



BALANCE OF PAYMENTS DEVELOPMENTS: 4th QUARTER 2010 AND CALENDAR YEAR 2010

I. 4TH Quarter 2010

I.1 *Current Account*

Provisional estimates indicate that the current account deficit for the fourth quarter of 2010 widened to Rs7,087 million, year-on-year, as a result of a slightly higher merchandise trade deficit and lower net invisibles surplus. As a percentage of GDP at market prices, the current account deficit is estimated to have risen to 8.5 per cent in the fourth quarter of 2010 from 6.9 per cent in the corresponding period of 2009.

The merchandise trade deficit increased slightly to Rs17,577 million, 2.2 per cent higher from the deficit of Rs17,206 million registered in the fourth quarter of 2009. On a balance of payments basis, the growth of nominal exports (+19.5 per cent) during the fourth quarter of 2010 outpaced that of nominal imports (fob) (+10.6 per cent).

The surplus on the services account reached Rs7,437 million from Rs6,257 million recorded in the fourth quarter of 2009 mostly driven by higher net travel receipts.

The income account registered a lower surplus from Rs1,477 million recorded in the fourth quarter of 2009 to Rs618 million in the fourth quarter of 2010. The decline was largely attributed to net outflows on both direct investment income and portfolio investment income.

The surplus on the current transfers decreased from Rs4,128 million in the fourth quarter of 2009 to Rs2,435 million in the fourth quarter of 2010, as a result of lower net inflows on government transfers.

I.2 *Capital and Financial Account*

The capital and financial account, inclusive of reserve assets, recorded higher net inflows of Rs2,082 million during the fourth quarter of 2010 compared to net inflows of Rs651 million in the fourth quarter of 2009.

Foreign direct investment recorded net inflows of Rs4,372 million in the fourth quarter of 2010. Non-residents' direct investment in Mauritius, net of repatriation, amounted to Rs4,622 million during the fourth quarter of 2010 significantly up from Rs1,895 million registered in the corresponding period of last year. Residents' direct investment abroad, net of repatriation, remained almost flat at Rs250 million in the fourth quarter of 2010.

Portfolio investment recorded net inflows of Rs910 million in the fourth quarter of 2010, a turnaround from net outflows of Rs870 million registered in the fourth quarter of 2009. Other investment posted lower net inflows of Rs711 million, a substantial drop from net inflows of Rs4,167 million registered during the last quarter of 2009.

II. Calendar Year 2010

II.1 Current Account

Provisional estimates of the balance of payments show that the current account deficit for the year 2010 increased by Rs4,535 million to Rs25,371 million, mainly as a result of a marked increase in the merchandise trade deficit coupled with lower surplus on current transfers, which were to some extent mitigated by higher surpluses registered on both the services and income accounts. As a percentage of GDP at market prices, the current account deficit in 2010 widened to 8.5 per cent from 7.4 per cent in 2009.

The merchandise trade deficit worsened significantly from Rs49,473 million in 2009 to Rs59,003 million, owing partly to higher commodity prices that led to a higher import bill. On a balance of payments basis, nominal exports grew, year-on-year, by 11.6 per cent while imports (fob) increased at a higher pace of 15.0 per cent in 2010.

The surplus on the services account stood at Rs21,800 million in 2010, up from Rs20,050 million in 2009. The 8.7 per cent increase in net inflows within the services account in 2010 was mostly on account of an 11.6 per cent growth in net travel receipts, in part due to the recovery in tourist arrivals, which was however offset to some extent by a deficit in net 'other services'. Net travel receipts increased from Rs24,386 million in 2009 to Rs27,222 million in 2010.

The surplus on the income account went up considerably from Rs1,678 million in 2009 to Rs6,202 million in 2010 as a result of higher net income drawn by banks and significantly lower direct investment income payments. The current transfers account posted a lower surplus of Rs5,630 million in 2010.

II.2 Capital and Financial Account

The capital and financial account, inclusive of reserve assets, recorded substantial net inflows from Rs11,926 million recorded in 2009 to Rs19,920 million in 2010.

Foreign direct investment net inflows increased from Rs7,024 million in 2009 to Rs9,274 million in 2010, reflecting sustained non-resident long term interest in the economy. Non-residents' direct investment flows in Mauritius, net of repatriation, rose from Rs8,221 million in 2009 to Rs13,236 million in 2010. Residents' investment abroad, net of repatriation, also went up from Rs1,197 million in 2009 to Rs3,962 million in 2010.

During 2010, portfolio investment recorded higher net outflows of Rs5,729 million, compared to Rs1,837 million in 2009. Other investment posted net inflows of Rs22,700 million, up from Rs18,901 million registered in 2009.

Statistics Division

14 March 2011

Table 1: Balance of Payments - Fourth Quarter 2010 and Calendar Year 2010
(Rs million)

		2010 ²				2010 ²
		1st Quarter ¹	2nd Quarter ¹	3rd Quarter ¹	4th Quarter ²	
I.	CURRENT ACCOUNT	-4,319	-7,673	-6,292	-7,087	-25,371
A.	Goods and Services	-6,215	-10,072	-10,776	-10,140	-37,203
	Goods	-12,796	-14,819	-13,811	-17,577	-59,003
	Exports	14,157	17,304	17,650	19,755	68,866
	Imports	-26,953	-32,123	-31,461	-37,332	-127,869
	General Merchandise	-13,950	-15,936	-14,607	-18,980	-63,473
	Credit	12,466	15,645	16,231	17,655	61,997
	Debit	-26,416	-31,581	-30,838	-36,635	-125,470
	Goods procured in Ports by Carriers	1,154	1,117	796	1,403	4,470
	Credit	1,691	1,659	1,419	2,100	6,869
	Debit	-537	-542	-623	-697	-2,399
	Non-monetary Gold	-222	-194	-148	-140	-704
	Services	6,581	4,747	3,035	7,437	21,800
	Credit	21,317	18,828	18,493	24,128	82,766
	Transportation	2,852	2,394	2,696	3,582	11,524
	<i>Passenger</i>	2,466	1,708	2,146	2,879	9,199
	<i>Freight</i>	181	183	176	208	748
	<i>Other</i>	205	503	374	495	1,577
	Travel	11,021	8,789	8,358	11,289	39,457
	<i>Business</i>	3,901	3,215	2,421	4,342	13,879
	<i>Personal</i>	7,120	5,574	5,937	6,947	25,578
	Other Services	7,444	7,645	7,439	9,257	31,785
	<i>Private</i>	7,235	7,381	7,189	8,779	30,584
	<i>Government</i>	209	264	250	478	1,201
	Debit	-14,736	-14,081	-15,458	-16,691	-60,966
	Transportation	-4,196	-3,868	-4,085	-4,723	-16,872
	<i>Passenger</i>	-169	-212	-207	-188	-776
	<i>Freight</i>	-2,070	-2,113	-2,101	-2,301	-8,585
	<i>Other</i>	-1,957	-1,543	-1,777	-2,234	-7,511
	Travel	-3,694	-2,822	-3,041	-2,678	-12,235
	<i>Business</i>	-426	-301	-102	-206	-1,035
	<i>Personal</i>	-3,268	-2,521	-2,939	-2,472	-11,200
	Other Services	-6,846	-7,391	-8,332	-9,290	-31,859
	<i>Private</i>	-6,651	-7,268	-8,158	-8,925	-31,002
	<i>Government</i>	-195	-123	-174	-365	-857
B.	Income	1,799	1,138	2,647	618	6,202
	Credit	3,132	3,823	4,277	2,852	14,084
	Compensation of Employees	7	5	7	6	25
	Direct Investment Income	7	795	36	72	910
	Portfolio Investment Income	132	140	137	116	525
	Other Investment Income	2,986	2,883	4,097	2,658	12,624
	<i>General Government</i>	0	0	0	0	0
	<i>Monetary Authorities</i>	95	259	205	96	655
	<i>Banks</i>	2,713	2,558	3,778	2,382	11,431
	<i>Other Sectors</i>	178	66	114	180	538

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(Rs million)

	2010 ²				2010 ²
	1st Quarter ¹	2nd Quarter ¹	3rd Quarter ¹	4th Quarter ²	
Debit	-1,333	-2,685	-1,630	-2,234	-7,882
Compensation to employees	-53	-64	-60	-83	-260
Direct Investment Income	-93	-1,672	-490	-620	-2,875
Portfolio Investment Income	-476	-414	-445	-889	-2,224
Other Investment Income	-711	-535	-635	-642	-2,523
<i>General Government</i>	-121	-50	-116	-60	-347
<i>Monetary Authorities</i>	0	0	-1	-1	-2
<i>Banks</i>	-553	-441	-492	-542	-2,028
<i>Other Sectors</i>	-37	-44	-26	-39	-146
C. Current Transfers	97	1,261	1,837	2,435	5,630
Credit	2,081	2,419	3,753	4,154	12,407
Private	2,077	2,410	2,577	3,314	10,378
Government	4	9	1,176	840	2,029
Debit	-1,984	-1,158	-1,916	-1,719	-6,777
Private	-1,970	-1,128	-1,649	-1,700	-6,447
Government	-14	-30	-267	-19	-330
II. CAPITAL AND FINANCIAL ACCOUNT	2,263	5,958	9,617	2,082	19,920
D. Capital Account	-57	-58	-8	-25	-148
<i>Migrants' Transfers</i>	-57	-58	-8	-25	-148
E. Financial Account	2,320	6,016	9,625	2,107	20,068
Direct Investment	1,997	3,066	-161	4,372	9,274
Abroad	-2,040	-464	-1,208	-250	-3,962
In Mauritius	4,037	3,530	1,047	4,622	13,236
Portfolio Investment	-2,725	-2,335	-1,579	910	-5,729
Assets	-3,027	-2,819	2,948	-1,407	-4,305
Equity Securities	-3,027	-2,819	2,948	-1,407	-4,305
Debt Securities	0	0	0	0	0
Liabilities	302	484	-4,527	2,317	-1,424
Equity Securities	506	514	-4,549	2,263	-1,266
Debt Securities	-204	-30	22	54	-158
Other Investment	2,733	7,289	11,967	711	22,700
Assets	-32,140	-43,423	-18,863	-24,701	-119,127
General Government	0	0	0	0	0
Monetary Authorities	0	0	0	0	0
Banks	-32,668	-42,796	-18,461	-24,854	-118,779
Other Sectors: Long-term	0	0	0	0	0
Other Sectors: Short-term	528	-627	-402	153	-348
Liabilities	34,873	50,712	30,830	25,412	141,827
General Government	-84	99	3,205	2,339	5,559
Monetary Authorities	0	0	0	0	0
Banks	32,593	47,311	26,031	19,121	125,056
Other Sectors: Long-term	122	1,460	-981	1,781	2,382
Other Sectors: Short-term	2,242	1,842	2,575	2,171	8,830
Reserve Assets	315	-2,004	-602	-3,886	-6,177
Monetary Gold	0	0	0	0	0
Special Drawing Rights	0	8	241	-1	248
Reserve Position in the Fund	-179	-231	0	0	-410
Foreign Exchange	494	-1,782	-843	-3,885	-6,015
Other Claims	0	0	0	0	0
III. NET ERRORS AND OMISSIONS	2,056	1,715	-3,325	5,005	5,451

¹ Revised estimates.² Provisional estimates.

Source : Statistics Division.

Figures may not add up to totals due to rounding.

Table 2: Balance of Payments - Fourth Quarter 2010 and Calendar Year 2010
(USD million)

		2010 ²				2010 ²
		1st Quarter ¹	2nd Quarter ¹	3rd Quarter ¹	4th Quarter ²	
I.	CURRENT ACCOUNT	-142	-240	-205	-235	-824
A.	Goods and Services	-205	-315	-351	-337	-1,208
	Goods	-422	-463	-450	-584	-1,916
	Exports	467	540	575	656	2,237
	Imports	-889	-1,003	-1,025	-1,240	-4,153
	General Merchandise	-460	-498	-476	-631	-2,062
	Credit	411	489	529	587	2,014
	Debit	-871	-986	-1,004	-1,217	-4,075
	Goods procured in Ports by Carriers	38	35	26	47	145
	Credit	56	52	46	70	223
	Debit	-18	-17	-20	-23	-78
	Non-monetary Gold	-7	-6	-5	-5	-23
	Services	217	148	99	247	708
	Credit	703	588	602	802	2,688
	Transportation	94	75	88	119	374
	<i>Passenger</i>	81	53	70	96	299
	<i>Freight</i>	6	6	6	7	24
	<i>Other</i>	7	16	12	16	51
	Travel	363	275	272	375	1,282
	<i>Business</i>	129	100	79	144	451
	<i>Personal</i>	235	174	193	231	831
	Other Services	245	239	242	308	1,032
	<i>Private</i>	239	231	234	292	993
	<i>Government</i>	7	8	8	16	39
	Debit	-486	-440	-503	-555	-1,980
	Transportation	-138	-121	-133	-157	-548
	<i>Passenger</i>	-6	-7	-7	-6	-25
	<i>Freight</i>	-68	-66	-68	-76	-279
	<i>Other</i>	-65	-48	-58	-74	-244
	Travel	-122	-88	-99	-89	-397
	<i>Business</i>	-14	-9	-3	-7	-34
	<i>Personal</i>	-108	-79	-96	-82	-364
	Other Services	-226	-231	-271	-309	-1,035
	<i>Private</i>	-219	-227	-266	-297	-1,007
	<i>Government</i>	-6	-4	-6	-12	-28
B.	Income	59	36	86	21	201
	Credit	103	119	139	95	457
	Compensation of Employees	0	0	0	0	1
	Direct Investment Income	0	25	1	2	30
	Portfolio Investment Income	4	4	4	4	17
	Other Investment Income	98	90	133	88	410
	<i>General Government</i>	0	0	0	0	0
	<i>Monetary Authorities</i>	3	8	7	3	21
	<i>Banks</i>	89	80	123	79	371
	<i>Other Sectors</i>	6	2	4	6	17

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(USD million)

	2010 ²				2010 ²
	1st Quarter ¹	2nd Quarter ¹	3rd Quarter ¹	4th Quarter ²	
Debit	-44	-84	-53	-74	-256
Compensation to employees	-2	-2	-2	-3	-8
Direct Investment Income	-3	-52	-16	-21	-93
Portfolio Investment Income	-16	-13	-14	-30	-72
Other Investment Income	-23	-17	-21	-21	-82
General Government	-4	-2	-4	-2	-11
Monetary Authorities	0	0	0	0	0
Banks	-18	-14	-16	-18	-66
Other Sectors	-1	-1	-1	-1	-5
C. Current Transfers	3	39	60	81	183
Credit	69	76	122	138	403
Private	68	75	84	110	337
Government	0	0	38	28	66
Debit	-65	-36	-62	-57	-220
Private	-65	-35	-54	-56	-209
Government	0	-1	-9	-1	-11
II. CAPITAL AND FINANCIAL ACCOUNT	75	186	313	69	647
D. Capital Account	-2	-2	0	-1	-5
Migrants' Transfers	-2	-2	0	-1	-5
E. Financial Account	76	188	313	70	652
Direct Investment	66	96	-5	145	301
Abroad	-67	-14	-39	-8	-129
In Mauritius	133	110	34	154	430
Portfolio Investment	-90	-73	-51	30	-186
Assets	-100	-88	96	-47	-140
Equity Securities	-100	-88	96	-47	-140
Debt Securities	0	0	0	0	0
Liabilities	10	15	-147	77	-46
Equity Securities	17	16	-148	75	-41
Debt Securities	-7	-1	1	2	-5
Other Investment	90	228	390	24	737
Assets	-1,060	-1,356	-614	-821	-3,869
General Government	0	0	0	0	0
Monetary Authorities	0	0	0	0	0
Banks	-1,077	-1,337	-601	-826	-3,858
Other Sectors: Long-term	0	0	0	0	0
Other Sectors: Short-term	17	-20	-13	5	-11
Liabilities	1,150	1,584	1,004	844	4,607
General Government	-3	3	104	78	181
Monetary Authorities	0	0	0	0	0
Banks	1,075	1,478	848	635	4,062
Other Sectors: Long-term	4	46	-32	59	77
Other Sectors: Short-term	74	58	84	72	287
Reserve Assets	10	-63	-20	-129	-201
Monetary Gold	0	0	0	0	0
Special Drawing Rights	0	0	8	0	8
Reserve Position in the Fund	-6	-7	0	0	-13
Foreign Exchange	16	-56	-27	-129	-195
Other Claims	0	0	0	0	0
III. NET ERRORS AND OMISSIONS	68	54	-108	166	177

¹ Revised estimates.² Provisional estimates.

Source : Statistics Division.

Figures may not add up to totals due to rounding.