



## **BALANCE OF PAYMENTS DEVELOPMENTS: 1<sup>st</sup> QUARTER 2012 (Including estimates for cross-border transactions of GBC1s)**

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### **I. Current Account**

The current account, inclusive of cross-border transactions of GBC1s, registered a deficit of Rs4,260 million in the first quarter of 2012, slightly higher than the deficit of Rs4,139 million recorded in the corresponding quarter last year. A higher merchandise trade deficit recorded during the first three months of 2012, which was offset to some extent by an increase in net invisibles surplus, resulted into the slight worsening of the current account. However, as a percentage of GDP at market prices, the current account deficit stood at 5.1 per cent, lower than the 5.5 per cent attained in the corresponding quarter of 2011.

During the first three months of 2012, the merchandise trade account posted a deficit of Rs17,208 million, 13.6 per cent higher relative to the deficit of Rs15,154 million registered in the same period last year. A higher growth rate in imports, (*f.o.b.*) of 7.6 per cent, year-on-year, compared to the expansion in exports of 2.6 per cent caused the deterioration.

Trade in services generated a higher surplus of Rs9,528 million during the first quarter of 2012 compared to Rs8,244 million recorded in the corresponding quarter last year. Transportation recorded higher net payments while net 'other services' shifted from a surplus in the first quarter of 2011 to a deficit in the first three months of 2012. Net travel receipts registered a significant increase, year-on-year, to reach Rs11,244 million in the first quarter of 2012.

The income account, inclusive of GBC1s, posted a higher surplus of Rs1,762 million relative to Rs1,452 million in the first quarter of 2011. Direct investment income registered lower net outflows of Rs1,707 million compared to Rs2,186 million in the first quarter of 2011, while changes in portfolio investment income and other investment income were marginal.

The surplus on the current transfers increased from Rs1,319 million in the first quarter of 2011 to Rs1,658 million in the first quarter of 2012, as a result of the larger net inflows on private transfers.

## **II. Capital and Financial Account**

The capital and financial account balance, inclusive of reserve assets, posted higher net inflows of Rs5,557 million in the first quarter of 2012, from Rs3,031 million in the same period last year.

Direct investment, inclusive of GBC1s cross-border transactions, recorded net inflows of Rs141,080 million in the first quarter of 2012. Excluding cross-border transactions of GBC1s, non-residents' direct investment in Mauritius, net of repatriation, amounted to Rs1,420 million during the first three months of 2012, down from Rs1,720 million registered in the corresponding period of last year. Residents' direct investment abroad, net of repatriation, and excluding cross-border transactions of GBC1s, increased to Rs656 million in the first quarter of 2012.

Portfolio investment, inclusive of GBC1s cross-border transactions, posted higher net outflows of Rs89,884 million in the first quarter of 2012, a substantial rise from Rs44,723 million registered during the first quarter of 2011.

Other investment recorded significant higher net outflows of Rs47,213 million, year-on-year, in the first three months of 2012, mostly on account of a larger increase in banks' external assets relative to their external liabilities.

The overall balance of payments for the first quarter 2012, excluding valuation changes, posted a deficit of Rs1,614 million as against a surplus of Rs1,797 million recorded in the first quarter 2011.

**Statistics Division**

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