



BALANCE OF PAYMENTS (BoP) DEVELOPMENTS¹:

Preliminary estimates for 1st Quarter 2016 (2016Q1)

Preliminary data on Mauritius' balance of payments for 2016Q1 point to a current account deficit of Rs2.5 billion (or USD70 million), representing 2.5 per cent of GDP.

The deficit on the goods account was almost unchanged at Rs14.2 billion (or USD395 million) in 2016Q1 and represented about 14.2 per cent of GDP. Exports (f.o.b.) fell by 5.9 per cent while imports (f.o.b.) decreased by 3.8 per cent year-on-year in 2016Q1. Exports were dragged down mainly by declines of 21.1 per cent in *'Ships' stores and bunkers'* and of 21.7 per cent in *'Re-exports'*. However, domestic exports recorded a growth of 5.6 per cent, which was mainly due to an increase in the value of *'Articles of apparel & clothing accessories'*. The decline in imports reflected essentially the lower imports of *'Mineral fuels, lubricants & related products'* on account of lower commodity prices, *'Manufactured goods classified chiefly by material'* and *'Machinery and transport Equipment'*, mirroring the decline in *'Re-exports'*.

The surplus on the services account increased markedly in 2016Q1 compared to 2015Q1. The services account is estimated to post a surplus of Rs9.1 billion (or USD254 million), benefitting mainly from higher tourism earnings. The income account is estimated to record a surplus of Rs5.4 billion in 2016Q1 whereas the current transfers account is estimated to register a deficit of Rs2.9 billion.

The capital and financial account, inclusive of reserve assets, is estimated to record net inflows of Rs5.0 billion (or USD141 million) in 2016Q1. Direct investment in Mauritius is estimated to post net inflows of Rs145.3 billion in 2016Q1, while direct investment abroad is estimated to have registered net outflows of Rs34.4 billion. Exclusive of GBC transactions, direct investment flows in Mauritius net of repatriation are estimated at Rs2.8 billion. The portfolio investment and the 'Other investment' accounts are estimated to post net outflows of Rs69.7 billion and Rs30.3 billion in 2016Q1, respectively.

The country recorded a higher balance of payments surplus of Rs5.8 billion (or USD161 million) in 2016Q1 compared to Rs4.5 billion in 2015Q1.

Table 1 provides details on the balance of payments in Rs million and USD million.

Research & Economic Analysis Department

17 June 2016

¹ Including estimates for cross-border transactions of GBC1s.