

BALANCE OF PAYMENTS (BoP) DEVELOPMENTS¹:

Preliminary estimates for 2nd Quarter 2015 (2015Q2)



Preliminary data on Mauritius balance of payments for 2015Q2 point to a higher current account deficit compared to 2014Q2. The current account deficit is estimated at Rs5,188 million, as against Rs3,398 million estimated for 2014Q2. As a percentage of GDP, the current account deficit is estimated at about 4.9 per cent in 2015Q2 compared to 3.6 per cent in 2014Q2.

The merchandise trade deficit narrowed as a result of favourable terms of trade. The trade deficit narrowed by 4.9 per cent, from Rs15,458 million in 2014Q2 to Rs14,701 million in 2015Q2. Exports of goods (f.o.b.) rose by 5.3 per cent, year-on-year, while imports of goods (f.o.b.) grew at a slower pace of 1.4 per cent. Exclusive of *'Ships' stores and bunkers'*, exports of goods recorded a higher increase of 11.1 per cent, driven mainly by re-exports of *'Telecommunication equipment & accessories'*. The rise in imports of goods reflected essentially higher imports of *'Machinery and transport equipment'* and *'Manufactured goods classified chiefly by material'*, partly offset by a significant fall in imports of *'Mineral fuels, lubricants & related products'* and *'Miscellaneous manufactured articles'*.

The services and income accounts generated surpluses in 2015Q2, albeit of different magnitudes which have partially offset the deficits on the merchandise trade and current transfers accounts . The services account is estimated to post a surplus of Rs4,477 million, lower than the surplus of Rs6,957 million estimated for 2014Q2, reflecting among others, lower tourist earnings. The income account is estimated to have recorded a higher surplus of Rs7,353 million compared to an estimated surplus of Rs6,844 million in 2014Q2. The deficit on the current transfers account is estimated to widen to Rs2,317 million, from Rs1,741 million.

The capital and financial account, inclusive of reserve assets, is estimated to have recorded net inflows of Rs6,753 million in 2015Q2 compared to net outflows of Rs1,119 million in the corresponding quarter of 2014. Direct investment in Mauritius recorded net inflows of Rs59,929 million while direct investment abroad registered net outflows of Rs60,883 million. Exclusive of GBC transactions, direct investment flows in Mauritius net of repatriation have been estimated at

¹ Including estimates for cross-border transactions of GBC1s.

Rs845 million while direct investment abroad net of repatriation have been estimated at Rs584 million. The portfolio investment account is estimated to have posted higher net outflows of Rs9,411 million in 2015Q2 compared to net outflows of Rs1,088 million in 2014Q2. The 'Other investment' account recorded net inflows of Rs19,817 million compared to net inflows of Rs4,077 million in 2014Q2. The country recorded an overall BoP surplus of Rs2,640 million in 2015Q2, compared to an overall BoP surplus of Rs8,919 million in 2014Q2.

Tables 1 and 2 provide details on the balance of payments in the domestic currency and US dollar, respectively.

Research & Economic Analysis Department

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