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External Trade - Second Quarter 1988

MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT
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External Trade - Second Quarter 1988

NOTES

Figures for 1987 and 1988 are provisional and subject to revision

1. COVERAGE

EXPORTS

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

IMPORTS

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

2. VALUATION

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

F.O.B. Free on Board

C.I.F. Cost, Insurance and Freight

All figures quoted are in Mauritian Rupees

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3. COMMODITY CLASSIFICATION

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

4. ROUNDING OF FIGURES

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

5. SYMBOLS

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

6. ABBREVIATIONS

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

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External Trade - Second Quarter 1988

1. Total Trade

Total international trade reached Rs 7,566 million during the second quarter of 1988, with a real increase of about 11% over the previous quarter, when it stood at Rs 6,570 million. Compared to the Rs 5,915 million during the corresponding period of 1987, however, the growth is seen to be of the order of 15%.

This trend is reflected in the level of the semester. From a value of Rs 10,877 million during the first half of 1987, total trade during the first half of 1988 reached Rs 14,136 million, that is an increase in nominal terms of nearly 30% (22% in real terms). The share of imports was 57% compared to 43% for exports.

2. Balance of Visible Trade

The deficit in the foreign trade balance attained the value of Rs 1,518 million during the second quarter of 1988. The high deficit usually observed during the second quarter of the year was exacerbated this year when in April, the country purchased an aircraft for nearly Rs 900 million. With the Rs 500 million deficit already witnessed during the first quarter, the total deficit for the first semester reached Rs 2,016 million with the aircraft, or Rs 1,128 million without it, compared to Rs 450 million for the corresponding period of 1987.

3. Terms of Trade

The terms of trade have remained almost stationary at the level of the previous quarter. The import and export price unit value indices of goods have both increased by about 6%. As regards exports, higher prices were noted in the following commodities: sugar, molasses and EPZ goods; for imports increases were observed in the following; petroleum products, animal and vegetable oils and fats and miscellaneous manufactured articles.

4. Exports

In nominal terms, the country shipped Rs 3,024 million worth of goods during the second quarter. With a total of Rs 3,036 million exported during the previous quarter, the total value of exports during the first half of 1988 reached nearly Rs 6,060 million. The figure for the corresponding period last year

was Rs 5,213 million. On elimination of price effects, the expansion in exports between these two periods is seen to be about 6%. However, compared to the second half of 1987, a contraction of the order of 6% is noted.

A breakdown of total exports sector-wise is given below:

<u>Commodity/Sector</u>	<u>Value Rs Million</u>	
	<u>1st Semester 1987</u>	<u>1st Semester 1988</u>
Sugar	1,942	1,843
Molasses	12	21
Tea	55	61
EPZ	2,814	3,729
Re-exports	81	111
Ships' Stores & Bunkers	199	210
Other	110	86
-----	-----	-----
Total Exports	5,213	6,060
-----	-----	-----

Most of the country's exports for the first half of 1988 were directed as usual to the EEC countries which absorbed Rs 4,641 million. The main partner countries, the United Kingdom and France accounted for 34% and 26% respectively, while the United States of America took in another 13%.

5. Imports

The import bill of the country increased by a nominal 28% over the previous quarter to reach Rs 4,542 million, including the aircraft purchased in April 1988. The level of import prices having increased by about 6% over the period, the real increase in imports works out to 21%.

Imports for the first semester of 1988 reached Rs 8,076 million, as against Rs 5,664 million during the corresponding period of 1987. Of this large increase of Rs 2,412 million, Rs 388 million is attributable to the purchase of the 767 aircraft, while the rest went mostly into the purchase of raw material inputs for the EPZ (+ Rs 572 million).

Main Changes in Imports 1987/1988

	<u>Value Rs Million</u>		
	<u>1st Semester 1987</u>	<u>1st Semester 1988</u>	<u>Change</u>
Rice	92	173	+ 81
Other food items	589	626	+ 37
Mineral fuels, lubricants, etc.	406	488	+ 82
Chemicals	379	481	+ 102
Textile fibres, yarn & fabrics	1,649	2,080	+ 431
Road vehicles	200	354	+ 154
Other machinery & transport equipment	1,078	2,120	+1,042
Watches and clocks	136	222	+ 86
Other miscellaneous manu- factured articles	291	403	+ 112

Over half of total imports during the first semester of 1988 comprised intermediate goods. The rest was made up of Capital goods (31%), Food and beverages (10%), Consumer goods (3%) and Mineral fuels and lubricants (6%). Comparative data for the two periods were as follows:-

<u>Imports by Group</u>	<u>Value Rs Million</u>	
	<u>1st Semester 1987</u>	<u>1st Semester 1988</u>
Food & beverages	703	826
Mineral fuels, lubricants, etc.	406	488
Consumer goods	186	281
Intermediate goods	3,091	4,007
Capital goods	1,278	2,474

The United States of America and France were our main suppliers during the second quarter of 1988, accounting together for about one third of our imports. The United States of America topped the list for the semester with Rs 1,147 million mainly

because of the 767 aircraft, followed by France with Rs 1,013 million and Japan with Rs 682 million.

6. The EPZ Sector

The value of EPZ exports increased by more than 40% over the first quarter to reach Rs 2,182 million during the second quarter of 1988. Total EPZ exports for the first semester thus attained Rs 3,729 million (as against Rs 2,814 million in the first half of 1987), and represented 62% of our total exports for the period. Textiles, as expected, contributed nearly 80% of this total.

France and the United States of America absorbed about 60% of our EPZ exports, with Rs 1,417 million and Rs 696 million respectively.

On the other hand, some Rs 1,543 million worth of goods imported by the EPZ industries during the second quarter, brought total EPZ imports for the first half year to Rs 2,927 million. Of this amount, which covered over 80% raw materials, nearly half were supplied by France, Hong Kong, Taiwan and Japan.

7. Forecasts - Year 1988

Usually by this time of the year external trade statistics relating to the third quarter would have been published. But unfortunately, due mainly to the introduction of the Harmonized System, statistics pertaining only to the second quarter of 1988 are being given in this issue.

However, from preliminary data available, estimates for the first nine months of 1988 have been worked out. These are given below:-

	<u>Value Rs Million</u>	
	<u>Actual</u> <u>Jan-Sept.</u> <u>1987</u>	<u>Estimates</u> <u>Jan-Sept.</u> <u>1988</u>
	-----	-----
<u>Total Exports (f.o.b.)</u>	<u>8,611</u>	<u>10,250</u>
of which Sugar	(3,116)	(3,200)
EPZ	(4,770)	(6,150)
<u>Total Imports (c.i.f.)</u>	<u>9,209</u>	<u>12,400</u>
<u>Trade Balance</u>	<u>- 598</u>	<u>-2,150</u>

On this same basis, a forecast for the year 1988 has been attempted, as follows:-

	<u>Value Rs Million</u>	
	Actual Year 1987	Forecast Year 1988
	-----	-----
<u>Total Exports (f.o.b.)</u>	<u>12,034</u>	<u>14,300</u>
of which Sugar	(4,310)	(4,600)
EPZ	(6,700)	(8,600)
<u>Total Imports (c.i.f.)</u>	<u>13,042</u>	<u>17,000</u>
<u>Trade Balance</u>	<u>-1,008</u>	<u>-2,700</u>

Central Statistical Office
Rose Hill
November, 1988

Table 1 - Balance of Visible Trade, 1986 - 1988

Value Rs Mn

	1986	1987	1987			1988		
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Exports of goods	9,063	11,604	2,378	2,636	3,283	3,306	2,931	2,919
Domestic exports	(8,918)	(11,442)	(2,343)	(2,590)	(3,235)	(3,274)	(2,872)	(2,868)
Re-exports	(145)	(162)	(35)	(46)	(48)	(32)	(60)	(51)
Ships' Stores and Bunkers	350	430	85	114	115	115	105	105
A. Total Exports (f.o.b.)	9,413	12,034	2,463	2,750	3,398	3,421	3,036	3,024
B. Total Imports (c.i.f.)	9,199	13,042	2,499	3,165	3,545	3,834	3,534	4,542
Total Value of Trade (A + B)	18,612	25,076	4,962	5,915	6,943	7,255	6,570	7,566
BALANCE OF VISIBLE TRADE (A-B)	+ 214	-1,008	- 36	- 415	- 147	- 413	- 498	-1,518

Table 2 - Price (unit value) indices of total exports and imports and terms of trade, 1986 - 1988

(Base year 1982 = 100)

Period	Unit Value Price Indices		Terms of Trade
	Total exports	Total imports	
<u>Year 1986</u>	<u>144.3</u>	<u>98.1</u>	<u>147</u>
1st quarter 1987	160.1	98.1	163
2nd quarter 1987	139.2	100.9	138
3rd quarter 1987	181.1	102.5	176
4th quarter 1987	164.4	102.5	160
<u>Year 1987</u>	<u>160.1</u>	<u>101.5</u>	<u>158</u>
1st quarter 1988	157.7	105.1	150
2nd quarter 1988	167.5	111.2	151

Table 3 - Domestic exports of main commodities - value, 1986 - 1988

F.O.B. Value Rs Mn

Commodity/Sector	1986	1987	1987				1988	
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Sugar	3,553	4,310	1,055	887	1,174	1,196	1,200	643
Molasses	90	73	10	2	27	33	18	3
Tea	104	90	32	23	15	20	34	27
EPZ	4,951	6,700	1,197	1,617	1,956	1,930	1,547	2,182
Other	220	269	49	61	64	95	73	13
Total Exports	8,918	11,442	2,343	2,590	3,235	3,274	2,872	2,868

Table 4 - Domestic exports of selected commodities, quantity, 1986 - 1988

Commodity	Unit	1986	1987	1987				1988	
				1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Sugar	(000) m.ton	625	656	155	167	152	182	195	96
Molasses	"	129	131	14	2	50	65	34	5
Tea	m.ton	6,389	6,615	2,095	1,866	1,192	1,462	2,199	1,754

Table 5 - Domestic exports of main commodities, quantity and value, 1986 - 1988

(F.O.B. Value Rs Mn)

Commodity	Unit	1986		1987		First Semester 1987		First Semester 1988	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Sugar	(000) m. ton	625	3,553	656	4,310	322	1,942	291	1,843
Molasses	"	129	90	131	73	16	12	39	21
Tea	m. ton	6,389	104	6,615	90	3,961	55	3,953	61
EPZ	--	--	4,951	--	6,700	--	2,814	--	3,729

Table 6 - Total exports by main countries of destination, 1986 - 1988

F.O.B. Value Rs Mn

Country of destination	1986	1987	1987			1988		
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
1. <u>Preferential Tariff Countries</u>	<u>8,892</u>	<u>11,474</u>	<u>2,361</u>	<u>2,613</u>	<u>2,245</u>	<u>3,254</u>	<u>2,858</u>	<u>2,790</u>
(a) <u>E.E.C. Countries</u>	<u>7,010</u>	<u>9,204</u>	<u>1,854</u>	<u>1,997</u>	<u>2,657</u>	<u>2,696</u>	<u>2,325</u>	<u>2,316</u>
of which United Kingdom	3,405	4,055	734	620	1,387	1,314	1,222	779
France	2,121	3,078	794	798	698	788	618	905
Fed. Rep. of Germany	660	907	135	184	301	287	235	336
(b) <u>Other Preferential Tariff Countries</u>	<u>1,882</u>	<u>2,269</u>	<u>507</u>	<u>616</u>	<u>588</u>	<u>558</u>	<u>533</u>	<u>474</u>
of which U.S. of America	1,457	1,697	420	394	510	373	360	397
2. <u>General Tariff Countries</u>	<u>171</u>	<u>130</u>	<u>17</u>	<u>23</u>	<u>38</u>	<u>52</u>	<u>73</u>	<u>129</u>
Total Exports	9,063	11,604	2,378	2,636	3,283	3,306	2,931	2,919

Table 7 - Imports by section, 1986 - 1988

C.I.F. Value : Rs. Mn

S.I.T.C. Section	Description	1986		1987		1988			
		1986	1987	1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
0	Food and live animals	1,182	1,471	359	322	384	406	411	389
1	Beverages and tobacco	34	57	9	13	12	23	14	12
2	Crude materials, inedible, except fuels	365	408	79	123	104	101	155	138
3	Mineral fuels, lubricants and related materials	706	978	216	190	279	292	211	277
4	Animal and vegetable oils and fats	159	147	18	48	19	62	19	49
5	Chemicals	598	830	149	229	220	231	216	265
6	Manufactured goods classified chiefly by material	3,830	5,211	963	1,236	1,520	1,492	1,402	1,409
7	Machinery and transport equipment	1,583	2,886	505	773	727	880	794	1,680
8	Miscellaneous manufactured articles	734	1,040	198	229	270	342	310	315
9	Other commodities and transactions	8	14	2	1	9	2	4	8
	Total Imports	9,199	13,042	2,499	3,165	3,545	3,834	3,534	4,542

Table 8 - Imports of main commodities, value, 1986 - 1988

C.I.F. Value Rs Mn

Commodity	1986	1987	1987			1988		
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Meat and meat preparations	148	205	36	51	49	69	46	37
Rice	163	209	60	31	56	62	87	85
Wheaten flour	199	189	66	44	28	51	63	57
Dairy products	211	255	58	61	72	64	72	59
Vegetables and fruits	113	178	43	36	62	36	41	47
Textile fibres, etc.	255	276	54	86	67	69	107	88
Refined petroleum products	635	881	203	177	250	251	176	229
Fixed vegetable oils & fats	108	100	13	35	3	49	11	28
Medicinal and pharmaceutical products	104	152	32	44	37	39	47	51
Textile yarn	786	1,035	234	272	290	239	304	314
Paper, paperboard & articles thereof	140	189	45	44	43	56	60	50
Textile fabrics	1,561	2,298	395	505	713	685	269	291
Cement	185	158	24	36	52	46	41	36
Pearls, precious and semi-precious stones	154	159	29	44	44	42	38	69
Iron and steel	257	288	60	83	73	72	86	78
Manufactures of metal, n.e.s.	252	379	64	91	106	118	157	71
Machinery other than electrical	656	885	164	219	252	250	276	320
General industrial machinery & equipment	222	290	48	74	87	81	76	115
Electrical machinery, apparatus and appliances	353	808	194	157	170	287	204	189
Road vehicles	259	563	85	117	157	207	220	134
Watches and clocks	200	295	69	67	64	95	107	115
Other	2,238	3,250	523	891	870	966	1,046	2,079
Total Imports	9,199	13,042	2,499	3,165	3,545	3,834	3,534	4,542

Table 9 - Imports of selected commodities, quantity, 1986 - 1988

Commodity	Unit	1986	1987	1987				1988	
				1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Rice	000 m. ton	65	84	26	13	26	19	20	24
Wheaten flour	"	58	58	19	14	9	15	17	17
Dairy products	"	11	12	3	3	3	3	3	3
Vegetable edible oils and fats	"	17	16	2	5	0.3	9	4	5
Fertilizers manufactured	"	48	52	6	24	6	16	9	12
Cotton fabrics	Mn M ²	38	66	11	14	21	20	15	19
Cement	000 m. ton	297	303	48	71	91	93	77	66
Iron and steel	"	54	44	8	15	12	9	15	13

Table 10 - Imports of selected commodities, quantity and value, 1986 - 1988

C.I.F. Value Rs Mn

Commodity	Unit	1986		1987		1987		1988	
						First Semester		First Semester	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Rice	000 m.ton	65	163	84	209	39	91	44	173
Wheaten flour	"	58	199	58	189	34	110	34	120
Dairy products	"	11	211	12	255	6	119	7	131
Vegetable edible oils	"	17	108	16	100	7	48	9	39
Fertilizers manufactured	"	48	74	52	76	30	46	21	43
Cotton fabrics	Mn M ²	38	605	66	1,047	25	412	34	625
Cement	000 m.ton	297	185	303	158	119	60	143	78
Iron and steel	"	54	257	44	288	23	143	28	165

Table 11 - Imports by main countries of origin, 1986 - 1988

C.I.F. Value : Rs Mn

Country of origin	1986	1987	1987				1988	
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
1. <u>Preferential Tariff Countries</u>	6,319	8,352	1,660	2,070	2,217	2,405	2,408	3,382
(a) <u>E.E.C. Countries</u>	3,275	4,281	866	1,086	1,101	1,228	1,142	1,296
of which France	1,242	1,699	395	404	413	487	522	491
Fed.Rep.of Germany	531	733	125	232	161	215	174	230
Italy	342	426	80	106	134	116	99	127
United Kingdom	706	1,058	206	268	297	287	243	316
(b) <u>Other Preferential Tariff Countries</u>	3,044	4,071	794	984	1,116	1,177	1,266	2,086
of which Australia	254	347	78	96	97	76	130	104
Rep. of South Africa	913	1,110	215	293	315	287	286	354
U.S. of America	172	227	60	57	34	76	132	1,015
2. <u>General Tariff Countries</u>	2,881	4,690	840	1,095	1,327	1,428	1,125	1,152
of which Bahrain	307	328	73	53	105	97	87	103
China	460	692	113	162	231	185	130	127
Kuwait	282	498	117	110	130	140	75	108
Japan	672	1,279	172	336	328	443	365	317
Total Imports	9,199	13,042	2,499	3,165	3,545	3,834	3,534	4,542

Table 12 - Net EPZ exports, 1986 - 1988

Value Rs Mn

	1986	1987	1987				1988	
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
A. Total exports (f.o.b. value)	4,951	6,700	1,197	1,617	1,956	1,930	1,547	2,182
B. Total imports (c.i.f. value)	3,863	4,801	981	1,191	1,326	1,303	1,384	1,543
Net exports (A - B)	1,088	1,899	216	426	630	627	163	639
Net exports as % of total exports	22%	28%	18%	26%	32%	32%	10%	29%

Table 13 - EPZ exports by main commodities, 1986 - 1988

F.O.B. Value Rs Mn

Description of Item	1986	1987	1987			1988		
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Fish and fish preparations	97	100	15	34	29	23	37	35
Textile yarn, fabrics, made-up articles	101	138	17	27	47	46	29	37
Pearls, precious and semi-precious stones	172	185	37	41	47	60	22	67
Articles of apparel and clothing accessories	4,012	5,541	988	1,319	1,655	1,579	1,219	1,644
Optical goods, n.e.s.	90	90	23	22	17	28	24	16
Watches and clocks	246	337	62	90	77	108	113	160
Toys, games and sporting goods	57	78	17	24	21	16	19	22
Jewellery goldsmiths' and silversmiths' wares	82	65	14	17	16	16	8	17
Other	94	166	24	43	47	54	76	184
Total EPZ Exports	4,951	6,700	1,197	1,617	1,956	1,930	1,547	2,182

Table 14 - EPZ imports of main commodities, 1986 - 1988

C.I.F. value Rs Mn

Description of item	1986	1987	1987				1988	
			1st Qr.	2nd Qr.	3rd Qr.	4th Qr.	1st Qr.	2nd Qr.
Synthetic fibres suitable for spinning	61	50	13	11	9	17	7	9
Wool and other animal hair	169	192	33	65	53	41	93	70
Chemicals	99	121	22	30	34	35	32	49
Leather	59	56	7	22	12	15	16	17
Textile yarn and fabrics	2,250	2,861	611	688	817	745	766	829
Pearls, precious and semi-precious stones	154	158	29	44	44	41	36	68
Machinery	500	595	115	156	163	161	205	248
Optical goods, watches & clocks, etc.	231	314	74	71	69	100	111	119
Jewellery	70	46	13	9	7	17	10	14
Other	271	408	64	95	118	131	108	120
Total Imports	3,863	4,801	981	1,191	1,326	1,303	1,384	1,543