



## BALANCE OF PAYMENTS (BoP) DEVELOPMENTS<sup>1</sup>:

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### Third Quarter 2023 (2023Q3)

1. The external current account deficit narrowed significantly to Rs8.3 billion in 2023Q3 compared to Rs17.1 billion in 2022Q3. The improvement in the current account deficit stemmed from higher surpluses in the income and services accounts and a lower trade deficit.
2. The goods account deficit improved to Rs40.7 billion in 2023Q3, from Rs41.9 billion in 2022Q3, reflecting a higher decline in imports relative to exports. Total exports of goods (f.o.b.) dropped marginally to Rs27.5 billion in 2023Q3, mainly due to declines in exports of *'Miscellaneous manufactured articles'*, *'Manufactured goods classified chiefly by material'* and *'Ships' stores and bunkers'*, which were partly offset by the significant rise in exports of *'Food and live animals'*. Imports of goods (f.o.b.) dropped to Rs68.1 billion, mostly driven by the fall in imports of *'Manufactured goods classified chiefly by material'*.
3. The surplus in the services account improved to Rs10.0 billion in 2023Q3, compared to Rs6.0 billion in 2022Q3 as gross tourism earnings rose substantially to Rs19.1 billion and freight costs paid to non-residents decreased.
4. Inclusive of Global Business Licence Holders' (GBLHs) flows, the surplus on the primary income account rose to Rs28.0 billion in 2023Q3, benefitting from continued growth in residents' net foreign assets and high global interest rates. The secondary income account remained in deficit at Rs5.7 billion.
5. Net borrowing in the financial account has been estimated at Rs10.0 billion in 2023Q3. The direct investment account, inclusive of GBLHs' flows, registered net outflows of Rs43.1 billion. Non-residents' direct investment in Mauritius, excluding GBLHs and net of repatriation, amounted to Rs8.5 billion.
6. The portfolio investment account posted net inflows of Rs21.9 billion. Excluding GBLHs, net outflows of Rs21.5 billion were registered in the portfolio investment account, primarily reflecting banks' investment in debt securities abroad. The other investment account recorded net inflows of Rs30.2 billion, inclusive of deposits of Rs23.3 billion from non-residents.
7. The country recorded an overall balance of payments deficit of Rs1.9 billion in 2023Q3 compared to Rs5.6 billion in 2022Q3.

21 December 2023

Economic Analysis & Research and Statistics Department

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<sup>1</sup> Including estimates of transactions of Global Business License Holders (GBLHs).