

BALANCE OF PAYMENTS (BoP) DEVELOPMENTS¹:

4th Quarter 2014 (2014Q4) & Year 2014



BoP Developments: 2014Q4

Preliminary estimates of Mauritius' balance of payments indicate that the current account deficit widened further to 12.0 per cent of GDP in 2014Q4, from 9.2 per cent of GDP in 2013Q4. In absolute terms, the current account deficit stood at Rs12,806 million compared to Rs9,311 million in 2013Q4. The deepening of the current account deficit arose from the deterioration in the income and current transfers accounts, albeit the services account posted a higher surplus.

The merchandise trade deficit increased marginally to Rs21,685 million, from Rs21,360 million in 2013Q4. Exports of goods (fob), year-on-year, rose by 4.6 per cent while imports of goods (fob) grew by a lower pace of 3.1 per cent. Exclusive of *"Ships' stores and bunkers"*, exports of goods recorded a higher increase of 9.0 per cent, driven mainly by re-exports of *"Telecommunication equipment & accessories"*. The rise in imports of goods reflected mainly higher imports of *"Machinery and equipment"* and *"Food and live animals"*.

The surplus on the services account increased to Rs9,080 million, from Rs6,722 million in 2013Q4, reflecting higher net inflows on the travel and other services accounts. The income account posted a deficit of Rs906 million as against a surplus of Rs3,640 million recorded in 2013Q4, essentially as a result of higher net outflows on direct and portfolio investment income accounts. The surplus on the current transfers account declined to Rs705 million, from Rs1,687 million in the corresponding quarter of 2013.

The capital and financial account, inclusive of reserve assets, posted higher net inflows of Rs14,477 million in 2014Q4 compared to Rs6,360 million during the corresponding quarter a year ago. Direct investment in Mauritius recorded net inflows of Rs191,515 million while direct investment abroad registered net outflows of Rs154,883 million. Portfolio investment posted net inflows of Rs6,868 million, while the 'Other investment' account recorded net outflows of Rs24,356 million.

¹ Including estimates for cross-border transactions of GBC1s

Exclusive of cross-border transactions of GBC1s, non-residents' direct investment in Mauritius, net of repatriation, registered higher net inflows of Rs3,981 million in 2014Q4 compared to Rs2,713 million in 2013Q4.

The gross official international reserves of the country, on a BoP basis and exclusive of valuation change, accrued by a further Rs4,616 million, in 2014Q4, compared to an overall balance of payments surplus amounting to Rs4,361 million in 2013Q4.

BOP Developments: CY 2014

For the year 2014, preliminary estimates of the current account balance point to a higher deficit of Rs39,625 million, compared to Rs36,234 million in 2013. This stemmed mainly from net outflows in the income account. As a percentage of GDP, the current account deficit widened to 10.2 per cent, from 9.9 per cent in 2013.

The capital and financial account, inclusive of reserve assets, posted net inflows of Rs34,828 million compared to Rs33,172 million in 2013. Direct investment in Mauritius recorded net inflows of Rs848,988 million while direct investment abroad registered net outflows of Rs702,804 million. Portfolio investment posted net inflows of Rs35,075 million, while the 'Other investment' account recorded net outflows of Rs123,266 million.

Excluding cross-border transactions of GBC1s, non-residents' direct investment in Mauritius, net of repatriation, registered higher net inflows of Rs12,813 million in 2014 compared to Rs7,939 million in 2013.

There was a net accumulation of Rs23,019 million, exclusive of valuation change, to the gross official international reserve of Mauritius in 2014, compared to an overall balance of payments surplus of Rs16,580 million in 2013.

Statistics Division

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