Quarterly Economic Bulletin

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Maldives Monetary Authority

This bulletin is compiled by the Research Division (RD) of the Maldives Monetary Authority (MMA). It covers developments in the domestic and international economy during the first half of 2018. The analyses are based on information provided by relevant government authorities, commercial banks operating in the country, public enterprises and other private sector sources, as at 27 September 2018. Where actual data is not readily available, estimates have been made by RD based on available information. The timely receipt of data is therefore crucial to the compilation of this publication and the analyses contained herein.

Contents

Abbreviations

bps	basis points
c.i.f.	cost, insurance, freight
CPI	consumer price index
f.o.b.	free on board
GDP	gross domestic product
GIR	gross international reserves
GWP	gross written premium
HICP	Harmonised Index of Consumer Prices
IMF	International Monetary Fund
MACL	Maldives Airports Company Limited
MMA	Maldives Monetary Authority
MRR	minimum reserve requirement
NPL	non-performing loan
ODF	Overnight Deposit Facility
OPEC	Organization of the Petroleum Exporting Countries
PCE	personal consumption expenditure
PMI	Purchasing Managers Index
UAE	United Arab Emirates
UK	United Kingdom
US	United States

Recent Economic Developments

Overview

The global economic activity continued to firm up during the first half of 2018, bolstered by the buoyancy in global trade and investment. However, in line with the initial projections, the pace of expansion remains uneven and less synchronised across different country groups, reflecting mounting global uncertainties. While developments in advanced economies remained mixed, emerging markets and developing economies experienced various trade and geopolitical related crosswinds.

Against the backdrop of rising energy prices, global inflation picked up during H1-2018, with headline inflation lifting across most of the advanced economies. Similarly, core inflation strengthened in both advanced and emerging market economies, with the latter reflective of the pass-through effects from currency depreciations, as well as second-round effects of higher fuel prices. The developments in the global commodity market largely reflected the upward trend in crude oil prices, which continues to be largely driven by supply shortfalls.

Turning to the developments in the domestic economy, the tourism sector showed resilient growth during the first half of 2018, with tourist arrivals growth reaching its highest since 2014—10%—and achieving almost half of the arrivals target for the year 2018. The robust growth of the sector reflected both the development of the Velana International Airport, enabling the Maldives Airports Company Limited (MACL) to secure new contracts with airlines, as well as the strong economic performance of key source markets. This trend was boosted further by the expansion of global air travel, depicted by the improvement in airline networks and flight connectivity to new destinations. Meanwhile, tourist bednights posted a striking growth rate, exceeding the pace of arrivals growth during H1-2018, primarily because of the upturn in average duration of tourist stay.

As for the other main sectors of the economy, the performance of the fisheries sector remained weak during the first half of 2018, as shown by the declines in fish purchases by fish processing companies, as well as the volume of fish exports. Meanwhile, the construction sector remained strong, underpinned by easier access to credit along with the rising demand, while various public sector infrastructure projects continued to strengthen the growth of the sector.

The domestic rate of inflation declined considerably to -0.4% in H1-2018 from 3.8% in H1-2017. This was mainly driven by domestic factors, especially the base effect of the revision of import duties on petrol, coupled with upward revision to the fuel surcharge cap rate by the State Electric Company Limited. Additionally, reinstatement of subsidy for staple food items in April 2018 put further downward pressure on inflation. However, the continued increase in housing rentals contributed positively to the rate of inflation in H1-2018.

With regard to the public finance situation of the country, total revenue posted a robust growth during H1-2018 when compared with H1-2017, due to a growth in both tax and non-tax revenues during the period. Meanwhile, total expenditure recorded a significant growth during the period due to a considerable upsurge in both current and capital expenditures. The growth in current expenditure resulted from higher administrative and operational expenses incurred by the government, while the surge in capital expenditure reflected increased spending on the Public Sector Investment Program (PSIP). During H1-2018, the budget deficit was financed primarily through external sources, as a net repayment was recorded on the domestic financing side.

On the monetary front, the growth in money supply slowed down during the first half of the year mainly due to a deceleration in the growth of transferable deposit base (demand deposits). This deceleration mainly mirrored the slowdown in foreign currency denominated deposits during the period. Additionally, the deceleration in currency outside depository corporations and the marginal decline in other deposits (savings and time deposits) also contributed to the deceleration of money supply.

Turning to the banking sector, the performance of the sector remained robust as designated by the key performance indicators. With an annual decline in absolute value of non-performing loans (NPL), asset quality improved over the period, while the profitability ratios remained high as depicted by the solid level of return on average equity. Furthermore, the loan portfolio continued to grow buoyantly, while bank deposits also increased during the period.

With regard to developments in the external sector, merchandise exports declined due to a significant fall in domestic exports. This decline was attributed to the fall in fish exports primarily caused by a substantial reduction in frozen skipjack tuna exports. Meanwhile, re-exports—mainly comprising of jet fuel sold at international airports—posted a slight growth due the recovery in global oil prices. Contrastingly, merchandise imports increased during the period reflecting the growth in economic activity and the growth of oil prices.

With regard to gross international reserves (GIR), an increasing trend was observed during the first five months of the year, albeit a decline in June 2018. This reflected the decline in commercial banks' foreign currency deposits held at the MMA.

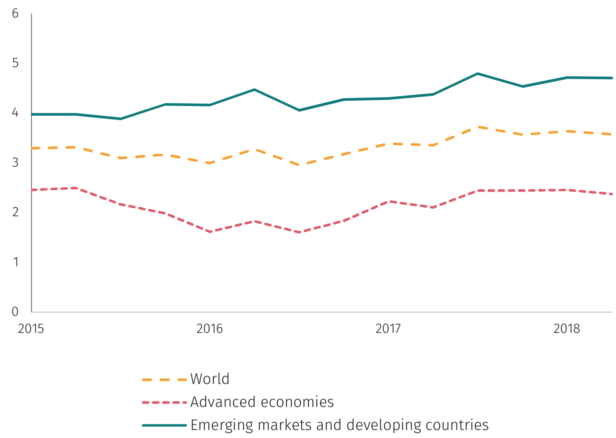
International Economic Developments

Output

Global economy continued to firm up during the first half of the year on the back of higher global trade and investment (Figure 1). However, the pace of expansion remains uneven and less synchronised across countries amid mounting global uncertainties. While growth momentum in the advanced economies showed mixed developments during the period, emerging markets and developing economies have been experiencing strong crosswind—higher oil prices, trade tensions, the US dollar appreciation, rising bond yields in the United States (US) and geopolitical conflicts. Hence, risks to the outlook are tilted towards the downside although growth[1] is estimated at 3.9% for 2018.

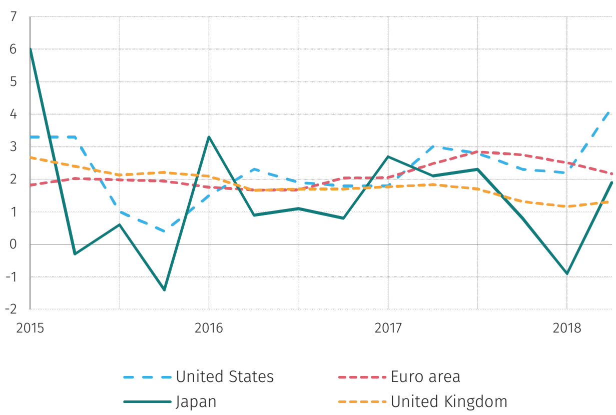
Looking at the advanced economies, the US economic growth accelerated to 4.2% in Q2-2018 from 2.2% in Q1-2018 (Figure 2). This was largely contributed by a rebound in consumer spending, after a slowdown at the beginning of the year, due to increased disposable income amid tax cuts as well as lower unemployment rate. Meanwhile, strong exports also helped to boost growth further, despite investment showing a negative turnaround

Figure 1: Real GDP Growth, 2015–2018
(annualised percentage change)



Source: IMF International Finanical Statistics Database

Figure 2: Real GDP Growth in the Advanced Economies, 2015–2018
(annualised percentage change)



Source: OECD Database, Cabinet Office (Japan), Office for National Statistics (UK), Bureau of Economic Analysis (US)

1 International Monetary Fund, 'World Economic Outlook (WEO) Update July 2018'.

from the preceding quarter. Looking forward, growth outlook of the economy remains favourable, supported by substantial fiscal expansions combined with robust consumer demand.

Based on preliminary GDP data for the euro area in H1-2018, growth momentum remained solid and broad-based, although the pace of growth dropped to 2.2% in Q1-2018 from 2.5% in Q2-2018. The easing reflected the base effect of very high growth levels in the previous year and a weakening of external trade. Hence, growth forecast for the region has been revised downward for 2018. Growth in the region continued to be underpinned by higher consumption due to labour market improvements and growing household wealth, while investment remain robust on the back of favourable financing conditions. Looking at the main economies in the region, Germany's domestic demand is expected to gather pace towards the end of the first half after a dismal growth in the first quarter owing to one-off impact of an unusually severe flu season. Growth in France remained sluggish due to faltering household consumption despite an increase in business investment. Economic activity in Italy softened in the second quarter owing to negative external demand, despite showing a strong performance in the preceding quarter due to strong domestic demand. Meanwhile, growth in Spain continued to be fuelled by buoyant domestic demand.

In Japan, economic growth observed a marked turnaround as the economy bounced back from a contraction of -0.9% in Q1-2018 to 1.9% in Q2-2018, mainly due to a recovery in domestic demand which experienced a temporary slowdown in the first quarter. A robust business investment throughout the first half also helped the economy to recover from its first contraction in two years. However, export demand weakened during the second quarter and the outlook of the economy is clouded by downside risks arising from adverse weather and global trade tensions.

Meanwhile, the United Kingdom (UK) economy observed its weakest period of growth in five years as the economy was hit by adverse weather at the beginning of the year. However, the economy recovered and growth ticked up to 1.3% in Q2-2018 from 1.2% in Q1-2018. The services sector—the main driver of the economy—remained strong throughout the period and benefited from the FIFA World Cup celebrations and warm weather towards the end of the period. Nonetheless, performance in the construction sector remained weak despite a slight acceleration in Q2-2018. Reflecting these negative surprises to activity at the beginning of the year, growth projections have been revised down for the economy.

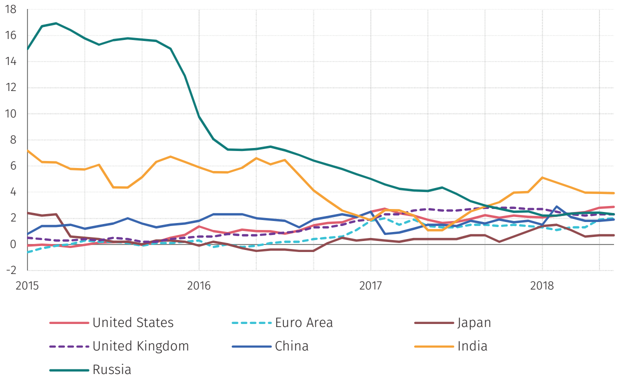
Looking at the emerging markets and developing economies, the Chinese economic growth out-paced the target set by the authorities for the year and recorded 6.7% in Q2-2018, although this was a slight deceleration from the 6.8% recorded in Q1-2018. Activity in the economy continued to be supported by the robust services sector, which accounts for almost half of the GDP, as evidenced by the stronger-than-anticipated growth in retail sales. Meanwhile, investment was spurred by the increase in residential investments amid rebalancing efforts. However, the economy is set to moderate because of financial tightening and weaker external demand due to trade barriers.

The Russian economy firmed up during H1-2018 due to buoyant external trade and domestic demand. External demand was bolstered by robust global demand, together with a real effective exchange rate depreciation reflecting higher oil prices. Meanwhile, the household consumption benefitted from the growth in real wages. Moreover, the domestic economy was further boosted by the FIFA World Cup and the expansion of industrial production. The outlook for the economy is positive as the higher oil prices are expected to balance the impact of sanctions.

In India, growth increased to 7.8% in H1-2018 as the major drags to the economy from demonetisation and introduction of GST continues to wane. The expansion in activity was largely underpinned by domestic demand, as both manufacturing and services-related sectors showed a marked growth during the period. This was further evidenced by the strong performance of Purchasing Managers Index (PMI) for both these sectors throughout the period. Reflecting this, the near-term outlook of India remains tilted to the upside.

Figure 3: Inflation, 2015–2018

(annual percentage change)



Sources: Bureau of Labor Statistics (US), Eurostat, Office for National Statistics (UK), Statistics Bureau (Japan), National Bureau of Statistics of China and OECD Database

Inflation

Against the backdrop of rising energy prices, global inflation picked up during the first half of 2018, with headline inflation lifting across most countries.

Meanwhile, core inflation strengthened in both advanced and emerging market economies due to the pass-through effects from currency depreciations, as well as second-round effects of higher fuel prices.

Looking at the price developments in the advanced economies, inflation in the US accelerated to 2.5% during H1-2018, in annual terms, mostly due to higher global energy prices (Figure 3). As such, prices of gasoline observed a significant rise during the period. Further, major upward contributions stemmed from the prices of shelter, medical care services, whilst prices for transportation and communications witnessed declines. Meanwhile, prices of food remained low by historical standards during the period.

In the euro area, the rate of inflation as measured by the annual change in the Harmonised Index of Consumer Prices (HICP) stood at 1.5% during H1-2018, a marginal increase from the second half of 2017. Inflation in the region was driven by higher prices of energy-related items, followed by food, alcohol and tobacco, offsetting the declining contributions from telecommunications. With tightening labour market conditions as well as rising domestic cost pressures, prices moved closer to the European Central Bank's target inflation level for the year.

In Japan, the inflation rate edged up to 1.0% during H1-2018, following a year-long period of low inflation. The uptick in inflation was largely brought on by higher prices of energy-related items, namely fuel, gas and utilities, together with a rise in food prices, especially fresh food and vegetables. Whilst energy prices increased in line with higher global oil prices, food prices soared due to temporary supply-side factors which stemmed from unusually colder weather conditions at the start of the year.

The annual rate of inflation in the UK eased to 2.4% during H1-2018, down from 2.7% in the preceding period, partly reflecting the waning pass-through effects of higher import prices that resulted from the depreciation of the pound sterling. During the period, transportation was the main contributor to inflation, especially during the second quarter of 2018. This mainly reflected higher global oil prices. Furthermore, increases in motor fuel prices, air fares and sea fares due to the timing of Easter holidays also contributed to the price growth, although this was partially offset by a substantial fall in clothing and footwear prices arising from the holiday promotions.

Turning to the emerging markets and developing economies, the rate of inflation in China increased to 2.0% during H1-2018, up from 1.7% in H2-2017. The increase in inflation stemmed mainly from increased prices for healthcare and residential services. However, overall inflation showed a modest growth towards the end of the period as food prices eased, following a surge during the earlier part of the year due to higher demand arising from the festive season. Lower food prices due to abundant summer vegetable and fruit supplies also contributed to ease prices further.

In India, inflation rose in H1-2018 when compared to H2-2017 although a declining trend was observed throughout the half. The overall rise in inflation reflected the increase in housing prices and fuel prices, combined with the upward base effect of the fall in prices due to demonetisation. Additionally, the depreciation of the Indian rupee also lifted prices during the period. The decline in pace observed during the period can be attributed to slower growth in food prices on the back of a normal monsoon season and effective supply management by the government.

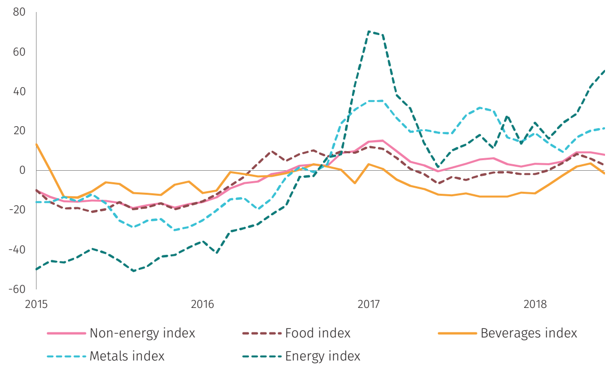
Meanwhile, inflation in Russia continued to slow down and stood at 2.3% in H1-2018. The deceleration was more pronounced during the start of the year as prices of all major categories decreased because of conservative consumer demand and stable exchange rate dynamics. Whilst food stock from last year's bumper crop has been depleting, food prices have continued to decline due to technological factors, such as hothouse developments.

Commodity Prices

According to the World Bank Commodity Price Index, the global commodity prices increased markedly in annual terms during H1-2018. This was mostly due to a significant increase in energy prices resulting from higher global oil prices, together with an increase in non-energy prices. During this period, metal prices increased substantially whilst food prices registered a modest growth. However, the prices of beverages declined over the period (Figure 4).

Figure 4: Global Commodity Prices, 2015–2018

(annual percentage change)



Source: World Bank

Prices of crude oil grew robustly by 33% in annual terms and averaged US$68.0 per barrel[2] during H1-2018. Although crude oil prices continued to be supported by both supply-side factors and demand-side factors, supply shortfalls have become more prevalent in recent months. Prices rallied during the period due to capacity constraints in Venezuela and the US sanctions on Iran, despite recent agreement by the Organization of the Petroleum Exporting Countries (OPEC) and participating non-OPEC producers' recent agreement to increase production by one million barrels per day from the current level. However, prices receded, to some extent, towards the end of the first quarter as the OPEC production shortage was partly offset by increased US shale production. On the demand-side, crude oil prices were driven by better-than-expected global demand from most of the advanced economies as a result of increased economic activity, particularly in the petrochemical industry and the global airline industry.

Turning to the major commodities in the non-energy group, metal prices rose substantially by 17% in annual terms during the first half of 2018. The upsurge in metal prices was mainly contributed by significant rises in the prices of copper and aluminium. Copper prices rallied during the start of the year due to strong demand stemming from the manufacturing sector, but receded slightly by March on the back of weak demand from China's property market. Prices have rebounded since April due to the prospect of another strike at Chile's Escondida, which is the world's largest copper mine. On the other hand, prices of aluminium showed strong growth at the beginning of the year because of higher global demand and China's efforts to curtail aluminium production to meet pollution targets. However, prices bottomed out in March due to increased stocks in China and weak overall demand resulting from heightened trade tensions between the US and China. Prices rallied once again towards the end of the first half, following the sanctions imposed by the US government on a Russian-based company, United Company RUSAL Plc, which is the world's second-largest aluminium producing company.

With regard to global food prices, the World Bank food price index showed a modest growth of 3% in annual terms during H1-2018. In this regard, a notable price growth was observed for grains, particularly for rice and wheat, due to increased demand coupled with a shortage in supply. Whilst demand surged amidst efforts by some Asian countries, such as Indonesia and Philippines, to build food reserves and curb local prices, supply from the major exporting countries contracted because of adverse weather conditions. However, this growth contribution was somewhat offset by considerable declines in the prices of sugar and oils, owing to abundances in supply. Meanwhile, the prices of beverages declined as coffee prices continued to fall throughout the period mainly due to the high yields of Arabica beans in Brazil, the world's top grower of such crops.

2 Average of Brent, West Texas Intermediate and the Dubai Fateh during H1-2018.

Domestic Economic Developments

Real Economy

Tourism

The tourism sector remained resilient during the first half of 2018, despite numerous challenges such as the risk of booking cancellations amid domestic political tension, and weakening growth prospects for some of the major tourist markets. The strong progression of the sector reflected both the development of the Velana International Airport which has enabled the MACL to secure new contracts with airlines, as well as the robust economic growth of key source markets. This was further bolstered by the expansion of global air travel which has improved airline networks and flight connectivity to new destinations. The number of scheduled flights into the country registered a 9% annual growth during H1-2018, which represented an increase of over 800 flights during the review period.

The overall growth in tourist arrivals reached its highest since 2014, recording an annual growth of 10% during the first half of 2018 (Figure 5). A total of 726,515 tourists arrived during the period, achieving almost half of the target of 1.5 million tourists for the year 2018. Meanwhile, tourist bednights posted a remarkable annual growth of 13% during the period—exceeding the pace of tourist arrivals growth—primarily due to the

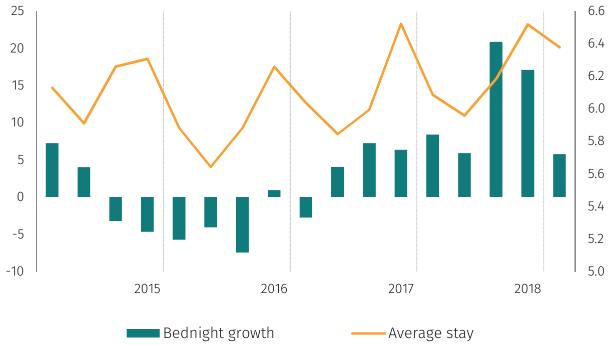
Figure 5: Quarterly Inbound Tourist Arrivals , 2015–2018

(thousands, annual percentage change)

Source: Ministry of Tourism

Figure 6: Quarterly Bednight Growth of Resorts and Average Stay, 2015–2018

(annual percentage change, days)



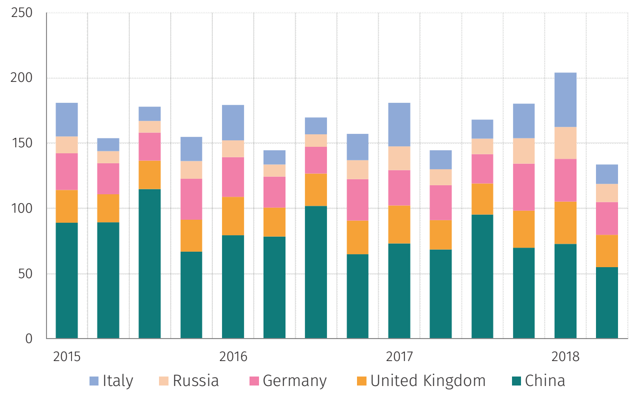
Source: Ministry of Tourism

pickup in the average duration of tourist stay from 6.3 during H1-2017 to 6.5 days during H1-2018 (Figure 6). Mirroring the strong upswing in tourist arrivals as well as the tourist bednights, receipts from the tourism sector are estimated at US$1.6 billion for the first half of 2018, a growth of 19% in annual terms. However, it is noteworthy that the overall upbeat performance during the period almost entirely reflected the brisk pace of growth observed during Q1-2018 as the sector remained soft during Q2-2018.

As for the supply side, the number of resorts in operation within the Maldives increased from 124 in H1-2017 to 127 in H1-2018. Meanwhile, the number of guesthouses in operation also expanded significantly from 432 in H1-2017 to 490 in H1-2018. Concurrently, the average operational bed capacity of the industry increased by 3,646 and totalled 41,290 beds—a 10% growth in annual terms. Despite this marked expansion in the operational bed capacity, the average occupancy rate of the industry rose to 63% during H1-2018 from 61% during H1-2017, reflecting the higher growth in bednights during the period.

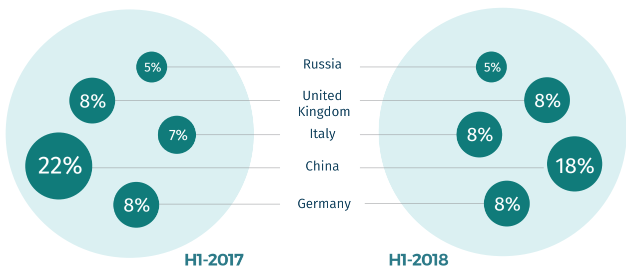
Looking at the source markets, European region—accounting for 51% of total arrivals—continued to dominate the market share and contributed most to the growth in arrivals (Figure 7). The upsurge in arrivals from the region reflected the growing number of tourists from key source markets; such as Italy, Russia, UK, France and Germany; as well as smaller upcoming markets from central Europe (Figure 8). The commencement of new flights from

Figure 7: Arrivals from Major Inbound Markets, 2015–2018
(thousands)



Source: Ministry of Tourism

Figure 8: Change in Share of Key Inbound Markets



Source: Ministry of Tourism

these markets, together with the increased frequency of flight operations to the Maldives, served as the main driving factors behind the growth. As such, the commencement of international flag carriers from Italy, France and Russia as well as other commercial airlines such as the Italian leisure airline *Neos* contributed significantly to the improvement in flight connectivity between Europe and the Maldives. Further, long-haul airlines such as *Emirates* and *Etihad* added new destinations during this period, expanding the airlines' network and connectivity to more destinations. Meanwhile, the frequency of scheduled flight operations was also increased during the period.

Tourist arrivals from the Asia and the Pacific region, which accounts for 40% of total arrivals, was bolstered by the growth in arrivals from Thailand, Australia, India, and Malaysia. The resumption of *AirAsia X* and *Thai AirAsia* coupled with the increased frequency of *Air India* flights strengthened arrivals growth from the region. Meanwhile, arrivals from the single largest source market, China, declined during the period, despite the increase in the frequency of flights operated by *China Eastern Airline* and *China Southern Airline* and the commencement of a new route in China (Hangzhou) by the *Maldivian* airline; the 6th destination in China served by the airline. It is noteworthy that tourist arrivals from the US remained resilient and recorded a significant growth when compared with the corresponding period of 2017.

Tourism Outlook

Amid the fast-paced expansion of global air travel and improved prospects for economic growth performance of the major source markets, the prospects for the tourism sector remain favourable for the second half of 2018. The trend will be bolstered further by the development of the Velana International Airport and the continued efforts by the MACL to secure new contracts with international airlines. Additionally, some commercial airlines are expected to increase the frequency of scheduled flights to the Maldives targeted towards the last quarter of 2018.

However, downside risks are foreseen with the official commencement of the trade war between the US and all its major trading partners (China, EU, Japan, Canada and Mexico). The negative repercussions of these protectionist measures could potentially hamper economic growth worldwide, with the resultant deceleration in private consumption translating to a slowdown in tourism growth. The risks associated to growth could slope gradually towards the downside, reinforced by the possible growth slowdown in the UK economy; a key tourist market.

Fisheries

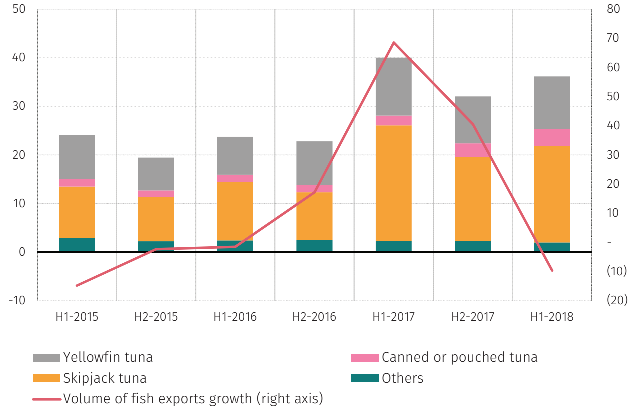
Turning to the developments in the fisheries sector, activity in the sector remained weak during H1-2018, as indicated by the declines in the key indicators used to gauge the performance of the sector—fish purchases by fish processing companies and volume of fish exports (Figure 9).

Fish purchases registered a fall of 2% in annual terms and amounted to 40,488.7 metric tons in H1-2018 (Figure 10). In comparison, fish purchases recorded a significant annual increase of 67% during the same period of 2017, which largely resulted from a rebound in fishing activity. The decline in fish purchases was almost entirely due to a marked decline in yellowfin tuna purchases, although skipjack tuna purchases showed a modest growth during the period. Skipjack tuna and yellowfin tuna collectively accounted for the bulk of purchases (98% of total purchases) made by fish processing companies during the period. Weaker purchases during H1-2018 can be attributed to the lower fishing activity that is usually observed during the month of Ramadan.

As for the price developments in the domestic tuna market, the local fish processing companies maintained their purchasing prices for iced skipjack tuna and fresh skipjack tuna at MVR20.0 per kilogram and MVR18.0 per kilogram, respectively during H1-2018. The last upwards revisions took place during Q3-2017, roughly in line with the developments of skipjack tuna prices in the international market. However, yellowfin tuna prices remained relatively volatile and averaged MVR60.8 per kilogram during the first half of 2018, down from an average of MVR67.7 during the same period of 2017. Prices stood at MVR95.3 per kilogram in January 2018, and dropped to MVR65.6 per kilogram by the end of June 2018 (Figure 11).

Figure 9: Volume of Fish Exports, 2015–2018

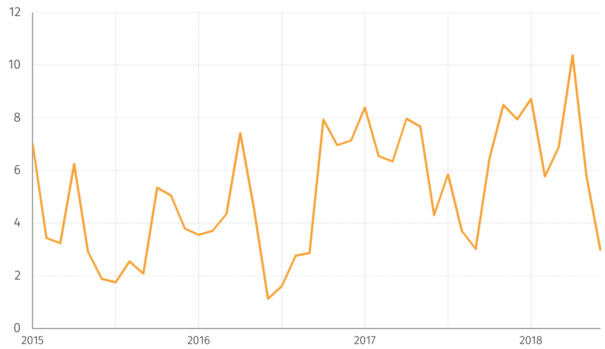
(thousand metric tons, annual percentage change)



Source: Maldives Customs Service

Figure 10: Fish Purchases, 2015–2018

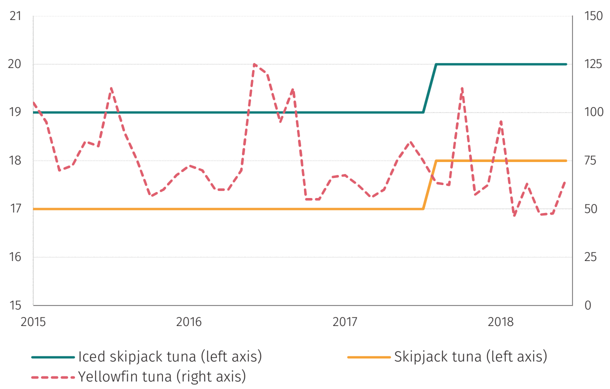
(thousand metric tons)



Source: Ministry of Fisheries and Agriculture

Figure 11: Prices Paid for Fish by Local Processing Companies, 2015–2018

(rufiyaa per kilogram)



Source: Ministry of Fisheries and Agriculture

On the export front, the volume of fish exports amounted to 36,138.2 metric tons and observed a decline of 10% during the first half of 2018 when compared with the same period of 2017. Whilst there was a substantial increase in the volume of canned or pouched tuna products during the period, this was fully offset by the significant falls in the volumes of frozen skipjack tuna, fresh or chilled yellowfin tuna, as well as frozen yellowfin tuna exports. It is worth noting that the drop in the volume of frozen skipjack has been more pronounced over the past year. This decline can be attributed to the increased efforts to diversify the fisheries sector by adding more value to local tuna products. This is evidenced by the fact that the two largest local fish processing companies have expanded their processing capacities over the past year.

Construction

The performance of the construction sector continued to be buoyant during the first half of the year, underpinned by strong credit growth along with the rising demand. The continued growth was largely bolstered by various public sector infrastructure projects such as the Velana International Airport expansion, development of Hulhumale' phase two, Sinamale' Bridge project, Dharumavantha Hospital and Male' redevelopment project. Meanwhile, growth in private sector investments in residential housing and tourism also provided further impetus to the sector growth.

Looking at the key indicators used to gauge the sector growth, both bank credit to the sector and construction-related imports, posted a notable upturn during the period. Commercial bank credit to the construction sector registered a marked annual growth of 23% in H1-2018, largely due to a growth in loans for residential housing, new resort development and construction of guest houses. The growth in bank credit was, however, partly offset by the annual decrease in loans for renovation of resorts during the first half of the year.

The robust growth in the construction sector was also evident from the upsurge in the value of construction sector-related imports, which recorded a remarkable annual growth of 51% (US$120.2 million) during H1-2018. This was mostly due to an increase in the volume of base metal and articles of base metals; cement and aggregates and; wood and articles of wood imported during the period. Looking at the composition, construction-related imports by the tourism sector (which accounted for 35% of the total construction-related imports) witnessed the largest growth, with an increase of US$54.8 million in annual terms. Meanwhile, private sector which carried the highest share (48%), grew by US$36.8 million during the period, while construction-related imports by the government showed a growth of US$33.5 million.

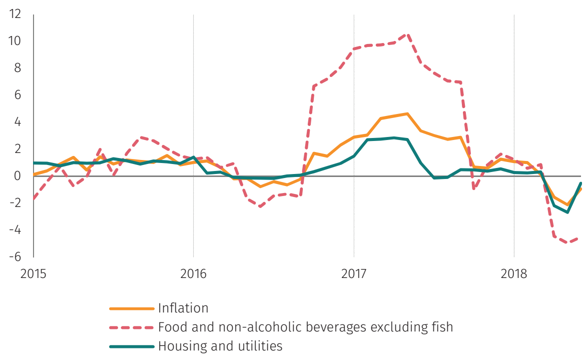
The future prospects of the sector remains optimistic as respondents to the Quarterly Business Survey carried out by the MMA for the second quarter of 2018, indicated anticipation of further increase in the level of their construction activity during the third quarter of the year. In addition, the respondents also indicated expectation of additional capital investments to take place in the next quarter.

Inflation

The rate of inflation (as measured by the annual percentage change in the consumer price index [CPI] at the national level) declined considerably and entered a deflation territory during the first half of the year. On average, the rate of inflation stood at -0.4% in H1-2018, down from 3.8% in H1-2017 (Figure 12). This largely stemmed from a number of policy changes that came into effect during the latter part of 2017 as well as in H1-2018. As a result, prices of electricity and food items declined significantly during the period. However, these declines were partially offset by substantial positive contributions from rental prices.

Figure 12: Inflation (National), 2015–2018

(annual percentage change)



Source: National Bureau of Statistics

Despite a strong recovery in global oil prices over the past year, the impact was not reflected in domestic prices during the period. This was mainly due to the base effect of the downward revision in the import duties on petrol and diesel in June 2017, combined with the upward adjustment to administered fuel surcharge cap rate[3] in August 2017—which led to the temporary exemption of fuel surcharge on electricity by the State Electricity Company Limited and Fenaka Corporation Limited. Moreover, the

3 Fuel surcharge begins to be charged only when the price at which STELCO purchases diesel from STO exceeds the cap of MVR8.0 per litre. The rate at which the fuel surcharge applies is MVR0.03 per MVR0.10 increase in the price of a diesel litre, above the surcharge cap. Presently, the purchase price of diesel is at MVR8.0 per litre.

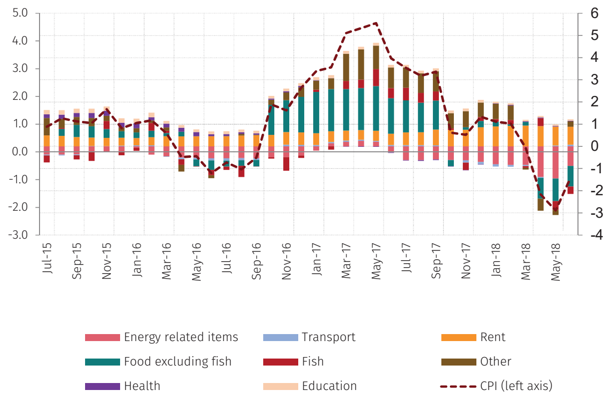
reduction of electricity and water tariffs in the atolls, to harmonise utility rates across the country exerted further downward pressure in inflation during the period. As such, electricity price declined by 28.4% and contributed the most to the overall deflation in H1-2018 (Figure 13).

Similarly, food prices which accounts for 26% of the CPI basket declined by 1.6% in H1-2018, mostly due to a fall in the prices of staple food items (rice, sugar and wheat flour). State Trading Organisation (STO)—the country's main importer and distributor of staple foods—reduced their wholesale prices in April 2017 and again in April 2018, restoring the prices of staple items to the rates prior to the changes in subsidy policy in October 2016. Subsequently, the Ministry of Economic Development also revised the controlled prices (prices that can be charged by the retailers in Male' and across the country). Moreover, a fall in the price of basmati rice also put further downward pressure on the prices of staple food items during the period. However, these declines in food prices were partially offset by a substantial increase in prices of some vegetables and fruits (most notably root crops and dried fruits) in H1-2018. It is also noteworthy that fish price, which is generally the most volatile and also carries the highest weight in the food category, remained relatively stable over the period.

On the other hand, the upward trend in rental prices—which has been more pronounced since the second quarter of 2017—continued into H1-2018 and recorded an annual price growth of 7.0% during

Figure 13: Contribution of Sub-Categories to CPI Inflation (National), 2015–2018

(annual percentage change, percentage point contribution)



Source: National Bureau of Statistics

the period. Similarly, prices of tobacco and arecanut increased and contributed positively during the period. The increase was mainly due to the base effects of the upward revision of import duties on cigarettes in March 2017, coupled with the impact of an increase in import duty on supari in January 2018. The base effect of the import duty on cigarette dissipated completely in March 2018.

Looking at the developments in other components of the CPI, prices in the furnishing and household equipment category declined by 2.3% in H1-2018, mostly reflecting a fall in prices of furniture and furnishing; glassware and; tableware and household utensils. These declines can be attributed to pre-Ramadan promotions.

Inflation Outlook

The rate of inflation is expected to remain broadly in deflation territory, although a slight recovery is expected towards the latter half of the year. Domestic policy changes—re-instatement of the blanket subsidy on staple food items and the equalisation of utility tariff rates (water and electricity) throughout the Maldives, both effective from April 2018—are expected to exert downward pressure on prices during the last half of 2018.

The expected recovery in prices towards the latter part of the year is mainly due to the dissipation of the base effect of the marked reduction in electricity cost, which resulted from the downward revision in import duty on petroleum products in June 2017. However, the impact of the deflationary pressure from the aforementioned domestic policy changes are expected to outweigh the upward pressure from the dissipation of this base effect.

Public Finance

Revenue

Total government revenue[4] (excluding grants) is estimated to have reached MVR10.7 billion in the first half of 2018, which represented a robust growth of MVR760.1 million in annual terms (Figure 14). This largely reflected an increase in tax revenues, while non-tax revenues also contributed to the overall growth in revenue during the period. Furthermore, 50% of the total revenue envisaged under the national budget for 2018 was realised by the end of June 2018. Looking at the revenue breakdown, tax revenues accounted for 75% of the total revenue, while non-tax revenues accounted for nearly 25% and capital receipts had a share of less than 1%.

Tax revenues increased by MVR436.2 million and totalled MVR8.1 billion at the end of H1-2018, largely on account of buoyant growth in tourism goods and services tax (T-GST), which is the single largest source of tax revenue (Figure 15). This resulted from the increased number of tourist arrivals that reflected the robust performance of the tourism sector, as well as the upward base effect from the extension of payment deadline for such revenues in the previous year. In 2017, all tax deadlines (originally fell in June 2017 under "Eid

4 Data for the period Jan-June 2018 is information available as at 27 September 2018.

Al-Fitr" holidays) were extended to July 2017. This led to a comparative growth in tax collected in the same period of 2018, in which deadlines for such payments were not revised.

Furthermore, revenue from general goods and services tax (G-GST) also contributed to the growth against the backdrop of solid domestic demand. Meanwhile, reflecting the robust economic activity amid higher global commodity prices, import duties posted a considerable growth during H1-2018, despite the reduction of import duties on petroleum products effective from June 2017.

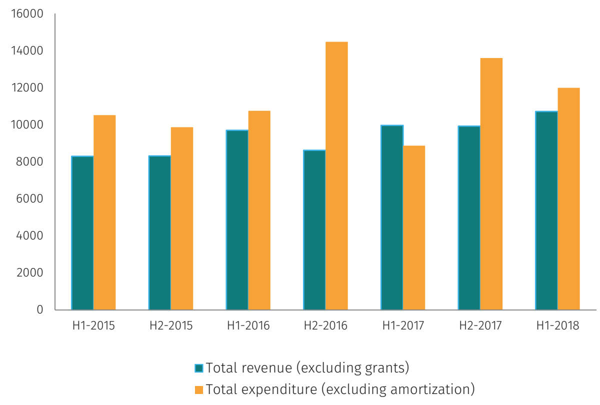
In contrast, revenue from business and property taxes[5] showed a marked decline during the period due to lower receipts from bank profit tax, as such payments for 2017 were received ahead of deadline which falls in July. Looking at other sources of tax revenues, airport service charge also recorded a decline during the period as collection of such revenue in H1-2017 included arrears dating back to 2012, hence revenue recorded for H1-2018 was observed to be comparably lower.

Regarding non-tax revenues, it registered an increase of MVR347.7 million and summed to MVR2.7 billion at the end of H1-2018. This almost entirely reflected the revenue generated from the airport development fees which was introduced in May 2017. However, this growth was partly offset by a decline in land acquisition and conversion fees collected for the period, which indicated the base effect of one-off payments for newly leased islands

5 Business and Property Taxes includes Business Profit Tax, Withholding Tax and Other Business and Property Taxes (the main component of which is Bank Profit Tax).

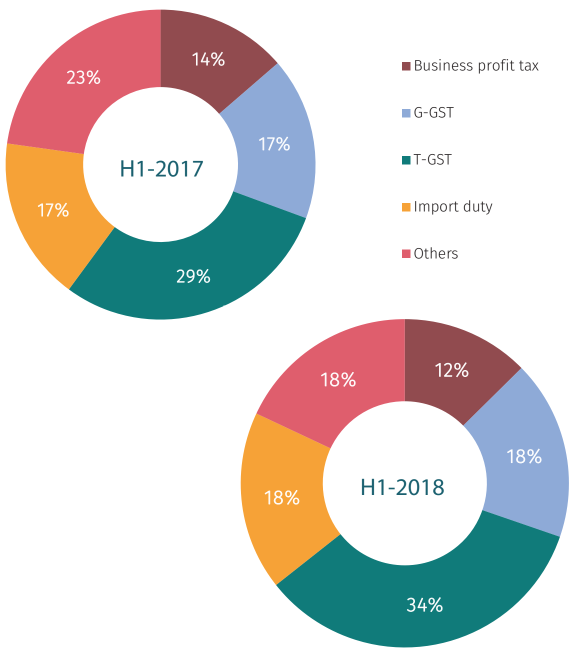
Figure 14: Government Revenue and Expenditure, 2015–2018

(millions of rufiyaa)



Source: Ministry of Finance and Treasury

Figure 15: Composition of Tax Revenue



Source: Ministry of Finance and Treasury

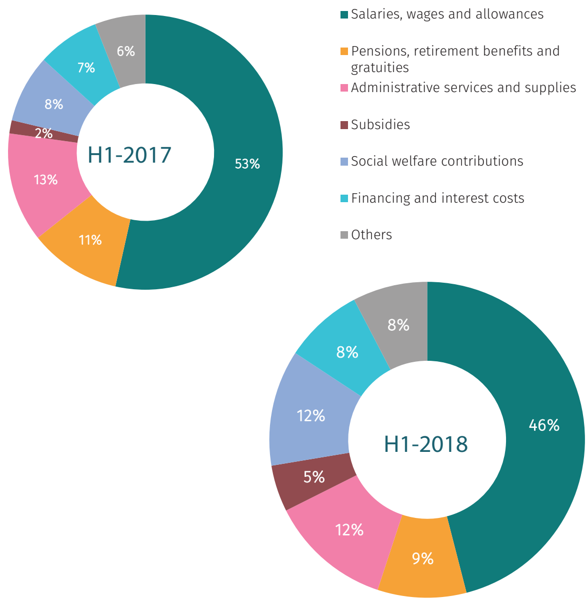
during H1-2017. Furthermore, dividends from state-owned enterprises also contributed positively to the growth in non-tax revenues.

Expenditure

Total government expenditure (excluding amortization) is estimated to have increased by MVR3.1 billion in annual terms and summed to MVR12.0 billion at the end of H1-2018. This was due to a significant upsurge in current expenditure as well as a considerable growth in capital expenditure, which accounted for 69% and 31% of total expenditure, respectively. However, less than half (48%) of the budgeted amount for the year was spent during H1-2018.

Current expenditures rose by MVR1.5 billion to reach MVR8.3 billion in H1-2018, primarily on the back of higher administrative and operational expenses (Figure 16). This was largely contributed by a notable increase in the spending on the national health insurance scheme, Aasandha, during the period. Furthermore, reflecting the reinstatement of subsidy on staple food items in April 2018, a growth in expenditure on subsidies also contributed to the growth in such expenses. Meanwhile, salaries and wages—which account for the highest share of current expenditure—also posted a modest growth due to an increase in allowances to employees. In addition, interest payments and financing costs were also observed to have increased during the period because of increased foreign debt. With regard to other expenses, spending on administrative services

Figure 16: Composition of Recurrect Expenditure



Source: Ministry of Finance and Treasury

and training grew slightly when compared with H1-2017.

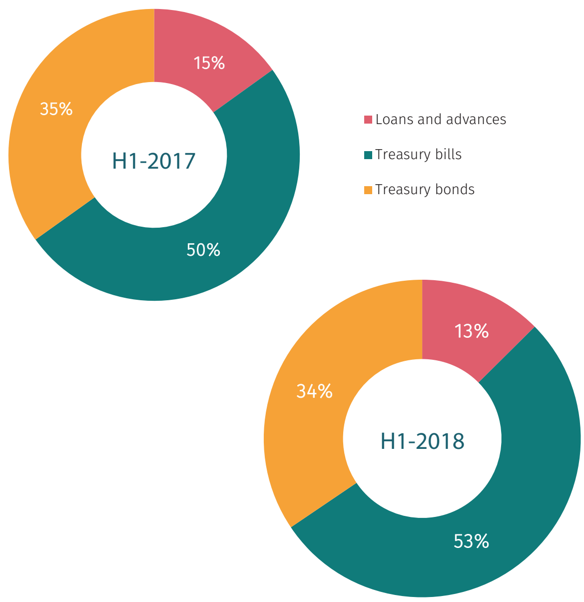
Similarly, capital expenditures increased by MVR1.6 billion to reach MVR3.8 billion in H1-2018. This was driven by increased spending on the PSIP, especially for infrastructure projects such as the construction of Sinamale' Bridge, Male' re-development project, expansion of Velana International Airport and the construction of Dharumavantha Hospital. Furthermore, increases in government spending on other developmental projects and capital equipment also contributed positively to the overall growth in capital expenditure during the period. However, this was offset to some extent by the reduction in expenditure on other infrastructure assets, reflecting the base effect of the expense on building futsal turf grounds in various islands during the first half of 2017.

Domestic Financing

Domestic borrowings by the government—which includes treasury bills, treasury bonds and loans and advances to the government—totalled MVR27.0 billion at the end of June 2018, down from MVR27.2 billion in December 2017 (Figure 17). This indicated a net repayment of MVR210.0 million, mainly due to the fall in loans and advances during the period. A net borrowing of MVR565.3 million was recorded in the corresponding period of 2017.

The primary source of domestic borrowing has been the issuance of government securities (treasury bills and treasury bonds). The total outstanding

Figure 17: Composition of Domestic Claims on Government



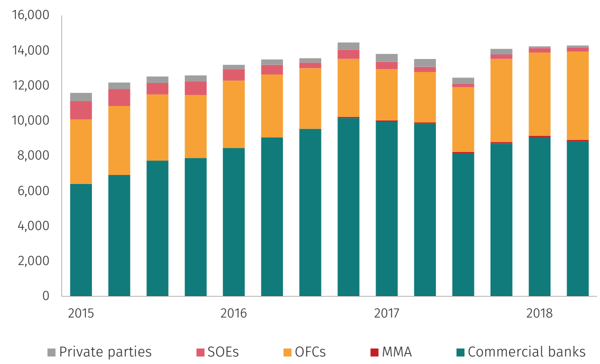
Source: Ministry of Finance and Treasury

stock of government securities rose to MVR23.6 billion at the end of June 2018 from MVR23.4 billion at the end of December 2017, representing a net issuance of MVR156.9 million during this period. The net issuance in H1-2018 stemmed mostly from the increased issuance of treasury bills. As such, investments in treasury bills increased during the period, with investments mainly coming from other financial corporations. Investments by commercial banks posted a solid growth during the period, while private sector investments in treasury bills showed a marked decline. Meanwhile, loans and advances to the government fell by 10% (MVR366.8 million) and stood at MVR3.4 billion at the end of June 2018. This mainly reflected the decline in government borrowings from commercial banks.

With respect to the composition of government securities during the first half of 2018, treasury bills accounted for the largest share (61%) of total government securities and the outstanding stock amounted to MVR14.3 billion at the end of June 2018. The outstanding stock of treasury bills stood lower at MVR14.1 billion at the end of December 2017. Meanwhile treasury bonds, which accounted for the remaining share of government securities, stood at MVR9.3 billion at the end of June 2018. As for the outstanding stock of treasury bills by holder, commercial banks remained as the main investor (62% of the outstanding treasury bills), followed by other financial institutions (35% of the outstanding treasury bills) (Figure 18).

Figure 18: Outstanding Treasury Bills by Holder, 2015–2018

(millions of rufiyaa)



Source: Maldives Monetary Authority

Note: MMA represents dormant account and deposit insurance funds invested in government treasury bills.

Monetary Developments

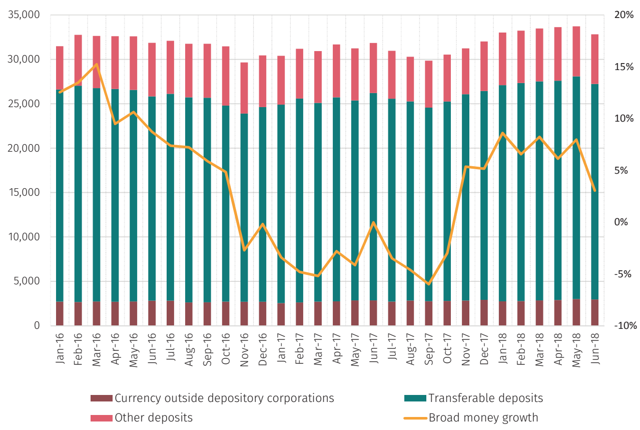
Money Supply

The upward trend in the annual growth of money supply since December 2017, slowed down over the first half of the year and stood at 3% at the end of June 2018. This is in comparison to the 5% annual growth in the money supply observed at the end of December 2017. This deceleration in the money supply at the end of June mainly reflected the slower pace of growth in transferable deposit base (demand deposits) of the banking system—which accounted for 74% of the money supply (Figure 19). As such, demand deposits posted a 4% annual growth during the period, down from 7% recorded at the end of December 2017. This was largely due to a slowdown in foreign currency denominated deposits during the period, which can be attributed to the decline in deposits by private businesses. However, this decline was curbed to an extent by the annual growth in local currency transferable deposits at the end of June 2018, mainly due to a rise in deposits by domestic private businesses and individuals.

In addition, other deposits (savings and time deposits) which accounted for 17% of the money supply, posted a marginal annual decline of 1% at the end of June 2018, after registering a decline of 4% at the end of December 2017. This improvement reflected the increase in foreign currency time deposits and savings deposits (denominated in both local and foreign currency), as local currency time deposits decreased during the period.

Figure 19: Components of Broad Money, 2016–2018

(millions of rufiyaa, annual percentage change)



Source: Maldives Monetary Authority

Meanwhile, currency outside depository corporations—which accounted for 9% of money supply—grew by 4% in annual terms, a deceleration in comparison to the 8% recorded at the end of December 2017.

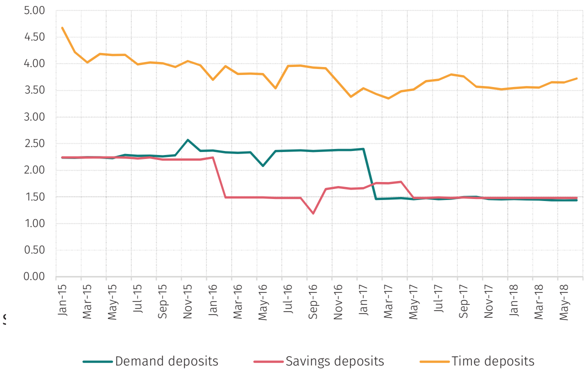
Credit to Private Sector

Credit to the private sector continued its upbeat growth rate and stood at MVR21.9 billion at the end of June 2018. This marked an annual growth rate of 11% (MVR2.2 billion), a slight deceleration when compared to December 2017. Similar to 2017, tourism, construction and commerce sector accounted for the highest share of credit over the period. Credit extended for tourism sector (which accounted for 37% of total private sector credit) registered an 8% annual growth, largely due to the significant rise in credit extended for new resort development. Additionally, a moderate increase was observed for credit extended to the construction of guesthouses. Credit to the construction sector and real estate sector rose by 38% and 13%, respectively, primarily reflecting the increase in loans for residential housing. Meanwhile, a slight decline in credit was observed in the commerce sector, attributed by the decline in credit for wholesale and retail which fully curbed the increase in credit extended to restaurant and cafes.

Interest Rates

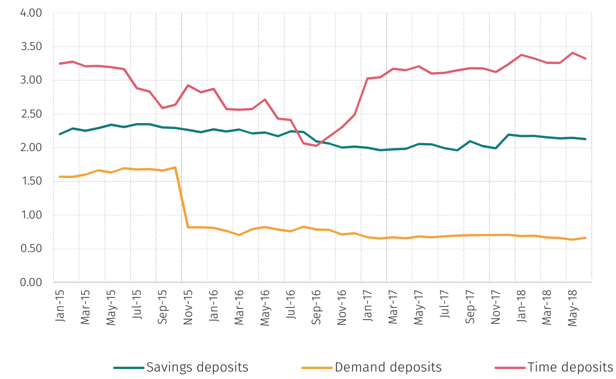
With regard to interest rates, the rates on both local and foreign currency demand deposits registered

Figure 20: Interest rate on Deposits (National Currency), 2015–2018
(weighted average)



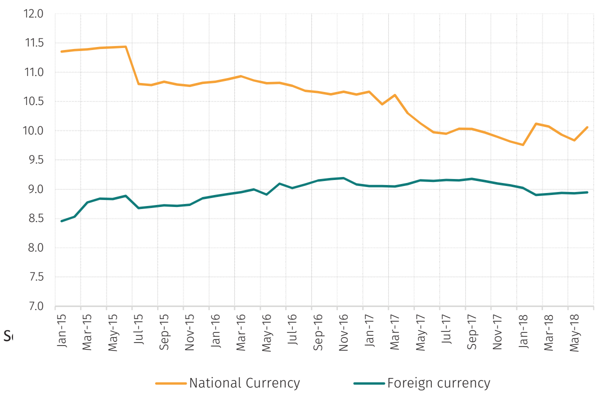
Source: Maldives Monetary Authority

Figure 21: Interest Rate on Deposits (Foreign Currency), 2015–2018
(weighted average)



Source: Maldives Monetary Authority

Figure 22: Interest Rate on Private Sector Loans and Advances, 2015–2018
(weighted average)



Source: Maldives Monetary Authority

an annual decline at the end of June 2018, while rates on both local and foreign currency time deposits (maturity of six months to one year) increased during the period. As for savings deposits, interest rates on local currency denominated savings deposits remained largely unchanged by the end of June 2018, while foreign currency savings deposits increased over the period (Figure 20 and 21).

Meanwhile, interest rates on local currency denominated private sector loans increased during the period while the rates on foreign currency denominated private loans declined (Figure 22).

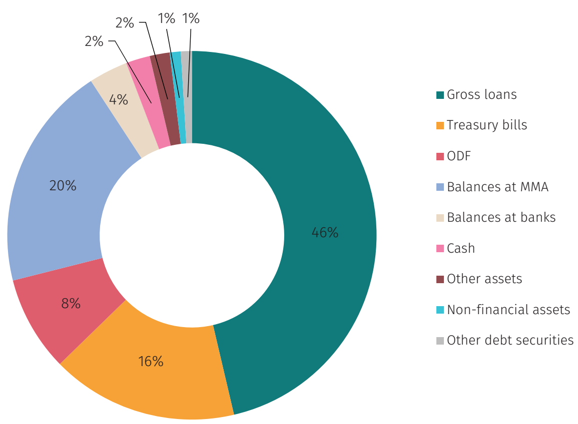
Financial Sector

Banking Sector

The banking sector remained strong during the first half of the year, as shown by the key performance indicators on capital adequacy, asset quality and earnings.

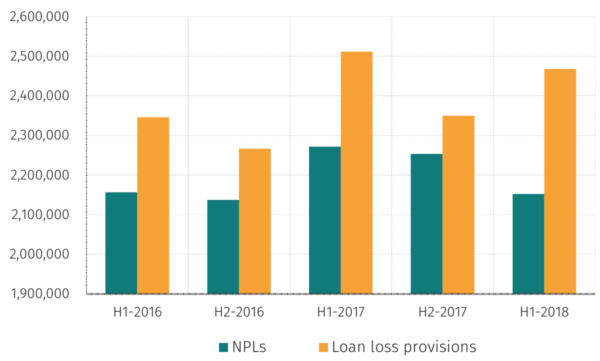
The capital strength of the banking sector remained high, with the total capital to risk-weighted assets standing at 43% against the minimum requirement of 12%, reflecting the significant portion of low risk assets in the portfolio. Leverage capital, as measured by equity to gross assets stood at 22% against the minimum requirement of 5%. Meanwhile, liquidity also remained high, with liquid assets as a percentage of total deposits and borrowings at 61% when compared with 63% a year ago (Figure 23).

Figure 23: Gross Asset Composition of Banking Industry, as at H1-2018



Source: Maldives Monetary Authority

Figure 24: Non Performing Loans and Loan Loss Provisions (H2-2016 to H1-2018)
(In rufiyaa)



Source: Maldives Monetary Authority

During the first half of the year, deposits of the banks totalled MVR32.7 billion, which is a growth of 6% (MVR2.0 billion) in annual terms. Loans continued to dominate the assets portfolio of the banking sector, with 49% of the assets at the end of June 2018. During the period, loans posted a significant growth of 8% (MVR1.9 billion) in annual terms, to reach MVR24.3 billion. Meanwhile, investments in treasury bills made up 17% of assets and amounted to MVR8.6 billion as at June 2018.

As regards to asset quality, the absolute value of non-performing loans (NPLs) declined by 5% (MVR0.1 billion) in annual terms, although it increased by 2% when compared with the previous quarter (Figure 24). NPLs as a percentage of total loans declined from 10% in H1-2017 to 9% in H1-2018 due to a growth in total loans as well as an increase in the amount of NPLs that were written-off during the period. Banks have made loan loss provisions that cover the entire NPLs.

Total pre-tax profits earned by the commercial banks amounted to MVR1.1 billion in H1-2018, registering a marginal increase of 2% when compared with the same period of 2017 mainly owing to the increased non-interest income earned by the banks. The profitability ratios remained high as indicated by the return on average equity of 14%.

Finance Companies

The finance companies consist of the Housing Development Finance Corporation PLC and the Maldives Finance Leasing Company Pvt. Ltd. During H1-2018, these companies showed an annual growth in terms of assets, with improvements in asset quality, despite a slight fall in earnings during the period.

Total assets of the finance companies amounted to MVR2.1 billion at the end of H1-2018, a 20% growth when compared with the same period of 2017. This growth was contributed by the increase in borrowings as well as the issuance of debt securities. Meanwhile, lending of the finance companies showed a marked growth, with loans and advances recording a 16% growth when compared with the same period a year ago. Furthermore, the overall NPL ratio of the finance companies fell to 1.4% in H1-2018 from 2.2% in H1-2017.

However, earnings of the finance companies decreased by 2% in annual terms, and pre-tax profit amounted to MVR57.2 million in H1-2018. This was mainly on account of an increase in loan loss provisions.

Money Remittance Companies

Currently, there are four money remittance businesses providing remittance services. Both inward and outward remittances decreased during the first half of 2018 when compared with the first half of 2017.

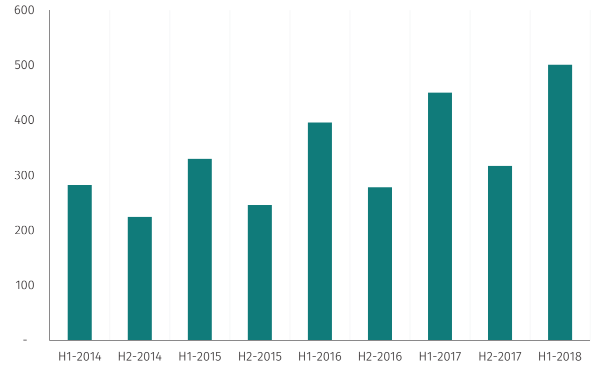
Total outward remittances through money remittance companies decreased by 3% and summed to MVR545.9 million in H1-2018. While the amount remitted by foreigners fell by 39% during H1-2018, in annual terms, the amount remitted by the Maldivians doubled during the period. Of the total outward remittances, more than 50% were made by the Maldivians. Furthermore, Bangladesh continued to be the top outward remittance destination, with 48% of the outward remittances going to the country, mainly for family maintenance and savings.

Inward remittances through money remittance companies decreased by 10% and totalled MVR35.2 million in H1-2018. Most of the inward remittances were received from United Arab Emirates (UAE) (representing 16% of the total inward remittance) and China (15%). The main purpose for inward remittances was for family maintenance and savings to their families living in the Maldives.

Insurance Industry

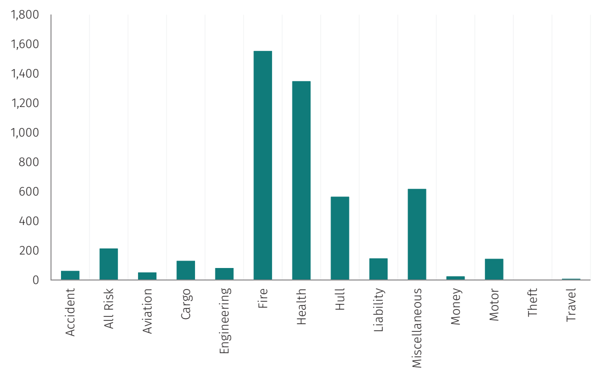
Insurance industry recorded a strong growth during the first half of 2018 as indicated by the key indicators of the industry. Gross written premium (GWP) amounted to MVR500.8 million, an increase of 11% when compared with the same period in 2017 (Figure 25). This was mainly due to a growth in fire and health insurance classes. It is noteworthy that GWP is generally high during the first half of the year, as most insurance contracts are renewed during this period. Delving into the premium contributions by the classes of insurance, fire, health and marine hull accounted for 69% of the GWP, with a share of 31%, 27% and 11% of the GWP, respectively (Figure 26).

Figure 25: Gross Written Premium, 2014–2018
(millions of rufiyaa)



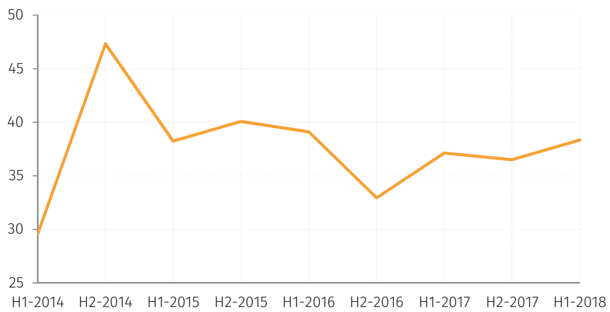
Source: Maldives Monetary Authority

Figure 26: Premium Contributions by the Classes of Insurance, H1-2018
(millions of rufiyaa)



Source: Maldives Monetary Authority

Figure 27: Retention Ratio, 2014–2018
(percent)



Source: Maldives Monetary Authority

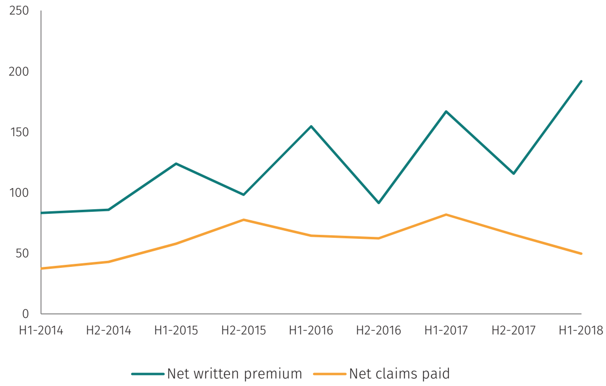
With regard to the retention ratio for the first half of 2018, it stood slightly higher at 38% of the GWP against 37% of GWP in the corresponding period of 2017 (Figure 27). While fire, aviation and marine insurance classes depend heavily on reinsurance, most of the premium generated from classes such as motor and health are retained by the companies.

Net written premiums during the first half of 2018 totalled MVR192.0 million, while net claims amounted to MVR49.8 million (Figure 28). Similar to GWP, net written premium generally remains high during the first half of the year.

Total investments of the industry stood at MVR368.6 million at the end of June 2018 (Figure 29). Out of the total investments, 48% were invested in T-Bills, which was an increase of 8% when compared with the same period of 2017.

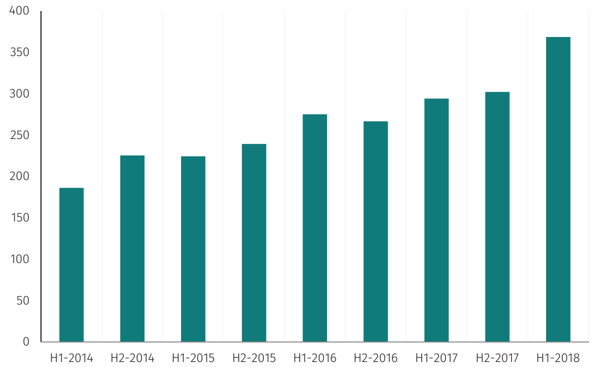
Profit of the insurance sector experienced a remarkable annual growth of 223% during H1-2018 and totalled MVR84.9 million (Figure 30). This was mostly due to the decrease in claims during the period. Currently, the insurance companies operating in the Maldives retain 30-40 percent of the premium underwritten, as the companies lack the capacity to absorb substantial risks. The industry received MVR54.0 million as reinsurance commission during this period, which made a significant contribution to the profits generated by the industry.

Figure 28: Net Written Premium vs. Net Claims Paid, 2014–2018
(millions of rufiyaa)



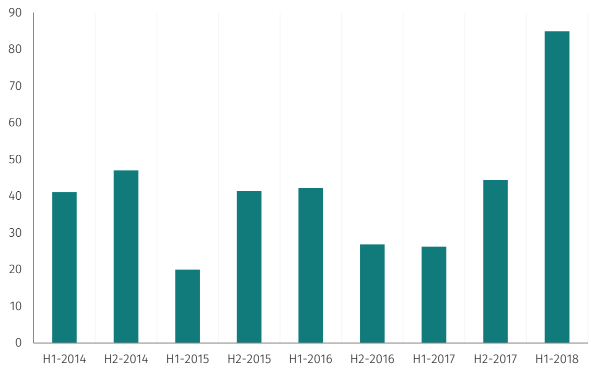
Source: Maldives Monetary Authority

Figure 29: Total Investment, 2014–2018
(millions of rufiyaa)



Source: Maldives Monetary Authority

Figure 30: Profitability, 2014–2018
(millions of rufiyaa)



Source: Maldives Monetary Authority

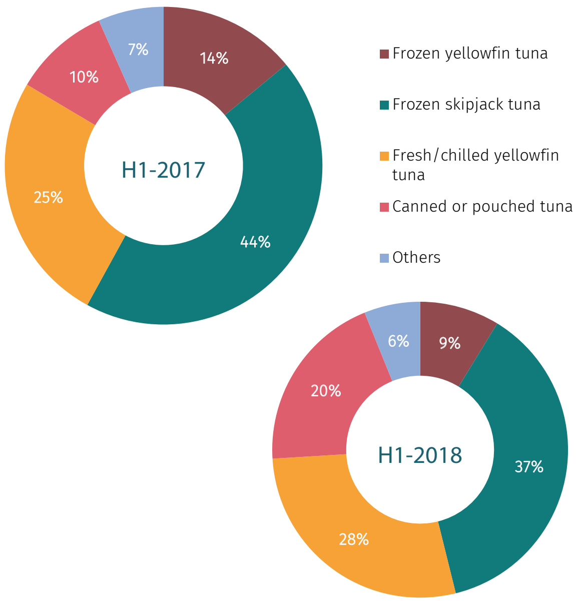
External Trade

Merchandise Exports

The total merchandise exports—sum of domestic exports and re-exports—posted a decline of 7% (US$11.9 million) during H1-2018, in annual terms, and totalled US$159.4 million. While re-exports recorded a slight growth of 1% (US$0.9 million), the decline in total exports was entirely attributed to a significant fall in domestic exports which predominantly consist of fish exports. The annual increase in re-exports, which mainly comprise the jet fuel sold to aircrafts at international airports, stemmed from the recovery in global oil prices.

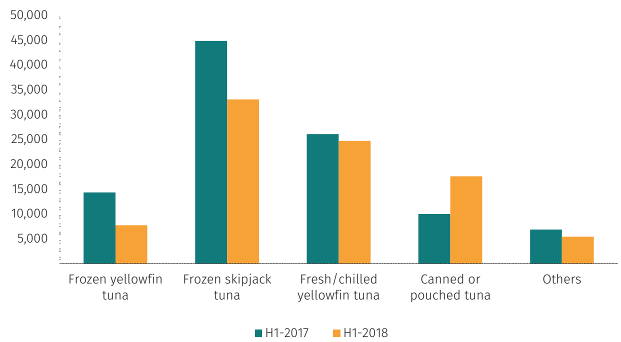
As for domestic exports, an annual decline of 12% (US$12.8 million) was recorded during the first half of the year which was broadly contributed by the 13% (US$13.6 million) fall in fish exports. This fall was largely owing to the significant decline in earnings from frozen skipjack tuna by 26% (US$11.8 million) (Figure 31). In addition, earnings from frozen yellowfin tuna; fresh or chilled yellowfin tuna; and processed fish also recorded an annual decrease during H1-2018. While the volume of such exports decreased during the period, the decline in earnings of frozen skipjack tuna also reflected the annual decrease in skipjack tuna prices in the international market. The decline in fish exports was, however, partly offset by an increase in earnings and volume of canned or pouched tuna exports during the first six months of 2018 (Figure 32).

Figure 31: Composition of Fish Exports Earnings



Source: Maldives Customs Service

Figure 32: Composition of Fish Exports (Earnings), 2017–2018
(millions of US dollars)

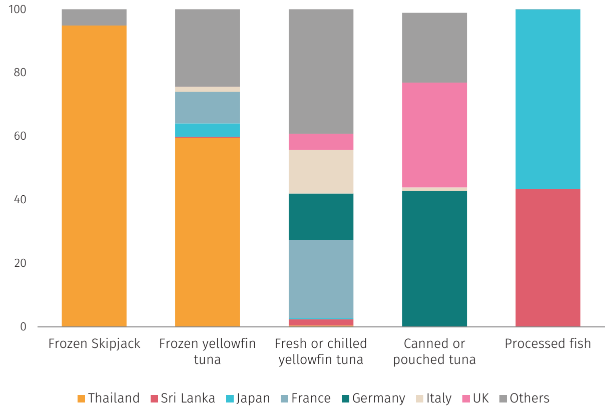


Source: Maldives Customs Service

The Asia and Europe remained the two major continental destinations of exports accounting for 52% and 38% of total merchandise exports, respectively. Thailand was the main export market accounting for 39% of total merchandise exports, followed by Germany which accounted for 12% of total merchandise exports (Figure 33).

Figure 33: Direction of Trade of Exports, H1-2018

(percent)



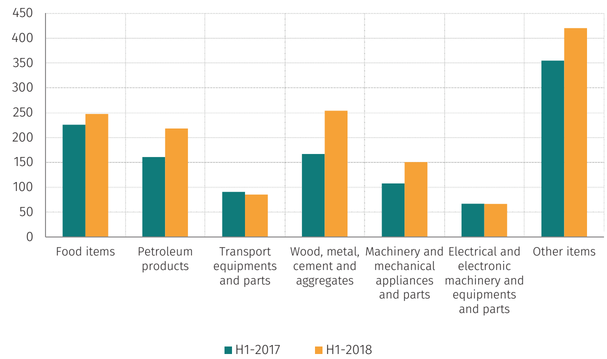
Source: Maldives Customs Service

Merchandise Imports

Total merchandise imports (c.i.f) summed to US$1.4 billion during the first half of 2018, which is an increase of 23% (US$268.5 million) in annual terms. This growth stemmed largely from the increase in the import of construction-related items (wood, metal, cement and aggregates; and other construction related items) which posted a significant growth of 51% (US$120.2 million) (Figure 34). While the volume of wood, metal cement and aggregates imported during the period increased substantially, the continued increase in global commodity prices also contributed to this growth.

Figure 34: Composition of Imports, 2017–2018

(millions of US dollars)



Source: Maldives Customs Service

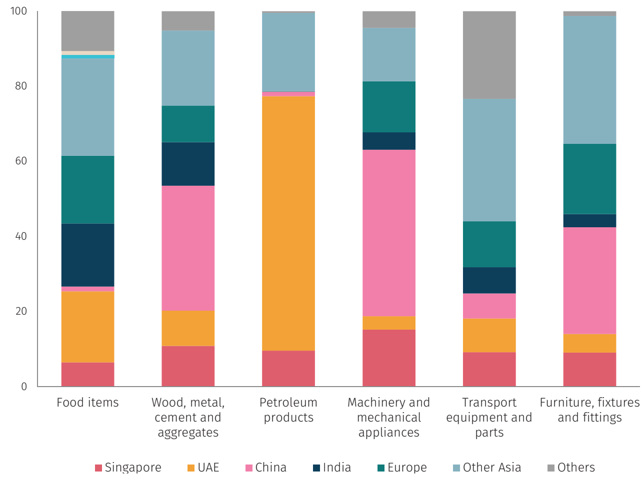
In addition, mirroring the strong growth in global oil prices, expenditure on imports of petroleum products (marine gas oil) increased markedly, and contributed to the upsurge in total imports during H1-2018. As for other imports, machinery and mechanical appliances and parts posted a substantial growth during the period. Meanwhile, food items also facilitated the growth in imports, despite a decrease in the expenditure on the administered staples due to lower sugar prices in the international market.

However, the growth in total merchandise imports was curbed, to an extent, by the fall in import of medical and surgical supplies; and transport equipment and parts during the review period, as major infrastructure projects near completion.

The main continental source of imports was Asia, accounting for 83% of total merchandise imports. This was followed by imports from Europe accounting for 11% of total merchandise imports. United Arab Emirates was the major import market accounting for 19% of total merchandise imports, followed by China, accounting for 18% of total merchandise imports (Figure 35).

Figure 35: Direction of Trade of Imports, H1-2018

(percent)



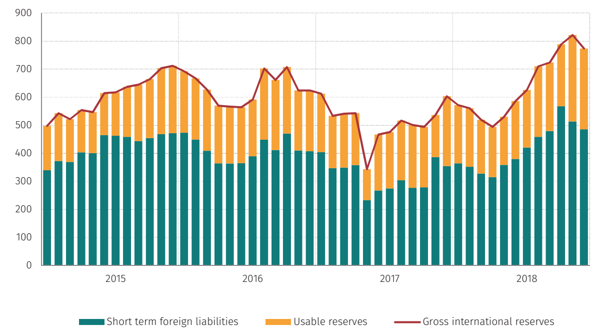
Source: Maldives Customs Service

Gross International Reserves

Gross International Reserves (GIR[6]) stood at US$773.3 million at the end of June 2018, which is an increase of 28% in annual terms (Figure 36). GIR trended upwards throughout the first five months of the year and peaked at US$821.7 million in May 2018 before declining by 6% in June 2018. As the GIR mainly includes the commercial banks' foreign currency deposits held at the MMA (minimum reserve requirement [MRR] and excess reserves), the monthly decline in GIR reflected the decrease in such deposits at the MMA.

Figure 36: Gross International Reserves, 2015–2018

(millions of US dollars)



Source: Maldives Monetary Authority

6 GIR comprises of foreign currency deposits of the MMA and the government, commercial bank's US dollar reserve accounts and Maldives' reserve position at the IMF.

Statistical Appendix

Table 1: Tourism Indicators, 2015 - 2018

	2015	2016	2017	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2
Tourist arrivals	**1,234,248**	**1,286,135**	**1,389,542**	**359,053**	**298,487**	**340,469**	**391,533**	**420,103**	**306,412**
o/w Europe	535,962	575,176	646,363	193,687	126,475	129,671	196,530	238,696	133,692
o/w Germany	105,132	106,381	112,109	26,893	26,799	22,539	35,878	32,806	25,021
United Kingdom	92,775	101,843	103,977	29,088	22,649	23,769	28,471	32,633	24,902
Russia	44,323	46,522	61,931	18,400	12,226	11,832	19,473	24,415	13,982
Italy	65,616	71,202	88,848	33,194	14,500	14,502	26,652	41,489	14,883
Asia	578,322	572,336	586,791	129,720	137,850	163,753	155,468	138,793	132,590
o/w China	359,514	324,326	306,530	73,135	68,360	95,233	69,802	72,539	54,873
India	52,368	66,955	83,019	17,156	20,373	18,198	27,292	19,435	21,647
Japan	39,244	39,894	41,133	10,339	8,214	10,992	11,588	10,643	8,544
Korea	33,001	29,580	34,808	6,312	8,840	7,268	12,388	7,729	8,186
Tourist bednights ('000)	7,323	7,771	8,596	2,323	1,825	2,039	2,409	2,741	1,961
Average stay (days)	5.9	6.0	6.2	6.5	6.1	6.0	6.2	6.5	6.4
Operational capacity (beds in operation)	31,424	33,802	38,592	37,044	38,243	39,105	39,978	40,962	41,617
Bednight capacity ('000)	11,471	12,373	14,089	3,334	3,480	3,598	3,678	3,687	3,787
Occupancy rate (percentage) [1/]	76.2	74.0	72.7	81.1	63.2	68.1	78.5	86.7	63.4

Source: Ministry of Tourism

[1/] Occupancy rate for resorts

Table 2: Consumer Price Index - National, 2015 - 2018

(June 2012 = 100)

	Weight	2015	2016	2017	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2
Food and non-alcoholic beverages	28.4	106.4	107.0	113.0	113.4	114.1	112.6	112.1	114.4	109.9
o/w Food	26.1	106.5	107.2	113.5	114.0	114.7	113.0	112.5	115.0	110.1
o/w Fish	8.6	105.7	104.1	107.4	107.1	111.2	109.0	102.2	108.1	109.6
Alcoholic Beverages, Tobacco and Narcotics	2.3	117.5	122.2	154.4	135.1	160.8	161.0	160.8	164.3	166.4
Clothing and footwear	3.9	101.5	101.0	100.3	100.6	100.5	100.2	99.9	98.9	98.0
Housing, water, electricity, gas and other fuel	23.3	107.8	108.1	109.5	110.1	109.9	108.3	109.6	110.5	107.9
Furnishing, household equipment and maintenance	8.7	96.6	97.5	98.6	100.1	97.9	98.2	98.0	98.3	95.2
Health	5.4	123.6	125.8	125.5	125.4	125.5	125.5	125.7	126.0	126.1
Transport	5.4	102.9	101.3	101.8	103.2	101.9	100.9	101.3	102.0	102.9
Communication	4.8	100.6	99.8	99.7	99.3	99.3	100.2	99.9	99.8	99.8
Recreation and culture	5.1	102.0	100.7	100.6	101.8	100.6	100.3	99.7	99.7	99.6
Education	2.5	119.0	124.8	130.1	130.1	130.1	130.1	130.1	133.1	133.1
Restaurants and hotels	3.0	121.1	123.1	125.6	125.3	125.3	125.3	126.7	127.9	128.2
Miscellaneous goods and services	7.2	98.7	98.5	98.3	98.4	98.4	98.3	98.2	98.3	97.5
Total index (Republic)	**100.0**	**106.4**	**106.9**	**109.9**	**110.0**	**110.4**	**109.6**	**109.7**	**110.8**	**108.7**
Total index, excluding fish	-	*106.4*	*107.2*	*111.1*	*110.3*	*114.1*	*109.6*	*110.5*	*111.1*	*108.6*
Food and non-alcoholic beverages excluding fish	-	*106.7*	*108.3*	*115.5*	*116.1*	*115.4*	*114.1*	*116.4*	*117.1*	*110.0*
				Inflation (annual percentage change of the CPI)						
Food and non-alcoholic beverages	28.4	0.5	0.6	5.6	7.1	8.6	6.8	0.3	0.9	(3.7)
Food	26.1	0.4	0.7	5.9	7.6	9.2	7.1	0.0	0.8	(4.0)
Fish	8.6	(0.5)	(1.6)	3.2	1.2	6.3	5.7	(0.4)	0.9	(1.4)
Alcoholic Beverages, Tobacco and Narcotics	2.3	17.2	4.0	26.4	10.8	31.7	31.7	31.2	21.6	3.5
Clothing and footwear	3.9	(0.9)	(0.5)	(0.7)	(0.5)	(0.6)	(0.9)	(0.8)	(1.7)	(2.4)
Housing, water, electricity, gas and other fuel	23.3	1.0	0.3	1.3	2.3	2.2	0.1	0.5	0.3	(1.8)
Furnishing, household equipment and maintenance	8.7	0.6	0.9	1.1	3.6	2.3	0.2	(1.5)	(1.9)	(2.8)
Health	5.4	2.1	1.8	(0.2)	0.1	(0.3)	(0.4)	(0.2)	0.4	0.5
Transport	5.4	(2.3)	(1.5)	0.5	1.2	1.0	0.8	(1.1)	(1.2)	1.0
Communication	4.8	0.3	(0.8)	(0.1)	(1.1)	(0.8)	0.7	0.7	0.5	0.5
Recreation and culture	5.1	(0.2)	(1.2)	(0.1)	1.4	1.6	(1.7)	(1.7)	(2.0)	(0.9)
Education	2.5	7.6	4.9	4.2	4.4	4.2	4.2	4.2	2.3	2.3
Restaurants and hotels	3.0	(0.2)	1.7	2.0	2.9	1.3	2.8	1.1	2.0	2.3
Miscellaneous goods and services	7.2	(0.2)	(0.3)	(0.2)	0.0	(0.1)	(0.4)	(0.2)	(0.1)	(0.8)
Total index (National)	**100.0**	**1.0**	**0.5**	**2.8**	**3.4**	**4.2**	**2.9**	**0.9**	**0.7**	**(1.5)**
Total index, excluding fish	-	*1.1*	*0.7*	*3.7*	*3.6*	*7.5*	*2.6*	*1.0*	*0.7*	*(4.8)*
Food and non-alcoholic beverages excluding fish	-	*0.9*	*1.5*	*6.6*	*9.6*	*9.6*	*7.2*	*0.5*	*0.9*	*(4.6)*

Source: National Bureau of Statistics

Note: Data refers to the twelve-month average.

Table 3: Claims on Central Government, 2017 - 2018

(millions of rufiyaa)

	2017H1	2018H1	2017H1	2017H2	2018H1
	Net Issue [1/]		*Outstanding Stock*		
Government securities	(299.6)	156.9	22,930.6	23,414.2	23,571.1
Treasury bonds and islamic instruments	638.7	(37.1)	9,413.2	9,320.9	9,283.8
MMA	(35.8)	(36.7)	6,268.5	6,233.5	6,196.8
Commercial banks	-	-	57.8	-	-
Other financial corporations	674.5	(0.4)	3,087.0	3,087.4	3,087.0
Treasury bills and islamic instruments	(938.3)	194.0	13,517.4	14,093.4	14,287.3
MMA [2/]	2.9	(0.8)	77.2	93.8	93.1
Commercial banks	(329.2)	128.5	9,825.7	8,694.4	8,822.9
Non-banks	(611.9)	66.3	3,614.5	5,305.1	5,371.4
State owned enterprises	(231.5)	(1.2)	290.4	250.2	249.0
Other financial corporations	(418.4)	289.5	2,877.3	4,733.2	5,022.7
Others	38.0	(222.0)	446.8	321.7	99.7
	Flow				
Loans and advances	864.9	(366.8)	4,081.3	3,753.9	3,387.1
MMA	-	-	-	-	-
Commercial banks	786.8	(411.3)	821.7	431.3	19.9
Other financial corporations	78.1	44.5	3,259.5	3,322.7	3,367.1
	Change				
Total domestic claims on government	**565.3**	**(210.0)**	**27,011.9**	**27,168.2**	**26,958.2**

Source: Maldives Monetary Authority

[1/] Net issue refers to the issued amount less repayment.

[2/] Figures represent dormant account and deposit insurance funds invested in government treasury bills.

Table 4: Financial Corporations Survey, 2015 - 2018

(millions of rufiyaa)

	2015	2016	2017	2017				2018	
				Mar	Jun	Sep	Dec	Mar	Jun
Net foreign assets	**12,197.0**	**7,796.0**	**10,316.9**	**8,288.7**	**10,945.5**	**8,619.9**	**10,316.9**	**12,449.9**	**12,034.0**
Central bank	8,227.2	5,247.5	8,603.3	5,785.4	8,792.3	7,668.8	8,603.3	10,727.8	11,460.7
Other depository corporations	4,070.1	2,621.3	1,731.4	2,639.6	2,279.3	1,007.7	1,731.4	1,783.1	570.6
Other financial corporations	(100.4)	(72.8)	(17.8)	(136.3)	(126.0)	(56.6)	(17.8)	(61.0)	2.7
Net domestic assets	**26,344.3**	**32,337.3**	**32,658.5**	**32,311.4**	**31,017.9**	**31,835.9**	**32,658.5**	**32,431.7**	**32,542.7**
Domestic claims	38,679.1	46,243.1	48,244.7	46,684.4	45,761.4	46,937.8	48,244.7	48,165.2	49,048.5
Net claims on central government	18,640.9	22,039.3	21,618.5	21,936.2	20,559.9	20,754.2	21,618.5	21,094.6	21,147.9
Claims on other sectors	20,038.2	24,203.8	26,626.3	24,748.2	25,201.5	26,183.6	26,626.3	27,070.6	27,900.6
Other items (net)	(12,334.8)	(13,905.8)	(15,586.2)	(14,373.0)	(14,743.5)	(15,101.9)	(15,586.2)	(15,733.5)	(16,505.8)
Currency outside financial corporations	2,755.1	2,694.1	2,911.2	2,702.8	2,842.6	2,744.0	2,911.2	2,848.6	2,943.7
Deposit	27,622.8	27,894.3	29,022.4	27,989.0	28,843.1	27,051.5	29,022.4	30,556.7	29,698.6
Insurance technical reserves	8,163.3	9,544.9	11,041.7	9,908.4	10,277.7	10,660.3	11,041.7	11,476.3	11,934.3

Source: Maldives Monetary Authority

Table 5: Depository Corporations Survey, 2015 - 2018

(millions of rufiyaa)

	2015	2016	2017	2017				2018	
				Mar	Jun	Sep	Dec	Mar	Jun
Net foreign assets	**12,297.4**	**7,868.8**	**10,334.7**	**8,425.0**	**11,071.6**	**8,676.6**	**10,334.7**	**12,510.9**	**12,031.3**
Central bank	8,227.2	5,247.5	8,603.3	5,785.4	8,792.3	7,668.8	8,603.3	10,727.8	11,460.7
Other depository corporations	4,070.1	2,621.3	1,731.4	2,639.6	2,279.3	1,007.7	1,731.4	1,783.1	570.6
Net domestic assets	**18,194.5**	**22,567.5**	**21,671.2**	**22,504.9**	**20,767.1**	**21,172.3**	**21,671.2**	**20,964.2**	**20,775.6**
Domestic claims	29,993.8	35,958.6	36,366.6	36,167.9	35,034.1	35,510.2	36,366.6	35,965.1	36,350.6
Net claims on central government	11,380.0	13,394.4	11,671.1	13,042.6	11,465.5	11,211.6	11,671.1	10,832.9	10,464.3
Claims on other sectors	18,613.9	22,564.1	24,695.5	23,125.3	23,568.6	24,298.6	24,695.5	25,132.2	25,886.3
o/w Claims on private sector	16,817.0	18,583.0	20,723.3	18,794.3	19,446.8	20,288.7	20,723.3	21,272.0	22,052.5
Other items (net)	(11,799.3)	(13,391.1)	(14,695.4)	(13,663.1)	(14,267.0)	(14,337.8)	(14,695.4)	(15,000.9)	(15,574.9)
Broad money	**30,491.9**	**30,436.3**	**32,005.9**	**30,929.9**	**31,838.7**	**29,848.9**	**32,005.9**	**33,475.1**	**32,806.9**
Narrow money	13,337.9	13,468.5	14,469.7	13,245.1	14,350.9	13,732.2	14,469.7	14,307.0	15,202.8
Quasi money	17,154.0	16,967.8	17,536.2	17,684.8	17,487.8	16,116.7	17,536.2	19,168.0	17,604.1
				(annual percentage change)					
Net foreign assets	(2)	(36)	31	(41)	(11)	(26)	31	48	9
Central bank	(10)	(36)	64	(41)	(4)	(4)	64	85	30
Other depository corporations	19	(36)	(34)	(41)	(31)	(73)	(34)	(32)	(75)
Domestic claims	16	20	1	18	10	7	1	(1)	4
Net claims on central government	24	18	(13)	11	(8)	(15)	(13)	(17)	(9)
Claims on other sectors	12	21	9	22	21	21	9	9	10
Broad money	12	(0)	5	(5)	(0)	(6)	5	8	3
Narrow money	19	1	7	(5)	3	(1)	7	8	6
Quasi money	7	(1)	3	(6)	(3)	(10)	3	8	1
Memorandum items:									
Dollarisation ratio	50.6	48.5	48.7	49.5	48.7	48.1	48.7	50.6	47.9

Source: Maldives Monetary Authority

Table 6: Central Bank Survey, 2015 - 2018

(millions of rufiyaa)

	2015	2016	2017	2017				2018	
				Mar	Jun	Sep	Dec	Mar	Jun
Net foreign assets	**8,227.2**	**5,247.5**	**8,603.3**	**5,785.4**	**8,792.3**	**7,668.8**	**8,603.3**	**10,727.8**	**11,460.7**
Claims on non-residents	8,700.9	7,181.3	9,041.0	7,703.0	9,236.5	7,994.3	9,041.0	11,091.2	11,897.4
Liabilities to non-residents	(473.6)	(1,933.9)	(437.7)	(1,917.7)	(444.2)	(325.5)	(437.7)	(363.4)	(436.6)
Net domestic assets	**2,046.8**	**3,730.2**	**2,079.9**	**3,542.4**	**1,429.6**	**2,203.0**	**2,079.9**	**1,302.7**	**52.0**
Domestic claims	5,547.3	7,444.6	6,003.1	7,480.6	4,237.8	5,977.2	6,003.1	5,483.9	5,044.8
Net claims on central government	5,455.3	5,279.3	4,400.5	5,481.8	2,417.9	4,333.7	4,400.5	3,809.5	3,920.5
o/w Claims on central government	6,373.0	6,372.4	6,314.4	6,353.3	6,335.2	6,331.8	6,314.4	6,296.1	6,274.8
Claims on other sectors	91.5	2,123.2	1,427.7	1,951.9	1,776.3	1,600.0	1,427.7	1,251.1	1,071.5
Other items (net)	(3,500.4)	(3,714.4)	(3,923.3)	(3,938.2)	(2,808.2)	(3,774.2)	(3,923.3)	(4,181.2)	(4,992.8)
Monetary base	**10,274.1**	**8,977.7**	**10,683.2**	**9,327.7**	**10,221.9**	**9,871.8**	**10,683.2**	**12,030.5**	**11,512.7**
Currency in circulation	3,220.7	3,243.5	3,496.3	3,301.8	3,492.3	3,354.8	3,496.3	3,452.5	3,578.2
Liabilities to other depository corporations	7,052.3	5,734.2	7,186.9	6,025.9	6,729.6	6,517.1	7,186.9	8,578.0	7,934.5
Liabilities to other sectors	1.1	-	-	-	-	-	-	-	-
				(annual percentage change)					
Net foreign assets	(10)	(36)	64	(41)	(4)	(4)	64	85	30
Claims on non-residents	(8)	(17)	26	(24)	(4)	(4)	26	44	29
Liabilities to non-residents	29	308	(77)	375	(4)	(7)	(77)	(81)	(2)
Net claims on central government	2	(3)	(17)	2	(54)	(22)	(17)	(31)	62
Monetary base	(18)	(13)	19	(16)	(9)	(1)	19	29	13
o/w Currency in circulation	4	1	8	0	1	6	8	5	2
Liabilities to other depository corporations	(25)	(19)	25	(23)	(14)	(4)	25	42	18

Source: Maldives Monetary Authority

Table 7: Other Depository Corporations Survey, 2015 - 2018

(millions of rufiyaa)

	2015	2016	2017	2017				2018	
				Mar	Jun	Sep	Dec	Mar	Jun
Net foreign assets	**4,070.1**	**2,621.3**	**1,731.4**	**2,639.6**	**2,279.3**	**1,007.7**	**1,731.4**	**1,783.1**	**570.6**
Claims on non-residents	5,112.8	4,519.4	3,949.4	4,619.8	3,928.1	3,230.3	3,949.4	3,972.3	2,239.8
Liabilities to non-residents	(1,042.6)	(1,898.1)	(2,218.0)	(1,980.2)	(1,648.8)	(2,222.6)	(2,218.0)	(2,189.2)	(1,669.3)
Net domestic assets	**23,664.6**	**25,119.9**	**27,362.0**	**25,603.0**	**26,749.0**	**26,106.8**	**27,362.0**	**28,854.4**	**29,309.4**
Domestic claims	35,257.1	38,237.7	41,630.8	38,883.6	40,590.2	39,923.1	41,630.8	43,534.1	44,145.3
Claims on central bank	10,810.1	9,681.6	11,092.4	10,149.4	9,750.3	10,346.6	11,092.4	12,629.6	12,786.7
Net claims on central government	5,924.7	8,115.1	7,270.7	7,560.8	9,047.6	6,877.9	7,270.7	7,023.4	6,543.7
o/w Claims on central government	7,858.1	10,109.1	9,003.3	9,867.2	10,579.0	8,462.3	9,003.3	8,930.2	8,722.9
Claims on other sectors	18,522.3	20,440.9	23,267.7	21,173.4	21,792.3	22,698.5	23,267.7	23,881.1	24,814.8
Claims on other financial corporations	303.9	429.7	565.9	511.2	537.8	507.8	565.9	619.8	625.7
Claims on public non-financial corporations	1,408.2	1,434.3	1,988.7	1,874.0	1,814.4	1,909.3	1,988.7	2,000.4	2,148.4
Claims on private sector	16,810.3	18,576.9	20,713.1	18,788.2	19,440.2	20,281.4	20,713.1	21,261.0	22,040.7
Other items (net)	11,592.5	13,117.7	14,268.8	13,280.6	13,841.3	13,816.3	14,268.8	14,679.7	14,835.9
Transferable, other deposits and securities other than shares included in broad money	**27,734.7**	**27,741.3**	**29,093.4**	**28,242.7**	**29,028.3**	**27,114.6**	**29,093.4**	**30,637.5**	**29,880.0**
				(annual percentage change)					
Net foreign assets	19	(36)	(34)	(41)	(31)	(73)	(34)	(32)	(75)
Claims on non-residents	11	(12)	(13)	(18)	(22)	(40)	(13)	(14)	(43)
Liabilities to non-residents	(12)	82	17	71	(2)	33	17	11	1
Net claims on central government	55	37	(10)	19	25	(10)	(10)	(7)	(28)
Claims to other sectors	11	10	14	12	12	13	14	13	14
Claims on other financial corporations	5	41	32	76	56	39	32	21	16
Claims on public non-financial corporations	6	2	39	30	28	42	39	7	18
Claims on private sector	12	11	11	10	10	11	11	13	13

Source: Maldives Monetary Authority

Table 8: Other Depository Corporations Private Sector Loans and Advances by Economic Group, 2015 - 2018

(millions of rufiyaa)

	2015	2016	2017	2017				2018	
				Mar	Jun	Sep	Dec	Mar	Jun
Total loans and advances	**16,759.4**	**18,495.6**	**20,949.2**	**19,044.9**	**19,692.5**	**20,534.8**	**20,949.2**	**21,485.1**	**21,900.1**
Agriculture	4.2	1.9	2.7	1.5	2.1	2.8	2.7	2.6	2.6
Fishing	450.9	520.0	501.8	494.2	497.1	490.1	501.8	481.2	470.8
Manufacturing	170.8	171.9	164.4	162.3	168.9	173.4	164.4	134.7	144.9
Construction	2,441.7	3,345.0	3,720.1	3,578.3	3,250.7	3,552.1	3,720.1	4,073.1	4,486.7
Real estate	669.9	633.0	1,638.2	830.5	1,368.0	1,453.9	1,638.2	1,540.1	1,550.7
Tourism	6,628.0	7,257.0	7,938.2	7,387.9	7,549.5	7,850.7	7,938.2	8,025.9	8,174.4
Commerce	2,964.3	3,178.1	3,212.9	3,187.8	3,321.4	3,331.3	3,212.9	3,282.2	3,290.6
Transport and communication	894.3	1,069.8	983.9	1,057.2	1,045.5	1,080.1	983.9	1,128.2	750.0
Electricity, gas, water and sanitary services	22.0	13.9	2.3	17.6	2.0	1.8	2.3	3.1	3.2
Personal Loans	611.0	554.1	1,571.5	603.4	1,435.9	1,504.8	1,571.5	1,826.5	1,946.3
Other loans and advances, nes	1,902.4	1,750.9	1,213.4	1,724.1	1,051.2	1,093.9	1,213.4	987.4	1,079.9
	(as a percentage of total; end of period)								
Fishing	3	3	2	3	3	2	2	2	2
Construction	15	18	18	19	17	17	18	19	20
Tourism	40	39	38	39	38	38	38	37	37
Commerce	18	17	15	17	17	16	15	15	15
Transport and communication	5	6	5	6	5	5	5	5	5
	(annual percentage change)								
Total loans and advances	12	10	13	12	12	13	13	13	11
o/w Fishing	13	15	(4)	0	(2)	(4)	(4)	(3)	(5)
Construction	41	37	11	36	12	14	11	14	38
Tourism	2	9	9	8	7	9	9	9	8
Commerce	18	7	1	13	4	(1)	1	3	(1)
Transport and communication	46	20	(8)	19	5	9	(8)	7	(28)

Source: Maldives Monetary Authority

Table 9: Balance of Payments, 2014 - 2018 [1/]

(millions of US dollars)

	2014	2015	2016	2017	2018 [2/]
Current account	**(117.8)**	**(301.7)**	**(1,032.4)**	**(876.4)**	**(860.1)**
Balance on goods	(1,660.0)	(1,654.7)	(1,838.7)	(1,904.6)	(2,028.7)
Goods: credit	300.9	239.8	256.2	318.3	341.0
Goods: debit	(1,960.9)	(1,894.5)	(2,094.9)	(2,222.9)	(2,369.8)
Balance on services	2,205.0	2,030.6	1,788.0	1,850.6	1,988.8
Services: credit	2,998.3	2,905.3	2,891.4	3,149.6	3,353.8
o/w Travel	2,695.7	2,569.1	2,505.6	2,741.8	2,923.2
Services: debit	793.3	874.7	1,103.4	1,299.0	1,365.0
Balance on income	(355.1)	(332.5)	(352.9)	(446.6)	(424.7)
Balance on current transfers	(307.8)	(345.2)	(628.8)	(375.9)	(395.6)
Capital Account	**6.6**	**9.5**	**-**	**-**	**-**
Financial Account	**(543.9)**	**(481.3)**	**(673.2)**	**(878.0)**	**(952.0)**
Direct investment (net)	(333.4)	(298.0)	(456.6)	(517.5)	(491.3)
Portfolio investment (net)	17.2	(122.9)	132.1	(279.2)	(100.0)
Other investment (net)	(227.7)	(60.4)	(348.7)	(81.3)	(360.8)
Net errors and omissions	**(179.2)**	**(236.7)**	**263.3**	**117.3**	**49.9**
Overall balance	**253.4**	**(47.7)**	**(95.8)**	**118.9**	**141.8**
Memorandum items:					
Exports of goods and services	3,299.2	3,145.1	3,147.6	3,468.0	3,694.8
Current account as a percent of GDP [3/]	(3.2)	(7.6)	(24.5)	(18.9)	(17.1)
Reserves (millions of US dollars)	614.7	564.0	467.1	586.1	727.9

Source: Maldives Monetary Authority

[1/] Based on information available as at 11th April 2018.

[2/] Figures for 2018 are estimates.

[3/] Current account as a percentage of GDP for 2017 and 2018 is based on GDP forecasted by Ministry of Finance and Treasury.

Table 10: Composition of Imports (c.i.f.), 2015 - 2018

(millions of US dollars)

	2015	2016	2017	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2
Total imports	**1,896.3**	**2,125.4**	**2,360.4**	**569.5**	**602.9**	**573.3**	**614.7**	**756.2**	**684.8**
Private imports	1,384.2	1,570.3	1,819.7	438.5	456.3	443.1	481.8	539.4	510.1
Private (excluding tourism)	982.0	1,084.6	1,258.8	316.1	345.9	296.0	300.8	367.4	354.2
Tourism	402.2	485.7	560.9	122.5	110.4	147.0	181.1	172.1	155.9
Total public imports	512.2	555.1	540.7	131.0	146.7	130.2	132.8	216.7	174.7
Public enterprises	441.1	408.9	465.4	115.8	119.9	108.0	121.7	140.8	137.3
Government	71.1	146.1	75.3	15.1	26.8	22.2	11.1	75.9	37.4
Total imports	**1,896.3**	**2,125.4**	**2,360.4**	**569.5**	**602.9**	**573.3**	**614.7**	**756.2**	**684.8**
Food items	405.9	429.6	462.4	113.1	112.4	111.2	125.6	125.9	121.5
Furniture, fixtures and fittings	66.8	99.7	89.4	20.8	20.1	23.9	24.5	23.6	26.5
Electronic and electrical appliances	53.8	61.2	67.2	15.6	19.0	13.7	19.0	18.7	19.4
Petroleum products	285.2	247.3	314.3	71.7	89.0	72.7	80.9	112.4	105.5
o/w Petrol	26.0	26.3	37.4	9.7	10.6	8.4	8.7	15.6	10.1
o/w Diesel (marine gas oil)	208.0	193.1	234.4	52.8	68.0	55.3	58.3	88.9	78.4
Transport equipments and parts	188.7	188.7	167.8	39.7	50.9	38.3	38.9	48.0	37.2
Wood, metal, cement and aggregates	241.0	286.4	355.8	74.1	92.5	95.3	93.8	119.1	134.6
Machinery and mechanical appliances and parts	121.9	203.7	205.2	59.8	47.8	51.5	46.1	97.0	53.4
Electrical and electronic machinery and equipments and pa	99.5	114.6	135.8	35.8	30.7	29.4	39.9	36.0	30.2
Other items	433.6	494.2	562.5	138.8	140.5	137.3	145.9	175.4	156.5

Source: Maldives Customs Service

Table 11: Composition of Exports (f.o.b.), 2015 - 2018

(millions of US dollars)

	2015	2016	2017	2017Q1	2017Q2	2017Q3	2017Q4	2018Q1	2018Q2
Merchandise exports	**239.8**	**256.2**	**318.3**	**85.5**	**85.8**	**57.3**	**89.8**	**88.8**	**70.6**
Domestic exports	144.1	139.6	199.4	54.0	51.6	35.8	58.0	48.2	44.5
Fish exports	137.3	134.8	193.1	52.3	49.8	34.5	56.5	46.2	42.4
Fresh, chilled or frozen tuna	108.7	106.6	158.2	43.6	43.2	24.8	46.6	34.4	31.8
o/w Skipjack	28.0	37.4	76.4	19.8	25.1	9.6	21.9	16.6	16.5
Yellowfin tuna	77.2	67.0	79.3	22.8	17.6	14.9	24.0	17.5	14.9
Fresh, chilled or frozen fish (excluding tuna)	4.9	4.4	4.5	1.5	0.8	1.0	1.3	1.6	0.8
Canned or pouched	13.8	15.4	23.8	5.4	4.6	7.3	6.6	8.7	8.8
Processed fish, nes	9.9	8.4	6.6	1.9	1.2	1.5	2.1	1.5	0.9
Fish products, sea food, marine product nes and live fish	2.6	2.2	1.4	0.4	0.4	0.3	0.3	0.3	0.2
Garments and other exports	4.2	2.6	4.8	1.3	1.4	1.0	1.2	1.8	1.9
Re-exports	95.7	116.6	118.9	31.6	34.2	21.5	31.8	40.6	26.1

Source: Maldives Customs Service, Maldives Airports Company Limited, Gan International Airport

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