



Speech

of

**Mr Yandraduth Googoolye,**

Governor, Bank of Mauritius

on the occasion of the

**signing of the Letter of Intent between the Bank of Mauritius,**

**the Mauritius Bankers Association and IHS Markit**

Aunauth Beejadhur Auditorium

Bank of Mauritius, Port Louis

25 July 2018

- Mr Richard Willis, Executive Director – Economic Indices, IHS Markit
- Mr Mathieu Mandeng, Vice Chairperson of the Mauritius Bankers Association
- Chief Executives and representatives of financial institutions
- Members of the Media
- Ladies and Gentlemen

Good afternoon.

It is with great delight that I welcome you here at the Bank of Mauritius for the formalization of our engagement with IHS Markit to undertake the compilation of a Purchasing Managers' Index (PMI) for Mauritius. As a background, the Bank had initially considered sponsoring the full publication cost of the PMI survey, but during preliminary discussions, IHS Markit underlined that sponsors should preferably be from the private sector so as to maintain the independence of the survey.

The idea was therefore mooted at the last Banking Committee, and the Mauritius Bankers Association and the Bank of Mauritius agreed to co-sponsor the PMI survey for Mauritius. I wish here to sincerely thank the Mauritius Bankers Association for making this project possible.

I also invite the Mauritian private sector as well as the local business chambers to come forward and sponsor the PMI Survey with the effect that the Bank would ultimately pull out so that the PMI survey be entirely funded by private entities, which would be in line with IHS Markit principles.

As you know, IHS Markit is a leader in delivering critical information, analytics and solutions for the major industries and markets across the world. Its PMI survey is one of the most globally recognised leading economic indicators. It is a closely-watched signal of business activity that provides independent, reliable, and timely updates on economic trends. The PMI is widely used by central banks, financial markets and business decision makers across the globe.

Mauritius will be the eighth African economy, and among the 40 or so economies worldwide, where PMI survey data will be available. I am given to understand that IHS Markit already prepares a report on the domestic economic outlook that it disseminates to its clients. There is no doubt that the availability of a timely PMI survey will represent a substantial addition to the information that local and global investors can already have access to.

Mauritius is positioning itself as a leading international financial centre and a gateway to Africa, with a clear vision to join the high-income league of nations. In this globalized world driven by competition and the need for businesses to respond quickly to evolving economic conditions, Mauritius is expected to derive significant advantages from the dissemination of a PMI survey that will provide valuable information on the state of the economy on a regular basis.

Such information will contribute towards enhancing the visibility of the country, with investors, both local and international, able to assess developments in Mauritius and compare them with changes elsewhere so as to take informed decisions.

The PMI survey data will also, importantly, support policy-making. The national accounts data released by Statistics Mauritius, that are currently the main source of information on the level of activity and output in the domestic economy, are now only available with a lag of three months. As a result, there is always some degree of uncertainty surrounding the current level of domestic activity.

I have no doubt in my mind that, going forward, the availability of PMI data series on key aspects of our economy would contribute to informed decisions and more effective policies by the Monetary Policy Committee, Government and the global as well as domestic business and investor community at large. We hope that, with time, we will be able to rely on many more leading indicators for policy-making. This should be part of the Statistics strategy for the future as the Mauritian economy positions itself as a leader within the region.

I thank you for your attention.