



BALANCE OF PAYMENTS (BoP) DEVELOPMENTS¹:

Second Quarter 2023 (2023Q2)

1. The external current account deficit improved to Rs10.7 billion in 2023Q2, from Rs20.6 billion in 2022Q2 as a result of higher surpluses in the services and income accounts, which more than offset the rise in the trade deficit.
2. The goods account deficit widened to Rs43.0 billion on account of a higher decline in exports of goods relative to imports of goods. Total exports of goods (f.o.b) decreased to Rs25.2 billion, mostly due to lower exports of *'Ship stores and bunkers'*. The imports of goods (f.o.b.) fell to Rs68.2 billion largely driven by lower imports of *'Mineral fuels, lubricants, & related products'* and *'Manufactured goods classified chiefly by material'*.
3. The services account registered a higher surplus of Rs9.9 billion in 2023Q2 compared to Rs3.7 billion in 2022Q2, mainly reflecting a significant rise in gross tourism earnings to Rs19.4 billion and lower freight costs.
4. The surplus in the primary income account, inclusive of Global Business License Holders' (GBLHs) flows, rose to Rs27.9 billion in 2023Q2, from Rs22.2 billion in 2022Q2, benefitting from elevated interest rates and continued growth in residents' net assets. The deficit in the secondary income account stood at Rs5.5 billion.
5. Net borrowing in the financial account has been estimated at Rs13.5 billion in 2023Q2. The direct investment account, inclusive of GBLHs flows, registered net inflows of Rs18.4 billion. Non-residents' direct investment in Mauritius, excluding GBLHs and net of repatriation, amounted to Rs5.7 billion.
6. The portfolio investment account posted net outflows of Rs20.3 billion. Excluding GBLHs, net inflows of Rs6.9 billion were registered in the portfolio investment account, reflecting primarily non-resident investment in debt securities issued by resident banks. The other investment account recorded net inflows of Rs19.3 billion, arising mostly from external borrowings as well as net repayment of loans by non-residents to resident banks.
7. The country recorded an overall balance of payments surplus of Rs3.2 billion in 2023Q2.

25 September 2023

Economic Analysis & Research and Statistics Department

¹ Including estimates of transactions of Global Business License Holders (GBLHs).