

Mobilizing Capital for Africa's Next Growth Cycle : June 03, 2026

MAURITANIA — MACRO, TRADE & INVESTMENT STRATEGY NOTE

Analyst : Munyaradzi Madambi

Head Researcher : Jason Mavolwane

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1. MACRO-MONETARY & SOVEREIGN RISK BASELINE

- **Currency & Exchange Regime:** The Mauritanian Ouguiya (MRU) operates under a managed float regime, with the Central Bank of Mauritania (BCM) intervening periodically to stabilize the currency against a trade-weighted basket, pegged to a Eurodollar basket with a +/- 5% fluctuation band. While the regime provides nominal flexibility, FX liquidity remains shallow, and convertibility constraints introduce moderate repatriation risk for foreign investors.
- **Real GDP & Growth Outlook:** Nominal GDP is projected to reach approximately USD 13.1 billion in 2026. Real GDP growth is forecast at 4.7% in 2026 and 4.6% in 2027, underpinned by the ramp-up of the Greater Tortue Ahmeyim (GTA) LNG project and a cyclical recovery in mining output.
- **Inflation & Monetary Policy:** Inflation is expected to moderate to the 3.0–3.5% range over 2026–2027, providing scope for continued monetary accommodation. The BCM reduced its policy rate to 6.0% in late 2025, shifting to an easing stance aimed at supporting domestic credit expansion while maintaining external stability.
- **Public Debt Dynamics:** Total public debt is stabilizing at approximately 40.5% of GDP in 2026, composed of 32.9% external debt and 7.6% domestic debt. The debt profile remains concessional-heavy, limiting near-term refinancing risk.
- **External Buffers:** Foreign exchange reserves are projected at USD 2.1 billion in 2026, equivalent to approximately 5.5–5.7 months of non-extractive import cover, providing a relatively strong external liquidity buffer for a frontier economy.

2. CORE TRADE REVENUE ENGINE (EXTERNAL SECTOR DYNAMICS)

- **Export Structure:** Mauritania's export base remains highly concentrated in extractive commodities. Gold, iron ore, and marine products (with LNG emerging) dominate export revenues. Total exports are projected at USD 4.4–4.6 billion in 2026, with gold (~USD 2.07 billion) and iron ore (~USD 1.23 billion) accounting for the majority. Export demand is heavily concentrated in China and the Euro Area.
- **Import Profile:** Key imports include refined fuels, capital goods for extraction industries, and food products. Total imports are projected at approximately USD 5.05 billion in 2026.

- **Trade Balance:** The country maintains a structural trade deficit, although this is narrowing materially—from -USD 1.05 billion in 2025 to approximately -USD 0.63 billion in 2026—driven by initial LNG export flows.
- **Structural Transition Thesis:** Mauritania is transitioning from a purely extractive export model to a hybrid extractive-energy exporter. The introduction of LNG exports is expected to partially diversify FX inflows and reduce fiscal and external volatility over the medium term.
- **Concentration Risk:** Export concentration remains severe (>70%), with gold alone contributing ~45% of total export revenues. This leaves fiscal and external balances highly sensitive to global commodity price cycles.

3. **REGIONAL DYNAMICS — AMU CORRIDOR & TRADE FRICTIONS**

- **Intra-Regional Trade:** Trade within the Arab Maghreb Union (AMU) remains structurally constrained, accounting for less than 3% of total trade flows due to political fragmentation and logistical inefficiencies.
- **Strategic Positioning:** Mauritania functions as a critical transit corridor linking North African manufacturing hubs (notably Morocco) to West African ECOWAS markets, positioning it as a potential logistics and trade facilitation node.
- **Structural Frictions:**
 - High overland transport and logistics costs
 - risks linked to Sahel instability, particularly along the Malian border
 - Political gridlock, including the Algeria–Morocco border closure
- **Payments & Currency Constraints:** Limited regional financial integration and strict capital controls necessitate reliance on offshore correspondent banking (primarily via Paris and Frankfurt), adding an estimated 4–7% in transaction costs.
- **Investment Implication:** Persistent fragmentation creates a structural arbitrage opportunity in trade finance, logistics infrastructure, and digital customs solutions.

4. **DEVELOPMENT FINANCE, MEGA-PROJECTS & ECONOMIC STRUCTURE**

- **Financing Model:** Mauritania relies predominantly on concessional multilateral financing rather than international capital markets. Key partners include the International Monetary Fund (IMF), World Bank (IDA), and the Arab Fund for Economic and Social Development.
- **Anchor Mega-Projects:**



1. Greater Tortue Ahmeyim (GTA) LNG Project: A transformative offshore gas development expected to materially increase export revenues, strengthen the balance of payments, and enhance fiscal space over the medium term. The project is likely to become a core FX-generating asset, partially mitigating commodity concentration risk.
 2. Nouadhibou Port & Free Zone Expansion: Strategic investment in deep-water port infrastructure and special economic zones aimed at positioning Mauritania as a regional maritime logistics and processing hub.
- Core Economic Pillars: The economy remains anchored in mining (iron ore, gold), with hydrocarbons (LNG) emerging as a secondary pillar. Downstream value-addition remains limited, representing a key structural gap.

5. MARKET ACCESS & INVESTOR ENTRY FRAMEWORK

- Capital Markets: Domestic capital markets remain underdeveloped, with limited equity and fixed income instruments available to foreign investors.
- External Access Channels:
 - Exposure primarily via sovereign and multilateral-linked financing instruments
 - Bilateral investment structures and project finance
 - Partnerships with regional and international development finance institutions (DFIs)
- FX & Repatriation: While macro stability is improving, FX liquidity constraints and administrative controls remain key considerations for foreign investors.

6. STRATEGIC INVESTOR MATRIX & OPPORTUNITY SET

- High-Conviction Investment Themes:
 1. LNG Value Chain: Midstream and export infrastructure linked to GTA, including processing and transport.
 2. Mining Value-Addition: Iron ore beneficiation and downstream processing to capture higher export margins.
 3. Logistics & Trade Infrastructure: Nouadhibou SEZ and corridor development to monetize Mauritania's transit positioning.
- Emerging Themes:
 - Green hydrogen and renewable energy-linked industrialization
 - Digital trade finance and customs modernization platforms

7. RISK MATRIX (INVESTOR HEATMAP)

- High Impact / High Probability:



- Commodity price volatility (gold, iron ore)
- Regional security instability (Sahel spillover)
- High Impact / Moderate Probability:
 - External shock leading to FX pressure
 - Delays or underperformance in LNG production
- Moderate Impact:
 - Climate variability and drought affecting food security
 - Persistent logistics and infrastructure bottlenecks

8. INTEGRATION & STRUCTURAL UPSIDE

Mauritania's long-term upside is tied to its ability to operationalize its geographic positioning as a trade corridor between the Maghreb and ECOWAS. Key catalysts include:

- Modernization of the Guerguerat corridor
- Deployment of digital customs systems (e.g., ASYCUDA)
- Adoption of blockchain-enabled trade finance platforms to reduce transaction costs and improve SME access to cross-border financing

Successful execution would enable Mauritania to transition from a resource-dependent frontier economy to a regional trade and logistics hub.

REFERENCE:

International Monetary Fund (2026). Islamic Republic of Mauritania: Fifth Reviews Under the Arrangements Under the Extended Credit Facility and the Extended Fund Facility, and Fourth Review Under the Resilience and Sustainability Facility. IMF Country Report No. 26/27. Washington, DC: International Monetary Fund.