



## *Monetary Developments: August 2008*

Broad Money Liabilities (BML) declined marginally by Rs 74 million, from Rs256,351 million at the end of July 2008 to Rs256,277 million at the end of August 2008 as against a rise of 1.7 per cent recorded between end-June 2008 and end-July 2008. The annual growth rate of BML edged down to 16.4 per cent in August 2008 from 18.2 per cent in the previous month.

With regard to the counterparts of BML, domestic credit contracted by Rs154 million, or 0.1 per cent, from Rs259,973 million in July 2008 to Rs259,819 million in August 2008 compared to a rise of 0.5 per cent in the previous month. The annual rate of growth of domestic credit dropped from 26.0 per cent in July 2008 to 22.5 per cent in August 2008. The slight decline in domestic credit during the month reflects the fall in claims on private sector. Net claims on budgetary central government rose by Rs382 million or 0.7 per cent, from Rs53,565 million in July 2008 to Rs53,946 million in August 2008. Claims on private sector decreased by Rs535 million or 0.3 per cent to Rs205,873 million in August 2008 compared to an increase of 0.4 per cent in the previous month.

The net foreign assets of depository corporations expanded by Rs1,962 million, or 2.4 per cent, from Rs81,136 million in July 2008 to Rs83,098 million in August 2008 as against a contraction of 3.0 per cent in the previous month. As a result, the annual growth rate of net foreign assets showed a lower contraction of 4.3 per cent in August 2008 compared to 6.1 per cent in July 2008. The expansion during the month reflects the rise in net foreign assets of both other depository corporations and the Bank of Mauritius.

Statistics Division  
Bank of Mauritius  
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**COMPONENTS AND SOURCES OF BROAD MONEY LIABILITIES\***

*(Rs millions)*

Components of Broad Money Liabilities	August 2008	July 2008 <sup>^</sup>	Month-on-Month change		August 2007	Year-on-Year change	
			Amount	Per cent		Amount	Per cent
1. Currency with Public	13,328.7	12,998.8	330.0	2.5	11,974.2	1,354.6	11.3
2. Transferable Deposits	33,865.7	33,299.7	566.0	1.7	26,919.5	6,946.2	25.8
<b>I. Narrow Money Liabilities (1+2)</b>	<b>47,194.4</b>	<b>46,298.5</b>	<b>895.9</b>	<b>1.9</b>	<b>38,893.7</b>	<b>8,300.7</b>	<b>21.3</b>
1. Savings Deposits	73,226.1	72,769.0	457.1	0.6	61,461.8	11,764.3	19.1
2. Time Deposits	87,063.7	87,132.2	-68.5	-0.1	75,490.5	11,573.2	15.3
3. Foreign Currency Deposits	47,258.8	48,623.6	-1,364.8	-2.8	42,554.1	4,704.6	11.1
<b>II. Quasi-Money Liabilities (1+2+3)</b>	<b>207,548.6</b>	<b>208,524.8</b>	<b>-976.2</b>	<b>-0.5</b>	<b>179,506.5</b>	<b>28,042.1</b>	<b>15.6</b>
<b>III. Securities other than Shares</b>	<b>1,534.1</b>	<b>1,527.9</b>	<b>6.2</b>	<b>0.4</b>	<b>1,842.9</b>	<b>-308.8</b>	<b>-16.8</b>
<b>BROAD MONEY LIABILITIES (I+II+III)</b>	<b>256,277.1</b>	<b>256,351.3</b>	<b>-74.2</b>	<b>0.0</b>	<b>220,243.1</b>	<b>36,034.0</b>	<b>16.4</b>
<b>Sources of Broad Money Liabilities</b>							
<b>I. Net Foreign Assets</b>	<b>83,098.2</b>	<b>81,136.4</b>	<b>1,961.8</b>	<b>2.4</b>	<b>86,787.3</b>	<b>-3,689.0</b>	<b>-4.3</b>
Bank of Mauritius	56,573.2	55,745.5	827.7	1.5	51,917.6	4,655.6	9.0
Other Depository Corporations	26,525.0	25,390.9	1,134.1	4.5	34,869.7	-8,344.7	-23.9
<b>1. Net Claims on Budgetary Central Government</b>	<b>53,946.3</b>	<b>53,564.6</b>	<b>381.7</b>	<b>0.7</b>	<b>41,689.8</b>	<b>12,256.6</b>	<b>29.4</b>
Bank of Mauritius	-3,702.7	-5,446.8	1,744.1	-32.0	-1,596.0	-2,106.7	132.0
Other Depository Corporations	57,649.1	59,011.5	-1,362.4	-2.3	43,285.8	14,363.3	33.2
<b>2. Claims on Private Sector</b>	<b>205,873.0</b>	<b>206,408.4</b>	<b>-535.4</b>	<b>-0.3</b>	<b>170,424.5</b>	<b>35,448.5</b>	<b>20.8</b>
Bank of Mauritius	137.8	134.7	3.1	2.3	178.4	-40.6	-22.8
Other Depository Corporations	205,735.2	206,273.7	-538.5	-0.3	170,246.1	35,489.2	20.8
<b>II. Domestic Credit (1+2)</b>	<b>259,819.4</b>	<b>259,973.1</b>	<b>-153.7</b>	<b>-0.1</b>	<b>212,114.3</b>	<b>47,705.1</b>	<b>22.5</b>
<b>III. Net Non-Monetary Liabilities</b>	<b>86,640.5</b>	<b>84,758.2</b>	<b>1,882.3</b>	<b>2.2</b>	<b>78,658.4</b>	<b>7,982.1</b>	<b>10.1</b>
<b>BROAD MONEY LIABILITIES (I+II+III)</b>	<b>256,277.1</b>	<b>256,351.3</b>	<b>-74.2</b>	<b>0.0</b>	<b>220,243.1</b>	<b>36,034.0</b>	<b>16.4</b>

Figures may not add up to totals due to rounding.

\* Based on the new methodology of the IMF's Depository Corporations Survey framework.

<sup>^</sup>Revised

Source: Statistics Division.