



BALANCE OF PAYMENTS (BoP) DEVELOPMENTS¹:

I. Fourth Quarter 2021 (2021Q4)

1. The external current account deficit has been estimated at about Rs21.7 billion for 2021Q4, representing around 16.0 per cent of GDP. The goods account deficit widened on account of higher imports relative to exports, increasing by 55.9 per cent year-on-year to Rs37.3 billion in 2021Q4. Exports of goods (f.o.b.) went up by 18.3 per cent to Rs23.0 billion, driven by a rise in exports of *'ship stores and bunkers'* and *'re-exports'*. Imports of goods (c.i.f.) rose by 43.0 per cent, from Rs47.3 billion in 2020Q4 to Rs67.7 billion in 2021Q4, reflecting mostly higher imports of *'mineral fuels, lubricants, & related products'*, *'manufactured goods classified chiefly by material'* and *'chemicals and related products'*.
2. Following the full re-opening of borders in October 2021 and easing of travel restrictions, the services account posted a surplus after six consecutive quarters of deficits. The services account surplus stood at Rs3.5 billion against a deficit of Rs3.7 billion in 2020Q4, supported by the increase in tourism earnings, which rose to Rs12.6 billion in 2021Q4, from Rs0.8 billion in 2020Q4. The services account was, however, negatively impacted by freight costs that have more than doubled since pre-pandemic levels. Inclusive of Global Business License Holders' (GBLHs) flows, the surplus on the primary income account has been estimated at Rs16.5 billion in 2021Q4. The deficit on the secondary income account has been estimated at Rs4.5 billion in 2021Q4.
3. Net borrowing in the financial account has been estimated at Rs23.3 billion in 2021Q4. The direct investment account, inclusive of GBLHs flows, registered net inflows of Rs29.2 billion. Non-residents' direct investment in Mauritius, excluding GBLHs and net of repatriation, amounted to Rs4.6 billion, while residents' direct investment abroad, excluding GBLHs, amounted to Rs3.5 billion.
4. The portfolio investment account posted net inflows of Rs6.1 billion in 2021Q4. Excluding GBLHs, the portfolio investment account registered net outflows of Rs35.0 billion, mostly reflecting banks' investment in debt securities abroad. Net disinvestment by non-residents on the Stock Exchange of Mauritius amounted to Rs0.9 billion. The other investment account recorded net inflows of Rs12.5 billion, resulting mostly from banks' repatriation of deposits from abroad and additional external borrowings. Government effected a net repayment of external loans amounting to Rs0.6 billion during the quarter.
5. The country recorded an overall balance of payments surplus of Rs25.5 billion in 2021Q4 against a deficit of Rs4.4 billion in 2020Q4.

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Economic Analysis & Research and Statistics Department

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