)	(243.0)
Other ...	(86.5)	(73.4)	(97.3)	(167.1)
Fruit and Vegetables ...	115.7	130.9	186.4	245.8
Vegetables ...	(80.4)	(88.5)	(144.9)	(139.2)
Feeding Stuff for Animals ...	41.8	51.2	46.0	103.2
Other ...	106.8	134.3	214.3	210.1
Beverages and Tobacco ...	29.4	41.5	61.7	68.9
Alcoholic Beverages ...	22.1	29.7	45.3	47.6
Unmanufactured Tobacco ...	3.3	3.2	5.2	9.2
Other ...	4.0	8.6	11.2	12.1
Crude materials Inedible except Fuel ...	404.0	362.0	498.5	606.5
Mineral Fuels, Lubricants and Related Materials ..	914.0	724.3	1,059.5	1,191.3
Petroleum Products ...	865.0	659.8	906.0	1,048.0
Other ...	49.0	64.5	153.5	143.3
Animal and Vegetable Oils and Fats ...	216.2	137.7	148.8	201.2
Vegetable Edible Oils ...	146.3	92.9	102.4	146.9
Other ...	69.9	44.8	46.4	54.3
Chemicals ...	581.5	735.6	932.5	1,188.9
Medical and Pharmaceutical Products ...	100.8	132.0	175.3	225.5
Fertilizers ...	74.7	106.3	73.1	117.1
Plastic Materials, Regenerated Cellulose and and Artificial Resins ...	84.4	106.2	116.7	83.8
Other ...	321.6	391.1	567.4	762.5
Machinery and Transport Equipment ...	1,331.0	2,161.2	3,193.4	3,707.2
Electric Machinery ...	191.1	294.9	322.3	350.9
Road Motor Vehicles ...	204.8	347.5	717.9	653.6
Other ...	935.1	1,518.8	2,153.2	2,702.7
Manufactured Goods ...	3,860.6	5,162.7	7,082.9	8,360.9
Rubber, Wood Cork, Paper and Paper Board Manufactures	235.2	303.3	376.4	544.0
Textile Yarn, Cotton and other Textile Fabrics ...	2,059.8	2,769.9	4,084.1	4,400.7
Lime and Cement and Fabricated Constuction Material ..	210.6	163.7	192.0	253.8
Iron and Steel ...	242.3	277.8	311.1	463.7
Manufactures of Metal ...	165.8	333.6	450.9	380.9
Clothing ...	32.8	61.2	124.5	192.2
Professional and Scientific Instruments ...	41.8	52.4	95.6	113.7
Other ...	872.3	1,200.8	1,448.3	2,011.9
TOTAL ...	8,630.6	10,593.7	14,567.0*	17,423.0

Source: Central Statistical Office, Government of Mauritius.

* Excluding imports of aircrafts.

About 40 per cent of total imports is estimated to have been invoiced in US dollars in 1988-89 as against 45 per cent in 1987-88. The other currencies most commonly used in invoicing payments for imports were the French franc (15.6 per cent), Pound sterling (8.0 per cent), South African Rand (7.8 per cent) and the Deutsche mark (6.4 per cent).

Direction of Trade

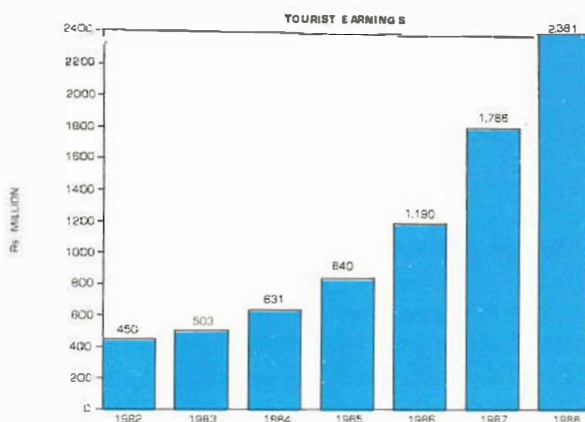
Our main export markets were the EEC and the USA. Exports directed towards the EEC and the USA amounted to Rs 11,285 million and Rs 1,978 million, respectively, and together accounted for 91.6 per cent of total exports in 1988-89. Our main export market within the EEC was the UK which absorbed 34 per cent of total exports, mostly sugar and EPZ products. Other important markets within the EEC were France (21.7 per cent) and West Germany (8.8 per cent). USA's share of total exports increased marginally to around 13.7 per cent from 13.3 per cent in 1987-88.

The external trade pattern of Mauritius is characterized by a diversity of sources of import supplies. The country-wise distribution of import supplies to Mauritius indicate that the EEC countries supplied 35.3 per cent of the country's imports. Within the EEC, France remained the main supplier of non-oil imports and accounted for 13.6 per cent of total imports in 1988-89, followed by the United Kingdom (7.5 per cent) and the Federal Republic of Germany (7 per cent). Our main suppliers outside the EEC were the Republic of South Africa (9.3 per cent), Japan (7.6 per cent) and China (5.1 per cent). The major suppliers of oil to Mauritius in 1988-89 were Kuwait and Bahrain.

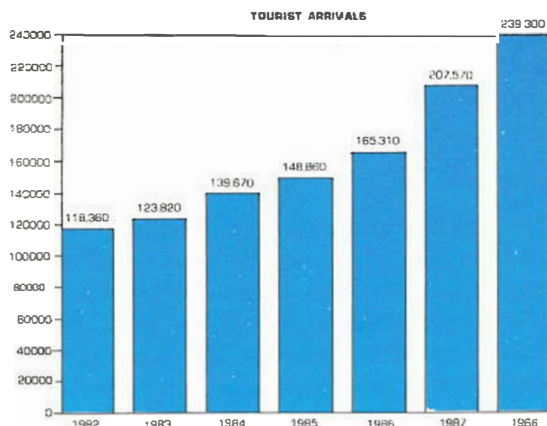
In 1988-89, Mauritius had a trade surplus of about Rs 5,128 million with the EEC, accounted for mainly by trade surpluses with the United Kingdom and France. Our trade surplus with the USA rose to Rs 1,713 million in 1988-89, from Rs 1,362 million (excluding the purchase of the two aircrafts) in the preceding year.

Services and Transfers

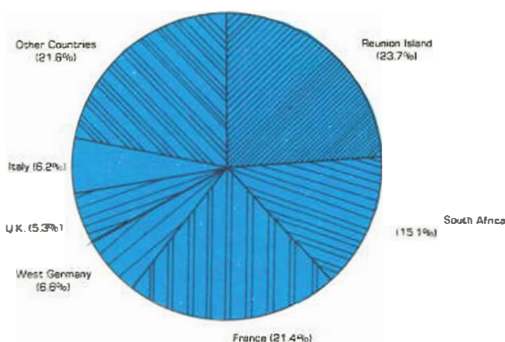
A significant improvement was registered in the services account during the period under review. The surplus on the services account increased from Rs 129 million in 1987-88 to Rs 436 million in 1988-89. This marked improvement in the services account derived mainly from increased receipts from tourism and "Other Transportation", as well as from a decrease in the net outflows on the investment income account. Gross



earnings from tourism went up by 21.4 per cent, from Rs 2,135 million to Rs 2,591 million, as a result of a 13.2 per cent increase in the number of tourist arrivals, from 221,970 to 251,270 in 1988-89, and a 7.2 per cent rise in the average expenditure per tourist. The number of nights spent by tourists rose from 2,540,000 in 1987-88 to 2,872,000 in 1988-89 indicating an average stay of 11.4 nights per tourist. Net inflows on the travel account increased by 14.2 per cent, from Rs 1,369 million in 1987-88 to Rs 1,563 million in 1988-89. Net earnings on passenger and port services increased from Rs 802 million in 1987-88 to Rs 985 million in 1988-89. Payment of freight and insurance charges went down from Rs 1,584 million in 1987-88 to Rs 1,530 million in 1988-89. In spite of a 43.5 per cent rise in the outflows of dividends from Rs 168 million in 1987-88 to Rs 241 million in 1988-89, net outflows on the investment income account declined from Rs 530 million to Rs 482 million, mainly on account of higher earnings on the Central Bank's foreign assets. Other services recorded a deficit of Rs 100 million compared with a surplus of Rs 72 million in the preceding year. The net surplus on the transfers account increased from Rs 1,099 million in 1987-88 to Rs 1,193 million in 1988-89, with private transfers accounting for about 89 per cent of the increase. Net private transfers increased by 43.6 per cent, from Rs 740 million in 1987-88 to Rs 1,062 million in 1988-89 while net Government transfers went down from Rs 359 million to Rs 131 million mainly on account of lower food grants.



**TOURIST ARRIVALS BY COUNTRY OF RESIDENCE
1st Half 1988**



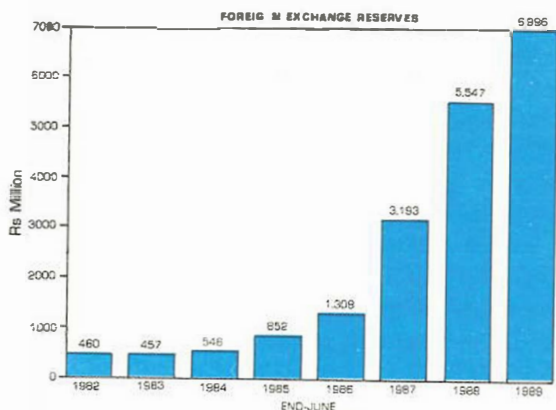
Capital Movements

The capital account of the balance of payments recorded a surplus of Rs 122 million in 1988-89 as against a surplus of Rs 2,014 million in 1987-88, which included capital inflows of the order of Rs 1,342 million representing financing of the purchase of the two aircrafts.

Excluding the financing flows for the aircrafts, the fall in the surplus was due mainly to a reversal in the net capital movements on account of the Government. Loan transactions of the Government in 1988-89 registered a net outflow of Rs 471 million as against a net inflow of Rs 572 million in 1987-88 due to the repayment of Euro-dollar loans, the bulk of which was effected in advance of their maturity dates, as well as to lower loan receipts. In 1988-89 loan receipts amounted to Rs 675 million whereas capital repayments amounted to Rs 1,146 million. The net inflow on account of parastatal bodies was Rs 312 million as compared with an outflow of Rs 8 million (excluding the capital inflows on account of the two aircraft) in the preceding year. Net inward investment, went up from Rs 294 million in 1987-88 to Rs 374 million in 1988-89. The build-up of short-term foreign assets of commercial banks represented capital outflows of Rs 142 million in 1988-89.

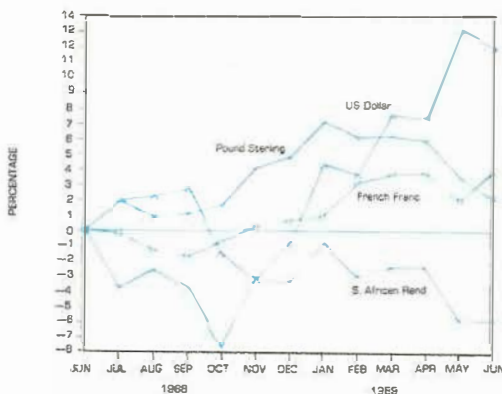
Foreign Exchange Reserves

Reflecting the continuing surplus in the overall balance of payments, the level of foreign exchange reserves of the Bank rose from Rs 5,293 million at the end of June 1988 to Rs 6,797 million at the end of June 1989, which represented the equivalent of about 18 weeks of normal imports, that is, about the same level as at the end of June 1988. In view of the favourable balance of payments outlook the foreign exchange reserves position of the Bank is projected to improve further during the year 1989-90.



Exchange Rate of the Rupee

The movement in the external value of the Mauritian rupee during 1988-89 was characterised by an appreciation of the currencies of our major trading partners, with the exception of the South African rand. Between June 1988 and June 1989 the Mauritian rupee depreciated by 10.7 per cent against the US dollar as compared with a depreciation of 6.6 per cent during the preceding fiscal year. During the same period it depreciated by 2.2 per cent against the Pound sterling, 7.5 per cent against the Australian dollar, 3.8 per cent against the French franc, 4.8 per cent against the Deutsche mark and .4 per cent against the yen; however, it appreciated by 6.1 per cent against the South African rand.



VII. INTERNATIONAL ECONOMIC DEVELOPMENTS

The high rates of growth of world output and trade brought about a significant improvement in world economic conditions during the year 1988. While the major industrial countries succeeded in reducing their external imbalances significantly, the developing countries, in particular the exporters of manufactured products, succeeded in lowering their aggregate debt-service ratio. The decline in unemployment rate in the United States, Canada and the United Kingdom was more pronounced than in Europe whereas in developing countries generally the unemployment rate increased. The high rates of inflation in some of the large industrial countries and in the developing countries as well led to a tightening of monetary conditions during 1988, thus reversing the declining trend in world interest rates during the period 1984-87.

One of the major factors leading to the rapid growth rate of world output was the expansion of business investment and a sharp rise in productivity. Though most of the industrial countries and many newly industrialising economies experienced strong growth performance in 1988, countries with debt-servicing problems witnessed a slowdown in growth which, however, was more marked for countries in the Western Hemisphere and sub-Saharan Africa. World output increased by 4.1 per cent in 1988 as compared to 3.2 per cent in 1987. It is projected to fall to 3.3 per cent in 1989. The rate of growth of output of industrial countries increased from 3.4 per cent in 1987 to 4.1 per cent in 1988 and is projected to slow down to 3.3 per cent in 1989. The growth rate of output of developing countries increased from 3.3 per cent in 1987 to 4.3 per cent in 1988 but is also expected to fall to 3.3 per cent in 1989.

The volume of world trade rose from 6.1 per cent in 1987 to 9.3 per cent in 1988, the best performance in this decade. However, with the anticipated slowdown in activity in 1989 and 1990, it is expected that the growth in world trade will moderate to an annual rate of about 6 per cent in 1989 and 1990. The expansion of world trade in 1988 was, to a large extent, the result of buoyant import demand in the largest industrial countries as a result of which import demand, the volume of industrial countries' imports grew at a higher rate of 9.5 per cent in 1988 than that of 6.9 per cent in 1987. However, it is estimated to fall to 5.9 per cent in 1989.

Japan recorded the highest growth rate in import volume of 16.7 per cent in 1988. The exports of industrial countries rose by 8.7 per cent in 1988 as compared with 5.3 per cent in 1987 and they are projected to grow by 6.1 per cent in 1989. The highest growth rate in export volume was achieved by the United States and amounted to 24.1 per cent and the lowest by the UK at 0.2 per cent.

The growth rate in the volume of developing countries' exports increased from 10.6 per cent in 1987 to 11.0 per cent in 1988. Projections, however, indicate a decline to 5.5 per cent for 1989. The volume of their imports expanded by 10.2 per cent in 1988 against a rise of 5.9 per cent in 1987. It is projected to increase by 5.6 per cent in 1989.

In value terms, exports of industrial countries expanded at a lower rate of 15.5 per cent in 1988 as compared to 16.7 per cent in 1987. They are projected to grow at a still lower rate of 8.9 per cent in 1989. As in the case of exports, the value of imports of these countries rose at a lower rate of 14.3 per cent in 1988 than that of 17.9 per cent in 1987 and is projected to grow by 8.7 per cent in 1989.

The growth rate of the value of exports of developing countries witnessed a slowdown from 22.4 per cent in 1987 to 12.5 per cent in 1988 due to the decline in imports by the industrial countries from these countries. It is estimated to decline further to 11.2 per cent in 1989. However, the value of imports of these countries increased by 17.0 per cent in 1988 as compared to 14.8 per cent in 1987 but is projected to rise at a lower rate of 11.3 per cent in 1989 as a result of the debt problems facing many of the developing countries and economic adjustment programmes being pursued by them.

Some progress was made in 1988 towards correcting the external imbalances of the United States and Japan. The US current account deficit actually declined from US \$ 154 billion in 1987 to US \$ 135 billion in 1988 representing 2.8 per cent of GNP in 1988 as compared to 3.4 per cent in the previous year. Whereas the current account surplus for Japan declined from US \$ 87 billion in 1987 to US \$ 59 billion in 1988 because of higher imports due to strong demand pressures, the surplus for Germany continued to go up, rising from US \$ 45 billion to US \$ 48.5 billion over the same period.

The current account position of the developing countries as a group weakened from a position of near balance in 1987 to a deficit of US \$ 19.1 billion in 1988 due largely to a contraction of trade surplus. The continuing increase in the volume of exports of developing countries was overtaken by a rapid growth in import volume resulting into a trade deficit which was further worsened by adverse terms of trade. The rapid pace of increase in imports of developing countries reflects some relaxation of the widespread policy of import compression since 1982.

The external debt problem of developing countries continued to be a cause for concern although the growth rate of the debt slowed down in 1988. Total external liabilities of the developing countries in Europe and the Western Hemisphere declined after allowing for exchange rate changes. However, the valuation — adjusted debt of Asian and Middle Eastern countries continued to grow moderately. The slower rise in debt coupled with the stronger export performance resulted in a further decline in the developing countries' aggregate debt-to-export ratio from 158.5 per cent in 1987 to 142 per cent in 1988. However, in the case of African countries, no improvement in the debt ratio was observed in 1988 and, in fact, the sub-Saharan African countries are expected to register a further increase in their debt ratio through 1990.

In the context of alleviating the debt burden of the developing countries, an enhanced international debt strategy was introduced on March 10 by the US Secretary of the Treasury. Commercial banks were called upon to provide debtor countries with a wider range of options for financial support and to relax constraints

on new lending to developing countries. Also with a view to promoting sound economic reforms in the context of adjustment programmes adopted by debtor countries, international financial institutions were urged to continue to play a central role by providing advice and due financial support. For the programmes to be sound, it was stressed that they must be the countries' own programmes. The strategy also emphasized that the Fund and World Bank could provide funding as part of their policy-based lending programmes for debt or debt service reduction purposes.

Most industrial countries experienced moderate increases in their rates of inflation. Inflation in the industrial countries as a group rose from 2.9 per cent in 1987 to 3.2 per cent in 1988. The major factor contributing to the subdued increase in inflation was the absence of significant pressures on labour costs in most of the countries. Labour costs per unit of output in the manufacturing sector for the industrial countries as a whole, hardly changed in 1987 as well as in 1988. Japan and France witnessed a significant fall in unit labour costs in 1988 while in Italy, Sweden and Australia, there was a rise in wages and productivity growth was lower than in other industrial countries. The United Kingdom experienced a faster rise in nominal wages and in productivity than in most other countries.

The exchange rates of the major currencies attained greater stability in 1988 than in 1987. An important factor that contributed to the greater stability of exchange rates was substantial official intervention in foreign exchange markets, which coupled with large interest rate differentials strengthened the US dollar on the exchange markets. In March 1989 the real effective exchange rate of the US dollar was 4.5 per cent above its level a year before. An outstanding development on the exchange markets was the pronounced movements in the exchange rates of currencies other than the US dollar, in particular the exchange rate between the Yen and the Deutsche Mark. By mid-February 1989, the Yen appreciated against the Deutsche Mark by 22 per cent since the Louvre Accord in 1987 although interest rate levels, both nominal and real, short and long-term, were relatively higher in Germany than in Japan and that German economic outlook continued to be strong. A major factor explaining the weak performance of the Deutsche Mark during 1988 was the introduction in Germany of a 10 per cent withholding tax on interest income bringing about capital outflows which at times exceeded the country's current-account surplus. The strength of the Deutsche Mark was furthermore undermined by higher interest rate levels in the United Kingdom in spite of the more pronounced UK inflation rate and a widening current account deficit. The authorities in UK allowed the Pound sterling to rise above its informal ceiling of DM 3.00 in March 1988. By mid-May the Pound sterling reached DM 3.19. The deflationary influence exerted by the higher exchange rate induced the Bank of England to reduce commercial banks' base rates from 9 per cent in mid-March to 7.5 per cent in mid-May. As Sterling became weaker in subsequent periods, the UK current account balance worsened further. The Bank of England reacted by gradually raising the base rates from 7.5 per cent in early June 1989 to 12 per cent in late August.

The world economic outlook suggests that a rise in inflation in several industrial countries is expected in 1989-90. However, the rise is expected to be

relatively modest and is likely to be partly reversed in 1990 as a result of the recent contractionary monetary policy aimed at restraining the growth of demand. The rate of growth of output in industrial countries is expected to decline to 3 per cent in 1989-90. With the tightening of monetary conditions in many countries, growth in the Asian region is expected to moderate in 1989 as well as in 1990. However, output growth in African countries is projected to remain weak in 1989 and to strengthen moderately in 1990.

CONCLUSION

The Mauritian economy operated under virtually full employment conditions during 1988-89. The signs of overheating that appeared in recent years have persisted through this year as consumption expenditure continued to go up, savings performance weakened further and inflation rate accelerated. Substantial wage awards strained budgetary management thus intensifying aggregate demand in the economy. The current account of the balance of payments showed a modest surplus in 1988-89. However, the overall balance of payments surplus was sizeable in spite of outflows due to the pre-payment by Government of its outstanding Euro-dollar loans. Consequently, the level of foreign exchange reserves of the Bank of Mauritius strengthened further by the end of June 1989.

The economic outlook for 1989-90 points to a lower growth rate of the economy. The continuing growth of consumption demand and declining pace of savings will worsen the trade balance further. The current account of the balance of payments is likely to swing to a deficit after four successive years of surpluses. However, the foreign exchange reserves position of the Bank of Mauritius is estimated to rise further but by a lesser amount than in the preceding few years. Besides, though the rate of inflation is expected to slow down, it would continue to be high.

In response to the prevailing tight labour market and the resulting upward pressure on wages as well as to the need to ensure a sustainable growth rate of the economy in the medium-term, the economy is currently going through a transitional phase of more capital intensive techniques of production. This transition, however, requires substantial capital investment and, therefore, a higher rate of savings. In this connexion, inflation has to be urgently contained with a view to reinforcing savers' and investors' confidence in the economy as well as to promoting non-inflationary growth.

The present state of the economy underscores the need to restore price stability, enhance savings mobilisation and curb aggregate demand thereby restraining the upsurge in imports. Moreover, the country, being highly vulnerable to adverse climatic conditions and to unfavourable exogenous developments, a further strengthening of the foreign exchange reserves position of the Bank of Mauritius is deemed essential in order to maintain the pace of economic development.

It is therefore crucial that the prudent macro-economic and financial policies that have provided in recent years a firm base for strong growth performance, price stability and a viable external payments position be fully reasserted. Restrained monetary and credit policy in conjunction with an appropriate budgetary policy to avert additional fiscal impulse to aggregate demand need to be pursued in the immediate future.

To All Banks

CEILING ON CREDIT TO THE PRIVATE SECTOR

I have to inform you that your bank's ceiling on private sector credit for the period ending June 1989 has been fixed at Rs million. I would like to reiterate that while extending credit, your bank should ensure that credit needs of the priority sectors are adequately met and that credit to sectors falling under category III should under no circumstances exceed *25 per cent of the ceiling prescribed* above.

I wish to draw your attention to the fact that the Bank has so far not applied sanctions on infringements of credit ceiling prescribed for your bank. You will appreciate that excessive bank credit expansion brings about an upsurge in imports thereby creating undue pressures on the Bank's foreign exchange reserves and also leads to price increases thus jeopardizing the financial stability of the country. You are, therefore, requested to refrain from exceeding the credit ceiling for June 1989 failing which the Bank would have no alternative but to apply sanctions. I should, however, advise you to keep to the prescribed limit right from now through June 1989 as it has been observed that banks operating in excess of their limits initially face difficulties later in trying to adjust back to the limits prescribed.

Yours faithfully,

27th January 1989

R. TACOURI
Managing Director

BANK RATE

In accordance with Section 14 of the Bank of Mauritius Act, (No. 43 of 1966 as amended), the Bank of Mauritius hereby gives notice that its minimum discount and advances rate is raised from 10 per cent to 11 per cent per annum with effect from the 1st April, 1989.

General Notice No. 73 of 1987 is cancelled with effect from the same date.

R. TACOURI
Managing Director

Bank of Mauritius
30th March, 1989.

GOVERNMENT OF MAURITIUS
TREASURY BILLS

It is notified for general information that the yields on Government of Mauritius Treasury Bills with maturities of three months, six months and twelve months are raised from 9 1/2 per cent, 9 3/4 per cent and 10 per cent per annum to 10 1/2 per cent, 10 3/4 per cent and 11 per cent per annum respectively with effect from the 1st April, 1989.

Treasury Bills with the above maturities are available for issue on tap in multiples of Rs 10,000 at the Bank of Mauritius to any institution or individual.

General Notice No. 836 of 1988 is cancelled with effect from the same date.

R. TACOURI
Managing Director

Bank of Mauritius
30th March, 1989.

2nd August 1988

The General Manager
..... Bank Ltd.
PORT LOUIS

Dear Sir,

MONETARY POLICY

During the meeting I had with bankers on the 18th July, I outlined the major developments in the monetary sector of the economy during the year 1987-88 and the measures that have been decided upon for the year 1988-89 which I am now setting out in greater details for your guidance. However, I should like to point out at the outset that should any major deviation from the basic policy targets occur in the course of the year, further measures would be introduced.

The policy of restrained bank credit expansion was continued during the year 1987-88 with a view to curbing the rapid growth of aggregate demand and to reducing the pressures on the foreign exchange reserves of the Bank. However, bank credit to the private sector overshot the targetted rate of expansion of 20 per cent and recorded an increase of 30 per cent. The actual increase in private sector credit for 1987-88 was Rs 1,810 million as against an increase of Rs 1,046 million in 1986-87. This sizeable increase in private sector credit brought about an acceleration in the growth of imports. Total imports (excluding the purchase of the two aircrafts by Air Mauritius) increased by 39 per cent to Rs 14,674 million in 1987-88 as against an increase of 23 per cent in the preceding year whereas total exports went up by only 22 per cent to Rs 12,810 million as compared to a higher growth rate of 39 per cent in the preceding year.

Consequently, the visible trade balance swung from a surplus of Rs 816 million in 1986-87 to a deficit of Rs 235 million in 1987-88. The current account of the balance of payments showed a smaller surplus of Rs 1,272 million compared to Rs 1,575 million registered in the preceding year. The overall balance of payments also showed a smaller surplus of Rs 1,428 million than that of Rs 2,572 million in the previous year. These developments suggest that the spurt in imports, if not checked in time, would gradually reverse the positive trends in the balance of payments position of the country.

The sudden pick up in imports intensified the pressures on the foreign exchange reserves of the Bank. In June 1987, the level of foreign exchange reserves stood at Rs 3,036 million, equivalent to 14 weeks of imports. It was projected to rise to a level equivalent to 18 weeks of imports by the end of June 1988 but it actually rose to Rs 5,292 million, equivalent to 15 weeks of imports only.

In view of the strong tendency for aggregate demand in the economy to accelerate, demand management policies need to be pursued further.

Monetary and credit policies during 1988-89 will, therefore, be addressed to the objectives of:

- (a) checking the spurt in imports and hence prevent a drain of the Banks' foreign exchange reserves,
- (b) containing inflationary pressures in the economy,
- (c) encouraging mobilisation of savings.

The policy of restrained bank credit expansion will have to be continued in 1988-89. As such, bank credit to the private sector will be allowed to increase at the rate of 20 per cent during the year and the credit ceiling for individual bank will be fixed for December and June as in the previous year. In the case of your bank, the credit ceiling for December, 1988 after adjustment of the short-term advances made to the MSS in June has been fixed at Rs million which I should like to reiterate should not be exceeded as otherwise the Bank would have to impose sanctions.

Besides, in order to dampen the excessive use of bank credit for unproductive consumption, the sub-ceiling on credit to non-priority sectors will continue to be imposed. As such, credit extended by your bank to non-priority sectors should be within 25 per cent of the overall credit ceiling fixed for your bank.

It is observed that exemptions from credit ceilings defeat the very purpose of credit control. Hence, with a view to rationalizing credit policy, limited exemptions from credit ceilings would be granted. The following types of lending would be eligible for exemptions :-

- (a) Long term project-tied loans for over 10 years made out of long term matching deposits from *individuals* only,
- (b) loans granted out of the World Bank line of credit under the Industrial Finance Project or other long-term foreign lines of credit, and
- (c) credit made available to non miller sugar planters under the "Advance Payment to Sugarcane Planters Scheme".

As you are already aware, the minimum rate of interest on savings deposits has been removed as from 1st July. In other words, interest rates have been fully liberalised and will henceforth be determined by market forces. The basic considerations that have prompted this policy of liberalisation of interest rates are the promotion of competition among banks to mobilize deposits and of rational allocation of resources in the economy.

Effective 19th July, the rate of interest on the 3-month Treasury Bills has been increased from 9 per cent to 9.5 per cent per annum. Treasury Bills with

maturities of 6 months and one year will also be issued with interest rates of 9.75 per cent and 10 per cent per annum, respectively. The issue of these bills should provide banks with greater scope for competition in respect of deposit mobilisation as well as for portfolio management.

The Bank Rate is being maintained at 10 per cent per annum.

Finally, the Scheme for Advance Payments to Non-Miller Sugar Cane Planters will be continued during the year 1988-89. As you are already aware, the Bank provides refinancing of up to 80 per cent of the estimated value of sugar produced by non-miller planters. When submitting applications for refinancing facility you should supply to the Bank the relevant details as outlined to you last year.

Should you need any further information, the Managing Director will be glad to assist you.

Yours sincerely,

I. RAMPHUL
Governor

PART II — OPERATIONS OF THE BANK

1. OPERATIONS

The Bank of Mauritius operates current accounts for the Government of Mauritius, all commercial banks in the country and for international institutions like the International Monetary Fund, the World Bank and its affiliate the International Development Association, the African Development Bank, the European Development Fund and the Caisse Centrale de Cooperation Economique.

Bank Rate

Bank Rate was increased from 10 per cent per annum to 11 per cent per annum as from 1st April, 1989.

Lending to Commercial Banks and Other Financial Institutions

(i) Advances to Banks

Advances are granted to commercial banks at Bank Rate. With a view to discouraging excessive use of Central Bank credit, a penal rate of twice Bank Rate is imposed on borrowings in excess of individual bank's authorised limit on such borrowings. However, under exceptional circumstances borrowings by banks in excess of their authorised limits are granted for very short periods at Bank Rate. In view of the high liquidity in the banking system, very sparing use of this facility was made during the financial year 1988/89.

(ii) Scheme for Advance Payments to Non-Miller Sugar Cane Planters

Under the Scheme for Advance Payments to Non-Miller Sugar Cane Planters advance payments representing 80 per cent of the estimated value of sugar produced were made to Non-Miller Sugar Cane Planters on the basis of production figures supplied by the Mauritius Sugar Syndicate.

The Bank provided refinance facilities to commercial banks participating in the Scheme up to 50 per cent of the amount of advances granted by them to non-miller sugar cane planters and outstanding at any time at a concessionary rate of interest of 7 1/2 per cent per annum.

(iii) Export Refinance Facilities

The Bank continued to provide commercial banks with rediscount facilities in respect of export bills other than for sugar. The rediscount

rate was increased from 10 1/4 per cent to 11 1/4 per cent per annum as from 1st April, 1989.

(iv) *Small Development Finance Scheme*

Refinances in full under the abovementioned scheme for the benefit of those in need of financial assistance to start or expand a business in which they are self employed, were made by the Bank during the fiscal year.

Treasury Bills

As from 19th July, 1988, Treasury Bills with maturities of six months and twelve months were issued on tap, in addition to the existing three-month Treasury Bills, as an investment outlet for commercial banks, other institutions and individuals. The bills are issued in multiples of Rs 10,000 with yields of 9 1/2 per cent, 9 3/4 per cent and 10 per cent per annum for Bills with maturities of 3, 6 and 12 months respectively. The yields were increased to 10 1/2 per cent, 10 3/4 per cent and 11 per cent per annum respectively with effect from 1st April, 1989.

During the fiscal year, the ceiling on the issue of Treasury Bills was raised from Rs 4,575 million to Rs 6,500 million.

Forward Exchange Cover

The Bank maintained the forward exchange cover scheme on a whole turnover basis in Pound Sterling, US Dollar and French Franc in respect of the following transactions:

- (i) import and export of goods by companies in the Export Processing Zone;
- (ii) foreign currency borrowings by banks for the purpose of on-lending to the sugar sector.

In addition, companies in the Export Processing Zone, Mauritian exporters and traders engaged in priority imports are authorized to contract forward cover transactions in international foreign exchange markets through their local bankers subject to specified conditions.

Purchases and Sales of Foreign Currencies

Foreign exchange transactions in Pound Sterling, US Dollar and French Franc were effected on a spot basis with commercial banks. The banks were allowed margins not exceeding 1 per cent, 1.25 per cent and 1.6 per cent respectively in foreign exchange transactions with their customers in respect of these three currencies.

Public Debt Management

During financial year 1988-89, the Bank of Mauritius acting as agent for Government, issued Government stocks for a total amount of Rs 770,000,000 and Treasury Certificates for a total amount of Rs 362,371,100, and Bearer Bonds for a total amount of Rs 300 million as shown below :

<i>Title of Stocks</i>	<i>Amount (Rs)</i>
1. 11.25% Mauritius Development Loan Stock 1991 (27.6.91) ...	200,000,000
2. 11.50% Mauritius Development Loan Stock 1994 (27.6.94) ...	200,000,000
3. 11.75% Mauritius Development Loan Stock 1999 (27.6.1999) ...	100,000,000
4. 12% Mauritius Development Loan Stock 2004 (27.6.2004) ...	100,000,000
5. 12.25% Mauritius Development Loan Stock 2009 (27.6.2009) ...	170,000,000
	<hr/>
	770,000,000
	<hr/>

<i>Title of Securities</i>	<i>Amount (Rs)</i>
10% (Tax-Free) Seven-Year Treasury Certificates ...	2,028,900
13½ % Seven-Year Treasury Certificates ...	1,434,300
15% (Tax Free) Seven-Year Treasury Certificates ...	358,907,900
	<hr/>
	362,371,100
	<hr/>
15% (Tax Free) Seven-Year Treasury Bearer Bonds ...	300,000,000

During the same financial year, Government Securities for a total amount of Rs 95,000,000 and Treasury Certificates for a total amount of Rs 8,624,800 were redeemed as follows :-

<i>Title of Securities</i>	<i>Amount (Rs)</i>
1. 11% Mauritius Development Loan Stock 1988 (15.12.88) ...	40,000,000
2. 7% Mauritius Development Loan Stock 1989 (15.1.89) ...	15,000,000
3. 7½ % Mauritius Development Loan Stock 1989 (15.6.89) ...	15,000,000
4. 7¼ % Mauritius Development Loan Stock 1989 (16.6.89) ...	25,000,000
	<hr/>
	95,000,000
	<hr/>
<i>Title of Stocks</i>	<i>Amount (Rs)</i>
10% (Tax-Free) Seven-Year Treasury Certificates ...	6,313,000
16% Seven-Year Treasury Certificates ...	2,311,800
	<hr/>
	8,624,800
	<hr/>

Liquid Assets

Commercial banks were required to maintain liquid assets of not less than 23 per cent of their total deposit liabilities in accordance with Section 17 of the Banking Act 1988.

Cash Balances

As required under Section 22 of the Bank of Mauritius Act all banks had to maintain cash balances of not less than 10 per cent of their total deposits liabilities.

Banknotes

A new banknote of Rs 500 denomination was put into circulation as from 12th November, 1988.

Non-Resident (External) Accounts Scheme

With a view to providing attractive investment opportunities to persons of Mauritian origin who are either residing permanently or working temporarily abroad and to foreigners holding Mauritian passports, commercial banks continued to accept deposits under the Non-Resident External Accounts Scheme which was introduced in September, 1985.

Import of Gold

As from February 1988 the Bank of Mauritius has been entrusted with the responsibility of being the sole importer of gold in Mauritius for sale to industrialists and licensed jewellers.

The Bank sells gold of high quality i.e. 24 carat 999.9 assay in bar forms of 1,000 grams, 500 grams, 250 grams, 200 grams and 100 grams and in grain forms to industrialists and licensed jewellers.

The selling prices of industrial gold are based on the international market price.

Dodo Gold Bullion Coins

As from the 12th November 1988, Mauritius started the issue of the Dodo Gold Bullion Coins which are minted by the Royal Mint in 22 carat gold. The coins are available in four denominations, namely : one ounce with a face value of 1,000 Rupees, half an ounce with a face value of 500 Rupees, quarter of an ounce with a face value of 250 Rupees and one tenth of an ounce with a face value of 100 Rupees. The coins are legal tender.

The Dodo Gold Bullion Coins are on sale at the Bank of Mauritius, the commercial banks and at the duty free shop at the airport in Mauritius. They are also marketed overseas by the Royal Mint of the United Kingdom.

The selling price of the coins are based on their gold content at international market price.

EXCHANGE CONTROL

Exchange Control is administered by the Bank of Mauritius.

There is no restriction on payments and transfers for current international transactions.

Liberalisation of Exchange Control

As a further step towards liberalisation of Exchange Control, the following changes have been made with effect from 1st July 1988:

- (i) Powers have been delegated to Authorised Dealers to approve applications for the transfer of funds in payment for imports of goods in Mauritius or the establishment of any credit in favour of non-residents in respect of imports of goods into Mauritius *up to any amount*.
- (ii) The emigration allowance made available to residents of Mauritius who leave Mauritius to take up permanent residence abroad has been increased from Rs 100,000.— to Rs 200,000.— per family unit.
- (iii) Residents of Mauritius are authorised to use International Credit Cards for making payments whilst travelling abroad.

Also with effect from 24th June 1989

- (a) The basic personal travel allowance has been increased to £ 2,000.— per person every two years, and
- (b) The basic business travel allowance has been increased to £ 200.— per day, inclusive of entertainment allowance.

2. ADMINISTRATION AND STAFF MATTERS

Administration

The composition of the Board of Directors and Senior Officials of the Bank is given in Appendices V and VI respectively of this Report.

The number of staff members of the Bank stood at 229 as at end of June, 1989.

Training Courses and Seminars

The Bank continued its policy of staff training during the year ended June 1989. Several members of the staff attended various Courses and Seminars as shown below :

- (a) Techniques of Economic Analysis, I.M.F. Institute, Washington.
- (b) Balance of Payments Methodology, I.M.F. Institute, Washington,
- (c) Monetary Analysis and Financial Programming, African Centre for Monetary Studies, Dakar,
- (d) Commonwealth Equity Fund, London,
- (e) Asia/Pacific Seminar for Central Banks on Foreign Exchange Management conducted by the Security Pacific Merchant Bank, Singapore.
- (f) 5th International Conference for Banking Supervisors (Tokyo).

During the year the Bank also participated in the following meetings :

- (a) The 12th Meeting of the P.T.A. Clearing and Payments Committee and the Meeting of the Eastern and Southern Sub-Regional Committee of the Association of the African Central Banks held in Arusha,
- (b) The 13th Meeting of the P.T.A. Clearing and Payments Committee and the P.T.A. Inter-Governmental Committee of Experts,
- (c) The Biennial Meeting of the Association of African Central Banks held in Freetown.

Overseas Missions

In September 1988, the Governor accompanied by the Director of Research, attended in West Berlin the IMF/IBRD Annual Meeting.

The Governor accompanied by the Assistant Director of Research attended in March 1989 a meeting of the Governing Council of the African Centre for Monetary Studies in Dakar.

In June 1989, the Governor accompanied by the Director of Research attended the Annual Commonwealth Central Bank Governors' Meeting at the Bank of England and the Annual General Meeting of the Bank for International Settlements in Basle.

In March 1989 the Managing Director attended in Tokyo the NOMURA Tenth Central Bankers Seminar.

Visits

Two missions from the International Monetary Fund visited the Bank in October 1988 and April 1989. Both missions, headed by Mr. R.C. Williams, had discussions with the Governor and Senior Officials of the Bank.

**REPORT OF THE AUDITORS PURSUANT TO SECTION 44 OF
THE BANK OF MAURITIUS ACT 1966**

We have audited the attached Balance Sheet and Accounts of the Bank of Mauritius, dated 30 June 1989, which are in agreement with the books and records of the Bank, and report that we have obtained all the information and explanations necessary for the purpose of our audit.

We report that the profit for the year ended 30 June 1989 has been ascertained in accordance with Section 11 of the Bank of Mauritius Act 1966, and on this basis the Accounts give, in our opinion, a true and fair view of the state of affairs of the Bank at 30 June 1989, and of the results of its operations for the year then ended.

KEMP CHATTERIS
Chartered Accountants

27 November 1989

BANK OF MAURITIUS

BALANCE SHEET AT 30 JUNE 1989

	1989	1988
	Rs	Rs
CAPITAL		
Authorised and Paid Up	10,000,000	10,000,000
GENERAL RESERVE FUND	23,000,000	23,000,000
NOTES IN CIRCULATION	2,085,234,650	1,717,558,565
COIN IN CIRCULATION...	56,440,153	46,386,158
DEMAND DEPOSITS		
Government	1,617,594,660	462,661,921
Banks ...	1,030,050,512	854,861,667
Other ...	27,833,012	38,469,127
	2,675,478,184	1,355,992,715
OTHER LIABILITIES	2,449,887,697	2,415,404,806
	<u>Rs 7,300,040,684</u>	<u>5,568,342,244</u>

PROFIT AND FOR THE YEAR ENDED

	1989	1988
	Rs	Rs
PROFIT PAYABLE TO GOVERNMENT OF MAURITIUS — in accordance with Section 11 (2) (c) of the Bank of Mauritius Act 1966	150,000,000	50,000,000
	<u>Rs 150,000,000</u>	<u>50,000,000</u>

EXTERNAL ASSETS

	1989	1988
	Rs	Rs
Balances with Banks	5,056,209,859	3,779,290,310
Treasury Bills ...	1,496,951,120	1,300,053,030
IMF Special Drawing Rights	82,282,632	112,506,580
Securities (At Valuation)	160,574,365	100,513,456
Foreign Notes and Coin ...	568,386	109,274
TOTAL EXTERNAL ASSETS		
DISCOUNTS AND ADVANCES	6,796,586,362	5,292,472,650
OTHER ASSETS ...	273,615,077	158,105,691
GOVERNMENT SECURITIES (At Valuation) ...	229,611,763	117,402,951
	227,482	360,952

(sd.) I. RAMPHUL — Governor
(sd.) R. TACOURI — Managing Director
(sd.) B. GUJADHUR — Chief Manager

Rs 7,300,040,684 5,568,342,244

LOSS ACCOUNT

30 JUNE 1989

	1989	1988
	Rs	Rs
NET PROFIT — after charging Current Expenditure writing down Fixed Assets and providing for Reserves and Contingencies	150,000,000	50,000,000
	<u>Rs 150,000,000</u>	<u>50,000,000</u>

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Notes

The following conventional signs are used:

N.A. Not Available

. Negligible

— Nil

Table 1: Selected Economic Indicators

	Unit/Period	1983	1984	1985	1986	1987	1988	1989
1. Population	End-June	956,914	966,107	985,063	994,781	1,003,794	1,016,596	1,031,913*
2. Tourist Arrivals	Fiscal Year	120,260	132,120	142,780	156,580	183,360	239,300	270,000*
3. Gross National Product (At Market Prices) ...	Rs million	12,278	13,734	15,918	18,971	23,038	26,960*	30,865**
4. GNP per capita	Rs	12,676	14,055	16,157	19,088	22,951	26,520*	29,910**
5. Inflation rate	Percent	+7.5	+5.6	+8.3	+4.3	+0.7	+1.5	+16.0
6. Overall Balance of Payments	Fiscal Year Rs million	-333	-329	+398	+643	+2,572	+2,728	+1,996*
7. Foreign Exchange Reserves	Fiscal Year Rs million/ End-June	457	546	852	1,308	3,193	5,547	6,996
8. Total Imports (c.i.f.)	Rs Million/ Fiscal Year	5,062	5,765	7,180	8,631	10,594	14,567	17,796*
9. Total Exports (f.o.b.)	Fiscal Year	3,849	4,729	5,769	7,558	10,472	12,439	14,528*
10. Government Recurrent Revenue	Rs million	2,929	3,256	3,559	4,131	5,009	6,215	7,250**
11. Government Recurrent Expenditure	Fiscal Year	3,710	4,073	4,262	4,489	4,635	5,813	7,700**
12. Government Capital Expenditure	Fiscal Year	1,009	988	1,420	1,589	1,765	2,037	2,300**
13. External Public Debt	Rs million/ End-June	4,191	4,673	5,621	4,698	4,883	5,265	5,735*
14. Internal Public Debt	End-June	5,007	6,063	6,590	7,776	8,165	8,842	11,779*
15. Banking System net claims on Public Sector ...	"	3,663	4,286	4,417	4,898	4,278	3,478	3,520
16. Claims on Private Sector	"	2,683	3,153	3,677	4,197	6,164	8,284	9,768
17. Currency with Public	"	740	796	894	988	1,242	1,452	1,806
18. Money Supply	"	1,772	1,725	2,021	2,282	2,515	3,087	3,736
19. Aggregate Monetary Resources	"	5,213	5,559	6,551	7,982	11,549	15,153	18,190
20. Total Private Sector Deposits	"	4,451	4,732	5,643	6,979	10,293	13,676	16,372

* Estimate

** Forecast

Table 2.1 (a): Bank of Mauritius — Assets

(Rs million)

End of Period	External Assets					Claims on Government			Claims on Commercial Banks			Other Advances	Other Assets	Total Assets
	Special Drawing Rights	Balances with Banks	Treasury Bills	Eligible Securities	Total*	Treasury Bills and Govt. Stocks	Advances and Discounts	Total	Advances	Commercial Bills Rediscounted	Total			
1985 ...	0.4	459.6	3.3	8.6	472.1	2,099.8	1,355.4	3,455.2	25.0	—	25.2	25.2	48.9	4,026.4
1986 ...	7.2	1,810.3	—	12.2	1,830.4	882.9	1,508.7	2,391.6	15.0	—	15.0	19.0	49.7	4,305.7
1987 ...	70.9	2,292.0	1,797.6	63.8	4,224.5	0.4	788.5	788.8	66.4	—	66.4	12.3	77.7	5,169.8
1988 ...	68.8	4,165.5	1,819.8	123.7	6,174.1	0.3	—	0.3	116.2	—	116.2	6.7	128.2	6,425.5
1987 April ...	52.2	2,322.1	257.1	48.9	2,680.7	0.5	1,504.7	1,505.2	—	—	—	22.3	64.5	4,272.7
May ...	79.1	2,076.1	563.8	48.8	2,768.3	0.5	1,459.4	1,459.9	—	—	—	4.2	67.8	4,300.2
June ...	51.6	2,109.0	847.5	28.3	3,036.5	0.3	1,164.0	1,164.3	—	—	—	51.5	78.1	4,330.4
July ...	41.2	1,913.4	908.7	34.9	2,898.4	0.3	1,308.1	1,308.4	—	—	—	29.2	76.1	4,312.1
August ...	40.2	2,003.8	1,345.2	41.7	3,431.1	0.3	893.8	894.1	15.9	—	15.9	12.8	76.7	4,430.6
September ...	32.3	2,181.4	1,241.2	45.9	3,501.0	0.2	925.5	925.7	37.8	—	37.8	56.9	70.0	4,591.4
October ...	32.1	2,092.5	1,442.5	63.6	3,630.8	0.2	878.3	878.5	64.0	—	64.0	12.8	75.9	4,662.0
November ...	32.4	2,116.3	1,503.8	63.4	3,716.1	0.3	879.6	879.9	83.9	—	83.9	24.5	78.3	4,782.7
December ...	70.9	2,292.0	1,797.6	63.8	4,224.5	0.4	788.5	788.9	66.4	—	66.4	12.3	77.7	5,169.8
1988 January ...	52.8	2,553.0	1,693.4	64.8	4,364.3	0.4	376.8	377.2	56.4	69.6	126.0	5.9	66.6	4,490.0
February ...	51.7	2,657.2	2,043.6	64.7	4,817.5	0.3	—	0.3	47.5	—	47.5	23.4	68.3	4,957.0
March ...	151.4	2,601.6	2,522.7	71.6	5,347.6	0.3	—	0.3	50.5	—	50.5	40.4	74.6	5,513.4
April ...	170.5	2,886.6	2,173.6	90.2	5,321.3	0.2	—	0.2	51.8	9.0	60.8	8.2	80.6	5,471.0
May ...	94.8	3,051.1	2,024.2	90.6	5,261.2	0.3	—	0.3	33.0	27.3	60.3	24.7	79.3	5,425.3
June ...	112.5	3,779.3	1,300.1	100.5	5,292.5	0.4	—	0.4	90.7	—	90.7	67.4	117.4	5,568.4
July ...	84.9	4,028.6	1,222.7	131.9	5,468.3	0.3	—	0.3	41.2	—	41.2	3.1	99.0	5,611.9
August ...	53.7	4,301.5	1,385.4	129.2	5,870.0	0.3	—	0.3	64.4	—	64.4	14.9	86.6	6,036.2
September ...	44.3	4,448.7	1,126.8	129.1	5,749.1	0.3	—	0.3	88.9	—	88.9	152.0	96.0	6,086.3
October ...	83.1	4,318.9	1,273.7	129.5	5,805.4	0.3	—	0.3	102.8	—	102.8	15.5	93.7	6,017.7
November ...	64.7	4,431.5	1,157.6	131.8	5,785.9	0.3	—	0.3	104.9	—	104.9	14.7	126.8	6,032.6
December ...	68.8	4,161.5	1,819.8	123.7	6,174.1	0.3	—	0.3	116.2	—	116.2	6.7	128.2	6,425.5
1989 January ...	80.9	4,685.2	1,513.1	127.3	6,406.9	0.3	—	0.3	87.9	1.2	89.1	188.4	124.9	6,810.0
February ...	67.9	4,787.4	1,768.0	128.8	6,752.5	0.3	—	0.3	72.0	0.7	72.7	46.6	119.8	6,991.9
March ...	83.3	4,739.1	1,880.7	121.0	6,824.6	0.3	—	0.3	60.7	0.7	61.4	191.2	138.8	7,216.3
April ...	71.0	4,545.9	2,095.2	157.3	6,869.8	0.2	—	0.2	48.1	—	48.1	31.3	136.0	7,085.4
May ...	56.6	4,845.5	1,668.7	158.9	6,730.2	0.2	—	0.2	55.0	—	55.0	49.2	145.8	6,980.4
June ...	82.3	5,056.2	1,496.9	160.6	6,796.6	0.2	—	0.2	148.0	—	148.0	125.6	229.6	7,300.0

* Includes Foreign Notes & Coins.

Table 2.1(b): Bank of Mauritius — Liabilities

(Rs million)

End of Period	Capital and Reserves	RESERVE MONEY						Govern- ment Deposits	Current Account of Inter- national Organi- sations & Others	Special Draw- ing Rights Counter- part Funds	Other Liabili- ties **	Total Liabili- ties
		Currency with Public	Currency with Banks	Demand Deposits			Total					
				Bankers	Statu- tory Bodies	Other* Current Account						
1985 ...	33.0	1,095.7	231.0	417.5	31.9	12.2	1,788.3	1.0	31.2	17.7	2,155.2	4,026.4
1986 ...	33.0	1,304.9	282.5	557.4	0.1	11.4	2,156.3	2.3	40.5	17.7	2,055.9	4,305.7
1987 ...	33.0	1,663.4	360.4	696.5	0.1	9.1	2,729.5	2.5	45.5	17.7	2,341.6	5,169.8
1988 ...	33.0	2,008.7	418.0	948.4	1.3	11.6	3,388.0	570.5	5.6	17.7	2,410.7	6,425.5
1986 April ...	33.0	963.5	190.0	503.4	0.1	23.5	1,680.5	2.1	40.5	17.7	2,028.3	3,801.8
May ...	33.0	999.7	175.0	498.9	2.1	12.8	1,686.1	11.6	40.9	17.7	2,079.8	3,869.5
June ...	33.0	987.5	180.3	519.0	0.4	14.2	1,701.4	99.8	40.5	17.7	2,087.6	3,980.0
July ...	33.0	998.6	181.1	537.5	0.3	19.1	1,736.6	1.8	41.0	17.7	2,109.7	3,939.8
August ...	33.0	1,042.8	165.7	546.4	0.1	16.9	1,771.9	2.0	40.7	17.7	2,107.2	3,972.5
September ...	33.0	1,034.8	195.7	577.0	0.1	11.4	1,819.0	1.9	40.7	17.7	2,099.3	4,001.6
October ...	33.0	1,084.3	171.1	589.2	0.1	21.4	1,866.1	5.9	40.7	17.7	2,051.5	4,014.9
November ...	33.0	1,113.4	266.9	487.4	0.9	16.8	1,885.4	1.9	40.5	17.7	2,028.5	4,007.0
December ...	33.0	1,304.9	292.5	557.4	0.1	11.4	2,156.3	2.3	40.5	17.7	2,055.9	4,305.7
1987 January ...	33.0	1,222.4	242.4	573.4	0.5	18.1	2,056.8	5.5	45.4	17.7	2,015.2	4,173.6
February ...	33.0	1,225.7	219.5	599.1	0.2	16.0	2,060.5	2.3	45.6	17.7	2,048.9	4,208.0
March ...	33.0	1,215.8	217.1	600.6	..	35.1	2,068.7	1.8	45.5	17.7	2,280.0	4,446.7
April ...	33.0	1,230.0	214.0	632.6	0.1	12.5	2,089.3	1.9	45.4	17.7	2,085.5	4,272.7
May ...	33.0	1,278.7	191.9	687.1	0.3	14.0	2,172.0	1.9	45.4	17.7	2,030.2	4,300.2
June ...	33.0	1,241.5	208.3	760.6	0.6	14.2	2,225.2	7.5	45.4	17.7	2,001.6	4,330.4
July ...	33.0	1,300.7	207.1	717.3	13.1	14.8	2,253.9	3.7	46.2	17.7	1,958.5	4,312.1
August ...	33.0	1,369.5	244.0	711.3	0.4	11.1	2,336.3	2.5	45.8	17.7	1,995.3	4,430.6
September ...	33.0	1,375.2	254.6	708.5	0.2	12.7	2,351.2	2.6	45.5	17.7	2,141.4	4,591.4
October ...	33.0	1,420.4	265.6	657.0	0.2	8.0	2,351.2	2.1	45.5	17.7	2,212.5	4,662.0
November ...	33.0	1,431.7	272.5	701.9	0.1	25.1	2,431.3	2.7	45.5	17.7	2,252.5	4,782.7
December ...	33.0	1,663.4	360.4	696.5	0.1	9.1	2,729.5	2.5	45.5	17.7	2,341.6	5,169.8
1988 January ...	33.0	1,522.8	318.3	680.0	44.8	9.2	2,575.1	2.7	45.5	17.7	2,266.0	4,940.0
February ...	33.0	1,507.8	300.2	729.1	0.3	19.0	2,556.4	27.4	45.6	17.7	2,276.9	4,957.0
March ...	33.0	1,476.7	291.0	848.8	0.3	42.3	2,659.4	335.4	6.6	17.7	2,461.6	5,513.4
April ...	33.0	1,463.9	271.6	867.2	0.5	30.8	2,624.0	287.5	7.0	17.7	2,491.8	5,471.0
May ...	33.0	1,458.8	302.7	820.0	0.5	21.9	2,603.9	350.3	6.6	17.7	2,458.8	5,425.3
June ...	33.0	1,451.6	312.3	854.9	1.1	24.9	2,644.8	462.7	7.4	17.7	2,402.8	5,568.4
July ...	33.0	1,546.0	239.1	991.0	1.2	17.5	2,794.9	374.6	7.3	17.7	2,384.4	5,611.9
August ...	33.0	1,530.1	294.0	961.4	1.3	11.7	2,798.5	871.3	7.3	17.7	2,308.4	6,036.2
September ...	33.0	1,590.3	265.0	1,023.6	2.7	9.2	2,870.8	785.8	4.5	17.7	2,354.5	6,086.3
October ...	33.0	1,619.0	328.0	975.5	2.7	25.0	2,950.2	682.8	4.8	17.7	2,329.2	6,017.7
November ...	33.0	1,662.7	404.1	915.4	5.8	16.1	3,004.1	587.4	4.8	17.7	2,385.6	6,032.6
December ...	33.0	2,008.7	418.0	948.4	1.3	11.6	3,388.0	570.5	5.6	17.7	2,410.7	6,425.5
1989 January ...	33.0	1,766.5	351.9	991.2	3.9	11.8	3,125.3	1,173.8	3.8	17.7	2,456.4	6,810.0
February ...	33.0	1,762.1	364.3	940.0	7.0	40.2	3,545.9	1,358.8	9.8	17.7	2,459.0	6,991.9
March ...	33.0	1,789.6	325.9	1,413.1	4.0	13.3	3,113.6	1,127.5	9.6	17.7	2,482.6	7,216.3
April ...	33.0	1,863.0	302.4	1,081.7	3.0	8.7	3,258.8	1,302.9	9.6	17.7	2,463.4	7,085.4
May ...	33.0	1,804.3	372.3	980.2	0.5	14.8	3,172.1	1,360.1	10.2	17.7	2,387.3	6,980.4
June ...	33.0	1,805.6	336.1	1,030.0	0.6	12.6	3,184.9	1,617.6	9.5	17.7	2,437.3	7,300.0

* Includes figures for Para-Statal Bodies.

** Includes Foreign Banks' Short Term Deposits

Table 2.2: Bank of Mauritius — Claims on Government

(Rs million)

GOVERNMENT STOCKS		Year/Month	CLAIMS ON GOVERNMENT			
Sold During Month	Purchased During Month		Government Stocks	Treasury Bills	Advances	Total
31.4	0.1	1986 January ...	0.2	1,936.7	1,355.4	3,292.3
..	—	February ...	0.2	1,795.9	1,355.4	3,151.5
—	..	March ...	0.2	1,349.3	1,355.4	2,704.9
..	—	April ...	0.2	1,690.1	1,355.4	3,045.7
..	..	May ...	0.2	1,787.8	1,355.4	3,143.4
—	..	June ...	0.3	1,702.3	1,355.4	3,053.0
—	..	July ...	0.2	1,604.5	1,355.4	2,960.1
—	..	August ...	0.3	1,323.8	1,508.7	2,832.8
—	..	September ...	0.2	1,044.0	1,508.7	2,552.9
—	..	October ...	0.2	1,065.5	1,508.7	2,574.4
—	—	November ...	0.2	771.5	1,508.7	2,230.4
0.2	—	December ...	0.4	882.5	1,508.7	2,391.6
..	0.3	1987 January ...	0.6	692.1	1,508.7	2,201.4
..	—	February ...	0.6	327.3	1,508.7	1,836.6
..	..	March ...	0.6	228.1	1,508.7	1,737.4
0.1	..	April ...	0.5	—	1,504.7	1,505.2
..	—	May ...	0.5	—	1,459.4	1,459.9
0.1	—	June ...	0.4	—	1,164.0	1,164.3
..	..	July ...	0.3	—	1,308.1	1,308.4
0.1	..	August ...	0.3	—	893.8	894.1
0.1	..	September ...	0.2	—	925.5	925.7
..	0.1	October ...	0.2	—	878.3	878.5
..	..	November ...	0.3	—	879.6	879.9
..	0.1	December ...	0.4	—	788.5	788.9
0.1	..	1988 January ...	0.4	—	376.8	377.2
—	..	February ...	0.3	—	—	0.3
..	0.1	March ...	0.3	—	—	0.3
0.1	..	April ...	0.2	—	—	0.2
..	..	May ...	0.3	—	—	0.3
—	0.1	June ...	0.4	—	—	0.4
0.1	—	July ...	0.3	—	—	0.3
..	—	August ...	0.3	—	—	0.3
—	—	September ...	0.3	—	—	0.3
—	—	October ...	0.3	—	—	0.3
—	—	November ...	0.3	—	—	0.3
—	—	December ...	0.3	—	—	0.3
—	..	1989 January ...	0.3	—	—	0.3
..	—	February ...	0.3	—	—	0.3
..	—	March ...	0.3	—	—	0.3
..	..	April ...	0.2	—	—	0.2
..	..	May ...	0.2	—	—	0.2
..	..	June ...	0.2	—	—	0.2

Table 2.3: Central Bank's Advances to Commercial Banks
(Daily Average)

(Rs million)

			<i>Advances at Bank Rate</i>	<i>Small Development Financing Scheme</i>	<i>Refinancing Facilities to Banks Sugar</i>	<i>Bills Rediscounted</i>	<i>Total</i>	
1988	July	..	...	11.1	35.8	—	73.3	120.2
	August	...	..	1.6	42.0	13.2	56.6	65.4
	September	...	...	1.7	44.2	34.8	—	80.7
	October	...	...	0.8	16.0	48.1	—	94.9
	November	...	...	0.1	47.2	55.3	6.0	108.6
	December	...	...	0.6	48.0	54.1	—	102.7
1989	January	...		1.4	48.5	15.8	3.0	98.7
	February	..	...	1.4	48.5	39.8	3.3	93.0
	March	...	...	18.9	48.3	16.8	31.3	118.3
	April	...	...	6.9	48.1	3.0	68.6	126.6
	May	...	...	19.9	48.2	—	19.8	87.9
	June	...	...	26.5	48.0	—	—	74.5

Table 2.4: Currency in Circulation

(Rs million)

End of Period		BANK NOTES									COINS														Total Notes & Coins
		Deme- nized Currency Notes	CURRENT							Total	Com- memo- tive Coins	Gold Buil- lion Coins	Rs 10.-	Rs 5.-	Re 1.-	50 c	25 c	20 c	10 c	5 c	2 c	1 c	Total		
			Rs 5.-	Rs 10.-	Rs 25.-	Rs 50.-	Rs 100.-	Rs 200.-	Rs 500.-																
1987	January ...	0.5	43.8	270.8	207.5	479.5	120.7	301.1	—	1,423.9	6.6	—	0.2	—	18.8	4.8	6.3	—	2.4	1.3	0.3	0.2	40.9	1,464.8	
	February ...	0.5	40.3	253.7	209.6	472.1	124.5	303.6	—	1,404.3	6.6	—	0.2	—	18.8	4.8	6.3	—	2.4	1.3	0.3	0.2	40.9	1,445.2	
	March ...	0.5	39.8	243.8	206.8	461.9	131.4	307.8	—	1,392.0	6.6	—	0.2	—	18.8	4.8	6.3	—	2.4	1.3	0.3	0.2	40.9	1,432.9	
	April ...	0.5	40.4	247.7	205.6	457.2	138.1	314.1	—	1,403.6	6.6	—	0.2	—	18.8	4.9	6.3	—	2.4	1.3	0.3	0.2	41.0	1,444.6	
	May ...	0.5	40.6	255.3	207.3	464.2	142.4	318.9	—	1,429.2	6.6	—	0.2	—	19.1	4.9	6.4	—	2.4	1.3	0.3	0.2	41.4	1,470.6	
	June ...	0.5	38.9	248.9	198.0	447.3	149.4	325.1	—	1,408.1	6.6	—	0.2	—	19.4	4.9	6.4	—	2.4	1.3	0.3	0.2	41.7	1,449.8	
	July ...	0.5	38.9	267.0	200.2	463.8	160.0	335.1	—	1,465.5	6.6	—	0.2	—	19.8	5.0	6.5	—	2.4	1.3	0.3	0.2	42.3	1,507.8	
	August ...	0.5	41.0	296.9	190.6	489.3	195.2	357.1	—	1,570.6	6.6	—	0.2	—	20.3	5.0	6.6	—	2.4	1.3	0.3	0.2	42.9	1,613.5	
	September ...	0.5	41.7	290.6	177.3	488.8	216.1	371.3	—	1,586.3	6.6	—	0.2	—	20.7	5.1	6.6	—	2.5	1.3	0.3	0.2	43.5	1,629.8	
	October ...	0.5	41.7	302.0	174.0	497.0	242.0	384.9	—	1,642.1	6.6	—	0.2	—	20.9	5.2	6.7	—	2.5	1.3	0.3	0.2	43.9	1,686.0	
	November ...	0.5	42.3	315.3	125.3	427.4	320.7	427.4	—	1,658.9	6.6	—	0.2	0.7	21.4	5.3	6.7	0.1	2.5	1.3	0.3	0.2	45.3	1,704.2	
	December ...	0.5	44.4	364.8	78.2	473.9	498.9	515.8	—	1,976.5	6.6	—	0.2	1.8	22.1	5.4	6.7	0.2	2.5	1.3	0.3	0.2	47.3	2,023.8	
1988	January ...	0.5	39.1	310.7	61.2	419.6	455.4	507.5	—	1,794.0	6.6	—	0.2	1.1	22.5	5.5	6.6	0.3	2.5	1.3	0.3	0.2	47.1	1,841.1	
	February ...	0.5	38.7	297.7	49.4	400.2	458.0	516.4	—	1,760.9	6.6	—	0.2	1.1	22.5	5.5	6.6	0.3	2.5	1.3	0.3	0.2	47.1	1,808.0	
	March ...	0.5	37.4	285.1	39.9	379.9	459.6	518.3	—	1,720.7	6.6	—	0.2	1.2	22.2	5.5	6.6	0.4	2.5	1.3	0.3	0.2	47.0	1,767.7	
	April ...	0.5	35.2	252.2	22.4	369.4	476.5	532.3	—	1,688.5	6.6	—	0.2	1.2	22.1	5.5	6.6	0.5	2.5	1.3	0.3	0.2	47.0	1,735.5	
	May ...	53.2	27.4	219.6	—	359.7	516.4	538.2	—	1,714.5	6.6	—	0.2	1.2	22.1	5.5	6.6	0.5	2.5	1.3	0.3	0.2	47.0	1,761.5	
	June ...	37.2	26.0	226.7	—	358.6	533.3	535.7	—	1,717.5	6.6	—	0.2	1.2	21.5	5.5	6.5	0.6	2.5	1.3	0.3	0.2	46.4	1,763.9	
	July ...	35.4	24.9	229.9	—	360.3	551.8	536.3	—	1,738.6	6.6	—	0.2	1.2	21.5	5.5	6.5	0.7	2.5	1.3	0.3	0.2	46.5	1,785.1	
	August ...	33.7	25.1	232.7	—	371.8	577.5	535.9	—	1,776.7	6.6	—	0.2	1.2	22.2	5.6	6.5	0.8	2.5	1.3	0.3	0.2	47.4	1,824.1	
	September ...	32.8	25.0	241.3	—	373.5	598.7	535.8	—	1,807.1	6.6	—	0.2	1.2	22.7	5.7	6.5	0.9	2.5	1.4	0.3	0.2	48.2	1,855.3	
	October ...	30.7	26.0	266.7	—	392.0	642.5	540.0	—	1,897.9	6.6	—	0.2	1.2	23.3	5.9	6.5	1.0	2.5	1.4	0.3	0.2	49.1	1,947.0	
	November ...	30.8	25.4	257.4	—	381.2	672.9	575.0	74.4	2,017.1	6.6	0.3	0.2	1.2	23.6	6.0	6.5	1.0	2.5	1.4	0.3	0.2	49.8	2,066.9	
	December ...	30.1	26.0	271.1	—	423.3	753.4	675.6	194.9	2,374.4	6.6	0.5	0.2	1.2	25.2	6.3	6.5	1.3	2.5	1.4	0.3	0.2	52.2	2,426.6	
1989	January ...	29.0	25.4	225.7	—	345.6	635.3	610.4	193.8	2,065.2	6.6	0.6	0.2	1.2	25.8	6.5	6.5	1.4	2.5	1.4	0.3	0.2	53.2	2,118.4	
	February ...	28.0	24.9	212.1	—	336.1	635.2	612.3	224.0	2,072.6	6.6	0.7	0.2	1.2	26.0	6.6	6.5	1.6	2.5	1.4	0.3	0.2	53.8	2,126.4	
	March ...	27.7	24.5	208.5	—	319.0	623.6	609.3	248.6	2,061.2	6.6	0.9	0.2	1.2	26.2	6.7	6.5	1.6	2.5	1.4	0.3	0.2	54.3	2,115.5	
	April ...	27.4	24.9	211.6	—	317.1	640.1	618.4	271.0	2,110.5	6.6	1.0	0.2	1.2	26.4	6.8	6.5	1.8	2.5	1.4	0.3	0.2	54.9	2,165.4	
	May ...	27.6	25.7	212.5	—	309.1	646.0	608.6	291.7	2,121.2	6.6	1.2	0.2	1.2	26.4	7.0	6.5	1.8	2.5	1.5	0.3	0.2	55.4	2,176.6	
	June ...	26.8	25.4	209.2	—	287.0	621.4	599.6	315.8	2,085.2	6.6	1.3	0.2	1.2	27.1	7.1	6.5	2.0	2.5	1.5	0.3	0.2	56.5	2,141.7	

Table 2.5(a): Commercial Banks — Assets***

(Rs million)

End of Period	Reserves		Foreign Assets				Claims on Government					Claims on Private Sector						Other Assets	Total Assets	Acceptances, Docu- mentary Credits and Guaran- tees**
	Cash in hand	Bal- ances with Bank of M'tius	Bal- ances with Banks abroad	Fo- reign Bills Dis- coun- ted	Fo- reign Notes and Coins	Total*	Trea- sury Bills	Go- vern- ment Secu- rities	Advances to Government		Total	Local Bills Dis- coun- ted	Bills Recei- vable	Bills Re-dis- coun- ted	Local In- vest- ments	Loans and Ad- vances	Total			
									Local Loans	Fo- reign Loans										
1985	231.0	417.5	179.7	376.5	31.8	588.1	625.6	841.7	47.3	164.7	1,679.3	167.9	188.5	—	37.7	3,506.2	3,900.3	781.0	7,597.2	2,256.7
1986	282.5	577.4	120.0	466.6	59.2	645.9	1,565.8	985.0	60.1	—	2,610.9	148.0	188.6	—	14.3	4,052.5	4,403.4	778.5	9,278.6	2,692.3
1987	360.4	696.5	240.4	667.5	66.0	974.0	2,308.5	1,239.7	63.3	—	3,611.5	204.8	312.7	—	108.4	6,407.1	7,033.0	1,668.1	14,343.5	4,145.4
1988	418.0	948.4	290.1	866.5	74.2	1,230.9	3,776.3	1,265.8	107.4	—	5,149.5	306.0	393.0	—	136.4	8,104.9	8,940.3	2,058.8	18,745.9	5,096.7
1987 April ...	214.0	632.5	112.3	446.7	38.6	597.7	2,008.3	1,239.1	17.0	—	3,264.4	283.7	207.5	—	64.7	5,637.0	6,193.8	970.1	11,872.5	3,149.9
May	191.9	686.7	139.2	459.0	37.2	635.5	1,986.1	1,239.1	54.7	—	3,279.9	178.6	221.0	—	93.0	5,820.2	6,312.8	1,042.0	12,148.8	3,509.9
June	208.3	760.6	162.2	544.6	31.9	738.8	2,263.4	1,239.1	20.7	—	3,523.2	247.1	185.5	—	91.5	5,639.4	6,163.5	1,307.0	12,701.4	3,719.7
July	207.1	717.3	179.2	537.4	38.8	755.5	1,940.3	1,240.6	41.6	—	3,222.5	177.8	251.3	—	92.4	6,141.9	6,663.4	1,228.3	12,794.1	3,921.6
August	244.0	709.5	126.7	554.5	55.2	736.5	2,279.4	1,240.6	29.7	—	3,549.7	185.8	258.4	—	104.2	6,084.5	6,632.9	1,222.9	13,095.5	4,074.5
September ...	254.6	707.6	160.8	543.4	52.7	757.0	2,196.6	1,240.6	33.4	—	3,470.6	252.2	269.2	—	104.2	6,535.1	7,160.7	1,255.8	13,606.3	4,147.1
October	265.6	655.3	138.1	526.1	48.8	713.1	2,040.3	1,240.6	53.1	—	3,334.0	255.7	306.5	—	106.2	6,704.7	7,373.0	1,257.1	13,597.1	3,915.6
November ...	272.5	701.9	162.3	520.0	56.7	739.1	2,128.3	1,240.6	45.5	—	3,414.4	245.6	347.9	—	106.7	6,822.7	7,522.9	1,420.4	14,071.2	4,020.2
December ...	360.4	696.5	240.4	667.5	66.0	974.0	2,308.5	1,239.7	63.3	—	3,611.5	204.8	312.7	—	108.4	6,407.1	7,033.0	1,668.1	14,343.5	4,145.4
1988 January ...	318.3	680.0	216.2	453.1	90.2	759.6	2,318.8	1,420.4	63.3	—	3,802.5	266.0	376.8	69.6	108.2	7,001.2	7,821.8	1,278.1	14,660.3	3,875.0
February ...	300.2	729.1	201.7	459.3	74.2	735.7	2,705.5	1,425.2	0.6	—	4,131.3	252.1	359.4	—	115.3	7,244.1	7,970.9	1,261.2	15,128.4	4,129.7
March	291.0	848.8	191.6	470.1	60.2	722.4	2,733.9	1,361.4	60.7	—	4,156.0	265.5	316.0	—	116.3	7,339.0	8,036.8	1,437.0	15,492.0	4,251.7
April	271.6	867.2	252.9	507.0	48.0	808.4	2,785.8	1,361.4	56.4	—	4,203.6	282.1	356.5	9.0	119.4	7,440.5	8,207.5	1,489.9	15,848.2	4,194.7
May	302.7	820.0	212.6	477.7	57.9	748.3	2,971.5	1,361.4	82.9	—	4,415.8	305.8	357.3	27.3	120.4	7,514.4	8,325.2	1,614.3	16,226.3	4,437.1
June	312.3	854.9	325.5	709.0	39.4	1,074.0	3,171.6	1,302.7	111.8	—	4,586.1	478.7	284.1	—	125.7	7,395.6	8,284.1	2,744.8	17,001.3	4,702.2
July	239.1	991.1	303.8	681.0	44.7	1,029.6	3,107.5	1,303.9	102.9	—	4,514.3	397.5	340.6	—	125.7	7,493.3	8,357.1	1,670.0	16,801.2	4,820.0
August	294.0	961.4	221.0	709.9	57.8	988.8	3,577.0	1,303.9	128.4	—	5,009.3	339.7	372.4	—	125.5	7,475.5	8,313.1	1,642.9	17,209.5	5,053.6
September ...	265.0	1,023.6	237.7	698.2	41.8	977.8	3,835.2	1,303.9	107.1	—	5,246.2	348.8	362.0	—	125.5	7,678.9	8,515.2	1,742.2	17,770.0	4,910.2
October	328.0	975.5	259.1	589.5	46.7	895.4	3,404.3	1,303.9	143.8	—	4,852.0	380.8	377.4	—	130.5	8,063.3	8,952.0	1,812.9	17,815.8	4,838.0
November ...	404.1	915.4	359.7	668.6	44.2	1,072.6	3,725.0	1,303.9	115.0	—	5,143.9	325.9	410.6	—	134.4	8,035.5	8,906.4	1,915.7	18,358.1	4,916.0
December ...	418.0	948.4	290.1	866.5	74.2	1,230.9	3,776.3	1,265.8	107.4	—	5,149.5	306.0	393.0	—	136.4	8,104.9	8,940.3	2,058.8	18,745.9	5,096.7
1989 January ...	351.9	991.2	345.6	633.4	66.5	1,045.6	3,611.9	1,265.8	180.0	—	5,057.7	267.4	412.8	1.2	136.4	8,464.6	9,282.4	1,802.0	18,530.8	4,925.9
February ...	364.3	940.0	294.4	609.4	58.5	962.4	3,602.3	1,265.8	172.4	—	5,040.5	261.3	434.4	0.7	136.4	8,699.3	9,532.1	1,858.6	18,697.9	5,120.8
March	325.9	1,413.1	273.1	660.4	49.2	982.8	3,307.2	1,265.8	137.3	—	4,710.3	282.9	429.7	0.7	133.4	8,795.3	9,642.0	2,085.3	19,159.4	4,973.2
April	302.4	1,081.7	271.3	730.1	44.1	1,045.6	3,615.5	1,265.8	121.7	—	5,003.0	282.4	416.4	—	133.4	8,874.1	9,706.3	2,034.2	19,173.2	5,219.4
May	372.3	980.2	294.1	810.0	49.3	1,153.5	3,681.1	1,265.8	120.9	—	5,064.3	284.5	385.7	—	133.4	8,878.5	9,682.1	2,222.2	19,474.6	5,248.1
June	336.1	1,030.0	293.6	906.0	30.8	1,230.5	4,034.1	1,265.8	84.0	—	5,807.5	334.8	356.2	—	114.8	8,962.3	9,768.1	2,444.4	20,616.6	5,223.2

* Includes Foreign Securities.

** For a breakdown see contra-entry in Table 2.5(b).

*** Figures as from January 1987 onwards are inclusive of those of finance corporations and are strictly not comparable with past data.

Table 2.5(b): Commercial Banks — Liabilities*

(Rs million)

End of Period	Capital & Re- serves	Private Sector Deposits				Go- vern- ment De- posits	Inter- Bank De- posits	Credit from Bank of M'tius	Borrowing from			Bills Pay- able	Bills Redis- count- ed	Other Lia- bilities	Total Lia- bilities	Accept- ances on account of Cus- tomers	Docu- mentary Credits	Gua- ran- tees
		De- mand	Sa- vings	Time	Total				Banks in M'tius	Banks abroad	Banks abroad (on lend- ing to Govt.)							
1985 ...	394.6	1,234.5	2,425.6	2,603.1	6,263.2	37.9	28.0	25.0	3.9	20.9	164.7	37.9	—	621.1	7,597.2	236.1	1,021.5	999.1
1986 ...	468.1	1,357.4	3,004.2	3,491.4	7,853.0	205.1	—	15.0	3.3	35.1	—	44.7	—	654.3	9,278.6	297.0	1,061.6	1,333.7
1987 ...	658.7	1,568.5	3,999.4	6,069.9	11,637.8	451.8	50.0	66.4	344.3	65.5	—	55.4	—	1,013.6	14,343.5	359.3	1,722.8	2,063.3
1988 ...	885.0	1,693.3	5,223.8	8,152.0	15,069.1	649.3	99.0	116.2	429.6	114.4	—	55.5	—	1,327.8	18,745.9	351.2	2,417.2	2,328.3
1987 April ...	528.7	1,227.0	3,263.1	5,375.1	9,865.2	323.3	—	—	267.2	34.1	—	31.9	—	822.2	11,872.5	289.4	1,384.7	1,475.8
May ...	525.6	1,088.7	3,300.4	5,560.7	9,948.8	375.3	15.0	—	331.8	47.1	—	34.8	—	869.4	12,148.8	296.9	1,563.9	1,640.1
June ...	556.8	1,259.0	3,408.4	5,625.7	10,293.0	402.4	25.0	—	446.6	45.9	—	63.7	—	868.0	12,701.4	425.3	1,734.2	1,560.2
July ...	597.2	1,076.0	3,432.7	5,927.0	10,435.7	313.9	68.0	—	335.3	118.2	—	38.8	—	887.0	12,794.1	454.1	1,953.2	1,514.0
August ...	635.8	1,185.6	3,510.0	6,012.4	10,708.0	339.1	51.0	15.9	332.8	60.5	—	35.1	—	917.3	13,095.5	458.3	1,978.7	1,637.5
September ...	635.8	1,413.6	3,647.9	6,124.6	11,186.1	386.0	41.6	37.8	297.9	51.1	—	64.2	—	905.8	13,606.3	380.4	2,091.5	1,675.2
October ...	637.8	1,201.3	3,676.5	6,248.5	11,126.3	376.7	5.0	64.0	343.9	59.9	—	27.9	—	955.6	13,597.1	369.5	1,934.7	1,611.4
November ...	648.0	1,291.8	3,790.9	6,301.4	11,384.1	468.0	—	83.9	333.3	67.2	—	40.4	—	1,046.3	14,071.2	323.1	2,786.4	1,910.7
December ...	658.7	1,568.5	3,999.4	6,069.9	11,637.8	451.8	50.0	66.4	344.3	65.5	—	55.4	—	1,013.6	14,343.5	359.3	1,722.8	2,063.3
1988 January ...	659.6	1,307.5	4,091.3	6,499.3	11,898.1	417.7	39.0	56.4	294.9	81.6	—	35.7	69.6	1,109.7	14,660.3	346.4	1,607.4	1,921.2
February ...	677.6	1,430.3	4,203.0	6,694.2	12,327.5	463.9	25.0	47.5	266.1	97.7	—	43.6	—	1,179.5	15,128.4	325.7	1,874.3	1,927.9
March ...	685.7	1,363.7	4,470.9	6,835.9	12,570.5	557.1	65.0	50.5	301.2	96.2	—	41.2	—	1,124.6	15,492.0	317.4	1,971.9	1,962.4
April ...	685.7	1,335.4	4,461.8	7,055.8	12,853.0	524.6	132.0	51.8	337.0	116.9	—	37.4	9.0	1,100.8	15,848.2	323.4	1,866.3	2,005.0
May ...	685.7	1,372.9	4,480.8	7,176.9	13,030.6	659.4	96.0	33.0	378.0	107.2	—	37.8	27.3	1,171.3	16,226.3	306.9	2,076.7	2,054.5
June ...	726.5	1,609.1	4,584.6	7,482.0	13,675.7	649.1	91.0	90.7	401.1	111.3	—	79.6	—	1,176.3	17,001.3	364.8	2,167.7	2,169.7
July ...	730.0	1,454.0	4,609.1	7,572.2	13,635.3	535.4	96.0	41.2	419.4	131.8	—	31.7	—	1,180.4	16,801.2	370.8	2,442.1	2,007.1
August ...	820.4	1,480.4	4,669.6	7,655.7	13,805.7	621.7	—	64.4	470.4	126.5	—	42.9	—	1,257.5	17,209.5	374.8	2,500.7	2,178.1
September ...	821.4	1,668.1	4,822.4	7,857.7	14,348.2	617.5	—	88.9	467.7	139.7	—	85.3	—	1,201.3	17,770.0	339.8	2,436.3	2,134.1
October ...	821.4	1,489.0	4,861.1	7,958.4	14,308.5	592.0	28.5	102.8	557.8	130.4	—	41.2	—	1,233.2	17,815.8	337.1	2,437.2	2,063.7
November ...	869.9	1,648.2	5,025.3	8,059.4	14,732.9	617.1	3.0	104.9	505.7	106.2	—	56.0	—	1,362.4	18,358.1	312.2	2,394.4	2,209.4
December ...	885.0	1,693.3	5,223.8	8,152.0	15,069.1	649.3	99.0	116.2	429.6	114.4	—	55.5	—	1,327.8	18,745.9	351.2	2,417.2	2,328.3
1989 January ...	890.0	1,670.3	5,221.6	8,143.3	15,035.2	567.9	115.5	87.9	372.4	83.2	—	52.8	1.2	1,324.7	18,530.8	351.2	2,223.8	2,350.9
February ...	917.3	1,616.6	5,332.3	8,146.4	15,095.3	604.9	97.0	72.0	346.9	96.5	—	42.3	0.7	1,425.0	18,697.9	431.9	2,173.8	2,515.1
March ...	936.3	1,685.5	5,535.7	8,296.7	15,517.9	567.9	175.0	60.7	343.1	98.0	—	58.3	0.7	1,401.5	19,159.4	385.1	2,318.8	2,269.3
April ...	926.5	1,617.6	5,642.8	8,229.3	15,489.7	535.5	146.0	48.1	395.1	89.1	—	40.4	—	1,502.8	19,173.2	356.2	2,517.6	2,345.6
May ...	928.4	1,591.8	5,765.8	8,261.9	15,619.5	447.2	187.0	55.0	450.7	110.4	—	53.4	—	1,623.0	19,474.6	328.0	2,522.0	2,398.1
June ...	1,298.7	1,916.9	5,925.4	8,529.3	16,371.6	669.9	25.0	148.0	508.4	126.3	—	68.5	—	1,400.2	20,616.6	423.2	2,443.2	2,356.8

* Figures as from January 1987 onwards are inclusive of those of finance corporations and are strictly not comparable with past data.

Table 2.6: Monetary Survey**

(Rs million)

End of Period	Foreign Assets (net)	Domestic Credit			Total Assets	Money			Total Money Supply	Quasi-Money			Aggre- gate Mone- tary Resour- ces*	Other Items (net)
		Claims on Public Sector (net)	Claims on Private Sector	Total		Currency with Public	Demand Deposits			Com- mercial Banks' Time Deposits	Com- mercial Banks' Savings Deposits	Total		
							Bank of Mtius	Com- mercial banks						
1985 ...	774.4	5,095.6	3,900.3	8,995.9	9,770.3	1,095.7	44.1	1,234.5	2,374.3	2,603.1	2,425.6	5,028.7	7,403.0	2,367.3
1986 ...	2,441.2	4,795.1	4,403.4	9,198.5	11,639.7	1,304.9	11.5	1,357.4	2,673.8	3,491.4	3,004.2	6,495.6	9,169.4	2,470.3
1987 ...	5,133.0	3,946.1	7,033.0	10,979.1	16,112.1	1,663.4	9.2	1,568.5	3,241.1	6,069.9	3,999.4	10,069.3	13,310.4	2,801.7
1988 ...	7,290.6	3,930.0	8,940.3	12,870.3	20,160.9	2,008.7	12.9	1,693.3	3,714.9	8,152.0	5,223.8	13,375.8	17,090.7	3,070.2
1987 April ... May ... June ... July ... August ... September ... October ... November ... December ...	3,228.0	4,444.4	6,193.8	10,638.2	13,866.2	1,230.6	12.6	1,227.0	2,469.6	5,375.1	3,263.1	8,638.2	11,107.8	2,758.4
	3,356.7	4,362.6	6,312.8	10,675.4	14,032.1	1,278.7	14.3	1,088.7	2,381.7	5,560.7	3,300.4	8,861.1	11,242.8	2,789.3
	3,729.4	4,277.6	6,163.5	10,441.1	14,170.5	1,241.5	14.8	1,259.0	2,515.3	5,625.6	3,408.4	9,034.0	11,549.3	2,621.2
	3,535.7	4,213.3	6,663.4	10,876.7	14,412.4	1,300.7	27.9	1,076.0	2,404.6	5,927.0	3,432.7	9,359.7	11,764.3	2,648.1
	4,107.1	4,102.2	6,632.9	10,735.1	14,842.2	1,369.5	11.5	1,185.6	2,566.6	6,012.4	3,510.0	9,522.4	12,089.0	2,753.2
	4,206.9	4,007.7	7,160.7	11,168.4	15,375.3	1,375.2	12.9	1,413.6	2,801.7	6,124.6	3,647.9	9,772.5	12,574.2	2,801.1
	4,284.0	3,833.7	7,373.0	11,206.7	15,490.7	1,420.4	8.2	1,201.3	2,629.9	6,248.4	3,676.5	9,925.0	12,554.9	2,935.8
	4,388.0	3,823.6	7,522.9	11,346.5	15,734.5	1,431.7	25.2	1,291.8	2,748.7	6,301.4	3,790.0	10,092.3	12,841.0	2,893.5
	5,133.0	3,946.1	7,033.0	10,979.1	16,112.1	1,663.4	9.2	1,568.5	3,241.1	6,069.9	3,999.4	10,069.3	13,310.4	2,801.7
1988 January ... February ... March ... April ... May ... June ... July ... August ... September ... October ... November ... December ...	5,042.3	3,761.3	7,821.8	11,583.1	16,625.4	1,522.8	54.0	1,307.5	2,884.3	6,499.3	4,091.3	10,590.6	13,474.9	3,150.5
	5,455.5	3,640.3	7,970.9	11,611.2	17,066.7	1,507.8	19.3	1,430.3	2,957.4	6,694.2	4,203.0	10,897.2	13,854.6	3,212.1
	5,973.8	3,263.9	8,036.8	11,300.7	17,274.5	1,476.7	42.6	1,363.7	2,883.0	6,835.9	4,370.9	11,206.8	14,089.8	3,184.7
	6,012.8	3,391.7	8,207.5	11,599.2	17,612.0	1,463.9	31.3	1,335.4	2,830.6	7,055.8	4,461.8	11,517.6	14,348.2	3,263.8
	5,902.3	3,451.4	8,325.2	11,776.6	17,678.9	1,458.8	22.4	1,372.9	2,854.1	7,176.9	4,480.8	11,657.7	14,511.8	3,167.1
	6,255.2	3,474.7	8,284.1	11,758.8	18,014.0	1,451.6	26.0	1,609.1	3,086.7	7,482.0	4,584.6	12,066.6	15,153.3	2,860.7
	6,366.1	3,604.6	8,357.1	11,961.7	18,327.8	1,546.0	18.7	1,454.0	3,018.7	7,572.2	4,609.1	12,181.3	15,200.0	3,127.8
	6,732.3	3,516.6	8,313.1	11,829.7	18,562.0	1,530.1	13.0	1,480.4	3,023.5	7,655.7	4,669.6	12,325.3	15,348.8	3,213.2
	6,587.2	3,843.2	8,515.2	12,358.4	18,945.6	1,590.3	11.9	1,668.1	3,270.3	7,857.7	4,822.4	12,680.1	15,950.4	2,995.2
	6,570.4	3,577.5	8,952.0	12,529.5	19,099.9	1,619.0	27.7	1,489.0	3,135.7	7,958.4	4,861.1	12,819.5	15,955.2	3,144.7
	6,752.3	3,939.7	8,906.4	12,846.1	19,598.4	1,662.7	21.9	1,648.2	3,332.8	8,059.4	5,025.3	13,084.7	16,417.5	3,180.9
	7,290.6	3,930.0	8,940.3	12,870.3	20,160.9	2,008.7	12.9	1,693.3	3,714.9	8,152.0	5,223.8	13,375.8	17,090.7	3,070.2
1989 January ... February ... March ... April ... May ... June ...	7,369.3	3,316.3	9,282.4	12,598.7	19,968.0	1,766.5	15.7	1,670.3	3,452.5	8,143.3	5,221.6	13,364.9	16,817.4	3,150.6
	7,618.4	3,077.1	9,532.1	12,609.2	20,227.6	1,762.1	47.2	1,616.6	3,425.9	8,146.4	5,332.3	13,478.7	16,904.6	3,323.0
	7,709.4	3,015.2	9,642.0	12,657.2	20,366.6	1,789.6	17.3	1,685.5	3,492.4	8,296.7	5,535.7	13,832.4	17,324.8	3,041.8
	7,798.1	3,164.8	9,706.3	12,871.1	20,669.2	1,863.0	11.7	1,617.6	3,492.3	8,229.3	5,642.8	13,872.1	17,364.4	3,304.8
	7,740.4	3,257.2	9,697.6	12,954.8	20,695.2	1,804.3	15.3	1,591.8	3,411.4	8,261.9	5,765.8	14,027.7	17,439.1	3,256.1
	7,867.9	3,520.2	9,768.1	13,288.3	21,156.2	1,805.6	13.2	1,916.9	3,735.7	8,529.3	5,925.4	14,454.7	18,190.4	2,965.8

* Money plus Quasi-Money

** Figures as from January 1987 onwards are inclusive of those of finance corporations and are strictly not comparable with past data.

Table 2.7: Money Supply and Aggregate Monetary Resources**

(Rs million)

End of Period		Currency with Public* (1)	Demand Deposits (2)	Time & Savings Deposits (3)	Money Supply (1) + (2) (4)	Aggregate Monetary Resources (3) + (4)
1985	April ...	865.4	1,037.4	4,438.6	1,902.8	6,341.4
	May ...	870.7	999.0	4,471.3	1,869.7	6,341.0
	June ...	894.0	1,126.5	4,530.5	2,020.5	6,551.0
	July ...	882.7	1,027.9	4,589.2	1,910.6	6,699.8
	August ...	920.3	1,010.4	4,645.5	1,930.7	6,576.2
	September ...	908.4	1,105.7	4,722.8	2,014.1	6,736.9
	October ...	910.5	1,088.9	4,756.3	1,999.4	6,755.7
	November ...	933.3	1,077.5	4,842.0	2,010.8	6,852.8
	December ...	1,095.7	1,278.6	5,028.7	2,374.3	7,403.0
1986	January ...	980.9	1,151.4	5,153.1	2,132.3	7,285.4
	February ...	975.2	1,251.5	5,225.4	2,226.7	7,452.1
	March ...	973.7	1,154.0	5,325.1	2,127.7	7,452.8
	April ...	963.5	1,175.1	5,406.0	2,138.6	7,544.6
	May ...	997.7	1,147.7	5,540.7	2,145.4	7,686.1
	June ...	987.5	1,294.8	5,699.2	2,282.3	7,981.5
	July ...	998.6	1,131.0	5,815.8	2,129.6	7,945.4
	August ...	1,042.8	1,174.4	5,886.1	2,217.5	8,103.6
	September ...	1,034.8	1,351.9	6,018.0	2,386.7	8,404.7
	October ...	1,084.3	1,298.7	6,132.8	2,383.0	8,515.8
	November ...	1,113.4	1,214.0	6,280.3	2,327.4	8,607.7
	December ...	1,304.9	1,368.9	6,495.6	2,673.8	9,169.4
1987	January ...	1,222.4	1,043.4	8,029.7	2,265.8	10,295.5
	February ...	1,225.7	1,069.3	8,140.3	2,295.0	10,435.3
	March ...	1,215.8	1,154.4	8,418.0	2,370.2	10,788.2
	April ...	1,230.0	1,239.6	8,638.2	2,469.6	11,107.8
	May ...	1,278.7	1,103.0	8,861.1	2,381.7	11,242.8
	June ...	1,241.5	1,273.8	9,034.0	2,515.3	11,549.3
	July ...	1,300.7	1,103.9	9,359.7	2,404.6	11,764.3
	August ...	1,369.5	1,197.1	9,522.4	2,566.6	12,089.0
	September ...	1,375.2	1,426.5	9,772.5	2,801.7	12,574.2
	October ...	1,420.4	1,209.5	9,925.0	2,629.9	12,554.9
	November ...	1,431.7	1,317.0	10,092.3	2,748.7	12,841.0
	December ...	1,663.4	1,577.7	10,069.3	3,241.1	13,310.4
1988	January ...	1,522.8	1,361.5	10,590.6	2,884.3	13,474.9
	February ...	1,507.8	1,449.6	10,897.2	2,957.4	13,854.6
	March ...	1,476.7	1,406.3	11,206.8	2,883.0	14,089.8
	April ...	1,463.9	1,366.7	11,517.6	2,830.6	14,348.2
	May ...	1,458.8	1,395.3	11,657.7	2,854.1	14,511.8
	June ...	1,451.6	1,635.1	12,066.6	3,086.7	15,153.3
	July ...	1,546.0	1,472.7	12,181.3	3,018.7	15,200.0
	August ...	1,530.1	1,493.4	12,325.3	3,023.5	15,348.8
	September ...	1,590.3	1,680.0	12,680.1	3,270.3	15,950.4
	October ...	1,619.0	1,516.7	12,819.5	3,135.7	15,955.2
	November ...	1,662.7	1,670.1	13,084.7	3,332.8	16,417.5
	December ...	2,008.7	1,706.2	13,375.8	3,714.9	17,090.7
1989	January ...	1,766.5	1,686.0	13,364.9	3,452.5	16,817.4
	February ...	1,762.1	1,663.8	13,478.7	3,425.9	16,904.6
	March ...	1,789.6	1,702.8	13,832.4	3,492.4	17,324.8
	April ...	1,563.0	1,629.3	13,872.1	3,492.3	17,364.4
	May ...	1,804.3	1,607.1	14,027.7	3,411.4	17,439.1
	June ...	1,805.6	1,930.1	14,454.7	3,735.7	18,190.4

* Net of cash held by commercial banks.

** Figures as from January 1987 onwards are inclusive of those of finance corporations and are strictly not comparable with past data.

Table 2.8(a): Sectoral Distribution of Commercial Bank Credit to the Private Sector

(Rs million)

	1987		1988				1989					
	June	Dec.	March	June	Sept.	Dec.	Jan.	Feb.	March	April	May	June
1. CATEGORY I												
(i) Mauritius Sugar Syndicate ...	172.6	74.3	158.6	426.5	127.9	112.3	10.2	178.5	85.5	55.1	31.1	361.9
(ii) Sugar Industry ...	831.8	720.6	920.8	857.6	959.2	863.9	845.9	870.0	942.3	898.0	986.5	846.2
(iii) Other Agricultural Interests ...	203.4	274.5	282.9	274.5	232.7	272.9	279.5	266.8	262.7	269.6	270.1	297.0
(iv) Export Processing Zone ...	1,536.7	1,829.6	2,041.5	2,184.0	2,339.8	2,436.8	2,588.4	2,584.4	2,631.0	2,676.2	2,577.4	2,455.9
(v) Development Certificate ...	251.6	292.6	318.7	344.7	387.7	446.5	506.7	725.1	578.2	556.1	585.0	621.8
(vi) Agricultural Development Certificate ...	7.2	12.0	8.7	8.9	7.9	8.7	10.5	9.2	9.8	12.5	10.1	10.2
(vii) Export Service Certificate ...	22.1	18.4	15.8	14.6	20.1	23.0	23.4	20.8	21.9	26.4	27.5	28.5
(viii) Hotel Management Certificate ...	73.8	98.0	75.0	90.5	93.0	135.9	147.5	149.5	148.2	150.9	156.8	176.1
(ix) Small Scale Industries ...	26.0	73.4	90.0	106.0	122.2	131.8	151.7	154.3	152.2	151.9	153.0	160.5
(x) Rodrigues-Housing ...	9.9	19.5	20.0	19.9	21.0	21.6	21.6	22.1	22.1	22.6	23.1	23.4
2. CATEGORY II												
(i) Ex DC Industries ...	246.6	282.8	279.0	320.1	331.6	341.7	380.6	369.1	339.0	355.9	342.0	341.3
(ii) Other Industries & Manufacturers ...	881.6	991.6	1,119.5	1,063.3	1,158.8	1,217.6	1,273.4	1,289.7	1,263.9	1,341.4	1,330.8	1,222.7
(iii) Transport ...	125.7	193.6	219.9	235.7	226.1	219.7	220.0	217.3	224.6	222.1	225.1	221.7
(iv) Hotels ...	103.3	162.5	179.0	181.7	171.5	187.1	189.5	184.6	228.1	226.3	233.4	251.7
(v) Para-Statal Bodies ...	88.2	104.4	126.5	99.1	88.7	94.1	100.3	93.3	83.6	78.8	89.8	76.4
3. CATEGORY III												
(i) Traders ...	462.1	627.9	836.8	737.1	837.6	936.0	996.4	1,072.7	1,089.1	1,076.6	1,044.0	1,075.9
(ii) Housing ...	230.5	267.4	291.6	324.8	349.2	373.6	379.2	391.8	397.5	401.2	404.7	420.1
(iii) Stock Brokers ...	2.1	0.7	1.3	0.6	1.3	0.7	1.6	1.4	1.2	1.3	0.5	1.1
(iv) Personal & Professional ...	659.8	730.1	734.8	695.6	710.1	756.0	769.9	765.5	781.6	796.1	815.1	814.2
(v) Financial Institutions ...	34.8	44.1	56.2	43.5	42.1	42.8	62.8	54.2	54.7	55.6	66.1	57.0
(vi) Investment in Private Sector ...	91.5	108.4	116.3	125.7	161.4	136.4	136.4	136.4	133.4	133.4	133.4	114.8
(vii) Other Customers ...	102.2	106.6	143.9	129.8	125.5	181.2	186.7	173.3	191.0	198.3	187.0	189.4
TOTAL ...	6,163.1	7,033.0	8,036.8	8,284.1	8,515.2	8,940.3	9,282.4	9,532.1	9,642.0	9,706.3	9,692.7	9,768.1

Table 2.8 (b): Value Range of 'Loans and Advances' and 'Bills Discounted': March 1989

	<i>No. of Loans and Advances</i>	<i>Value of Loans and Advances (Rs mn)</i>	<i>No. of Bills</i>	<i>Face Value of Bills (Rs mn)</i>
Up to Rs 10,000	27,164	119.0 (1.4)	19,307	35.0 (3.7)
Over Rs 10,000 and up to Rs 100,000 ...	21,548	699.3 (7.9)	2,636	79.1 (8.4)
Over Rs 100,000 and up to Rs 1,000,000 ...	7,571	1,928.7 (21.9)	1,425	495.5 (52.5)
Over Rs 1,000,000	1,681	6,048.3 (68.8)	177	333.7 (35.4)
TOTAL	57,964	8,795.3	23,545	943.3

Figures in brackets are percentages to total.

Table 2.9: Principal Interest Rates in Mauritius

(Per cent per annum)

	Dec. 1987	March 1988	June 1988	Sept. 1988	Dec. 1988	March 1989	June 1989
I. LENDING							
Bank of Mauritius							
(i) Bank Rate	10	10	10	10	10	10	11
(ii) Rediscount Facilities	10½	10½	10½	10½	10½	10½	11½
Commercial Banks							
(i) Export Finance*	10½-11	11 11½	11 -11½	11 -11½	11 -11½	11 -12½	12 -13
(ii) Mauritius Sugar Syndicate	11 -12½	11 -12½	11 -12½	11 -11½	11 -15	11½-15	12 -15
(iii) Sugar Industry	11 -14½	10 -15	10½-15	11 -15	11 -15	11½-15	12 -16
(iv) Other Agriculture	11 -14½	11 -15	11 -15	11 -15	11 -15	11½-15	5 -16
(v) E.P.Z.	11 -14½	11 -15	11 -15	11 -15	11 -15	11½-15	12½-16
(vi) D.C.	11 -14½	11 -15	11 -15	11 -15	11 -15	11½-15	12½-16
(vii) Small-Scale Industries	11 -14½	11 -15	11 -15	11 -15	11 -15	11½-15	9 -16
(viii) Transport	14 -16	14½-16½	14½-16½	15 -16½	15 -17	14½-17½	15 -19
(ix) Hotels	11 -16	15 -16½	15 -16½	15 -16½	15 -17	15 -17½	15 -19
(x) Other Industries & Manufacturers	13½-16	14 -16½	14½-16½	14½-16½	14½-16½	14½-17½	15 -18
(xi) Statutory & Para-Statal Bodies	12½-16	13 -16½	13 -16½	13 -16½	13 -17	13 -17½	11 -19
(xii) Housing	15 -16½	15½-17	15½-17	15½-17	15½-17	15½-18½	8½-19
(xiii) Traders	15 -16½	15½-17½	15½-17½	15½-20	15½-20	15½-20	16 -20
(xiv) Stock Brokers	16½	15½-17	15½-17	15½-17	15½-17	15½-19	16 -19
(xv) Financial Institutions	16½	15½-17	15½-17	15½-19	15½-17	15½-19	16 -19½
(xvi) Personal & Professional	16½	15½-17½	15½-17½	15½-20	15½-20	15½-20	16 -20
(xvii) Other Customers	16½	15½-17½	15½-17½	15½-9	15½-17	15½-20	16 -20
II. DEPOSITS							
1. Savings	8	8	8	8	8	8-9	10
2. Seven days' notice	8 -10	8 -10	8 -10	8 -10	8 -10	8½-10	9½-10½
3. Fixed Deposits							
(i) Up to 3 months	8½-10	8½-10	8½-10	8½-10	8½-10	8½-10½	10½-11
(ii) Exceeding 3 & up to 6 months	8½-10	8½-10	8½-10	8½-10	8½-10	9 -10½	10½-11½
(iii) Exceeding 6 & up to 12 months	9 -11	9 -11	9 -11	9 -11	9 -11	9½-11	10½-12
(iv) Exceeding 12 & up to 18 months	9½-11½	10 -11½	10 -11½	10 -11½	10 -11½	10 -11½	10½-13
(v) Exceeding 18 & up to 24 months	10½-11½	10½-11½	10½-11½	10½-11½	10 -11½	10 -11	11 -13
(vi) Exceeding 24 & up to 36 months	10½-10½	10½-10½	10½-11	10½-11½	10½-11	10½-11½	11 -13
(vii) Exceeding 36 & up to 48 months	10½-11	10½-11	11 -11½	10½-12	10½-11	10½-11½	11½-12½
(viii) Over 48 months	11 -11½	11 -12	N.A.	11 -12½	10½-11	10½-11½	11½-12

* Applicable to Bills eligible for Rediscount at the Bank of Mauritius.

Table 2.10: Ownership of Commercial Banks' Deposits: March 1989

	<i>DEMAND DEPOSITS</i>		<i>TIME DEPOSITS</i>	
	<i>No. of Accts.</i>	<i>Amount (Rs. '000)</i>	<i>No. of Accts.</i>	<i>Amount (Rs. '000)</i>
1. Sugar	1,095	93,869 (4.7)	947	100,882 (1.2)
2. Other Agriculture	425	100,734 (5.0)	52	35,333 (0.4)
3. Other Industries and Manufacturers	2,256	277,980 (13.9)	323	320,223 (3.7)
4. Public Utilities	199	38,682 (1.9)	138	371,053 (4.3)
5. Business and Trade	4,236	196,810 (9.8)	395	160,829 (1.9)
6. Financial Institutions	867	85,728 (4.3)	715	633,440 (7.4)
7. Central Government	114	315,997 (15.8)	4	251,951 (3.0)
8. Other Public Institutions	298	66,119 (3.3)	684	846,525 (9.9)
9. Personal and Professional	45,956	825,618 (41.3)	98,239	5,828,385 (68.2)
TOTAL	55,446	2,001,537	101,497	8,548,621

	<i>SAVINGS DEPOSITS</i>	
	<i>No. of Accts.</i>	<i>Amount (Rs '000)</i>
1. Personal	754,990	5,155,355 (93.1)
2. Professional	1,274	23,389 (0.4)
3. Other	14,257	356,896 (6.5)
TOTAL	770,521	5,535,640

Figures in brackets are percentages to the total.

Table 2.11: Value Range of Commercial Banks Deposits: March 1989

	<i>DEMAND DEPOSITS</i>		<i>SAVINGS DEPOSITS</i>		<i>TIME DEPOSITS</i>	
	<i>No. of Accts.</i>	<i>Amount (Rs. '000)</i>	<i>No. of Accts.</i>	<i>Amount (Rs. '000)</i>	<i>No. of Accts.</i>	<i>Amount (Rs. '000)</i>
1. Up to Rs. 25,000	47,052	198,908 (9.9)	721,738	2,071,900 (37.4)	57,026	611,011 (7.1)
2. Over Rs. 25,000 and up to Rs. 50,000 ...	3,617	123,704 (6.2)	27,144	939,235 (17.0)	18,324	707,626 (8.3)
3. Over Rs. 50,000 and up to Rs. 100,000 ...	2,224	154,351 (7.7)	14,114	967,339 (17.5)	13,978	1,111,282 (13.0)
4. Over Rs. 100,000 and up to Rs. 500,000 ...	2,066	418,157 (20.9)	7,191	1,223,657 (22.1)	10,499	2,192,242 (25.6)
5. Over Rs. 500,000 and up to Rs. 1,000,000 ...	258	178,037 (8.9)	244	158,819 (2.9)	924	676,538 (7.9)
6. Over Rs. 1,000,000	229	928,380 (46.4)	90	174,690 (3.2)	746	3,249,922 (38.0)
TOTAL... ..	55,446	2,001,537	770,521	5,535,640	101,497	8,548,621

Figures in brackets are percentages to total.

Table 2.12 Maturity Pattern of Time Deposits of Commercial Banks

(Rs million)

<i>Duration</i>	<i>Personal/ Individual Deposits June 89</i>	<i>Institutional Deposits June 89</i>	<i>Total June 89</i>
7 days Notice	38.3	403.2	441.5
1 month Notice	14.8	96.5	111.3
Up to 3 months ...	809.6	241.3	1,050.9
Exceeding 3 months and up to 6 months ...	293.0	121.0	414.0
Exceeding 6 months and up to 12 months ...	2,714.0	720.6	3,434.6
Exceeding 12 months and up to 18 months ...	1,362.9	876.8	2,239.7
Exceeding 18 months and up to 24 months ...	120.4	38.3	158.7
Exceeding 24 months and up to 36 months ...	159.9	82.7	242.6
Exceeding 36 months and up to 48 months ...	156.5	14.9	171.4
Exceeding 48 months	333.1	117.4	450.5
TOTAL	6,002.5	2,712.7	8,715.2

Table 2.13: Cheque Clearances

Year/Month				No. of cheques	Amount (Rs 000)	No. of days	Daily Average	
							No. of cheques	Amount (Rs 000)
1985	April	...	...	249,127	2,061,045	26	9,582	79,271
	May	...	...	248,176	2,065,518	26	9,545	79,443
	June	...	...	224,079	2,153,467	24	9,337	89,728
	July	...	...	269,343	2,288,065	27	9,976	84,743
	August	...	...	242,363	2,155,439	27	8,976	79,831
	September	...	...	230,929	2,067,695	24	9,622	81,154
	October	...	...	283,949	2,625,497	27	10,517	97,241
	November	...	...	237,898	2,233,714	24	9,912	93,071
December	...	...	292,804	3,054,548	24	12,210	127,273	
1986	January	...	...	247,878	2,573,620	25	9,915	102,945
	February	...	...	223,819	2,220,471	24	9,326	92,520
	March	...	...	247,914	2,446,713	24	10,330	101,946
	April	...	...	256,302	2,430,919	25	10,252	97,237
	May	...	...	275,390	2,466,005	26	10,592	94,846
	June	...	...	252,822	2,394,437	24	10,534	111,181
	July	...	...	282,488	2,645,922	27	10,462	97,997
	August	...	...	253,440	2,359,043	27	9,387	87,372
	September	...	...	260,023	2,395,888	25	10,400	95,836
	October	...	...	300,895	2,959,393	27	11,144	109,607
	November	...	...	259,446	2,508,472	24	10,810	104,520
	December	...	...	319,014	3,230,686	26	12,269	124,257
1987	January	...	...	245,888	2,786,736	24	10,245	116,114
	February	...	...	223,953	2,436,770	22	10,179	110,762
	March	...	...	252,043	2,622,407	24	10,501	109,267
	April	...	...	284,772	2,623,432	26	10,953	100,901
	May	...	...	270,042	2,779,492	24	11,252	115,812
	June	...	...	289,246	2,934,710	26	11,125	112,489
	July	...	...	307,766	3,144,719	27	11,399	116,417
	August	...	...	273,587	2,869,820	25	10,943	114,793
	September	...	...	315,713	3,146,079	26	12,143	121,003
	October	...	...	326,385	3,476,479	25	13,055	139,059
	November	...	...	300,185	3,199,870	25	12,007	127,995
	December	...	...	357,503	4,352,391	25	14,300	174,096
1988	January	...	...	267,479	3,418,430	23	11,630	148,627
	February	...	...	268,712	3,298,173	22	12,214	149,917
	March	...	...	320,234	3,701,890	25	12,809	148,076
	April	...	...	321,502	3,768,995	26	12,365	144,961
	May	...	...	312,935	3,418,263	25	12,517	136,731
	June	...	...	299,292	3,599,684	26	11,512	138,449
	July	...	...	315,225	3,891,887	26	12,124	149,687
	August	...	...	327,428	3,583,446	27	12,127	132,720
	September	...	...	323,526	3,853,864	25	12,941	154,155
	October	...	...	329,175	4,744,365	26	12,660	182,476
	November	...	...	300,501	3,707,334	24	12,521	154,472
	December	...	...	375,538	5,327,130	26	14,444	204,890
1989	January	...	...	276,796	3,986,808	25	11,072	159,472
	February	...	...	266,770	3,859,003	23	11,599	167,783
	March	...	...	331,685	4,307,428	26	12,757	165,670
	April	...	...	306,936	4,474,938	24	12,789	186,456
	May	...	...	307,551	4,387,225	26	11,829	168,739
	June	...	...	310,876	4,908,865	26	11,957	188,802

Table 2.14: Treasury Bills
(Nominal Value)

Year/Month			Amount Applied for and Issued (Rs. million)	Price at Issue Rs.	Rate of Discount %	Amount Redeemed during Month (Rs. million)	Total Amount Outstanding (Rs. million)
1988							
July	3 Months	...	1,650.2	97.68	9.50	1,846.8	3,954.4
	6 Months	...	135.5	95.36	9.75	98.0	112.5
	1 Year	...	170.8	90.93	10.00	3.0	167.7
			1,956.5			1,947.8	4,231.6
Aug.	3 Months	...	672.2	97.68	9.50	1,304.0	3,322.5
	6 Months	...	129.8	95.36	9.75	45.0	197.3
	1 Year	...	1,198.4	90.93	10.00	75.7	1,290.5
			2,000.4			1,421.7	4,810.3
Sept.	3 Months	...	853.6	97.68	9.50	1,751.4	2,424.8
	6 Months	...	73.0	95.36	9.75	40.0	230.3
	1 Year	...	1,381.9	90.93	10.00	131.2	2,541.2
			2,308.5			1,922.6	5,196.3
Oct.	3 Months	...	850.3	97.68	9.50	1,788.4	1,486.7
	6 Months	...	58.0	95.36	9.75	—	288.3
	1 Year	...	888.9	90.93	10.00	312.9	3,117.2
			1,797.3			2,101.3	4,892.2
Nov.	3 Months	...	691.0	97.68	9.50	602.5	1,575.2
	6 Months	...	13.0	95.36	9.75	—	301.3
	1 Year	...	554.9	90.93	10.00	252.0	3,420.4
			1,258.9			854.5	5,296.6
Dec.	3 Months	...	1,122.9	97.68	9.50	1,084.1	1,644.0
	6 Months	...	—	95.36	9.75	—	301.3
	1 Year	...	536.8	90.93	10.00	479.1	3,477.8
			1,659.8			1,563.2	5,393.1
1989							
Jan.	3 Months	...	1,016.6	97.68	9.50	1,029.9	1,600.7
	6 Months	...	56.8	95.36	9.75	91.3	266.8
	1 Year	...	538.4	90.93	10.00	474.6	3,541.6
			1,611.8			1,595.8	5,409.1
Feb.	3 Months	...	975.1	97.68	9.50	786.7	1,789.1
	6 Months	...	49.6	95.36	9.75	144.1	172.4
	1 Year	...	377.8	90.93	10.00	283.9	3,635.5
			1,402.5			1,214.7	5,597.0
Mar.	3 Months	...	1,160.3	97.68	9.50	1,095.4	1,854.0
	6 Months	...	179.2	95.36	9.75	221.2	130.4
	1 Year	...	173.6	90.93	10.00	583.6	3,225.4
			1,513.1			1,900.2	5,209.8
April	3 Months	...	1,032.2	97.44	10.50	1,142.0	1,744.2
	6 Months	...	416.2	94.91	10.75	95.4	451.2
	1 Year	...	259.0	90.11	11.00	47.2	3,437.2
			1,707.4			1,284.6	5,632.6
May	3 Months	...	1,033.7	97.44	10.50	912.2	1,865.7
	6 Months	...	105.5	94.91	10.75	138.8	417.9
	1 Year	...	26.6	90.11	11.00	14.0	3,449.8
			1,163.8			1,065.0	5,733.4
June	3 Months	...	1,543.9	97.44	10.50	1,538.7	1,870.9
	6 Months	...	515.2	94.91	10.75	215.0	718.1
	1 Year	...	26.9	90.11	11.00	117.8	3,358.9
			2,086.0			1,871.5	5,947.9

Table 2.15: Foreign Exchange Rates

(Rupees)

Country	Currency and Unit	Dec. 1987		March 1988		June 1988		Sept. 1988		Dec. 1988		March 1989		June 1989	
		Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
Australia ...	\$ 1	8.60	8.90	9.24	9.56	10.76	11.14	11.00	11.38	11.61	12.02	12.09	12.51	11.63	12.04
China (Rep.) ...	Yuan 1	3.29	3.40	3.39	3.51	3.74	3.87	3.83	3.96	3.71	3.84	4.01	4.15	4.15	3.30
France & Reunion ...	Fr 1	2.229	2.264	2.238	2.273	2.260	2.255	2.212	2.247	2.264	2.300	2.334	2.371	2.34	2.38
Germany ...	Dm 1	7.551	7.73	7.58	7.76	7.561	7.74	7.522	7.70	7.717	7.90	7.874	8.06	7.94	8.13
Hong Kong ...	\$ 1	1.54	1.59	1.60	1.66	1.75	1.81	1.80	1.86	1.74	1.80	1.89	1.96	1.97	2.04
India ...	Rs 100	96.00	100.00	99.00	103.00	100.00	104.00	100.00	104.00	0.93	0.97	0.98	1.02	0.97	1.01
Italy ...	Lira 1000	10.19	10.60	10.19	10.60	10.10	10.50	10.00	10.40	10.38	10.80	10.67	11.10	10.87	11.30
Japan ...	Yen 100	9.761	9.98	10.103	10.33	10.397	10.63	10.563	10.80	10.954	11.20	11.228	11.48	10.84	11.08
Kenya ...	Shs 100	72.64	75.55	73.96	76.92	73.97	79.01	76.33	79.38	73.74	76.69	76.52	79.58	73.59	76.53
Malagasy Rep. ...	Frs 100	1.38	1.45	1.36	1.43	1.35	1.42	1.32	1.39	1.20	1.26	1.23	1.29	1.23	1.29
Malawi ...	Kwacha 1	5.66	6.00	4.92	5.21	5.04	5.34	5.05	5.35	5.13	5.44	5.30	5.62	5.24	5.55
New Zealand ...	\$ 1	7.91	8.19	8.17	8.46	9.29	9.61	8.71	9.02	8.60	8.90	9.13	9.45	8.90	9.21
Pakistan ...	Rs 100	68.57	72.00	71.43	75.00	76.19	80.00	77.14	81.00	73.33	77.00	75.24	79.00	74.29	78.00
Seychelles ...	Re 1	2.33	2.45	2.41	2.53	2.50	2.63	2.46	2.58	2.49	2.61	2.58	2.71	2.59	2.72
Singapore ...	\$ 1	5.94	6.18	6.21	6.46	6.63	6.90	6.85	7.12	6.93	7.21	7.48	7.78	7.80	8.11
South Africa ...	Rand 1	6.23	6.48	5.91	6.15	5.89	6.13	5.66	5.89	5.69	5.92	5.76	5.99	5.56	5.78
Switzerland ...	Fr 1	9.340	9.55	9.184	9.39	9.145	9.35	8.900	9.10	9.115	9.32	9.027	9.23	9.28	9.49
Tanzania ...	Shs 100	15.76	16.55	14.18	14.89	14.50	15.23	14.22	14.93	11.71	12.30	11.88	12.47	11.99	12.59
Uganda ...	Shs 100	21.30	22.36	21.69	22.77	22.70	23.84	10.13	10.64	9.04	9.49	8.17	8.58	8.57	9.00
United States*	\$ 1*	12.148	12.299	12.754	12.912	13.918	14.091	14.275	14.452	13.802	13.974	14.990	15.176	15.58	15.77
United Kingdom ...	£ 1	22.520	22.745	23.706	23.943	23.772	24.010	24.004	24.244	24.919	25.168	25.274	25.527	24.29	24.53
Zambia ...	Kwacha 1	1.47	1.56	1.53	1.62	1.62	1.72	1.71	1.81	1.33	1.41	1.39	1.47	1.39	1.47
Zimbabwe ...	\$ 1	7.08	7.51	7.10	7.53	7.25	7.68	7.20	7.63	6.86	7.27	7.18	7.61	7.07	7.49

* above \$ 12 000

Source: Mauritius Bankers Association.

Table 3.1: Foreign Exchange Reserves

(Rs million)

	<i>Bank of Mauritius</i>	<i>Gout.</i>	<i>Statutory Bodies</i>	<i>Commercial Banks</i>			<i>TOTAL</i>
				<i>Assets (1)</i>	<i>Liabilities (2)</i>	<i>Net (1) - (2)</i>	
1985 April ...	517.7	0.5	6.1	261.6	67.8	+193.8	718.1
May ...	518.7	1.6	6.3	330.8	78.8	+252.0	778.6
June ...	465.2	0.8	6.4	482.8	103.2	+379.6	852.0
July ...	313.8	6.2	6.9	429.3	170.5	+258.8	585.7
August ...	384.2	1.5	6.7	428.3	130.3	+298.0	690.4
September ...	439.5	0.1	6.6	524.3	169.8	+354.5	801.7
October ...	423.6	0.4	7.0	517.1	185.7	+331.4	762.4
November ...	368.9	0.6	7.1	522.0	187.0	+335.0	711.6
December ...	472.1	0.5	6.9	588.1	185.6	+402.5	882.0
1986 January ...	532.3	1.2	6.7	472.0	104.0	+348.0	888.2
February ...	634.7	0.7	6.7	452.9	140.9	+312.0	954.1
March ...	999.0	0.8	7.1	470.0	119.2	+350.8	1,357.7
April ...	688.1	2.3	7.1	443.4	64.3	+379.1	1,076.6
May ...	668.9	0.4	7.1	469.2	41.2	+428.0	1,104.4
June ...	774.4	0.9	7.3	547.8	22.5	+525.3	1,307.9
July ...	897.5	1.4	7.0	562.8	64.7	+498.1	1,404.0
August ...	1,078.6	1.5	6.9	619.1	53.2	+565.9	1,652.9
September ...	1,241.9	0.8	6.9	617.1	66.7	+550.4	1,800.0
October ...	1,370.5	1.2	6.8	652.7	39.7	+613.0	1,991.5
November ...	1,670.0	1.0	6.9	588.6	32.9	+555.7	2,233.6
December ...	1,830.4	1.2	7.2	645.9	35.1	+610.8	2,449.6
1987 January ...	1,884.4	0.3	7.2	203.6	39.2	+164.4	2,056.3
February ...	2,302.4	1.1	7.4	170.0	36.2	+133.8	2,444.7
March ...	2,577.9	9.3	7.6	152.5	38.0	+114.5	2,709.3
April ...	2,680.7	8.8	8.0	134.6	34.1	+100.5	2,798.0
May ...	2,768.3	1.1	8.0	176.4	47.1	+129.3	2,906.7
June ...	3,036.5	0.2	8.2	194.1	45.9	+148.2	3,193.1
July ...	2,898.4	0.9	8.3	218.0	118.2	+99.8	3,007.4
August ...	3,431.1	1.0	8.4	181.9	60.5	+121.4	3,561.9
September ...	3,500.9	0.2	8.7	213.5	51.1	+162.4	3,671.6
October ...	3,630.8	0.5	8.8	186.9	59.9	+127.0	3,767.1
November ...	3,716.1	3.0	9.0	219.0	67.2	+151.8	3,879.9
December ...	4,224.6	3.6	9.0	306.4	65.5	+240.9	4,478.1
1988 January ...	4,364.4	2.2	9.0	306.4	81.6	+224.8	4,600.4
February ...	4,817.5	2.2	9.0	275.9	97.7	+178.2	5,006.9
March ...	5,347.6	1.4	9.0	251.8	96.2	+155.6	5,513.6
April ...	5,321.3	2.2	—	300.9	116.9	+184.0	5,507.5
May ...	5,261.2	2.2	—	270.5	107.2	+163.3	5,426.7
June ...	5,292.5	1.2	—	364.9	111.3	+253.6	5,547.3
July ...	5,468.3	2.0	—	348.5	131.8	+216.7	5,687.0
August ...	5,870.0	2.8	—	278.8	126.5	+152.3	6,025.1
September ...	5,749.1	2.6	—	279.5	139.7	+139.8	5,891.5
October ...	5,805.4	1.6	—	305.8	130.4	+175.4	5,982.4
November ...	5,785.9	4.5	—	403.9	106.2	+297.7	6,088.1
December ...	6,174.2	3.6	—	364.3	114.4	+249.9	6,427.7
1989 January ...	6,406.9	2.5	—	412.1	83.2	+328.9	6,738.3
February ...	6,752.5	2.6	—	352.9	96.5	+256.4	7,011.5
March ...	6,824.6	3.1	—	322.3	98.0	+224.3	7,052.0
April ...	6,869.8	1.8	—	315.4	89.1	+226.3	7,097.9
May ...	6,730.2	2.6	—	343.4	110.4	+233.0	6,965.7
June ...	6,796.6	1.0	—	324.4	126.3	+198.1	6,995.7

Table 3.2: Exports — Principal Countries of Destination

(Rs million)

	1987	1988*	1986				1987				1988*				1989*	
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
United Kingdom ...	4,076	4,799	610	460	1,243	1,091	734	620	1,389	1,333	1,238	782	1,432	1,347	1,342	810
France ...	2,945	3,025	538	458	489	636	794	798	631	722	618	905	734	768	700	946
United States of America	1,699	1,793	333	350	388	386	420	394	510	375	362	397	614	420	436	517
Germany (Fed. Rep.) ...	907	1,273	124	131	227	179	135	184	301	287	235	336	366	336	238	334
Italy ..	299	504	39	68	48	52	49	72	75	103	94	88	144	178	115	152
Réunion ..	266	277	41	40	63	68	49	75	69	75	57	70	75	75	53	67
Belgium ...	197	307	32	42	51	54	35	52	54	56	49	71	86	101	69	99
Netherlands ...	175	161	22	29	33	66	42	49	47	37	29	45	48	39	156	42
Republic of South Africa	48	65	3	7	8	8	12	9	10	16	9	13	20	23	13	35
Canada ...	284	231	39	25	71	32	13	125	20	126	121	18	65	27	15	78
Australia ...	25	22	11	7	4	12	5	6	5	9	6	7	5	4	9	6
Malagasy Republic ...	16	28	1	2	5	4	1	5	2	7	11	5	6	6	10	11
Other ...	560	969	87	106	128	112	89	247	108	116	127	186	419	237	171	494
TOTAL ...	11,497	13,454	1,880	1,725	2,758	2,700	2,378	2,636	3,221	3,262	2,956	2,923	4,014	3,561	3,327	3,591

* Provisional

Source: Central Statistical Office, Government of Mauritius.

Table 3.3: Direction of EPZ Exports

(Rs million)

<i>Country</i>	1986	1987*	1988*	3rd Qr.* 1987	4th Qr.* 1987	1st Qr.* 1988	2nd Qr.* 1988	3rd Qr.* 1988	4th Qr.* 1988	1st Qr.* 1989	2nd Qr.* 1989
EEC Countries ...	3,378.7	4,748.8	6,139.7	1,387.7	1,398.3	1,163.0	1,627.0	1,668.4	1,681.3	1,365.5	1,874.0
of which:											
France	1,619.0	2,496.0	2,802.7	662.0	750.0	583.0	832.0	660.6	727.1	634.1	864.3
Belgium	164.0	172.0	282.5	50.0	48.0	39.0	64.0	83.4	96.1	63.0	92.7
Federal Republic of Germany	649.0	892.0	1,238.9	299.0	283.0	227.0	327.0	362.2	322.7	230.5	320.1
United Kingdom	512.0	698.0	1,020.1	222.0	211.0	173.0	248.0	303.1	296.0	268.2	355.2
Netherlands	94.0	125.0	129.5	42.0	29.0	25.0	35.0	43.3	26.2	36.4	41.7
Italy	198.0	244.0	438.2	60.0	77.0	78.0	71.0	134.7	154.5	93.6	140.0
Other	142.7	121.8	227.8	52.7	0.3	38.0	50.0	81.1	58.7	39.7	60.0
Non-EEC Countries ...	1,572.3	1,951.2	2,036.3	568.1	531.4	384.0	442.0	681.6	528.7	476.2	664.4
of which:											
U.S.A.	1,335.0	1,620.0	1,672.6	507.0	357.0	316.0	378.0	580.8	395.8	356.7	508.0
Hong Kong	49.0	18.0	32.4	4.0	5.0	4.0	3.0	5.9	19.5	6.6	8.4
Sweden	2.0	6.1	29.7	1.7	1.9	4.0	2.0	9.5	14.2	15.8	19.7
Switzerland	34.0	46.0	74.6	12.0	19.0	16.0	12.0	25.0	21.6	19.1	24.1
Other	152.3	261.1	227.0	43.4	148.5	42.0	47.0	60.4	77.6	78.0	104.2
TOTAL	4,951.0	6,700.0	8,176.0	1,955.8	1,929.7	1,547.0	2,069.0	2,350.0	2,210.0	1,841.7	2,538.4

* Provisional.

Source: Central Statistical Office, Government of Mauritius.

Table 3.4: EPZ Exports and Imports by Main Commodities

(Rs million)

	1987*	1988*	2nd Qr.* 1987	3rd Qr.* 1987	4th Qr.* 1987	1st Qr.* 1988	2nd Qr.* 1988	3rd Qr.* 1988	4th Qr.* 1988	1st Qr.* 1989	2nd Qr.* 1989
Total EPZ Imports ...	4,801.0	5,891.0	1,191.0	1,326.0	1,303.0	1,384.0	1,543.0	1,398.0	1,566.0	1,555.0	1,928.0
of which:											
Raw Materials ...	(4,206.0)	(5,057.0)	(1,035.0)	(1,163.0)	(1,142.0)	(1,179.0)	(1,295.0)	(1,220.0)	(1,363.0)	(1,423.0)	(1,699.0)
Machinery and Equipment ..	(595.0)	(834.0)	(156.0)	(163.0)	(161.0)	(205.0)	(248.0)	(178.0)	(203.0)	(132.0)	(229.0)
Total EPZ Exports ...	6,567	8,176	1,617.0	1,956.0	1,930.0	1,547.0	2,069.0	2,350.0	2,210.0	1,842.0	2,538.0
of which:											
Canned Tuna ...	(100.0)	(172.0)	(34.0)	(29.0)	(23.0)	(37.0)	(35.0)	(53.0)	(47.0)	(40.0)	(51.0)
Yarn ...	(138.0)	(181.0)	(27.0)	(48.0)	(46.0)	(29.0)	(37.0)	(44.0)	(71.0)	(76.0)	(90.0)
Pearls and precious stones ...	(185.0)	(301.0)	(41.0)	(47.0)	(60.0)	(22.0)	(67.0)	(83.0)	(129.0)	(90.0)	(102.0)
Garments ...	(5,407.0)	(6,446.0)	(1,319.0)	(1,588.0)	(1,512.0)	(1,219.0)	(1,644.0)	(1,916.0)	(1,667.0)	(1,349.0)	(1,943.0)
Watch movements assembled	(337.0)	(563.0)	(90.0)	(77.0)	(108.0)	(113.0)	(160.0)	(129.0)	(161.0)	(140.0)	(178.0)
Baby carriages, toys and sporting goods ...	(78.0)	(85.0)	(24.0)	(21.0)	(16.0)	(19.0)	(22.0)	(21.0)	(23.0)	(24.0)	(27.0)
Other ...	(322.0)	(428.0)	(82.0)	(146.0)	(191.0)	(108.0)	(104.0)	(104.0)	(112.0)	(123.0)	(147.0)

* Provisional.

Source: Central Statistical Office, Government of Mauritius.

Table 3.5: Imports and Exports — Major Commodity Groups

(Rs million)

Imports (c.i.f. Value)	1987	1988*	1987				1988*				1989*	
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Food and live animals	1,471	1,746	359	322	384	406	411	389	438	508	571	583
Beverages and tobacco	59	66	9	13	12	23	14	12	16	24	15	14
Crude materials, inedible except fuel ...	407	523	79	123	104	101	155	138	123	107	178	198
Mineral fuels, lubricants and related materials	977	1,009	216	190	279	292	211	277	292	229	328	343
Animal and vegetable oils and fats ...	147	164	18	48	19	62	19	49	32	64	52	53
Chemicals	829	1,083	149	229	220	231	216	265	298	304	286	301
Manufactured goods classified chiefly by materials	5,211	6,131	963	1,236	1,520	1,492	1,402	1,409	1,605	1,715	1,600	1,865
Machinery and transport equipment ...	2,885	5,128	505	773	727	880	794	2,567	847	920	938	1,001
Miscellaneous manufactured articles ...	1,039	1,362	198	229	270	342	310	315	313	424	333	436
Commodities and transaction not classified according to kind	14	37	2	1	9	2	4	8	6	19	18	26
TOTAL	13,037	17,249	2,498	3,164	3,544	3,831	3,536	5,429	3,970	4,314	4,319	4,820
Exports (f.o.b. Value)												
Sugar	4,330	4,449	1,055	887	1,174	1,214	1,223	647	1,480	1,099	1,295	785
Molasses	81	90	10	2	31	38	18	3	18	51	4	18
Tea	90	87	32	23	15	20	34	27	9	17	27	33
Export Processing Zone Products ...	6,566	8,176	1,197	1,617	1,889	1,863	1,547	2,069	2,350	2,210	1,842	2,538
Other	269	400	49	61	126	139	74	126	86	115	90	94
Re-exports	161	245	35	46	48	32	60	51	65	69	69	123
TOTAL	11,497	13,447	2,378	2,636	3,283	3,306	2,956	2,923	4,008	3,561	3,327	3,591
Bunkers and ships' Stores (f.o.b. value)												
	430	450	85	114	115	115	105	105	105	135	120	120

* Provisional

Source: Central Statistical Office, Government of Mauritius.

Table 3.6: Merchandise Imports

c.i.f. (Rs million)

SITC Code	Standard International Trade Classification	1986	1987	1988*	1st half 1988*	1st half 1989+
00	Food and Live Animals	1,182.2	1,470.7	1,745.6	800.0	1,153.0
	Meat and Meat Preparations	148.0	204.7	204.7	83.7	122.4
	Dairy Products and Eggs	211.0	254.9	322.6	131.0	212.2
	Milk and Cream	(160.5)	(195.5)	(254.9)	(107.5)	(178.8)
	Fish and Fish Preparations	107.4	95.7	106.9	46.1	61.1
	Cereals and Cereal Preparations	445.6	506.9	621.0	324.5	466.6
	Rice	(162.8)	(209.2)	(299.5)	(172.7)	(226.2)
	Flour	(199.0)	(189.0)	(217.9)	(120.0)	(145.1)
	Other	(83.8)	(108.7)	(103.6)	(31.8)	(95.3)
	Fruits and Vegetables	113.1	178.2	200.5	88.0	133.3
	Vegetables	(77.9)	(128.9)	(130.3)	(73.1)	(82.0)
	Feeding Stuff for Animals	43.4	54.5	71.5	20.2	51.9
	Other	113.7	175.8	211.7	106.5	105.5
01	Beverages and Tobacco	33.7	57.4	66.1	26.3	29.1
	Alcoholic Beverages	25.0	42.8	47.7	18.6	18.5
	Unmanufactured Tobacco	3.4	3.7	6.9	2.4	4.7
	Other	5.3	10.9	11.5	5.3	5.9
02	Crude Materials, Inedible, except Fuels	365.9	407.7	523.2	293.3	376.6
03	Mineral Fuels, Lubricants & Related Materials	706.5	978.0	1,008.6	488.0	670.7
	Petroleum Products, Refined	634.6	881.0	866.0	405.1	587.1
	Other	71.9	97.0	142.6	82.9	83.6
04	Animal and Vegetable Oils and Fats	158.7	146.6	163.0	67.4	105.6
	Vegetable Edible Oils	108.0	99.7	112.1	38.8	73.6
	Other	50.7	46.9	50.9	28.6	32.0
05	Chemicals and related materials	597.6	830.5	1,082.9	480.6	586.6
	Organic Chemicals	55.4	63.9	90.8	37.3	55.0
	Inorganic Chemicals	63.3	100.5	105.9	46.3	46.7
	Dyeing, Tanning and Colouring Materials	76.2	104.4	139.5	60.9	64.1
	Medical and Pharmaceutical Products	103.8	152.0	207.1	98.9	117.0
	Fertilizers Manufactured	74.5	76.5	81.2	42.8	75.7
	Artificial Resins and Plastic Materials and Cellulose Esters and Ethers	90.4	143.0	76.3	27.9	35.4
	Other	(134.0)	190.2	378.8	166.5	192.7
06	Manufactured Goods classified chiefly by material	3,830.4	5,211.6	6,130.0	2,811.0	3,365.7
	Rubber, Wood, Cork, Paper and Paper Board Manufactures	258.2	332.5	513.5	196.1	226.6
	Textile Yarn, Fabrics, made-up articles and related products	2,520.0	3,584.5	3,971.8	1,884.5	2,313.4
	Lime, Cement and Fabricated Constructions material	200.7	174.4	185.6	85.2	153.4
	Iron and Steel	257.0	288.8	443.7	164.7	214.7
	Manufactures of Metal	552.0	379.4	442.9	228.0	166.0
	Other	342.5	452.0	567.4	252.5	391.6
07	Machinery and Transport Equipment	1,583.3	2,885.3	3,353.0	1,585.6	1,939.7
	Machinery specialized for particular industries	532.3	710.7	1,036.9	509.1	469.6
	General Industrial Machinery	222.1	289.7	405.2	190.4	246.5
	Electric Machinery, apparatus and appliances, and parts	231.5	324.1	311.4	154.6	164.1
	Road Motor Vehicles and Parts	259.1	563.4	647.0	353.9	360.5
	Other	338.3	997.9	902.5	377.6	699.0
08	Miscellaneous Manufactured Articles	732.5	1,039.9	1,362.6	624.8	768.6
	Articles of Apparel and Clothing Accessories	40.8	104.3	148.0	61.2	96.5
	Professional and Scientific Instruments	43.9	66.4	104.4	52.4	65.7
	Other	647.8	869.2	1,110.5	516.4	606.4
09	Commodities and Transactions not classified in the S.I.T.C.	8.0	14.4	37.0	11.0	44.0
	TOTAL	9,199.0	13,042.6	15,472.0±	7,188.4±	9,139.6

* Revised

+ Provisional

± Excluding Imports of aircrafts

Source: Central Statistical Office, Government of Mauritius.

Table 3.7: Imports — Main Sources of Supply

(c.i.f. Rs million)

	1986	1987	1988*	1986		1987		1988*		1989*
				1st half	2nd half	1st half	2nd half	1st half	2nd half	1st half
Bahrain	307.0	328.0	366.8	178.0	129.0	126.0	202.0	190.2	176.6	283.2
France	1,238.0	1,699.0	2,132.7	551.0	687.0	799.0	900.0	1,013.1	1,119.6	1,252.8
United Kingdom	706.0	1,058.0	1,258.6	327.0	379.0	474.0	584.0	559.3	699.3	614.7
Republic of South Africa	9,131.0	1,110.0	1,481.9	426.0	488.0	508.0	602.0	640.1	841.8	785.7
Japan	672.0	1,279.0	1,280.8	304.0	368.0	508.0	771.0	681.9	598.9	731.1
Australia	234.0	347.0	445.6	121.0	133.0	174.0	173.0	233.6	212.0	269.2
China (Mainland)	460.0	692.0	671.2	210.0	250.0	275.0	471.0	257.2	414.0	476.6
Federal Republic of Germany	530.0	733.0	902.0	248.0	282.0	357.0	376.0	403.8	498.2	713.0
Italy	342.0	426.0	514.5	173.0	169.0	186.0	240.0	226.3	288.2	244.8
United States of America	172.0	227.0	298.0	87.0	85.0	117.0	110.0	167.3	131.0	134.5
Kenya	86.0	54.0	55.0	39.0	47.0	25.0	29.0	21.4	33.6	29.0
New Zealand	214.0	221.0	213.3	116.0	98.0	110.0	111.0	125.2	88.1	141.6
India	281.0	492.0	642.8	137.0	144.0	184.0	308.0	312.0	330.8	350.7
China (Taiwan)	417.0	685.0	764.7	169.0	248.0	304.0	381.0	340.3	424.4	480.5
Malaysia	141.0	197.0	238.9	68.0	73.0	88.0	109.0	100.9	138.0	171.5
Korea (Republic)	260.0	415.0	382.3	112.0	148.0	178.0	237.0	198.7	183.6	154.8
Hong Kong	625.0	823.0	941.6	269.0	356.0	338.0	485.0	427.1	514.5	431.9
Singapore	186.0	312.0	445.2	67.0	119.0	107.0	205.0	200.1	245.1	214.1
Burma	7.0	26.0	6.4	3.0	4.0	24.0	2.0	2.0	4.4	47.8
Belgium	144.0	138.0	245.9	70.0	74.0	57.0	81.0	101.9	144.0	220.1
Netherlands	92.0	107.0	121.1	46.0	46.0	36.0	71.0	63.6	57.5	96.4
Pakistan	103.0	167.0	318.4	39.0	64.0	66.0	101.0	173.8	144.6	173.3
Kuwait	284.0	498.0	439.5	155.0	129.0	227.0	271.0	184.0	255.5	260.3
Other	754.0	1,008.6	1,305.0	355.0	409.0	396.0	612.0	564.7	740.3	862.0
TOTAL	9,199.0	13,042.6	15,472.5**	4,270.0	4,929.0	5,664.0	7,378.0	7,188.5**	8,284.0	9,139.6

* Revised

** Excluding Imports of Aircrafts

Source: Central Statistical Office, Government of Mauritius.

Table 3.8: Export and Import Price Indices

<i>Period</i>	<i>Price Indices with previous year = 100</i>	
	<i>Export</i>	<i>Import</i>
1976	100	100
1977	98	109
1978	98	106
1979	113	120
1980	138	146
1981	108	117
1982	100	100
1983	107	98
1984	119	110
1985	136	121
1986	144	98
1987	161	102
1988	172	111

Source: Central Statistical Office, Government of Mauritius.

Note: From 1983 onwards indices are worked out on the basis of a constant base year (1982 = 100)

Table 3.9 (a): Tourist Earnings

(Rs million)

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
Tourist Earnings	260	325	433	450	503	631	845	1,190	1,786	2,381

Table 3.9 (b): Tourist Arrivals* by country of residence

Country of residence	1982	1983	1984	1985	1986	1987	1988	1st half 1988	1st half 1989**
Reunion	30,220	30,180	32,300	35,630	40,820	47,970	56,930	24,560	28,400
South Africa, Rep. of ...	22,630	27,150	31,560	27,410	26,630	30,960	35,860	17,200	18,160
France	22,450	22,050	25,460	27,470	32,380	44,200	50,240	22,680	25,660
Malagasy Republic ...	7,090	8,110	7,780	6,710	6,180	7,190	6,770	3,690	3,820
Germany Fed. Rep. of ...	7,040	6,960	7,890	8,920	9,120	13,780	15,130	7,120	7,940
United Kingdom ...	5,780	5,860	5,760	7,110	8,500	11,790	13,780	5,740	6,400
Italy	5,690	5,520	6,170	6,830	9,110	12,240	14,960	6,720	7,480
Switzerland	1,560	2,570	5,440	6,480	7,390	8,180	9,080	3,900	4,300
Zimbabwe	910	1,730	1,800	1,900	2,740	2,370	2,900	1,200	1,530
India	1,840	1,710	2,540	2,980	2,480	2,980	4,220	2,010	2,090
Australia	2,680	1,680	1,580	2,460	1,360	3,150	2,310	1,350	1,310
U.S.A.	960	1,020	1,130	1,460	2,270	1,880	1,470	780	900
Zambia	1,050	720	680	400	290	860	2,590	970	1,070
Kenya	680	690	700	780	770	1,020	1,260	430	530
Seychelles	560	560	340	770	790	1,090	1,950	660	780
Singapore	—	10	90	980	1,360	1,030	1,340	560	710
Other countries ...	4,220	7,310	8,540	11,550	13,120	16,880	18,510	8,360	8,820
All countries ...	118,360	123,820	139,670	148,860	165,310	207,570	239,300	107,930	119,900

Table 3.9 (c): Average Stay

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
Nights	11.1	11.3	11.2	11.8	11.4	11.0	12.0	11.4	11.4	11.4

* As from January 1979, owing to the increase in the volume of passenger traffic, the compilation of tourist arrivals is based on a 10 per cent sample.

** Provisional

Source: Central Statistical Office, Government of Mauritius.

Table 3.10: Balance of Payments

(Rs million)

ITEM	1983		1984		1985		1986		1987		1988 (Revised Estimates)	
	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit	Credit	Debit
A. GOODS AND SERVICES	5982	6513	7029	8136	8925	9940	11995	11412	15819	15854	18965	20938
1. Merchandise	4346	4512	5201	5723	6639	7050	9056	8286	11493	11692	13437	15598
2. Non-monetary gold	—	4	—	4	—	—	—	8	—	9	—	30
3. Freight and insurance on merchandise	34	648	26	801	30	1027	38	998	43	1412	49	1563
4. Other transportation	678	302	751	349	955	468	1105	460	1575	754	1871	1029
5. Travel	503	238	631	247	845	292	1190	350	1786	661	2381	857
6. Investment income	29	514	40	666	30	730	76	805	180	713	357	950
on direct investment	(8)	(5)	(10)	(38)	(4)	(19)	(15)	(114)	(4)	(135)	(22)	(215)
Other	(21)	(509)	(30)	(628)	(26)	(711)	(61)	(691)	(176)	(578)	(335)	(735)
7. Other government	53	39	64	68	74	41	50	70	72	83	75	121
8. Other private	339	256	316	278	352	326	480	435	670	530	795	790
B. UNREQUITED TRANSFERS	374	80	466	75	632	76	755	85	968	118	1391	145
9. Private	(256)	(65)	(324)	(57)	(401)	(65)	(470)	(68)	(662)	(99)	(1083)	(121)
10. Government	(118)	(15)	(142)	(18)	(231)	(11)	(285)	(17)	(346)	(19)	(308)	(24)
NET TOTAL OF GOODS, SERVICES AND TRANSFERS	—	237	—	716	—	459	1253	—	815	—	—	727
C. CAPITAL (EXCLUDING RESERVES AND RELATED ITEMS)	—	435	163	—	—	73	35	—	733	—	1633	—
NON-MONETARY SECTORS	—	438	200	—	177	—	243	—	1031	—	1841	—
11—12. Direct investment and other private long-term	153	122	208	106	350	129	488	118	943	186	2344	219
Direct investment liabilities	(19)	(—)	(68)	(—)	(124)	(—)	(100)	(—)	(221)	(—)	(317)	(—)
Other	(134)	(122)	(140)	(106)	(226)	(129)	(388)	(118)	(722)	(186)	(2027)	(219)
13. Other private short-term	—	(223)	149	—	—	200	—	112	14	—	—	77
14. Local Government	—	—	—	—	—	—	—	—	—	—	—	—
15. Central Government	370	616	607	658	697	541	380	395	701	441	1028	1235
Loans received	(370)	(616)	(607)	(658)	(697)	(541)	(380)	(395)	(701)	(441)	(1028)	(1235)
Other Liabilities	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
Assets	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
MONETARY SECTORS	3	—	—	37	—	250	—	208	—	298	—	208
16. Private institutions	51	48	51	88	55	395	53	261	30	328	49	257
Liabilities	(51)	(—)	(51)	(—)	(55)	(—)	(53)	(—)	(30)	(—)	(49)	(—)
Assets	(—)	(48)	(—)	(88)	(—)	(305)	(—)	(261)	(—)	(328)	(—)	(257)
17. Central Institutions	—	—	—	—	—	—	—	—	—	—	—	—
D. ALLOCATION OF SDRs	—	—	—	—	—	—	—	—	—	—	—	—
E. RESERVES AND RELATED ITEMS	510	—	290	—	—	258	—	1716	—	2788	—	2466
19. Liabilities	325	—	430	—	—	196	—	357	—	389	—	525
Use of Fund credit	(172)	(—)	(—)	(110)	(—)	(187)	(—)	(257)	(—)	(389)	(—)	(525)
Other	(153)	(—)	(540)	(—)	(—)	(9)	(—)	(100)	(—)	(—)	(—)	(—)
20. Assets	185	—	—	140	—	62	—	1359	—	2399	—	1941
Monetary gold	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
SDRs	(19)	(—)	(—)	(—)	(—)	(—)	(—)	(7)	(—)	(64)	(2)	(—)
Reserve Position in the Fund	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
Foreign Exchange	(166)	(—)	(—)	(140)	(—)	(61)	(—)	(1351)	(—)	(2330)	(—)	(1952)
Other claims	(—)	(—)	(—)	(—)	(—)	(1)	(—)	(1)	(—)	(5)	(9)	(—)
NET ERRORS AND OMISSIONS	162	—	263	—	790	—	428	—	1240	—	1560	—

Table 4.1: Gross National Product by industrial origin at current factor cost
NEW S.N.A. SERIES

(Rs million)

	1983	1984	1985	1986	1987 ¹	1988 ²	1989 ³
1. Agriculture, hunting, forestry and fishing	1,465	1,736	2,123	2,510	2,884	3,067	3,170
2. Mining and quarrying	18	19	20	22	25	27	30
3. Manufacturing	1,678	2,183	2,864	3,830	4,841	5,498	6,445
4. Electricity, gas and water	245	296	397	462	490	500	560
5. Construction	655	690	775	880	1,045	1,370	1,650
6. Wholesale & retail trade, and restaurants & hotels	1,455	1,640	1,834	2,300	2,962	3,813	4,630
of which wholesale & retail trade	(1,180)	(1,340)	(1,494)	(1,885)	(2,427)	(3,154)	(3,821)
7. Transport, storage and Communications	1,230	1,372	1,510	1,775	2,075	2,395	2,785
8. Financing, insurance, real estate and business services	1,890	2,050	2,190	2,335	2,482	2,723	3,050
of which Ownership of dwellings	(1,360)	(1,460)	(1,535)	(1,580)	(1,610)	(1,715)	(1,860)
9. Producers of government services	1,327	1,379	1,447	1,560	2,035	2,575	2,650
10. Other Services	650	685	720	776	856	960	1,075
Gross Domestic Product at factor cost	10,613	12,050	13,880	16,450	19,695	22,928	26,045
Net factor income from the rest of the world	—485	—626	—700	—729	—538	—600	—300
Gross National Product at factor cost	10,128	11,424	13,180	15,721	19,157	22,328	25,745

¹ Final Estimates

² Provisional Estimates

³ Revised Forecast

Source: Central Statistical Office, Government of Mauritius.

Table 4.2: Distribution of the Gross Domestic Product at current prices
NEW S.N.A. SERIES

(Rs million)

	1982	1983	1984	1985	1986	1987 ¹	1988 ²	1989 ³
Compensation of employees	4,975	5,400	5,915	6,570	7,365	8,895	10,835	12,130
of which General Government ...	(1,494)	(1,547)	(1,604)	(1,680)	(1,812)	(2,370)	(2,935)	(3,025)
Operating surplus	5,045	5,213	6,135	7,310	9,085	10,800	12,093	13,915
Consumption of fixed capital ... ..	..	..	..	..	..	..	..	..
Gross Domestic Product at factor cost ...	10,020	10,613	12,050	13,880	16,450	19,695	22,928	26,045
Indirect taxes (net of subsidies) ...	1,705	2,150	2,310	2,738	3,250	3,881	4,632	5,120
Gross Domestic Product at market prices	11,725	12,763	14,360	16,618	19,700	23,576	27,560	31,165

Table 4.3: Expenditure on Gross National Product at current prices
NEW S.N.A. SERIES

(Rs million)

	1982	1983	1984	1985	1986	1987 ¹	1988 ²	1989 ³
Private consumption expenditure on goods and services	8,301	8,874	9,841	11,118	12,000	14,395	17,050	20,300
General government consumption expenditure on goods and services ...	1,624	1,706	1,835	1,915	2,076	2,722	3,390	3,550
Gross domestic fixed capital formation of private enterprises	1,345	1,485	1,770	2,100	2,515	3,375	4,610	5,430
Gross domestic fixed capital formation of government & public enterprises ...	755	815	825	1,000	1,375	1,715	3,384 ⁴	2,395
Increase in stocks	+ 30	— 71	+570	+800	+422	+871	+512	+530
Consumption & Gross Capital Formation	12,055	12,809	14,841	16,933	18,388	23,078	28,942	32,205
Net export of goods and non-factor services	—330	— 46	—481	—315	+1,312	+498	—1,382	—1,040
Net factor income from the rest of the world	—498	—485	—626	—700	—729	—538	—600	—300
Indirect taxes (net of subsidies) ...	—1,705	—2,150	—2,310	—2,738	—3,250	—3,881	—4,632	—5,120
Gross National Product at factor cost ...	9,522	10,128	11,424	13,180	15,721	19,157	22,328	25,745

¹ Final Estimates

² Provisional Estimates

³ Revised Forecast

⁴ Includes purchases of two aircrafts.

Source: Central Statistical Office, Government of Mauritius.

**Table 4.4: Gross Domestic Product by kind of economic activity at
constant 1987 prices, 1987-1989**

(Rs million)

	1987 ¹	1988 ²	1988 ³
Agriculture, hunting, forestry and fishing ...	2,884	2,732	2,557
Mining and quarrying	25	26	27
Manufacturing	4,841	5,178	5,535
Electricity, gas and water	490	490	549
Construction	1,045	1,223	1,321
Wholesale and retail trade and restaurants and hotels ...	2,962	3,312	3,508
of which wholesale and retail trade ...	(2,427)	(2,713)	(2,849)
Transport, storage and communication ...	2,075	2,262	2,398
Financing, insurance, real estate and business services	2,482	2,599	2,699
of which ownership of dwellings ...	(1,610)	(1,644)	(1,677)
Producers of government services	2,035	2,116	2,179
Other services	856	907	952
Gross Domestic Product at factor cost ...	19,695	20,845	21,725
% annual growth rate of Real Gross Domestic Product ...	+ 8.4%	+ 5.8%	+ 4.2%

¹ Final Estimates

² Provisional Estimates

³ Revised Forecast

Source: Central Statistical Office, Government of Mauritius.

Table 4.5: Composition of Gross Domestic Fixed Capital Formation (at current prices)

(Rs million)

	1982	1983	1984	1985	1986	1987 ¹	1988 ²	1989 ³
A. By type of capital goods								
(a) Residential buildings	735	700	740	730	775	850	1,075	1,390
(b) Non-residential buildings	245	277	350	635	660	800	1,215	1,565
(c) Other construction and works (including land improvement)	480	527	495	425	635	715	915	1,095
(d) Transport equipment								
(i) Passenger cars	45	40	56	85	155	255	295	340
(ii) Other equipment	75	111	145	185	315	470	1,970 ⁴	560
(e) Machinery and other equipment	520	645	809	1,040	1,350	2,000	2,520	2,875
Gross Domestic Fixed Capital Formation	2,100	2,300	2,595	3,100	3,890	5,090	7,990	7,825
B. By industrial use								
(a) Agriculture, hunting, forestry and fishing	135	102	123	130	130	290	230	225
(c) Mining and quarrying	—	—	—	—	—	—	—	—
(c) Manufacturing	315	337	503	740	1,070	1,460	1,875	2,220
(d) Electricity, gas and water	350	467	316	285	230	310	455	550
(e) Construction	45	36	29	80	135	115	165	195
(f) Wholesale & retail trade and restaurants & hotels	90	131	184	330	300	485	750	955
(g) Transport, storage and communications	235	330	453	435	930	1,180	2,860 ⁴	1,420
(h) Financing, insurance, real state & business services	780	744	788	815	875	960	1,205	1,615
of which: ownership of dwellings	(735)	(700)	(740)	(730)	(775)	(850)	(1,075)	(1,390)
(i) Producers of government services	80	90	104	150	145	200	275	455
(j) Other services	40	63	95	135	75	90	175	190
Gross Domestic Fixed Capital Formation	2,100	2,300	2,595	3,100	3,890	5,090	7,990	7,825

¹ Final Estimates

² Provisional Estimate

³ Revised Forecast

⁴ Includes purchase of two aircrafts.

Source: Central Statistical Office, Government of Mauritius.

Table 4.6: Sugar Production and Yields

Crop Year	Total Area under cultivation		Total area harvested	Cane produced	Yield of cane per arpent				Sugar Produced	Average yield of sugar per arpent	Sugar Recovered
					Miller Planters	Owner Planters	Tenant Planters	Average Island			
	(In thousands of arpents)*			(In thousands of metric tons)	(In metric tons)				(In thousands of metric tons)	(In metric tons)	(In per cent of cane)
1968	...	204	189	5,152	31.2	23.2	17.7	27.2	596	3.15	11.6
1969	...	203	188	5,824	36.1	25.8	19.1	30.9	669	3.55	11.5
1970	...	205	190	5,120	31.5	22.1	17.3	26.9	576	3.02	11.3
1971	...	205	189	5,255	33.7	21.0	18.8	27.8	621	3.28	11.8
1972	...	205	190	6,315	38.0	28.0	23.3	33.2	686	3.61	10.9
1973	...	207	192	6,243	37.3	27.4	22.5	32.5	718	2.75	11.5
1974	...	205	189	5,964	37.1	24.9	20.5	31.5	697	3.68	11.7
1975	...	205	190	4,316	26.7	18.2	14.4	22.8	468	2.47	10.9
1976	...	206	192	6,402	37.6	28.5	23.5	33.4	690	3.60	10.8
1977	...	206	191	6,022	35.7	27.6	22.4	31.5	665	3.48	11.1
1978	...	205	190	6,260	36.9	28.3	22.5	32.9	665	3.50	10.6
1979	...	203	189	6,313	37.3	28.8	22.5	33.4	688	3.64	10.9
1980	...	203	188	4,564	27.0	21.1	16.2	24.3	475	2.54	10.4
1981	...	201	185	5,303	32.8	23.2	20.6	28.6	575	3.10	10.8
1982	...	201	189	6,582	38.4	30.8	24.2	34.8	688	3.63	10.5
1983	...	200	186	5,255	32.2	23.9	20.2	28.2	605	3.25	11.5
1984	...	199	185	5,009	31.7	22.1	18.4	27.1	576	3.11	11.5
1985	...	197	185	5,583	33.8	21.4	26.3	30.2	646	3.48	11.6
1986	...	197	184	6,025	36.4	29.2	22.5	32.7	707	3.84	11.7
1987	...	196	184	6,231	37.5	30.6	23.6	33.9	691	3.78	11.1
1988	..	196	182	5,517	35.8	24.9	20.4	30.3	634	3.76	11.5

1 arpent = 1,043 acres.

Source: The Mauritius Chamber of Agriculture, Annual Reports.

Table 4.7: Sugar Production and Disposal

(*'000 metric tons*)

<i>Calendar Year</i>	<i>Stock at beginning of year¹</i>	<i>Production</i>	<i>Total availability*</i>	<i>Local consumption</i>	<i>Exports</i>	<i>Stock at end of year¹</i>	<i>Average Price Ex-Syndi- cate** (Rs. per ton)</i>
1967 ...	52.8	638.3	691.1	29.7	531.4	130.0	424.40
1968 ...	130.1	596.5	726.7	29.3	578.0	118.8	428.39
1969 ...	119.8	668.7	787.5	31.0	591.6	164.5	445.27
1970 ...	164.5	576.2	740.7	31.9	581.6	127.3	471.70
1971 ...	127.3	621.1	748.4	33.4	568.4	146.1	522.64
1972 ...	146.1	686.4	832.5	33.3	613.9	185.3	641.43
1973 ...	185.3	718.5	903.8	35.8	697.6	170.8	790.21
1974 ...	170.8	696.8	867.6	33.7	685.3	149.2	1,877.59
1975 ...	149.2	468.3	617.5	37.0	447.4	133.6	2,256.11
1976 ...	133.6	689.9	823.6	36.4	551.1	237.1	1,617.03
1977 ...	237.1	665.4	902.5	37.5	636.4	228.6	1,678.36
1978 ...	228.6	665.2	887.0	37.9	578.6	278.7	1,742.01
1979 ...	278.7	688.4	953.3	38.5	604.3	342.0	2,144.28
1980 ...	324.0	475.5	799.5	36.7	617.3	141.2	2,319.48
1981 ...	141.2	574.5	715.7	37.6	432.2	244.8	2,710.37
1982 ...	244.8	687.9	907.3	35.4	596.8	275.0	2,868.54
1983 ...	275.0	604.7	879.7	36.5	608.0	234.6	3,007.24
1984 ...	234.6	575.6	810.2	38.0	530.7	267.3	3,583.21
1985 ...	267.3	645.8	913.1	36.9	539.5	336.9	3,896.55
1986 ...	336.9	706.8	1,043.7	37.7	624.9	380.6	4,212.61
1987 ...	380.6	691.1	1,071.7	38.6	656.3	377.5	4,818.87
1988 ...	377.5	634.2	1,011.7	38.1	652.5	320.9	N.A.

* Figures for available supplies are net of closing special ISA stocks.

** Relates to price received for export and domestic sales of sugar produced in the crop year, net of all marketing expenses, taxes and levies, and after deducting Sugar Insurance Fund premium.

¹ Figures for stocks include special ISA stocks (wherever applicable). The effects of loss or surplus in storage are also accounted for in closing stocks.

Source: Mauritius Sugar News Bulletin, The Mauritius Chamber of Agriculture, Annual Reports.

Table 4.8 Electricity* — Production and Consumption

	<i>Unit</i>	1982	1983	1984	1985	1986	1987	1988
Effective Capacity ...	kw	152,300	153,040	182,240	182,240	181,550	181,550	210,350
— Hydro ...	"	21,700	22,440	51,640	51,640	50,950	50,950	56,750
— Thermal ...	"	130,600	130,600	130,600	130,600	130,600	130,600	153,600
Energy Generated ...	Million Kwh	319.4	339.3	344.5	287.8	322.4	370.8	438.1
— Hydro ...	"	93.4	34.5	63.9	114.2	109.3	138.7	98.9
— Thermal ...	"	226.0	304.5	280.6	173.6	213.1	232.1	339.2
Energy purchased from sugar and Other Factories	"	43.3	32.4	34.3	110.6	115.7	104.3	106.8
Energy Sold ...	Million Kwh	293.1	302.1	305.1	321.0	356.3	401.9	449.9
Number of Consumers	No.	171,382	176,526	181,197	186,314	192,772	198,893	206,172
— Domestic ...	"	154,797	159,342	163,507	168,013	173,685	179,687	185,609
— Commercial ...	"	13,504	13,995	14,349	14,790	15,299	15,117	16,048
— Industrial ...	"	2,942	3,050	3,199	3,369	3,627	3,918	4,330
— Other ...	"	139	139	142	142	161	171	185

* Relates to Central Electricity Board Data.

Source: Central Electricity Board, Annual Reports & Accounts.

Table 5.1: Consumer Price Indices*

<i>MONTH</i>	1981	1982	1983	1984	1985	1986	1987	1988	1989
January	212.7	241.7	104.6	109.9	119.1	124.0	123.7	102.4	116.8
February	214.3	245.7	106.1	110.6	120.7	124.2	125.0	101.7	118.6
March	215.5	246.4	106.4	112.4	121.7	124.7	127.3	101.4	118.5
April	215.9	247.0	106.7	113.2	121.0	124.6	124.7	103.1	121.7
May	218.6	248.5	106.2	113.5	121.1	124.5	125.8	103.8	122.3
June	220.0	248.4	105.8	113.2	121.2	124.6	126.1	107.2	122.6
July	224.1	101.4	106.4	114.0	121.9	124.8	99.8	110.7	
August	226.4	101.6	106.5	115.6	122.7	125.5	99.1	113.8	
September	226.6	101.1	107.0	117.4	124.2	124.3	99.2	116.3	
October	230.8	101.5	108.1	118.0	124.2	124.0	99.8	117.5	
November	234.3	102.2	107.6	117.4	124.0	123.1	100.2	117.4	
December	238.4	103.4	107.5	118.2	123.6	123.6	103.3	116.1	
Average	223.1	248.6**	106.6	114.4	122.1	124.3	125.0**	109.4	118.0
Yearly Change (Percentage) ...	+14.5	+11.4	+5.6	+7.3	+6.7	+1.8	+0.6	+1.4	

* From July 1982 to June 1987, the base period was January-June 1976 = 100. A new base period (July 1986 to June 1987 = 100) has been introduced as from July 1987.

** Calculated as an average of twelve months on the basis of a conversion of the new indices to the previous base.

Source: Central Statistical Office, Government of Mauritius.

Table 5.2: EPZ Enterprises — Employment by Industrial Group

<i>INDUSTRIAL GROUP</i>	<i>December 1987</i>		<i>March 1988</i>		<i>December 1988</i>		<i>March 1989</i>	
	<i>No. of Enterprises</i>	<i>Employment</i>	<i>No. of Enterprises</i>	<i>Employment</i>	<i>No. of Enterprises</i>	<i>Employment</i>	<i>No. of Enterprises</i>	<i>Employment</i>
1. Food	11	703	11	693	11	749	11	744
2. Flowers	28	327	28	340	28	358	29	400
3. Textile yarn and fabrics ...	23	3,341	23	3,526	27	3,810	27	4,023
4. Wearing Apparels	364	77,375	382	79,110	408	77,233	378	76,038
of which: (a) pullovers	(61)	(34,603)	(62)	(35,075)	(64)	(31,632)	(61)	(31,125)
(b) gloves	(5)	(1,296)	(5)	(1,196)	(5)	(600)	(5)	(554)
(c) other garments ...	(298)	(41,476)	(315)	(42,839)	(339)	(45,001)	(312)	(44,359)
5. Leather Products & Footwear ...	12	865	12	809	12	1,105	12	1,232
6. Wood, Furniture & Paper Products	13	481	15	507	15	520	15	525
7. Optical Goods	4	612	4	636	4	577	4	613
8. Watches and Clocks	6	747	6	840	6	872	6	881
9. Jewellery and Related Articles ...	12	1,192	13	1,324	14	1,504	15	1,633
10. Fishing Tackles and Flies ...	3	163	3	149	3	169	3	148
11. Toys and Carnival Articles ...	7	705	6	742	7	774	7	833
12. Others	48	1,394	51	1,914	56	1,409	86	2,216
TOTAL	531	87,905	554	90,590	591	89,080	573	89,286

Source: Central Statistical Office, Government of Mauritius.

Table 5.3: Employment by Economic Activity¹
(In Thousands)

Period			Agriculture & Fishing			Mining & Quarrying	Manu- facturing	Electri- City and water	Cons- truction	Whole- Sale, retail trade, restau- rants & hotels	Transport, Storage & Communi- cations	Government Services***		other Services	Total
			Total	of which								Total	of which Central Govern- ment Services		
				Sugar*	Tea**										
March	1979	...	55.6	48.7	5.2	.1	35.1	3.9	9.2	9.4	10.3	53.1	47.8	23.3	200.0
September	1979	...	59.4	52.7	5.1	.1	35.6	4.7	9.2	9.5	8.7	52.7	47.3	19.5	199.4
March	1980	...	54.0	47.5	5.0	.1	36.2	4.6	8.1	9.3	9.0	54.1	48.7	21.2	196.6
September	1980	...	58.0	51.1	4.7	.1	36.4	4.5	7.4	9.2	8.1	54.5	49.1	19.4	197.6
March	1981	...	53.5	47.3	4.6	.1	36.9	4.4	7.3	9.1	7.8	54.6	49.0	19.8	193.5
September	1981	...	57.0	50.1	4.6	.1	37.2	4.4	6.3	9.0	8.2	54.9	49.4	19.2	196.3
March	1982	...	52.5	46.5	4.7	.1	38.3	4.5	5.7	9.1	8.1	55.7	50.2	19.4	193.4
September	1982	...	56.7	49.9	4.7	.2	36.9	4.4	5.6	9.0	7.9	55.0	49.5	19.4	195.1
March	1983	...	52.1	46.1	4.6	.2	36.9	4.2	4.5	9.1	8.0	55.1	49.8	19.2	189.3
September	1983	...	55.8	49.1	4.3	.2	38.3	4.1	4.4	8.9	8.0	54.9	49.6	19.2	193.8
March	1984	...	49.8	44.6	3.6	.2	42.1	4.0	4.0	8.9	8.2	54.8	49.5	18.7	190.7
September	1984	...	53.5	47.6	3.4	.2	48.6	3.9	4.1	8.9	8.5	55.1	50.0	17.8	200.6
March	1985	...	48.3	42.9	3.5	.2	56.1	3.9	4.8	9.2	8.4	55.0	49.9	17.7	203.6
September	1985	...	52.7	46.6	3.4	.2	62.9	3.8	5.0	9.2	8.7	55.1	50.1	17.8	215.4
March	1986	...	46.9	41.7	3.2	.4	76.5	3.6	5.0	9.6	8.6	54.9	49.7	17.7	223.2
September	1986	...	52.0	45.8	3.4	.2	83.9	3.7	6.4	10.1	9.1	54.7	49.5	18.2	238.3
March	1987	...	46.4	41.0	3.1	.2	93.3	3.7	7.2	10.6	9.7	54.9	49.7	19.0	245.0
September	1987	...	50.0	44.3	2.7	.2	99.9	3.6	8.7	11.9	10.0	54.8	49.6	20.6	259.7
March	1988	...	45.0	39.7	3.0	.2	105.8	3.6	9.4	12.8	10.3	65.0	50.1	9.6	264.0
September	1988	...	49.8	43.9	2.8	.2	105.5	3.5	9.3	13.2	11.3	64.3	49.2	11.9	269.0
March	1989	...	44.9	39.6	2.8	.2	106.8	3.5	9.6	14.0	11.7	64.9	49.6	10.1	267.8

¹ Revised and classified according to the International Standard Industrial Classification, 1968 Edition and applies to large Establishments only.

* Includes factories

** Includes factories and Tea Development Authority

*** Includes Municipalities and District Councils.

Source: Central Statistical Office, Government of Mauritius.

**Table 5.4: Average monthly earnings in large establishments by industrial group for employees on monthly rates of pay
(March 1982 – March 1989)**

(Rupees)

<i>INDUSTRIAL GROUP</i>	1982	1983	1984	1985	1986	1987	1988	1989
Agriculture and fishing	1,080	1,177	1,343	1,399	1,441	1,551	1,869	2,241
Sugar ¹	1,065	1,158	1,323	1,373	1,419	1,524	1,824	2,185
Tea ²	1,159	1,320	1,527	1,645	1,575	1,727	2,319	2,901
Other	1,955	1,842	1,951	2,087	2,327	2,379	2,881	3,210
Mining and quarrying	1,935	2,076	2,242	2,105	2,484	2,606	3,288	3,518
Manufacturing	1,498	1,584	1,714	1,778	1,941	2,059	2,435	2,799
Electricity and water	2,027	2,327	2,409	2,817	2,996	3,177	4,061	5,775
Construction	1,813	1,805	2,030	1,937	2,063	2,185	2,956	3,732
Wholesale, retail trade, restaurants and hotels ...	1,770	1,841	1,980	2,077	2,324	2,445	2,834	3,163
Transport, storage and communication	2,252	2,534	2,599	2,759	3,170	3,117	3,900	4,405
Financing, insurance, real estate and business services	2,719	2,883	3,076	3,236	3,412	3,589	4,126	4,688
Community, social and personal services	1,788	1,965	2,074	2,151	2,234	2,357	3,155	3,653
Government: (a) Central	1,784	1,971	2,077	2,147	2,226	2,348	3,186	3,766
(b) Local ³	1,507	1,611	1,714	1,819	1,884	2,028	2,821	3,495
Other	1,991	2,142	2,285	2,384	2,503	2,609	3,164	3,737
Activities not elsewhere specified	1,379	1,595	1,602	1,405	1,587	1,659	2,147	2,625
All sectors	1,609	1,750	1,884	1,964	2,087	2,215	2,815	3,335

¹ Including factories

² Including factories and Tea Development Authority

³ Municipalities and district councils

Source: Central Statistical Office, Government of Mauritius.

Table 6.1: Government Recurrent Budget

(Rs million)

	1984-85 Actual	1985-86 Actual	1986-87 Actual	1987-88 Actual	1988-89 (Revised)	1989-90 (Estimates)
REVENUE:						
Direct Taxes	564.2	550.5	761.3	1,072.7	1,358.4	1,720.4
Income Tax	(400.0)	(354.8)	(518.4)	(703.6)	(953.0)	(1,271.0)
Succession Duties	(7.0)	(2.9)	(6.8)	(6.3)	(1.0)	(—)
Contribution to Social Security	(22.5)	(24.0)	(24.9)	(31.6)	(40.4)	(45.4)
Other	(134.7)	(168.8)	(211.3)	(331.3)	(364.0)	(404.0)
Indirect Taxes	2,443.0	2,960.8	3,563.2	4,459.2	5,278.3	5,731.1
of which: Import duties	(911.0)	(1,085.9)	(1,324.7)	(1,734.8)	(2,100.0)	(2,400.0)
Stamp duty on Imports	(449.0)	(635.2)	(729.7)	(904.3)	(1,000.0)	(1,160.0)
Sales Tax	(227.0)	(273.5)	(349.2)	(463.2)	(570.0)	(675.0)
Export duties	(370.0)	(459.3)	(549.8)	(610.6)	(610.0)	(410.0)
Excise duties	(278.0)	(270.9)	(315.1)	(372.5)	(591.2)	(630.0)
Other	(208.0)	(236.0)	(294.7)	(373.9)	(407.1)	(456.1)
Receipt from public utilities	171.2	198.6	212.4	259.7	131.0	145.0
Receipt from public services	89.1	108.2	127.9	144.3	141.3	160.0
Rental of public property	7.3	7.2	8.8	15.5	12.0	12.0
Other	284.2	305.7	335.1	263.7	329.0	348.5
TOTAL	3,559.0	4,131.0	5,008.7	6,215.1	7,250.0	8,117.0
EXPENDITURE:						
General Administration	502.2	535.0	594.5	901.0	1,250.1	1,533.4
of which: Police	(188.1)	(207.2)	(231.6)	(305.6)	(447.0)	(500.0)
Economic Services	439.8	412.3	442.1	707.8	703.2	908.5
Agriculture, Natural Resources & Fisheries	(101.1)	(101.1)	(127.3)	(177.3)	(189.0)	(204.0)
Posts and Telecommunications	(55.7)	(61.9)	(67.4)	(81.9)	(56.0)	(59.0)
Works, Labour and Employment	(120.4)	(115.0)	(127.8)	(162.0)	(225.3)	(285.3)
Cooperatives, Commerce and Industry	(145.4)	(107.0)	(108.1)	(15.7)	(197.5)	(319.2)
Economic Planning and Development	(10.7)	(11.2)	(7.1)	(15.7)	(21.8)	(25.4)
Energy and Internal Communications	(6.5)	(7.1)	(9.4)	(10.1)	(13.6)	(15.6)
Social Services	1,185.2	1,280.3	1,393.0	1,700.5	2,220.4	2,448.9
Social Security	(331.1)	(382.2)	(418.0)	(487.3)	(573.0)	(652.0)
Education, Arts and Culture	(523.6)	(547.4)	(582.7)	(725.1)	(970.8)	(1,059.3)
Health	(286.2)	(300.4)	(333.4)	(411.4)	(572.0)	(620.0)
Housing	(7.3)	(7.7)	(8.9)	(11.7)	(15.6)	(18.0)
Reform Institutions, Youth and Sports	(37.0)	(42.6)	(50.0)	(65.0)	(89.0)	(99.6)
Local Government and Rodrigues	250.0	267.8	274.9	347.3	458.3	489.7
Public Debt and Pensions	1,884.3	1,992.8	1,931.1	2,156.5	3,068.0	2,597.0
of which: Public Debt Service	(1,676.8)	(1,761.8)	(1,682.5)	(1,845.3)	(2,635.0)	(2,173.0)
TOTAL	4,261.5	4,488.2	4,635.1	5,813.1	7,700.0	7,977.5
Surplus (+) or deficit (—)	—702.5	—357.2	+373.6	+402.0	—450.0	+139.5

Source: Financial Reports, Budget Estimates, Government of Mauritius.

Table 6.2: Government Capital Budget

(Rs million)

	1984-85	1985-86	1986-87	1987-88	1988-89 Revised Estimates	1989-90 Estimates
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>		
RECEIPTS						
Domestic Revenue	516.2	505.9	732.0	1,430.8	1,744.0	1,564.3
Mauritius Development Loan Stocks ...	(460.8)	(430.8)	(424.9)	(1,121.0)	(770.0)	(1,200.0)
Dividends from Investments	(30.6)	(31.1)	(277.3)	(294.0)	(254.5)	(248.6)
Other	(24.8)	(44.0)	(29.8)	(15.8)	(719.5)	(115.7)
External Receipts	1,432.7	592.5	716.1	1,386.6	824.0	541.0
Grants	(165.9)	(233.0)	(187.7)	(169.9)	(68.0)	(155.0)
U.K. Loans	(21.4)	(8.8)	(60.0)	(213.3)	(18.0)	(—)
French Government Loans	(71.3)	(111.1)	(95.8)	(26.3)	(101.0)	(42.0)
World Bank Group Loan	(377.9)	(67.3)	(67.6)	(442.5)	(130.0)	(80.0)
Eurodollar Loans	(583.9)	(—)	(—)	(—)	(—)	(—)
International Monetary Fund	(—)	(—)	(—)	(—)	(—)	(—)
Other Loans	(212.3)	(172.3)	(305.0)	(534.6)	(386.4)	(264.0)
Other receipts*	(—)	(—)	(—)	(—)	(120.6)	(115.7)
TOTAL CAPITAL REVENUE ...	1,948.9	1,098.5	1,448.1	2,817.4	2,568.6	2,105.3
EXPENDITURE:						
Economic Services	576.6	717.7	787.5	1,127.0	943.9	909.0
Agriculture, Natural Resources & Fisheries ...	(179.2)	(228.4)	(293.4)	(295.8)	(309.4)	(380.9)
Post and Telecommunications	(23.5)	(50.4)	(116.8)	(99.4)	(2.5)	(2.0)
Works, Labour and Employment	(209.6)	(268.0)	(360.1)	(509.0)	(499.6)	(469.3)
Cooperatives, Commerce and Industry ...	(10.9)	(10.8)	(19.9)	(18.0)	(53.5)	(19.3)
Economic Planning and Development ...	(23.5)	(25.3)	(33.2)	(35.3)	(20.1)	(10.1)
Energy	(129.9)	(134.8)	(164.1)	(169.5)	(76.8)	(27.4)
Social Services	124.9	132.9	133.8	163.6	201.4	327.6
Education, Arts and Culture	(56.4)	(42.7)	(29.4)	(53.3)	(52.6)	(70.6)
Health	(25.0)	(32.5)	(30.2)	(40.7)	(78.2)	(111.9)
Housing	(26.0)	(34.4)	(70.0)	(49.0)	(47.5)	(78.8)
Reform Institutions, Youth & Sports ...	(17.5)	(23.3)	(4.2)	(20.6)	(23.1)	(66.3)
Local Government and Rodrigues ...	39.5	66.7	45.7	51.0	70.9	93.6
Transfer to International Financial Organisations	405.4	363.7	40.2	34.4	19.9	15.6
Central Administration and Other ...	273.2	308.0	557.7	661.4	1,063.9	1,014.2
TOTAL	1,419.6	1,589.0	1,764.9	2,037.4	2,300.0	2,360.0
Surplus (+) or deficit (—)	+529.3	—490.5	—316.8	+780.0	+268.6	—254.7

* Relate to receipts on account of IMF's allocation of SDRs, gold transaction, and Reserve Tranche purchase.
Source: Financial Reports, Budget Estimates, Government of Mauritius.

Table 6.3: Central Government External Debt

(Rs million)

		<i>International Development Institutions</i>	<i>Foreign Governments</i>	<i>Euro-Dollar Loans</i>	<i>Others**</i>	<i>Total</i>
1981 June ...	...	510.7 (18.4)	606.5 (21.9)	1,048.4 (37.8)	605.6 (21.9)	2,771.2
December ...	...	764.9 (22.3)	744.8 (21.7)	1,210.6 (35.2)	717.2 (20.9)	3,437.5
1982 June ...	...	945.7 (22.5)	842.3 (20.0)	1,692.1 (40.3)	723.1 (17.2)	4,203.2
December ...	...	987.2 (23.9)	896.0 (21.7)	1,515.2 (36.9)	725.3 (17.5)	4,133.6
1983 June ...	...	1,120.3 (26.7)	876.9 (20.9)	1,390.7 (33.2)	803.4 (19.2)	4,191.2
December ...	...	1,235.9 (28.7)	1,029.2 (23.9)	1,264.8 (29.4)	778.2 (18.1)	4,308.1
1984 June ...	...	1,647.2 (35.2)	1,148.6 (24.6)	1,072.4 (22.9)	804.4 (17.2)	4,672.7
December ...	...	1,869.5 (34.3)	1,258.8 (23.1)	1,628.6 (29.9)	695.5 (12.8)	5,452.4
1985 June ...	...	2,240.1 (39.9)	1,425.2 (25.3)	1,479.7 (26.3)	476.0 (8.5)	5,621.0
December ...	...	2,095.9 (43.3)	1,433.7 (29.6)	1,189.5 (24.6)	118.7 (2.5)	4,836.9
1986 June ...	...	2,005.4 (42.7)	1,532.2 (32.6)	1,012.4 (21.5)	148.1 (3.2)	4,698.1
December ...	...	2,075.7 (43.0)	1,641.0 (34.0)	934.2 (19.3)	178.0 (3.7)	4,828.9
1987 June ...	...	2,101.4 (43.0)	1,759.4 (36.0)	868.4 (17.8)	153.9 (3.2)	4,883.1
December ...	...	2,062.0 (41.3)	1,908.0 (38.3)	713.0 (14.3)	306.0 (6.1)	4,989.0
1988 June ...	...	2,714.0 (46.8)	2,020.0 (34.9)	704.0 (12.1)	361.0 (6.2)	5,800.0
December ...	...	2,814.0 (53.5)	2,038.0 (38.7)	— —	413.0 (7.8)	5,265.0
1989 June* ...	...	3,160.0 (55.1)	2,208.0 (38.5)	— —	367.0 (6.4)	5,735.0

* Provisional

** Excludes IMF liabilities except Trust Fund, as from December, 1985

Figures in brackets are percentages to totals

Source: Ministry of Finance, Government of Mauritius.

BOARD OF DIRECTORS

- Chairman* — Mr. Indurduth RAMPHUL — *Governor*
- Director* — Mr. Ranapartab TACOURI — *Managing Director*
- Director* — Professor Maxime Edouard LIM FAT
- Director* — Mr. Bashir CURRIMJEE
- Director* — Dr. Regis CHAPERON, C.M.G.
- Director* — Sir Baalkhristna RAMPHUL, Kt.
- Director* — Mr. Hootash Babu SEEBALUCK
(as from 1st March, 1989)

MANAGEMENT AND BANK OFFICIALS

AS AT 30TH JUNE, 1989

<i>Governor</i>	— Mr. I. Ramphul, D.P.A.
<i>Managing Director</i>	— Mr. R. Tacouri, M.A. (Econ)

Banking and Currency Department

<i>Chief Manager</i>	— Mr. B. Gujadhur, A.C.I.B.
<i>Assistant Chief Manager</i>	— Miss A. Hawoldar
<i>Manager</i>	— Mr. H. A. B. Emritte
<i>Assistant Manager</i>	— Mr. P. Owasil

Secretary's Department

<i>Secretary</i>	— Mr. D.A. Moodely, Maitrise en Droit
<i>Assistant Secretary</i>	— Mr. D. Rochecouste

Research Department

<i>Director of Research</i>	— Mr. R. Basant Roi, M.A. (Econ)
<i>Assistant Director of Research</i>	— Mr. S.D. Bikoo, MSc (Econ) M Phil (Econ/Econometrics)
<i>Senior Research Officers</i>	— Mr. B.R. Gujadhur M.A. (Econ) Mr. H.O. Jankee, B.A. (Hons) Economics M.A. (Industrial Economics)
<i>Senior Statistician</i>	— Mr. P.M. Nagawa, MSc (Statistics) Post Grad. Dip. Computer Science

Banking Supervision Department

<i>Director of Banking Supervision (Acting)</i>	— Mr. Y. Googoolye, F.C.C.A.
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Exchange Control Office

<i>Assistant Chief Manager</i>	— Mr. A.K. Prithipaul
<i>Manager</i>	— Mr. V.K. Sonah
<i>Assistant Manager</i>	— Mr. C. Noel

Internal Audit Office

<i>Assistant Chief Manager</i>	— Mr. A. Teck Young
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