

BALANCE OF PAYMENTS (BoP) DEVELOPMENTS¹:



Third Quarter 2021 (2021Q3)

1. The external current account deficit has been estimated at about Rs13.5 billion (equivalent to USD315 million) for 2021Q3 compared to Rs14.8 billion (equivalent to USD370 million) for 2020Q3. The improvement in the current account deficit stemmed from a higher surplus in the income account.
2. The deficit on the goods account widened as a result of a higher increase in nominal imports relative to nominal exports in absolute terms. The deficit rose to Rs27.2 billion (equivalent to USD635 million) in 2021Q3, from Rs17.7 billion (equivalent to USD443 million) in 2020Q3.
3. Exports of goods (f.o.b.) recorded growth of 14.0 per cent, from Rs19.5 billion (equivalent to USD489 million) in 2020Q3 to Rs22.3 billion (equivalent to USD520 million) in 2021Q3. The higher exports in 2021Q3 was driven by increases of 61.6 per cent and 62.8 per cent in '*re-exports*' and '*ship's stores and bunkers*', respectively.
4. Imports of goods (c.i.f.) went up significantly by 36.3 per cent, from Rs40.2 billion (equivalent to USD1,007 million) in 2020Q3 to Rs54.8 billion (equivalent to USD1,281 million) in 2021Q3, mainly on account of higher imports of '*mineral fuels, lubricants, & related products*', '*manufactured goods classified chiefly by material*' and '*machinery & transport equipment*'.
5. The services account deficit increased to Rs4.7 billion (equivalent to USD111 million) in 2021Q3 compared to the deficit of Rs2.6 billion (equivalent to USD66 million) in 2020Q3, mainly due to higher freight cost. Tourism earnings rose to Rs1.7 billion in 2021Q3 from Rs0.8 billion in 2020Q3 following the re-opening of borders to international travellers as from July 2021.
6. Inclusive of Global Business License Holders' (GBLHs) flows, the surplus on the primary income account has been estimated at Rs21.9 billion (equivalent to USD513 million) in 2021Q3 compared to Rs8.1 billion (equivalent to USD202 million) in 2020Q3. Exclusive of GBLHs' flows, the primary income account recorded a surplus of Rs2.9 billion (equivalent to USD69 million) in 2021Q3 as against a deficit of Rs1.2 billion (equivalent to USD30 million) in 2020Q3.
7. The deficit on the secondary income account has been estimated at Rs3.5 billion (equivalent to USD82 million) in 2021Q3 compared to Rs2.5 billion (equivalent to USD63 million) in 2020Q3. Exclusive of GBLHs' flows, the secondary income account posted a lower deficit of Rs0.2 billion in 2021Q3 compared to Rs0.4 billion in 2020Q3.

¹ Including estimates of transactions of Global Business License Holders (GBLHs).

9. Net borrowing on the financial account, inclusive of reserve assets, has been estimated at Rs11.9 billion (equivalent to USD278 million) in 2021Q3 compared to Rs13.2 billion (equivalent to USD331 million) in 2020Q3.
10. The direct investment account, inclusive of GBLHs' flows, is estimated to have recorded net inflows of Rs44.7 billion (equivalent to USD1,045 million) in 2021Q3. Excluding GBLHs' flows, non-residents' direct investment in Mauritius, net of repatriation, amounted to Rs2.4 billion (equivalent to USD55 million) in 2021Q3 compared to Rs2.3 billion (equivalent to USD58 million) in 2020Q3. Exclusive of GBLHs' flows, residents' direct investment abroad amounted to Rs0.1 billion (equivalent to USD1.6 million) in 2021Q3 as against net repatriation of Rs44.0 million (equivalent to USD1.1 million) in 2020Q3.
11. The portfolio investment account is estimated to have posted net outflows of Rs45.6 billion (equivalent to USD1,066 million) in 2021Q3. Excluding GBLHs' flows, the portfolio investment account recorded net outflows of Rs36.1 billion (equivalent to USD844 million) in 2021Q3, higher compared to Rs23.1 billion (equivalent to USD578 million) in 2020Q3. Net disinvestment by non-residents on the Stock Exchange of Mauritius amounted to Rs0.4 billion (equivalent to USD11 million) in 2021Q3, lower compared to Rs0.6 billion (equivalent to USD15 million) recorded in 2020Q3.
12. The other investment account is estimated to have recorded net inflows of Rs40.5 billion (equivalent to USD947 million) in 2021Q3. Exclusive of GBLHs' flows, the other investment account registered net inflows of Rs28.0 billion (equivalent to USD653 million) in 2021Q3. Government effected a net repayment of external loans amounting to Rs1.5 billion (equivalent to USD35 million) during the quarter as against a net disbursement of Rs13.7 billion (equivalent to USD341 million) in 2020Q3. The country also received an SDR allocation of Rs8.3 billion (equivalent to USD193 million) in 2021Q3.
13. The country recorded an overall balance of payments surplus of Rs25.2 billion (equivalent to USD589 million) in 2021Q3 as against a deficit of Rs6.9 billion (equivalent to USD173 million) in 2020Q3.

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