

# National Accounts Estimates (2005 – 2008)

## March 2008 issue

### 1. MAIN AGGREGATES

	2007 <sup>1</sup>	2008 <sup>2</sup>
(i) GDP at basic prices (R billion)	206.9	233.5
(ii) GDP growth rate (%)	+5.4	+6.0
(iii) Investment growth rate (%)	+8.6	+4.7
<i>Exclusive of aircraft and marine vessel</i>	<i>+17.0</i>	<i>+9.4</i>
(iv) Investment as a % of GDP	25.1	25.2
<i>Exclusive of aircraft and marine vessel</i>	<i>24.1</i>	<i>25.2</i>
(v) Public sector investment as a % of GDP	5.5	4.0
<i>Exclusive of aircraft and marine vessel</i>	<i>4.3</i>	<i>4.0</i>
(vi) Private sector investment as a % of GDP	19.6	21.2
<i>Exclusive of aircraft and marine vessel</i>	<i>19.8</i>	<i>21.2</i>
(vii) Public sector investment as a % of total investment	21.8	16.0
<i>Exclusive of aircraft and marine vessel</i>	<i>18.0</i>	<i>16.0</i>
(viii) Private sector investment as a % of total investment	78.2	84.0
<i>Exclusive of aircraft and marine vessel</i>	<i>82.0</i>	<i>84.0</i>
(ix) Growth rate of final consumption expenditure (%)	+3.9	+4.2
(x) Gross National Saving as a % of GNDI	20.3	19.8
(xi) Gross National Saving as a % of GDP at market prices	21.3	20.8
(xii) Net exports of goods and services as a % of GDP	-10.1	-8.0

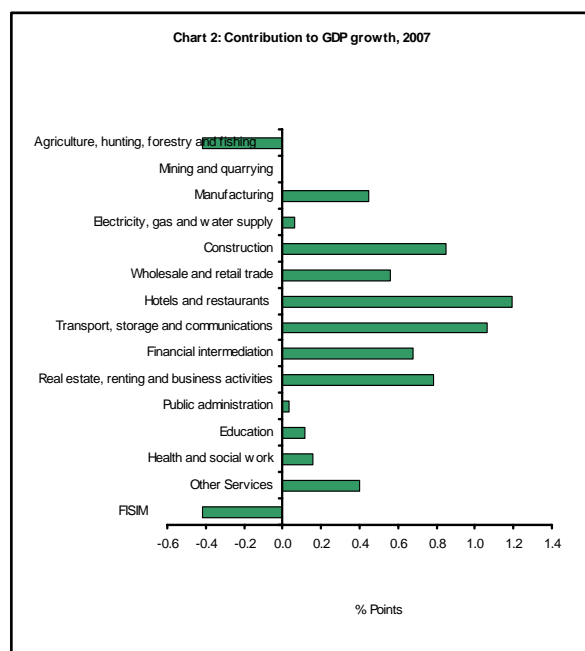
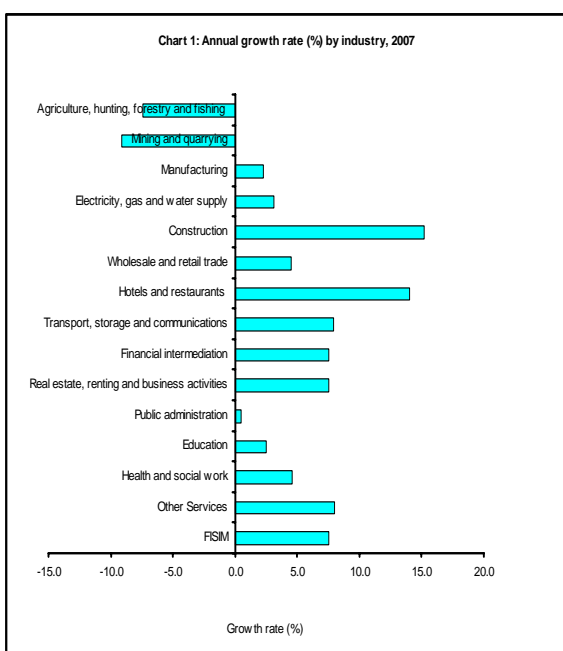
<sup>1</sup> Revised    <sup>2</sup> Forecast

### 2. HIGHLIGHTS

#### 2.1 Gross Domestic Product

##### Year 2007

- (i) **In 2007, Gross Domestic Product (GDP) at basic prices was R 206,934 million compared to R 181,968 million in 2006.**
- (ii) **GDP growth rate worked out to 5.4% compared to 5.0% in 2006.** Exclusive of sugar, the rate was 6.1% against 5.4% in 2006.
- (iii) The economy was **driven by the tertiary sector comprising services industries**, led by activities in “Hotels and restaurants”, “Transport, storage and communications”, “Real estate, renting and business activities” and “Financial intermediation”. In fact, the contribution of the tertiary sector to the 5.4% growth of GDP is estimated at around 4.3 percentage points in 2007 (See Section 5.4 for definitions).



## Year 2008

- (i) On the basis of information gathered on key sectors of the economy and on recent past trends, **the economy is forecasted to grow by around 6.0% in 2008.**
- (ii) Exclusive of sugar, the growth rate would be around 5.6%. Assumptions used are given in Paragraph 4.2.2.

## 2.2 Performance of the main industry groups, 2007

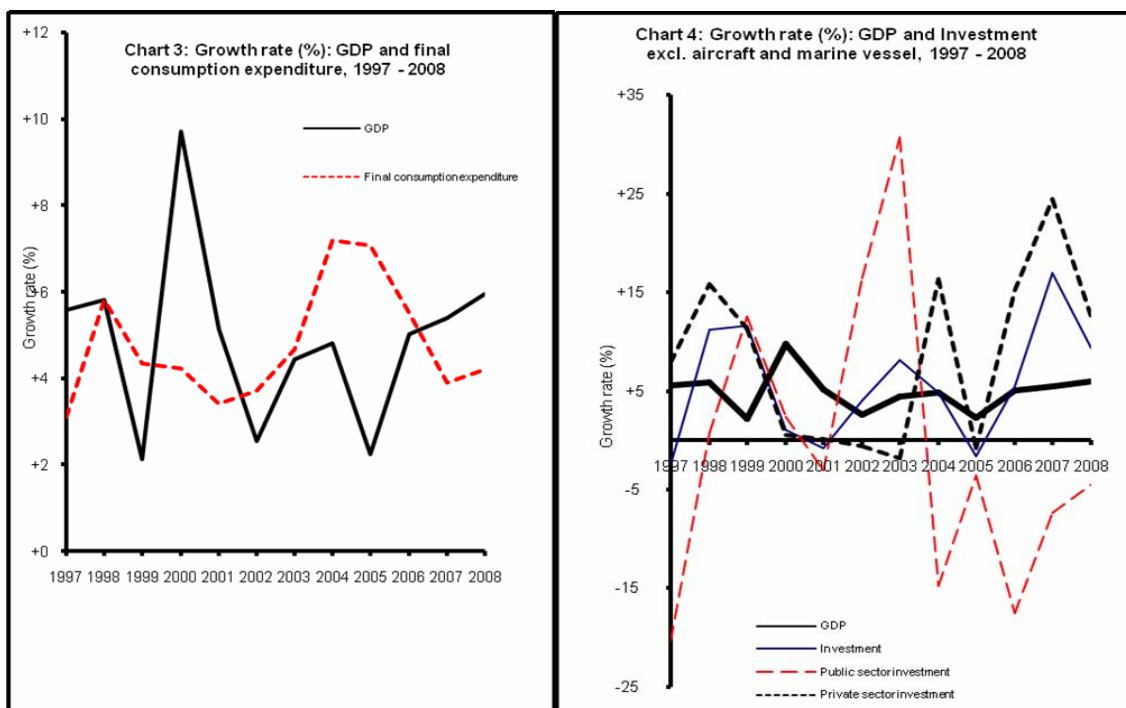
The performances of the main industry groups in 2007 were as follows:

- (i) Sugarcane/sugar milling **A contraction of 13.6%**, based on a sugar production of 435,972 tonnes compared to 504,857 tonnes in 2006.
- (ii) Manufacturing **A further expansion of 2.2%** after a growth of 4.0% in 2006, due to growths of 8.5% and 4.0% in the textile and food processing industries respectively, partly offset by contractions of 13.6% in sugar milling and 3.1% in other manufacturing industries.
- (iii) Construction After a 5.2% growth in 2006, "Construction" registered **an accelerated growth of 15.2%**, mainly due to the construction and renovation of hotels, projects under the Integrated Resort Scheme (IRS) and expansion of textile and wearing apparel industries.
- (iv) Hotels and restaurants Based on 906,971 tourist arrivals in 2007, the industry **rebounded by 14.0%**, after a low growth of 3.5% in 2006 due to the spread of the "Chikungunya" disease.
- (v) Wholesale and retail trade Distribution activities **grew at a lower rate of 4.4%** compared to 5.4% in 2006.
- (vi) Financial intermediation **A growth of 7.5%** was registered as a result of 5.1%, 7.9% and 11.2% growths in insurance, banks and other financial intermediation activities respectively.

Activities of Export Oriented Enterprises (EOE) comprising enterprises formerly operating with an export certificate and those export manufacturing enterprises holding a registration certificate issued by the Board of Investment grew by 8.0% compared to 4.6% in 2006.

## 2.3 Final consumption expenditure, 2007

Final consumption expenditure **grew at a lower rate of 3.9%** compared to 5.5% in 2006. It is to be noted that final consumption expenditure grew at a lower rate than GDP in 2007 after five consecutive years of higher growths (Chart 3).

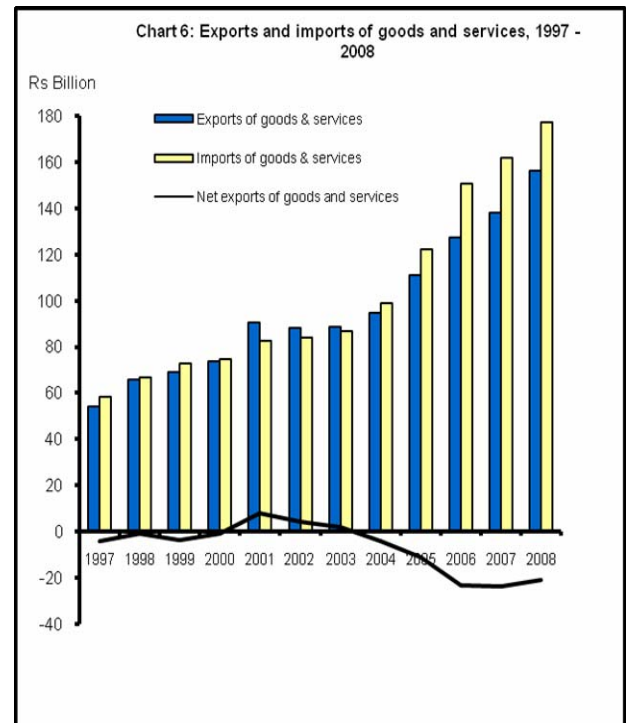
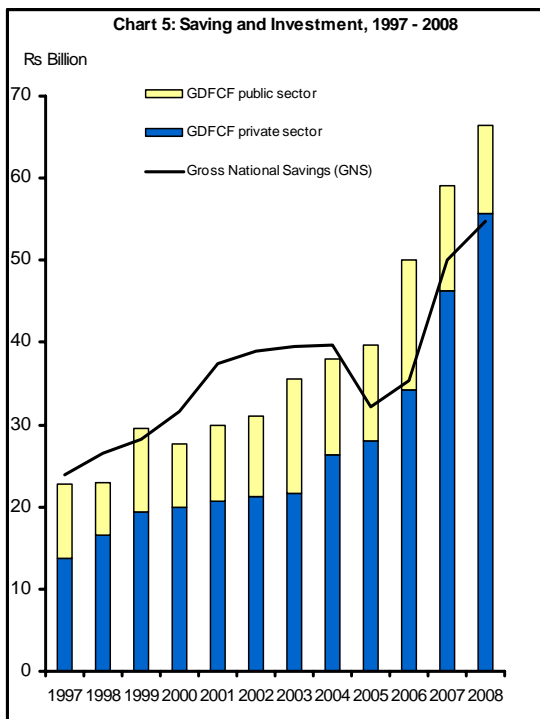


## 2.4 Saving, 2007

**Gross National Saving (GNS) as a % of Gross National Disposable Income (GNDI) worked out to 20.3% in 2007 and saving rate defined as the ratio of GNS to GDP at market prices to 21.3%** (Table 11). The rates for 2006 were 16.8% and 17.1% respectively. It is noted that figures for 2007 are not strictly comparable with 2006 due to the inclusion of investment income of offshore activities of banks in GNDI as from 2007.

## 2.5 Investment, 2007

- (i) **Investment grew by 8.6% in 2007 after a high growth of 19.0% in 2006.** Exclusive of aircraft, investment grew by 17.0% compared to 5.5% in 2006.
- (ii) **Private sector investment rose further by 24.0% after the high growth of 15.1% in 2006,** mostly attributable to high investment in hotels and IRS projects, and to a lesser extent to investment in textile and wearing apparel industries.
- (iii) **Public sector investment declined by 24.7%** as opposed to a high growth of 28.3% in 2006, mainly explained by lower investment in aircraft in 2007 compared to 2006. Exclusive of aircraft, public sector investment declined by 7.4% compared to a decline of 17.5% in 2006.
- (iv) **Investment rate, defined as the ratio of investment to GDP at market prices worked out to 25.1%, higher than the rate of 24.3% registered in 2006.** Exclusive of aircraft, investment rate worked out to 24.1% higher than the 2006 figure of 21.5%.
- (v) **Private investment rate increased to 19.6% in 2007 from 16.6% in 2006 while public investment rate decreased to 5.5% from 7.7% in 2006.**
- (vi) **The share of private sector investment increased to 78.2% in 2007 from 68.3% in 2006 while that of the public sector decreased to 21.8% from 31.7%.** Exclusive of aircraft, the share of private sector investment in 2007 worked out to 82.0% compared to 76.7% in 2006, and that of the public sector to 18.0% compared to 23.3%.



## 2.6 Net exports of goods and services, 2007

- (i) **Imports of goods and services grew by 1.5% in real terms in 2007 compared to 9.3% in 2006,** while **exports of goods and services grew by 3.3% compared to 7.7% in 2006.**
- (ii) **Net exports of goods and services resulted in a deficit representing 10.1% of GDP at market prices slightly lower than the 2006 figure of 11.3%.** Exclusive of aircraft, the percentage worked out to -9.0% compared to -8.5% in 2006.

### 3. REVISIONS IN THIS ISSUE

#### 3.1 Year 2007

Data now available for the various sectors of the economy show that GDP grew by 5.4% in 2007 compared to the estimate of 5.6% made in December 2007. Exclusive of sugar, the growth rate worked out to 6.1% compared to the previous estimate of 6.3%. At industry group level, the main changes compared to the estimate made earlier in December 2007 are:

- (i) a lower growth of 8.5% in textile manufacturing industries instead of 10.5%;
- (ii) a more severe contraction of 3.1% in industries manufacturing mainly for the domestic market, as opposed to -1.2%; and
- (iii) a higher growth of 14.0% in "Hotels and restaurants" compared to 13.1%.

#### 3.2 Year 2008

On the basis of information gathered on the key sectors of the economy and recent past trends, the economy is expected to grow by around 6.0% in 2008, same as the forecast made earlier in December 2007. Exclusive of sugar, the growth rate would be around 5.6%, same as the previous forecast.

At industry level, the main changes compared to the forecast made in December 2007 are:

- (i) **Manufacturing industries:** to expand by at a lower rate of 4.1% compared to 5.5%. Within the sector, sugar milling would rebound by 19.3% instead of 18.0% and "Textile" to grow by 4.6% instead of 5.0%;
- (ii) **Construction:** to grow at a higher rate of 7.0% instead of 3.0% and
- (iii) **Hotels and restaurants:** to expand by around 7.1% compared to 8.0%. Tourist arrivals are forecasted at 975,000, the same as in December 2007.

### 4. DETAILED ANALYSIS AND COMMENTS

#### 4.1 Year 2007

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

In 2007, GDP at basic prices increased by 13.7% in nominal terms to reach R 206,934 million from R 181,968 million in 2006. After removing the price effect of 7.9% (the GDP deflator), the economy grew by 5.4%, higher than the 5.0% recorded in 2006. Exclusive of sugar, the growth rate worked out to 6.1% compared to 5.4% in 2006 (Tables 3 and 6).

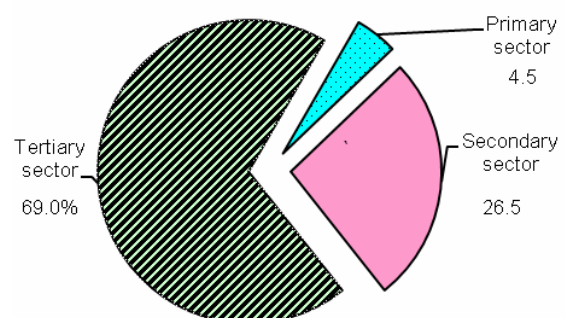
GDP at market prices, which includes R 28,549 million as taxes (net of subsidies) on products, increased by 14.2% to R 235,483 million from R 206,287 million in 2006. Per capita GDP at current market prices increased by 13.5% to R 186,831 from R 164,636 in 2006 (Table 1).

##### 4.1.2 Growth rate by industry

In 2007, 69.0% of GDP was generated by the tertiary sector comprising the services industries compared to 26.5% by the secondary sector. The remainder, or 4.5%, was attributable to the primary sector which consists mainly of agricultural activities.

GDP growth was positively influenced by the secondary and tertiary sectors which contributed 1.5 and 4.3 percentage points respectively to the overall GDP growth. On the other hand, the contribution of the primary sector was -0.4 percentage point (Table 7).

Chart 7: Share of the primary, secondary and tertiary sectors in the economy, 2007



### Primary sector

Activities in the primary sector which are mainly related to "Agriculture" contracted by 7.5% in 2007 after a low growth of 0.6% in 2006. Within the sector,

- (i) "**Agriculture**" contracted by 7.4%, as a result of declines of 13.6% and 1.1% in "Sugarcane" and "Other agriculture" respectively, due to unfavourable climatic conditions during the year.
- (ii) **Mining and quarrying declined** by 9.1% after a growth of 9.1% in 2006.

### Secondary sector

Activities in the secondary sector grew further by 4.9% in 2007 after a growth of 4.2% in 2006. Within the sector,

- (i) **Manufacturing** grew by 2.2% in 2007 compared to 4.0% in 2006. The performances of its sub sectors were as follows:

*Sugar milling* a decline of 13.6% in 2007 based on a sugar production of 435,972 tonnes, compared to a decline of 2.9% in 2006 based on a production of 504,857 tonnes.

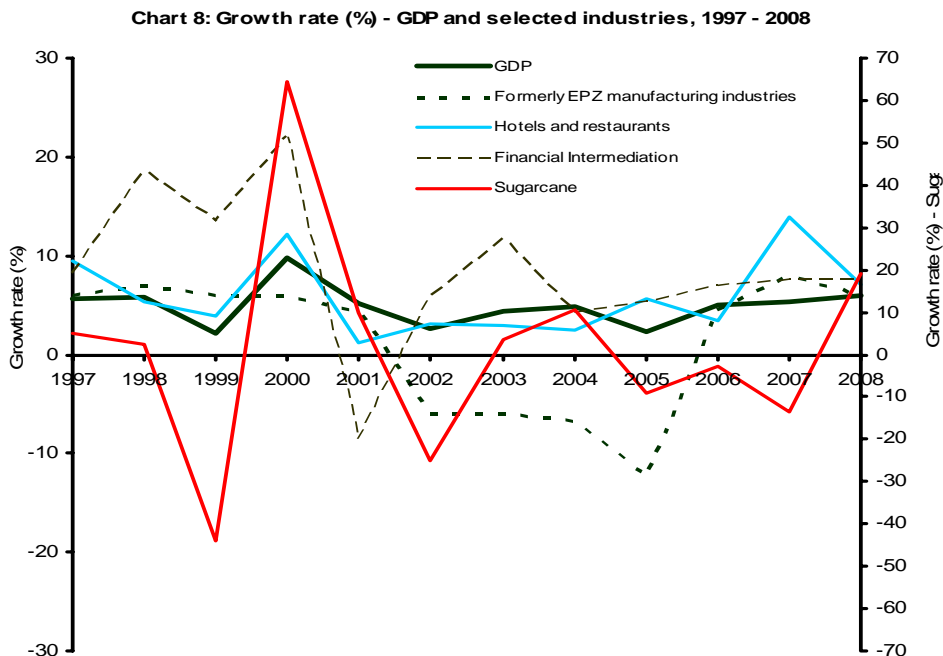
*Textile* a growth of 8.5% in 2007 following a rebound of 2.9% in 2006 after negative growths of 7.2% and 14.7% in 2004 and 2005 respectively.

Activities of export oriented enterprises grew at a higher rate of 8.0% in 2007 compared to a growth of 4.6% in 2006.

- (ii) **Electricity, gas and water supply** grew by 3.1% compared to 4.0% in 2006.
- (iii) After a growth of 5.2% in 2006, **Construction** grew further by 15.2%, mainly attributable to the construction and renovation of hotels, projects under the Integrated Resort Scheme and expansion of textile and wearing apparel industries.

### Tertiary sector

The tertiary sector grew by 6.7% in 2007, compared to 5.9% in 2006. All the service industries recorded increases in activities during the year.



- (i) **Wholesale and retail trade; repair of motor vehicles, motor cycles, personal and household goods** grew by 4.5%, lower than the 5.5% growth recorded in 2006, as a result of reduced growths in final consumption due to price increases of consumer goods, and in trade activities of the Freeport.
- (ii) **Hotels and restaurants** rebounded by 14.0%, after a low growth of 3.5% in 2006 consequent to the spread of the "Chikungunya" disease. The number of tourists who visited the country in 2007 was 906,971 compared to 788,276 in 2006, generating tourist earnings of R 40,687 million compared to R 31,942 million in 2006.

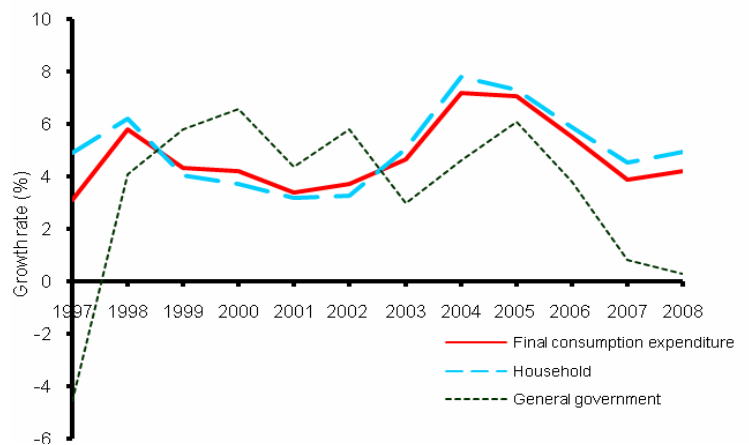
- (iii) **Transport, storage and communications** grew by 7.9% higher than the 7.4% growth in 2006.
- (iv) **Financial intermediation** grew by 7.5%, higher than the 7.0% growth registered in 2006. The 7.5% growth was due to growths of 5.1%, 7.9% and 11.2% in insurance, banks and other financial intermediation activities respectively.
- (v) **Real estate, renting and business activities** grew by 7.5%, higher than the 6.3% growth registered in 2006.
- (vi) Activities of **Public administration and defence; compulsory social security** registered a low growth of 0.5% after the 4.0% growth in 2006.
- (vii) **Education**, which includes services provided by both public and private operators, grew by 2.5% in 2007, lower than the 4.1% growth in 2006.
- (viii) **Health and social work** grew by 4.6% in 2007, lower than the 7.9% growth in 2006.
- (ix) **Other community, social and personal service activities and private households with employed persons** grew by 8.0% in 2007, higher than the 6.5% growth in 2006.
- (x) **Financial Intermediation Services Indirectly Measured (FISIM)** grew by 7.5% compared to 6.9% in 2006.

### 4.1.3 Expenditure on Gross Domestic Product

#### 4.1.3.1 Final consumption expenditure

Total final consumption expenditure increased by 12.4% to reach R 196,533 million in 2007 from R 174,846 million in 2006. The real growth rate works out to 3.9% compared to 5.5% in 2006 as a result of lower growths in the final consumption expenditure of both households and general government (Tables 9 and 10). Final consumption expenditure of households which represents 84.4% of the total, grew at a lower rate of 4.5% compared to 5.9% in 2006. That of general government grew by 0.8% in 2007 lower than the 3.8% growth in 2006.

Chart 9: Growth rate (%) - Final consumption expenditure, 1997 - 2008



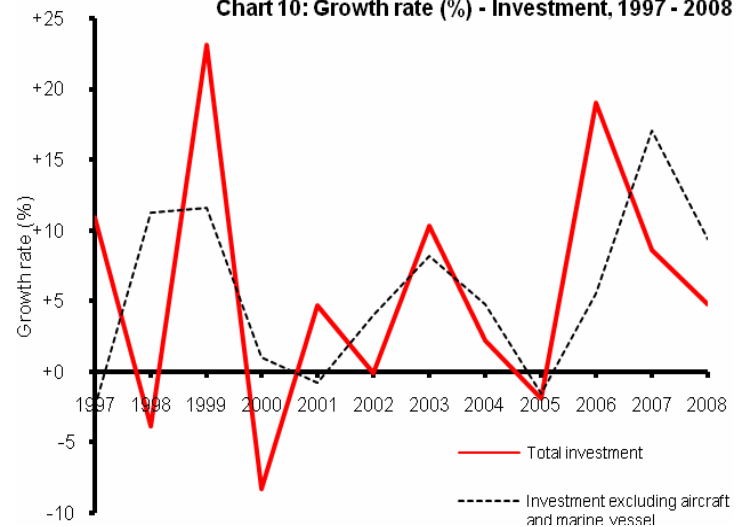
#### 4.1.3.2 Investment (GDFCF)

Investment in 2007 reached R 59,170 million compared to R 50,048 million in 2006, representing a nominal increase of 18.2% (Table 9). After removing the price effect of 8.9%, investment in real terms grew by 8.6% in 2007 compared to a high growth of 19.0% in 2006. However, exclusive of the acquisition of aircraft, the growth rate worked out to 17.0% higher than the 5.5% growth in 2006 (Table 13).

Investment rate, measured by the ratio of investment to GDP at market prices worked out to 25.1% in 2007, slightly higher than the 2006 figure of 24.3% (Table 2).

Exclusive of aircraft, the rate for 2007 worked out to 24.1% compared to 21.5% for 2006.

Chart 10: Growth rate (%) - Investment, 1997 - 2008





### Investment by type (Table 13)

"Building and construction work" grew by 16.9% in 2007 following a growth of 6.7% in 2006. This was due to growths of 5.5% and 49.2% in "Residential building" and "Non-residential building" respectively, partly offset by a decline of 17.4% in "Other construction work".

Investment in "Machinery and equipment" declined by 1.0% in 2007 after a high growth of 36.9% in 2006. Excluding investment on aircraft, the growth rate works out to 17.2% in 2007 compared to 3.8% in 2006.

### Investment by sector (Tables 9 and 10)

Private sector investment in 2007 is estimated at R 46,261 million representing a nominal increase of 35.4% over the 2006 figure of R 34,177 million. In real terms, it grew by 24.0% compared to 15.1% in 2006. The 24.0% growth is mostly attributable to high investment in hotels and IRS projects and to a lesser extent to investment in the textile and wearing apparel industries.

Public sector investment decreased by 18.7% in nominal terms to R 12,909 million in 2007 from R 15,871 million in 2006. In real terms, the growth rate worked out to -24.7% in 2007 compared to 28.3% in 2006. The negative growth in 2007 is explained by lower investment in aircraft in 2007 (R 2,515 million) than in 2006 (R 5,675 million), partly offset by higher investment in machinery and equipment by some parastatal bodies. Excluding aircraft, the real growth of public sector investment was -7.4% in 2007 compared to -17.5% in 2006.

The share of private sector investment increased to 78.2% in 2007 from 68.3% in 2006 and that of the public sector decreased to 21.8% from 31.7%. Excluding the acquisition and sale of aircraft, the share of private sector investment was 82.0% and that of the public sector 18.0% compared to 76.7% and 23.3% respectively in 2006 (Table 2).

### 4.1.3.3 Imports and exports of goods and services

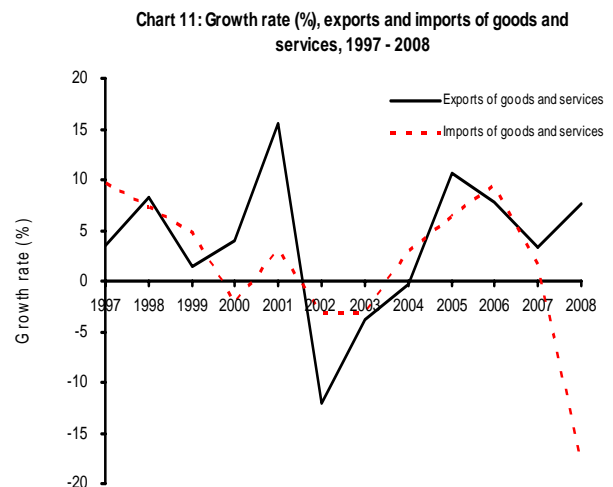
Imports of goods and services for 2007 are now estimated at R 161,917 million compared to R 150,429 million in 2006, representing an increase of 7.6% in nominal terms (Table 9).

In real terms, imports of goods and services grew by 1.5% in 2007 compared to a growth of 9.3% in 2006. Imports of goods measured on an f.o.b. basis declined by 1.2% as opposed to a growth of 11.1% in 2006 mostly as a result of lower acquisition of aircraft and reduced activities in the Freeport partly offset by higher import bill of petroleum products, while imports of services, which include insurance and freight paid in respect of imported goods, grew by 8.7% compared to 5.1% in 2006 (Table 10).

Exports of goods and services increased by 8.7% to R 138,236 million in 2007 from R 127,128 million in 2006. In real terms, this represents a growth of 3.3%. However, exports of goods measured on an f.o.b. basis declined by 10.9% in 2007 as opposed to a growth of 10.1% in 2006 mostly explained by lower receipts from exports of sugar and by the Freeport, partly offset by higher exports of articles of apparel and clothing. Exports of services went up by 23.0% compared to only 4.6% in 2006, mainly due to higher tourist earnings in 2007 (Tables 9 and 10).

Net exports of goods and services resulted in a deficit of R 23,681 million in 2007, slightly higher than the deficit of R 23,301 million registered in 2006. This represents 10.1% of GDP at market prices in 2007 compared to 11.3% in 2006 (Tables 1 and 2).

Exclusive of aircraft, net exports of goods and services in 2007 resulted in a deficit of R 21,166 million, representing 9.0% of GDP at market prices.



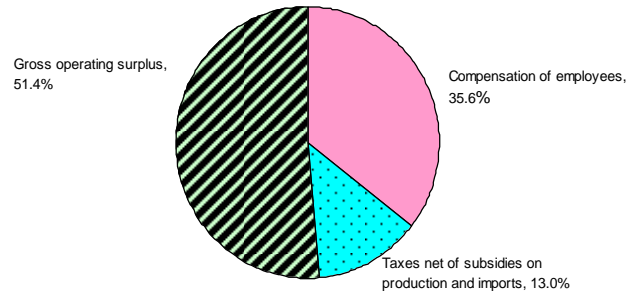
#### 4.1.4 GDP at market prices by category of income

In 2007, the relative share of the three components of GDP at market prices was as follows:

Compensation of employees	35.6%
Taxes net of subsidies on production and imports	13.0%
Gross operating surplus	51.4%

Compensation of employees reached R 83,715 million in 2007, representing a nominal increase of 12.3% over the R 74,572 million estimated in 2006. Gross operating surplus which accounted for around half of GDP at market prices increased by 14.6% to R 121,112 million in 2007 from R 105,654 million in 2006 while taxes (net of subsidies) on production and imports increased by 17.6% to R 30,656 million from R 26,061 million (Table 11).

Chart 12: GDP at market prices by income category, 2007



#### 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 comprising mostly interests and dividends (+ R 7,491 million) and transfers (+ R 3,693 million) from and to the rest of the world, is estimated at R 246,667 million in 2007.

Out of the R 246,667 million available, R 196,533 million or 79.7% were spent as final consumption by households and general government. The remaining R 50,134 million or 20.3% constituted the Gross National Saving (GNS). The saving rate as measured by the ratio of Gross National Saving to GDP at market prices worked out to 21.3% (Table 11).

In 2006, GNDI was estimated at R 210,189 million, and GNS at R 35,343 million representing 16.8% of GNDI. The saving rate worked out to 17.1%. It is to be noted that, as from 2007, GNDI includes investment income from offshore activities of banks and is therefore not strictly comparable with figures prior to 2007.

## 4.2 Year 2008 (forecast)

### 4.2.1 Gross Domestic Product

On the basis of information gathered on the key sectors of the economy and recent past trends, the economy is expected to grow by around 6.0% in 2008, higher than the 5.4% growth in 2007. Exclusive of sugar, the growth rate would be 5.6% compared to 6.1% in 2006 (Tables 3 and 6). The assumptions used are at paragraph 4.2.2.

GDP at basic prices in 2008 would reach R 233,466 million, representing a nominal increase of 12.8% over the 2007 figure of R 206,934 while GDP at market prices would increase by 11.9% to R 263,442 million from R 235,483 million. Taxes on products (net of subsidies) would amount to R 29,976 million compared to R 28,549 million in 2006, that is, 5.0% higher.

### 4.2.2 Growth rate by industry

The main assumptions used for the forecast of 6.0% in the GDP growth in 2008 are:

- (i) **Sugarcane/sugar milling:** a normal production of 520,000 tonnes of sugar. This would result in a growth of 19.3% compared to -13.6% in 2007 when sugar production was 435,972 tonnes.
- (ii) **Manufacturing industries:** Based on information gathered from the main stakeholders of the industry, the manufacturing sector is expected to grow by 4.1% compared to 2.2% in 2007. The higher growth will be the result of a higher sugar production, 3.4% growth in Food, 4.6% in Textiles, together with a rebound of 2.8% in enterprises manufacturing for the local market.  
Within the manufacturing sector the Export Oriented Enterprises (EOE) are expected to grow by 6.0% compared to 8.0% in 2007. Output of the EOE is forecasted at around R 47,000 million in 2008 compared to R 43,000 million in 2007.
- (iii) **Construction:** The sector is expected to grow by around 7.0%, mainly attributable to the construction of commercial buildings, hotels and projects under the Integrated Resort Scheme.
- (iv) **Hotels and restaurants:** Based on information gathered from the main stakeholders of this sector, the forecast of 975,000 tourist arrivals made earlier in December 2007 is maintained. The sector is expected to expand by 7.1%, lower than the growth of 14.0% registered in 2007. Tourist receipts for 2008 are forecasted at around R 48,000 million compared to R 40,687 million in 2007.
- (v) **Wholesale and retail trade:** The sector is expected to grow at the rate of 5.3%, higher than the 2007 figure of 4.4%.



- (vi) **Financial intermediation** is expected to grow by 7.6% as a result of growths of 5.2%, 7.9% and 11.6% for insurance, banks and other financial intermediation activities respectively.

#### 4.2.3 Consumption and Saving

Gross National Disposable Income (GNDI) is expected to reach R 277,036 million in 2008 compared to R 246,667 in 2007, representing an increase of 12.3%.

Final consumption expenditure of households and general government is expected to increase by around 13.1% to attain R 222,198 million in 2008 from R 196,533 million in 2007. The real growth rate would be 4.2% in 2008 higher than the 3.9% growth in 2007 (Tables 9 and 10).

Gross National Saving (GNS) would reach R 54,838 in 2008, higher than the figure of R 50,134 million in 2007. GNS as a percentage of GNDI would be 19.8% in 2008, compared to 20.3% in 2007. The saving rate measured as the percentage of GNS to GDP at market prices would reach 20.8 in 2008, slightly lower than the figure of 21.3 in 2007 (Table 11). It is to be noted that GNDI includes investment income from offshore activities of banks as from 2007.

#### 4.2.4 Investment

Latest available information on ongoing and new projects indicates that investment in 2008 would reach around R 66,371 million, representing an increase of 12.2% in nominal terms over the 2007 figure of R 59,170 million (Tables 9 and 12). In real terms, it would grow by around 4.7% in 2008 after a growth of 8.6% in 2007. Exclusive of net investment on aircraft in 2007 (R 2,515 million), the growth works out to 9.4% in 2008 compared to 17.0% in 2007 (Table 13).

Investment rate would reach 25.2% in 2008 compared to 25.1% in 2007. Exclusive of net investment on aircraft, the rate would be around 25.2%, higher than the figure of 24.1% in 2007 (Table 2).

##### *Investment by type*

“Building and construction work” is expected to expand by around 7.7% in 2008. Within this category, “Residential building” is expected to grow by 13.6% and “Non-residential building” by 8.1%. “Other construction work” on the other hand would decline by 3.1%.

Investment in “Machinery and equipment” would increase by around 0.5% after a decline of 1.0% in 2007. However, excluding investment on aircraft, a growth of around 12.1% is expected in 2008 compared to 17.2% in 2007.

##### *Investment by sector*

Private sector investment would probably grow by 20.5% to reach R 55,764 million in 2008 from R 46,261 million in 2007. In real terms, it is expected to grow by around 12.5% after a high growth of 24.0% in 2007. The 12.5% growth would be mostly attributable to high investment in commercial buildings, textile manufacturing industries, hotels and IRS projects (Tables 9 and 10).

Public sector investment is forecasted at R 10,607 million, that is, 17.8% lower than the 2007 figure of R 12,909 million. After removing the price effect, public sector investment is expected to decline further by around 23.1% after a decline of 24.7% in 2007. Excluding the acquisition and sale of aircraft, public sector investment would decline by 4.5% compared to a decline of 7.4% in 2007.

The share of private sector investment is expected to increase to 84.0% in 2008 from 78.2% in 2007 and that of the public sector to decrease to 16.0% from 21.8%.

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

Imports of goods and services are forecasted at around R 177,290 million in 2008 compared to R 161,917 million in 2007, representing a nominal increase of 9.5% (Table 9). In real terms, it would grow by 4.3% compared to 1.5% in 2007. Imports of goods measured on an f.o.b. basis would grow by 1.5% whilst imports of services, which include insurance and freight paid in respect of imported goods, would grow by 10.9% (Table 10).

Exports of goods and services would increase by 13.0% to R 156,209 million in 2008 from R 138,236 million in 2007. In real terms, this would represent a growth of 7.6%. Exports of goods measured on an f.o.b. basis are forecasted to grow by 4.6% and that of services by 10.6% (Tables 9 and 10).

Net exports of goods and services would result in a deficit of R 21,081 million in 2008 compared to R 23,681 million in 2007. This represents 8.0% of GDP at market prices in 2008, lower than the figure of 10.1% in 2007 (Tables 1 and 2).

## 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 2005 to 2008. The next issue covering the period 2005 to 2008 will be released as follows:

Issue	Date posted on Website	Date hard copy available
June 2008	30 June 2008	10 July 2008
September 2008	30 September 2008	13 October 2008
December 2008	31 December 2008	12 January 2009

More detailed statistics on National Accounts are available in the annual Digest of National Accounts published in July. All publications of the CSO, including historical series, can be downloaded from this office website.

### 5.2 Revisions policy

- (i) 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.
- (ii) 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

#### (i) 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.

#### (ii) 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).

#### (iii) GDP at market prices

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

#### (iv) Primary sector

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

**(v) Secondary sector**

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

**(vi) 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”.

**(v) Contribution to GDP growth**

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.

**(vi) 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.

**(vii) Gross National Income (GNI)**

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

**(viii) Gross National Disposable Income (GNDI)**

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

**(ix) 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.

**(x) 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.

**(xi) 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.

**(xii) Gross National Saving (GNS)**

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

**(xiii) Saving rate**

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

**(xiv) 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.

**(xv) Investment rate**

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

**(xvi) 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.

**(xvii) 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.

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**Central Statistics Office**  
**Ministry of Finance and Economic Development**  
**Port Louis**  
**March 2008**

Table 1 - Main National Accounts aggregates, 2005 - 2008

	Unit	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>1. Gross Domestic Product (GDP) at basic prices</b>	R M	162,171	181,968	206,934	233,466
<b>2. Taxes on products (net of subsidies)</b>	R M	23,177	24,319	28,549	29,976
<b>3. Gross Domestic Product (GDP) at market prices</b>	R M	185,348	206,287	235,483	263,442
<b>4. Net primary income from the rest of the world</b>	R M	-239	+1,633	+7,491	+7,716
<b>5. Gross National Income (GNI)</b>					
<b>at basic prices</b>	R M	161,932	183,601	214,425	241,182
<b>at market prices</b>	R M	185,109	207,920	242,974	271,158
<b>6. Net transfer from the rest of the world</b>	R M	+1,797	+2,269	+3,693	+5,878
<b>7. Gross National Disposable Income (GNDI)</b>	R M	186,906	210,189	246,667	277,036
<b>8. Per capita GNI</b>					
<b>at basic prices</b>	R	130,219	146,531	170,123	190,057
<b>at market prices</b>	R	148,857	165,939	192,774	213,679
<b>9. Per capita GDP</b>					
<b>at basic prices</b>	R	130,411	145,227	164,180	183,976
<b>at market prices</b>	R	149,049	164,636	186,831	207,598
<b>10. Compensation of employees</b>	R M	68,877	74,572	83,715	93,968
<b>11. Final consumption expenditure</b>	<b>R M</b>	<b>154,717</b>	<b>174,846</b>	<b>196,533</b>	<b>222,198</b>
Households	R M	127,349	145,491	165,790	188,680
General Government	R M	27,368	29,355	30,743	33,518
<b>Actual final consumption expenditure</b>	<b>R M</b>	<b>154,717</b>	<b>174,846</b>	<b>196,533</b>	<b>222,198</b>
Households	R M	138,495	157,616	178,656	202,612
General Government	R M	16,222	17,230	17,877	19,586
<b>12. Gross Domestic Fixed Capital Formation (GDFCF)</b>	<b>R M</b>	<b>39,731</b>	<b>50,048</b>	<b>59,170</b>	<b>66,371</b>
Private sector	R M	27,973	34,177	46,261	55,764
Public sector	R M	11,758	15,871	12,909	10,607
<b>13. Gross National Saving (GNS)</b>	<b>R M</b>	<b>32,189</b>	<b>35,343</b>	<b>50,134</b>	<b>54,838</b>
<b>14. Net exports of goods &amp; services</b>	<b>R M</b>	<b>-11,127</b>	<b>-23,301</b>	<b>-23,681</b>	<b>-21,081</b>
<i>exclusive of aircraft and marine vessel</i>	<i>R M</i>	<i>-11,007</i>	<i>-17,626</i>	<i>-21,166</i>	<i>-21,081</i>
Exports of goods & services	R M	110,940	127,128	138,236	156,209
<i>exclusive of aircraft and marine vessel</i>	<i>R M</i>	<i>110,940</i>	<i>125,978</i>	<i>138,021</i>	<i>156,209</i>
Imports of goods & services	R M	122,067	150,429	161,917	177,290
<i>exclusive of aircraft and marine vessel</i>	<i>R M</i>	<i>121,947</i>	<i>143,604</i>	<i>159,187</i>	<i>177,290</i>

1/ Revised 2/ Forecast

Table 2 - Growth rates and ratios, 2005 - 2008

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
	(%)	(%)	(%)	(%)
<b>1. Annual real growth rate of:</b>				
(i) Gross Domestic Product (GDP) at basic prices	+2.3	+5.0	+5.4	+6.0
<i>exclusive of sugar</i>	+2.8	+5.4	+6.1	+5.6
(ii) Final consumption expenditure	+7.1	+5.5	+3.9	+4.2
<i>Households</i>	+7.3	+5.9	+4.5	+4.9
<i>General Government</i>	+6.1	+3.8	+0.8	+0.3
(iii) Gross Domestic Fixed Capital Formation (GDFCF)	-1.9	+19.0	+8.6	+4.7
<i>exclusive of aircraft and marine vessel</i>	-1.6	+5.5	+17.0	+9.4
(iv) Private sector investment	-0.3	+15.1	+24.0	+12.5
<i>exclusive of aircraft and marine vessel</i>	-0.8	+15.2	+24.5	+12.5
(v) Public sector investment	-5.4	+28.3	-24.7	-23.1
<i>exclusive of aircraft and marine vessel</i>	-3.6	-17.5	-7.4	-4.5
<b>2. Ratios</b>				
(i) Compensation of employees as a % of GDP at basic prices	42.5	41.0	40.5	40.2
(ii) Final consumption expenditure as a % of GDP at market prices	83.5	84.7	83.5	84.3
<i>Households</i>	68.7	70.5	70.4	71.6
<i>General Government</i>	14.8	14.2	13.1	12.7
(iii) Investment (GDFCF) as a % of GDP at market prices	21.4	24.3	25.1	25.2
<i>exclusive of aircraft and marine vessel</i>	21.4	21.5	24.1	25.2
(iv) Private sector investment as a % of GDP at market prices	15.1	16.6	19.6	21.2
<i>exclusive of aircraft and marine vessel</i>	15.1	16.5	19.8	21.2
(v) Public sector investment as a % of GDP at market prices	6.3	7.7	5.5	4.0
<i>exclusive of aircraft and marine vessel</i>	6.3	5.0	4.3	4.0
(vi) Private sector investment as a % of GDFCF	70.4	68.3	78.2	84.0
<i>exclusive of aircraft and marine vessel</i>	70.3	76.7	82.0	84.0
(vii) Public sector investment as a % of GDFCF	29.6	31.7	21.8	16.0
<i>exclusive of aircraft and marine vessel</i>	29.7	23.3	18.0	16.0
(viii) Gross National Saving (GNS) as a % of GNDI	17.2	16.8	20.3	19.8
(ix) Gross National Saving (GNS) as a % of GDP at market prices	17.4	17.1	21.3	20.8
(x) Net exports of goods & services as a % of GDP at market prices	-6.0	-11.3	-10.1	-8.0
<i>exclusive of aircraft and marine vessel</i>	-5.9	-8.5	-9.0	-8.0
(+) surplus / (-) deficit				

1/ Revised 2/ Forecast



**Table 3 - Gross Domestic Product by industry group at current basic prices, 2005 - 2008**

	(R Million)			
	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>9,790</b>	<b>10,130</b>	<b>9,785</b>	<b>10,636</b>
Sugarcane	5,212	5,137	4,571	5,180
Other	4,578	4,993	5,214	5,456
<b>Mining and quarrying</b>	<b>88</b>	<b>101</b>	<b>96</b>	<b>97</b>
<b>Manufacturing</b>	<b>32,187</b>	<b>36,356</b>	<b>41,060</b>	<b>44,395</b>
Sugar	1,609	1,586	1,411	1,599
Food (excluding sugar)	8,310	10,137	12,300	13,304
Textile	10,885	11,974	13,435	14,513
Other	11,383	12,659	13,914	14,979
<b>Electricity, gas and water supply</b>	<b>3,355</b>	<b>3,521</b>	<b>3,674</b>	<b>3,928</b>
<b>Construction</b>	<b>9,099</b>	<b>10,205</b>	<b>13,145</b>	<b>15,259</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motorcycles, personal and household goods</b>	<b>19,571</b>	<b>22,534</b>	<b>25,598</b>	<b>29,104</b>
Wholesale and retail trade	18,446	21,246	24,137	27,439
Repair of motor vehicles, motorcycles, personal and household goods	1,125	1,288	1,461	1,665
<b>Hotels and restaurants</b>	<b>12,423</b>	<b>15,500</b>	<b>19,517</b>	<b>23,006</b>
<b>Transport, storage and communications</b>	<b>20,447</b>	<b>22,173</b>	<b>24,826</b>	<b>27,758</b>
<b>Financial intermediation</b>	<b>16,766</b>	<b>18,850</b>	<b>21,607</b>	<b>24,821</b>
Insurance	4,675	5,154	5,700	6,308
Banks	10,141	11,477	13,317	15,475
Other	1,950	2,219	2,590	3,038
<b>Real estate, renting and business activities</b>	<b>16,609</b>	<b>19,026</b>	<b>22,539</b>	<b>26,388</b>
Owner occupied dwellings	8,177	9,102	10,675	11,990
Other	8,432	9,924	11,864	14,398
<b>Public administration and defence; compulsory social security</b>	<b>11,460</b>	<b>12,199</b>	<b>12,674</b>	<b>13,901</b>
<b>Education</b>	<b>7,780</b>	<b>8,440</b>	<b>9,136</b>	<b>10,206</b>
<b>Health and social work</b>	<b>5,580</b>	<b>6,266</b>	<b>6,824</b>	<b>7,723</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>6,007</b>	<b>6,784</b>	<b>7,981</b>	<b>9,418</b>
<b>FISIM</b>	<b>-8,991</b>	<b>-10,117</b>	<b>-11,528</b>	<b>-13,174</b>
<b>Gross Domestic Product at basic prices</b>	<b>162,171</b>	<b>181,968</b>	<b>206,934</b>	<b>233,466</b>
<b>Taxes on products (net of subsidies)</b>	<b>23,177</b>	<b>24,319</b>	<b>28,549</b>	<b>29,976</b>
<b>Gross Domestic Product at market prices</b>	<b>185,348</b>	<b>206,287</b>	<b>235,483</b>	<b>263,442</b>
<b>Export oriented enterprises <sup>3</sup></b>	<b>12,108</b>	<b>13,694</b>	<b>15,584</b>	<b>17,022</b>

1/ Revised 2/ Forecast

3/ Export Oriented Enterprises (EOE) comprise enterprises formerly operating with an export certificate and those export manufacturing enterprises holding a registration certificate issued by the Board of Investor

**Table 4 - Value added by industry group at current basic prices for General Government, 2005 - 2008**

(R Million)

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>1,071</b>	<b>1,088</b>	<b>1,122</b>	<b>1,228</b>
Sugarcane	0	0	0	0
Other	1,071	1,088	1,122	1,228
<b>Manufacturing</b>	<b>47</b>	<b>48</b>	<b>50</b>	<b>56</b>
Sugar	0	0	0	0
Food exc Sugar	0	0	0	0
Textiles	0	0	0	0
Other	47	48	50	56
<b>Construction</b>	<b>415</b>	<b>387</b>	<b>392</b>	<b>425</b>
<b>Transport, storage and communications</b>	<b>192</b>	<b>198</b>	<b>210</b>	<b>230</b>
<b>Real estate, renting and business activities</b>	<b>62</b>	<b>64</b>	<b>64</b>	<b>67</b>
Owner occupied dwellings	0	0	0	0
Other	62	64	64	67
<b>Public administration and defence; compulsory social security</b>	<b>11,460</b>	<b>12,199</b>	<b>12,674</b>	<b>13,901</b>
<b>Education</b>	<b>3,905</b>	<b>4,137</b>	<b>4,383</b>	<b>4,921</b>
<b>Health and social work</b>	<b>3,314</b>	<b>3,606</b>	<b>3,776</b>	<b>4,208</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>50</b>	<b>44</b>	<b>47</b>	<b>53</b>
<b>General Government</b>	<b>20,516</b>	<b>21,771</b>	<b>22,718</b>	<b>25,089</b>

**Table 5 - Percentage Distribution of Gross Domestic Product by industry group at current basic prices, 2005 - 2008**

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>6.0</b>	<b>5.5</b>	<b>4.7</b>	<b>4.5</b>
Sugarcane	3.2	2.8	2.2	2.2
Other	2.8	2.7	2.5	2.3
<b>Mining and quarrying</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>
<b>Manufacturing</b>	<b>19.8</b>	<b>20.1</b>	<b>19.8</b>	<b>19.0</b>
Sugar	1.0	0.9	0.7	0.7
Food (excluding Sugar)	5.1	5.6	5.9	5.7
Textile	6.7	6.6	6.5	6.2
Other	7.0	7.0	6.7	6.4
<b>Electricity, gas and water supply</b>	<b>2.1</b>	<b>1.9</b>	<b>1.8</b>	<b>1.7</b>
<b>Construction</b>	<b>5.6</b>	<b>5.6</b>	<b>6.4</b>	<b>6.5</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motorcycles, personal and household goods</b>	<b>12.1</b>	<b>12.4</b>	<b>12.4</b>	<b>12.5</b>
Wholesale and retail trade	11.4	11.7	11.7	11.8
Repair of motor vehicles, motorcycles, personal and household goods	0.7	0.7	0.7	0.7
<b>Hotels and restaurants</b>	<b>7.7</b>	<b>8.5</b>	<b>9.4</b>	<b>9.9</b>
<b>Transport, storage and communications</b>	<b>12.6</b>	<b>12.1</b>	<b>12.0</b>	<b>11.9</b>
<b>Financial intermediation</b>	<b>10.3</b>	<b>10.4</b>	<b>10.5</b>	<b>10.6</b>
Insurance	2.9	2.8	2.8	2.7
Banks	6.2	6.4	6.4	6.6
Other	1.2	1.2	1.3	1.3
<b>Real estate, renting and business activities</b>	<b>10.2</b>	<b>10.5</b>	<b>10.9</b>	<b>11.3</b>
Owner occupied dwellings	5.0	5.0	5.2	5.1
Other	5.2	5.5	5.7	6.2
<b>Public administration and defence; compulsory social security</b>	<b>7.1</b>	<b>6.7</b>	<b>6.1</b>	<b>6.0</b>
<b>Education</b>	<b>4.8</b>	<b>4.6</b>	<b>4.4</b>	<b>4.4</b>
<b>Health and social work Other community, social and personal service activities and private households with employed persons</b>	<b>3.4</b>	<b>3.4</b>	<b>3.3</b>	<b>3.3</b>
<b>FISIM</b>	<b>-5.5</b>	<b>-5.6</b>	<b>-5.6</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>
<b>Export oriented enterprises</b>	<b>7.4</b>	<b>7.5</b>	<b>7.5</b>	<b>7.3</b>

1/ Revised 2/ Forecast

**Table 6 - Gross Domestic Product - sectoral real growth rates (% over previous year), 2005 - 2008**

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>-5.4</b>	<b>+0.6</b>	<b>-7.4</b>	<b>+10.5</b>
Sugarcane	-9.2	-2.9	-13.6	+19.3
Other	-1.1	+4.5	-1.1	+2.8
<b>Mining and quarrying</b>	<b>-3.6</b>	<b>+9.1</b>	<b>-9.1</b>	<b>+0.0</b>
<b>Manufacturing</b>	<b>-5.5</b>	<b>+4.0</b>	<b>+2.2</b>	<b>+4.1</b>
Sugar	-9.2	-2.9	-13.6	+19.3
Food (excluding Sugar)	+2.1	+9.6	+4.0	+3.4
Textile	-14.7	+2.9	+8.5	+4.6
Other	+0.4	+1.8	-3.1	+2.8
<b>Electricity, gas and water supply</b>	<b>+3.8</b>	<b>+4.0</b>	<b>+3.1</b>	<b>+4.3</b>
<b>Construction</b>	<b>-4.4</b>	<b>+5.2</b>	<b>+15.2</b>	<b>+7.0</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motorcycles, personal and household goods</b>	<b>+5.6</b>	<b>+5.5</b>	<b>+4.5</b>	<b>+5.4</b>
Wholesale and retail trade	+5.5	+5.4	+4.4	+5.3
Repair of motor vehicles, motorcycles, personal and household goods	+8.0	+7.0	+6.7	+7.0
<b>Hotels and restaurants</b>	<b>+5.6</b>	<b>+3.5</b>	<b>+14.0</b>	<b>+7.1</b>
<b>Transport, storage and communications</b>	<b>+7.7</b>	<b>+7.4</b>	<b>+7.9</b>	<b>+8.2</b>
<b>Financial intermediation</b>	<b>+5.4</b>	<b>+7.0</b>	<b>+7.5</b>	<b>+7.6</b>
Insurance	+5.0	+5.0	+5.1	+5.2
Banks	+4.8	+7.1	+7.9	+7.9
Other	+9.5	+11.0	+11.2	+11.6
<b>Real estate, renting and business activities</b>	<b>+6.5</b>	<b>+6.3</b>	<b>+7.5</b>	<b>+7.6</b>
Owner occupied dwellings	+4.8	+4.4	+4.9	+4.0
Other	+8.1	+8.1	+9.9	+10.8
<b>Public administration and defence; compulsory social security</b>	<b>+5.3</b>	<b>+4.0</b>	<b>+0.5</b>	<b>+0.5</b>
<b>Education</b>	<b>+6.1</b>	<b>+4.1</b>	<b>+2.5</b>	<b>+2.7</b>
<b>Health and social work activities and private households with employed persons</b>	<b>+6.2</b>	<b>+7.9</b>	<b>+4.6</b>	<b>+4.5</b>
<b>FISIM</b>	<b>+7.2</b>	<b>+6.5</b>	<b>+8.0</b>	<b>+8.3</b>
	<b>+7.3</b>	<b>+6.9</b>	<b>+7.5</b>	<b>+7.6</b>
<b>Gross Domestic Product at basic prices</b>	<b>+2.3</b>	<b>+5.0</b>	<b>+5.4</b>	<b>+6.0</b>
<b>Gross Domestic Product at basic prices exc. sugar</b>	<b>+2.8</b>	<b>+5.4</b>	<b>+6.1</b>	<b>+5.6</b>
<b>Taxes on products (net of subsidies)</b>	<b>-5.5</b>	<b>-3.8</b>	<b>+5.5</b>	<b>+0.0</b>
<b>Gross Domestic Product at market prices</b>	<b>+1.2</b>	<b>+3.9</b>	<b>+5.4</b>	<b>+5.3</b>
<b>Export oriented enterprises</b>	<b>-12.3</b>	<b>+4.6</b>	<b>+8.0</b>	<b>+6.0</b>

1/ Revised 2/ Forecast

**Table 7 - Contribution of industry groups to GDP growth, 2005 - 2008**

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>-0.3</b>	<b>0.0</b>	<b>-0.4</b>	<b>+0.5</b>
Sugarcane	-0.3	-0.1	-0.4	+0.4
Other	0.0	+0.1	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>-1.2</b>	<b>+0.8</b>	<b>+0.4</b>	<b>+0.8</b>
Sugar	-0.1	0.0	-0.1	+0.1
Food (excluding Sugar)	0.1	+0.5	+0.2	+0.2
Textile	-1.2	+0.2	+0.5	+0.3
Other	0.0	+0.1	-0.2	+0.2
<b>Electricity, gas and water supply</b>	<b>+0.1</b>	<b>+0.1</b>	<b>+0.1</b>	<b>+0.1</b>
<b>Construction</b>	<b>-0.3</b>	<b>+0.3</b>	<b>+0.8</b>	<b>+0.5</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motorcycles, personal and household goods</b>	<b>+0.7</b>	<b>+0.7</b>	<b>+0.6</b>	<b>+0.7</b>
Wholesale and retail trade	+0.6	+0.6	+0.5	+0.6
Repair of motor vehicles, motorcycles, personal and household goods	+0.1	+0.1	+0.1	+0.1
<b>Hotels and restaurants</b>	<b>+0.4</b>	<b>+0.3</b>	<b>+1.2</b>	<b>+0.7</b>
<b>Transport, storage and communications</b>	<b>+1.0</b>	<b>+0.9</b>	<b>+1.0</b>	<b>+1.0</b>
<b>Financial intermediation</b>	<b>+0.5</b>	<b>+0.7</b>	<b>+0.8</b>	<b>+0.8</b>
Insurance	+0.1	+0.1	+0.2	+0.2
Banks	+0.3	+0.5	+0.5	+0.5
Other	+0.1	+0.1	+0.1	+0.1
<b>Real estate, renting and business activities</b>	<b>+0.6</b>	<b>+0.6</b>	<b>+0.8</b>	<b>+0.8</b>
Owner occupied dwellings	+0.2	+0.2	+0.2	+0.2
Other	+0.4	+0.4	+0.6	+0.6
<b>Public administration and defence; compulsory social security</b>	<b>+0.4</b>	<b>+0.3</b>	<b>+0.0</b>	<b>+0.0</b>
<b>Education</b>	<b>+0.3</b>	<b>+0.2</b>	<b>+0.1</b>	<b>+0.1</b>
<b>Health and social work</b>	<b>+0.2</b>	<b>+0.3</b>	<b>+0.1</b>	<b>+0.1</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>+0.3</b>	<b>+0.2</b>	<b>+0.3</b>	<b>+0.3</b>
<b>FISIM</b>	<b>-0.4</b>	<b>-0.4</b>	<b>-0.4</b>	<b>-0.4</b>
<b>Gross Domestic Product at basic prices</b>	<b>+2.3</b>	<b>+5.0</b>	<b>+5.4</b>	<b>+6.0</b>
<b>Export oriented enterprises</b>	<b>-1.1</b>	<b>+0.3</b>	<b>+0.6</b>	<b>+0.5</b>

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Table 8 - Gross Domestic Product-sectoral deflators (% over previous year), 2005 - 2008

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Agriculture, hunting, forestry and fishing</b>	<b>+5.3</b>	<b>+2.9</b>	<b>+4.4</b>	<b>-1.6</b>
Sugarcane	+9.1	+1.5	+3.0	-5.0
Other	+1.3	+4.4	+5.6	+1.8
<b>Mining and quarrying</b>	<b>+4.7</b>	<b>+5.5</b>	<b>+5.0</b>	<b>+1.0</b>
<b>Manufacturing</b>	<b>+6.6</b>	<b>+8.7</b>	<b>+10.5</b>	<b>+3.8</b>
Sugar	+9.1	+1.5	+3.0	-5.0
Food exc Sugar	+11.8	+11.3	+16.7	+4.6
Textiles	+3.9	+6.9	+3.4	+3.3
Other	+5.5	+9.2	+13.4	+4.7
<b>Electricity, gas and water supply</b>	<b>-8.9</b>	<b>+0.9</b>	<b>+1.2</b>	<b>+2.5</b>
<b>Construction</b>	<b>+7.7</b>	<b>+6.6</b>	<b>+11.8</b>	<b>+8.5</b>
<b>Wholesale &amp; retail trade; repair of motor vehicles, motorcycles, personal and household goods</b>	<b>+6.9</b>	<b>+9.1</b>	<b>+8.7</b>	<b>+7.9</b>
Wholesale and retail trade	+6.9	+9.3	+8.8	+8.0
Repair of motor vehicles, motorcycles, personal and household goods	+6.6	+7.0	+6.3	+6.5
<b>Hotels and restaurants</b>	<b>+4.1</b>	<b>+20.6</b>	<b>+10.5</b>	<b>+10.1</b>
<b>Transport, storage and communications</b>	<b>-3.5</b>	<b>+1.0</b>	<b>+3.8</b>	<b>+3.3</b>
<b>Financial intermediation</b>	<b>+6.9</b>	<b>+5.1</b>	<b>+6.6</b>	<b>+6.7</b>
Insurance	+6.0	+5.0	+5.2	+5.2
Banks	+7.6	+5.7	+7.5	+7.7
Other	+5.7	+2.5	+4.9	+5.1
<b>Real estate, renting and business activities</b>	<b>+6.3</b>	<b>+7.8</b>	<b>+10.2</b>	<b>+8.8</b>
Owner occupied dwellings	+7.7	+6.6	+11.8	+8.0
Other	+5.0	+8.9	+8.8	+9.5
<b>Public administration and defence; compulsory social security</b>	<b>+2.9</b>	<b>+2.3</b>	<b>+3.4</b>	<b>+9.1</b>
<b>Education</b>	<b>+3.5</b>	<b>+4.2</b>	<b>+5.6</b>	<b>+8.8</b>
<b>Health and social work</b>	<b>+3.3</b>	<b>+4.1</b>	<b>+4.1</b>	<b>+8.3</b>
<b>Other community, social and personal service activities and private households with employed persons</b>	<b>+4.0</b>	<b>+6.0</b>	<b>+8.9</b>	<b>+9.0</b>
<b>FISIM</b>	<b>+7.2</b>	<b>+5.3</b>	<b>+6.0</b>	<b>+6.2</b>
<b>Gross Domestic Product at basic prices</b>	<b>+4.0</b>	<b>+6.8</b>	<b>+7.9</b>	<b>+6.5</b>
<b>Taxes on products (net of subsidies)</b>	<b>+5.8</b>	<b>+9.1</b>	<b>+11.3</b>	<b>+5.0</b>
<b>Gross Domestic Product at market prices</b>	<b>+4.3</b>	<b>+7.1</b>	<b>+8.3</b>	<b>+6.3</b>
<b>Export oriented enterprises</b>	<b>+5.1</b>	<b>+8.1</b>	<b>+5.4</b>	<b>+3.0</b>

1/ Revised 2/ Forecast



Table 9 - Expenditure on Gross Domestic Product at current prices, 2005 - 2008

	(R Million)			
	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Final consumption expenditure</b>	<b>154,717</b>	<b>174,846</b>	<b>196,533</b>	<b>222,198</b>
Households	127,349	145,491	165,790	188,680
General government	27,368	29,355	30,743	33,518
<i>Individual</i>	(11,146)	(12,125)	(12,866)	(13,932)
<i>Collective</i>	(16,222)	(17,230)	(17,877)	(19,586)
<b>Gross domestic fixed capital formation</b>	<b>39,731</b>	<b>50,048</b>	<b>59,170</b>	<b>66,371</b>
Private sector	27,973	34,177	46,261	55,764
Public sector	11,758	15,871	12,909	10,607
<b>Increase in inventories <sup>3</sup></b>	<b>2,027</b>	<b>4,694</b>	<b>3,461</b>	<b>-4,046</b>
<b>Exports of goods &amp; services</b>	<b>110,940</b>	<b>127,128</b>	<b>138,236</b>	<b>156,209</b>
Goods ( f.o.b )	63,219	74,037	69,482	76,400
Services	47,721	53,091	68,754	79,809
<b>Less Imports of goods &amp; services</b>	<b>122,067</b>	<b>150,429</b>	<b>161,917</b>	<b>177,290</b>
Goods ( f.o.b )	86,734	108,569	113,664	121,113
Services	35,333	41,860	48,253	56,177
<b>Gross Domestic Product at market prices</b>	<b>185,348</b>	<b>206,287</b>	<b>235,483</b>	<b>263,442</b>

Table 10 - Expenditure on GDP-Growth rates (% over previous year), 2005 - 2008

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Final consumption expenditure</b>	<b>+7.1</b>	<b>+5.5</b>	<b>+3.9</b>	<b>+4.2</b>
Households	+7.3	+5.9	+4.5	+4.9
General government	+6.1	+3.8	+0.8	+0.3
<i>Individual</i>	+4.8	+6.0	+2.8	-0.4
<i>Collective</i>	+7.0	+2.3	-0.6	+0.8
<b>Gross domestic fixed capital formation</b>	<b>-1.9</b>	<b>+19.0</b>	<b>+8.6</b>	<b>+4.7</b>
Private sector	-0.3	+15.1	+24.0	+12.5
Public sector	-5.4	+28.3	-24.7	-23.1
<b>Exports of goods &amp; services</b>	<b>+10.6</b>	<b>+7.7</b>	<b>+3.3</b>	<b>+7.6</b>
Goods ( f.o.b )	+8.9	+10.1	-10.9	+4.6
Services	+13.0	+4.6	+23.0	+10.6
<b>Less Imports of goods &amp; services</b>	<b>+6.4</b>	<b>+9.3</b>	<b>+1.5</b>	<b>+4.3</b>
Goods ( f.o.b )	+5.5	+11.1	-1.2	+1.5
Services	+8.4	+5.1	+8.7	+10.9

1/ Revised 2/ Forecast

3/ includes all statistical discrepancies

Table 11 - National Disposable Income and its appropriation at current prices, 2005 - 2008

	(R Million)			
	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>Compensation of employees</b>	<b>68,877</b>	<b>74,572</b>	<b>83,715</b>	<b>93,968</b>
of which paid by General Government	17,826	18,819	19,431	21,428
<b>Gross Domestic Product at basic prices</b>	<b>162,171</b>	<b>181,968</b>	<b>206,934</b>	<b>233,466</b>
<b>Taxes (net of subsidies) on production and imports</b>	<b>24,781</b>	<b>26,061</b>	<b>30,656</b>	<b>32,176</b>
Taxes on products <sup>3</sup>	24,060	25,255	29,369	30,837
Subsidies on products	(883)	(936)	(820)	(861)
Other taxes on production <sup>4</sup>	1,604	1,742	2,107	2,200
<b>Gross operating surplus</b>	<b>91,690</b>	<b>105,654</b>	<b>121,112</b>	<b>137,298</b>
<b>Gross Domestic Product at market prices</b>	<b>185,348</b>	<b>206,287</b>	<b>235,483</b>	<b>263,442</b>
<b>Net primary income from the rest of the world<sup>5</sup></b>	<b>-239</b>	<b>+1,633</b>	<b>+7,491</b>	<b>+7,716</b>
<b>Gross National Income at market prices (GNI)</b>	<b>185,109</b>	<b>207,920</b>	<b>242,974</b>	<b>271,158</b>
<b>Net transfer from the rest of the world<sup>5</sup></b>	<b>+1,797</b>	<b>+2,269</b>	<b>+3,693</b>	<b>+5,878</b>
<b>Gross National Disposable Income (GNDI)</b>	<b>186,906</b>	<b>210,189</b>	<b>246,667</b>	<b>277,036</b>
<b>Less: Final consumption expenditure</b>	<b>154,717</b>	<b>174,846</b>	<b>196,533</b>	<b>222,198</b>
Households	127,349	145,491	165,790	188,680
General Government	27,368	29,355	30,743	33,518
<b>Gross National Saving (GNS)</b>	<b>32,189</b>	<b>35,343</b>	<b>50,134</b>	<b>54,838</b>
<b>GNS as a % of GNDI</b>	<b>17.2</b>	<b>16.8</b>	<b>20.3</b>	<b>19.8</b>
<b>GNS as a % of GDP at market prices</b>	<b>17.4</b>	<b>17.1</b>	<b>21.3</b>	<b>20.8</b>

1/ Revised 2/ Forecast

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

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

5/ Source: Bank of Mauritius

6/ Following the integration of domestic and offshore banks, investment income also includes income from offshore activities of banks and hence figures are not strictly comparable to those of previous years

7/ include compensation by EU in respect of sugar reform

**Table 12 - Gross Domestic Fixed Capital Formation at current prices by type and use, 2005 - 2008****(R Million)**

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>I - By type of capital goods</b>				
<b>A. Building &amp; construction work</b>	<b>23,489</b>	<b>26,705</b>	<b>34,903</b>	<b>40,775</b>
Residential building	7,628	8,972	10,579	13,035
Non-residential building	9,627	10,666	17,794	20,873
Other construction work	6,234	7,067	6,530	6,867
<b>B. Machinery and equipment</b>	<b>16,242</b>	<b>23,343</b>	<b>24,267</b>	<b>25,596</b>
Aircraft	120	5,675	2,515	0
Marine vessel	0	0	0	0
Passenger car	2,327	2,497	3,406	3,905
Other transport equipment	1,746	1,945	2,433	2,756
Other machinery and equipment	12,049	13,226	15,913	18,935
<b>Gross Domestic Fixed Capital Formation</b>	<b>39,731</b>	<b>50,048</b>	<b>59,170</b>	<b>66,371</b>
<b>GDFCF (excluding aircraft &amp; marine vessel)</b>	<b>39,611</b>	<b>44,373</b>	<b>56,655</b>	<b>66,371</b>
<b>II - By Industrial use</b>				
Agriculture, hunting, forestry and fishing	2,225	2,764	2,508	2,022
Mining and quarrying	0	1	9	11
Manufacturing	5,548	4,819	8,375	10,144
Electricity, gas and water supply	2,750	3,251	2,131	2,383
Construction	699	938	1,589	2,344
Wholesale & retail trade and repairs	2,736	2,989	4,819	7,187
<i>of which Wholesale and retail trade</i>	<i>(2,657)</i>	<i>(2,914)</i>	<i>(4,534)</i>	<i>(6,965)</i>
Restaurants and hotels	4,193	6,558	10,127	11,213
Transport, storage and communications	4,542	10,566	8,641	6,249
Financial intermediation	1,336	1,665	1,436	1,293
Real estate, renting and business activities	9,509	10,534	13,627	16,182
<i>Owner occupied dwellings</i>	<i>(7,628)</i>	<i>(8,972)</i>	<i>(10,579)</i>	<i>(13,035)</i>
<i>Other</i>	<i>(1,881)</i>	<i>(1,562)</i>	<i>(3,048)</i>	<i>(3,147)</i>
Public administration and defence; compulsory social security	1,975	2,077	1,777	1,885
Education	1,326	1,002	1,106	851
Health and social work	543	594	765	1,798
Other community, social and personal service activities and private households with employed persons	2,349	2,290	2,260	2,809
<b>Gross Domestic Fixed Capital Formation</b>	<b>39,731</b>	<b>50,048</b>	<b>59,170</b>	<b>66,371</b>
<b>GDFCF as a % of GDP at market prices</b>	<b>21.4</b>	<b>24.3</b>	<b>25.1</b>	<b>25.2</b>

1/ Revised 2/ Forecast

**Table 13 - Gross Domestic Fixed Capital Formation - Annual real growth rates (%) by type and use, 2005 - 2008**

	2005	2006 <sup>1</sup>	2007 <sup>2</sup>	2008 <sup>2</sup>
<b>I - By type of capital goods</b>				
<b>A. Building &amp; construction work</b>	<b>-5.3</b>	<b>+6.7</b>	<b>+16.9</b>	<b>+7.7</b>
Residential building	-10.5	+10.3	+5.5	+13.6
Non-residential building	-12.1	+3.9	+49.2	+8.1
Other construction work	+16.8	+6.3	-17.4	-3.1
<b>B. Machinery and equipment</b>	<b>+3.4</b>	<b>+36.9</b>	<b>-1.0</b>	<b>+0.5</b>
<i>Machinery and equipment (excluding aircraft &amp; marine vessel)</i>	+4.2	+3.8	+17.2	+12.1
Passenger car	-14.1	+4.2	+29.9	+9.2
Other transport equipment	+2.8	+296.5	-38.2	-47.0
Other transport equipment (excluding aircraft & marine vessel)	+10.1	+8.1	+19.1	+7.9
Other machinery and equipment	+7.7	+3.1	+14.6	+13.3
<b>Gross Domestic Fixed Capital Formation</b>	<b>-1.9</b>	<b>+19.0</b>	<b>+8.6</b>	<b>+4.7</b>
<b>GDFCF (excluding aircraft &amp; marine vessel)</b>	<b>-1.6</b>	<b>+5.5</b>	<b>+17.0</b>	<b>+9.4</b>
<b>II - By Industrial use</b>				
Agriculture, hunting, forestry and fishing	+56.9	+16.8	-17.0	-24.5
Mining and quarrying	-100.0	-	+619.0	+10.3
Manufacturing	-1.8	-18.2	+63.1	+14.3
Electricity, gas and water supply	+45.8	+11.0	-39.4	+5.9
Construction	-10.6	+27.1	+57.5	+38.5
Wholesale & retail trade and repairs	+3.4	+3.7	+48.2	+38.8
<i>of which Wholesale and retail trade</i>	+3.9	+4.1	+42.7	+42.8
Restaurants and hotels	-24.5	+46.8	+39.2	+2.6
Transport, storage and communications	+5.6	+123.2	-23.2	-31.9
Financial intermediation	+32.8	+17.5	-19.9	-14.9
Real estate, renting and business activities	-11.5	+4.1	+16.5	+9.8
<i>Owner occupied dwellings</i>	-10.5	+10.3	+5.5	+13.6
<i>Other</i>	-15.5	-21.0	+79.6	-3.6
Public administration and defence; compulsory social security	-26.0	-1.0	-21.6	-0.9
Education	+6.1	-29.1	+1.4	-28.0
Health and social work	-25.9	+2.8	+20.9	+121.2
Other community, social and personal service activities and private households with employed persons	+25.2	-8.3	-9.2	+16.2
<b>Gross Domestic Fixed Capital Formation</b>	<b>-1.9</b>	<b>+19.0</b>	<b>+8.6</b>	<b>+4.7</b>

1/ Revised 2/ Forecast

**Table 14 - Gross Domestic Fixed Capital Formation - Deflators (% over previous year), 2005 - 2008**

	2005	2006 <sup>1</sup>	2007 <sup>1</sup>	2008 <sup>2</sup>
<b>By type of capital goods</b>				
<b>A. Building &amp; construction work</b>	<b>+7.7</b>	<b>+6.6</b>	<b>+11.8</b>	<b>+8.5</b>
Residential building	+7.7	+6.6	+11.8	+8.5
Non-residential building	+7.7	+6.6	+11.8	+8.5
Other construction work	+7.7	+6.6	+11.8	+8.5
<b>B. Machinery and equipment</b>	<b>+5.0</b>	<b>+5.0</b>	<b>+5.0</b>	<b>+5.0</b>
Passenger car	+5.0	+3.0	+5.0	+5.0
Other transport equipment	+5.0	+3.0	+5.0	+5.0
Other machinery and equipment	+5.0	+6.5	+5.0	+5.0
<b>Gross Domestic Fixed Capital Formation</b>	<b>+6.6</b>	<b>+5.8</b>	<b>+8.9</b>	<b>+7.1</b>