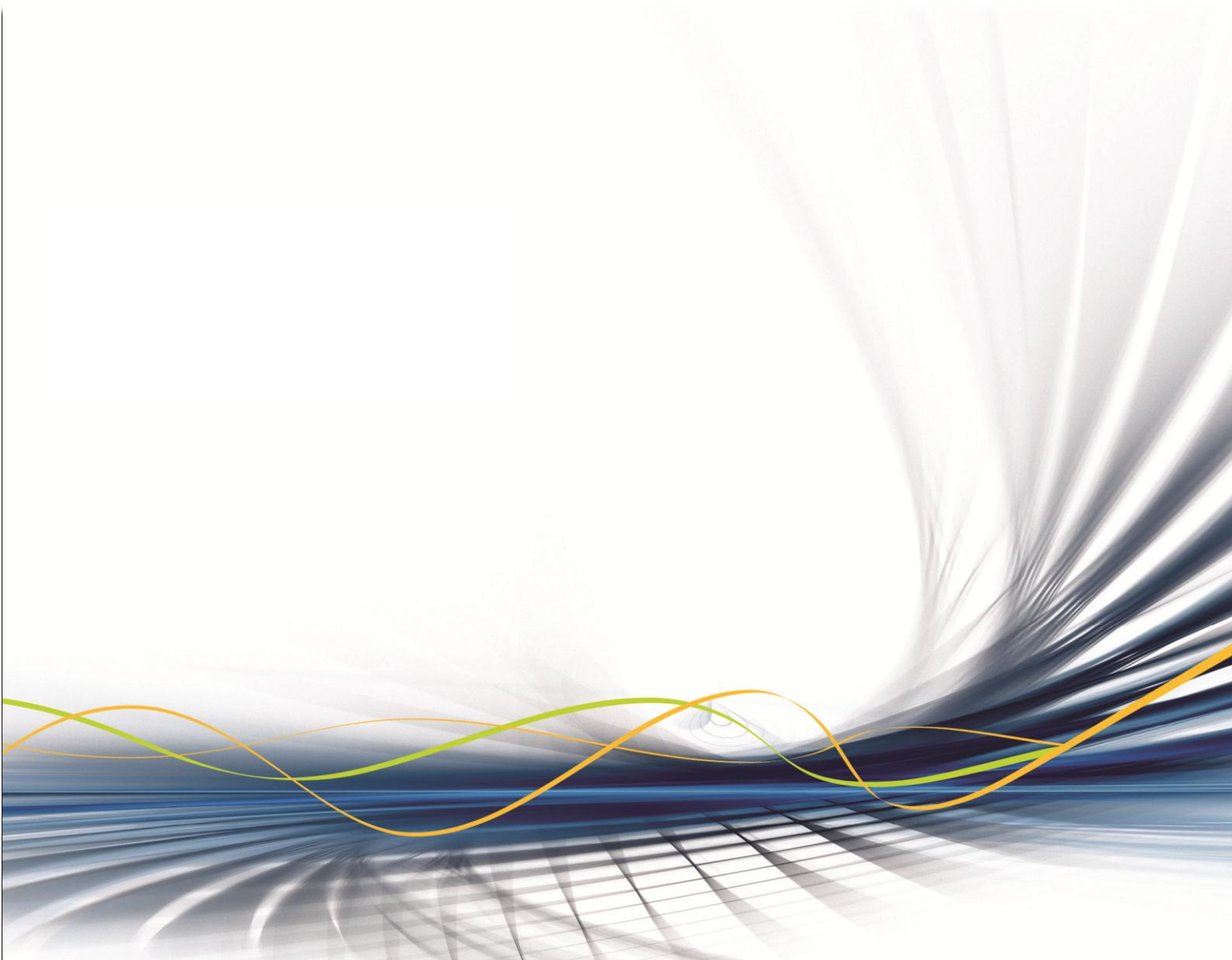


## **SECTORAL TRENDS:**

# ***Performance of the primary and secondary sectors of the South African economy***

31 March 2014

***Department of Research and Information***



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## Introduction

Global economic activity strengthened in the second half of 2013, primarily as a result of improved performances by the world's advanced economies, particularly the United States of America, while the Eurozone emerged from the longest recession since its inception. Consequently, several emerging and developing economies benefited from relatively stronger demand for their export products in the latter half of the year.

World output expanded by 3% in 2013 as a whole (3.1% in 2012), supported by 1.3% growth in the advanced economies (1.4% in 2012) and 4.7% (4.9%) in the case of emerging markets and developing economies as a group. Economic performances in the latter grouping varied substantially at the individual country level. China's economy expanded by 7.7%, substantially slower than the double-digit rates of expansion recorded over the past decade and unchanged relative to 2012. While India managed to raise its growth to 4.4% in 2013, economic expansion in Brazil was again modest and both Mexico and Russia experienced substantial decelerations. In contrast, Sub-Saharan Africa elevated its growth rate to a robust 5.1%, supported by rising global demand for the region's exports, higher foreign direct investment inflows and internal consumption.

South Africa's gross domestic product (GDP) recorded an uninspiring 1.9% growth in 2013, down from 2.5% in 2012. Relatively weak global demand for export products and unfavourable commodity prices were amongst the external contributing factors, but the domestic economic climate also proved quite challenging. Supply-side disruptions, mostly but not exclusively due to prolonged industrial action related production stoppages in segments of the export-oriented mining and manufacturing sectors (particularly the automotive industry during the third quarter of 2013), aggravated an operating environment characterised by more subdued household spending and relatively modest fixed investment activity locally, and difficult market conditions abroad.

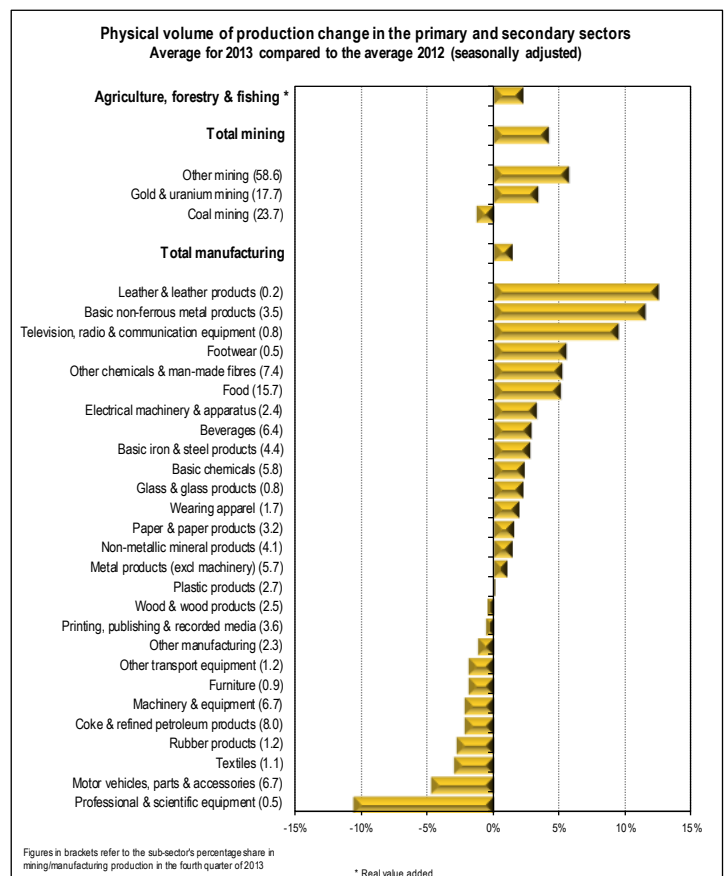
## Physical volume of production

The physical volume of production of the agriculture, forestry and fishing sector (hereafter referred to as 'agriculture') as well as manufacturing increased very modestly in 2013, by 2.3% and 1.4% respectively.

South Africa's mining sector has been affected by slower rates of increase in world demand for commodities, largely due to decelerating economic growth and moderating fixed investment activity in China, which have historically been very resource-intensive, coupled with increased competition in global supply markets.

Domestically, protracted industrial action, reduced electricity supply to key players and occasional disruptions, rising costs, and perennial technical difficulties in segments such as gold mining, have added to the mining sector's misfortunes.

Nonetheless, the physical volume of production in the mining sector increased by 4.2% in 2013, although varied performances were recorded at the sub-sector level.



The output of key segments such as platinum group metals and gold mining rebounded in 2013, albeit from very low bases. This was in spite of protracted industrial action seriously disrupting platinum mining activity. In contrast, the iron ore mining segment posted sharply lower growth and production volumes in the coal mining industry contracted last year.

Several manufacturing sub-sectors reported output gains in 2013, with the relatively small leather and leather products sub-sector (0.2% of broad manufacturing sector production in Q4 of 2013) registering the strongest positive growth at 12.5%, followed by the much larger basic non-ferrous metal products sub-sector at 11.5%. The positive performance of these sub-sectors was largely supported by higher domestic consumption and increased demand from the African continent, particularly Sub-Saharan Africa.

In contrast, production volumes contracted in eleven manufacturing sub-sectors. A wide range of adverse factors have been at play, including disruptive industrial action, insufficient demand in external and/or domestic markets, as well as serious competitiveness challenges at local firm level due to rising input costs, skills shortages, productivity issues and inadequate power supply, among others. Substantial output losses were recorded by the small professional and scientific equipment sub-sector and by the sizeable motor vehicles, parts and accessories sub-sector, which accounted for 6.7% of the broad manufacturing sector's output in the fourth quarter of 2013. Protracted industrial action in the automotive industry during the third quarter of the year resulted in serious production stoppages. For the year as a whole, output volumes increased by a marginal 0.3% in the case of the motor vehicles industry, while the parts and accessories segment reported a 5.4% contraction. This performance in turn impacted on the sub-sector's export performance.

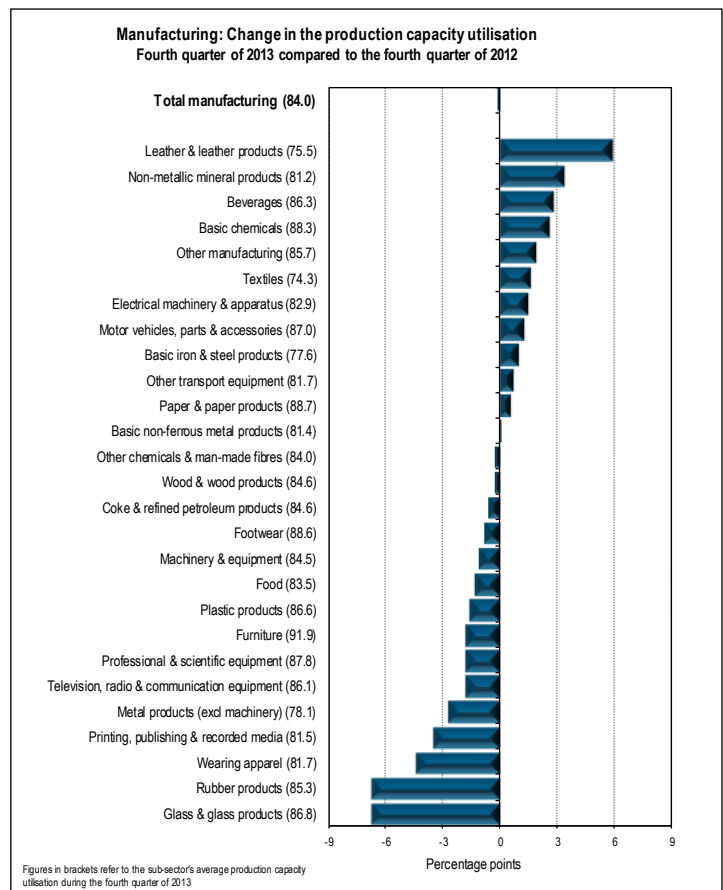
## Production capacity utilisation

Utilisation of production capacity in manufacturing declined by 0.1 percentage points in the closing quarter of 2013, on a year-on-year basis, to 84%.

Increased output levels in the leather and leather products sub-sector were reflected in a sharp increase in production capacity utilisation, by 5.9 percentage points to 75.5%. The furniture sub-sector recorded the highest utilisation of production capacity at 91.9%, as well as the largest increase on an annual basis (10.8 percentage points).

Increased capacity utilisation in the textiles sub-sector reflects the continued shrinkage of its productive capacity since its output fell in 2013.

The largest declines in capacity utilisation were recorded in the other manufacturing, glass and glass products, as well as rubber products sub-sectors, with the former decreasing by 8 percentage points and the latter two by 6.7 percentage points. Nevertheless, production capacity utilisation remained above 85% in each of these three sub-sectors, or just above the broad manufacturing sector average.

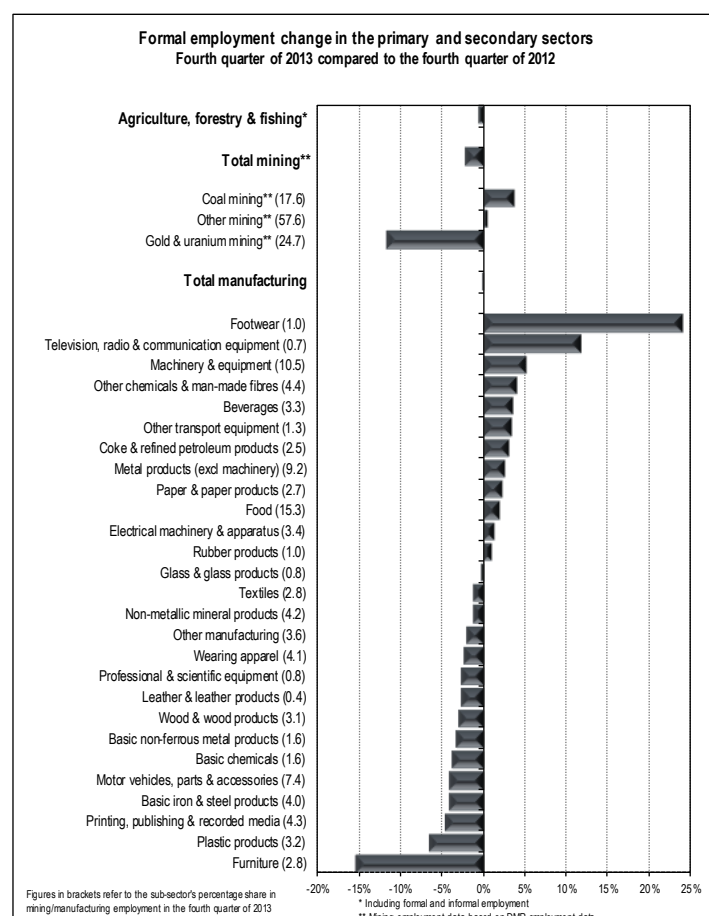


The impact of industrial action in the motor vehicles, parts and accessories sub-sector during the third quarter of 2013 was still being felt in the fourth quarter's capacity utilisation at 87%, or 2.6 percentage points lower than in the same period in 2012. Furthermore, its strong linkages with other key sectors of the economy are illustrated by the knock-on effects on the glass and glass products sub-sector, among several others.

Sub-sectors of manufacturing with high but declining utilisation rates included motor vehicles, parts and accessories, as well as footwear. However, in the latter instance it is most likely that overall productive capacity expanded in 2013, since capacity utilisation fell by 0.8 percentage points in the year to the fourth quarter to 88.6%, but production volumes increased by just over 5% over the course of the year. Sub-sectors with high and increasing utilisation rates included paper and paper products (88.7%, 0.6 percentage point increase), as well as basic chemicals (88.3%, 2.6 percentage point increase).

## Employment

The increase in public sector employment recorded in 2013 offset the marginal losses reported by the private sector. Consequently, the unemployment rate fell to 24.1%, the lowest in eight quarters. However, large-scale employment creation in the private sector is imperative to make meaningful and sustainable dents on South Africa's massive unemployment challenge over time.



Employment levels in the agriculture, forestry and fishing sector in the fourth quarter of 2013 were 0.7% lower compared to the same quarter in 2012.

The mining sector recorded 14 300 job losses in the year to the fourth quarter of 2013, or 2.3% of total mining employment. Despite declining production volumes, the coal mining sub-sector expanded its workforce by 3.7% or almost 3 200 employees. A recovery in the international prices of thermal coal and higher demand requirements underpin improved prospects for the sub-sector.

Facing more subdued external demand and continued labour-related disruptions on the production front, the 'other mining' sub-sector, which includes the platinum group metals (PGMs) and iron ore mining segments, shed some 3 237 jobs or 1.1% of 'other mining' employment in the last quarter of 2013, compared to the same period a year earlier. Although the PGMs segment has not yet concluded some of the large scale lay-offs announced, its workforce shrunk by 1 032 in the year to the fourth quarter of 2013. Iron ore miners reduced their workforce by almost 2 000 over this period. Despite the increase in gold mining

production over the course of 2013, again off a low base, this sub-sector recorded the largest decline in employment, by 11.6% or 16 300 workers.

Employment in the manufacturing sector contracted marginally by 0.2% in the fourth quarter of 2013 relative to the corresponding period one year earlier.

Governmental support policies and development funding assistance aimed at improving the competitiveness of and increasing the demand base for the domestic textiles, clothing and footwear sub-sectors appear to be bearing fruit. The footwear industry registered the largest percentage increase in employment as its production capacity expanded and output volumes rose over the course of 2013. In turn, job-shedding in the textiles and clothing sub-sectors is seemingly slowing.

The food processing industry and the machinery and equipment sub-sector, which are the largest employers within the broad manufacturing sector (their shares of manufacturing employment stood at 15.3% and 10.5%, respectively, in the fourth quarter of 2013), registered job gains during the period under review. In contrast, sizeable employers such as the motor vehicles, parts and accessories sub-sector (7.4% of manufacturing employment in the fourth quarter of 2013) and the basic iron and steel industry (4%) recorded substantially lower employment levels. Both sub-sectors are facing difficult trading conditions and fierce competition in their respective markets, aggravated by production disruptions due to industrial action in the automotive industry.

## Exports

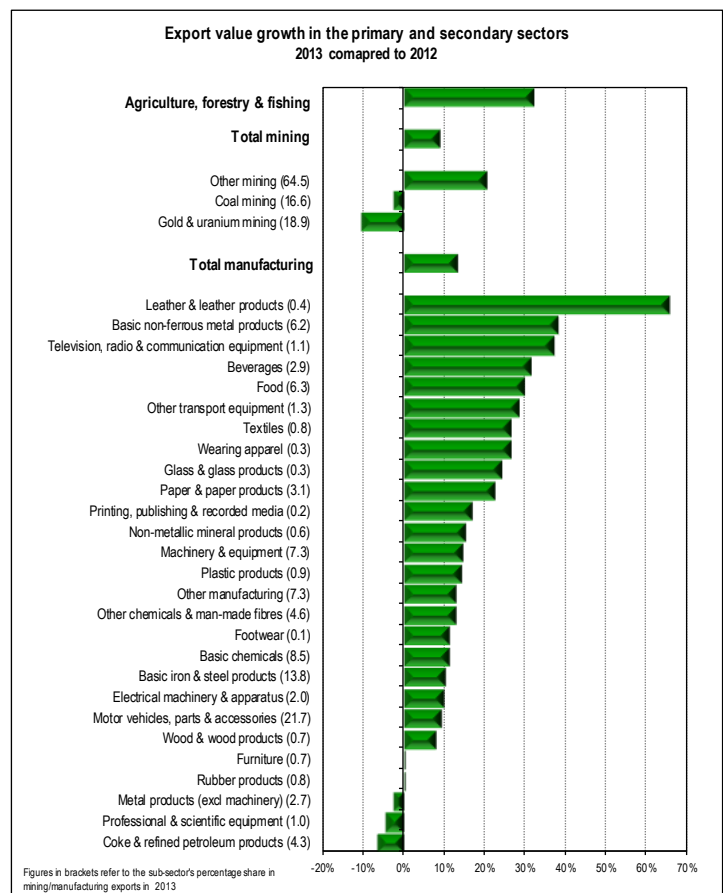
South Africa's merchandise exports (excluding trade with the BLNS countries<sup>1</sup>) grew strongly in rand value terms in 2013, in tandem with rising world trade and assisted by a sharply depreciating currency.

Exports values in the agriculture, forestry and fishing sector increased by a solid 32%, with maize, apples, grapes and wine exported to Europe and Zimbabwe being the key drivers.

Mining sector exports rose by almost 10% in value terms in 2013, despite challenges both on the domestic and external fronts, particularly production disruptions, falling prices and rising costs.

Export growth was led by the 'other mining' sub-sector, which is dominated by PGMs and iron ore. Increased export volumes posted by the PGMs and diamond mining segments, alongside a weakening exchange rate, underpinned the strong export performance of the 'other mining' sub-sector in value terms.

Despite near-record coal exports in 2013, the value of coal mining exports contracted by 2.7% compared to 2012. Rain and labour unrest disrupted mining and transportation activities early in the year, while weak prices eroded the gains associated with a weaker exchange rate and higher volumes exported.



<sup>1</sup> SARS recently changed the methodology of reporting South Africa's trade statistics to include the country's trade with the other member states of the Southern African Customs Union (SACU) - the so called BLNS countries (Botswana, Lesotho, Namibia and Swaziland). Previously, South Africa's trade with the rest of the world excluded the trade with the other SACU members. The analysis in this report is, however, still based on the previous methodology as it relies on HS8 level data, which is yet to be released by SARS under the new methodology.

Despite an increased volume of production, the value of gold exports declined in 2013 relative to the previous year as the gold price came under pressure, offsetting the gains from a weakening exchange rate.

The overall value of the manufacturing sector's exports rose by 13.4% in 2013, as most of its sub-sectors reported increases. The three exceptions were the coke and refined petroleum, metal products, as well as professional and scientific equipment sub-sectors. The largest contributors to manufacturing exports, namely the motor vehicles, parts and accessories sub-sector (claiming 21.7% of total manufacturing sector exports in 2013), the basic iron and steel industry (13.8% share) and the basic chemicals sub-sector (8.5% share) posted reasonable increases in export values at 9.4%, 10.4% and 11.4%, respectively. Collectively, these three sub-sectors accounted for 44% of overall manufactured exports by value in 2013. The performance of the motor vehicle, parts and accessories sub-sector for the full year should be considered in the light of its achievements in the first half of 2013, when exports were 23% higher compared to the same period in 2012. The third quarter of the year, on the other hand, was characterised by intense industrial action in this industry, with adverse implications for the second semester's export performance.

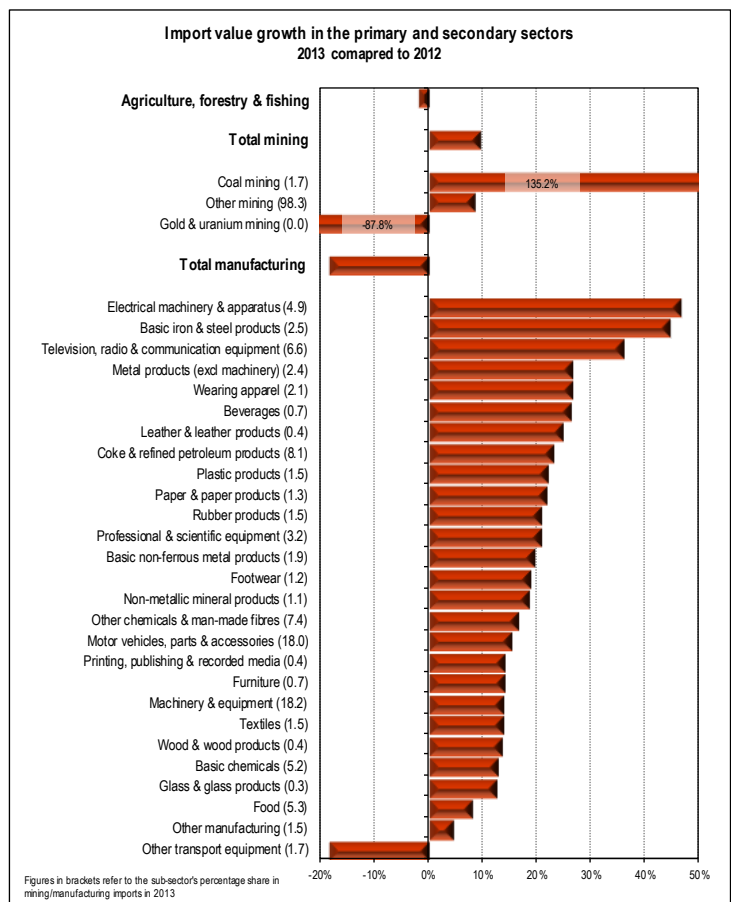
The basic non-ferrous metals sub-sector, which is a significant contributor to manufacturing exports (6.2% of the total), recorded a laudable 38% increase in export values last year. The strong production performance of the leather and leather products sub-sector was partly driven by its ability to penetrate global markets, as its exports increased by 65.5% in 2013.

## Imports

The value of agriculture, forestry and fishing sector related imports declined marginally in 2013 relative to the previous year, albeit from a high base. Although South Africa has historically been a self-sufficient food producer thanks to a robust agricultural sector and an extensive coastline that is relatively rich in fisheries resources, its reliance on imported agricultural products has risen in recent years. Prominent agricultural imports include cereals, dominated by wheat and rice.

The value of overall mining related imports increased by 9.7% in 2013 as the cost of crude oil (classified under 'other mining') in rand terms increased significantly. Imports of gold and coal are relatively small and can experience massive swings on small changes in values.

Imported manufactured goods represent the largest component of the country's import basket. Their value rose by 18.4% in 2013, with the import-intensity of fixed investment activity in South Africa as the underlying reason. Infrastructural and other forms of capital expenditure in the country's electricity sector, both conventional and renewable energy, was clearly reflected in the strong increase in imports of electrical machinery and equipment, basic iron and steel products, as well as metal products (excluding machinery).



Television, radio and communication equipment was among the fastest growing import categories, accompanying network upgrades and expansions by telecommunications companies, as well as growing demand for smart cell-phones.

The two largest categories of manufactured imports, namely motor vehicles, parts and accessories, together with machinery and equipment, jointly accounted for over 36% of total manufactured imports in 2013 and recorded strong increases in import values last year.

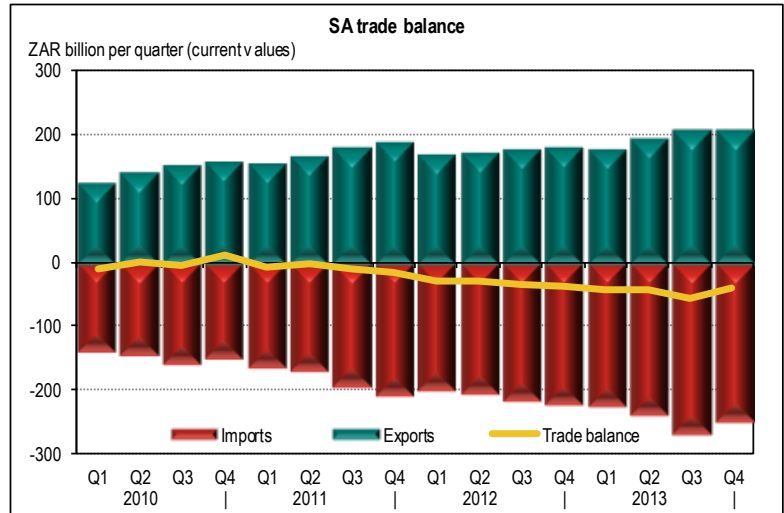
The importation of wearing apparel and furniture continued to grow at a rapid pace, illustrating the extent to which local manufacturers are facing competition from foreign producers in the domestic market. The value of imports associated with the 'other transport equipment' sub-sector declined in 2013, largely due to lower imports of spare parts for aircraft in rand terms. The uncertainty surrounding fishing licences also impacted on the importation of fishing vessels, which declined significantly last year.



### Trade balance

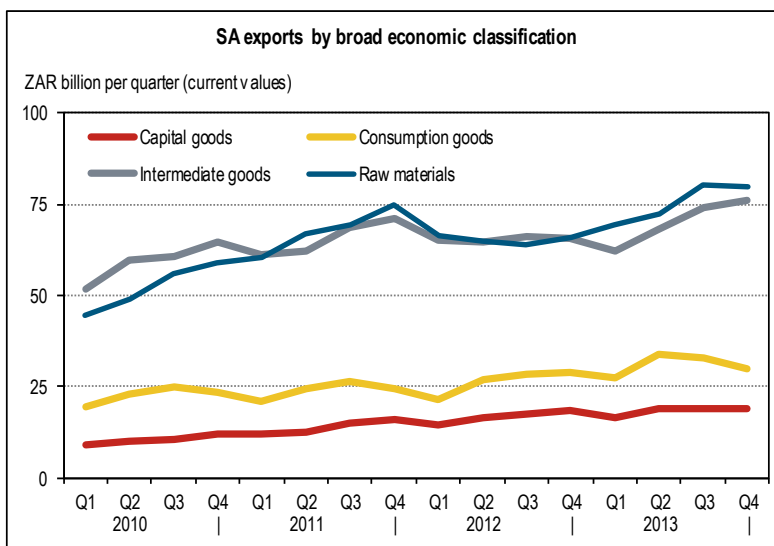
South Africa's trade<sup>2</sup> (i.e. exports plus imports) with the rest of the world increased by 14.7% in nominal rand value terms in 2013. The country's trade deficit widened by a further R50.8 billion to R183.1 billion, as the increase in merchandise import values (16.6% or R138 billion) continued to outpace the corresponding rise in exports (12.4% or R87.2 billion) over the course of the year.

Although a weaker rand may be expected to improve the relative price competitiveness of exports in world markets and provide some protection vis-à-vis imports in local markets, various factors are at play. These include subdued demand in key global markets (e.g. Eurozone) and the performance of other currencies in competing export-oriented economies, which may limit the export growth potential. Furthermore, the sharp depreciation of the rand in 2013 adversely affected the trade balance by raising the rand value of essential imports. The value of exports grew by 15.1% in the fourth quarter of 2013, on quarter-on-quarter, while import values increased by 13.4%.



### Composition of trade

#### Exports



South Africa's exports to the world at large in 2013 consisted mainly of raw materials and intermediate goods, contributing 38.3% and 35.6% respectively to the overall export basket. These were followed by consumption goods (15.7% share) and capital goods (9.2% share). Exports of raw materials, which increased by 15.5% to R301.5 billion, were the main contributors to the 12.4% growth in total exports in 2013. Raw material exports were dominated by exports of unwrought platinum, iron ores, coal, manganese ores, chromium ores. These were destined largely for China, Japan, India, the United States of America (USA) and Switzerland.

<sup>2</sup> SARS recently changed the methodology of reporting South Africa's trade statistics to include the country's trade with the other member states of the Southern African Customs Union (SACU) - the so called BLNS countries (Botswana, Lesotho, Namibia and Swaziland). Previously, South Africa's trade with the rest of the world excluded the trade with the other SACU members. The analysis in this report is, however, still based on the previous methodology as it relies on HS8 level data, which is yet to be released by SARS under the new methodology.

Exports of intermediate goods rose by 7.2% in 2013 to R280.5 billion, with growth driven mainly by exports of ferro-alloys; unwrought aluminium; nickel bars, rods, profiles and wire; chemical wood pulp, dissolving grades; as well as nickel matte, interim products of nickel metallurgy. The principal export destinations included the USA, China, Zambia, Mozambique and Germany.

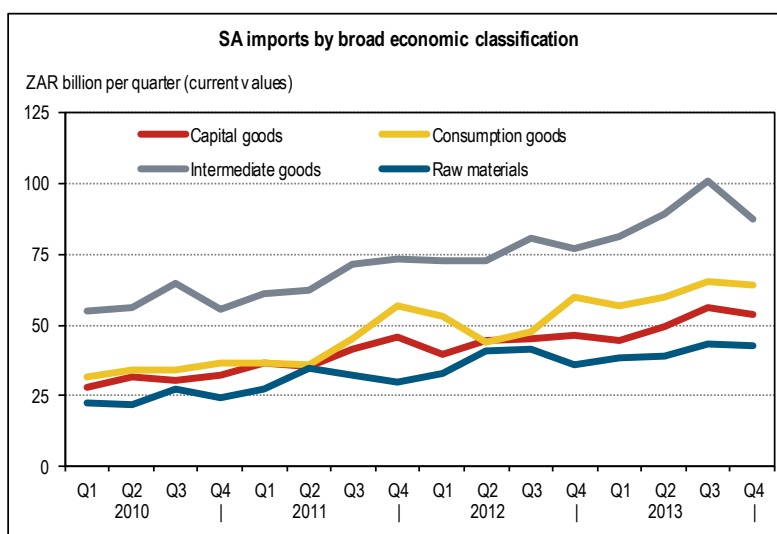
Consumption goods exports grew by 17.4% last year to R123.7 billion. The dominant exports in this category were passenger vehicles (except buses), refined petroleum products, citrus fruit and grapes and grape wines. The principal markets for South Africa's consumption goods exports in 2013 were the USA, the Netherlands, Mozambique, Germany, and the United Kingdom (UK).

Exports of capital goods, in turn, expanded by 9.2% to R72.9 billion. The leading exports in this category in 2013 were vehicles for the transportation of goods, centrifuges (catalytic converters), electrical apparatus for line telephony, self-propelled earth moving machines, mineral sorting machinery.

The fourth quarter of 2013 was characterised by declines in the export of consumption goods (-8.2% quarter-on-quarter) and raw materials (-0.8%), while exports of intermediate goods and capital goods exports increased by 2.9% and 0.5%, respectively.

## Imports

Imports of intermediate goods, which represented 37% of South Africa's import basket in 2013, increased by R55.7 billion to R358.6 billion. The 16.6% growth in the overall value of imports last year was heavily driven by rising import demand for intermediate goods, primarily original equipment components; diodes, transistors, semi-conductors, etc.; aluminium oxide; flat-rolled alloyed steel; and parts for use in lifting or moving machinery. The leading sources of imports of intermediate goods in 2013 were Asia (mainly China, Japan and Thailand), the European Union (primarily Germany), and the USA.



Imports of consumption goods, which grew by 20.8% to R246 billion in 2013, consisted largely of refined petroleum products; vehicles for the transportation of persons (except buses); medicaments for therapeutic and prophylactic use; rice; and unrecorded sound recording media. These were sourced mainly from Asia (mostly China, India and Singapore), and Europe (largely Germany and the UK).

Capital goods imports also recorded strong growth (15.6%) in 2013 and were primarily imported from Asia (mostly China and Japan), the EU (mainly Germany and the UK), and the USA. Growth in capital goods imports was mainly influenced by the higher demand for: electric apparatus for line telephony; electric generating sets and rotary converters; automatic data processing machines (computers); electrical machinery and apparatus; and electric transformers, static converters and rectifiers.

Imports of raw materials increased by 8.2% last year, with the following categories contributing the lion's share of such growth: crude oil; coal, briquettes; precious metal ores and concentrates; sunflower seeds; as well as seeds, fruit and spores for sowing. Raw materials imports in 2013 originated mostly from the Middle East (primarily Saudi Arabia) and the rest of Africa (mainly Nigeria, Angola, Ghana and Mozambique).

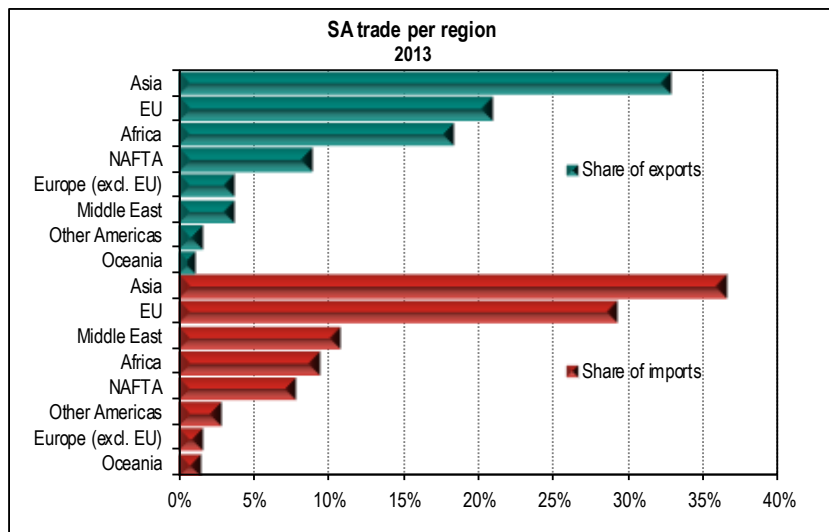
In the fourth quarter of 2013, imports declined on a quarter-on-quarter basis in all four categories, led by intermediate goods (-13.3%, compared to the third quarter of 2013), capital goods (-4.4%), consumption goods (-2.5%) and raw materials (-0.4%).

### Regional trade

Asia maintained its position as the leading regional destination for South Africa’s exports in 2013, with its share of the export basket rising to 32.9% (a 1.5 percentage point increase relative to 2012) or R259 billion. Total exports to the Asia region expanded by 17.6% last year, driven mainly by increasing demand from China, Japan, Taiwan

and Hong Kong, which together accounted for almost 68% of overall exports destined for Asia in 2013. Leading export product categories included iron ore, platinum group metals, coal, non-ferrous metal ores other than gold, uranium and PGMs, as well as basic iron and steel.

The share of South Africa’s export basket destined for the EU increased marginally by 0.4 percentage points to 21%, or R165.2 billion, in 2013. Exports to the EU rose by 14.8% last year, driven mainly by exports to the Netherlands, the UK, Germany, Belgium and France, which together



accounted for 78.3% of exports destined for this regional bloc. The top export product categories sold in EU markets in 2013 included parts and accessories for motor vehicles, platinum group metals, motor vehicles, basic iron and steel, and agricultural products such as cereals and other crops.

The share of South Africa’s export basket destined for the rest of the African continent (excluding the BLNS countries<sup>3</sup>) rose by 0.8 percentage points to 18.3% in 2013. Exports to the continent, which increased by 17.7% last year to R144.2 billion, have been rising steadily in recent years. Export growth was mainly attributed to increased demand from Mozambique, Zambia, Zimbabwe, Kenya and Nigeria. The export basket was highly diversified, with the leading categories in 2013 being motor vehicles, basic iron and steel, refined petroleum products, machinery for mining, quarrying and construction; as well as agricultural products such as cereals and other crops.

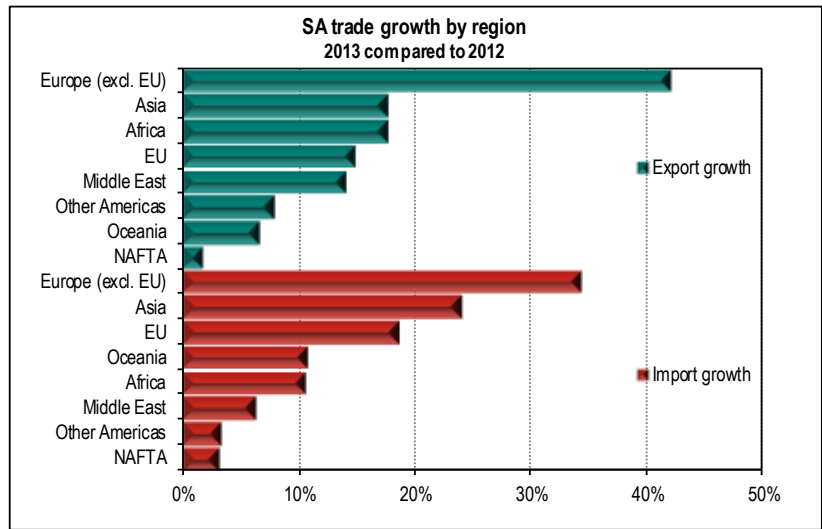
Exports to NAFTA, which rose by 1.7% in 2013, consisted mainly of motor vehicles, platinum group metals, basic iron and steel, basic chemicals, as well as parts and accessories for motor vehicles. Hence, NAFTA’s share of South Africa’s export basket declined by 0.9 percentage points last year to 9%.

Export growth to other regions in 2013 was as follows: European region outside of the EU - a 41.8% increase; Middle East (+13.7%); Other Americas, excluding NAFTA (+7.9%); and Oceania (+6.6%). While the European region outside of the EU saw its share of South Africa’s exports rise by 0.8 percentage points to 3.8%, the Other Americas and Oceania regions witnessed very marginal contractions (0.1 percentage points) in their respective shares to 1.6% and 1.2%, respectively.

<sup>3</sup> The latest trade data released by SARS at broader ‘chapter’ level include South Africa’s trade with the BLNS countries. As such, the country’s exports to the rest of Africa represented close to 29% of the total, compared to the 18% reflected in this report. As previously noted, this report is based on HS8 trade data, which has not yet been released by SARS under the new methodology.

The shares claimed by Asia, the EU and the rest of Europe in South Africa’s import basket rose in 2013 by 2.2, 0.5 and 0.2 percentage points, respectively, at the expense all other regional blocs. Overall import growth, at 16.6% in 2013, was predominantly driven by rising imports sourced from Asia and the EU, with the two regions accounting for 82.3% of the this growth. The combined value of South Africa’s imports from these regions amounted to R639.5 billion in 2013.

Import demand from Asia, which grew by 24% to R355.5 billion in 2013, was mainly attributed to increased imports from China (mainly television and radio transmitters, computing machinery, wearing apparel, footwear), India (largely refined petroleum products, motor vehicles, as well as pharmaceuticals, medicinal chemicals), Japan, Thailand and Singapore.



Imports from the EU, which grew by 18.6% last year to R283.9 billion, were dominated by motor vehicles; parts and accessories for motor vehicles; pharmaceuticals and medicinal chemicals; certain other chemical products; and refined petroleum products. Increased imports from Germany, Spain, Italy, UK and France represented the bulk of import growth from the EU.

The 10.8% growth in imports sourced from the rest of Africa (excl. BLNS countries) to R90.1 billion in 2013 was attributable mostly to imports of crude oil, agricultural products, wearing apparel as well as basic precious and non-ferrous metals. Imports sourced from Nigeria, Ghana, Equatorial Guinea, Mozambique and Gabon contributed the most to this growth.

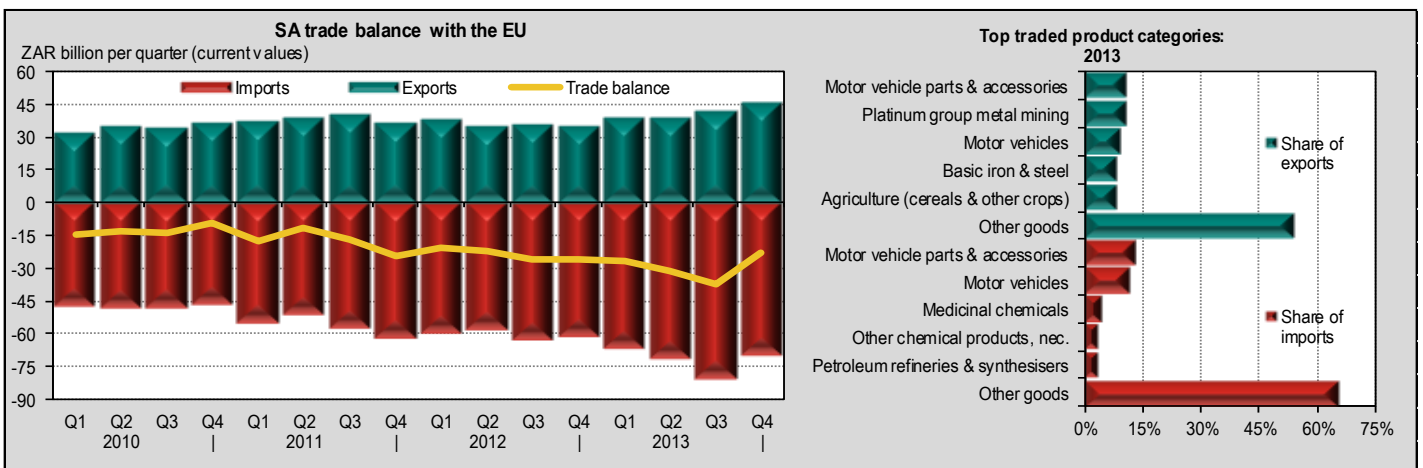
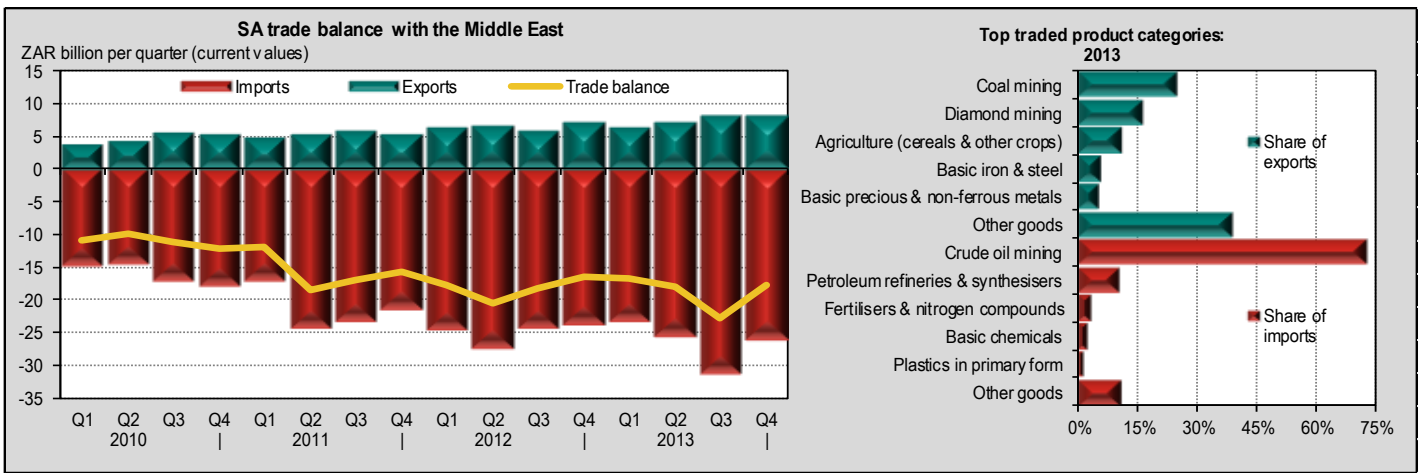
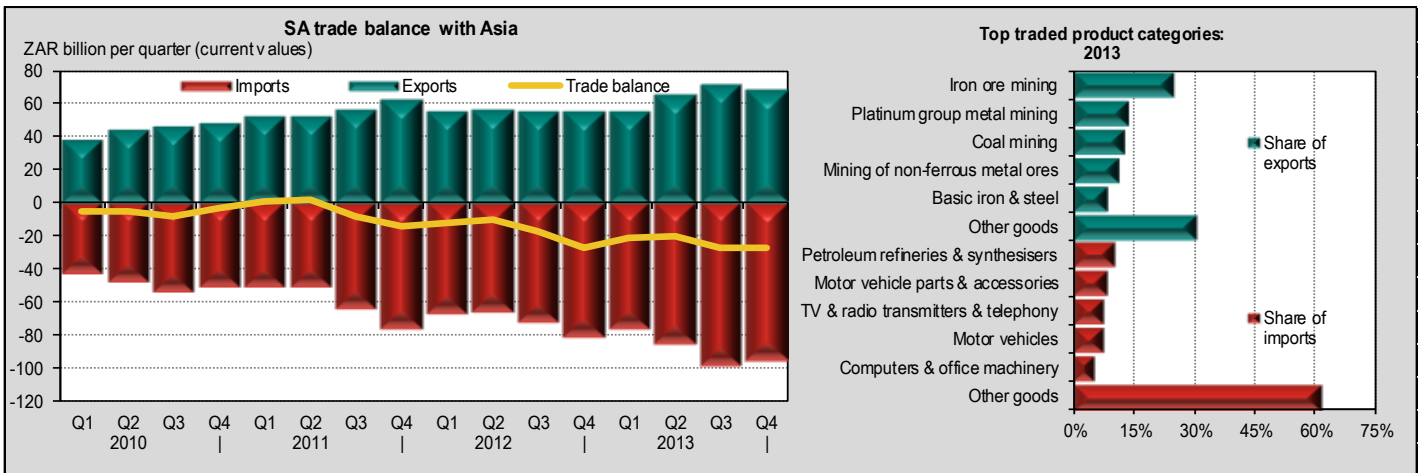
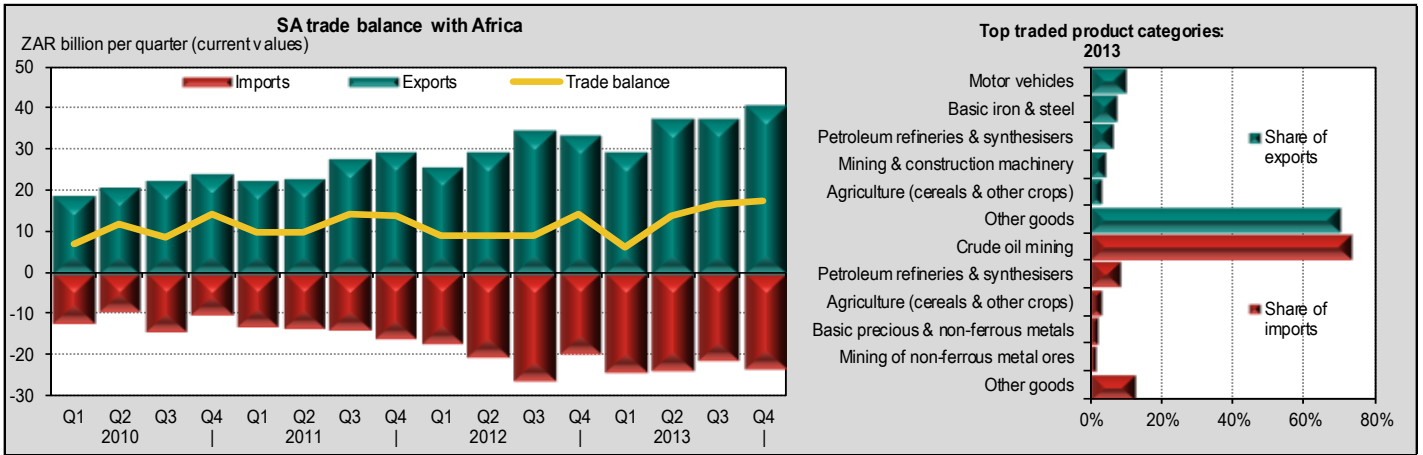
Imports from the Middle East (mainly crude oil, refined petroleum products, fertilisers and nitrogenous compounds, as well as basic chemicals) increased by 6.1% in 2013 and originated mostly from Saudi Arabia, Turkey, Oman, Yemen and the United Arab Emirates.

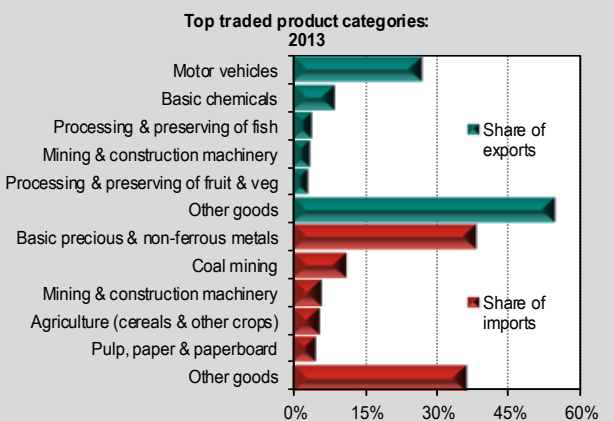
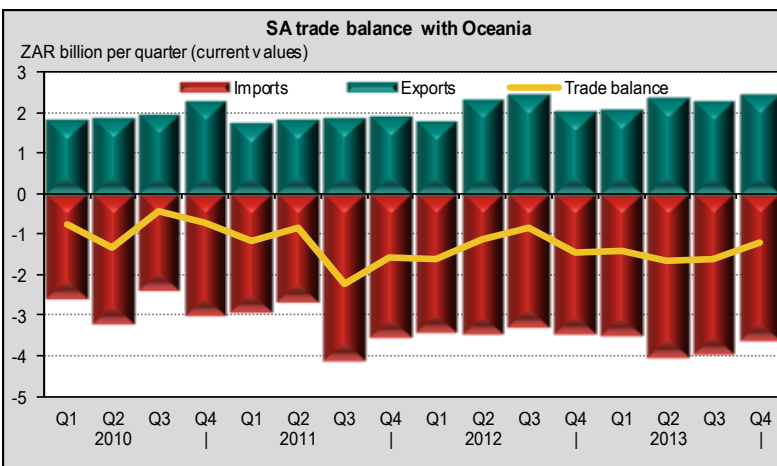
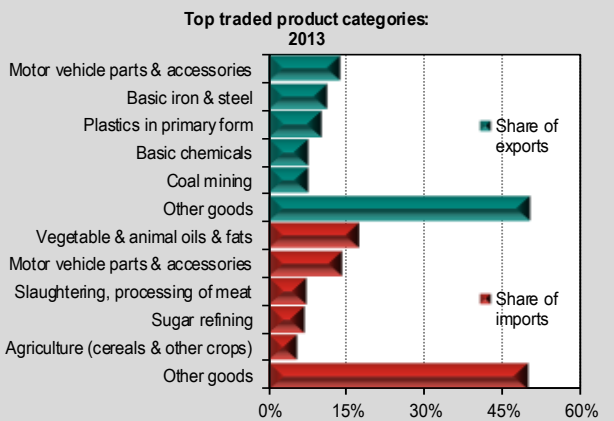
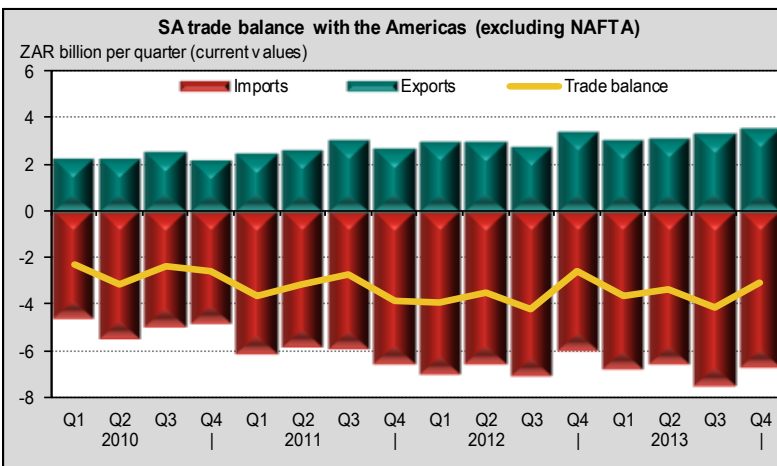
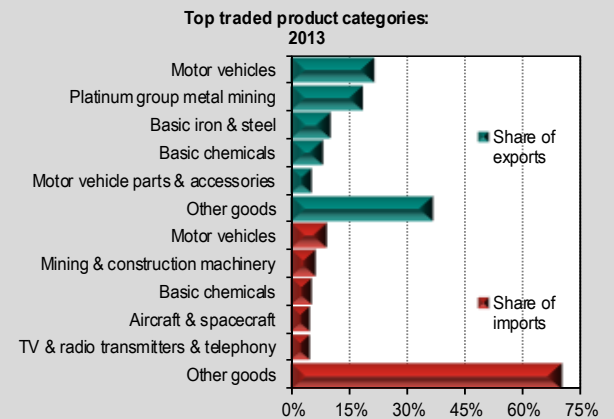
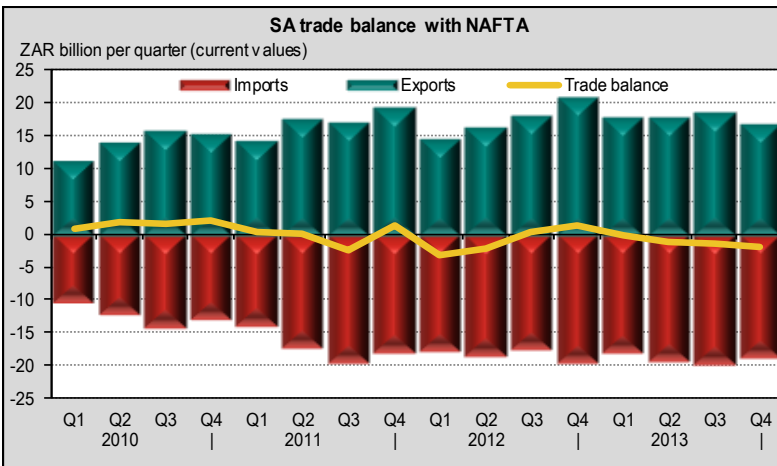
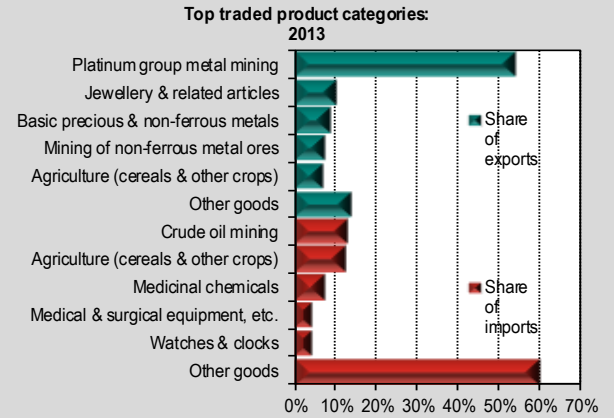
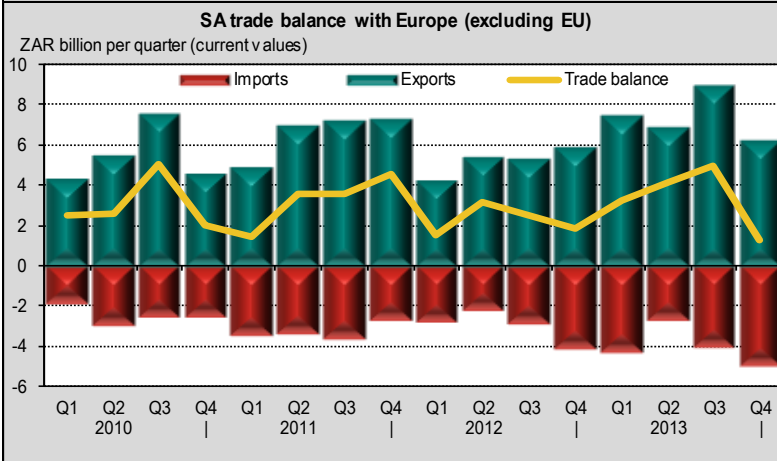
### Trade balance by region

South Africa maintained surplus positions in its balances of trade with the rest of Africa (excluding BLNS countries) and the European region outside of the EU over the period 2010 to 2013. In 2013, the trade surplus with the rest of the African continent increased by R12.8 billion to R53.4 billion, while the surplus recorded with Europe (excluding the EU) widened by R4.7 billion to R13.7 billion.

Trade deficits were recorded with all other regions or regional blocs, with the largest negative balances pertaining to the European Union (the deficit widened by R23.4 billion in 2013 to R118.7 billion), Asia (R30.1 billion increase to R95.5 billion) and the Middle East (deficit widened by R2.4 billion to R75.3 billion). The deficits in South Africa’s trade with NAFTA and Oceania widened by R 1.1 billion and R0.9 billion, respectively, in 2013, but remained relatively low.

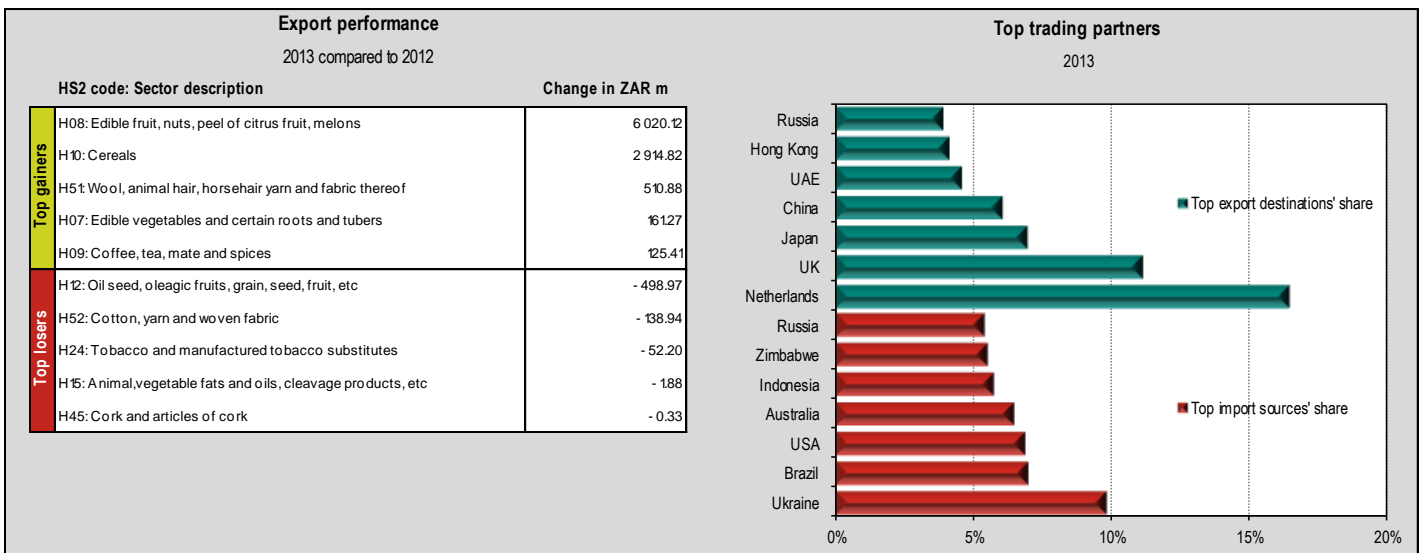
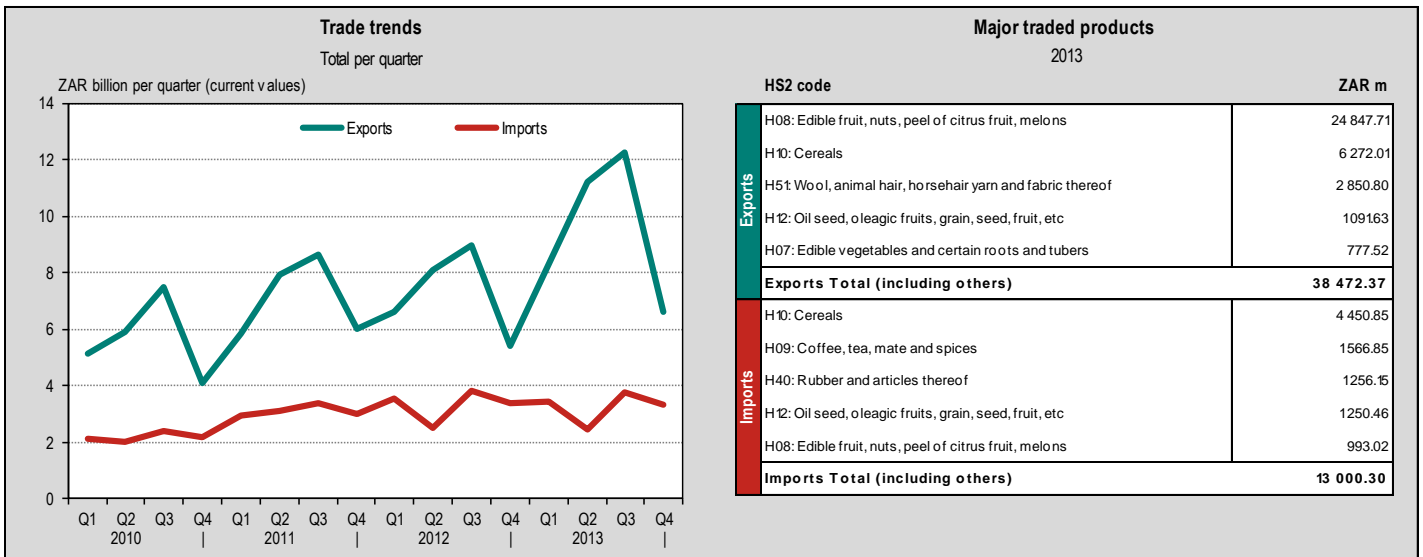
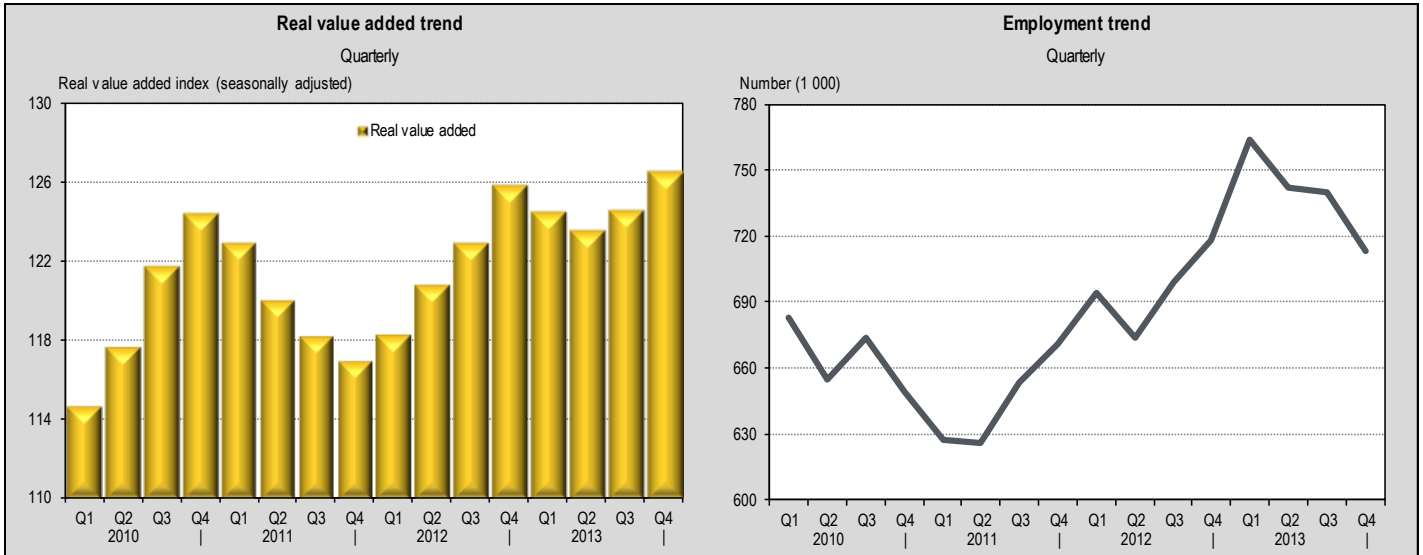
The graphs in the following two pages illustrate in more detail the trend in South Africa’s trade performance with each of the eight major regions or regional blocs over the past five years, as well as the leading traded product categories in 2013.





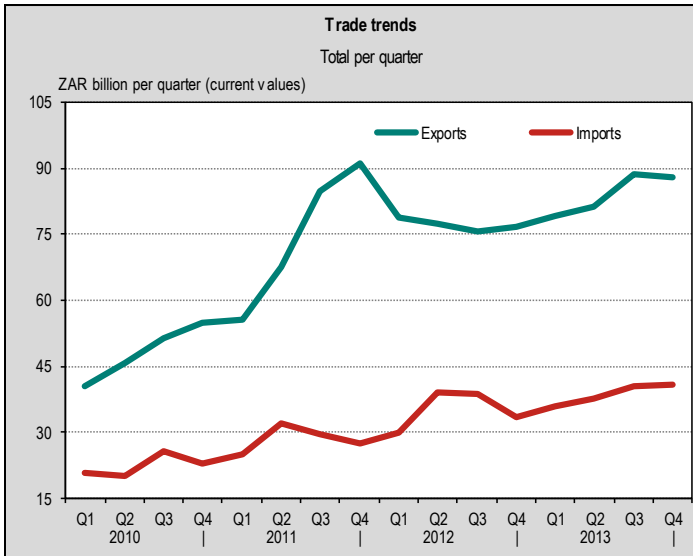
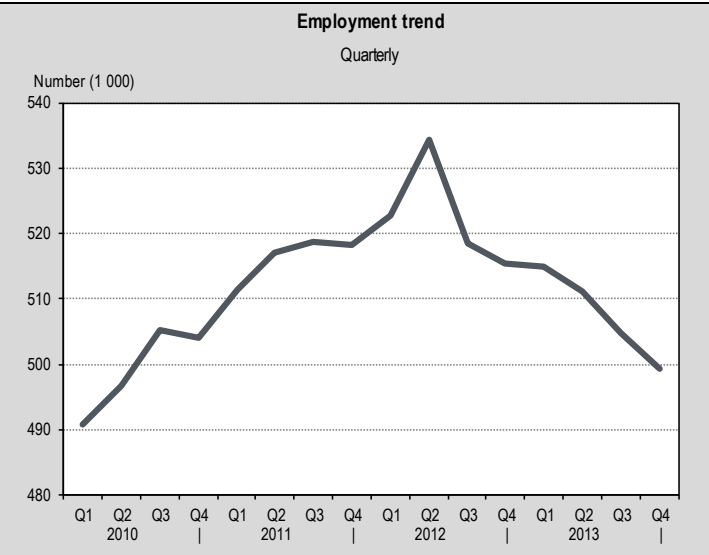
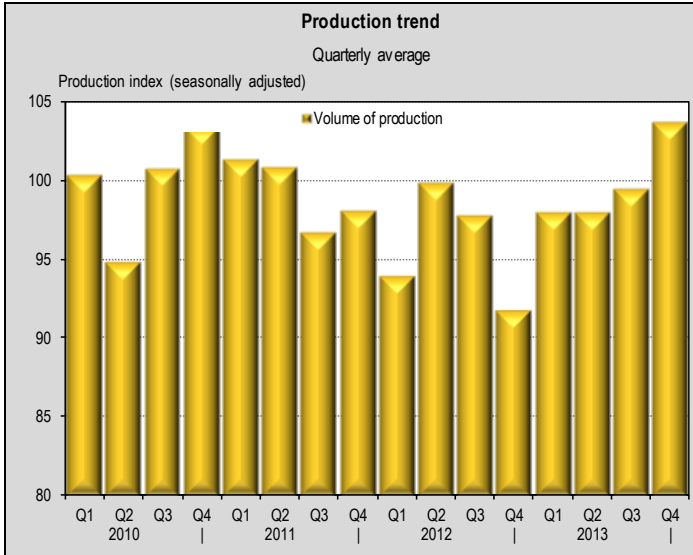
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 2.3%	-	(percentage points)	↓ -0.7%	↑ 32.1%	↓ -2.0%
Real value added	Capacity utilisation		Employment	Exports (ZAR)	Imports (ZAR)



**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 4.0%	- (percentage points)	↓ -2.3%	↑ 9.1%	↑ 9.7%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



### Major traded products

2013

HS2 code	ZAR m
<b>Exports</b>	
H7t: Natural or cultured pearls, precious stones and metals	157 179.31
H26: Ores, slag and ash	120 355.33
H27: Coal, petroleum and petroleum products	56 064.37
H25: Salt, sulphur, earth, stone, plaster, lime and cement	2 919.60
<b>Exports Total (including others)</b>	<b>336 518.61</b>
<b>Imports</b>	
H27: Coal, petroleum and petroleum products	147 088.23
H7t: Natural or cultured pearls, precious stones and metals	3 938.65
H26: Ores, slag and ash	2 700.58
H25: Salt, sulphur, earth, stone, plaster, lime and cement	1255.99
<b>Imports Total (including others)</b>	<b>154 983.45</b>

### Export performance

2013 compared to 2012

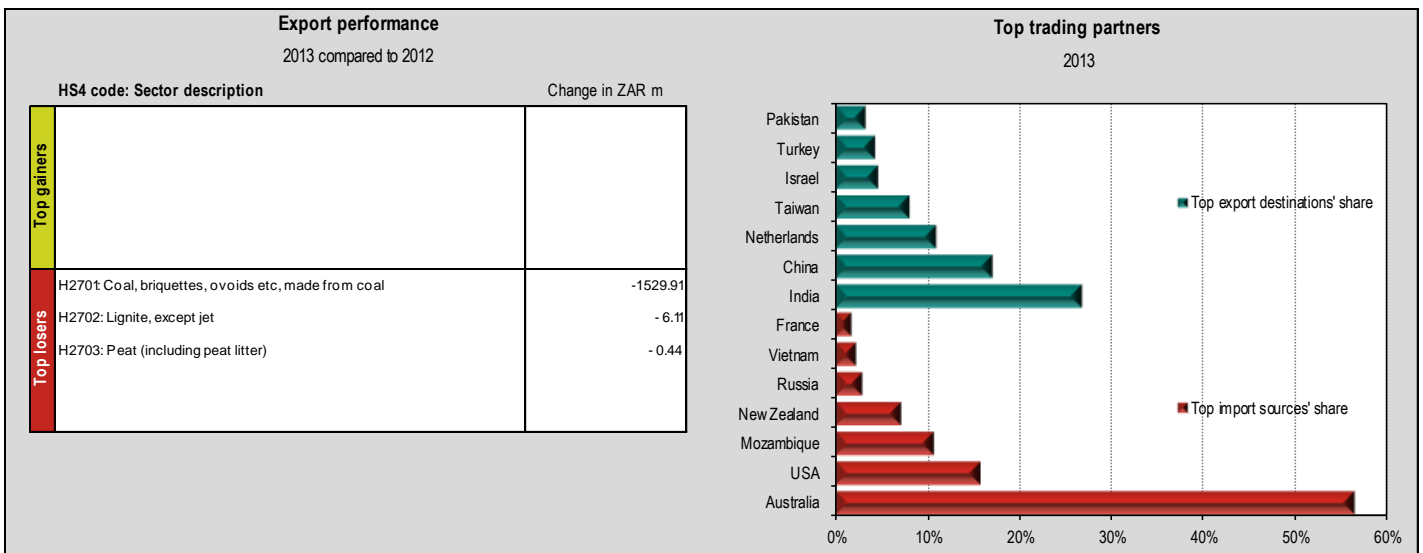
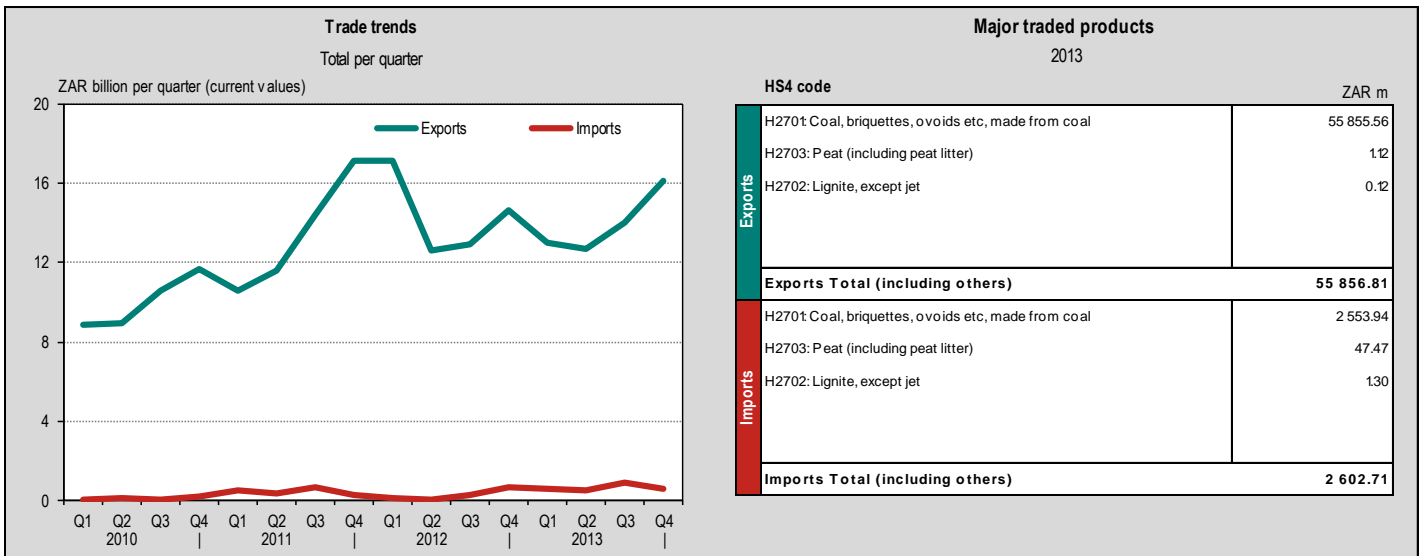
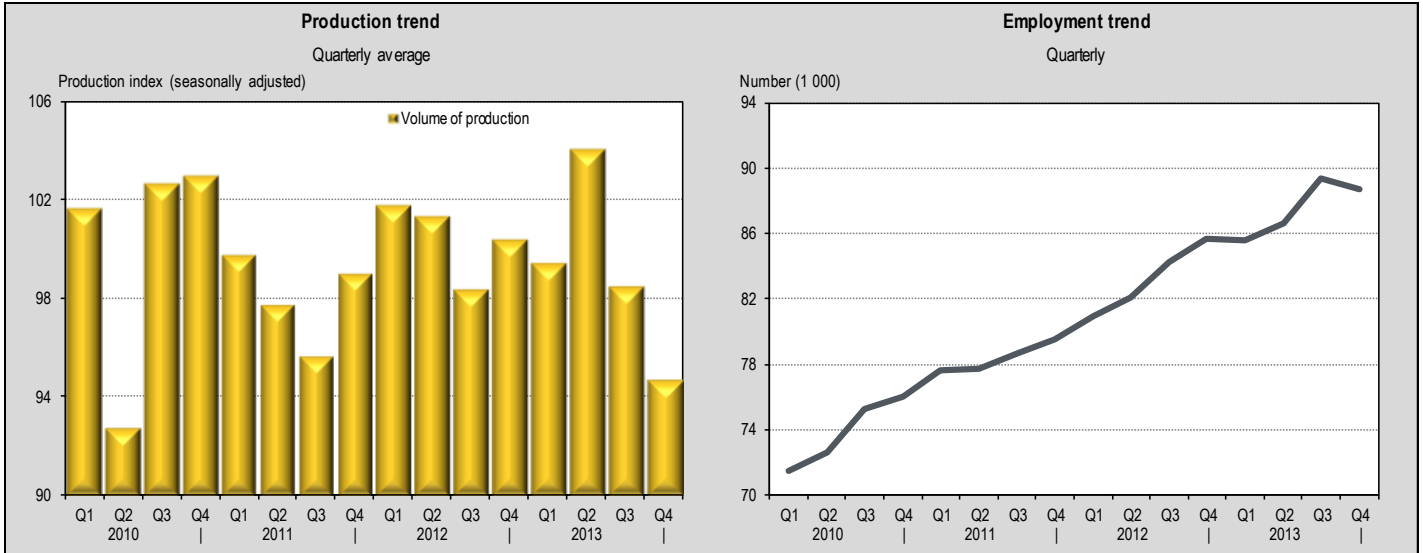
HS2 code: Sector description	Change in ZAR m
<b>Top gainers</b>	
H26: Ores, slag and ash	21 129.17
H7t: Natural or cultured pearls, precious stones and metals	8 740.54
<b>Top losers</b>	
H27: Coal, petroleum and petroleum products	-1560.21
H25: Salt, sulphur, earth, stone, plaster, lime and cement	- 126.13





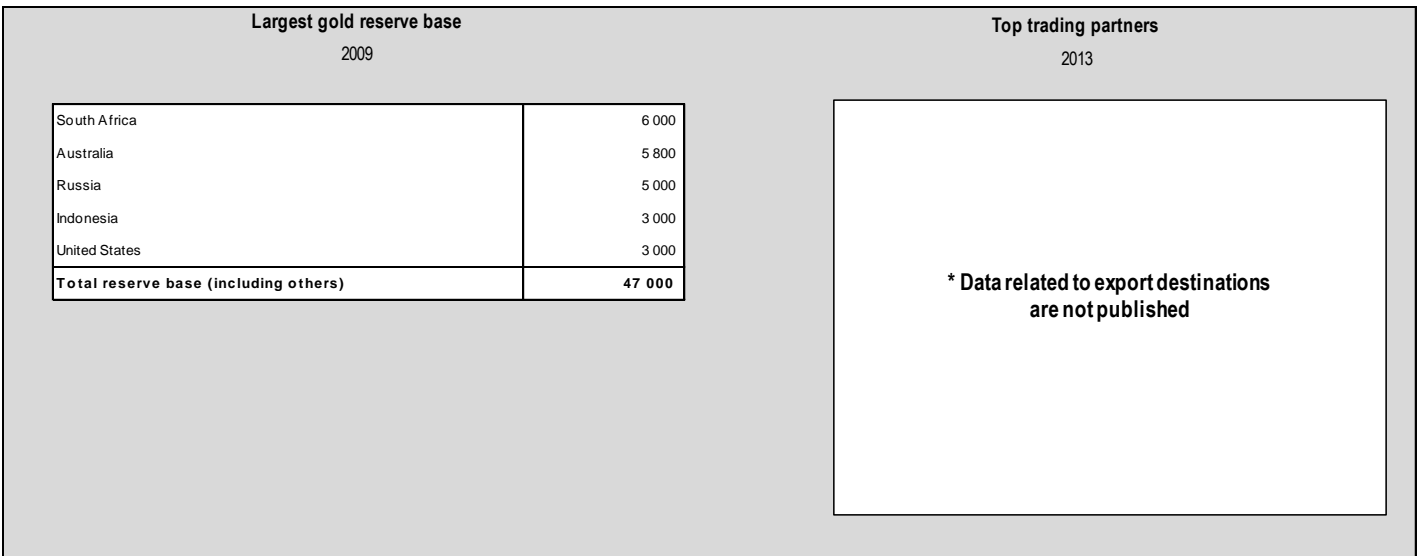
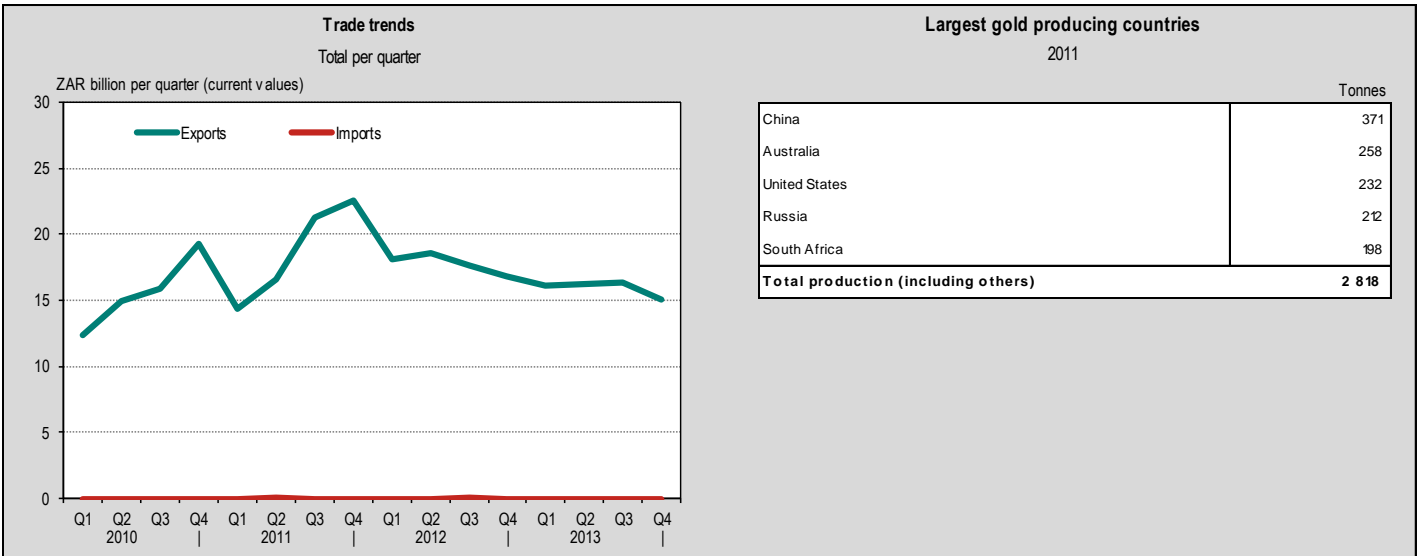
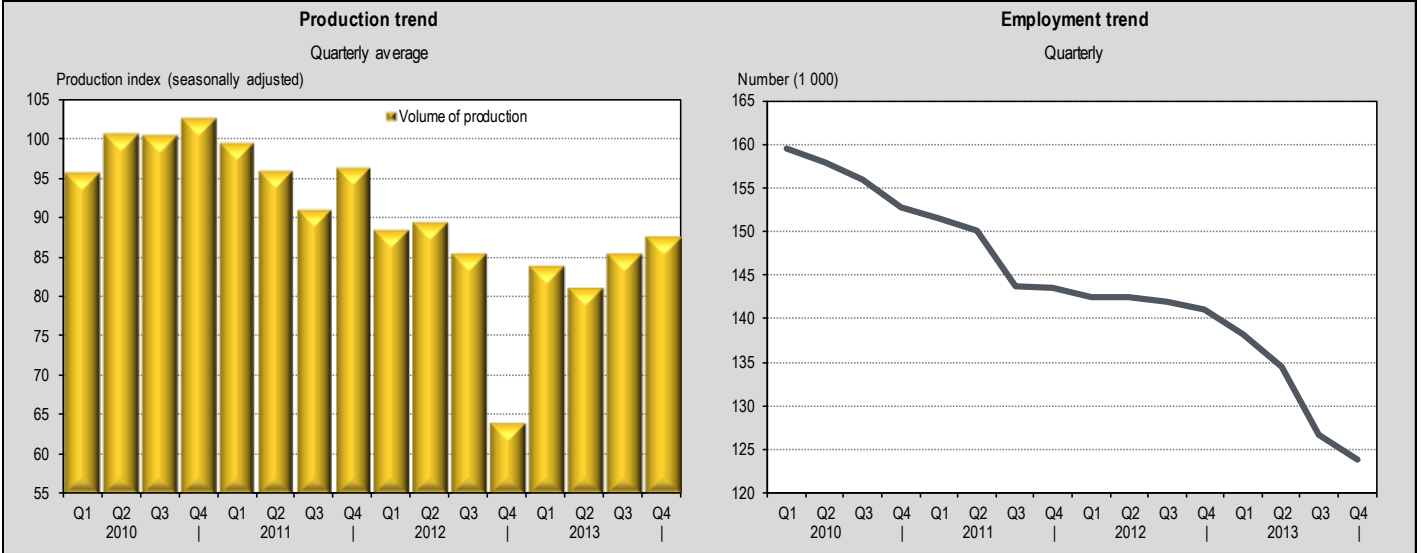
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↓ -1.3%	- (percentage points)	↑ 3.7%	↓ -2.7%	↑ 135.2%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



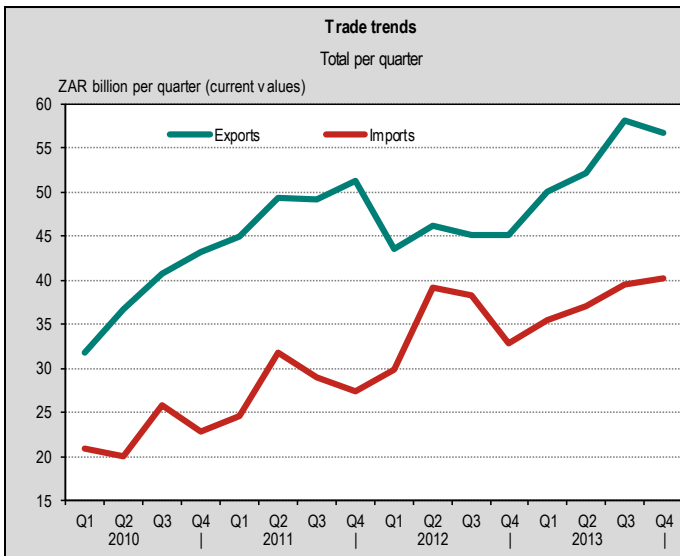
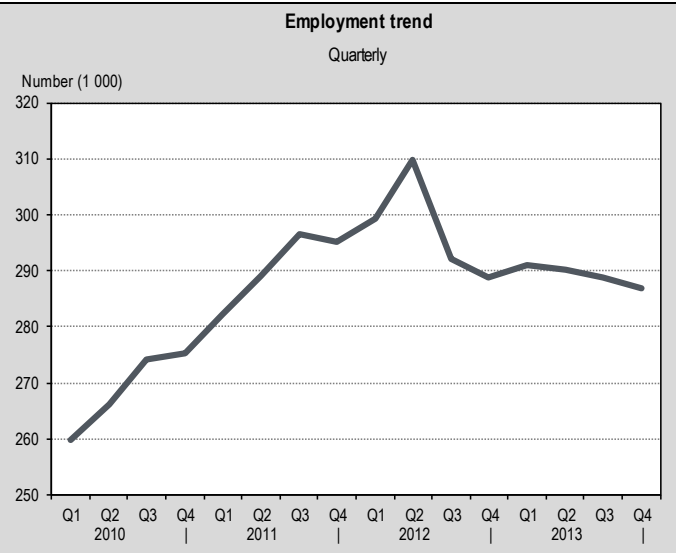
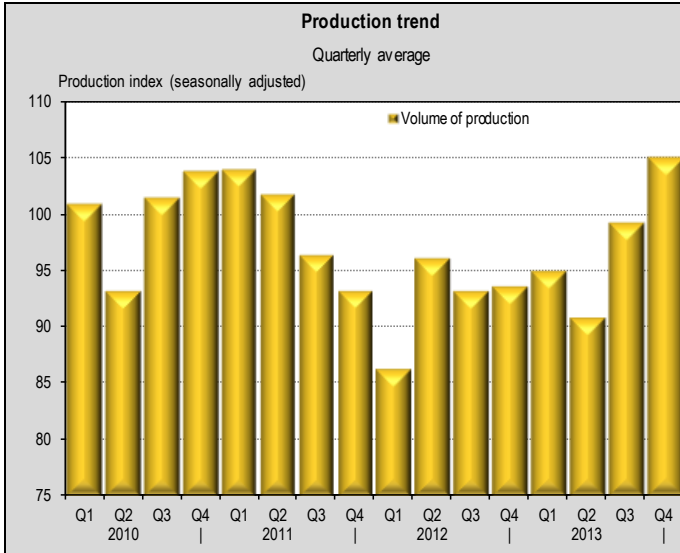
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 3.5%	-	(percentage points)	↓ -11.6%	↓ -10.5%	-
<b>Production</b>	<b>Capacity utilisation</b>		<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 5.3%	- (percentage points)	↑ 0.5%	↑ 20.7%	↑ 8.7%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>

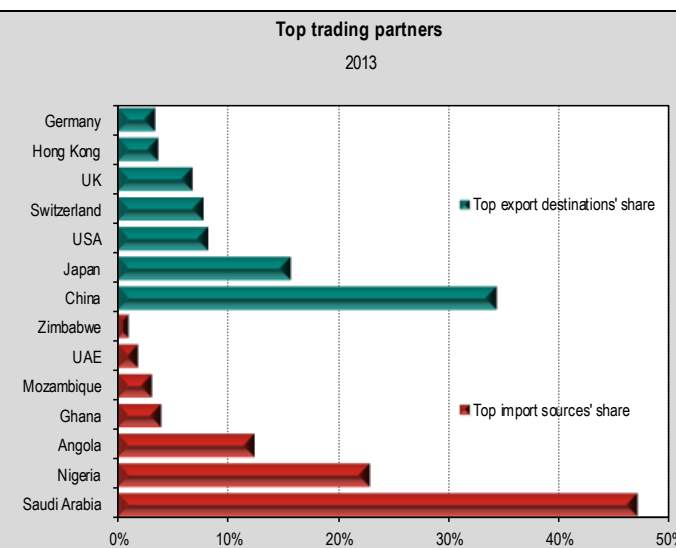


**Major traded products**  
2013

HS4 code	ZAR m
<b>Exports</b>	
H710: Platinum, unwrought, semi-manufactured	81319.52
H2601: Iron ores and concentrates, roasted iron pyrites	73976.88
H2602: Manganese ores, iron ores >20% Manganese	15029.87
H2610: Chromium ores and concentrates	13131.27
H7102: Diamonds, not mounted or set	12162.95
<b>Exports Total (including others)</b>	<b>217090.49</b>
<b>Imports</b>	
H2709: Petroleum oils, oils from bituminous minerals, crude	142031.76
H7102: Diamonds, not mounted or set	3528.72
H2711: Petroleum gases & other gaseous hydrocarbons	2419.17
H2616: Precious metal ores and concentrates	1368.76
H2601: Iron ores and concentrates, roasted iron pyrites	681.79
<b>Imports Total (including others)</b>	<b>152378.04</b>

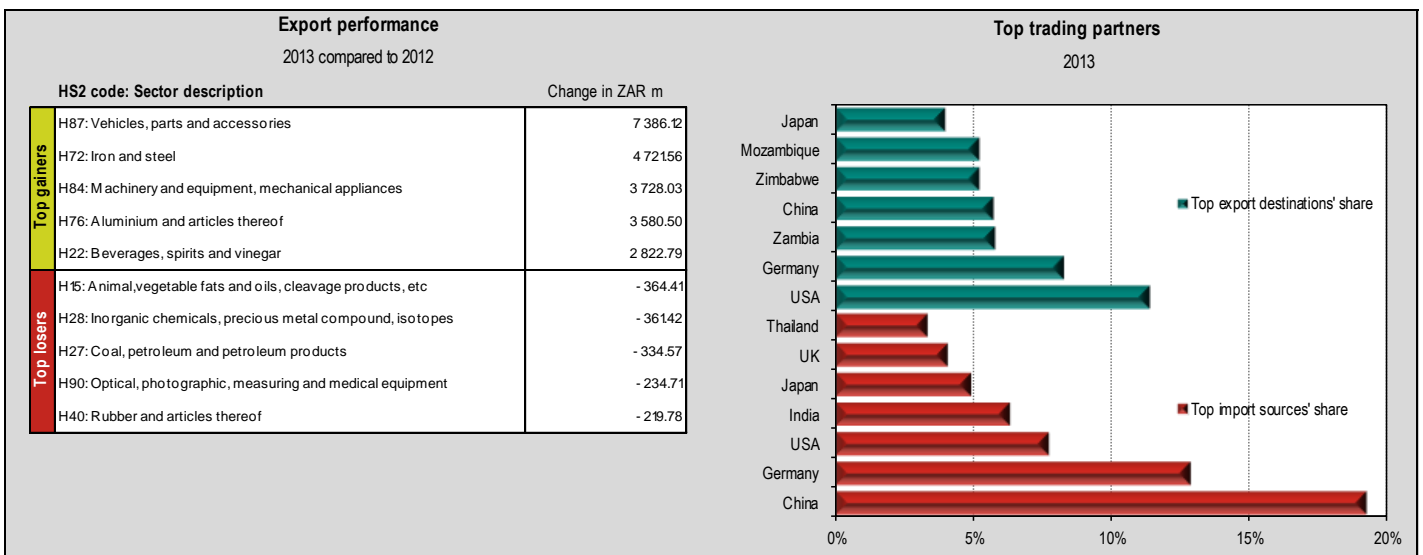
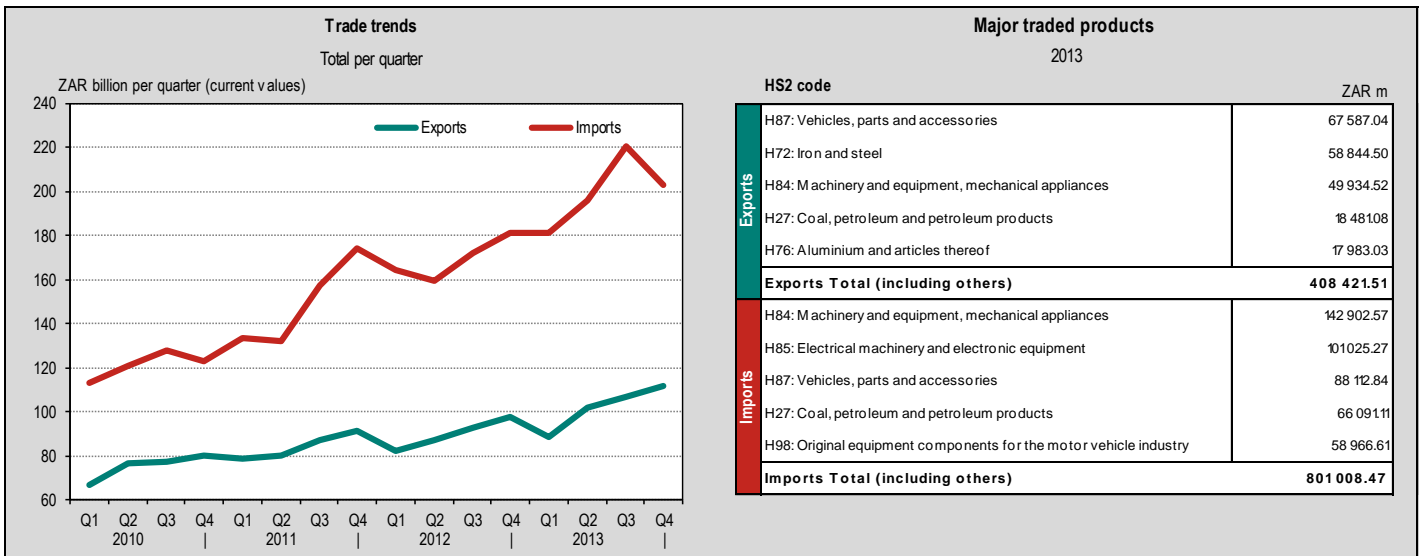
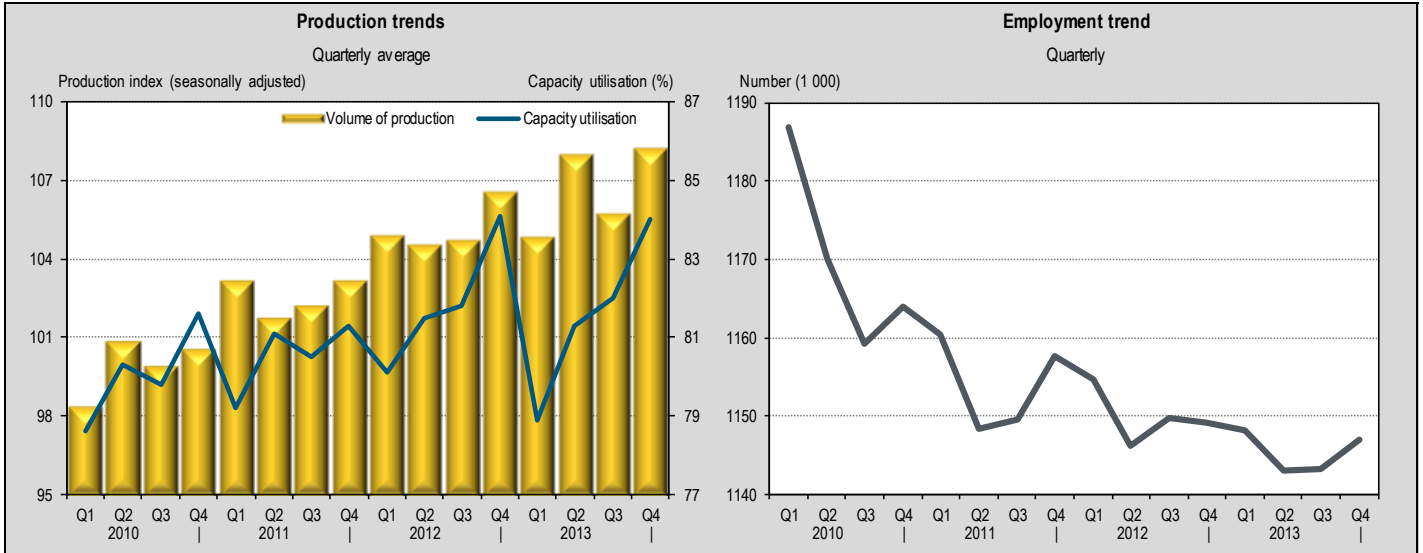
**Export performance**  
2013 compared to 2012

HS4 code: Sector description	Change in ZAR m
<b>Top gainers</b>	
H710: Platinum, unwrought, semi-manufactured	16273.58
H2601: Iron ores and concentrates, roasted iron pyrites	12462.24
H2602: Manganese ores, iron ores >20% Manganese	5436.17
H2610: Chromium ores and concentrates	3484.15
H2616: Niobium tantalum vanadium zirconium ores, etc	446.38
<b>Top losers</b>	
H2614: Titanium ores and concentrates	-458.80
H2617: Ores and concentrates, nes	-428.96
H2529: Natural fluorine minerals	-165.95
H2516: Granite, porphyry, basalt, sandstone, etc	-124.66
H7102: Diamonds, not mounted or set	-103.22



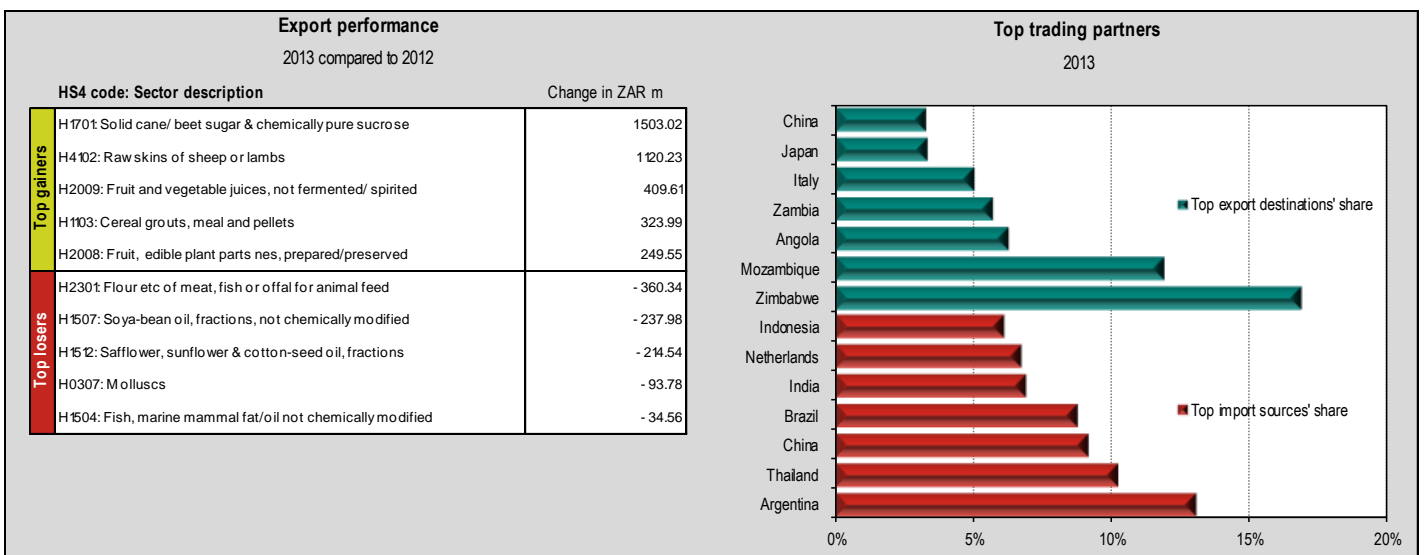
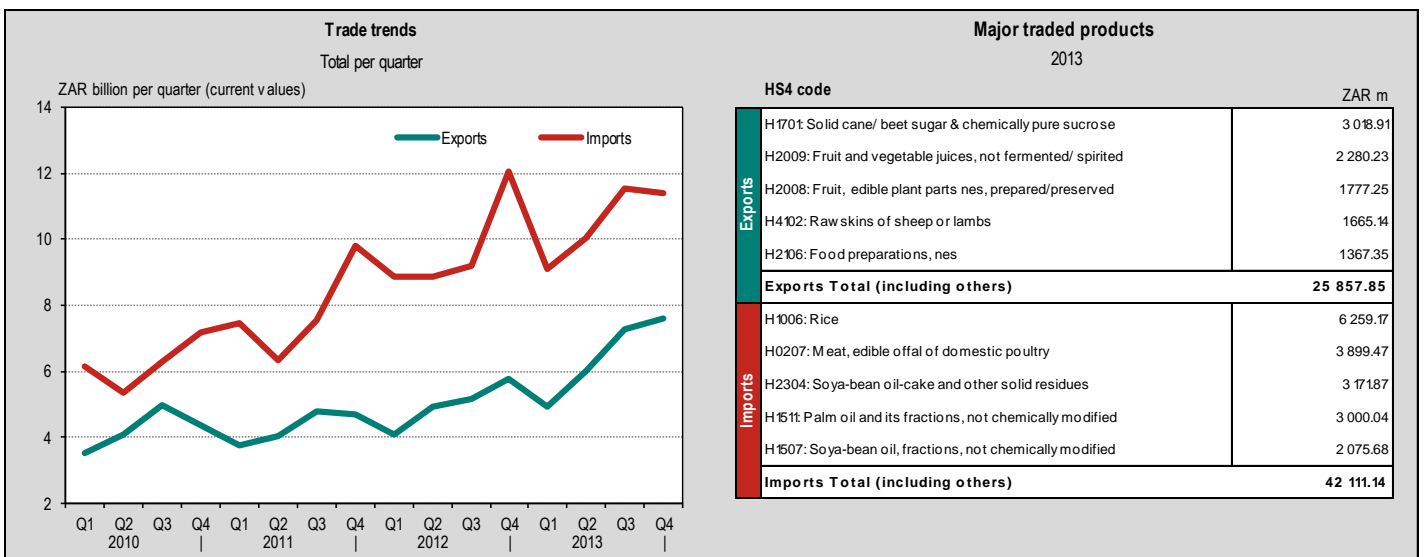
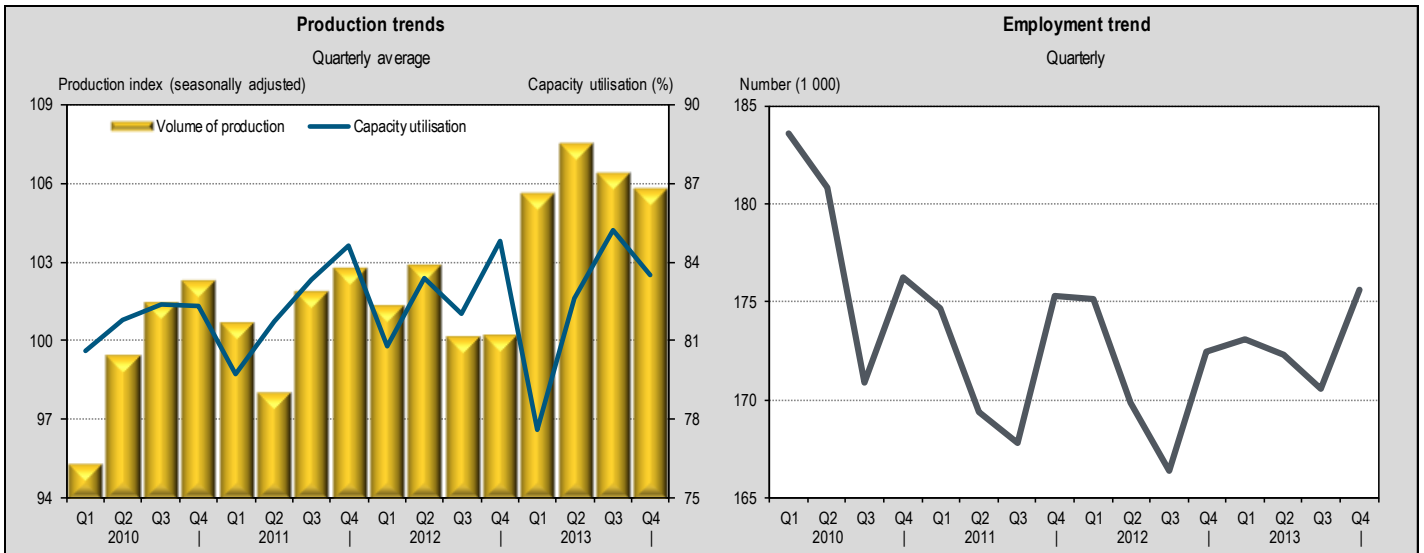
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 1.3% **Production**     
 ↓ -0.1 (percentage points) **Capacity utilisation**     
 ↓ -0.2% **Employment**     
 ↑ 13.4% **Exports (ZAR)**     
 ↑ 18.4% **Imports (ZAR)**



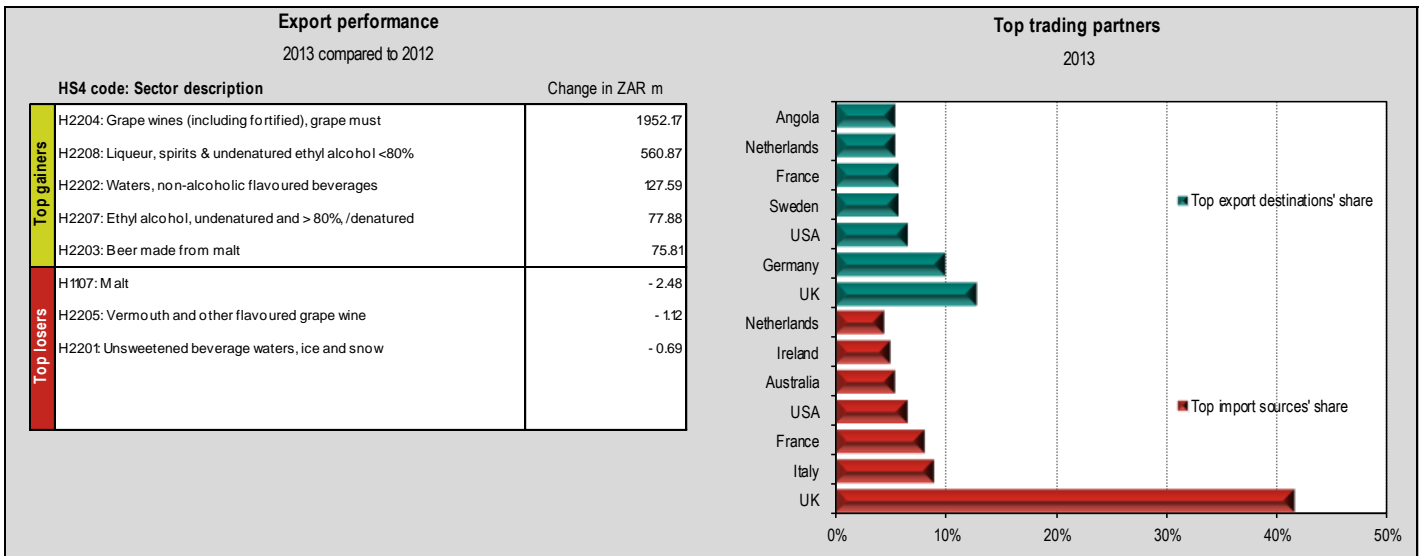
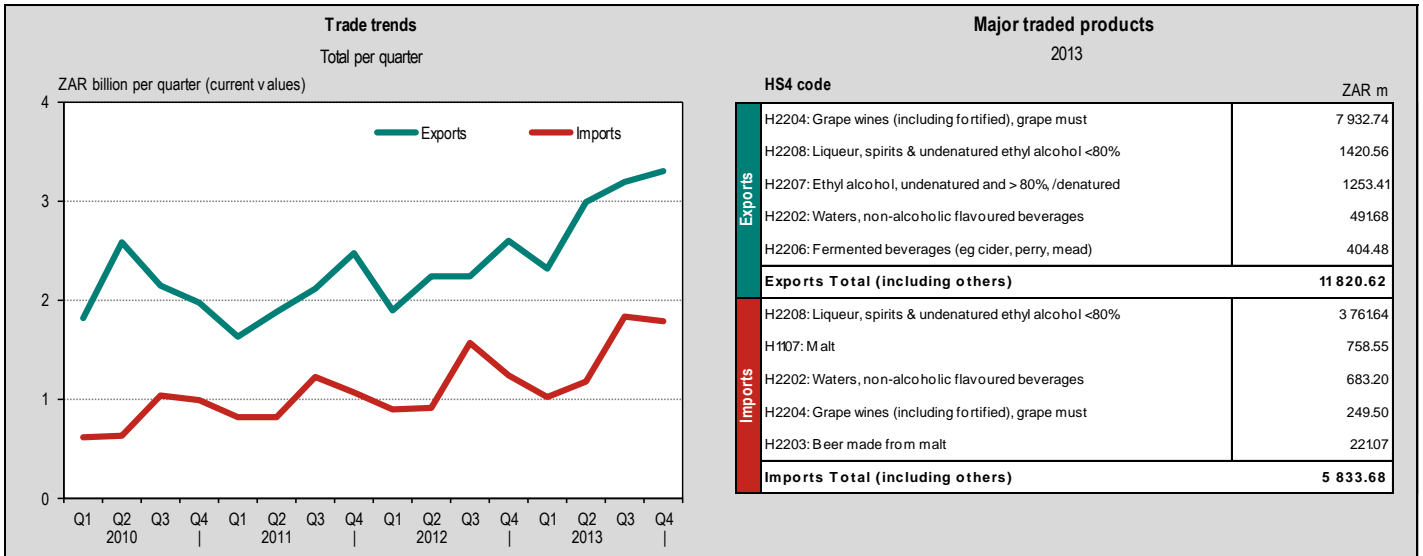
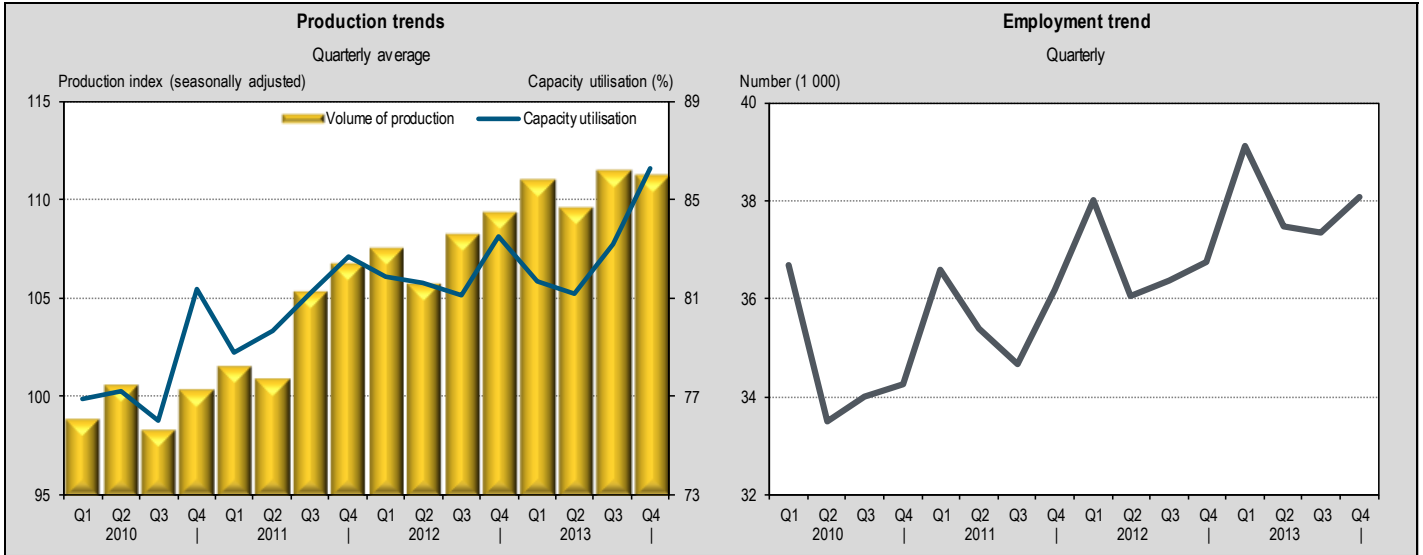
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 5.1% **Production**     
 ↓ -1.3 (percentage points) **Capacity utilisation**     
 ↑ 1.8% **Employment**     
 ↑ 29.7% **Exports (ZAR)**     
 ↑ 8.0% **Imports (ZAR)**



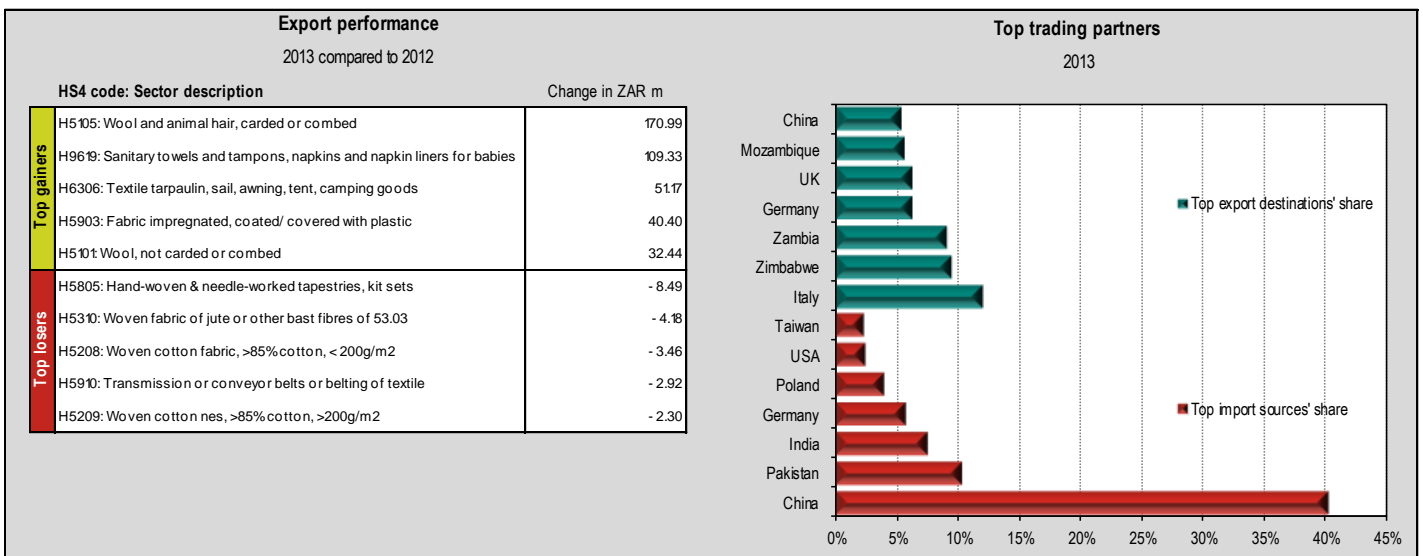
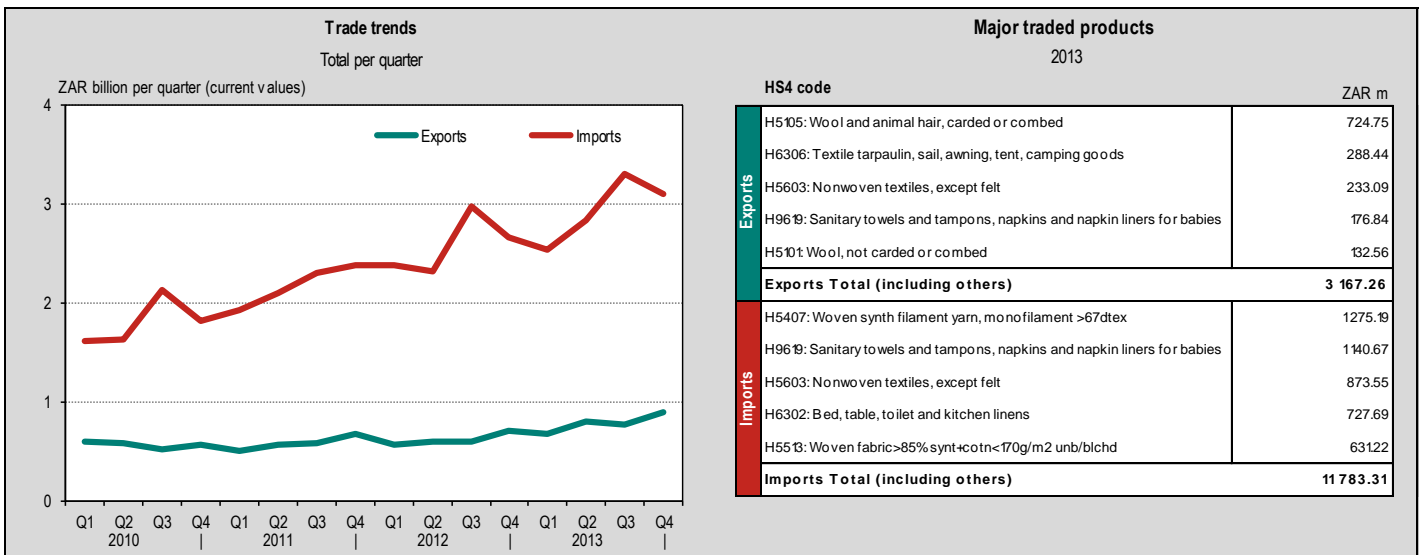
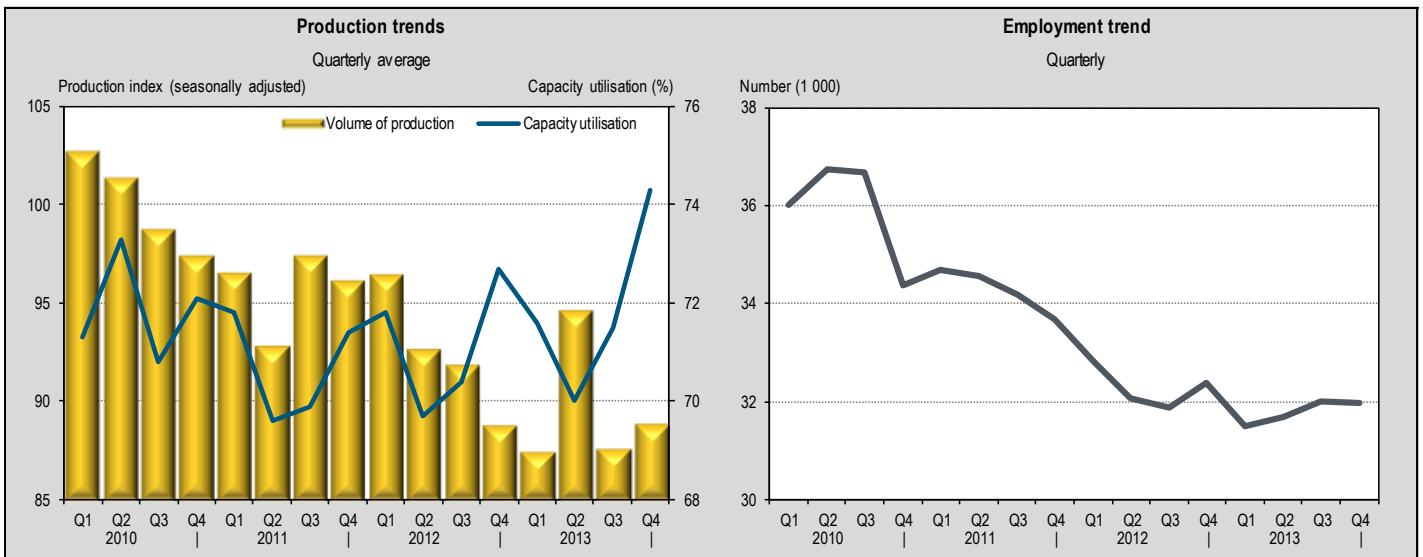
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ **2.7%** **Production**     
 ↑ **2.8 (percentage points)** **Capacity utilisation**     
 ↑ **3.6%** **Employment**     
 ↑ **31.4%** **Exports (ZAR)**     
 ↑ **26.2%** **Imports (ZAR)**



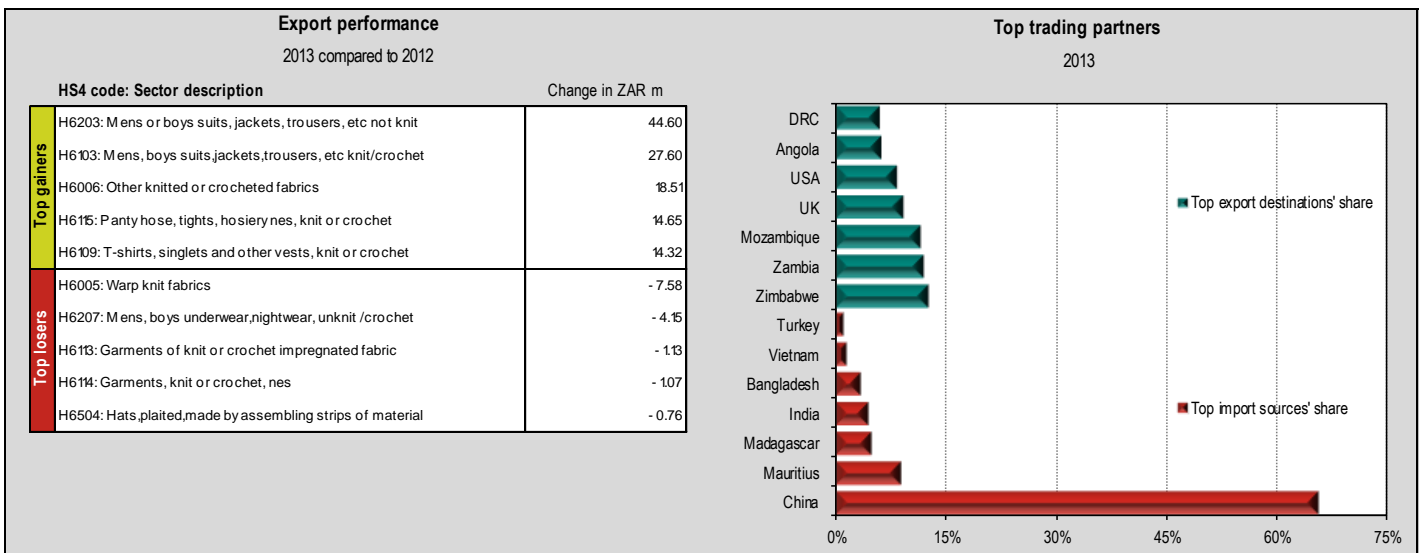
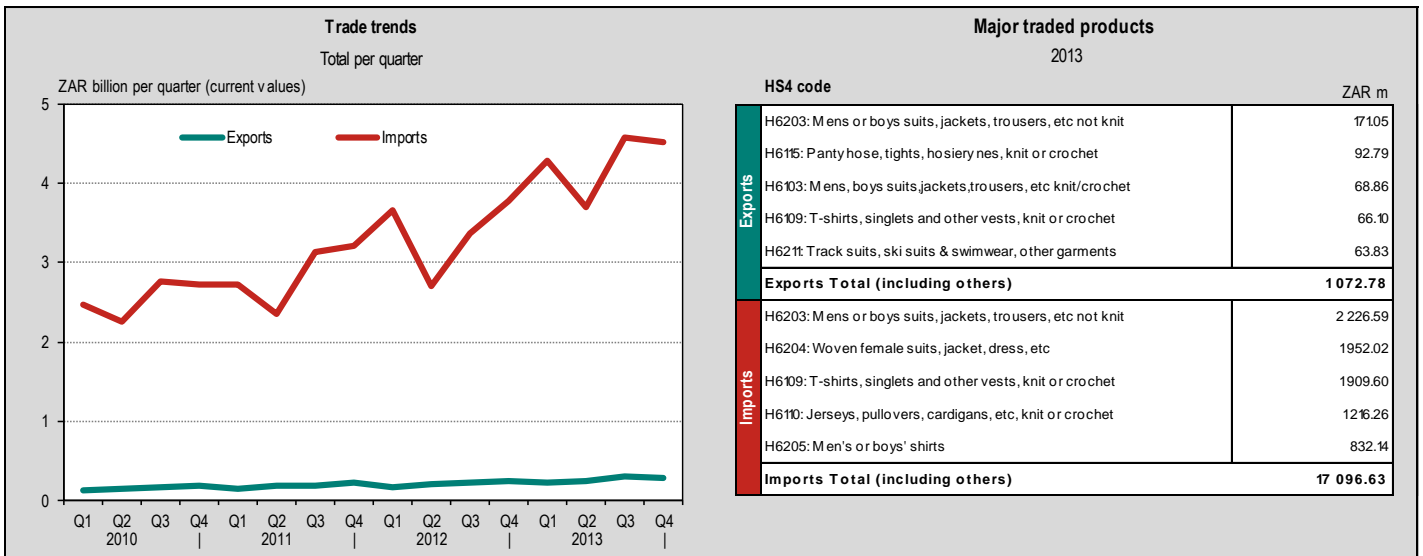
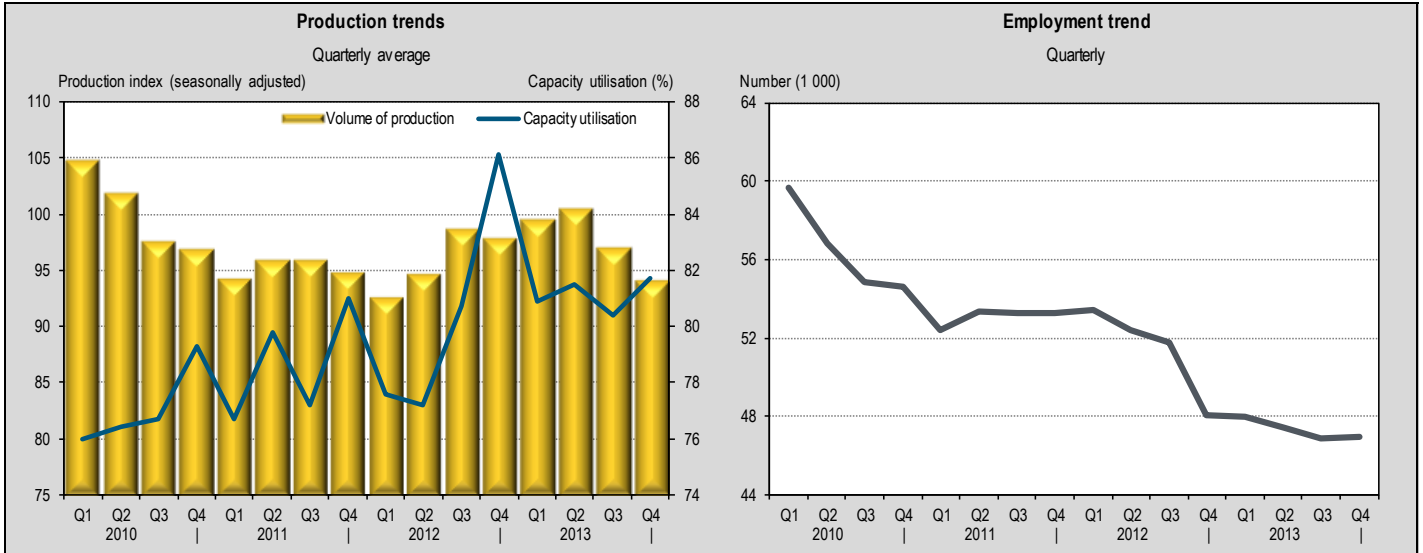
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

<b>↓ -2.8%</b>	<b>↑ 1.6 (percentage points)</b>	<b>↓ -1.3%</b>	<b>↑ 26.6%</b>	<b>↑ 13.9%</b>
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

<b>↑1.5%</b>	<b>↓-4.4 (percentage points)</b>	<b>↓-2.4%</b>	<b>↑26.6%</b>	<b>↑26.5%</b>
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>





## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

↑ 12.3%

**Production**

↑ 5.9 (percentage points)

**Capacity utilisation**

↓ -2.8%

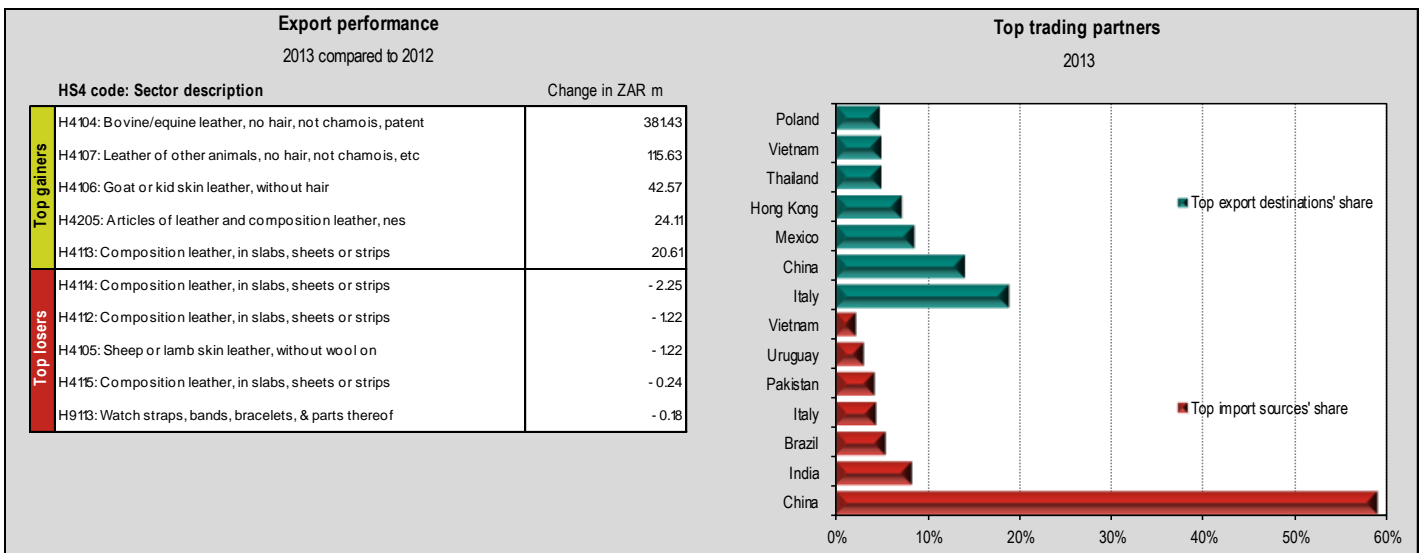
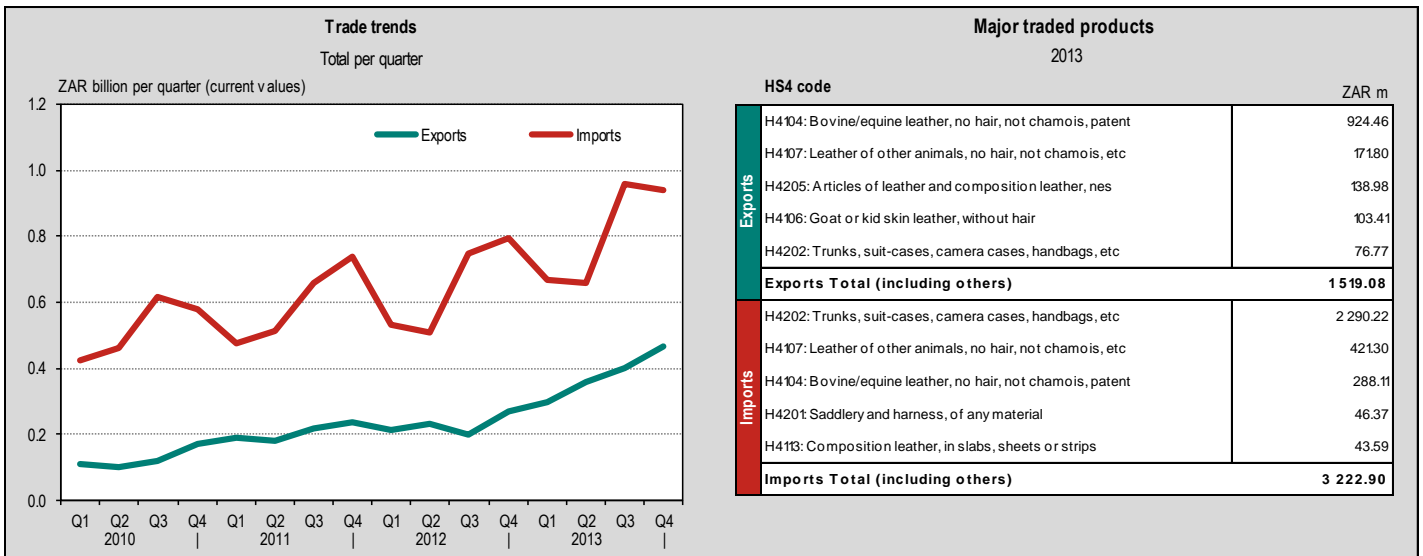
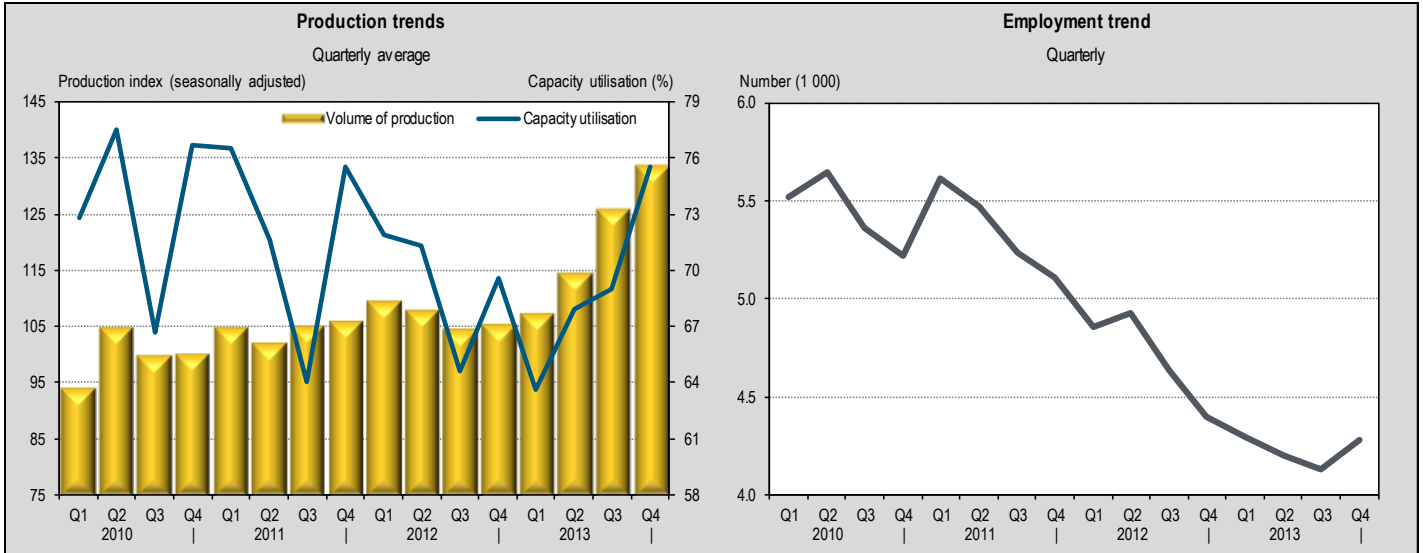
**Employment**

↑ 65.5%

**Exports (ZAR)**

↑ 24.8%

**Imports (ZAR)**



**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 5.7%

**Production**

↓ -0.8 (percentage points)

**Capacity utilisation**

↑ 23.8%

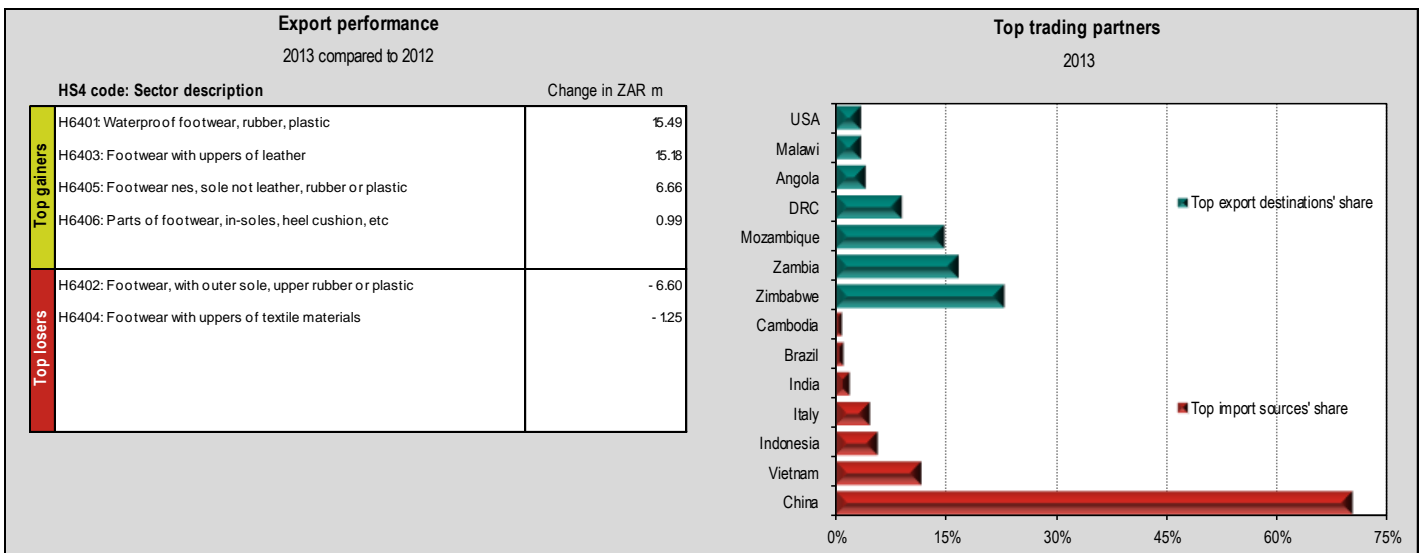
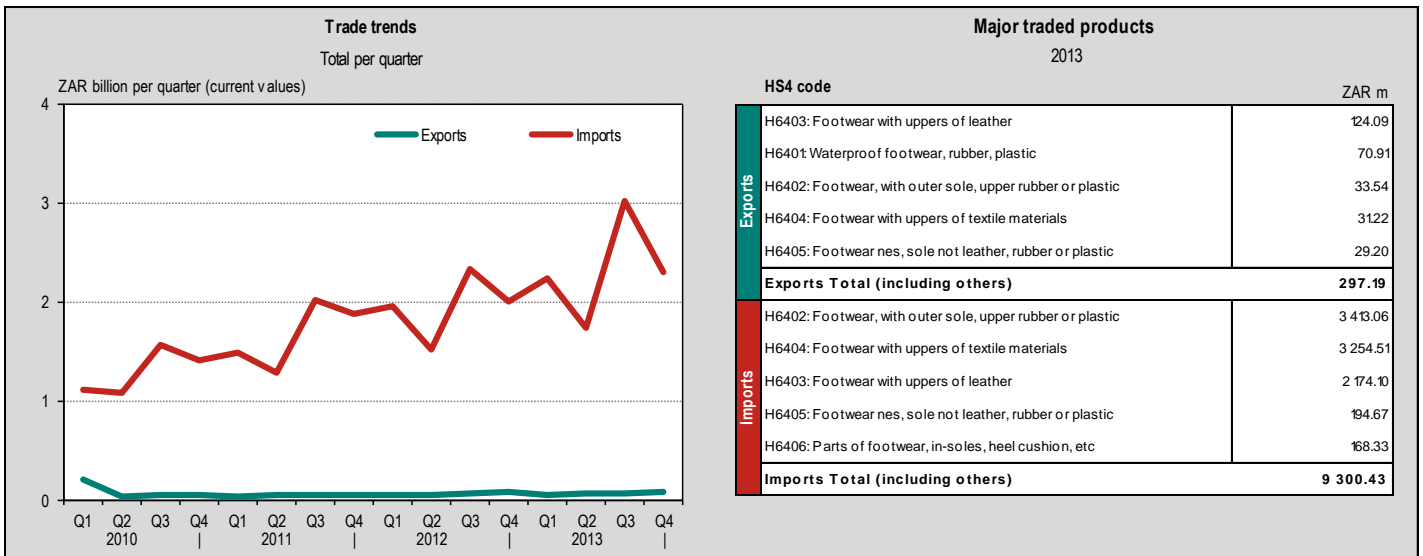
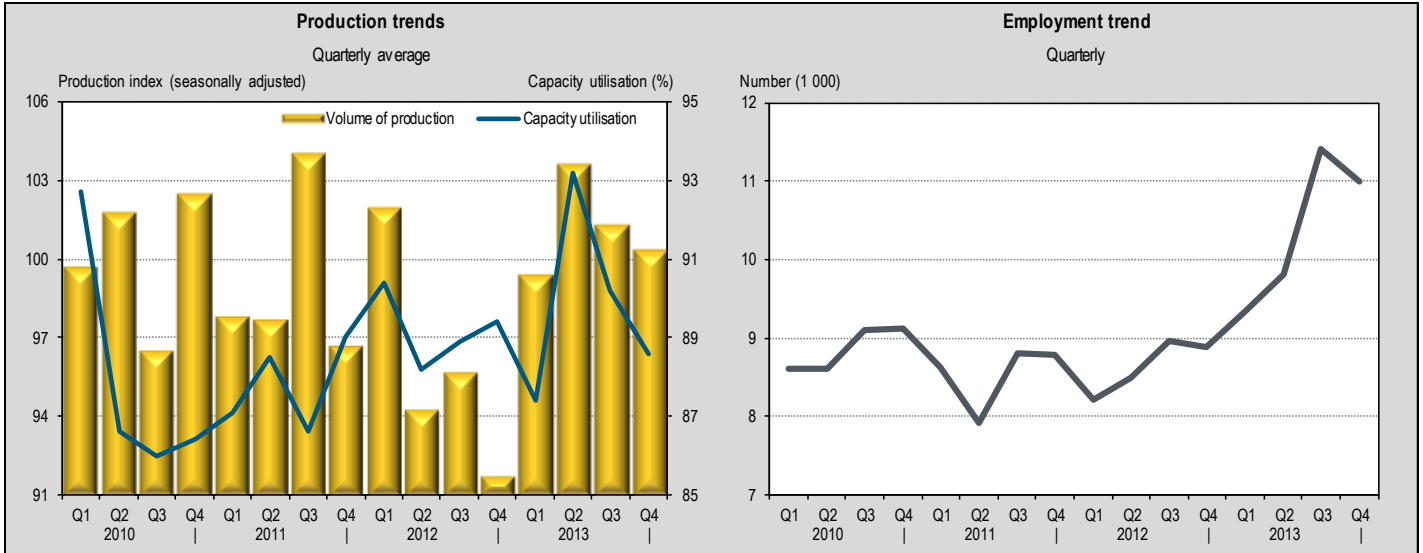
**Employment**

↑ 11.4%

**Exports (ZAR)**

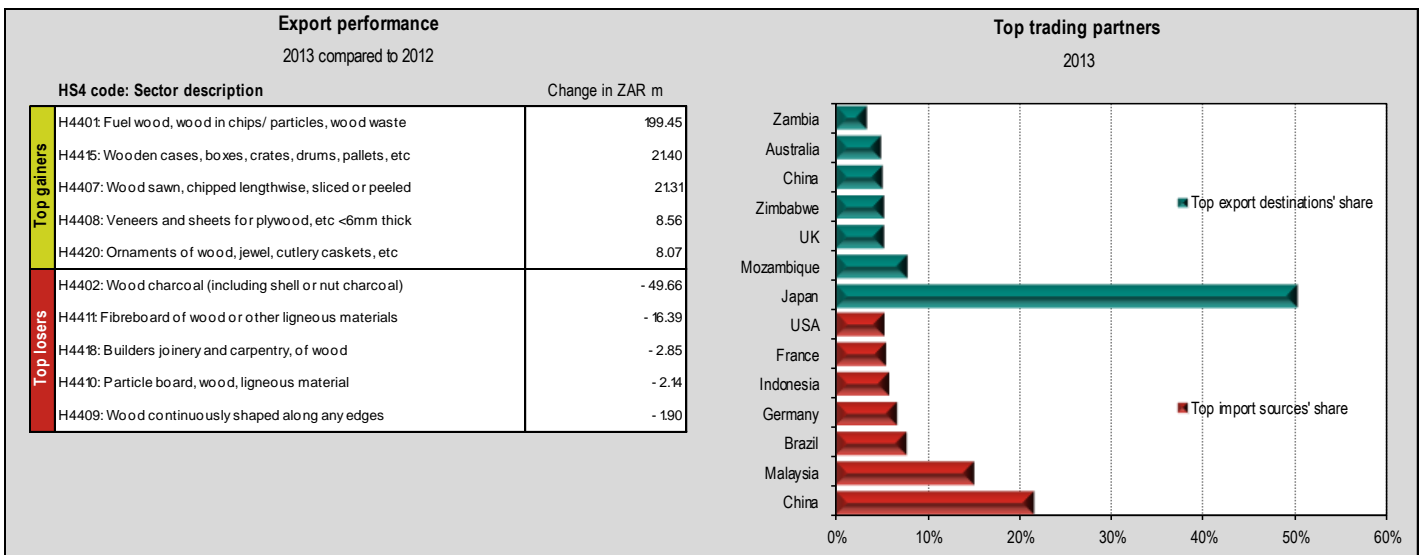
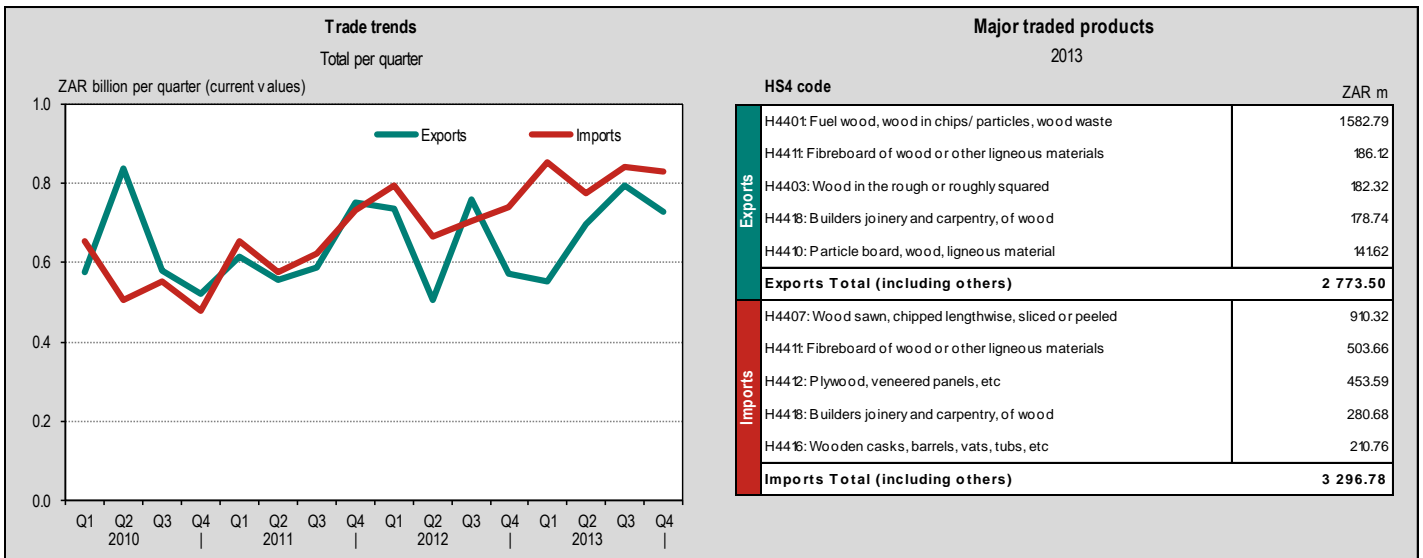
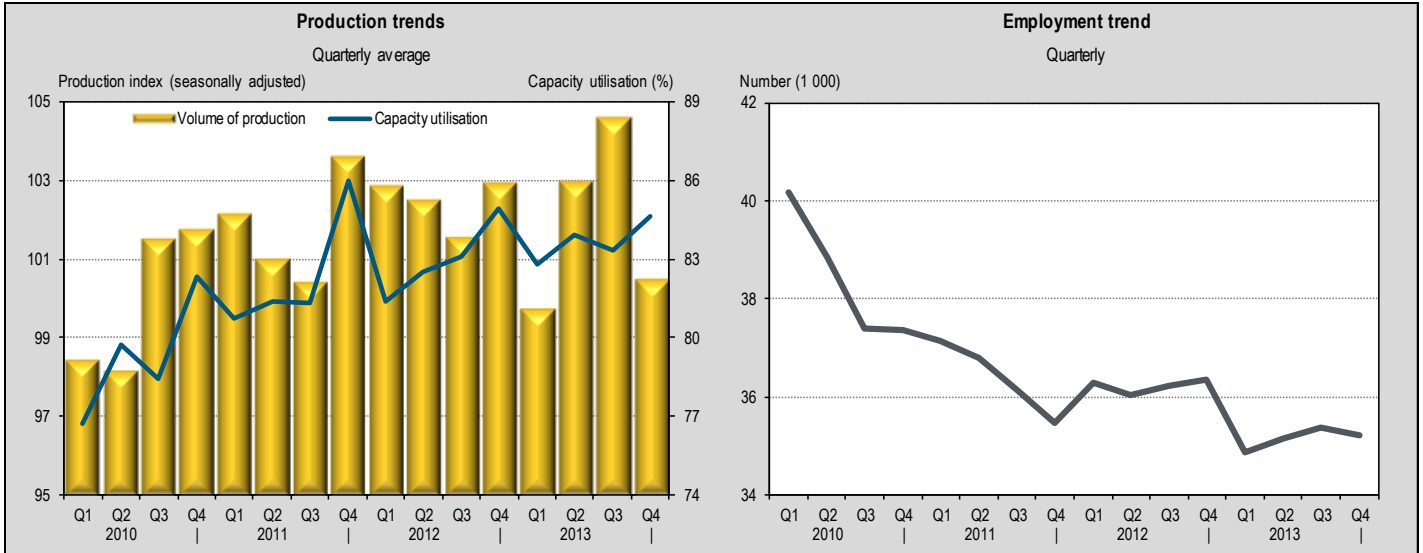
↑ 18.7%

**Imports (ZAR)**



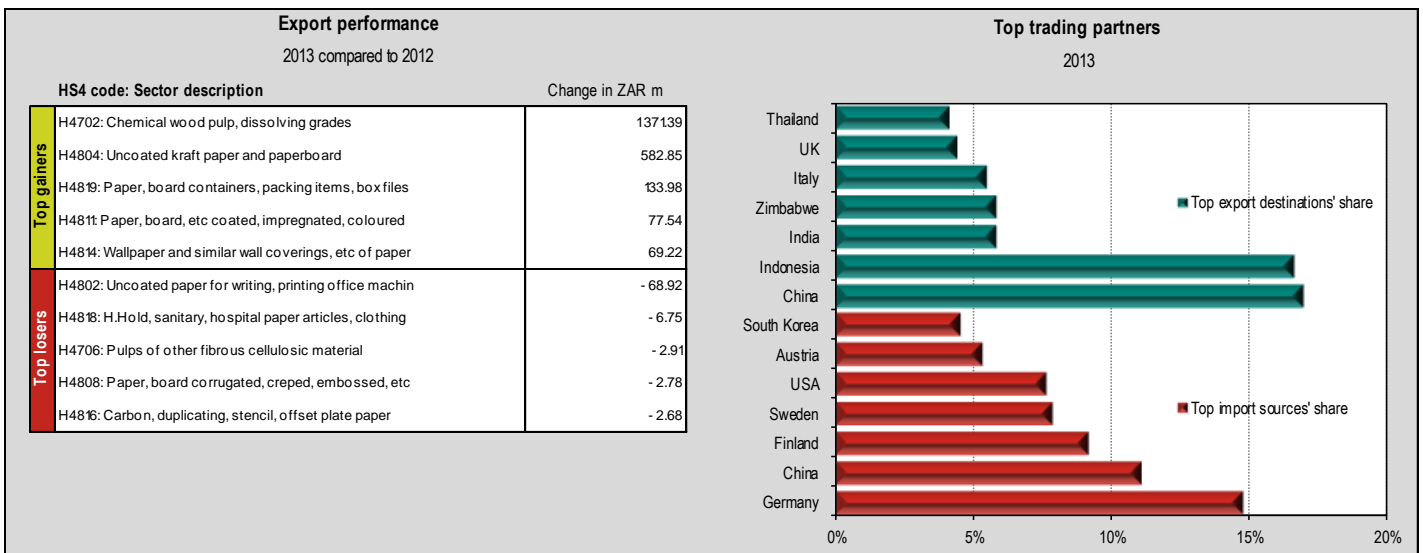
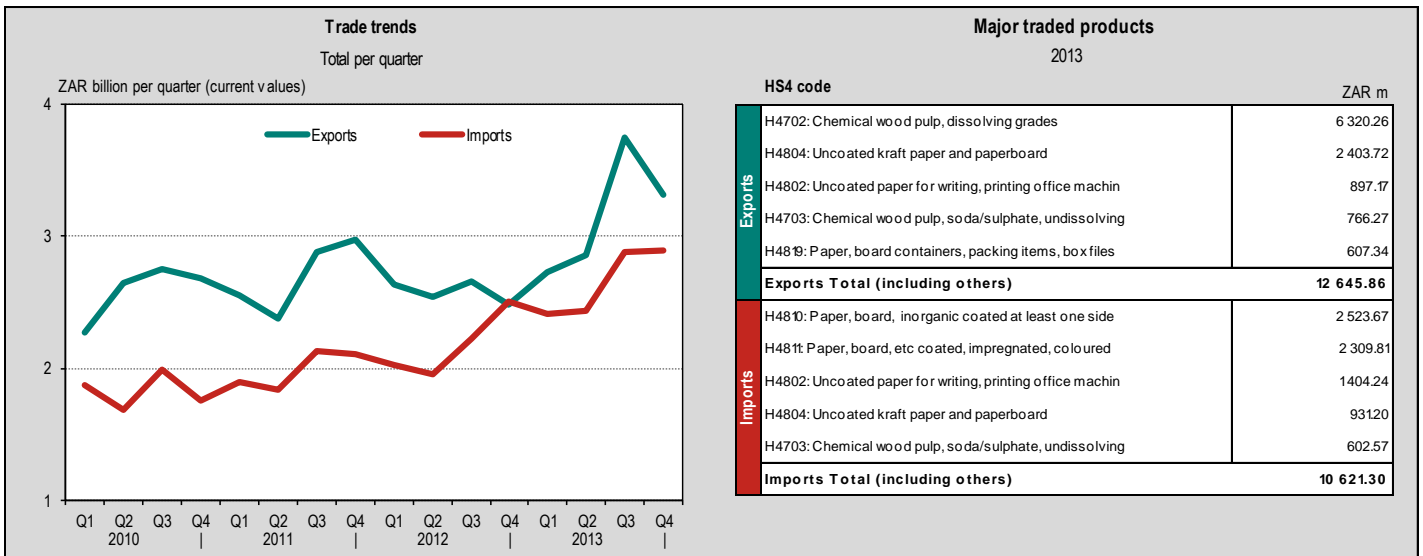
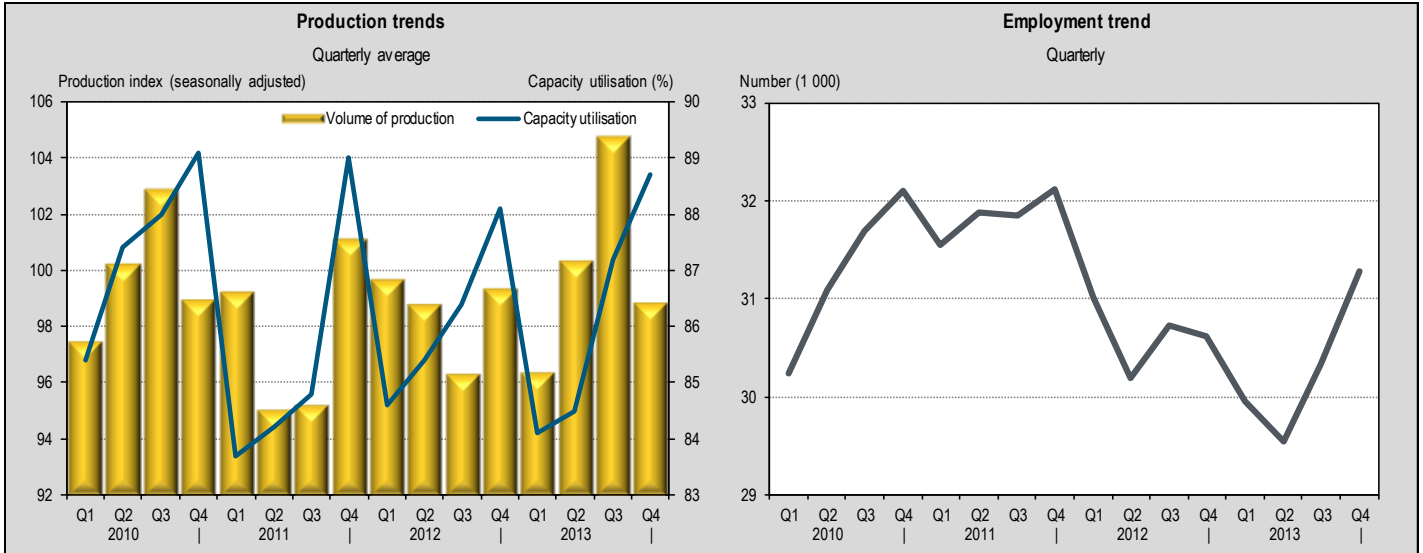
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↓ -0.4%	↓ -0.3 (percentage points)	↓ -3.1%	↑ 7.9%	↑ 13.5%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



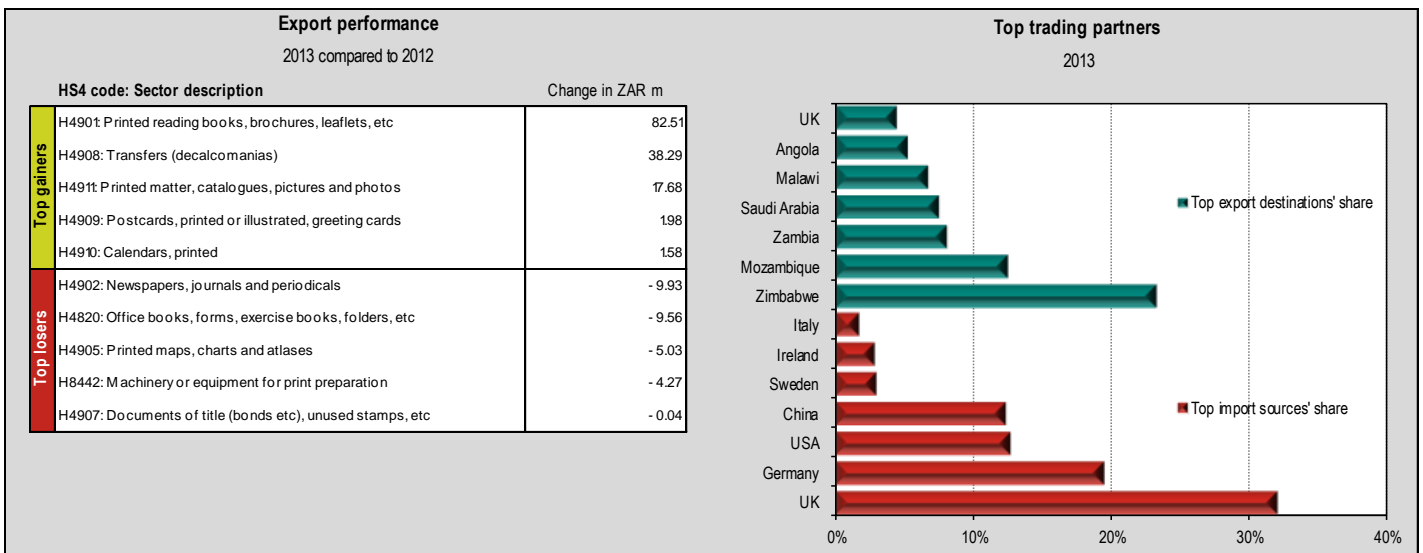
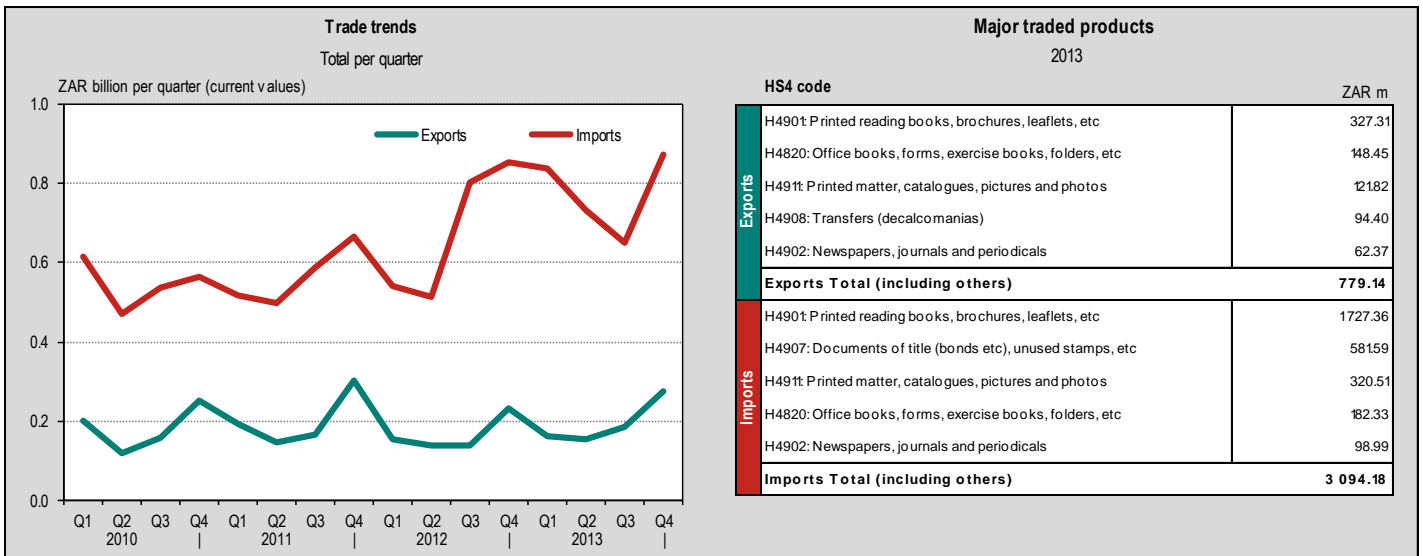
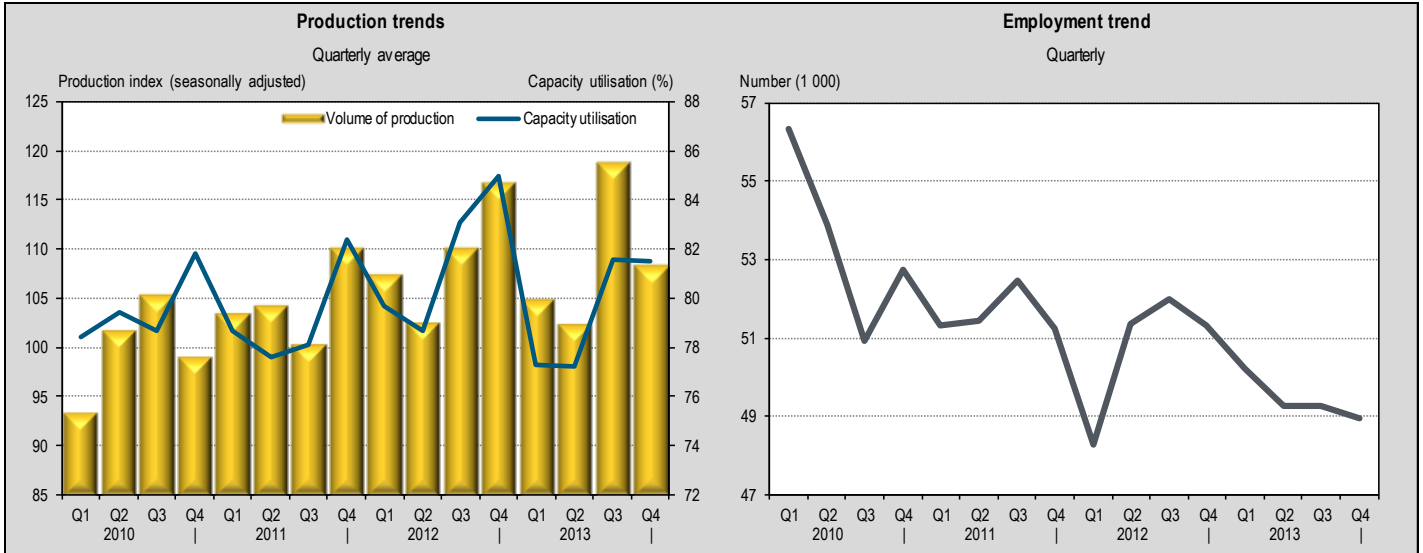
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 1.6%	↑ 0.6 (percentage points)	↑ 2.1%	↑ 22.5%	↑ 21.8%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



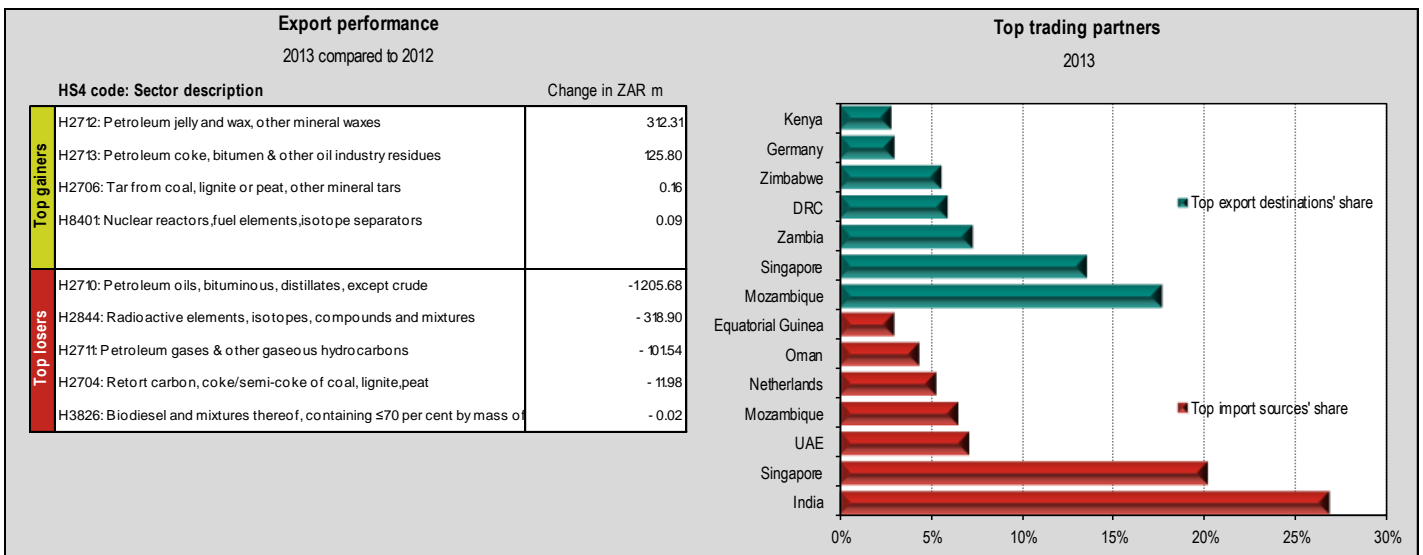
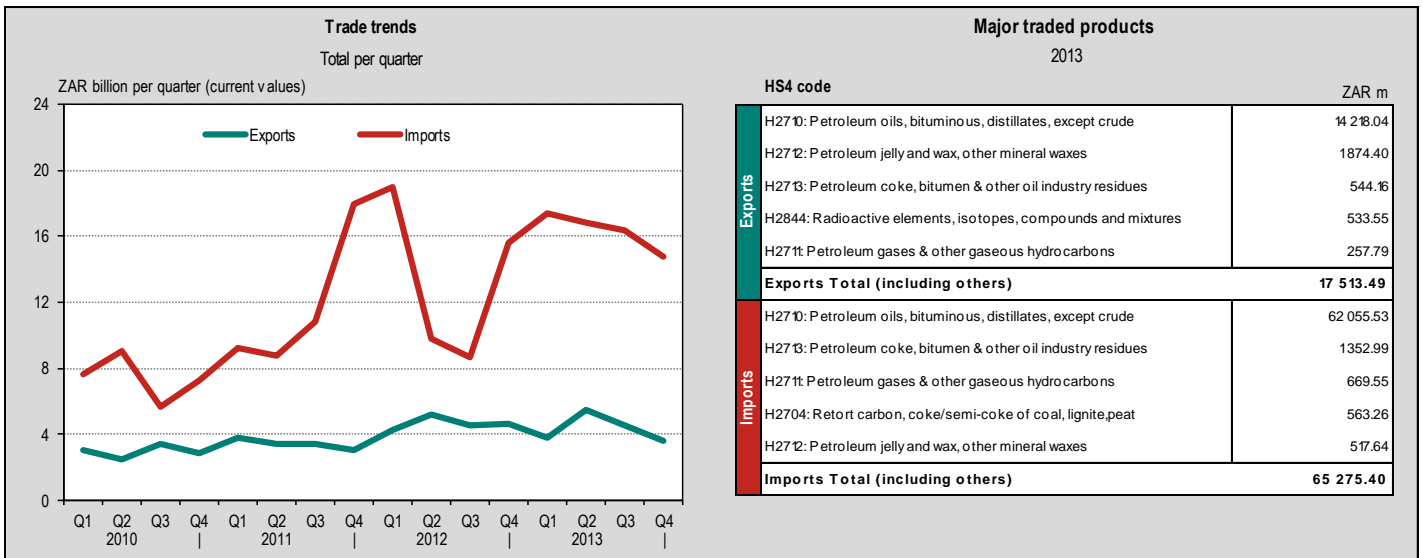
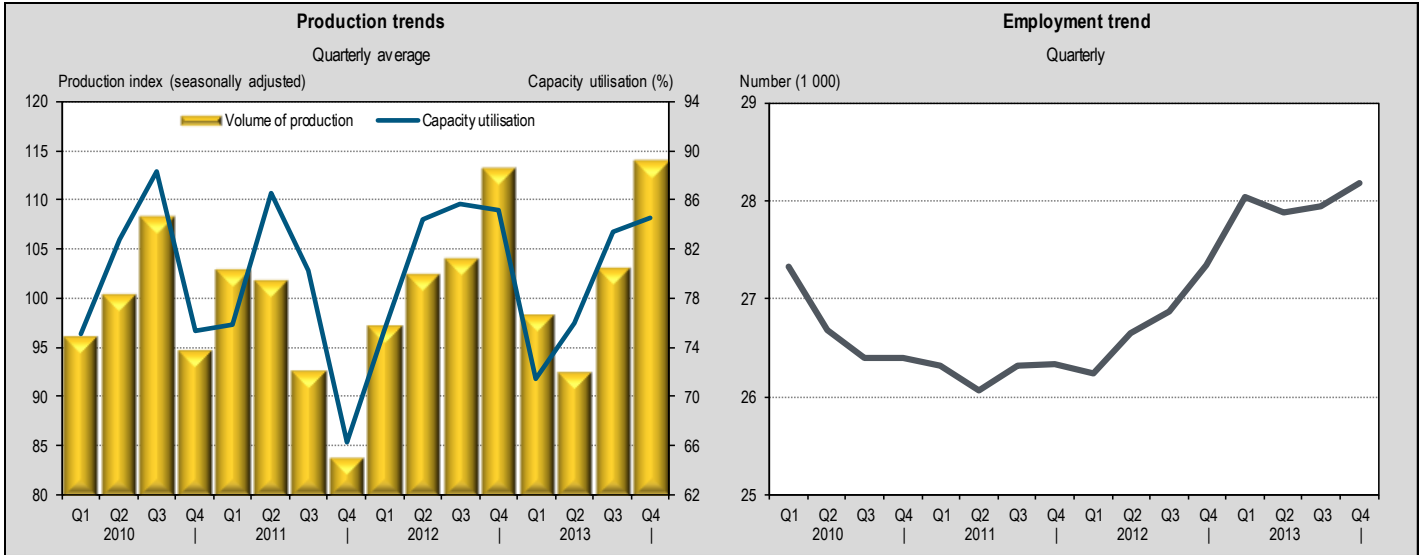
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↓ -1.1%	↓ -3.5 (percentage points)	↓ -4.7%	↑ 17.0%	↑ 14.2%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



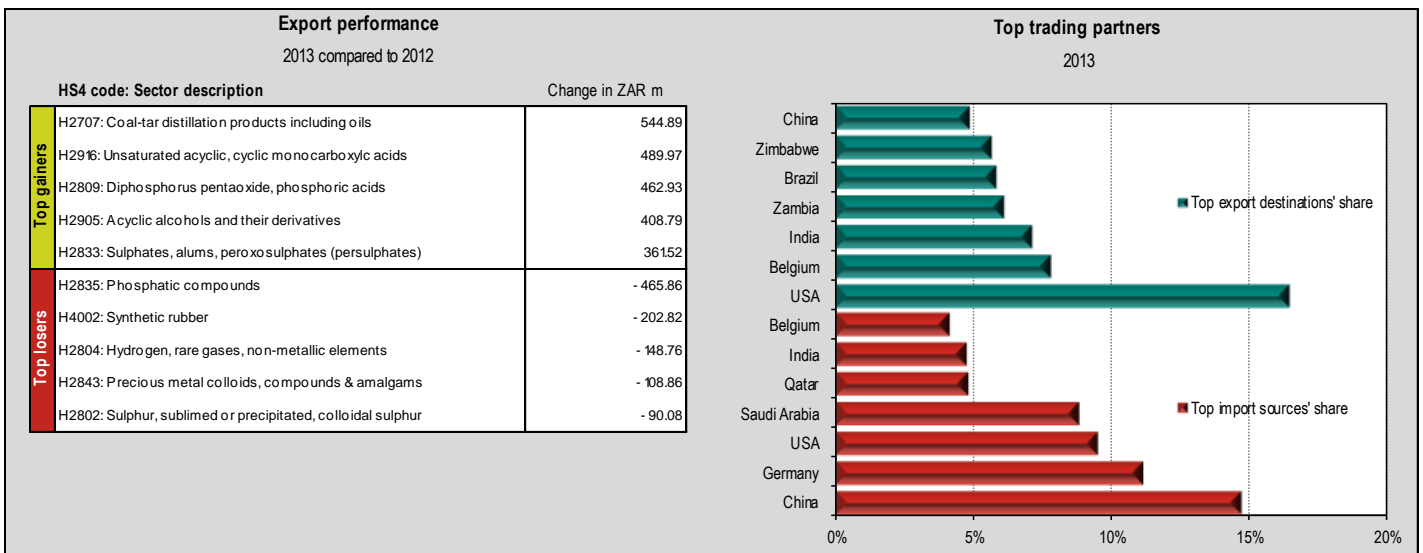
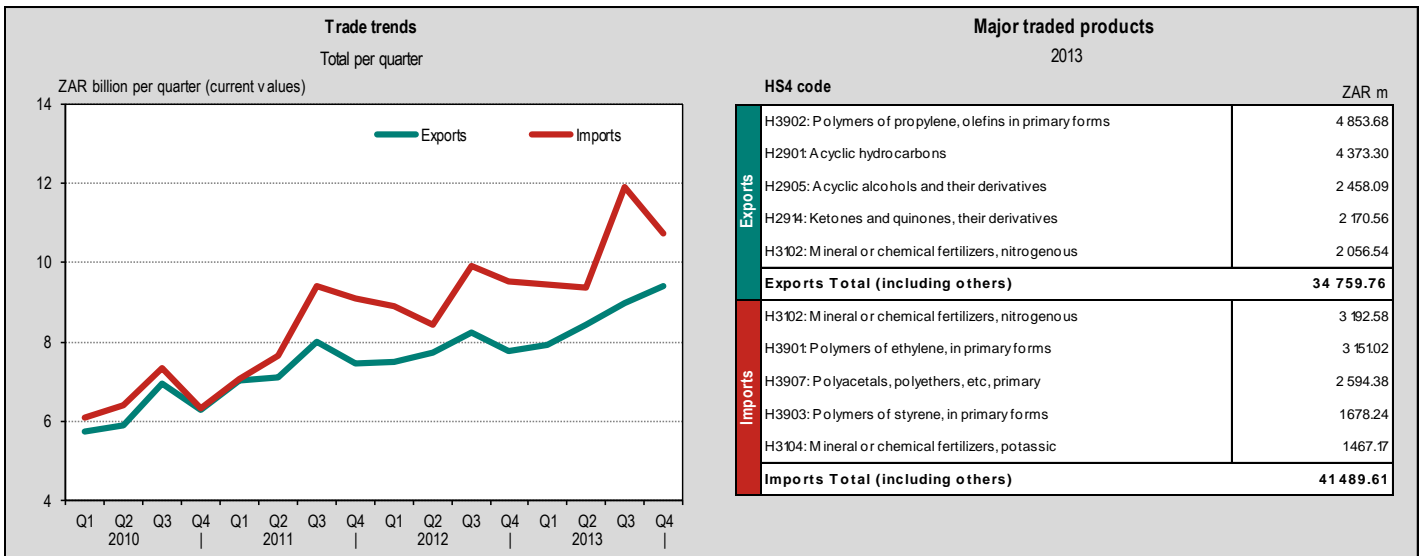
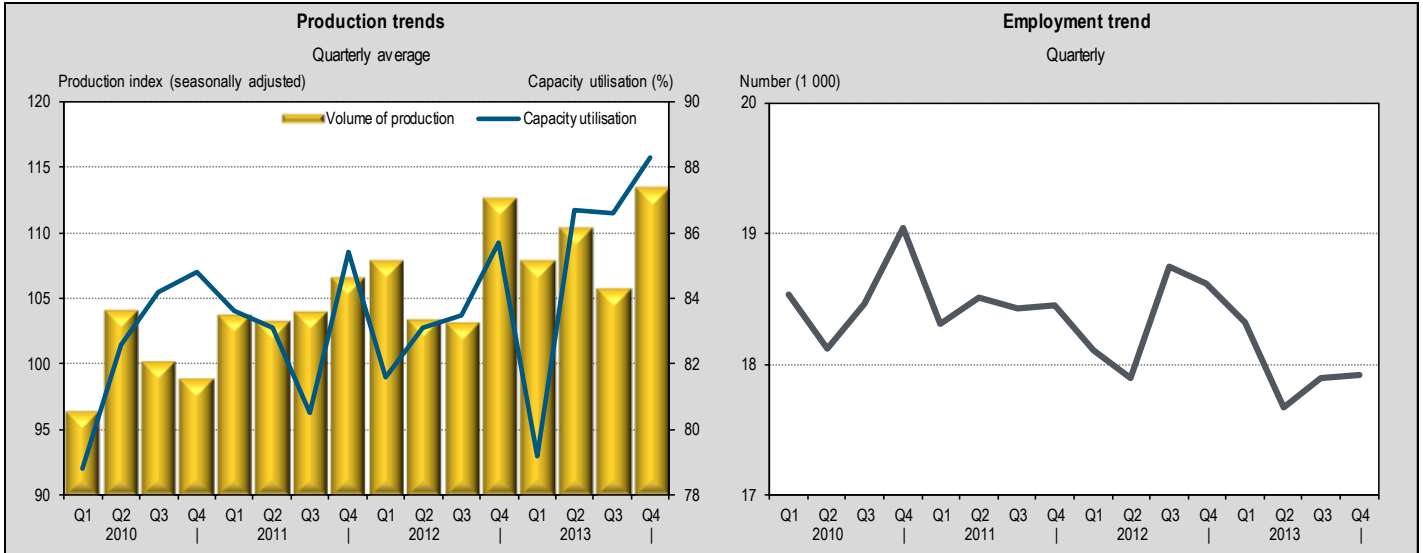
## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

↓ -2.2%	↓ -0.6 (percentage points)	↑ 3.1%	↓ -6.4%	↑ 23.1%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

<b>↑ 2.4%</b>	<b>↑ 2.6 (percentage points)</b>	<b>↓ -3.8%</b>	<b>↑ 11.4%</b>	<b>↑ 12.8%</b>
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 4.9%

**Production**

↓ -0.3 (percentage points)

**Capacity utilisation**

↑ 4.0%

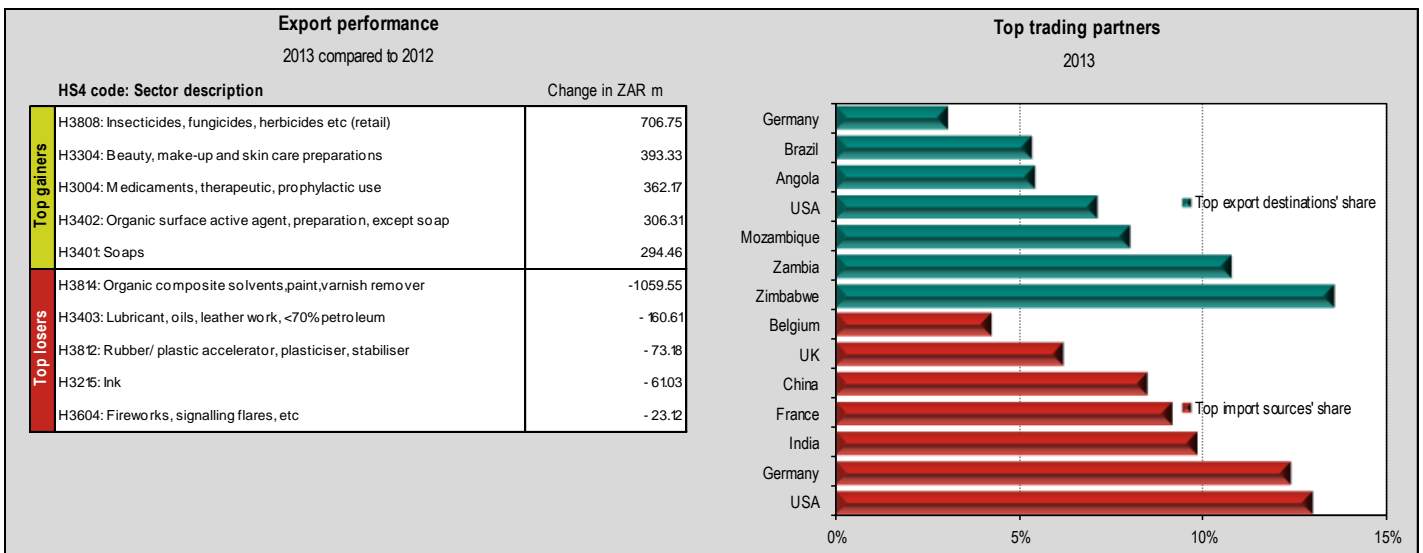
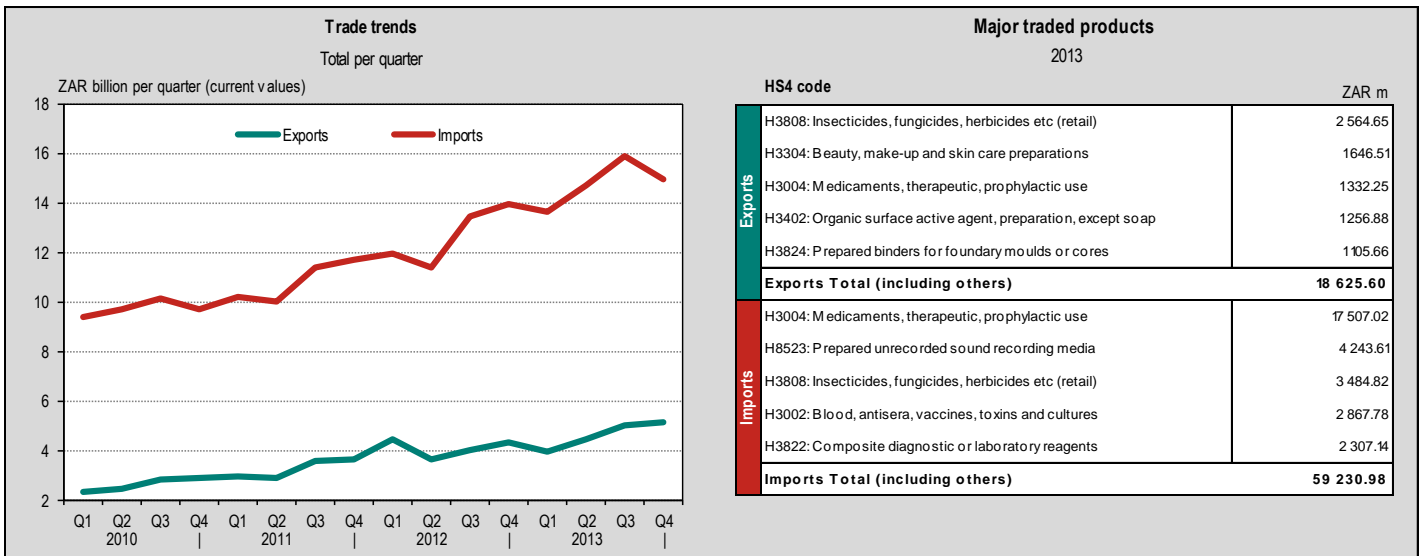
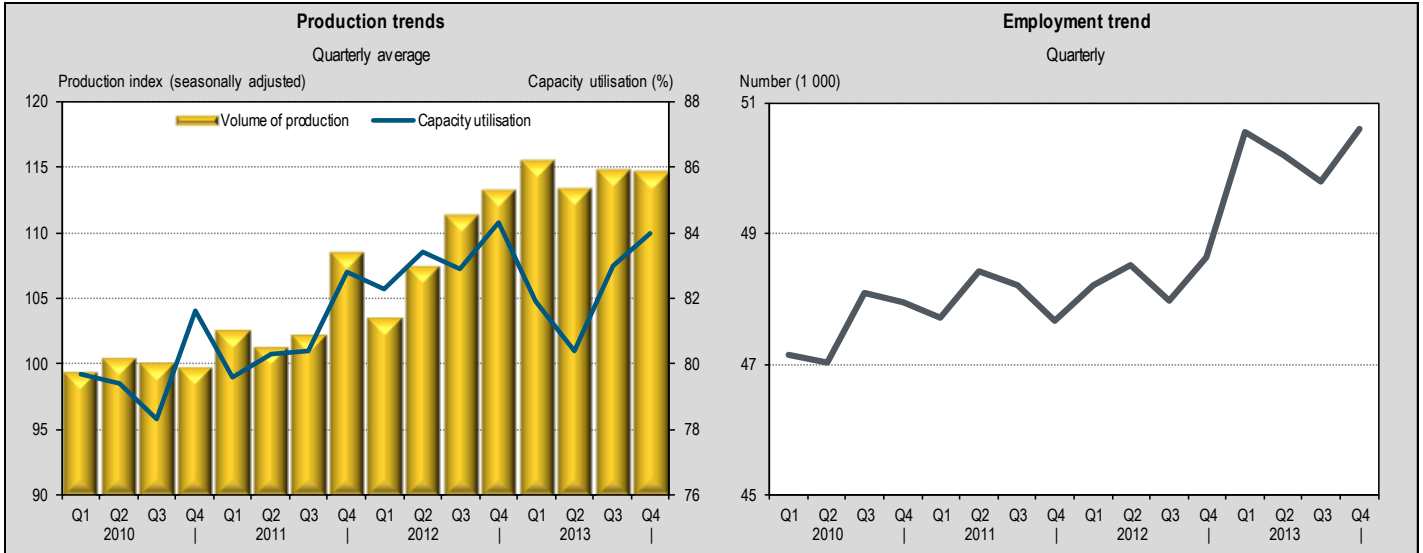
**Employment**

↑ 13.1%

**Exports (ZAR)**

↑ 16.7%

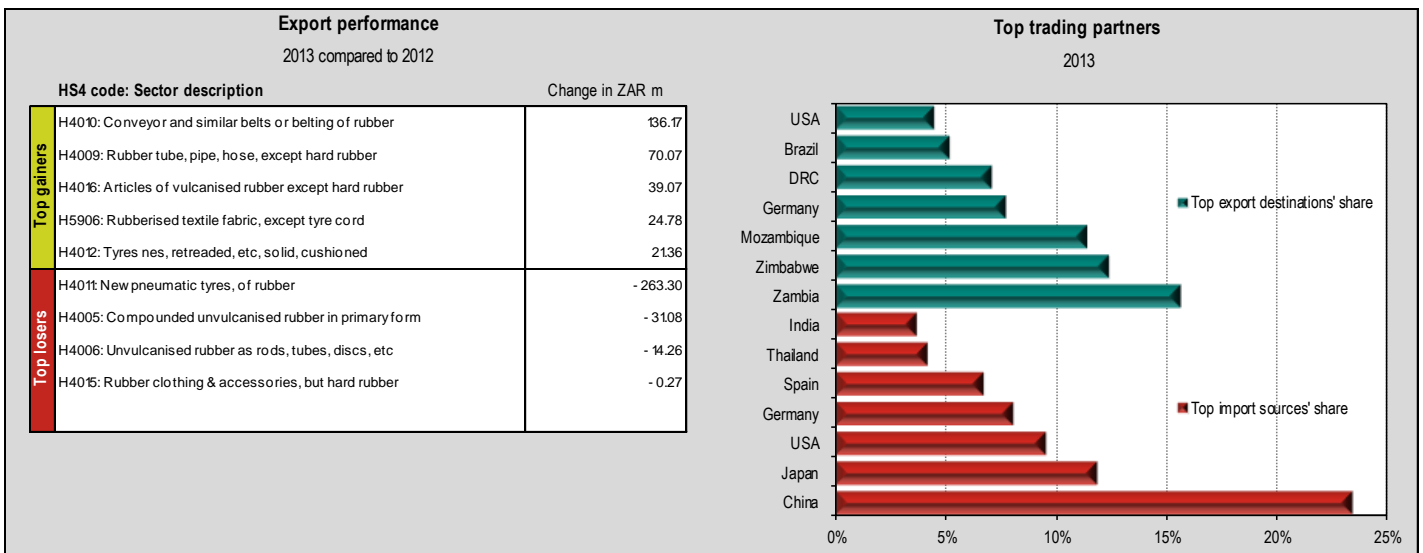
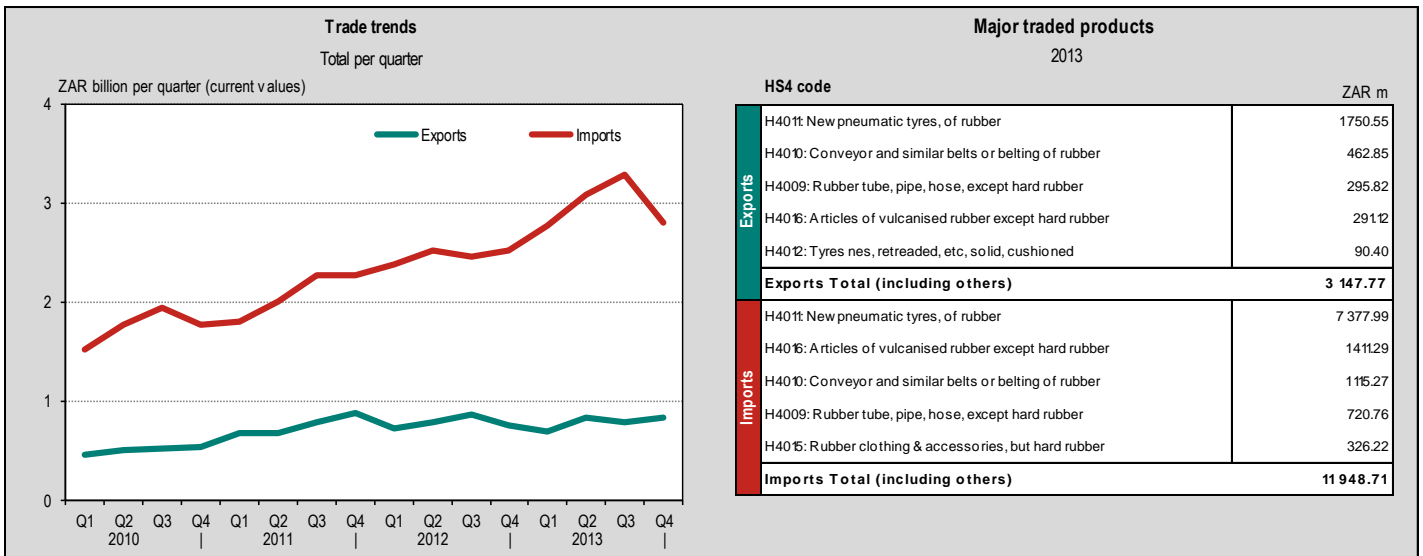
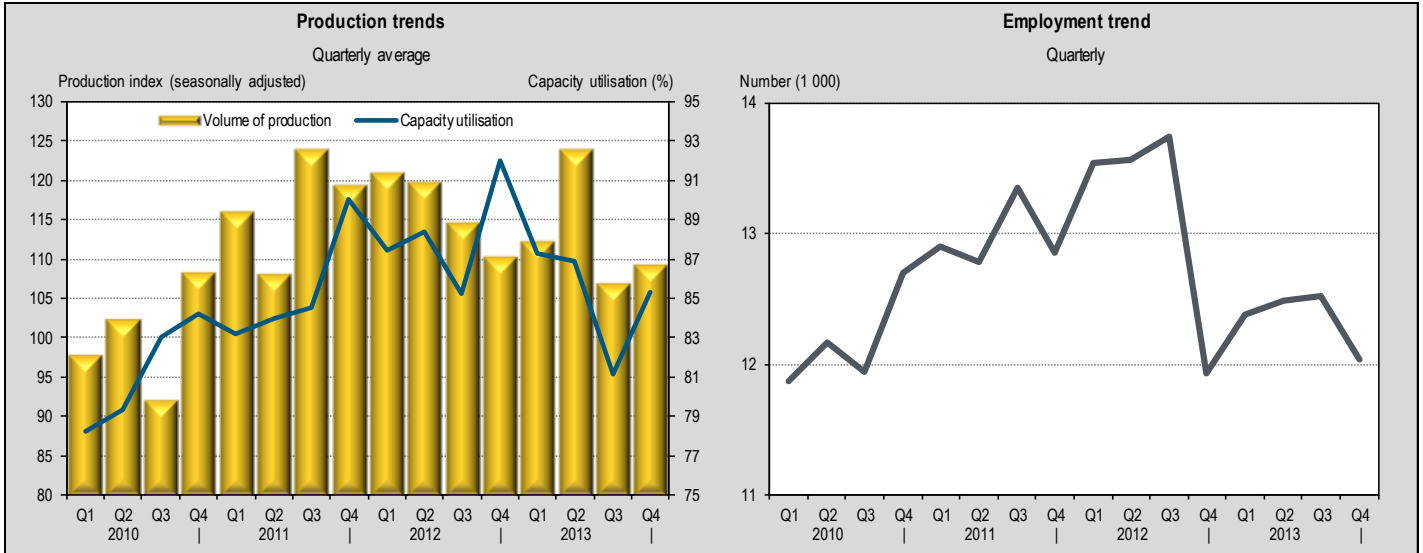
**Imports (ZAR)**





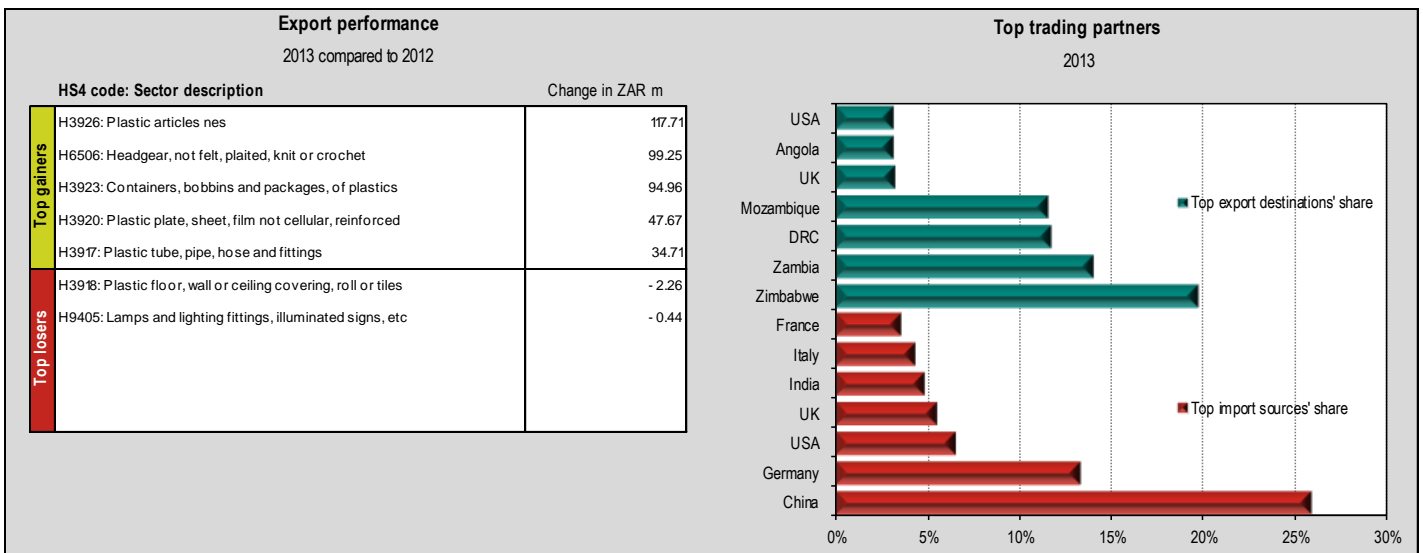
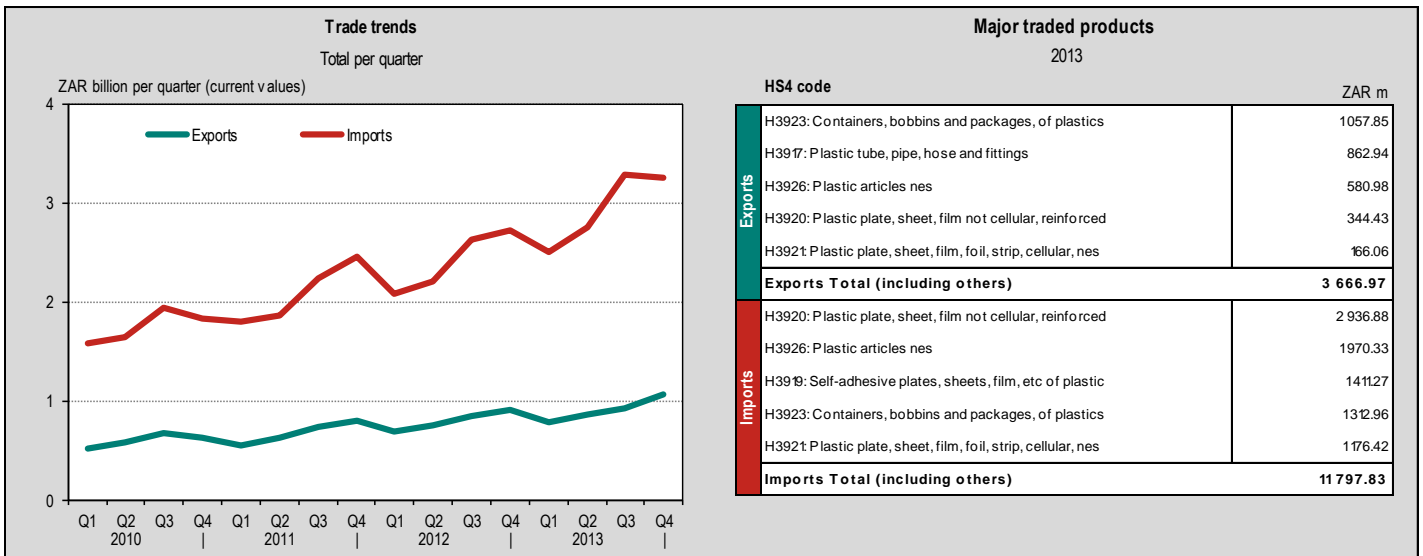
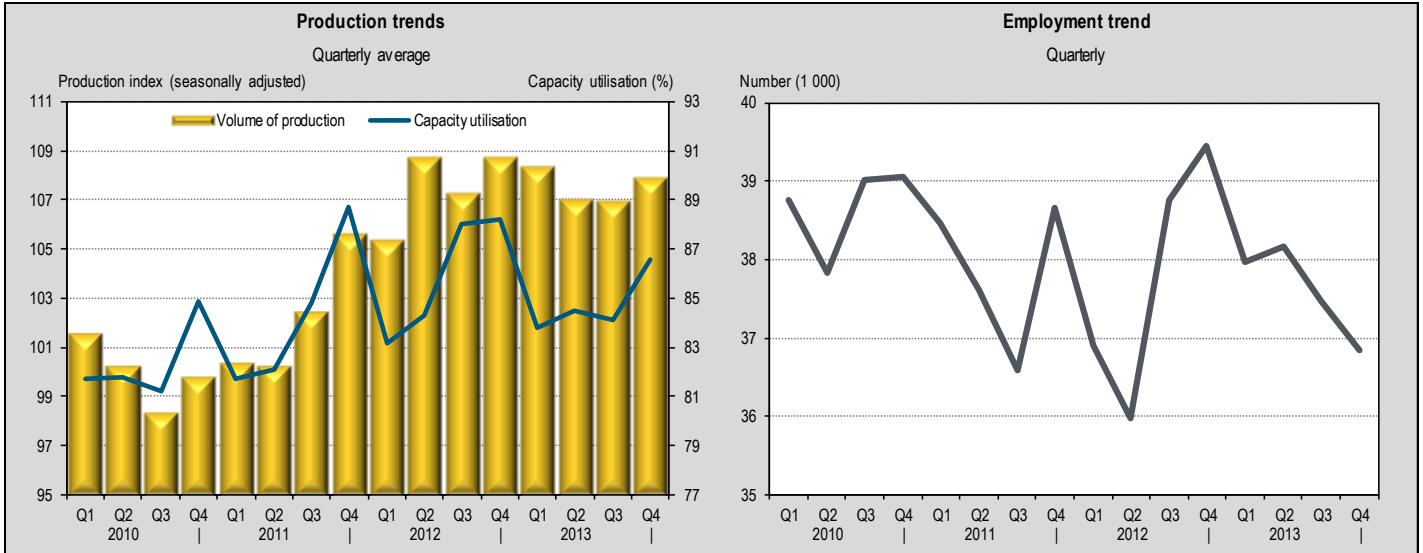
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↓ -2.9%	↓ -6.7 (percentage points)	↑ 0.9%	↑ 0.1%	↑ 20.9%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



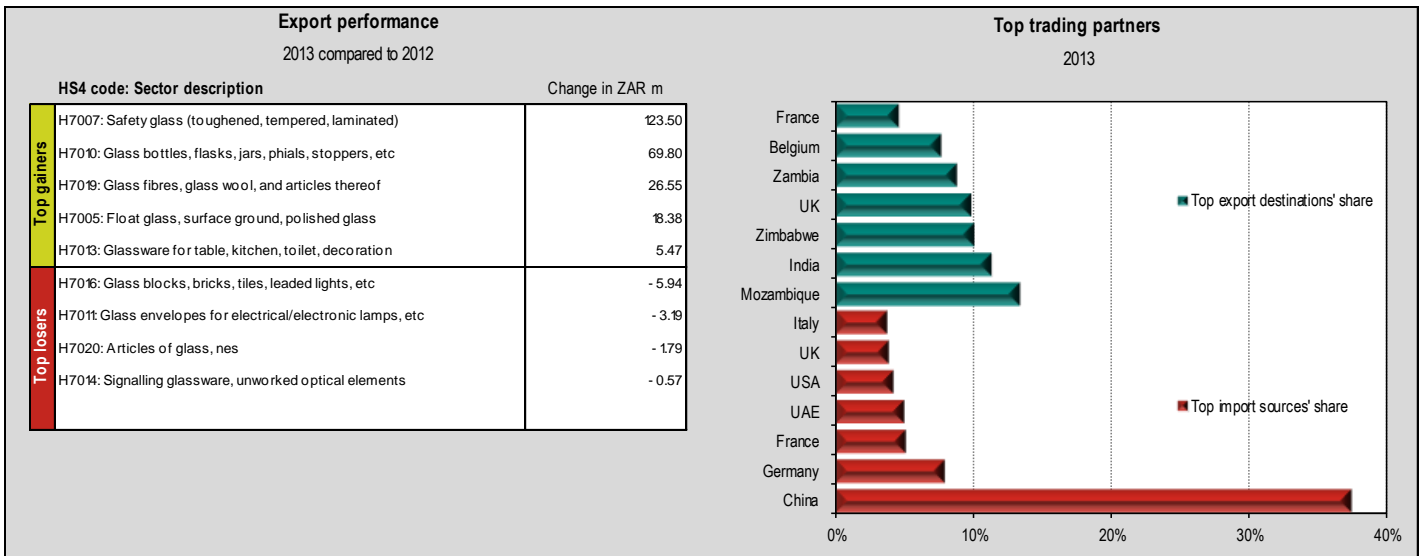
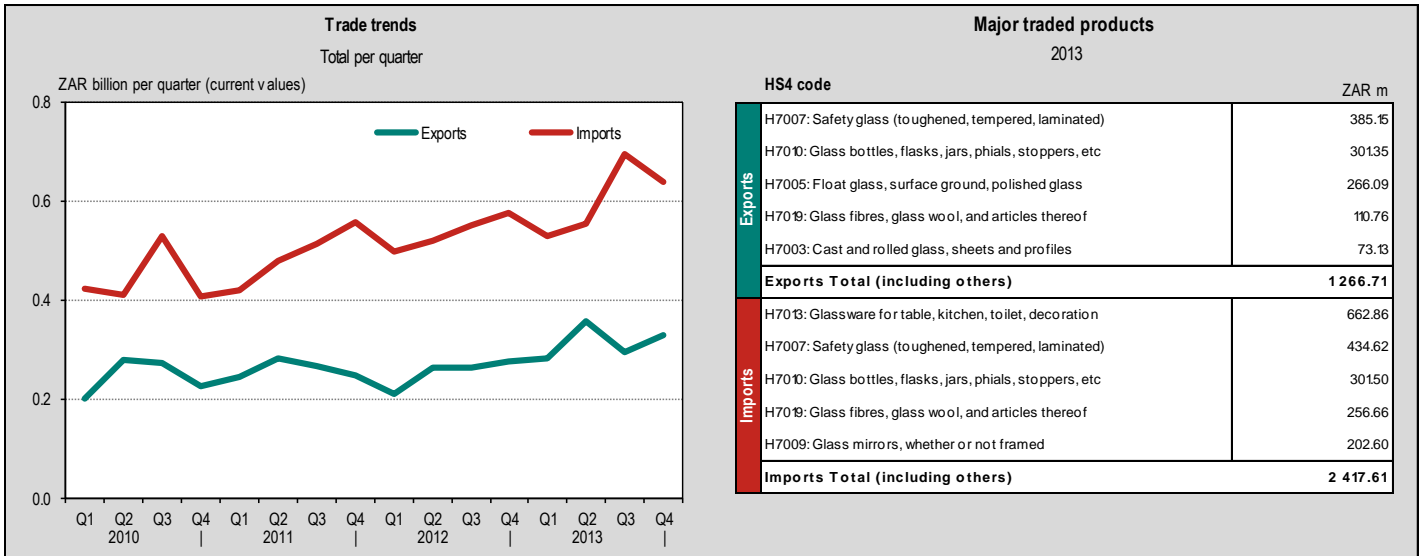
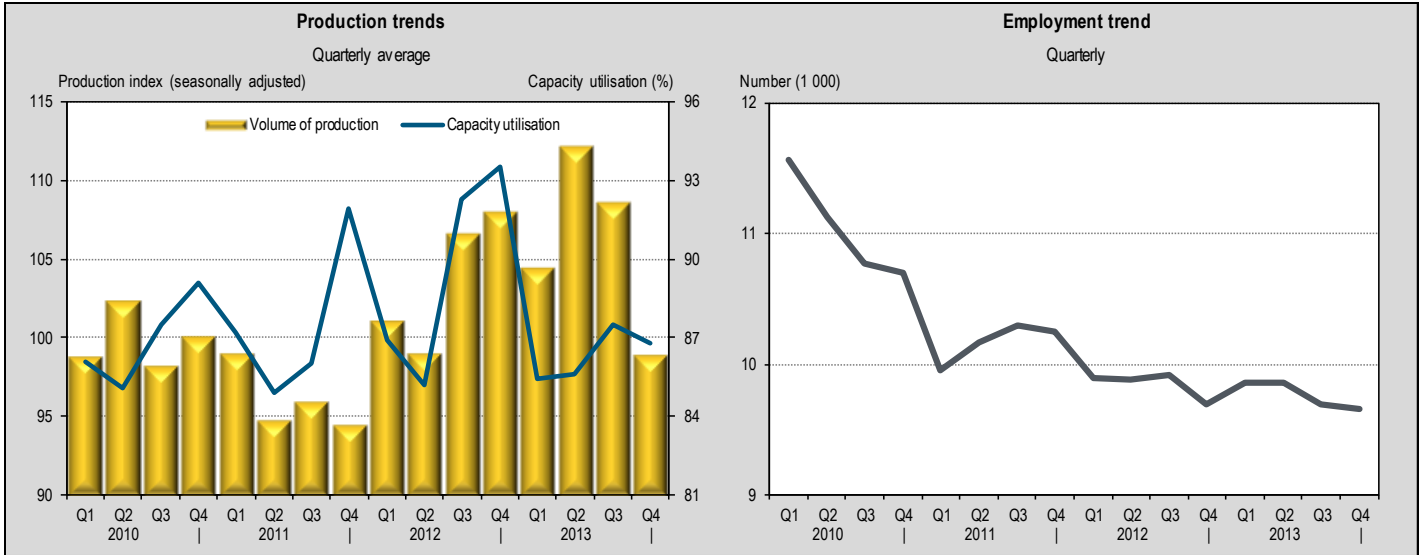
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↓ -0.2%	↓ -1.6 (percentage points)	↓ -6.6%	↑ 14.2%	↑ 22.2%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



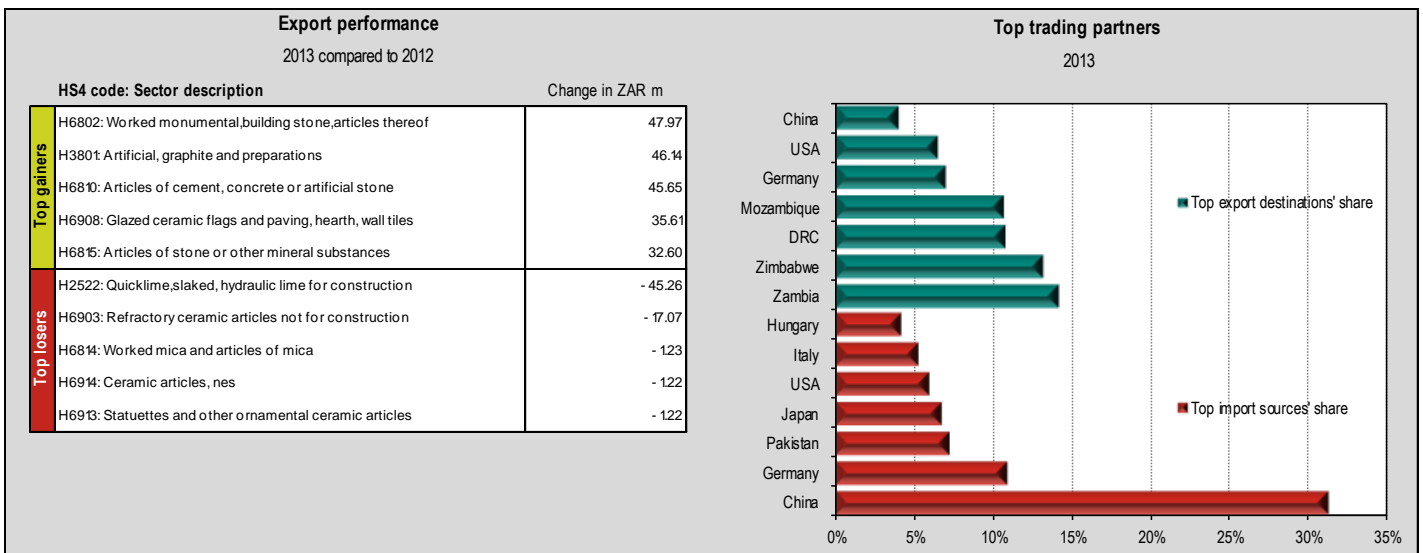
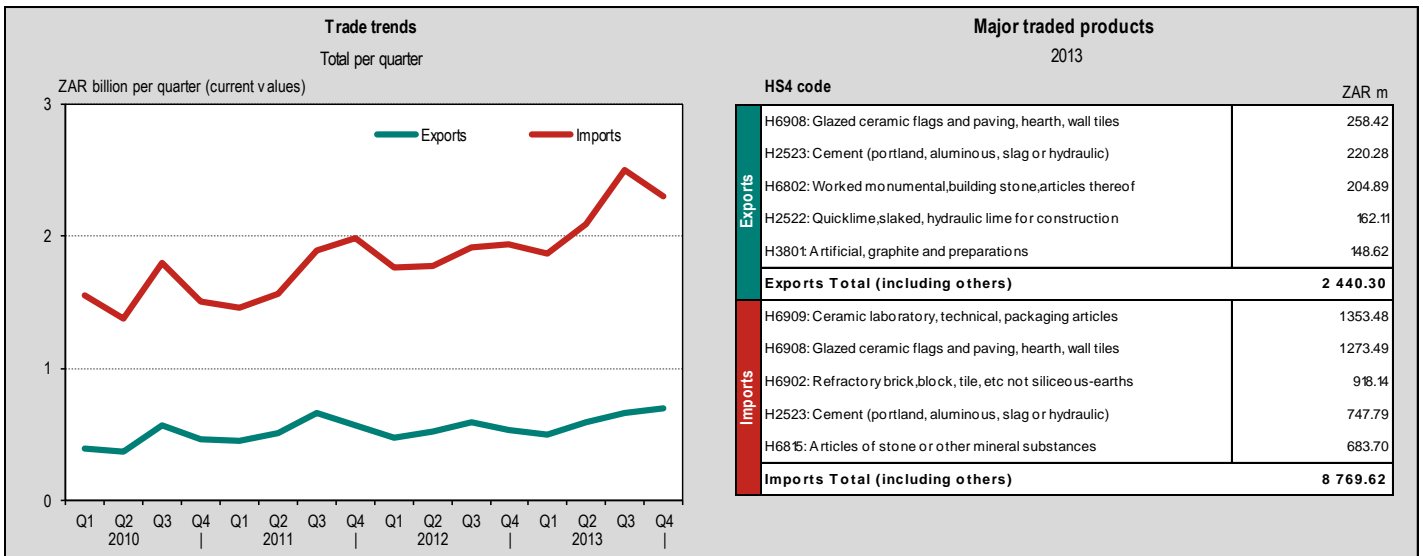
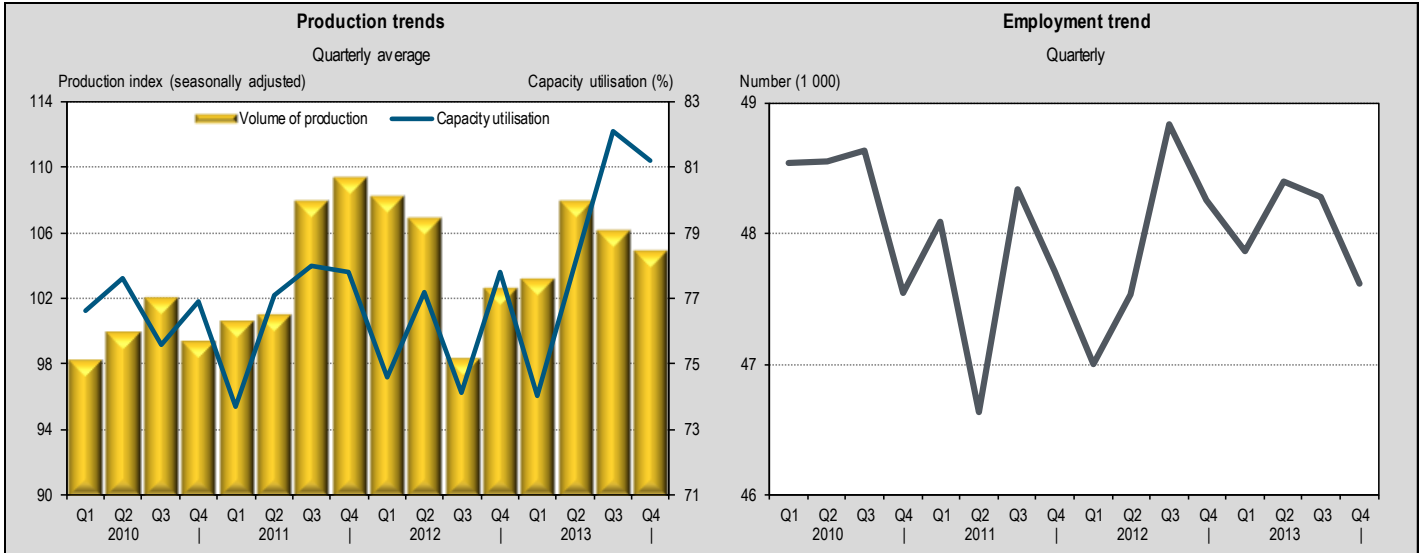
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↑ 1.6%	↓ -6.7 (percentage points)	↓ -0.3%	↑ 24.3%	↑ 12.6%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



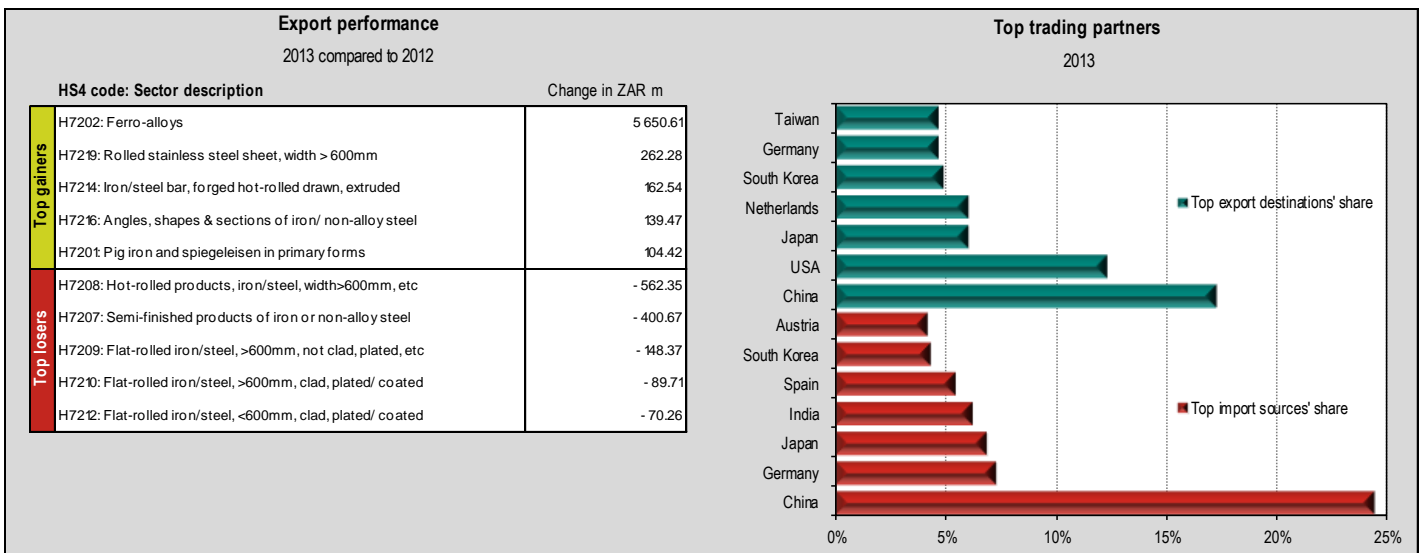
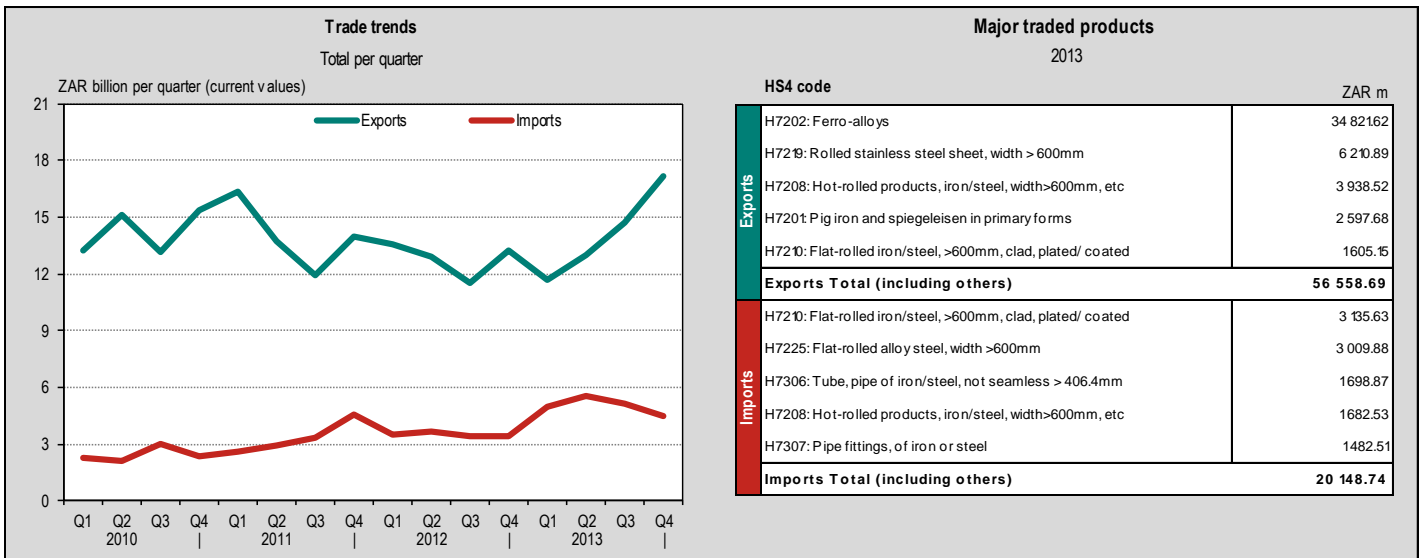
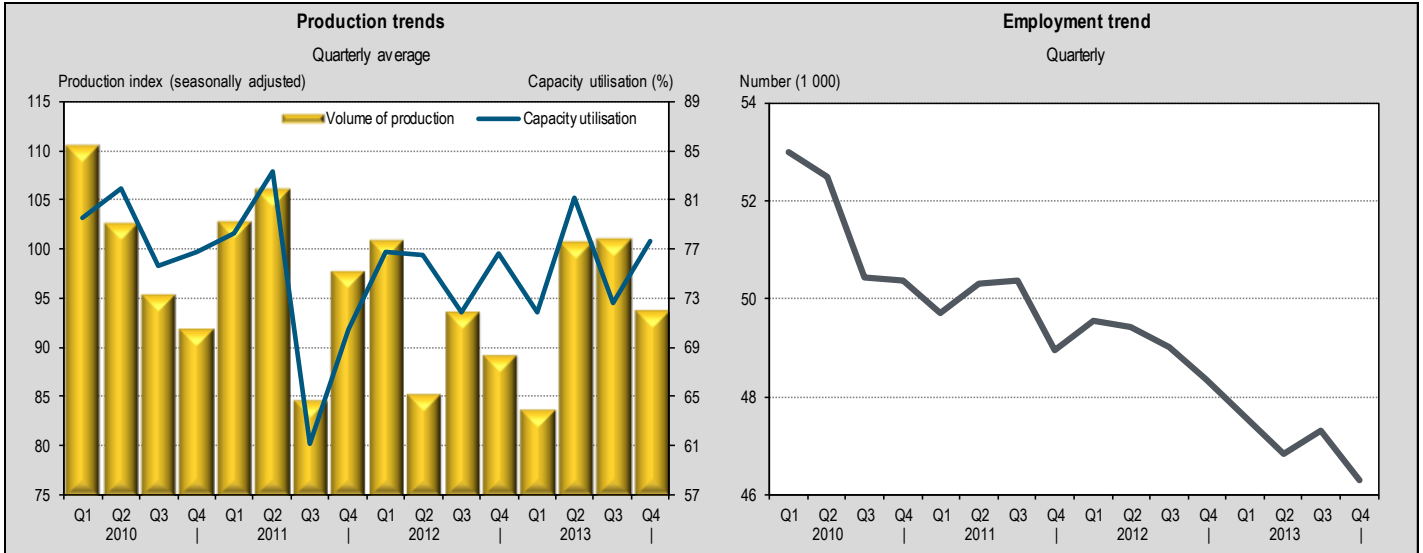
## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

<b>↑ 1.8%</b>	<b>↑ 3.4 (percentage points)</b>	<b>↓ -1.3%</b>	<b>↑ 15.4%</b>	<b>↑ 18.6%</b>
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



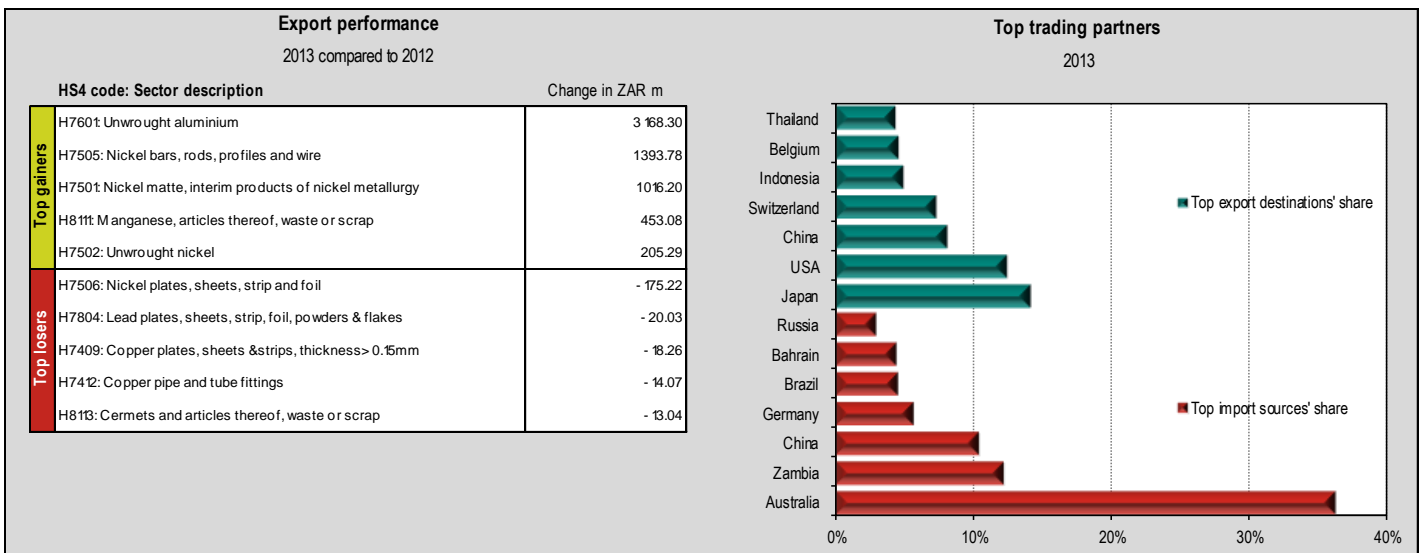
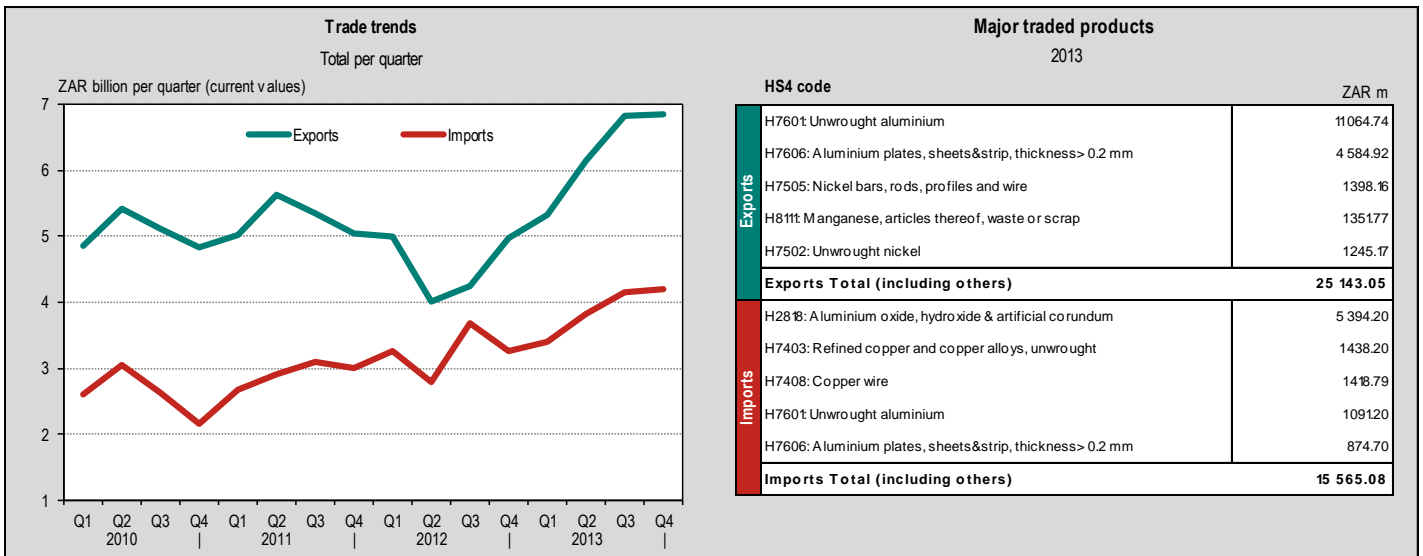
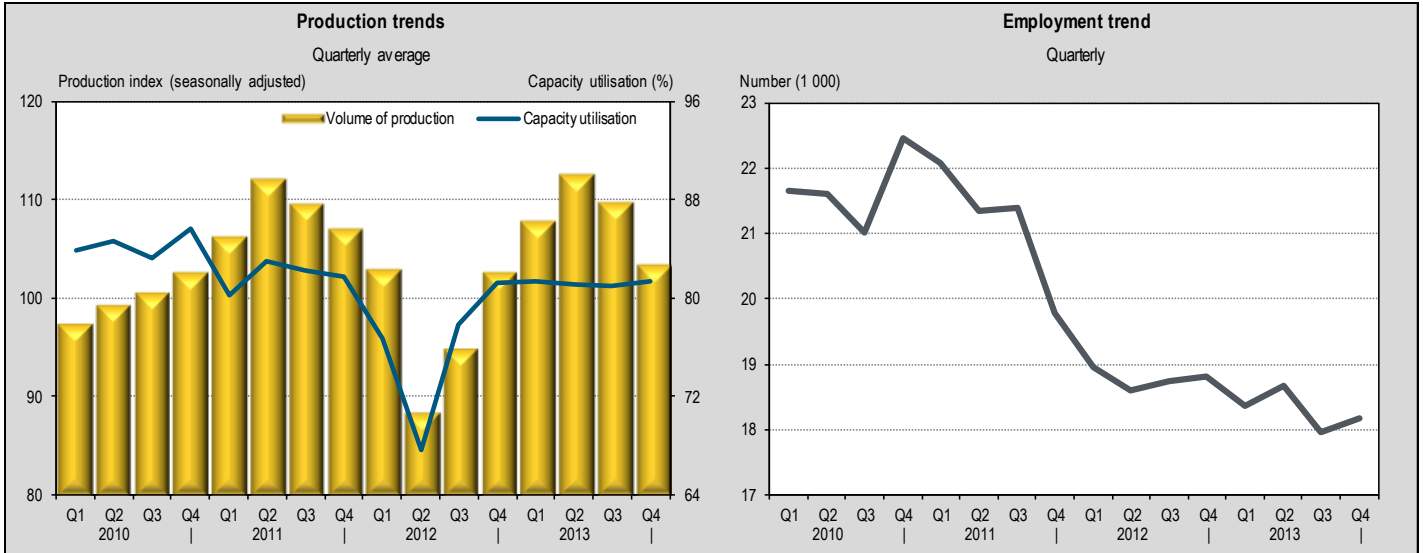
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

<b>↑ 3.0%</b>	<b>↑ 1.0</b> (percentage points)	<b>↓ -4.2%</b>	<b>↑ 10.4%</b>	<b>↑ 44.5%</b>
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



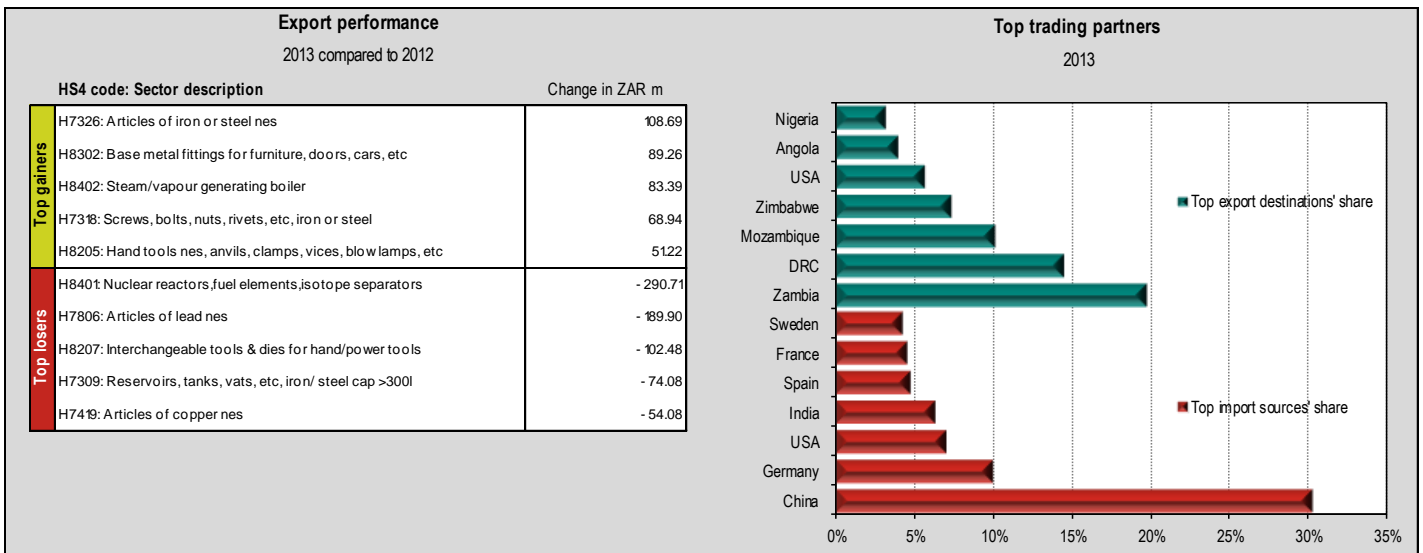
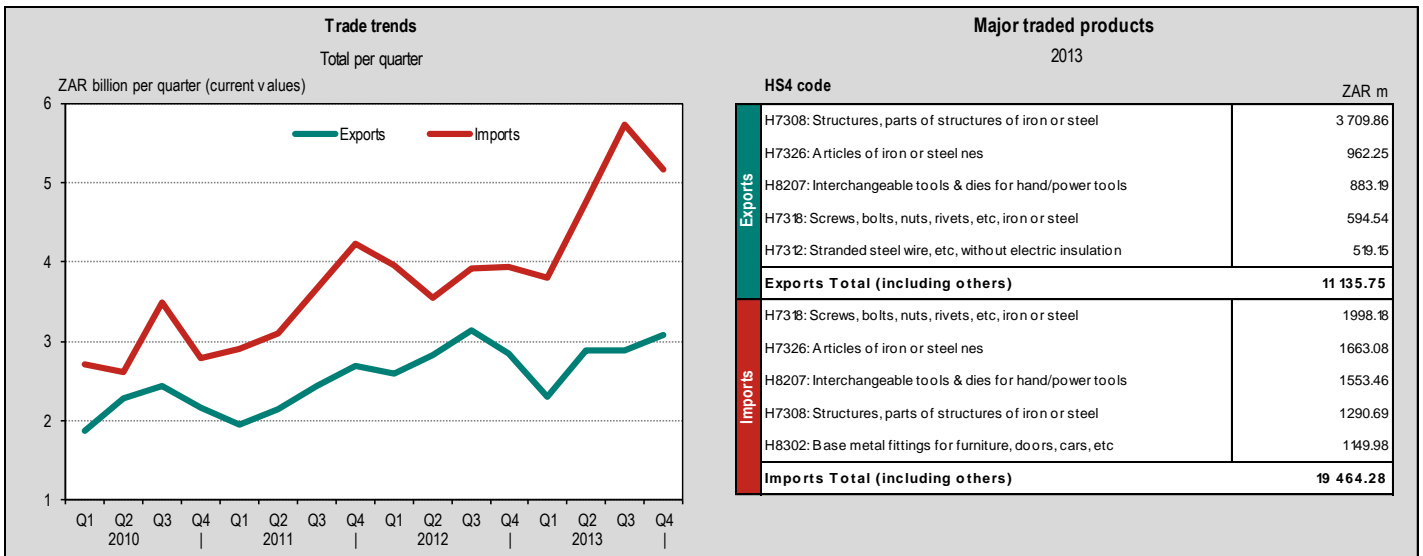
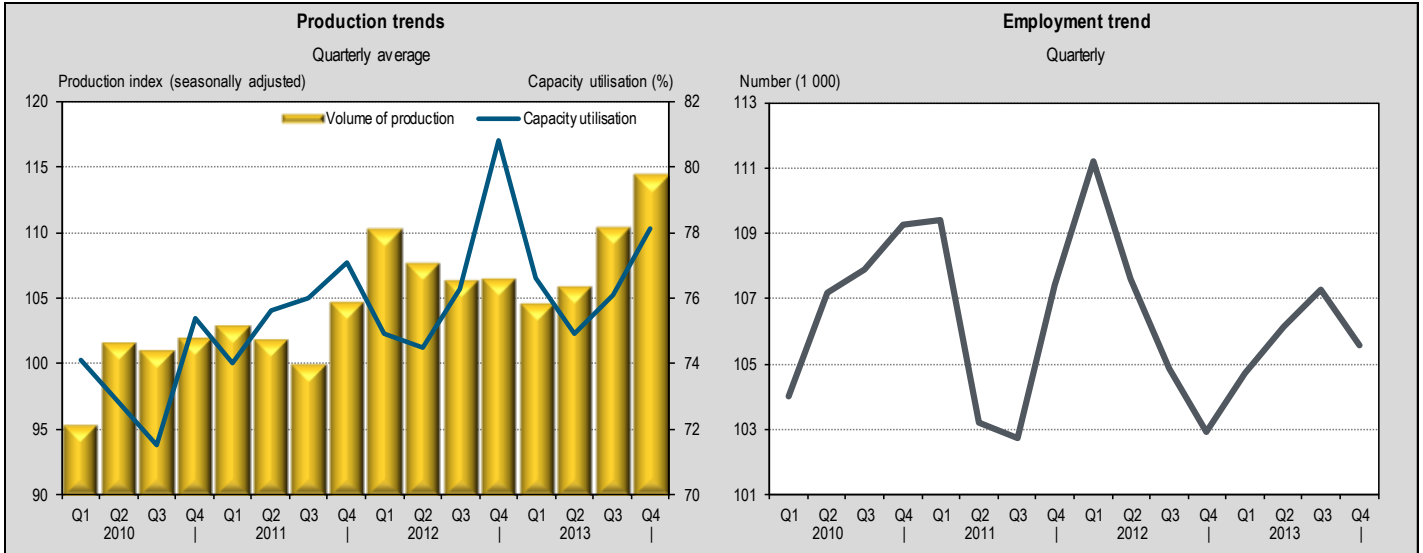
## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

<b>↑ 11.5%</b>	<b>↑ 0.1 (percentage points)</b>	<b>↓ -3.4%</b>	<b>↑ 37.9%</b>	<b>↑ 19.7%</b>
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



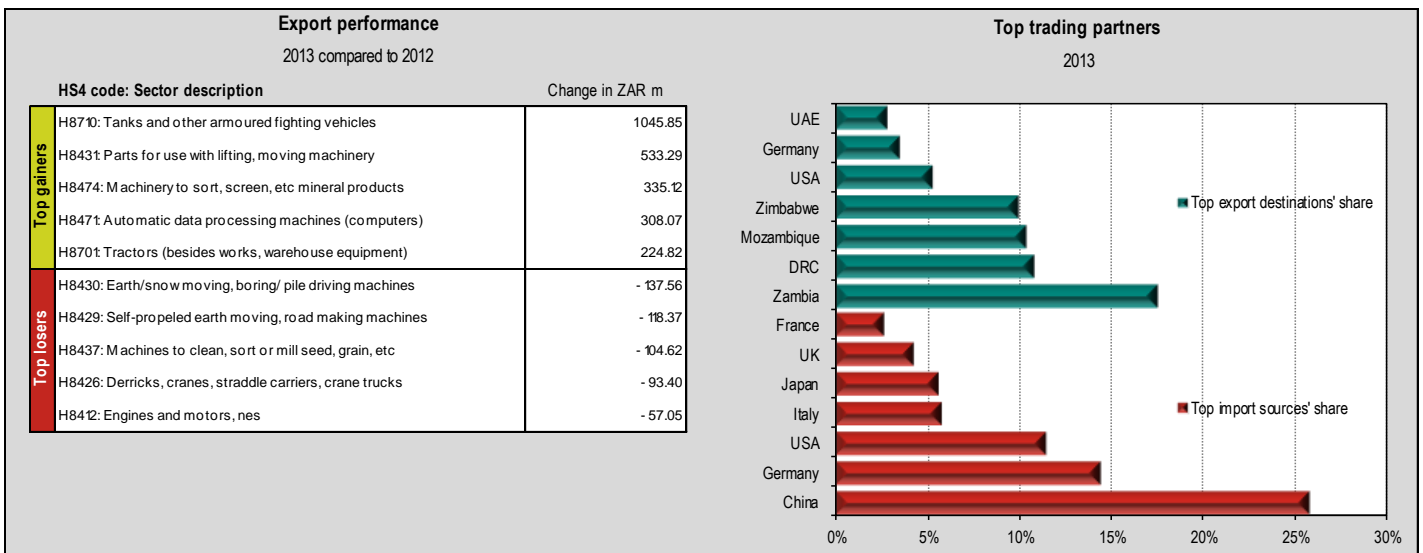
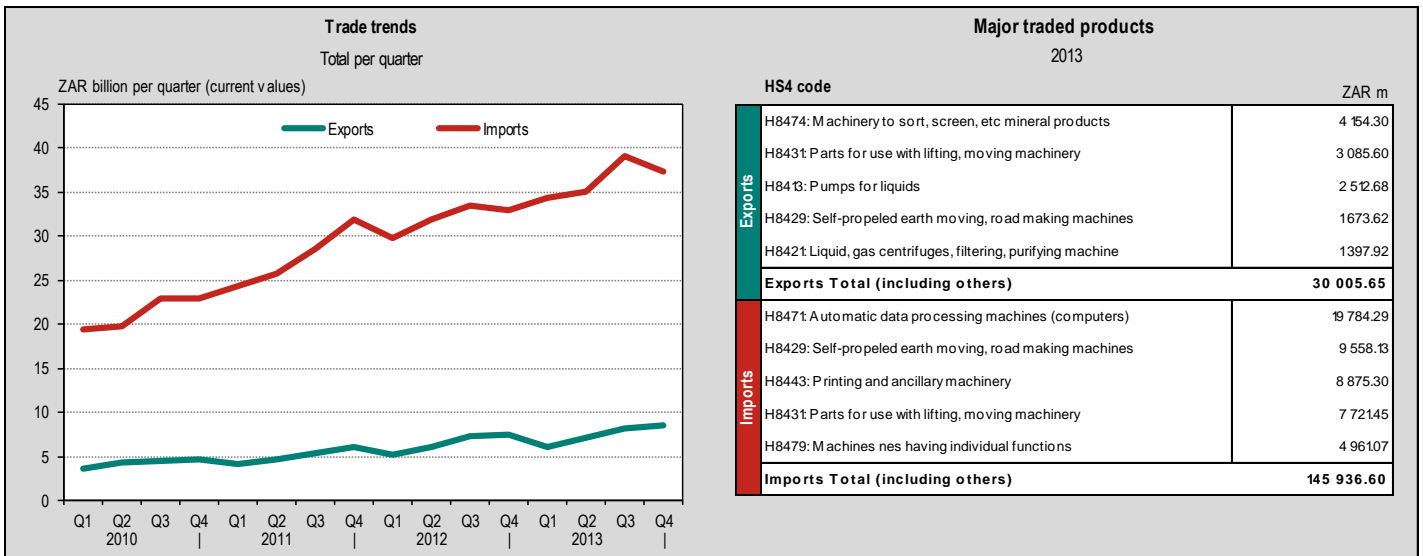
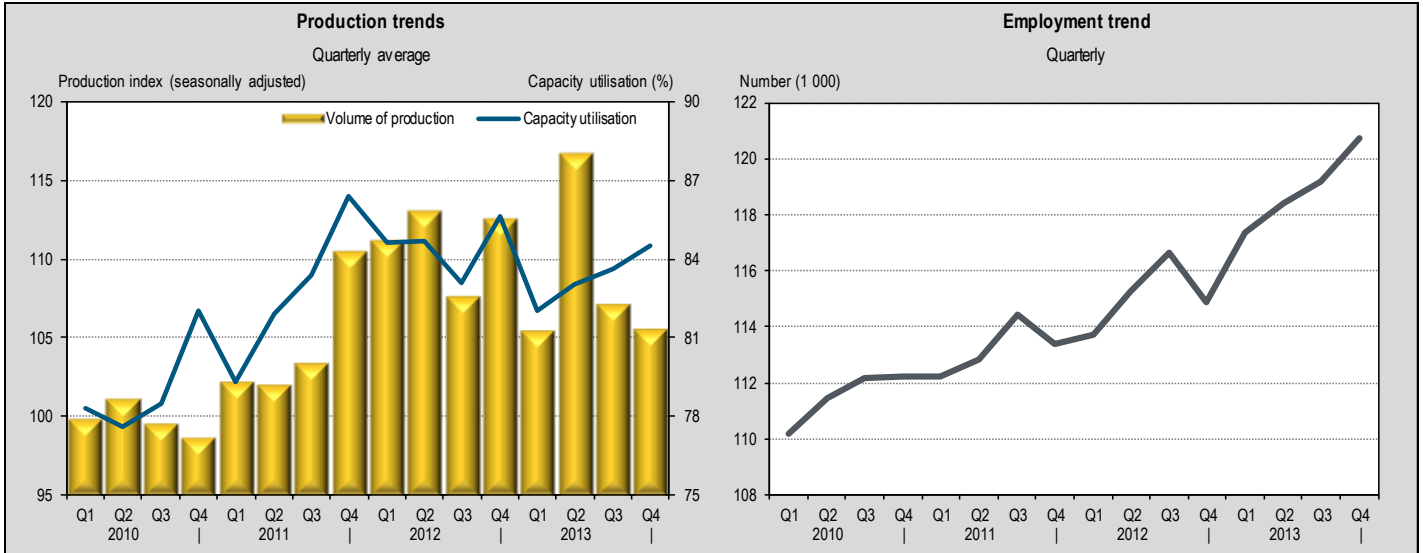
## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

<span style="color: green;">↑</span> 0.8%	<span style="color: red;">↓</span> -2.7 (percentage points)	<span style="color: green;">↑</span> 2.6%	<span style="color: red;">↓</span> -2.4%	<span style="color: green;">↑</span> 26.7%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

↓ -2.3%	↓ -1.1 (percentage points)	↑ 5.1%	↑ 14.5%	↑ 13.9%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>





## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

↑ 3.2%

**Production**

↑ 1.5 (percentage points)

**Capacity utilisation**

↑ 1.2%

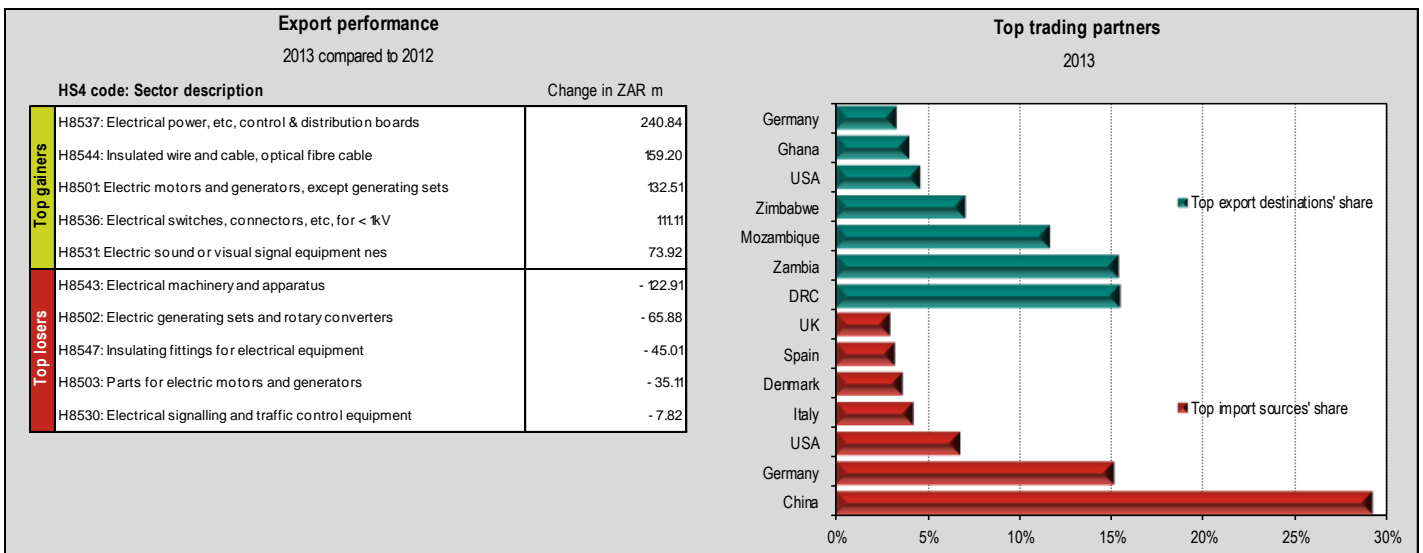
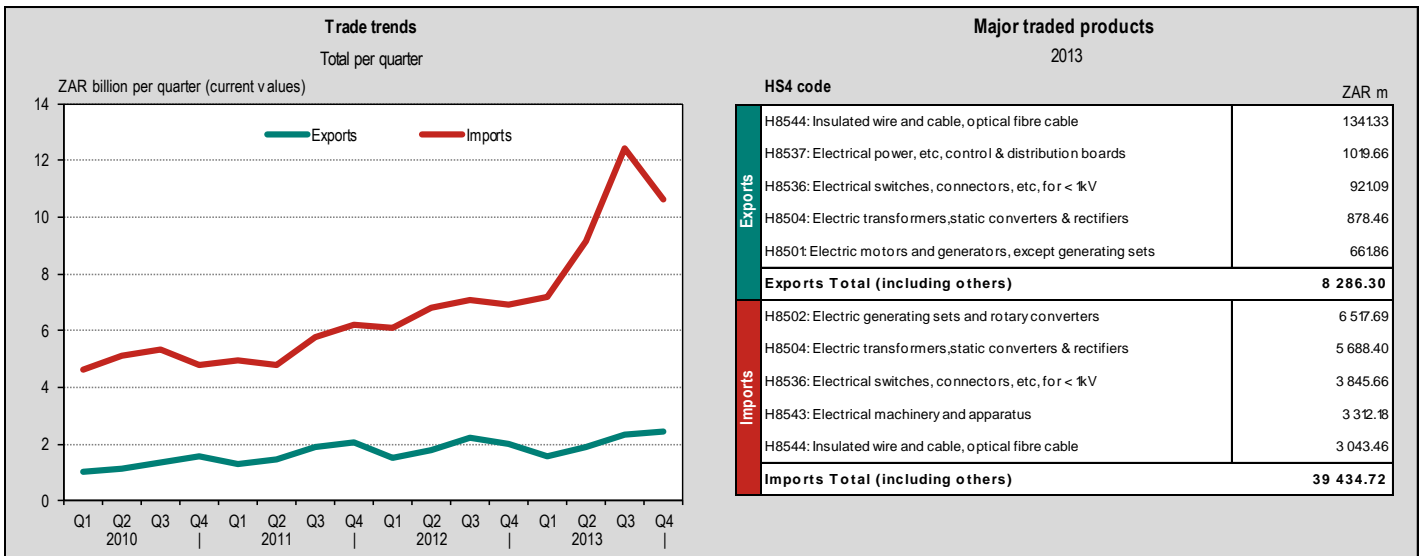
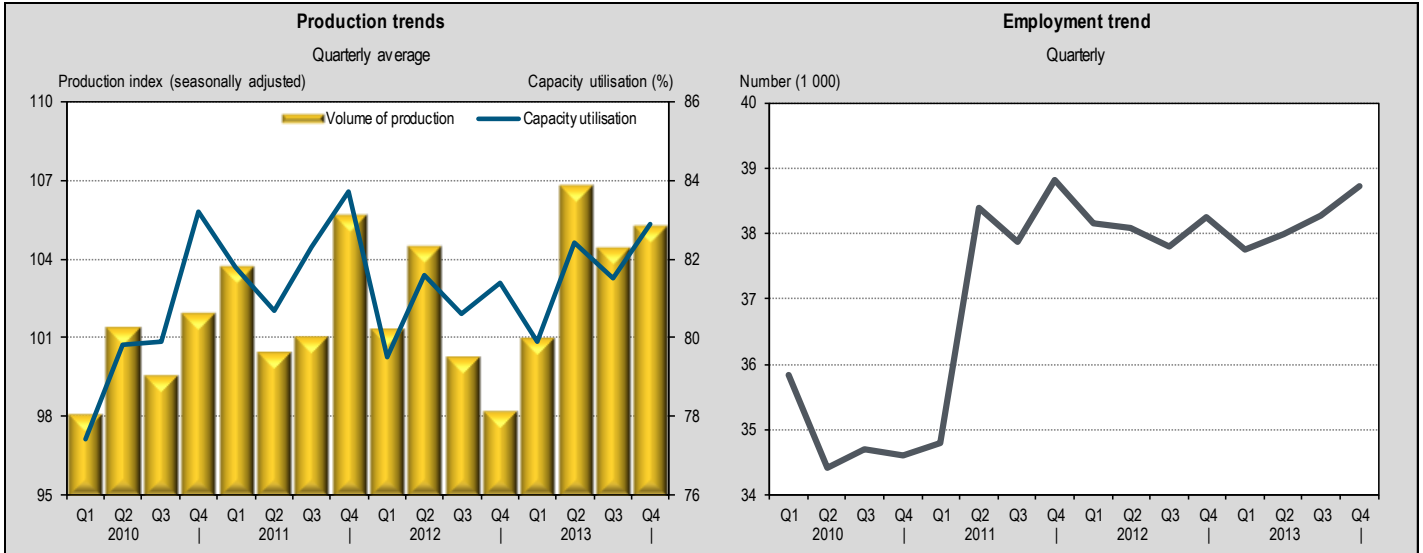
**Employment**

↑ 10.0%

**Exports (ZAR)**

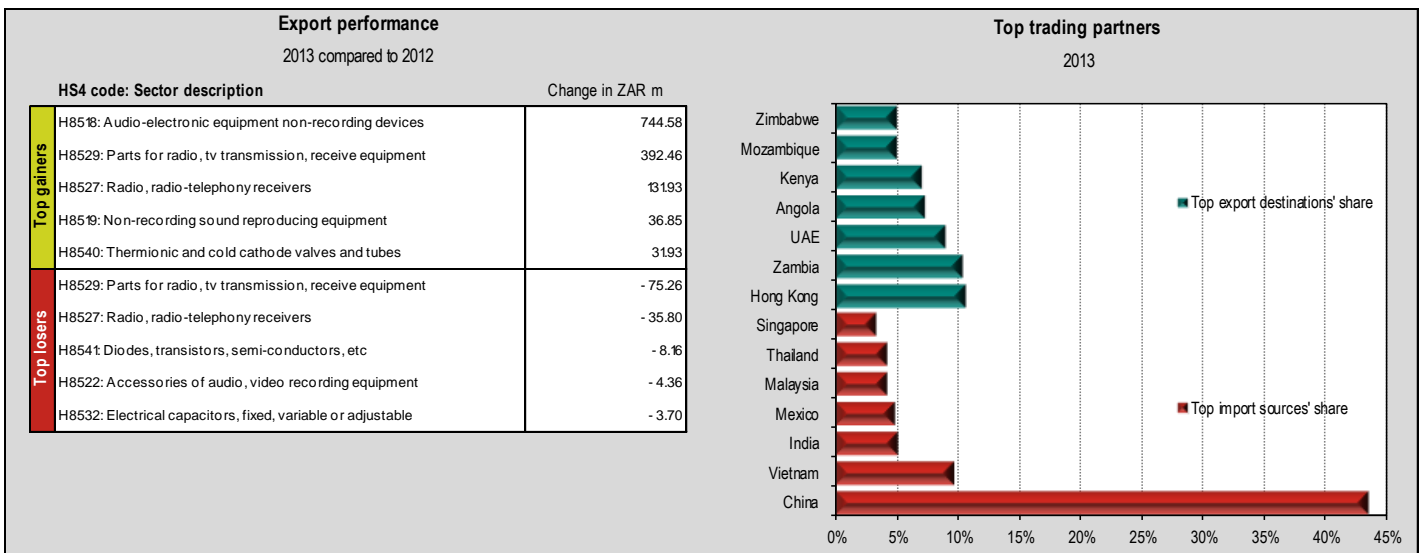
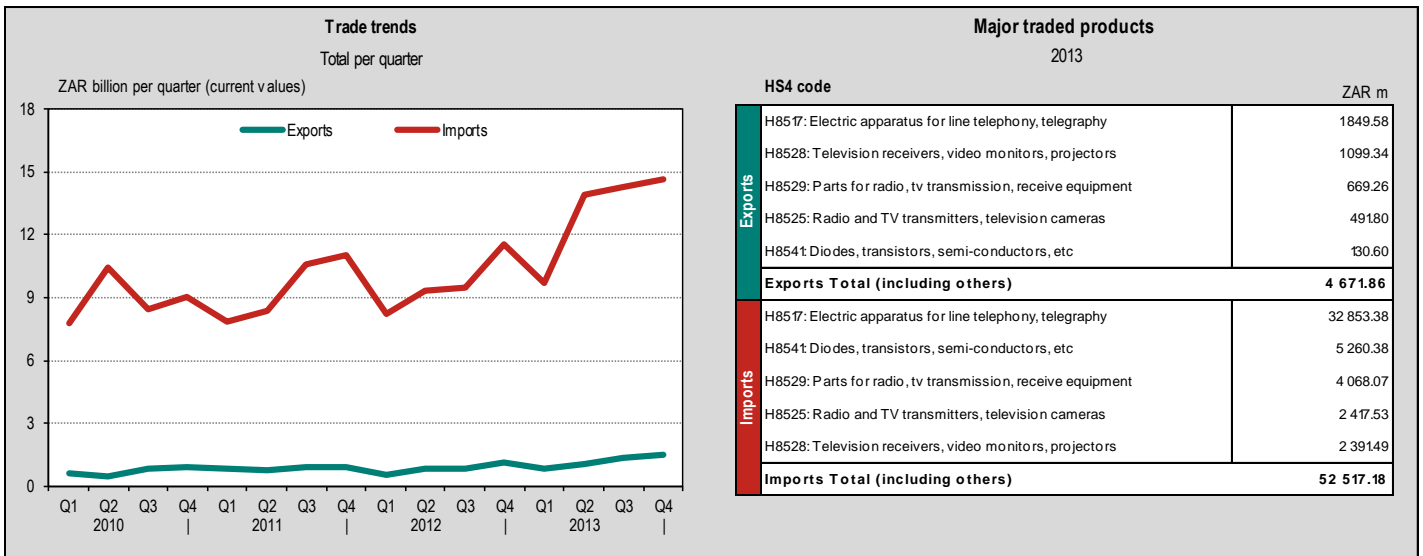
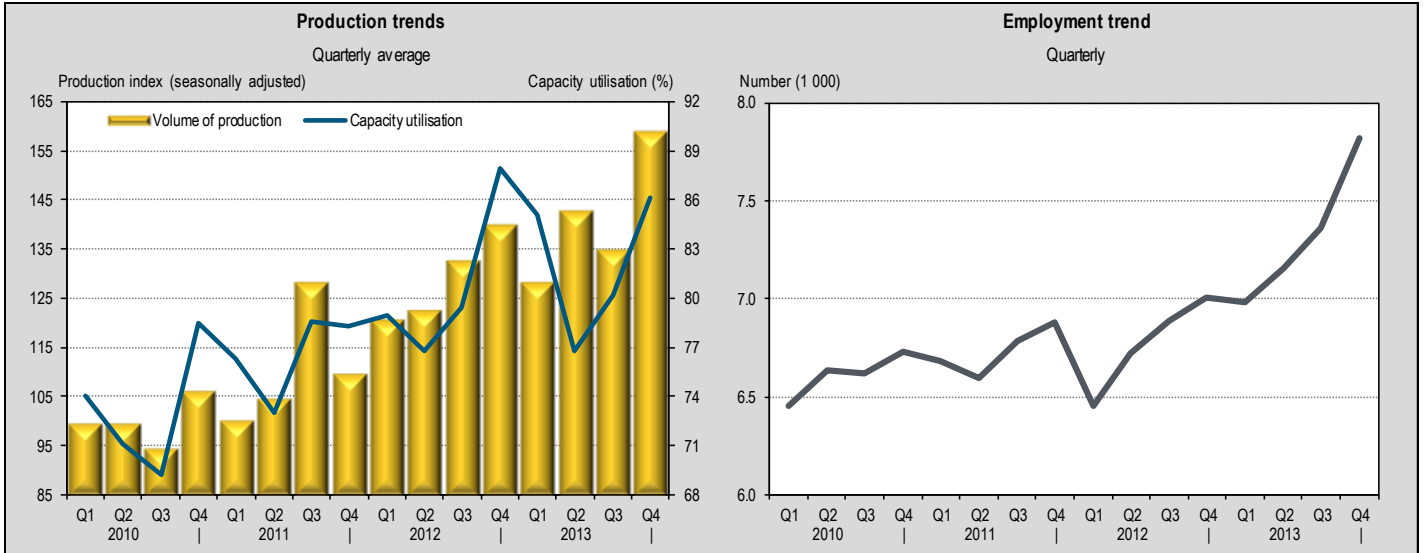
↑ 46.6%

**Imports (ZAR)**



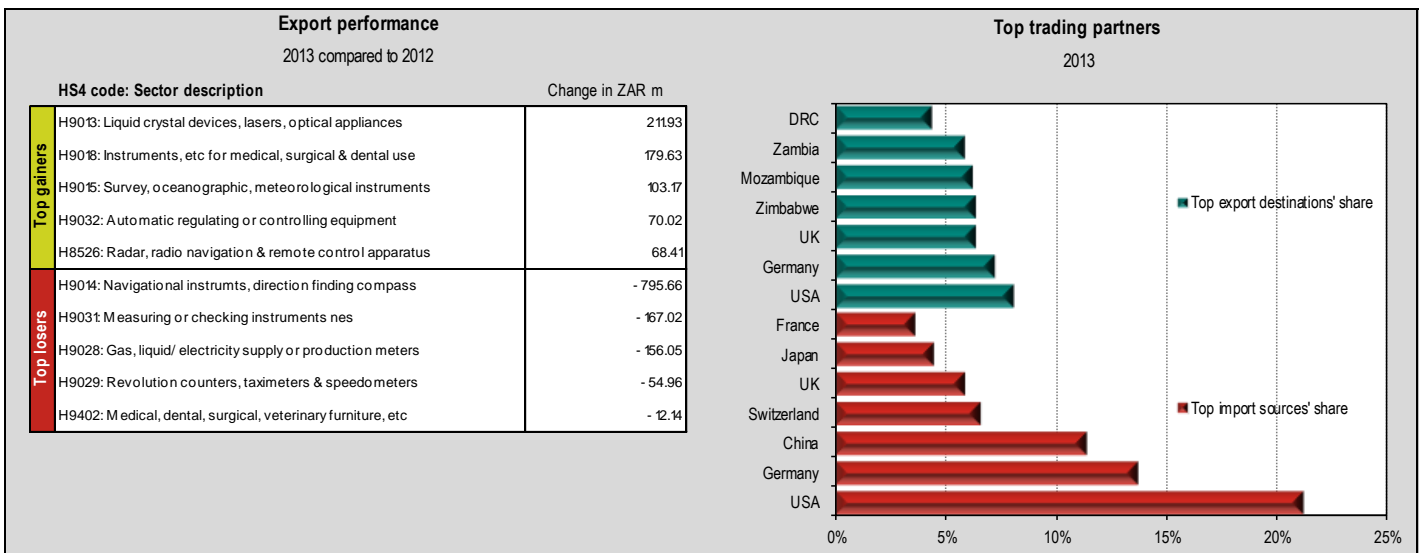
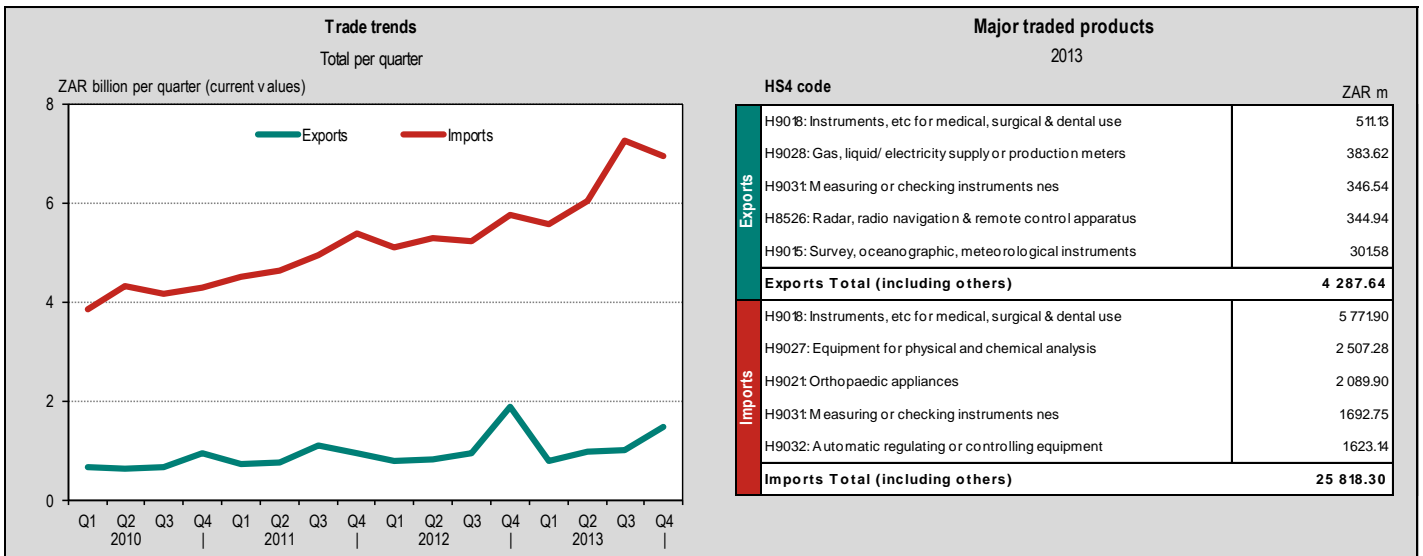
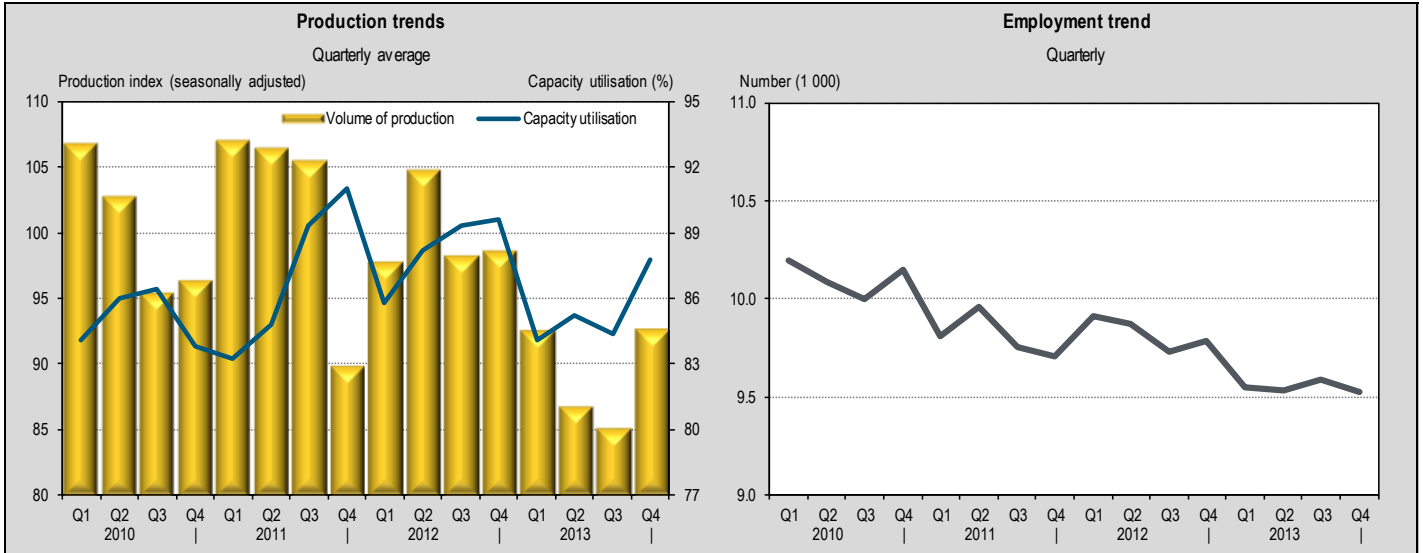
## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

<b>↑ 8.5%</b>	<b>↓ -1.8 (percentage points)</b>	<b>↑ 11.6%</b>	<b>↑ 37.2%</b>	<b>↑ 36.1%</b>
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



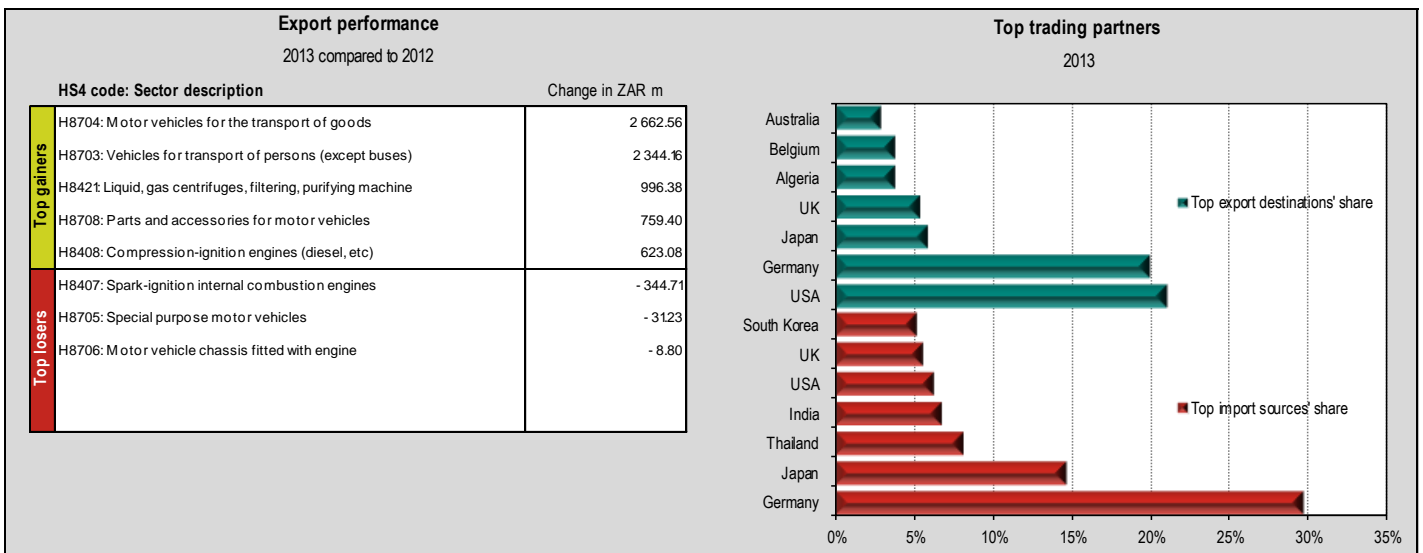
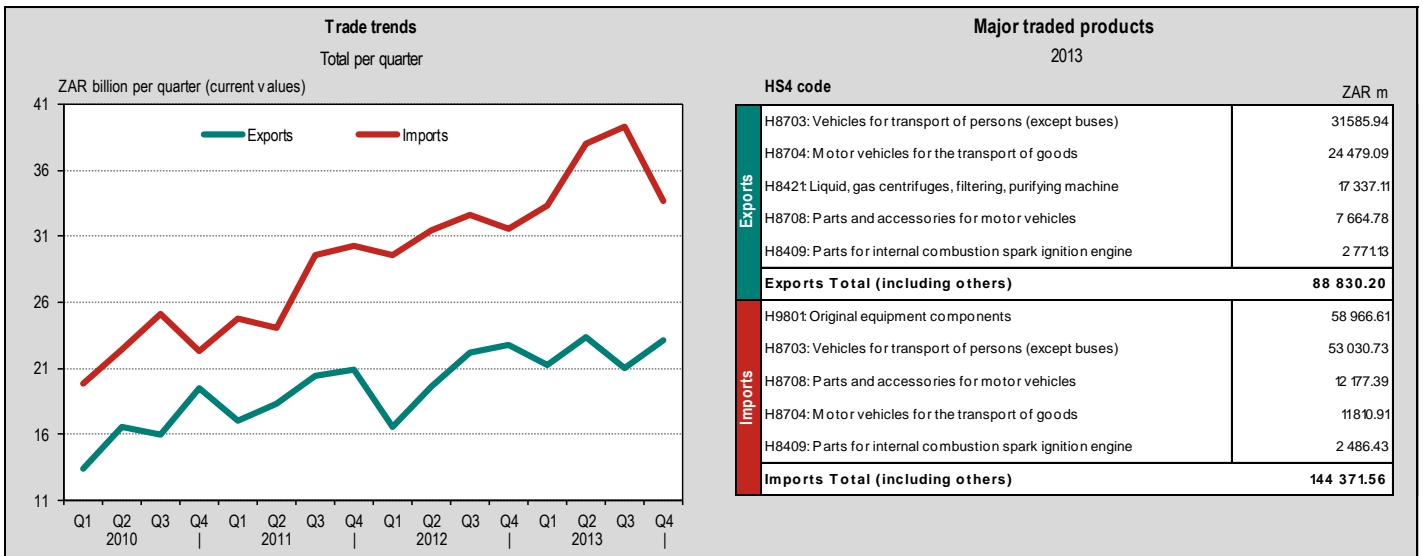
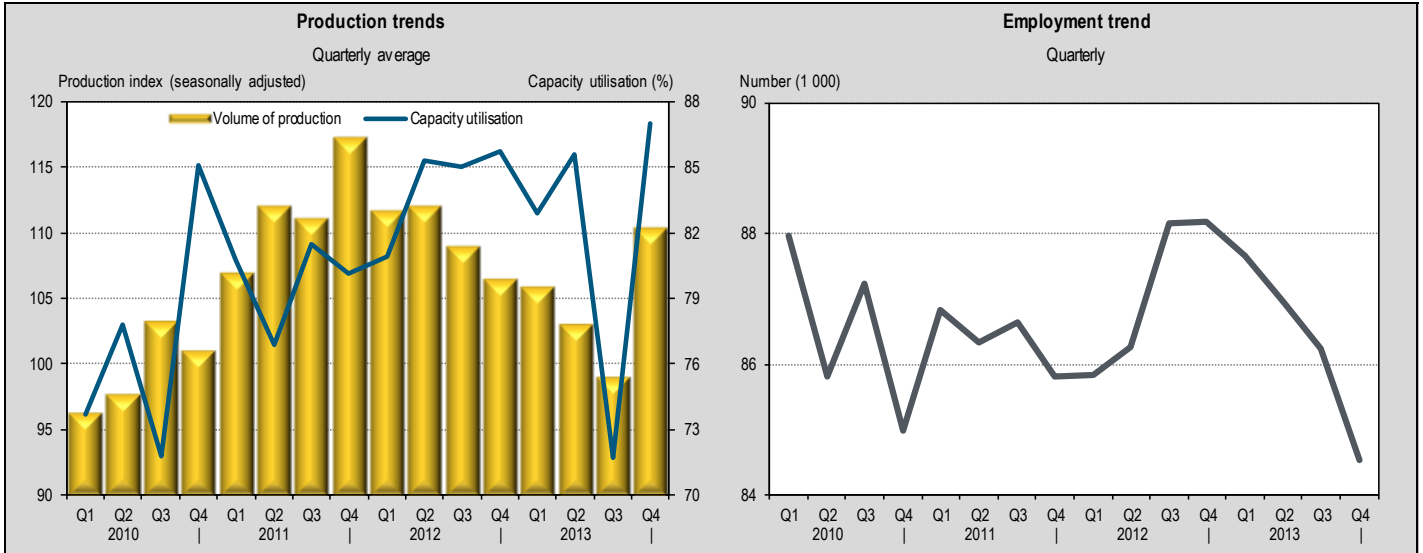
## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

↓ -4.8%	↓ -1.8 (percentage points)	↓ -2.7%	↓ -4.4%	↑ 20.7%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



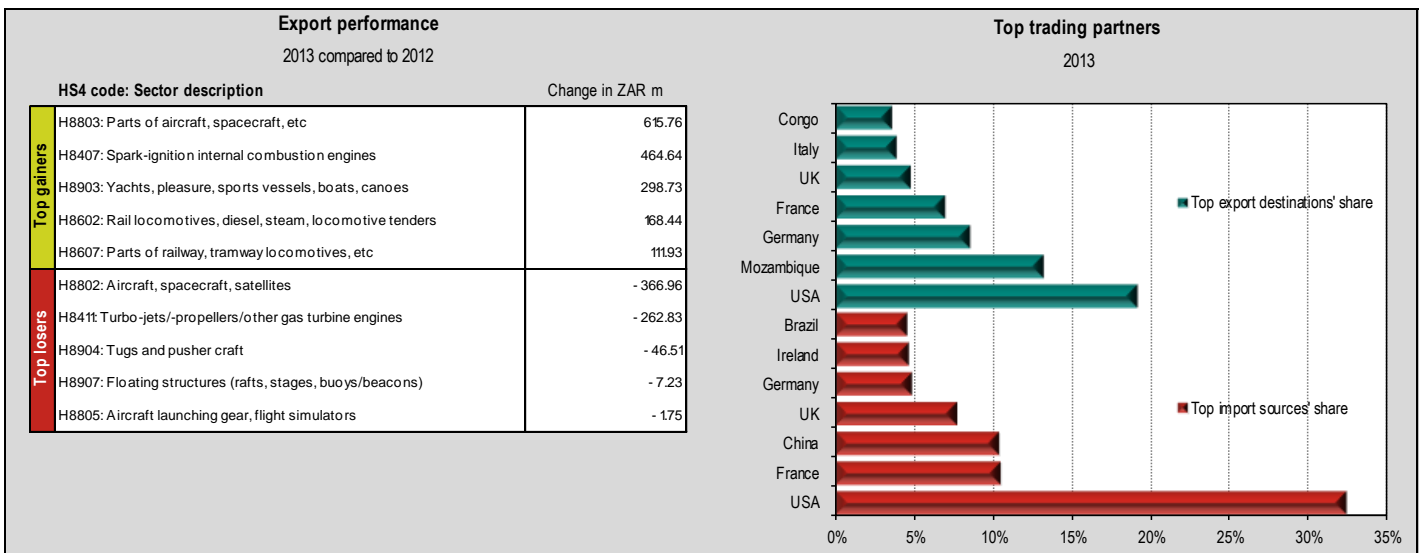
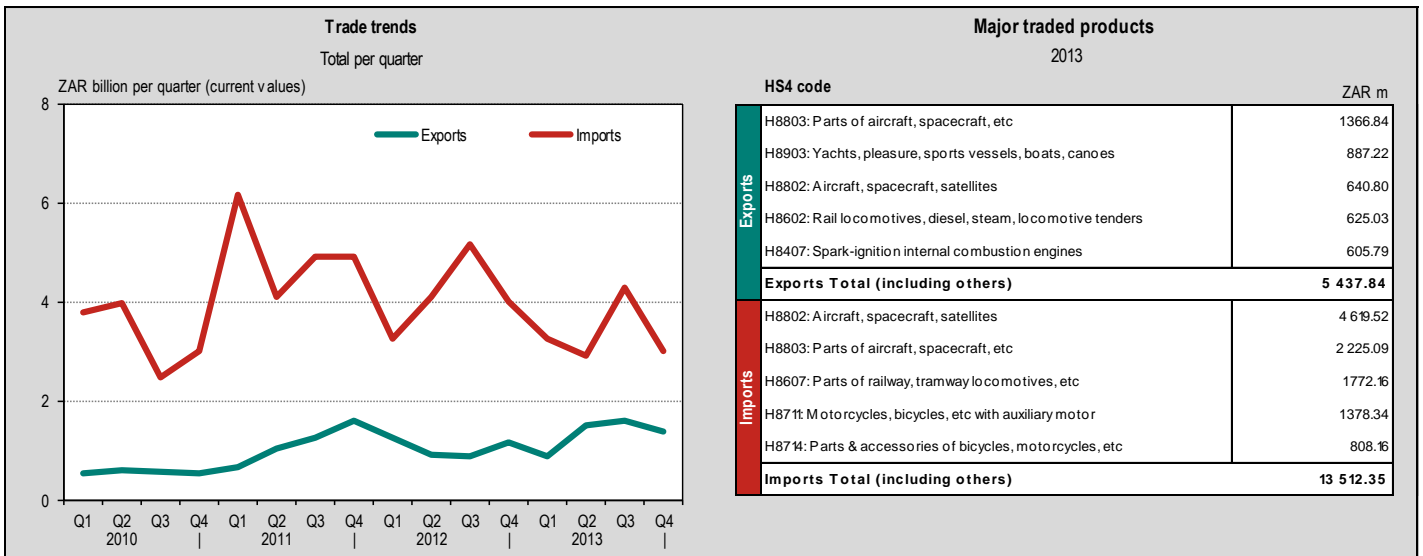
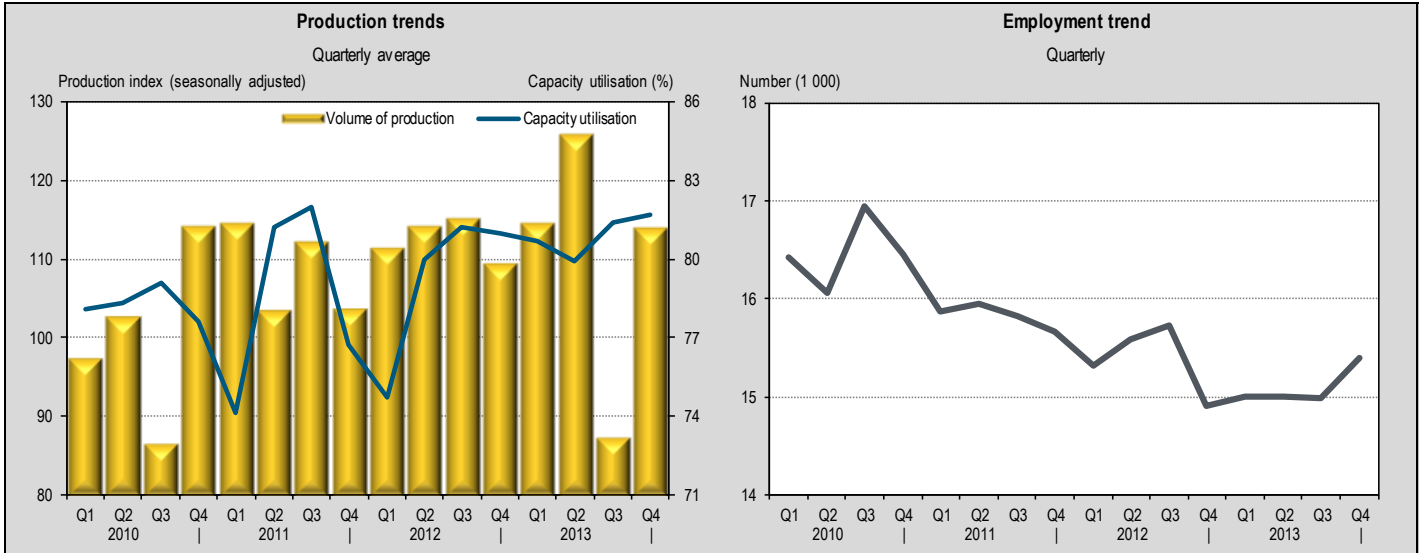
## Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)

↓ -2.1%	↑ 1.3 (percentage points)	↓ -4.1%	↑ 9.4%	↑ 15.4%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



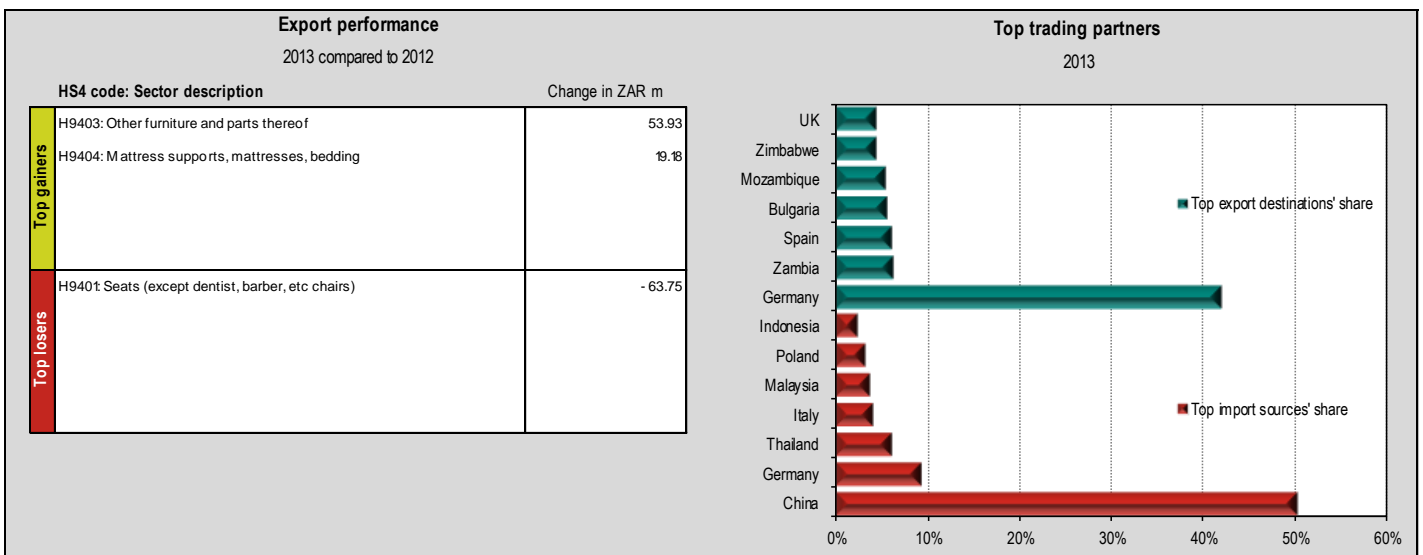
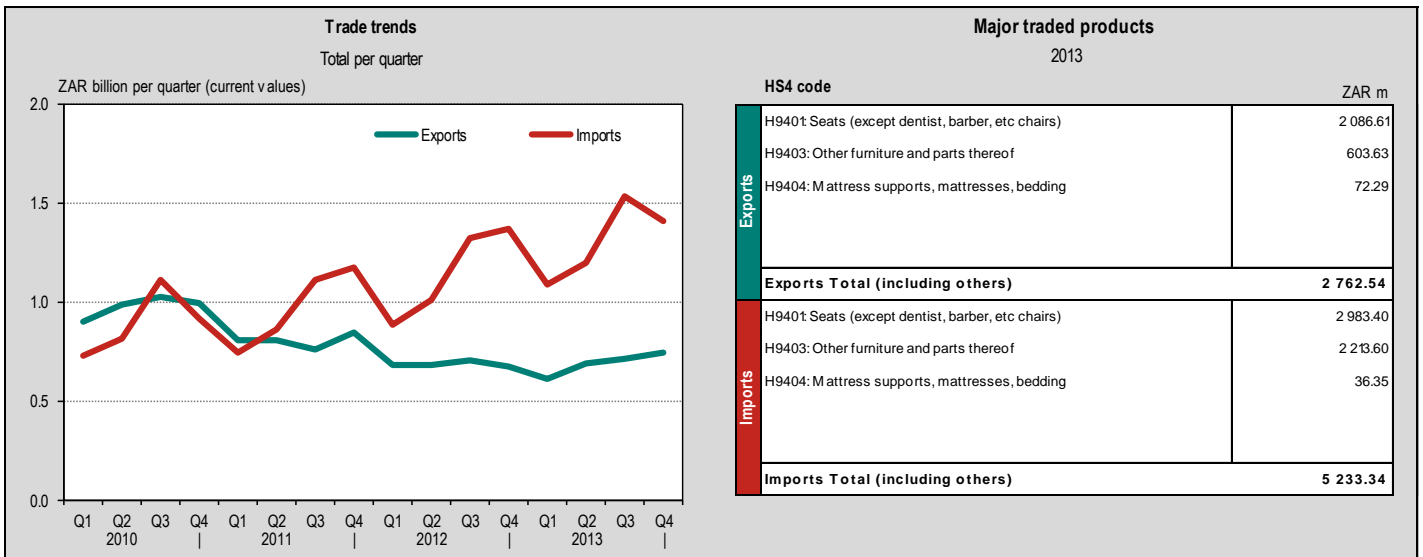
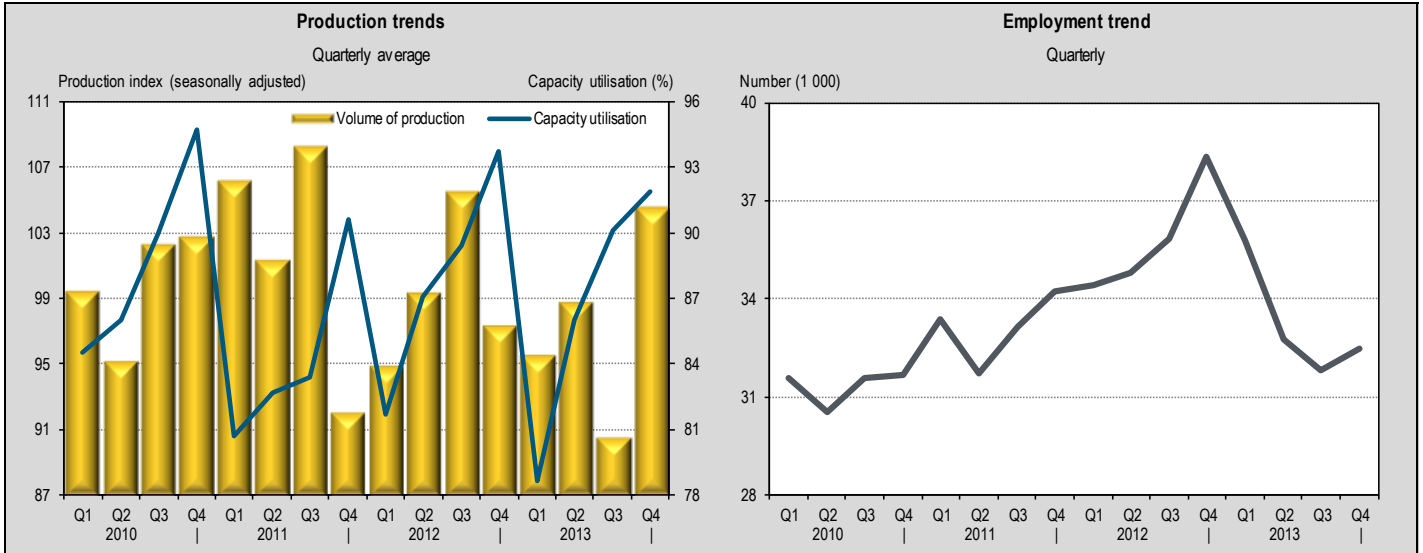
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↓ -2.3%	↑ 0.7 (percentage points)	↑ 3.3%	↑ 28.4%	↓ -18.5%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



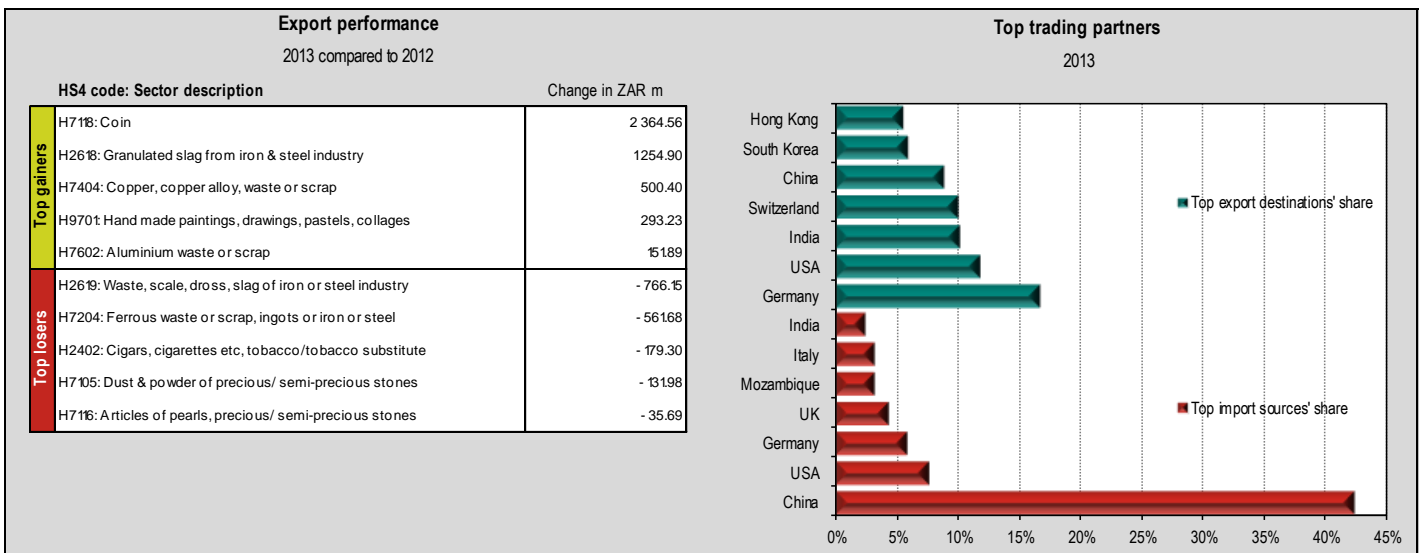
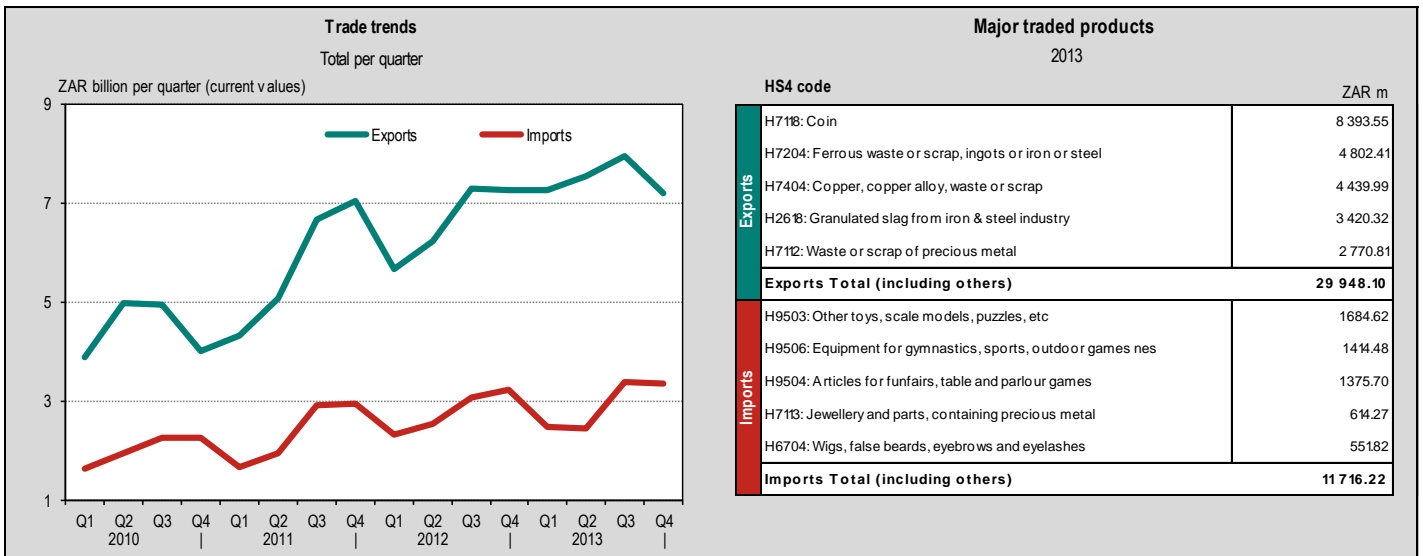
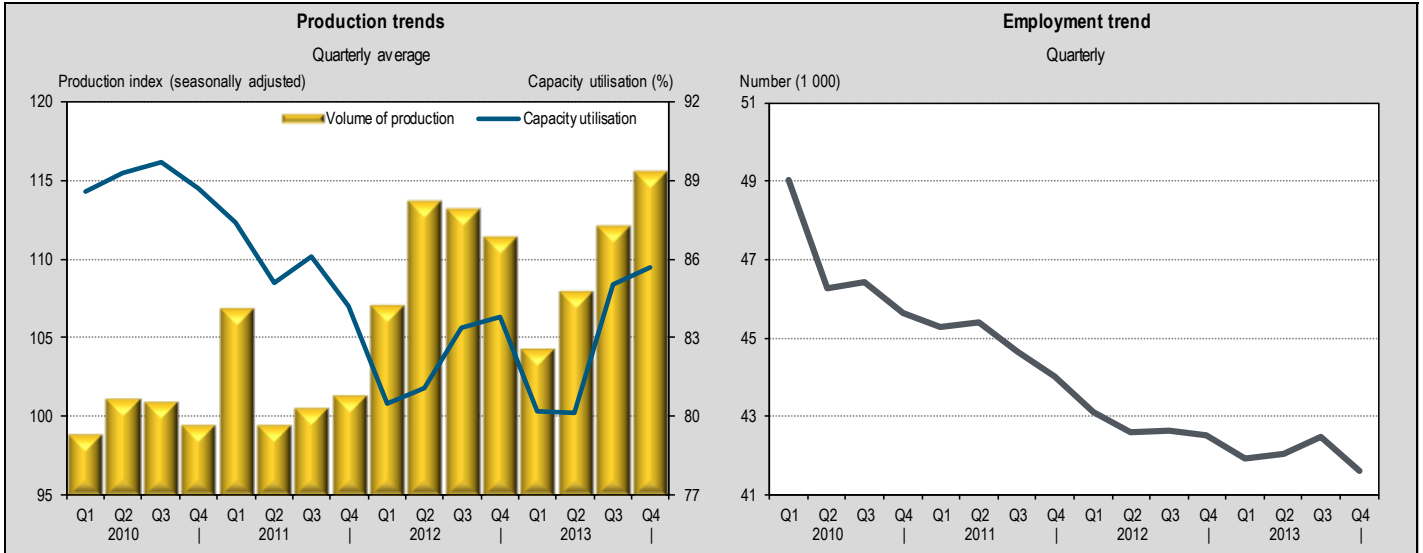
**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↓ -0.6%	↓ -1.8 (percentage points)	↓ -15.4%	↑ 0.3%	↑ 14.0%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



**Trend analysis: 2013 compared to 2012 (except: capacity utilisation and employment - Q4 2013 compared to Q4 2012)**

↓ -10.7%	↑ 1.9 (percentage points)	↓ -2.2%	↑ 13.1%	↑ 4.6%
<b>Production</b>	<b>Capacity utilisation</b>	<b>Employment</b>	<b>Exports (ZAR)</b>	<b>Imports (ZAR)</b>



## Acronyms

<b>BLNS</b>	Botswana, Lesotho, Namibia and Swaziland
<b>DRC</b>	Democratic Republic of Congo.
<b>EU</b>	European Union member states are: Austria, Belgium, Cyprus, Czech Republic, Germany, Denmark, Estonia, Spain, Finland, France, United Kingdom, Bulgaria, Greece, Hungary, Ireland, Italy, Lithuania, Luxembourg, Latvia, Malta, The Netherlands, Poland, Portugal, Romania, Sweden, Slovenia and Slovakia.
<b>GDP</b>	Gross domestic product.
<b>HS Codes</b>	Harmonized system codes.
<b>Middle East</b>	The countries in the Middle East grouping are: Bahrain, Iran (Islamic Republic of), Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, Turkey, United Arab Emirates and Yemen.
<b>NAFTA</b>	North American Free Trade Agreement members are: Canada, Mexico and the United States of America.
<b>n.e.s.</b>	Not elsewhere specified.
<b>ZAR or R</b>	South African rand.
<b>SA</b>	Republic of South Africa.
<b>SACU</b>	Southern African Customs Union members are: Botswana, Lesotho, Namibia, South Africa and Swaziland.
<b>SADC</b>	Southern African Development Community members are: Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.
<b>UK</b>	United Kingdom.
<b>USA or US</b>	United States of America.
<b>USD</b>	United States dollar.
<b>y/y</b>	Year-on-year growth rate.
<b>q/q</b>	Quarter-on-quarter growth rate.

## Notes

- All volume of production data (value add data in the case of the agriculture, forestry and fishing sector) is seasonally adjusted. All other data is not seasonally adjusted.
- Discrepancies may arise between preliminary trade data released by SARS and the Quantec data utilised in this report due to historical revisions.

## Data sources

**Quantec Research based on South African Revenue Services (SARS):** South African trade data.

**Statistics South Africa (Stats SA):** South African employment, production and capacity utilization data.

**Department of Mineral Resources:** Gold production and reserve base data.





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