



BALANCE OF PAYMENTS DEVELOPMENTS: 3rd QUARTER 2012 **(Including estimates for cross-border transactions of GBC1s)**

I. Current Account

The current account, inclusive of cross-border transactions of GBC1s, registered a deficit of Rs10,883 million in the third quarter of 2012, lower than the deficit of Rs13,435 million recorded in the corresponding quarter last year. A significantly higher net invisibles surplus recorded during the third quarter of 2012, contributed to partly offset the widening merchandise trade deficit. As a percentage of GDP at market prices, the current account deficit is estimated at 12.7 per cent, lower than the 16.8 per cent attained in the corresponding quarter of 2011.

During the third quarter of 2012, the merchandise trade account posted a deficit of Rs17,157 million, 9.4 per cent higher than the deficit of Rs15,688 million registered in the same period last year. A higher growth rate in imports, (*f.o.b.*) of 5.6 per cent, year-on-year, compared to the expansion in exports of 2.5 per cent resulted in the deterioration.

Trade in services generated a higher surplus of Rs4,483 million during the third quarter of 2012 compared to a surplus of Rs2,768 million recorded in the corresponding quarter last year. Transportation recorded higher net payments while net 'other services' posted a surplus in the third quarter of 2012 after registering a deficit in the previous corresponding period. Net travel receipts registered a decline, year-on-year, to reach Rs5,427 million in the third quarter of 2012.

The income account, inclusive of GBC1s, posted a surplus of Rs1,646 million as against a deficit of Rs568 million in the third quarter of 2011. Direct investment income registered significantly lower net outflows of Rs1,736 million compared to Rs5,053 million in the third quarter of 2011. Portfolio investment income recorded lower net inflows of Rs243 million relative to Rs850 million in the third quarter of 2011.

The surplus on the current transfers rose from Rs53 million in the third quarter of 2011 to Rs145 million in the third quarter of 2012, as a result of the higher net inflows on private transfers.

II. Capital and Financial Account

The capital and financial account balance, inclusive of reserve assets, posted lower net inflows of Rs8,764 million in the third quarter of 2012, from Rs15,450 million in the corresponding period last year.

Direct investment, inclusive of GBC1s cross-border transactions, recorded net inflows of Rs129,666 million in the third quarter of 2012. Excluding cross-border transactions of GBC1s, non-residents' direct investment in Mauritius, net of repatriation, amounted to Rs1,193 million during the third quarter of 2012, down from Rs2,221 million registered in the corresponding period last year. Residents' direct investment abroad, net of repatriation, and excluding cross-border transactions of GBC1s, went down to Rs551 million in the third quarter of 2012.

Portfolio investment, inclusive of GBC1s cross-border transactions, posted higher net outflows of Rs100,959 million in the third quarter of 2012 from Rs87,910 million registered during the third quarter of 2011.

Other investment recorded net outflows of Rs18,793 million in the third quarter of 2012 as against net inflows of Rs24,318 million registered in the third quarter of 2011.

The overall balance of payments for the third quarter of 2012, excluding valuation changes, posted a surplus of Rs1,105 million as against a deficit of Rs224 million recorded in the third quarter of 2011.

Statistics Division

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