

# National Accounts Estimates (2003 – 2006)

## September 2006 issue

### 1. MAIN AGGREGATES

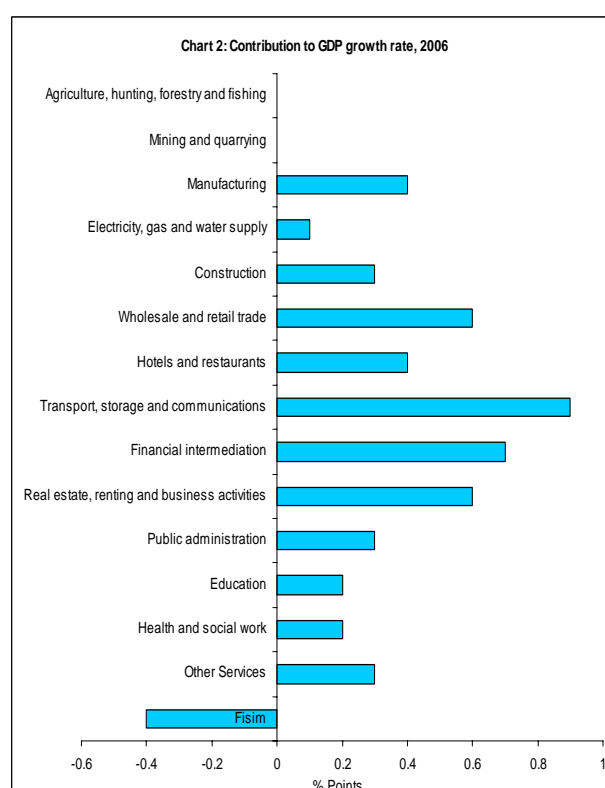
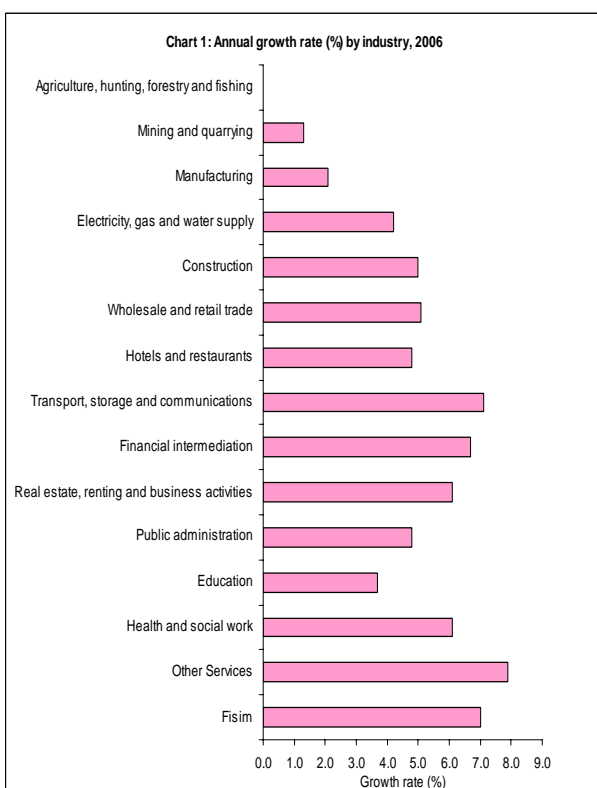
	2005	2006 <sup>1</sup>
GDP at basic prices (R billion)	162.3	178.4
GDP growth rate (%)	+2.5	+4.6
Investment growth rate (%)	-2.4	+17.0
<i>Exclusive of aircraft and marine vessel</i>	-2.1	+4.4
Investment as a % of GDP	21.3	23.8
<i>Exclusive of aircraft and marine and marine vessel</i>	21.2	21.2
Public sector investment as a % of total investment	29.7	34.3
<i>Exclusive of aircraft and marine vessel</i>	29.8	26.5
Growth rate of final consumption expenditure (%)	+7.1	+5.3
Gross National Saving as a % of GNDI	16.4	14.9
Gross National Saving as a % of GDP at market prices	16.6	15.1
Net exports of goods and services as a % of GDP	-6.0	-10.1

<sup>1</sup> Forecast

### 2. HIGHLIGHTS

#### 2.1 Gross Domestic Product

- Available information indicates that **Gross Domestic Product (GDP) at basic prices would reach R 178,353 million in 2006 compared to R 162,310 million in 2005.**
- **GDP growth rate would be 4.6% compared to 2.5% in 2005.** Exclusive of sugar, the rate would be 5.0% against 3.0%.
- The economy would **continue to be driven by the tertiary sector comprising services industries** led by activities in “Transport, storage and communications”, “Financial intermediation”, “Wholesale and retail trade” and “Business services”. In fact, the contribution of the tertiary sector to the 4.6% growth of GDP is estimated at around 4.2 percentage points in 2006 (See Section 5.4 for definitions).



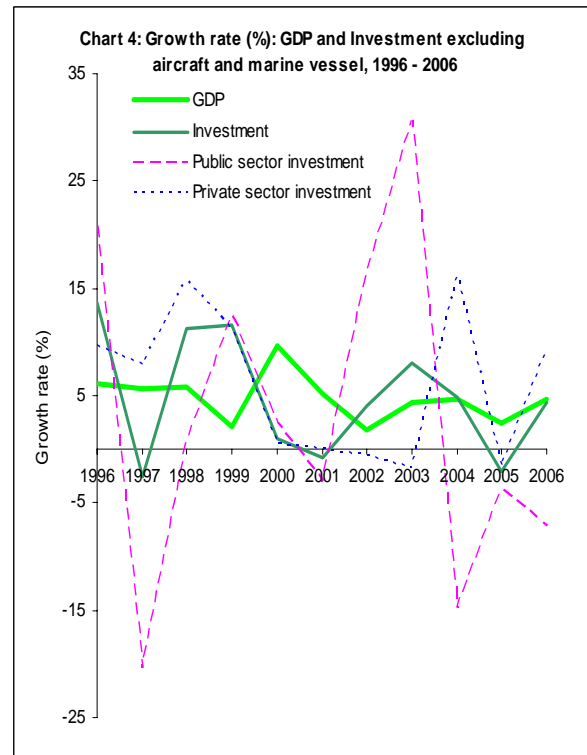
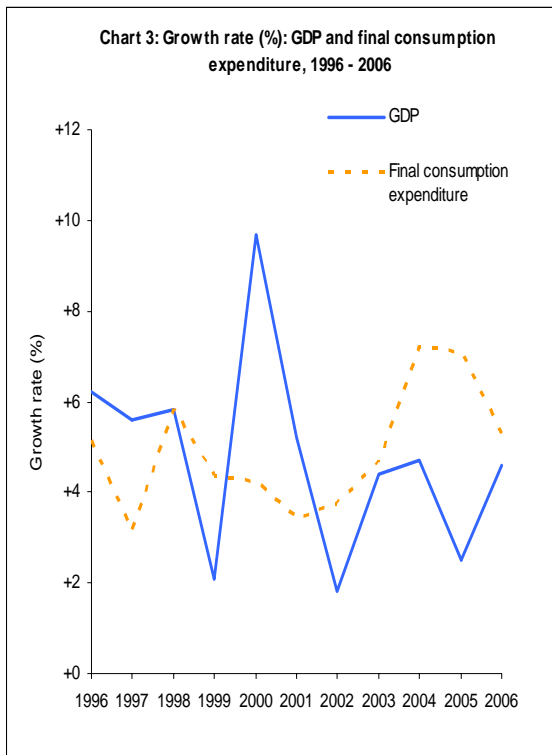
## 2.2 Prospects in main industry groups, 2006

The probable performances of the main industry groups in 2006 and the assumptions on which they are based are as follows:

- Sugarcane/sugar milling **A further contraction of –3.8%**, based on a sugar production forecasted at around 500,000 tonnes compared to 519,816 tonnes in 2005.
- EPZ manufacturing Based on exports figures for the first eight months of the year, **a growth of 1.5% is expected** after declines of 6.8% and 12.3% in 2004 and 2005 respectively.
- Non-EPZ manufacturing Based on available data for the first semester of 2006, the industry would probably **grow by 3.0%** after stagnating in 2005.
- Hotels and restaurants The industry is expected **to grow by 4.8%** based on a forecast of 800,000 tourist arrivals for the year made in the light of available data for the first eight months.
- Construction Construction is expected **to rebound by 5.0%** after a contraction of 5.2% in 2005, following planned construction of new hotels and implementation of IRS projects.
- Wholesale and retail trade Distribution activities would probably **grow at the same rate of 5.0% as in 2005**. The forecast is based on expected increased activities in the Freeport, and lower growth in household final consumption.
- Financial intermediation **An increase of 6.7%** is expected as a result of growth of 5.0% and 7.4% in insurance and other financial intermediation activities respectively.

## 2.3 Final consumption expenditure

- Final consumption expenditure **would continue to grow but at a lower rate**. The growth in 2006 is expected to be around 5.3% against 7.1% in 2005. It is to be noted that final consumption expenditure has been growing at a higher rate than GDP during the past few years.

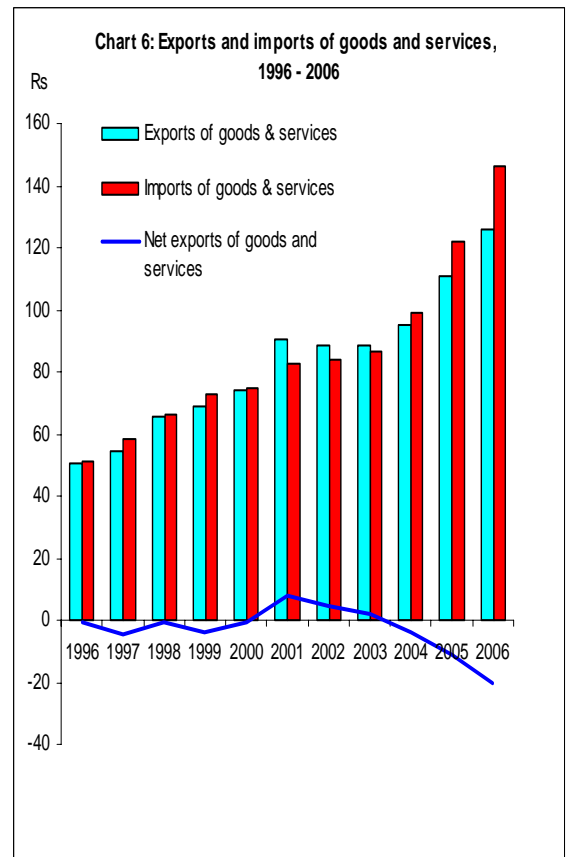


## 2.4 Saving

- **Gross National Saving as a % of GNDI is expected to decline further to 14.9% in 2006 from 16.4% in 2005 and 22.5% in 2004. Saving Rate defined as the ratio of GNS to GDP at market prices would fall to 15.1% from 16.6%.**

## 2.5 Investment

- **Investment is expected to rebound by 17.0% in 2006 after a contraction of 2.4% in 2005,** mostly explained by the planned acquisition of new aircraft. Exclusive of aircraft, investment is expected to grow by 4.4% compared to -2.1% in 2005.
- **Investment rate, defined as the ratio of investment to GDP at market prices, would rise to 23.8% from 21.3% in 2005.** However, exclusive of aircraft, the rate would be 21.2%, same as in 2005.
- **Private sector investment is expected to grow by 9.3%** after a decline of 1.1% in 2005, partly explained by high investment in hotels and IRS projects and by a new private power producer.
- **Public sector investment is expected to grow by around 35.0%** compared to a decline of 5.4% in 2005, mostly due to high investment in aircraft. **Exclusive of aircraft, the real growth of public sector investment would be around -7.2%** compared to -3.6% in 2005.
- **The share of private sector investment is expected to decline to 65.7% in 2006 from 70.3% in 2005 and that of the public sector to increase to 34.3% from 29.7%.** Exclusive of aircraft, the share of private sector investment in 2006 would be 73.5% and that of the public sector 26.5%.



## 2.6 Net exports of goods and services

- Imports of goods and services are expected to **grow by 5.7%** in real terms compared to 6.4% in 2005 while exports of goods and services would grow by 7.3% compared to 11.7% in 2005.
- Net exports of goods and services would result in a **deficit representing 10.1% of GDP at market prices in 2006 compared to 2.4% and 6.0% in 2004 and 2005 respectively.** Exclusive of aircraft in 2006, the percentage would be 7.5%.

### 3. REVISIONS IN THIS ISSUE

#### 3.1 Year 2005

GDP growth rate for 2005 is maintained at 2.5%. Some small changes are however noted at industry group level. Exclusive of sugar, the GDP growth rate worked out to 3.0%, same as the estimate made earlier in June 2006.

The main changes are at industry group level:

- (i) a more severe contraction of 5.2% in "Construction" compared to -5.0% estimated earlier in June 2006;
- (ii) a lower growth of 7.8% in "Transport, storage and communications" mainly due to less activities in air transport, compared to 8.1% estimated earlier; and
- (iii) a higher growth of 6.5% in "Health and social work" compared to the previous estimate of 5.9%.

#### 3.2 Year 2006

On the basis of latest information gathered on the various sectors of the economy, GDP growth rate for 2006 is maintained at 4.6%, same as the forecast made in June 2006. Exclusive of sugar, the growth rate would be around 5.0%, as opposed to the earlier forecast of 4.7%.

At industry group level, the main changes compared to the forecast made in June 2006 are:

- (i) sugar cane and sugar milling to contract by 3.8% instead of a growth of 2.0%. This is based on a lower forecast of around 500,000 tonnes of sugar attributable to unfavourable climatic conditions compared to the forecast of 530,000 tonnes made earlier;
- (ii) EPZ manufacturing industries to recover with an expected growth of 1.5% based on export data for the first eight months of 2006, as opposed to a contraction of 1.5%;
- (iii) a higher growth of 3.0% in the Non-EPZ manufacturing industries (excluding sugar) based on data on industrial production for the first semester of 2006, compared to 2.0%;
- (iv) hotels and restaurants to grow at a lower rate of 4.8% based on a forecast of 800,000 tourist arrivals for the year, instead of 6.1%;
- (v) construction sector to grow at a slightly higher rate of 5.0% instead of 4.8%; and
- (vi) a lower growth of 7.1% in "Transport, storage and communications" mainly due to less activities in air transport, instead of the previous forecast of 7.4%.

### 4. DETAILED ANALYSIS AND COMMENTS

#### 4.1 Year 2005

##### 4.1.1 Gross Domestic Product (GDP)

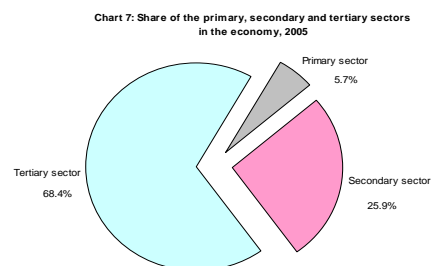
In 2005, GDP at basic prices increased by 6.5% in nominal terms to reach R 162,310 million from R 152,420 million in 2004. After removing the price effect estimated at 3.9% (the GDP deflator), the economy grew by 2.5%, lower than the 4.7% recorded in 2004. Exclusive of sugar, the rate works out to 3.0% compared to 4.6% in 2004 (Tables 3 and 6).

GDP at market prices, which includes R 23,177 million as taxes (net of subsidies) on products, increased by 5.6% to R 185,487 million from R 175,592 in 2004. Per capita GDP at current market prices increased by 4.8% to R 149,160 from R 142,333 in 2004 (Table 1).

##### 4.1.2 Growth rate by industry

In 2005, more than two thirds (68.4%) of GDP was generated by the tertiary sector comprising the services industries compared to slightly over a quarter (25.9%) by the secondary sector. The remainder, or 5.7%, was attributable to the primary sector which consists mainly of agricultural activities.

In 2005, GDP growth was positively influenced by the tertiary sector which contributed 4.5 percentage points to the overall GDP growth. The primary and secondary sectors on the other hand contributed negatively with -0.3 and -1.4 percentage points respectively (Table 7).



##### **Primary sector**

Activities in the primary sector which are mainly related to "Agriculture" fell by 5.3% in 2005 after a growth of 6.0% in 2004. Within "Agriculture",

- **Sugar cane** declined significantly by 9.2%, and
- **Other agricultural activities** including activities related to hunting, forestry and fishing fell by 1.0%.

##### **Secondary sector**

Activities in the secondary sector fell by 4.7% in 2005 reflecting the poor performance of the manufacturing industries, particularly the EPZ, compared to a growth of 0.7% in 2004.

- **Manufacturing** declined by 5.5% in 2005 after a low growth of 0.3% in 2004. The performances of its sub-sectors are as follows:

Sugar milling	-9.2%	(a sugar production of 519,816 tonnes in 2005 compared to 572,316 tonnes in 2004)
EPZ	-12.3%	(total output of R 32,000 million compared to R 34,000 million in 2004)
Other manufacturing	0.0%	

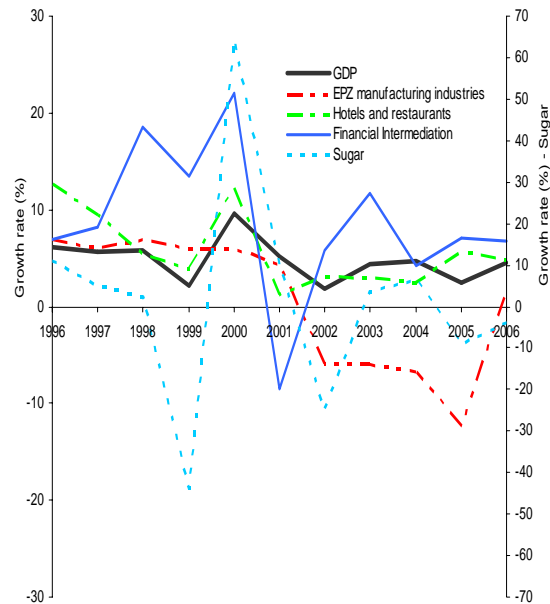
- **Electricity, gas and water supply** increased by 3.8% compared to 4.0% in 2004.
- After a low growth of 0.5% in 2004, **Construction** declined by 5.2% in 2005, the effect of a contraction of 6.2% in investment in building and other construction work.

### Tertiary sector

The tertiary sector went up by 6.4% in 2005, same as in 2004. All the service industries recorded increases in activity during the year as follows:

- **Wholesale and retail trade; repair of motor vehicles, motor cycles, personal and household goods** grew by 5.2%, lower than the 5.7% recorded in 2004, consequent to the lower growth of 5.0% registered by distributive trade in 2005 compared to 5.5% in 2004.
- **Hotels and restaurants** grew by 5.6%, higher than the 2.4% growth in 2004. 761,063 tourists visited the country in 2005 compared to 718,861 in 2004.
- **Transport, storage and communications** grew by 7.8%, lower than the 8.3% growth in 2004.
- **Financial intermediation** grew by 7.0% higher than the 4.3% growth registered in 2004. This was the result of a growth of 5.0% in insurance and 7.8% in other financial intermediation activities. Within the latter, commercial banks grew by 2.3%, offshore banks by 19.4% and other financial activities by 10.2%.
- **Real estate, renting and business activities** grew by 6.5 % lower than the 6.7% growth registered in 2004.
- Activities of **Public administration and defence; compulsory social security** expanded by 5.3% against 4.3% in 2004.
- **Education**, which includes services provided by both public and private operators, grew by 6.1% in 2005, lower than the 6.4% growth in 2004.
- **Health and social work** grew by 6.5% in 2005, lower than the 7.4% growth in 2004.
- **Other community, social and personal service activities and private households with employed persons** grew by 7.9% compared to 7.6% in 2004.
- **Financial Intermediation Services Indirectly Measured (FISIM)** grew by 6.3% compared to a decline of 0.4% in 2004.

Chart 8: Growth rate (%) - GDP and selected industries, 1996 - 2006



### 4.1.3 Expenditure on Gross Domestic Product

#### 4.1.3.1 Final consumption expenditure

Total final consumption expenditure increased by 14.2% to reach R 156,336 million in 2005 from R 136,863 million in 2004. The real growth rate works out to 7.1% compared to 7.2% in 2004 (Tables 9 and 10). These high growths were mainly due to final consumption expenditure of households representing more than 80% of the total, which grew by 7.3% and 7.8% in 2005 and 2004 respectively. On the other hand, government final consumption expenditure rose by 6.1% in 2005 compared to 4.6% in 2004.

#### 4.1.3.2 Investment

Investment in 2005 reached R 39,524 million compared to R 38,003 million in 2004, representing a nominal increase of 4.0% (Tables 9 and 12). After removing the price effect estimated at 6.6%, investment in real terms declined by 2.4% in 2005 after a growth of 2.2% in 2004. Exclusive of the acquisition of aircraft, the growth works out to -2.1% compared to 4.8% in 2004.

Investment rate, as measured by the ratio of investment to GDP at market prices decreased to 21.3% in 2005 from 21.6% in 2004 (Table 2).

Exclusive of aircraft, the rate for 2004 and 2005 worked out to 21.5% and 21.2% respectively.

Chart 9: Growth rate (%) - Final consumption expenditure, 1996 - 2006

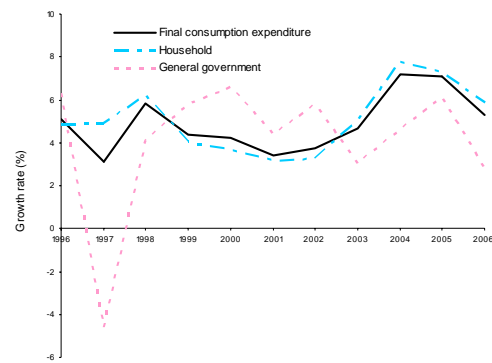
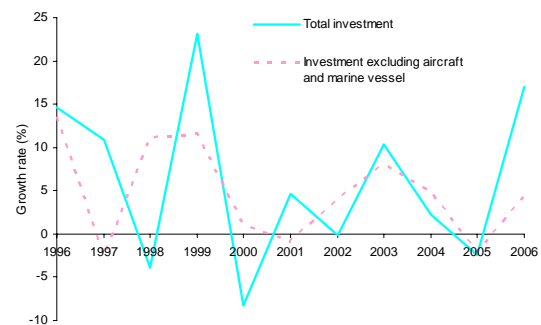


Chart 10: Growth rate (%) - Investment, 1996 - 2006



#### Investment by type

After a decline of 0.3% in 2004, "Building and construction work" fell further by 6.2% in 2005, consequent to contractions in both 'Residential building' (-10.5%) and "Non-residential building" (-12.1%), partly offset by a positive growth in "Other construction work" (+13.0%).

Continuous fall in the construction of new houses during the past two years resulted in declines in investment in "Residential building" of the order of 2.3% in 2004 and 10.5% in 2005. "Non-residential building" plummeted by 12.1% after a high growth of 20.1% in 2004, mainly explained by bunching of some large projects namely hotels and cyber towers in 2004. On the other hand, "Other construction work" rebound by 13.0% in 2005 after a severe contraction of 24.2% in 2004. This recovery was mostly due to investment in public sewerage works and infrastructure work with respect to land parceling.

Investment in "Machinery and transport equipment" grew at a lower rate of 3.4% compared to a growth of 6.2% in 2004, mostly attributable to lower investment in machinery and equipment in the EPZ sector as well as in passenger cars. Excluding the acquisition of aircraft, the growth works out to 4.1% compared to 13.4% in 2004.

#### Investment by sector

Private sector investment in 2005 is estimated at R 27,767 million representing a nominal increase of 5.4% over the 2004 figure of R 26,345 million. However, in real terms, it fell by 1.1% compared to a high growth of 16.3% in 2004, mostly explained by a decline in the construction of houses, and lower investment in hotels and in machinery and equipment in the EPZ sector compared to 2004 (Tables 9 and 10).

Public sector investment increased by 0.8% in nominal terms to R 11,757 million in 2005 from R 11,658 million in 2004. In real terms, the growth rate works out to -5.4% compared to -19.8% in 2004. The 5.4% decline was mostly due to lower investment in public housing and health infrastructure and cyber towers, mitigated by higher investment in public sewerage works and machinery and equipment by some parastatal bodies.

The share of private sector investment worked out to 70.3% in 2005 and that of public sector investment to 29.7%. The corresponding shares for 2004 were 69.3% and 30.7% respectively.

#### 4.1.3.3 Imports and exports of goods and services

In 2005, imports of goods and services are estimated at R 122,156 million compared to R 99,024 million in 2004, representing an increase of 23.4% in nominal terms (Table 9). This increase is mainly explained by more activities of the Freeport coupled with a sharp rise of about 50% in the import bill of petroleum products resulting from high oil prices on the world market and a depreciation of the rupee.

In real terms, imports of goods and services grew by 6.4% compared to 2.8% in 2004. Imports of goods measured on an f.o.b. basis grew by 5.6%, and imports of services, which include insurance and freight paid in respect of imported goods, by 8.4% (Table 10).

Exports of goods and services increased by 17.1% to R 111,091 million in 2005 from R 94,859 million in 2004, mostly explained by a substantial increase in the Freeport activities partly offset by a decline in EPZ exports. In real terms, exports of goods and services grew by 11.7% compared to a decline of 0.3% in 2004. Exports of goods measured on an f.o.b. basis grew by 10.1% and that of services, which include spending by tourists in the country, by 14.0% (Tables 9 and 10).

Net exports of goods and services resulted in a deficit of R 11,065 million in 2005 compared to R 4,165 million in

2004. This represents 6.0% of GDP at market prices in 2005 and 2.4% in 2004 (Tables 1 and 2).

Chart 11: Growth rate (%), exports and imports of goods and services, 1996 - 2006



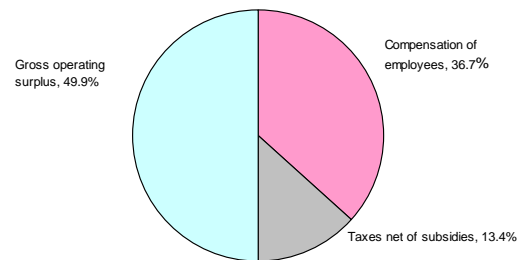
#### 4.1.4 GDP at market prices by category of income

In 2005, the relative share of the three components of GDP at market prices was as follows:

Compensation of employees	36.7%
Taxes net of subsidies on production and imports	13.4%
Gross operating surplus	49.9%

Compensation of employees reached R 68,064 million in 2005, representing a nominal increase of 6.7% over the R 63,790 million recorded in 2004. Gross operating surplus which accounted for about half of GDP at market prices increased by 6.3% to R 92,524 million from R 87,069 million while taxes (net of subsidies) on production and imports increased by 0.7% to R 24,900 million from R 24,733 million (Table 11).

Chart 12: GDP at market prices by income category, 2005



#### 4.1.5 Gross National Disposable Income and Saving

Gross National Disposable Income (GNDI), which in addition to GDP at market prices takes into account flows of primary income (-R 236 million) and transfers (+R 1,798 million) from and to the rest of the world, increased by 5.9% to reach R 187,049 million in 2005 from R 176,576 in 2004 (Table 11).

Out of the R 187,049 million available in 2005 as GNDI, R 156,336 million or 83.6% were spent as final consumption of households and General Government. The remaining R 30,713 million or 16.4% constituted the Gross National Saving (GNS). In 2004, GNS was R 39,713 million representing 22.5% of GNDI (Table 11).

The saving rate as measured by the ratio of Gross National Saving to GDP at market prices declined to 16.6% in 2005 from 22.6% in 2004.

### 4.2 Year 2006 (forecast)

#### 4.2.1 Gross Domestic Product

Based on latest available information on the various sectors of the economy, the economy is expected to recover in 2006 with a growth of 4.6% compared to 2.5% in 2005. Exclusive of sugar, the growth rate is expected to be 5.0% in 2006 as opposed to 3.0% in 2005 (Tables 3 and 6). The assumptions used are at paragraph 4.2.2.

GDP at basic prices in 2006 would reach R 178,353 million, representing a nominal increase of 9.9% over the 2005 figure of R 162,310 while GDP at market prices would increase by 9.6% to R 203,337 million from R 185,487 million. Taxes on products (net of subsidies) would amount to R 24,984 million compared to R 23,177 million in 2005, that is, 7.8% higher.



#### 4.2.2 Growth rate by industry

The main assumptions used for the forecast of 4.6% in the GDP growth in 2006 are:

- **Sugarcane/sugar milling:** Latest estimates from the Mauritius Chamber of Agriculture indicate that the 2006 crop would yield around 500,000 tonnes of sugar due to unfavourable climatic conditions. This would result in a growth of -3.8% compared to -9.2% in 2005 when sugar production was 519,816 tonnes.
- **EPZ manufacturing industries:** Based on information gathered from the main stakeholders of the industry and exports data for the first eight months of the year, the output of the EPZ sector, including export and sales to the Freeport, is now forecast to be around R 34,500 million compared to R 32,000 million in 2005. After removing the price effect estimated at 6.2%, the real growth of the sector works out to 1.5% against -12.3% in 2005.
- **Non-EPZ manufacturing industries (excluding sugar):** The sector is expected to recover with a growth of 3.0% after stabilization in 2005. The expected recovery could be partly attributable to the introduction of duties on some imported items to protect local manufacturers against duty-free imports as well as measures taken to boost up the small and medium enterprises.
- **Construction:** The sector is expected to rebound after a contraction in 2005, mainly attributable to construction of hotels and the implementation of projects under the Integrated Resort Scheme. The growth in the construction industry for year 2006 is expected to be around 5.0% compared to a negative growth of 5.2% in 2005.
- **Hotels and restaurants:** The sector is expected to expand by 4.8%, lower than the growth of 5.6% registered in 2005. Based on the number of tourist arrivals for the first eight months of the year, the forecast of 810,000 tourist arrivals made earlier in June 2006 is now revised downwards to 800,000. Tourist receipts for 2006 is however maintained at around R 29,130 million due to the depreciation of the rupee.
- **Wholesale and retail trade:** The sector would most probably grow at the rate of 5.0%, same as in 2005, the result of an expected reduced growth in final consumption due to price increases of consumer goods coupled with an increase in the trade activities of the Freeport.
- **Financial intermediation** is expected to grow by 6.7% as a result of a growth of 5.0% for insurance and 7.4% for other financial intermediation activities.

#### 4.2.3 Consumption and Saving

Gross National Disposable Income (GNDI) would reach R 206,930 million in 2006 compared to R 187,049 in 2005, representing an increase of 10.6%.

Final consumption expenditure of households and Government will most likely increase by 12.7% to R 176,187 million in 2006 from R 156,336 million in 2005. The real growth rate is expected to be around 5.3% in 2006 lower than the 7.1% growth in 2005 (Tables 9 and 10).

Gross National Saving is expected to reach R 30,743 in 2006, almost the same as in 2005. However, as a percentage of GNDI, this represents 14.9% in 2006, compared to 16.4% in 2005. The saving rate measured as the percentage of GNS to GDP at market prices would be 15.1% in 2006 compared to 16.6% in 2005 (Table 11).

#### 4.2.4 Investment

Latest available information on ongoing and new projects indicates that investment would rebound in 2006 after a low growth in 2004 followed by a contraction in 2005. Investment in 2006 would most likely reach R 48,376 million, representing an increase of 22.4% in nominal terms over the 2005 figure of R 39,524 million (Tables 9 and 12). In real terms, the growth works out to around 17.0% compared to a negative growth of 2.4% in 2005. The high growth in 2006 is mostly explained by an expected net investment in aircraft amounting to around R 5,290 million, of which R 5,165 million by the national aviation company and R 125 million by a private company. Exclusive of net investment on aircraft in 2005 (R 120 million) and 2006 (R 5,290 million), the growth works out to 4.4% in 2006 compared to -2.1% in 2005 (Table 12).

Investment rate would reach 23.8% in 2006 compared to 21.3% in 2005. Exclusive of net investment on aircraft, the rate would be around 21.2%, same as in 2005 (Table 2).

##### *Investment by type*

After a contraction of 6.2% in 2005, "Building and construction work" is expected to rebound in 2006 with a growth of 4.5%. Within this category, "Residential building" is expected to recover by 8.2% after a contraction of 10.5% in 2005 and "Non-residential building" by 3.9% after a decline of 12.1% in 2005. "Other construction work" on the other hand would most likely grow by 0.6% after the high growth of 13.0% in 2005.

Investment in "Machinery and equipment" would most probably grow at a much higher rate of 34.9% as opposed to only 3.4% in 2005. This would be mostly due to the high investment in aircraft, and to a lesser extent to investment by a private power producer. Excluding investment on aircraft, the growth works out to 4.1% for 2005 and 4.4% for 2006.



### **Investment by sector**

Private sector investment would most probably increase by 14.5% to R 31,789 million in 2006 from R 27,767 million in 2005. In real terms, it is expected to post a growth of 9.3% after a decline of 1.1% in 2005. The 9.3% growth would be mostly attributable to high investment in hotels and IRS projects, and by a new private power producer (Tables 9 and 10).

Public sector investment is forecast at R 16,587 million, that is, 41.1% higher than the 2005 figure of R 11,757 million. After removing the price effect, public sector investment is expected to grow by around 35.0% compared to a decline of 5.4% in 2005. This would be mostly due to the high investment in aircraft offset to some extent by lower investment in machinery and equipment by some parastatal bodies. Excluding the acquisition and sale of aircraft, the real growth of public sector investment would continue to decline by 7.2% compared to -3.6% in 2005.

The share of private sector investment is expected to decline to 65.7% in 2006 from 70.3% in 2005 and that of the public sector to increase to 34.3% from 29.7%. Excluding the acquisition and sale of aircraft in 2006, the share of private sector investment would be 73.5% and that of the public sector 26.5%.

### **4.2.5 Imports and exports of goods and services**

Imports of goods and services, are forecasted at around R 146,127 million compared to R 122,156 million in 2005, representing a nominal increase of 19.6% (Table 9). This increase would be mainly due to the acquisition of aircraft, high import bill of petroleum products and more activities of the Freeport during the year. In real terms, it is expected to grow by 5.7% compared to 6.4% in 2005. Imports of goods measured on an f.o.b. basis will most probably grow by 8.2% whilst imports of services, which include insurance and freight paid in respect of imported goods, would decline by 0.6% (Table 10).

Exports of goods and services are expected to increase by 13.1% to R 125,667 million in 2006 from R 111,091 million in 2005, mostly explained by higher EPZ exports, sale of aircraft and increased activities in the Freeport. In real terms, this represents a growth of 7.3%. Exports of goods measured on an f.o.b. basis are forecasted to increase by 9.1% and that of services to grow by 4.9% (Tables 9 and 10).

Net exports of goods and services would result in a deficit of R 20,460 million in 2006 compared to R 11,065 million in 2005. This represents 10.1% of GDP at market prices in 2006 compared to 6.0% in 2005 (Tables 1 and 2).

Exclusive of the aircraft, net exports of goods and services in 2006 would result in a deficit of R 15,170 million, representing 7.5% of GDP at market prices

## 5. NOTES

### 5.1 Release of National Accounts data

Annual National Accounts aggregates are compiled and published in the "Economic and Social Indicators" in January, April, July and October according to an advance calendar posted on the website of the Central Statistics Office (<http://statsmauritius.gov.mu>). This issue covers the period 2003 to 2006. The next issue covering the same period, but with revised estimates will be:

Issue	Date of release
December	11 January 2007

More detailed statistics on National Accounts are available in the annual Digest of National Accounts published in March. All publications of the CSO can be downloaded from the office website.

### 5.2 Revisions policy

Benchmark data for the compilation of annual National Accounts estimates are obtained from the Census of Economic Activities (CEA) which is conducted every five years. For non-census years, the estimates are worked out based on results of quarterly and annual surveys as well as data from administrative sources. These are updated as and when additional information becomes available. Revisions to published series may therefore be made in subsequent issues of the publication.

There will also be occasional major revisions, such as rebasing on results of the quinquennial CEA, methodological changes, and adoption of latest international recommendations. Users will be informed in advance of these major changes while comparable series will be worked out as far back as possible and published.

### 5.3 Inquiries

For further information about National Accounts estimates and related statistics, please contact

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### 5.4. Definitions

#### Gross Domestic Product (GDP)

GDP is the aggregate money value of all goods and services produced within a country out of economic activity during a specified period, usually a year, before provision for the consumption of fixed capital.

#### GDP at basic prices

GDP at basic prices is obtained as the difference between output and intermediate consumption whereby output is valued at basic prices and intermediate consumption at purchasers' prices.

The basic price is the amount receivable by the producer exclusive of taxes on products and inclusive of subsidies on products. The equivalent for imported products is the c.i.f. value, i.e. the value at the border of the importing country.

The purchasers' price is the amount payable by the purchaser exclusive of deductible taxes on products (e.g. deductible value added tax).

#### GDP at market prices

GDP at market prices is equal to the GDP at basic prices plus taxes (net of subsidies) on products.

#### Gross National Income (GNI)

GDP plus net primary income from abroad gives Gross National Income (GNI).

#### Gross National Disposable Income (GNDI)

Gross National Income (GNI) net of transfers from the rest of the world gives Gross National Disposable Income (GNDI).

#### Consumption expenditure

Consumption expenditure is made up of final consumption expenditure of households and of government.

Government final consumption expenditure is further disaggregated into *collective* and *individual* consumption expenditure. *Collective* expenditure consists of the services which government provides to the community as a whole, for example, security and defence whereas *individual* expenditure is made up of expenses incurred in providing services which are mostly beneficial to individuals, mainly in respect of health and education.

**Actual government final consumption expenditure**

Actual government final consumption expenditure refers to expenditure incurred for the provision of collective services.

Final consumption expenditure incurred by households comprises the value of goods and services purchased by households including the value of imputed rent of owner occupied dwellings. For a better measure of standard of living, actual private final consumption expenditure is used.

**Actual final consumption expenditure of households**

Actual final consumption expenditure of households covers goods and services supplied to households, irrespective of whether these goods and services are actually paid by government or households themselves. Consequently, it consists of expenditure incurred by households and government on the provision of individual services.

**Gross National Saving (GNS)**

Gross National Disposable Income (GNDI) less total consumption gives Gross National Saving.

**Saving rate**

Saving rate is the ratio of GNS to GDP at market prices.

**Gross Domestic Fixed Capital Formation (GDFCF)**

GDFCF is the net additions to the physical assets of the country in a year. These consist mainly of investment in buildings, plants, machinery and transport equipment, all valued at market prices.

**Investment rate**

Investment rate is the ratio of GDFCF to GDP at market prices.

**Exports and Imports of goods and services**

In this publication both exports and imports of goods are measured on an f.o.b. basis. Insurance and freight, which represent the difference between the c.i.f. and f.o.b. values of imports of goods, are recorded as import of services.

Exports and imports of goods are compiled according to the General Trade System, using the national boundary as the statistical frontier. All goods entering the country are recorded in imports and goods leaving the country in exports.

**Change in inventories**

Change in inventories includes the value of the physical change in inventories of raw materials, work in progress, and finished goods held by producers.

**Financial intermediation services indirectly measured (FISIM)**

FISIM is obtained as the difference between interest received and interest paid by banks excluding those received on own funds. As it is difficult to allocate FISIM to the intermediate consumption of different industries, the total value of FISIM is imputed to a nominal industry with negative value added.

**Primary sector**

The primary sector comprises "Agriculture, hunting, forestry and fishing" and "Mining and quarrying".

**Secondary sector**

The secondary sector includes "Manufacturing", "Electricity, gas and water supply" and "Construction".

**Tertiary sector**

The tertiary sector includes "Wholesale and retail trade; repair of motor vehicles, motorcycles, personal and household goods", "Hotels and restaurants", "Transport, storage and communications", "Financial intermediation", "Real estate, renting and business services", "Public administration and defence; compulsory social security", "Education", "Health and social work", "Other community, social and personal service activities and private households with employed persons".

**Contribution to GDP growth rate**

The contribution of an industry group to the annual GDP growth is calculated by multiplying the annual growth rate of the group by its relative share of GDP in the previous year.

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**Central Statistics Office  
Ministry of Finance and Economic Development  
Port Louis  
October 2006**

Table 1 - Main National Accounts aggregates, 2003 - 2006

	Unit	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>1. Gross Domestic Product (GDP) at basic prices</b>	R M	137,588	152,420	162,310	178,353
<b>2. Taxes on products (net of subsidies)</b>	R M	19,806	23,172	23,177	24,984
<b>3. Gross Domestic Product (GDP) at market prices</b>	R M	157,394	175,592	185,487	203,337
<b>4. Net primary income from the rest of the world</b>	R M	-833	-390	-236	+1,500
<b>5. Gross National Income (GNI)</b>					
<b>at basic prices</b>	R M	136,755	152,030	162,074	179,853
<b>at market prices</b>	R M	156,561	175,202	185,251	204,837
<b>6. Net transfer from the rest of the world</b>	R M	+1,471	+1,374	+1,798	+2,093
<b>7. Gross National Disposable Income (GNDI)</b>	R M	158,032	176,576	187,049	206,930
<b>8. Per capita GNI</b>					
<b>at basic prices</b>	R	111,810	123,233	130,332	143,538
<b>at market prices</b>	R	128,004	142,017	148,971	163,479
<b>9. Per capita GDP</b>					
<b>at basic prices</b>	R	112,491	123,549	130,522	142,342
<b>at market prices</b>	R	128,685	142,333	149,160	162,282
<b>10. Compensation of employees</b>	R M	58,675	63,790	68,064	73,390
<b>11. Final consumption expenditure</b>	<b>R M</b>	<b>118,452</b>	<b>136,863</b>	<b>156,336</b>	<b>176,187</b>
Households	R M	96,180	111,820	128,968	147,174
General Government	R M	22,272	25,043	27,368	29,013
<b>Actual final consumption expenditure</b>	<b>R M</b>	<b>118,452</b>	<b>136,863</b>	<b>156,336</b>	<b>176,187</b>
Households	R M	105,322	122,163	140,113	158,991
General Government	R M	13,130	14,700	16,223	17,196
<b>12. Gross Domestic Fixed Capital Formation (GDFCF)</b>	<b>R M</b>	<b>35,554</b>	<b>38,003</b>	<b>39,524</b>	48,376
Private sector	R M	21,681	26,345	27,767	31,789
Public sector	R M	13,873	11,658	11,757	16,587
<b>13. Gross National Saving (GNS)</b>	<b>R M</b>	<b>39,580</b>	<b>39,713</b>	<b>30,713</b>	<b>30,743</b>
<b>14. Net exports of goods &amp; services</b>	<b>R M</b>	<b>2,020</b>	<b>-4,165</b>	<b>-11,065</b>	<b>-20,460</b>
Exports of goods & services	R M	88,714	94,859	111,091	125,667
<i>exclusive of aircraft and marine vessel</i>	R M	88,714	94,859	111,091	124,532
Imports of goods & services	R M	86,694	99,024	122,156	146,127
<i>exclusive of aircraft and marine vessel</i>	R M	85,624	98,805	122,036	139,702

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities

**Table 2 - Growth rates and ratios, 2003 - 2006**

	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
	(%)	(%)	(%)	(%)
<b>1. Annual real growth rate of:</b>				
Gross Domestic Product (GDP) at basic prices	+4.4	+4.7	+2.5	+4.6
Final consumption expenditure	+4.7	+7.2	+7.1	+5.3
<i>Households</i>	+5.1	+7.8	+7.3	+5.9
<i>General Government</i>	+3.0	+4.6	+6.1	+2.8
Gross Domestic Fixed Capital Formation (GDFCF)	+10.3	+2.2	-2.4	+17.0
GDFCF (excluding aircraft and marine vessel)	+8.1	+4.8	-2.1	+4.4
<b>2. Ratios</b>				
Compensation of employees as a % of GDP at basic prices	42.6	41.9	41.9	41.1
Final consumption expenditure as a % of GDP at market prices	75.3	77.9	84.3	86.7
<i>Households</i>	61.1	63.6	69.5	72.4
<i>General Government</i>	14.2	14.3	14.8	14.3
GDFCF as a % of GDP at market prices	22.6	21.6	21.3	23.8
<i>exclusive of aircraft and marine vessel</i>	21.9	21.5	21.2	21.2
Public sector' s investment as a % of GDFCF	39.0	30.7	29.7	34.3
<i>exclusive of aircraft and marine vessel</i>	37.1	30.3	29.8	26.5
Gross National Savings (GNS) as a % of GNDI	25.0	22.5	16.4	14.9
Gross National Savings (GNS) as a % of GDP at market prices	25.1	22.6	16.6	15.1
Net exports of goods & services as a % of GDP at market prices (+) surplus / (-) deficit	+1.3	-2.4	-6.0	-10.1

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities

Table 3 - Gross Domestic Product by industry group at current basic prices, 2003 - 2006

	(R Million)			
	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>8,727</b>	<b>9,663</b>	<b>9,624</b>	<b>9,525</b>
Sugarcane	4,508	5,094	5,046	4,709
Other	4,219	4,569	4,578	4,816
<b>Mining and quarrying</b>	<b>84</b>	<b>87</b>	<b>88</b>	<b>92</b>
<b>Manufacturing</b>	<b>29,581</b>	<b>31,799</b>	<b>32,040</b>	<b>34,943</b>
Sugar	1,359	1,536	1,522	1,420
EPZ products	13,171	13,134	12,100	13,035
Other	15,051	17,129	18,418	20,488
<b>Electricity, gas and water supply</b>	<b>3,409</b>	<b>3,546</b>	<b>3,355</b>	<b>3,678</b>
<b>Construction</b>	<b>8,269</b>	<b>8,835</b>	<b>9,023</b>	<b>9,962</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motorcycles, personal and household goods</b>	<b>15,466</b>	<b>17,327</b>	<b>19,417</b>	<b>21,830</b>
Wholesale and retail trade	14,621	16,350	18,292	20,545
Other	845	977	1,125	1,285
<b>Hotels and restaurants</b>	<b>9,434</b>	<b>11,296</b>	<b>12,423</b>	<b>14,133</b>
<b>Transport, storage and communications</b>	<b>18,496</b>	<b>19,967</b>	<b>20,935</b>	<b>22,804</b>
<b>Financial intermediation</b>	<b>13,829</b>	<b>14,875</b>	<b>16,756</b>	<b>18,988</b>
Insurance	3,745	4,200	4,675	5,203
Other (mainly banking including offshore banks)	10,084	10,675	12,081	13,785
<b>Real estate, renting and business activities</b>	<b>13,026</b>	<b>14,679</b>	<b>16,609</b>	<b>18,837</b>
Owner occupied dwellings	6,473	7,247	8,177	8,952
Other	6,553	7,432	8,432	9,885
<b>Public administration and defence; compulsory social security</b>	<b>9,408</b>	<b>10,580</b>	<b>11,460</b>	<b>12,273</b>
<b>Education</b>	<b>6,280</b>	<b>7,087</b>	<b>7,780</b>	<b>8,353</b>
<b>Health and social work</b>	<b>4,423</b>	<b>5,107</b>	<b>5,616</b>	<b>6,200</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>4,839</b>	<b>5,390</b>	<b>6,050</b>	<b>6,791</b>
<b>FISIM</b>	<b>-7,683</b>	<b>-7,818</b>	<b>-8,866</b>	<b>-10,056</b>
<b>Gross Domestic Product at basic prices</b>	<b>137,588</b>	<b>152,420</b>	<b>162,310</b>	<b>178,353</b>
<b>Taxes on products (net of subsidies)</b>	<b>19,806</b>	<b>23,172</b>	<b>23,177</b>	<b>24,984</b>
<b>Gross Domestic Product at market prices</b>	<b>157,394</b>	<b>175,592</b>	<b>185,487</b>	<b>203,337</b>

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities



**Table 4 - Value added by industry group at current basic prices for General Government, 2003 - 2006**

	(R Million)			
	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>954</b>	<b>1,033</b>	<b>1,071</b>	<b>1,100</b>
Sugarcane	0	0	0	0
Other	954	1,033	1,071	1,100
<b>Manufacturing</b>	<b>42</b>	<b>46</b>	<b>47</b>	<b>48</b>
Sugar	0	0	0	0
EPZ products	0	0	0	0
Other	42	46	47	48
<b>Construction</b>	<b>389</b>	<b>415</b>	<b>415</b>	<b>425</b>
<b>Transport, storage and communications</b>	<b>171</b>	<b>182</b>	<b>192</b>	<b>197</b>
<b>Real estate, renting and business activities</b>	<b>53</b>	<b>57</b>	<b>62</b>	<b>65</b>
Owner occupied dwellings	0	0	0	0
Other	53	57	62	65
<b>Public administration and defence; compulsory social security</b>	<b>9,408</b>	<b>10,580</b>	<b>11,460</b>	<b>12,273</b>
<b>Education</b>	<b>3,222</b>	<b>3,653</b>	<b>3,905</b>	<b>4,129</b>
<b>Health and social work</b>	<b>2,698</b>	<b>3,097</b>	<b>3,314</b>	<b>3,493</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>39</b>	<b>50</b>	<b>50</b>	<b>51</b>
<b>General Government</b>	<b>16,976</b>	<b>19,113</b>	<b>20,516</b>	<b>21,781</b>

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities

**Table 5 - Percentage Distribution of Gross Domestic Product by industry group at current basic prices, 2003 - 2006**

	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>6.4</b>	<b>6.3</b>	<b>5.9</b>	<b>5.3</b>
Sugarcane	3.3	3.3	3.1	2.6
Other	3.1	3.0	2.8	2.7
<b>Mining and quarrying</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Manufacturing</b>	<b>21.5</b>	<b>20.8</b>	<b>19.7</b>	<b>19.6</b>
Sugar	1.0	1.0	0.9	0.8
EPZ products	9.6	8.6	7.5	7.3
Other	10.9	11.2	11.3	11.5
<b>Electricity, gas and water supply</b>	<b>2.5</b>	<b>2.3</b>	<b>2.1</b>	<b>2.1</b>
<b>Construction</b>	<b>6.0</b>	<b>5.8</b>	<b>5.6</b>	<b>5.6</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motor cycles, personal and household goods</b>	<b>11.2</b>	<b>11.3</b>	<b>12.0</b>	<b>12.2</b>
Wholesale and retail trade	10.6	10.7	11.3	11.5
Other	0.6	0.6	0.7	0.7
<b>Hotels and restaurants</b>	<b>6.9</b>	<b>7.4</b>	<b>7.7</b>	<b>7.9</b>
<b>Transport, storage and communications</b>	<b>13.4</b>	<b>13.1</b>	<b>12.9</b>	<b>12.8</b>
<b>Financial intermediation</b>	<b>10.0</b>	<b>9.8</b>	<b>10.3</b>	<b>10.6</b>
Insurance	2.7	2.8	2.9	2.9
Other (mainly banking including offshore banks)	7.3	7.0	7.4	7.7
<b>Real estate, renting and business activities</b>	<b>9.5</b>	<b>9.7</b>	<b>10.1</b>	<b>10.6</b>
Owner occupied dwellings	4.7	4.8	4.9	5.0
Other	4.8	4.9	5.2	5.6
<b>Public administration and defence; compulsory social security</b>	<b>6.8</b>	<b>6.9</b>	<b>7.1</b>	<b>6.8</b>
<b>Education</b>	<b>4.6</b>	<b>4.7</b>	<b>4.8</b>	<b>4.7</b>
<b>Health and social work</b>	<b>3.2</b>	<b>3.4</b>	<b>3.5</b>	<b>3.5</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>3.5</b>	<b>3.5</b>	<b>3.7</b>	<b>3.8</b>
<b>FISIM</b>	<b>-5.6</b>	<b>-5.1</b>	<b>-5.5</b>	<b>-5.6</b>
<b>Gross Domestic Product at basic prices</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities

**Table 6 - Gross Domestic Product - sectoral real growth rates (% over previous year), 2003 - 2006**

	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>+1.9</b>	<b>+6.0</b>	<b>-5.3</b>	<b>-0.5</b>
Sugarcane	+3.7	+6.5	-9.2	-3.8
Other	+0.1	+5.4	-1.0	+3.2
<b>Mining and quarrying</b>	<b>+1.0</b>	<b>+0.4</b>	<b>-3.6</b>	<b>+1.3</b>
<b>Manufacturing</b>	<b>0.0</b>	<b>+0.3</b>	<b>-5.5</b>	<b>+2.1</b>
Sugar	+3.7	+6.5	-9.2	-3.8
EPZ products	-6.0	-6.8	-12.3	+1.5
Other	+5.8	+6.0	0.0	+3.0
<b>Electricity, gas and water supply</b>	<b>+8.2</b>	<b>+4.0</b>	<b>+3.8</b>	<b>+4.2</b>
<b>Construction</b>	<b>+10.2</b>	<b>+0.5</b>	<b>-5.2</b>	<b>+5.0</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motor cycles, personal and household goods</b>	<b>+1.2</b>	<b>+5.7</b>	<b>+5.2</b>	<b>+5.1</b>
Wholesale and retail trade	+0.8	+5.5	+5.0	+5.0
Other	+8.3	+8.5	+8.0	+7.5
<b>Hotels and restaurants</b>	<b>+3.0</b>	<b>+2.4</b>	<b>+5.6</b>	<b>+4.8</b>
<b>Transport, storage and communications</b>	<b>+6.6</b>	<b>+8.3</b>	<b>+7.8</b>	<b>+7.1</b>
<b>Financial intermediation</b>	<b>+11.7</b>	<b>+4.3</b>	<b>+7.0</b>	<b>+6.7</b>
Insurance	+5.0	+5.0	+5.0	+5.0
Other (mainly banking including offshore banks)	+14.3	+4.0	+7.8	+7.4
<b>Real estate, renting and business activities</b>	<b>+6.6</b>	<b>+6.7</b>	<b>+6.5</b>	<b>+6.1</b>
Owner occupied dwellings	+5.9	+5.3	+4.8	+4.1
Other	+7.2	+8.0	+8.1	+8.1
<b>Public administration and defence; compulsory social security</b>	<b>+5.6</b>	<b>+4.3</b>	<b>+5.3</b>	<b>+4.8</b>
<b>Education</b>	<b>+4.8</b>	<b>+6.4</b>	<b>+6.1</b>	<b>+3.7</b>
<b>Health and social work</b>	<b>+6.8</b>	<b>+7.4</b>	<b>+6.5</b>	<b>+6.1</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>+6.3</b>	<b>+7.6</b>	<b>+7.9</b>	<b>+7.9</b>
<b>FISIM</b>	<b>+7.6</b>	<b>-0.4</b>	<b>+6.3</b>	<b>+7.0</b>
<b>Gross Domestic Product at basic prices</b>	<b>+4.4</b>	<b>+4.7</b>	<b>+2.5</b>	<b>+4.6</b>
<b>Gross Domestic Product at basic prices exc. sugar</b>	<b>+4.5</b>	<b>+4.6</b>	<b>+3.0</b>	<b>+5.0</b>
<b>Taxes on products (net of subsidies)</b>	<b>+3.5</b>	<b>+12.3</b>	<b>-6.3</b>	<b>-0.7</b>
<b>Gross Domestic Product at market prices</b>	<b>+4.3</b>	<b>+5.6</b>	<b>+1.3</b>	<b>+3.9</b>

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities

Table 7 - Contribution of industry groups to GDP growth, 2003 - 2006

	2003	2004	2005	2006 <sup>1</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>+0.1</b>	<b>+0.4</b>	<b>-0.3</b>	<b>0.0</b>
Sugarcane	+0.1	+0.2	-0.3	-0.1
Other	0.0	+0.2	0.0	+0.1
<b>Mining and quarrying</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Manufacturing</b>	<b>0.0</b>	<b>+0.1</b>	<b>-1.2</b>	<b>+0.4</b>
Sugar	0.0	+0.1	-0.1	0.0
EPZ products	-0.7	-0.7	-1.1	+0.1
Other	+0.6	+0.7	0.0	+0.3
<b>Electricity, gas and water supply</b>	<b>+0.2</b>	<b>+0.1</b>	<b>+0.1</b>	<b>+0.1</b>
<b>Construction</b>	<b>+0.6</b>	<b>0.0</b>	<b>-0.3</b>	<b>+0.3</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motorcycles, personal and household goods</b>	<b>+0.1</b>	<b>+0.6</b>	<b>+0.6</b>	<b>+0.6</b>
Wholesale and retail trade	+0.1	+0.6	+0.5	+0.6
Other	0.0	+0.1	+0.1	+0.1
<b>Hotels and restaurants</b>	<b>+0.2</b>	<b>+0.2</b>	<b>+0.4</b>	<b>+0.4</b>
<b>Transport, storage and communications</b>	<b>+0.9</b>	<b>+1.1</b>	<b>+1.0</b>	<b>+0.9</b>
<b>Financial intermediation</b>	<b>+1.1</b>	<b>+0.4</b>	<b>+0.7</b>	<b>+0.7</b>
Insurance	+0.1	+0.1	+0.1	+0.1
Other (mainly banking including offshore banks)	+1.0	+0.3	+0.5	+0.6
<b>Real estate, renting and business activities</b>	<b>+0.6</b>	<b>+0.6</b>	<b>+0.6</b>	<b>+0.6</b>
Owner occupied dwellings	+0.3	+0.2	+0.2	+0.2
Other	+0.3	+0.4	+0.4	+0.4
<b>Public administration and defence; compulsory social security</b>	<b>+0.4</b>	<b>+0.3</b>	<b>+0.4</b>	<b>+0.3</b>
<b>Education</b>	<b>+0.2</b>	<b>+0.3</b>	<b>+0.3</b>	<b>+0.2</b>
<b>Health and social work</b>	<b>+0.2</b>	<b>+0.2</b>	<b>+0.2</b>	<b>+0.2</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>+0.2</b>	<b>+0.3</b>	<b>+0.3</b>	<b>+0.3</b>
<b>FISIM</b>	<b>-0.4</b>	<b>+0.1</b>	<b>-0.3</b>	<b>-0.4</b>
<b>Gross Domestic Product at basic prices</b>	<b>+4.4</b>	<b>+4.7</b>	<b>+2.5</b>	<b>+4.6</b>

1/ Forecast

Figures are based on the 2002 Census of Economic Activities

**Table 8 - Gross Domestic Product-sectoral deflators (% over previous year), 2003 - 2006**

	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>+8.3</b>	<b>+4.5</b>	<b>+5.2</b>	<b>-0.6</b>
Sugarcane	+11.1	+6.1	+9.1	-3.0
Other	+5.5	+2.8	+1.2	+2.0
<b>Mining and quarrying</b>	<b>+2.5</b>	<b>+3.0</b>	<b>+4.7</b>	<b>+3.1</b>
<b>Manufacturing</b>	<b>+4.8</b>	<b>+7.2</b>	<b>+6.6</b>	<b>+6.8</b>
Sugar	+3.2	+6.1	+9.1	-3.0
EPZ products	+3.0	+7.0	+5.0	+6.2
Other	+6.5	+7.4	+7.5	+8.0
<b>Electricity, gas and water supply</b>	<b>+4.6</b>	<b>0.0</b>	<b>-8.9</b>	<b>+5.2</b>
<b>Construction</b>	<b>+4.7</b>	<b>+6.3</b>	<b>+7.7</b>	<b>+5.2</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motorcycles, personal and household goods</b>	<b>+3.8</b>	<b>+6.0</b>	<b>+6.6</b>	<b>+6.9</b>
Wholesale and retail trade	+3.6	+6.0	+6.6	+7.0
Other	+6.9	+6.6	+6.6	+6.3
<b>Hotels and restaurants</b>	<b>+2.6</b>	<b>+16.9</b>	<b>+4.1</b>	<b>+8.6</b>
<b>Transport, storage and communications</b>	<b>+2.4</b>	<b>-0.3</b>	<b>-2.7</b>	<b>+1.7</b>
<b>Financial intermediation</b>	<b>+6.6</b>	<b>+3.2</b>	<b>+5.3</b>	<b>+6.2</b>
Insurance	+9.7	+6.8	+6.0	+6.0
Other (mainly banking including offshore banks)	+5.4	+1.8	+5.0	+6.2
<b>Real estate, renting and business activities</b>	<b>+4.4</b>	<b>+5.7</b>	<b>+6.3</b>	<b>+6.9</b>
Owner occupied dwellings	+4.7	+6.3	+7.7	+5.2
Other	+4.1	+5.0	+5.0	+8.4
<b>Public administration and defence; compulsory social security</b>	<b>+9.5</b>	<b>+7.8</b>	<b>+2.9</b>	<b>+2.2</b>
<b>Education</b>	<b>+6.9</b>	<b>+6.1</b>	<b>+3.5</b>	<b>+3.5</b>
<b>Health and social work</b>	<b>+8.7</b>	<b>+7.5</b>	<b>+3.3</b>	<b>+4.1</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>+6.7</b>	<b>+3.5</b>	<b>+4.0</b>	<b>+4.0</b>
<b>FISIM</b>	<b>+6.4</b>	<b>+2.2</b>	<b>+6.7</b>	<b>+6.0</b>
<b>Gross Domestic Product at basic prices</b>	<b>+5.0</b>	<b>+5.8</b>	<b>+3.9</b>	<b>+5.0</b>
<b>Taxes on products (net of subsidies)</b>	<b>+12.2</b>	<b>+4.2</b>	<b>+6.8</b>	<b>+8.5</b>
<b>Gross Domestic Product at market prices</b>	<b>+5.9</b>	<b>+5.6</b>	<b>+4.3</b>	<b>+5.5</b>

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities

Table 9 - Expenditure on Gross Domestic Product at current prices, 2003 - 2006

	(R Million)			
	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>Final consumption expenditure</b>	<b>118,452</b>	<b>136,863</b>	<b>156,336</b>	<b>176,187</b>
Households	96,180	111,820	128,968	147,174
General government	22,272	25,043	27,368	29,013
<i>Individual</i>	(9,142)	(10,343)	(11,145)	(11,817)
<i>Collective</i>	(13,130)	(14,700)	(16,223)	(17,196)
<b>Gross domestic fixed capital formation</b>	<b>35,554</b>	<b>38,003</b>	<b>39,524</b>	<b>48,376</b>
Private sector	21,681	26,345	27,767	31,789
Public sector	13,873	11,658	11,757	16,587
<b>Increase in inventories<sup>3</sup></b>	<b>1,368</b>	<b>4,891</b>	<b>692</b>	<b>-766</b>
<b>Exports of goods &amp; services</b>	<b>88,714</b>	<b>94,859</b>	<b>111,091</b>	<b>125,667</b>
Goods ( f.o.b )	53,022	54,905	63,370	72,900
Services	35,692	39,954	47,721	52,767
<b>Less Imports of goods &amp; services</b>	<b>86,694</b>	<b>99,024</b>	<b>122,156</b>	<b>146,127</b>
Goods ( f.o.b )	61,411	70,911	86,822	106,356
Services	25,283	28,113	35,334	39,771
<b>Gross Domestic Product at market prices</b>	<b>157,394</b>	<b>175,592</b>	<b>185,487</b>	<b>203,337</b>

Table 10 - Expenditure on GDP-Growth rates (% over previous year), 2003 - 2006

	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>Final consumption expenditure</b>	<b>+4.7</b>	<b>+7.2</b>	<b>+7.1</b>	<b>+5.3</b>
Households	+5.1	+7.8	+7.3	+5.9
General government	+3.0	+4.6	+6.1	+2.8
<i>Individual</i>	+0.4	+4.9	+4.8	+3.6
<i>Collective</i>	+4.9	+4.4	+7.0	+2.3
<b>Gross domestic fixed capital formation</b>	<b>+10.3</b>	<b>+2.2</b>	<b>-2.4</b>	<b>+17.0</b>
Private sector	-1.8	+16.3	-1.1	+9.3
Public sector	+36.6	-19.8	-5.4	+35.0
<b>Exports of goods &amp; services</b>	<b>-3.9</b>	<b>-0.3</b>	<b>+11.7</b>	<b>+7.3</b>
Goods ( f.o.b )	-5.9	-3.5	+10.1	+9.1
Services	-0.7	+4.3	+14.0	+4.9
<b>Less Imports of goods &amp; services</b>	<b>-3.1</b>	<b>+2.8</b>	<b>+6.4</b>	<b>+5.7</b>
Goods ( f.o.b )	-4.3	+3.9	+5.6	+8.2
Services	-0.1	+0.1	+8.4	-0.6

1/ Revised estimates    2/ Forecast

3/ includes all statistical discrepancies

Figures are based on the 2002 Census of Economic Activities

Table 11 - National Disposable Income and its appropriation at current prices, 2003 - 2006

	(R Million)			
	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>Compensation of employees</b>	<b>58,675</b>	<b>63,790</b>	<b>68,064</b>	<b>73,390</b>
of which paid by general government	14,758	16,660	17,826	18,779
<b>Taxes (net of subsidies) on production and imports</b>	<b>21,239</b>	<b>24,733</b>	<b>24,900</b>	<b>26,933</b>
Taxes on products <sup>3</sup>	20,634	23,785	24,060	25,913
Subsidies on products	(828)	(613)	(883)	(929)
Other taxes on production <sup>4</sup>	1,433	1,561	1,723	1,949
<b>Gross operating surplus</b>	<b>77,480</b>	<b>87,069</b>	<b>92,524</b>	<b>103,014</b>
<b>Gross Domestic Product at market prices</b>	<b>157,394</b>	<b>175,592</b>	<b>185,487</b>	<b>203,337</b>
<b>Net primary income from the rest of the world</b>	<b>-833</b>	<b>-390</b>	<b>-236</b>	<b>+1,500</b>
<b>Gross National Income at market prices (GNI)</b>	<b>156,561</b>	<b>175,202</b>	<b>185,251</b>	<b>204,837</b>
<b>Net transfer from the rest of the world</b>	<b>+1,471</b>	<b>+1,374</b>	<b>+1,798</b>	<b>+2,093</b>
<b>Gross National Disposable Income (GNDI)</b>	<b>158,032</b>	<b>176,576</b>	<b>187,049</b>	<b>206,930</b>
<b>Less: Final consumption expenditure</b>	<b>118,452</b>	<b>136,863</b>	<b>156,336</b>	<b>176,187</b>
Households	96,180	111,820	128,968	147,174
General government	22,272	25,043	27,368	29,013
<b>Gross National Saving (GNS)</b>	<b>39,580</b>	<b>39,713</b>	<b>30,713</b>	<b>30,743</b>
<b>GNS as a % of GNDI</b>	<b>25.0</b>	<b>22.5</b>	<b>16.4</b>	<b>14.9</b>
<b>GNS as a % of GDP at market prices</b>	<b>25.1</b>	<b>22.6</b>	<b>16.6</b>	<b>15.1</b>

1/ Revised estimates    2/ Forecast

3/ include excise duties, import duties and value added tax

4/ include road tax, municipal rates, trading licences, etc.

Figures are based on the 2002 Census of Economic Activities



Table 12 - Gross Domestic Fixed Capital Formation at current prices by type and use, 2003 - 2006

	(R Million)			
	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>I - By type of capital goods</b>				
<b>A. Building &amp; construction work</b>	<b>21,741</b>	<b>23,042</b>	<b>23,289</b>	<b>25,594</b>
Residential building	7,620	7,911	7,628	8,685
Non-residential building	7,967	10,174	9,627	10,521
Other construction work	6,154	4,957	6,034	6,388
<b>B. Machinery and equipment</b>	<b>13,813</b>	<b>14,961</b>	<b>16,235</b>	<b>22,782</b>
Aircraft	1,070	219	120	5,290
Marine vessel	0	0	0	0
Passenger car	1,813	2,580	2,327	2,499
Other transport equipment	1,768	1,510	1,731	2,048
Other machinery and equipment	9,162	10,652	12,057	12,945
<b>Gross Domestic Fixed Capital Formation</b>	<b>35,554</b>	<b>38,003</b>	<b>39,524</b>	<b>48,376</b>
<b>II - By Industrial use</b>				
Agriculture, hunting, forestry and fishing	953	1,328	2,025	2,185
Mining and quarrying	1	2	0	3
Manufacturing	4,109	5,346	5,554	4,779
<i>of which EPZ</i>	(1,418)	(2,508)	(2,391)	(2,040)
Electricity, gas and water supply	1,809	1,783	2,750	2,897
Construction	610	744	686	947
Wholesale & retail trade and repairs	2,487	2,489	2,739	2,967
<i>of which Wholesale and retail trade</i>	(2,420)	(2,406)	(2,659)	(2,937)
Restaurants and hotels	3,227	5,185	4,192	6,653
Transport, storage and communications	5,628	4,067	4,532	10,474
Financial intermediation	789	945	1,334	1,552
Real estate, renting and business activities	9,387	10,005	9,511	10,096
<i>Owner occupied dwellings</i>	7,618	7,911	7,628	8,685
<i>Other</i>	1,769	2,094	1,883	1,411
Public administration and defence; compulsory social security	2,175	2,495	1,975	2,154
Education	1,241	1,167	1,326	1,182
Health and social work	581	693	540	551
Other community, social and personal service activities and private households with employed persons	2,557	1,754	2,360	1,936
<b>Gross Domestic Fixed Capital Formation</b>	<b>35,554</b>	<b>38,003</b>	<b>39,524</b>	<b>48,376</b>
<b>GDFCF as a % of GDP at market prices</b>	<b>22.6</b>	<b>21.6</b>	<b>21.3</b>	<b>23.8</b>

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities

**Table 13 - Gross Domestic Fixed Capital Formation - Annual real growth rates (%) by type and use, 2003 - 2006**

	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>I - By type of capital goods</b>				
<b>A. Building &amp; construction work</b>	<b>+12.9</b>	<b>-0.3</b>	<b>-6.2</b>	<b>+4.5</b>
Residential building	+4.6	-2.3	-10.5	+8.2
Non-residential building	+7.6	+20.1	-12.1	+3.9
Other construction work	+34.5	-24.2	+13.0	+0.6
<b>B. Machinery and equipment</b>	<b>+6.5</b>	<b>+6.2</b>	<b>+3.4</b>	<b>+34.9</b>
<i>Machinery and equipment (excluding aircraft &amp; marine vessel)</i>	+1.1	+13.4	+4.1	+4.4
Passenger car	+12.2	+39.5	-14.1	+3.2
Other transport equipment	+66.5	-40.3	+2.0	+281.2
<i>Other transport equipment(excluding aircraft &amp; marine vessel)</i>	+32.3	-16.3	+9.2	+13.8
Other machinery and equipment	-5.2	+14.0	+7.8	+3.2
<b>Gross Domestic Fixed Capital Formation</b>	<b>+10.3</b>	<b>+2.2</b>	<b>-2.4</b>	<b>+17.0</b>
<b>GDFCF (excluding aircraft &amp; marine vessel)</b>	<b>+8.1</b>	<b>+4.8</b>	<b>-2.1</b>	<b>+4.4</b>
<b>II - By Industrial use</b>				
Agriculture, hunting, forestry and fishing	+10.8	+33.8	+42.9	+3.0
Mining and quarrying	-	+150.8	-100.0	-
Manufacturing	-11.9	+26.5	-1.7	-17.4
<i>of which EPZ</i>	-6.1	+71.6	-10.0	-18.1
Electricity , gas and water supply	+19.7	-4.8	+45.8	+1.0
Construction	+323.6	+19.5	-12.2	+32.5
Wholesale & retail trade and repairs	-3.7	-3.7	+3.6	+3.6
<i>of which Wholesale and retail trade</i>	-4.1	-4.3	+4.0	+5.6
Restaurants and hotels	-20.2	+52.2	-24.6	+51.1
Transport , storage and communications	+24.5	-30.3	+5.3	+121.7
Financial intermediation	-18.0	+15.8	+32.6	+11.2
Real estate , renting and business activities	+16.7	+0.6	-11.5	+1.0
<i>Owner occupied dwellings</i>	+4.6	-2.3	-10.5	+8.2
<i>Other</i>	+128.3	+13.2	-15.4	-28.3
Public administration and defence;compulsory social security	+24.4	+9.5	-26.0	+4.2
Education	+14.3	-10.6	+6.1	-15.1
Health and social work	-7.6	+15.2	-26.3	-2.2
Other community, social and personal service activities and private households with employed persons	+77.1	-34.6	+25.8	-21.7
<b>Gross Domestic Fixed Capital Formation</b>	<b>+10.3</b>	<b>+2.2</b>	<b>-2.4</b>	<b>+17.0</b>

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities

**Table 14 - Gross Domestic Fixed Capital Formation - Deflators (% over previous year), 2003 - 2006**

	2003 <sup>1</sup>	2004 <sup>1</sup>	2005 <sup>1</sup>	2006 <sup>2</sup>
<b>By type of capital goods</b>				
<b>A. Building &amp; construction work</b>	<b>+4.7</b>	<b>+6.3</b>	<b>+7.7</b>	<b>+5.2</b>
Residential building	+4.7	+6.3	+7.7	+5.2
Non-residential building	+4.7	+6.3	+7.7	+5.2
Other construction work	+4.7	+6.3	+7.7	+5.2
<b>B. Machinery and equipment</b>	<b>+2.3</b>	<b>+2.0</b>	<b>+5.0</b>	<b>+4.0</b>
Passenger car	+1.0	+2.0	+5.0	+4.0
Other transport equipment	+1.0	+2.0	+5.0	+4.0
Other machinery and equipment	+3.0	+2.0	+5.0	+4.0
<b>Gross Domestic Fixed Capital Formation</b>	<b>+3.8</b>	<b>+4.6</b>	<b>+6.6</b>	<b>+4.6</b>

1/ Revised estimates    2/ Forecast

Figures are based on the 2002 Census of Economic Activities