



# **BANK OF MAURITIUS**

Website <http://bom.intnet.mu>

## **PRESS COMMUNIQUE** **Annual Report for the Year Ended June 2008**

The Bank today released its Annual Report for the year ended 30 June 2008. The production of this forty-first Annual Report, well after the statutory deadline of October 2008 as stipulated in Section 32 (3) of Bank of Mauritius Act 2004, is deeply regretted due to certain internal procedures that call for changes. However, the Bank reassures all stakeholders that it has taken necessary measures to ensure that the Annual Report for the year ended 30 June 2009 will be ready by the statutory deadline.

The Report carries an introductory statement by the Governor in which he assesses economic developments as well as the steps he took in marking the presence of the Bank at all levels locally as well as in regional and international fora. The Report covers how the Bank has been meeting the challenges and delivering on its commitments to stakeholders. It also includes the Bank's audited financial statements for the year ended 30 June 2008.

The Report provides a comprehensive review on the state of the domestic economy. It notes that financial year 2007/08 recorded above-trend real GDP growth of 6.0 per cent compared to 5.0 per cent in the preceding year, while unemployment declined to 7.2 per cent at end-June 2008. Inflationary pressures in the economy remained a cause of concern although inflation had fallen to 8.8 per cent in June 2008, from 10.7 per cent in June 2007.

The Report shows that the Bank has made significant progress toward further strengthening the financial sector and promoting financial stability, besides paving the way for the introduction of Islamic Banking in the country. Guidelines for Islamic Financial institutions and the Standardised Approach to Credit Risk were issued. The Report notes that banks in Mauritius maintained a robust growth momentum and were resilient. In addition, the World Bank, in its "*Banking the Poor*" study ranked the Mauritian banking network third in the world.

The Report also carries details about operational changes brought about in the Bank's liquidity management in order to strengthen the Monetary Policy Framework. It underlines the motivation of the Bank's intervention policy on the domestic foreign exchange market

The Report highlights the major events that the Bank organised to celebrate its 40th anniversary year, which coincided with the 40th anniversary of the Independence of Mauritius.

In his concluding remarks, the Governor emphasises that the Bank will continue to play its indisputable role in promoting the economic welfare of the country.

The Annual Report 2008 is available on the Bank's website at: <http://bom.intnet.mu>

**24 July 2009**