



Updated : 13 July 2016

Note: Forecasts from 2016 Q2

Outlook for the South African economy

Economic variable	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Real GDP growth (y-o-y % change)</u>																	
Household consumption expenditure	6.1	8.8	6.5	1.2	-2.6	3.9	5.1	3.7	2.0	0.7	1.7	0.2	1.2	1.8	2.1	2.1	2.1
Government consumption expenditure	5.1	4.9	4.0	5.8	4.6	3.0	2.8	3.5	3.8	1.8	0.2	1.0	1.4	2.0	2.4	2.3	2.4
Gross fixed capital formation	11.0	12.1	13.8	12.8	-6.7	-3.9	5.5	2.6	7.0	1.5	2.5	-1.3	0.7	4.2	5.7	4.7	3.8
Gross Domestic Expenditure (GDE)	5.9	8.6	5.8	3.6	-1.4	3.7	5.6	3.2	2.8	0.5	1.7	-0.7	1.4	2.3	3.0	2.7	2.6
Exports of goods & services	8.6	7.5	7.8	1.5	-17.0	7.7	3.5	0.8	3.6	3.3	4.1	4.5	4.3	5.2	4.9	5.2	5.4
Imports of goods & services	10.9	18.3	9.4	2.8	-17.7	10.8	11.9	4.2	5.0	-0.5	5.3	1.2	5.0	6.1	5.7	4.2	4.4
Gross Domestic Product (GDP)	5.3	5.6	5.4	3.2	-1.5	3.0	3.3	2.2	2.3	1.6	1.3	0.2	1.2	2.0	2.7	3.0	2.9
<u>Key economic ratios (% of GDP)</u>																	
Budget deficit/surplus	-0.5	0.3	0.7	-0.4	-4.6	-4.6	-4.0	-5.2	-4.7	-4.7	-4.3	-3.8	-3.9	-3.4	-3.3	-3.1	-3.0
Government debt (gross loan debt)	33.2	31.4	27.1	26.5	30.1	34.7	38.2	41.0	44.0	46.9	49.8	50.0	51.4	52.0	52.5	52.6	52.8
Current account balance (+ / -)	-3.1	-4.5	-5.4	-5.5	-2.7	-1.5	-2.2	-5.1	-5.9	-5.3	-4.3	-4.2	-4.4	-5.0	-5.2	-4.4	-3.5
Gross fixed capital formation (fixed investment)	17.2	18.9	20.6	23.5	21.5	19.3	19.1	19.2	20.3	20.5	20.6	20.1	20.1	20.7	21.7	22.6	23.3
<u>Inflation (% change)</u>																	
CPI (headline)	3.3	4.7	7.1	11.5	6.6	4.3	5.0	5.7	5.8	6.1	4.6	6.6	6.0	5.4	4.8	4.9	4.5
PPI (total)	3.7	6.4	9.8	15.2	0.7	1.9	5.7	4.9	6.0	7.4	3.6	8.5	6.5	6.1	6.9	7.4	6.7
<u>Interest rates (end of period)</u>																	
Repurchase (repo) rate	7.00	8.67	10.67	11.83	7.00	5.67	5.50	5.00	5.00	5.75	6.17	7.25	7.25	7.00	7.00	6.75	6.75
Prime overdraft rate	10.50	12.17	14.17	15.33	10.50	9.17	9.00	8.50	8.50	9.25	9.67	10.75	10.75	10.50	10.50	10.25	10.25
<u>Exchange rates (averages)</u>																	
USD/Euro	1.24	1.26	1.37	1.46	1.39	1.32	1.39	1.29	1.33	1.33	1.11	1.10	1.08	1.12	1.15	1.17	1.18
R/USD	6.36	6.77	7.05	8.25	8.44	7.32	7.25	8.21	9.65	10.84	12.75	15.39	15.62	16.18	17.04	17.77	18.28
R/Euro	7.91	8.51	9.66	12.03	11.69	9.71	10.08	10.55	12.82	14.40	14.14	16.93	16.81	18.09	19.66	20.84	21.57
R/Yen	0.058	0.058	0.060	0.080	0.090	0.083	0.091	0.103	0.099	0.103	0.105	0.144	0.154	0.162	0.173	0.181	0.186
R/British Pound	11.57	12.50	14.11	15.10	13.12	11.31	11.62	13.01	15.10	17.86	19.48	21.31	21.34	22.51	24.58	26.24	27.32
<u>Commodity prices (averages)</u>																	
Gold (USD / oz)	444.8	604.5	696.8	872.3	970.9	1 225.0	1 569.2	1 668.4	1 410.9	1 266.2	1 160.4	1 256.5	1 251.6	1 230.0	1 215.0	1 201.5	1 200.0
Platinum (USD / oz)	895.7	1 139.8	1 304.2	1 571.1	1 205.9	1 610.7	1 716.1	1 550.0	1 484.0	1 380.3	1 052.6	992.9	1 050.0	1 080.0	1 100.0	1 150.0	1 200.0
Iron ore (USD / metric ton)	28.1	33.5	36.6	61.6	80.0	146.7	167.8	128.5	135.4	96.8	55.8	49.7	48.1	50.4	54.3	54.8	57.3
Coal (USD / metric ton)	46.2	50.7	62.7	120.6	64.7	91.6	116.3	92.9	80.2	72.3	57.3	53.7	54.0	55.4	53.6	54.9	56.2
Brent crude oil (USD pb)	54.4	65.4	72.7	97.7	61.9	79.6	111.0	112.0	108.8	98.9	52.4	43.8	46.0	50.0	57.0	63.0	64.3

Outlook for the South African economy

Economic variable	2014				2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<u>Real GDP growth (y-o-y % change)</u>																
Household consumption expenditure	0.3	0.2	0.8	1.4	1.9	1.7	1.6	1.7	0.9	0.1	0.0	-0.3	0.1	1.4	1.5	2.0
Government consumption expenditure	3.6	1.9	1.2	0.7	-0.2	0.1	0.3	0.8	1.5	1.2	0.8	0.6	1.0	1.3	1.4	1.7
Gross fixed capital formation	4.5	1.6	0.0	0.2	3.0	3.0	3.4	0.9	-1.3	-0.7	-2.0	-1.4	0.2	0.2	0.9	1.6
Gross Domestic Expenditure (GDE)	0.3	0.0	0.3	1.5	4.3	0.7	0.8	0.9	-1.6	-0.2	-0.4	-0.6	0.3	1.5	1.7	2.2
Exports of goods & services	8.1	0.1	1.0	4.0	-0.1	9.5	5.8	1.6	0.1	3.3	7.1	7.6	9.7	4.0	1.9	2.1
Imports of goods & services	1.3	-4.3	-3.0	4.2	6.6	6.0	4.8	4.0	-3.1	0.7	4.0	3.5	7.1	6.3	3.2	3.6
Gross Domestic Product (GDP)	2.2	1.4	1.6	1.4	2.3	1.6	1.1	0.2	-0.6	0.6	0.5	0.5	1.0	0.7	1.3	1.7
<u>Key economic ratios (% of GDP)</u>																
Budget deficit/surplus	-3.7	-3.8	-8.6	-2.7	-3.0	-3.7	-8.7	-1.7	-3.2	-5.3	-5.3	-1.3	-3.9	-6.2	-5.2	-0.6
Government debt (gross loan debt)	43.7	44.5	46.0	46.9	46.6	47.3	48.8	49.8	48.0	48.1	48.9	50.0	49.2	49.9	50.4	51.4
Current account balance (+ / -)	-5.0	-6.2	-5.5	-4.4	-5.1	-3.1	-4.5	-4.6	-5.0	-3.6	-3.9	-4.2	-4.2	-4.1	-4.3	-5.0
Gross fixed capital formation (fixed investment)	20.5	20.5	20.5	20.5	20.7	20.4	20.8	20.5	20.2	20.0	20.0	20.1	20.1	20.0	20.0	20.2
<u>Inflation (% change)</u>																
CPI (headline)	5.9	6.5	6.2	5.7	4.1	4.6	4.7	4.9	6.5	6.3	6.5	7.0	6.5	6.0	6.0	5.6
PPI (total)	7.6	8.5	7.3	6.3	3.1	3.4	3.4	4.5	7.6	7.9	8.9	9.7	6.7	6.6	6.4	6.2
<u>Interest rates (end of period)</u>																
Repurchase (repo) rate	5.50	5.50	5.75	5.75	5.75	5.75	6.00	6.17	6.83	7.00	7.25	7.25	7.3	7.3	7.3	7.3
Prime overdraft rate	9.00	9.00	9.25	9.25	9.25	9.25	9.50	9.67	10.33	10.50	10.75	10.75	10.8	10.8	10.8	10.8
<u>Exchange rates (averages)</u>																
USD/Euro	1.37	1.37	1.32	1.25	1.13	1.11	1.11	1.09	1.10	1.13	1.11	1.07	1.1	1.1	1.1	1.1
R/USD	10.87	10.54	10.76	11.21	11.74	12.09	12.99	14.18	15.86	15.01	15.24	15.45	15.6	15.6	15.6	15.7
R/Euro	14.89	14.45	14.25	14.00	13.21	13.38	14.44	15.52	17.48	16.95	16.85	16.46	16.6	16.6	16.9	17.1
R/Yen	0.106	0.103	0.104	0.098	0.099	0.100	0.106	0.117	0.137	0.139	0.148	0.151	0.2	0.2	0.2	0.2
R/British Pound	17.99	17.74	17.96	17.74	17.78	18.53	20.11	21.51	22.69	21.54	20.06	20.93	21.2	21.3	21.3	21.5
<u>Commodity prices (averages)</u>																
Gold (USD / oz)	1293.4	1288.6	1282.6	1200.1	1219.8	1192.9	1124.5	1104.5	1180.1	1256.0	1300.0	1290.0	1270.0	1257.2	1243.0	1236.0
Platinum (USD / oz)	1425.0	1444.5	1428.1	1223.5	1192.6	1125.6	986.4	905.9	913.0	1004.8	1030.0	1023.8	1035.0	1040.0	1060.0	1065.0
Iron ore (USD / metric ton)	120.4	102.6	90.3	74.0	62.5	58.6	54.9	47.0	48.7	52.0	50.0	48.0	47.5	47.9	48.5	48.6
Coal (USD / metric ton)	78.4	75.0	70.2	65.8	61.7	61.2	55.1	51.2	51.9	53.5	54.5	54.8	54.4	53.9	54.0	53.8
Brent crude oil (USD pb)	107.9	109.8	102.1	76.0	54.0	62.1	50.0	43.4	34.4	46.9	46.7	47.2	46.0	45.0	46.0	47.0