



MAURITIUS

Economic Indicators

An Occasional Paper

Issue No. 104

13th April, 1990

1. External Trade - Year 1989

MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT
PORT LOUIS
MAURITIUS

External Trade - Year 1989

1. Total Value of Trade

The total value of international trade of the country during 1989 attained Rs 35,750 million representing a 21% increase, in nominal terms, over the previous year's level of Rs 29,550 million (exclusive of aircrafts). This high growth is mainly attributable to imports which rose by 29%, in value terms, to reach Rs 20,200 million. Exports, on the other hand, increased by only 12% and amounted to Rs 15,500 million. The share of exports in the total value of trade consequently dropped to 43% from 45% in 1988 and 50% in 1986.

2. Balance of Visible Trade

Quarterly trade data given in table 1 shows that a trade deficit of around Rs 1,100 million was registered during each of the first three quarters of 1989. The deficit for the fourth quarter increased further to around Rs 1,500 million bringing the total deficit for the year to around Rs 4,700 million. This figure compares with a deficit of Rs 3,600 million registered in 1988. The 1988 figure however included the purchase of two aircrafts amounting to Rs 1,775 million; exclusive of aircrafts the deficit works out to around Rs 1,800 million only. This considerable deterioration of the balance of visible trade is undoubtedly explained by the unfavourable terms of trade movements experienced in 1989.

3. Terms of Trade

The terms of trade (ratio of export to import price index) for the year 1989 reached the level of 91 indicating a drop of 9 percentage points over 1988. The index falling below 100 shows that export prices have lagged behind those of imports.

The price level of exported goods increased by about 11%, with sugar rising by 13% and EPZ products by around 10%. Import prices on the other hand, are estimated to have increased by around 22% mainly resulting from higher prices registered in the following products: food products (+24%), petroleum products (+35%), cement (+23%), EPZ inputs and other manufactured goods (+22%).

4. Exports

Total exports inclusive of ships' stores and bunkers amounted to Rs 15,500 million compared to Rs 13,850 million in 1988. Although, in nominal terms the increase works out to around 12%; in volume terms, exports remained at almost the same level as in 1988.

During the year 1989, a lower volume of sugar was exported, i.e. 636,000 m/tons compared to 652,000 m/tons for an amount of Rs 4,950 million. EPZ exports attained around Rs 9,050 million. EPZ exports which had been growing in real terms at an annual average rate of around 25% over the past five years registered no growth in 1989. The 10% increase, in value terms, of

EPZ exports increasing from Rs 8,200 million in 1988 to Rs 9,050 million in 1989 is totally accounted for by the effect of price increases. Re-exports has more than doubled as it includes the sale of a marine vessel.

As in previous years, the EEC remained the leading buyer of our products for nearly 80% of the total exports whilst the US absorbed some 14%.

5. Imports

In 1989, the import bill of the country increased substantially from around Rs 15,700 million exclusive of aircrafts to some Rs 20,200 million. The 1989 figure however includes the purchase of two ships which cost around Rs 500 million. The high growth in the value of our imports was mainly due to the effect of prices which increased by around 22%. In volume terms therefore, imports grew by only around 5%.

A comparative table showing a list of imported items/product groups which have registered major increases in 1989 is given below:.

<u>Product Group</u>	<u>C.I.F. Value (Rs Mn)</u>		
	<u>1988</u>	<u>1989</u>	<u>Increase</u>
Dairy products	333	473	+ 140
Rice	299	412	+ 113
Wheat (unmilled)	1	144	+ 113
Refined petroleum products	866	1,338	+ 472
Cement	172	286	+ 144
Iron and steel	414	533	+ 119
Road vehicles	647	808	+ 161
Telecommunications and sound recording apparatus	482	747	+ 265
Ships	214	507	+ 293
EPZ imports	5,890	7,502	+1,612
Machinery	(800)	(950)	(+ 150)
Other	6,367	7,497	+1,130
Total	15,685^{1/}	20,217	+4,532

1/ exclusive of aircrafts

The table on imports by country of origin shows that EEC was the major supplier accounting for 34% of the total followed by Japan 9% and Republic of South Africa 9%.

6. The EPZ Sector

6.1 EPZ exports increased in nominal terms by around 11% to reach Rs 9,050 million from around Rs 8,200 in 1988. After eliminating the effect of price increases which are estimated at around 10%, in volume terms, the EPZ exports have recorded no growth.

As in previous years, EPZ exports were concentrated in textiles and clothing which accounted for nearly 80% of the total.

The main markets remained the EEC which purchased 72% of the products, with France leading the way taking some 30%. The US market represented 21%.

6.2 Imports by the EPZ enterprises recorded a substantial increase of around 27% to reach Rs 7,500 million from Rs 5,900 million the previous year. Machinery and spare parts accounted for Rs 950 million which compares with Rs 800 million for 1988. The cost of raw materials and other inputs therefore amounted to Rs 6,550 million representing an increase of nearly 30% over 1988.

The main suppliers were the EEC which represented 40% of the total.

6.3 Net EPZ exports consequently witnessed a dramatic decline of around 32% in value terms falling to Rs 1,550 from Rs 2,300 million the previous year and Rs 1,800 million in 1987.

The ratio of net exports to total exports consequently dropped drastically to a low 17% from 28% in 1988 and an average of 25% during the previous three years.

Central Statistical Office
Port Louis

April 1990

~~External Trade Fourth Quarter & Year 1988~~
~~External Trade Fourth Quarter & Year 1989~~
=====

NOTES

Figures for 1988 and 1989 are provisional and subject to revision

1. COVERAGE

EXPORTS

- | | |
|---------|---|
| Cover | 1. Domestic exports (including exports from the Export Processing Zone) |
| | 2. Re-Exports |
| | 3. Export ex Warehouse |
| | 4. Returned goods |
| Include | 1. Government, Parcel Post and Air Freight |
| Exclude | 1. Trade with Outer Islands |
| | 2. Ships' stores and bunkers |

IMPORTS

- | | |
|---------|--|
| Cover | 1. Landed merchandise sent to warehouse for subsequent delivery |
| | 2. Landed merchandise issued for home consumption |
| Include | 1. Government, Parcel Post and Air Freight |
| | 2. Donations from other Government and International Organisations |
| Exclude | 1. Trade with Outer Islands |
| | 2. Bullion and specie |

2. VALUATION AND STATUS OF FIGURES

Exports are valued F.O.B. and imports C.I.F.

F.O.B. Free on Board

C.I.F. Cost, Insurance and Freight

All figures quoted are in Mauritian Rupees

Note : Data relating to year 1988 and 1989 are still provisional and liable to revision

3. COMMODITY CLASSIFICATION

The classification used for the compilation of trade statistics is since January 1988 based on the Standard International Trade Classification (Revised III) or S.I.T.C. (Rev. III). Prior to 1988 the classification was based on S.I.T.C. (Rev. II). However, since January 1988 import and export bills of entry are being worked upon according to the Harmonized Commodity Description and Coding system Nomenclature, shortly known as the Harmonized System Nomenclature (H.S.N.). Also prior to 1988, the goods items were coded according to the Customs Cooperation Council Nomenclature (C.C.C.N.).

4. ROUNDING OF FIGURES

Figures have been rounded off to the nearest final digit and in some cases to the nearest one decimal place and as a result in some tables there may be discrepancies between the sum of the constituent items and the total.

5. SYMBOLS

- Nil or negligible
- ... Not available
- Not applicable

6. ABBREVIATIONS

- Rs : Rupees
- 000 : Thousand
- Mn : Million
- m.ton : Metric ton : 1,000 kilos
- No. : Number
- M² : Square metres

Table 1 - Balance of Visible Trade, 1988 - 1989

	1988	1989	1988				1989			
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
			Value Rs Mn							
Exports of goods	13,465	15,049	2,955	2,924	4,003	3,584	3,344	3,597	3,928	4,180
Domestic exports	13,220	14,542	2,895	2,873	3,938	3,515	3,276	3,475	3,853	3,940
Re-exports	245	506	60	51	65	69	69	123	76	240
Ships' Stores and Bunkers	389	470	115	82	112	80	125	104	122	120
A. Total Exports (f.o.b)	13,854	15,517	3,070	3,006	4,115	3,664	3,469	3,701	4,050	4,300
B. Total Imports (c.i.f.)	17,460	20,217	3,595	5,429	3,978	4,458	4,536	4,824	5,112	5,745
Total Value of Trade (A +B)	31,314	35,734	6,665	8,435	8,093	8,122	8,005	8,525	9,162	10,045
BALANCE OF VISIBLE TRADE (A - B)	-3,606	-4,700	-525	-2,423	+137	-794	-1,067	-1,123	-1,062	-1,445

Table 2 - Price (unit value) indices of exports and imports and terms of trade
1982 - 1989

P e r i o d	P r i c e i n d i c e s		T e r m s o f t r a d e *
	E x p o r t	I m p o r t	
	(1982 = 100)		
1983	107	98	109
1984	119.4	110.3	108
1985	136.4	120.8	113
1986	144.3	98.1	147
1987	160.8	101.5	158
1988	172.5	110.8	156
	(1988 = 100)		
1989 : Qr. 1	110.5	116.7	95
Qr. 2	106.4	123.2	86
Qr. 3	116.5	126.0	93
Qr. 4	112.2	123.2	91
<u>Year 1989</u>	<u>111.4</u>	<u>122.3</u>	<u>91</u>

* Ratio of export to import price index.

=====
N o t e : A rise in the index indicates that the terms of trade have moved in
favour of Mauritius.

Table 3 - Domestic exports of main commodities - value, 1988 - 1989

F.O.B. Value Rs Mn

Commodity/Sector	1988	1989				1988				1989			
		1989				1988				1989			
		1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
Sugar	4,467	4,946	1,223	647	1,474	1,123	1,313	791	1,325	1,516			
Molasses	92	66	19	3	18	51	4	18	6	39			
Tea	88	87	34	27	9	17	27	33	7	20			
EPZ	8,179	9,057	1,547	2,069	2,350	2,210	1,842	2,538	2,423	2,254			
Other	394	386	72	126	86	114	90	95	92	111			
Total Exports	13,220	14,542	2,895	2,873	3,938	3,515	3,276	3,475	3,853	3,940			

Table 4 - Domestic exports of selected commodities, quantity, 1988 - 1989

Commodity	Unit	1988	1989	1988				1989			
				1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
Sugar	(000) m. ton	652	636	195	96	216	146	163	123	160	190
Molasses	"	154	125	34	5	31	84	5	31	11	78
Tea	m. ton	5,501	4,755	2,199	1,754	579	969	1,513	1,800	395	1,047

Table 5 - Total exports by main countries of destination, 1988 - 1989

Country of destination	1988		1989				1989			
	1988	1989	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
1. <u>Preferential Tariff Countries</u>	12,929	14,417	2,881	2,794	3,818	3,437	3,241	3,463	3,830	3,883
(a) <u>E.E.C. Countries</u>	10,622	11,583	2,342	2,319	3,066	2,896	2,714	2,645	3,077	3,147
of which United Kingdom	4,808	5,384	1,239	780	1,420	1,370	1,359	810	1,510	1,708
France	3,025	2,986	618	905	734	768	700	950	678	657
Fed. Rep. of Germany	1,272	1,391	235	336	386	336	238	334	486	334
(b) <u>Other Preferential Tariff Countries</u>	2,307	2,835	539	475	753	541	527	818	753	737
of which U.S. of America	1,785	2,076	361	398	606	420	435	517	639	509
2. <u>General Tariff Countries</u>	536	632	74	129	185	147	103	134	98	297
Total Exports	13,465	15,049	2,955	2,924	4,003	3,584	3,344	3,597	3,928	4,180

F.O.B. Value Rs Mn

9 8 9

1 9 8 8

Table 6 - Imports by section, 1988 - 1989

S.I.T.C. Section	Description	C.I.F. Value Rs Mn											
		1988	1989	1988				1989					
				1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.		
0	Food and live animals	1,745	2,347	411	389	438	500	570	583	594	600		
1	Beverages & tobacco	66	75	14	12	16	24	15	14	23	22		
2	Crude materials, inedible, except fuels	523	748	155	138	123	107	178	198	220	151		
3	Mineral fuels, lubricants and related materials	1,009	1,509	211	277	292	229	323	343	396	443		
4	Animal and vegetable oils and fats	164	220	19	49	32	64	52	53	46	69		
5	Chemicals	1,083	1,320	216	265	298	304	286	301	363	371		
6	Manufactured goods classified chiefly by material	6,130	7,580	1,402	1,409	1,604	1,715	1,600	1,865	2,015	2,100		
7	Machinery and transport equipment	5,342	4,639	855	2,567	856	1,064	1,155	1,005	1,019	1,460		
8	Miscellaneous manufactured articles	1,362	1,684	310	315	313	424	333	436	411	504		
9	Other commodities and transactions	37	95	4	8	6	19	18	26	25	26		
	Total imports	17,460	20,217	3,595	5,429	3,978	4,458	4,536	4,824	5,112	5,745		

Table 7 - Imports of main commodities, value, 1988 - 1989

C.I.F. Value Rs Mn

Commodity	1988	1989	1988				1989			
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
Meat and meat preparations	212	240	46	37	47	81	64	58	48	70
Rice	299	412	87	86	58	69	116	110	114	72
Wheaten flour	218	162	63	57	50	48	94	51	17	-
Dairy products	333	473	72	59	89	112	108	104	131	130
Vegetables and fruits	200	256	47	55	41	57	43	82	60	71
Textile fibres, etc.	322	466	107	88	73	54	102	149	135	81
Refined petroleum products	866	1,338	176	229	259	202	311	276	364	387
Fixed vegetable oils & fats	112	157	11	28	26	47	35	38	41	43
Medicinal and pharmaceutical products	207	248	47	51	59	50	58	60	64	67
Textile yarn	1,120	1,385	298	285	255	282	326	352	362	344
Paper, paperboard & articles thereof	321	287	60	50	147	65	58	62	82	84
Textile fabrics	2,569	3,235	545	629	613	782	686	798	851	900
Cement	172	286	41	37	58	37	63	78	61	84
Pearls, precious & semi-precious stones	246	386	38	69	62	77	75	142	96	72
Iron and steel	414	533	86	78	135	114	115	99	155	163
Manufactures of metal, n.e.s.	443	410	157	71	100	116	78	88	123	120
Machinery other than electrical	1,325	1,437	276	320	371	358	370	338	305	425
General industrial machinery & equipment	405	538	76	115	117	97	124	122	163	127
Electrical machinery, apparatus and appliances	823	1,155	204	189	186	244	237	302	297	320
Road vehicles	647	808	220	134	132	161	172	188	211	235
Watches and clocks	427	486	107	115	86	120	103	141	115	128
Other	5,779	5,519	831	2,647	1,014	1,285	1,198	1,186	1,317	1,822
Total Imports	17,460	20,217	3,595	5,429	3,978	4,458	4,536	4,824	5,112	5,745

Table 8 - Imports of selected commodities, quantity, 1988 - 1989

Commodity	Unit	1988	1989	1988				1989			
				1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
Rice	(000)m.ton	72	91	20	24	13	15	26	24	26	14
Wheaten flour	"	59	33	17	17	14	10	20	11	3	-
Dairy products	"	14	14	3	3	4	4	3	3	4	4
Vegetable edible oils and fats	"	21	19	4	5	3	8	5	5	3	5
Fertilizers manufactured	"	40	67	9	12	15	5	26	14	12	15
Cotton fabrics	Mn M ²	74	69	15	19	16	24	19	15	17	19
Cement	(000)m.ton	308	396	77	66	100	65	92	106	85	113
Iron and steel	"	71	78	15	13	24	19	18	14	23	23

Table 40 - Net EPZ exports, 1987 - 1989

Value Rs Mn

	1988	1989	1988				1989			
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
A. Total exports (f.o.b. value)	8,179	9,057	1,547	2,069	2,350	2,210	1,842	2,538	2,423	2,254
B. Total imports (c.i.f. value)	5,890	7,502	1,384	1,543	1,398	1,566	1,555	1,928	1,996	2,021
Net exports (A - B)	2,289	1,555	163	526	952	644	287	610	427	233
Net exports as % of total exports	28%	17%	10%	25%	40%	29%	16%	24%	18%	10%

Table 11 - EPZ exports by main commodities, 1988 - 1989

F.O.B. Value Rs Mn

Description of Item	1988	1989	1 9 8 8				1 9 8 9			
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
			Fish and fish preparations	173	190	37	35	53	47	40
Textile yarn, fabrics, made-up articles	180	361	29	37	44	71	76	90	89	106
Pearls, precious and semi-precious stones	302	325	22	67	83	129	90	102	77	55
Articles of apparel and clothing accessories	6,446	7,038	1,219	1,644	1,916	1,667	1,349	1,943	1,955	1,791
Optical goods, n.e.s.	88	133	24	16	21	28	35	31	37	30
Watches and clocks	563	500	113	160	129	161	140	178	107	75
Toys, games and sporting goods	85	91	19	22	21	23	24	27	20	20
Jewellery goldsmiths' and silversmiths' wares	69	80	8	17	20	23	20	25	13	22
Other	273	340	76	71	63	61	68	91	78	103
Total EPZ Exports	8,179	9,057	1,547	2,069	2,350	2,210	1,842	2,538	2,423	2,254

Table 12 - EPZ imports of main commodities, 1988 - 1989

C.I.F. Value Rs Mn

Description of item	1988	1989	1 9 8 8				1 9 8 9			
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.
Synthetic fibres suitable for spinning	37	52	7	9	13	8	5	11	18	17
Wool and other animal hair	250	337	93	70	52	35	92	128	69	47
Chemical	182	234	32	49	39	62	52	57	66	59
Leather	68	97	16	17	16	19	24	21	25	27
Textile yarn and fabrics	3,236	4,172	766	829	752	888	916	1,032	1,110	1,114
Pearls, precious and semi-precious stones	239	379	36	68	60	75	75	140	93	71
Machinery including spare parts	834	963	205	248	178	203	132	229	260	342
Optical goods, watches and clocks, etc.	443	511	111	119	89	124	105	149	123	134
Jewellery	46	43	10	14	7	14	10	15	6	12
Other	555	714	108	120	192	138	144	146	226	198
Total Imports	5,890	7,502	1,384	1,543	1,398	1,566	1,555	1,928	1,996	2,021