

**Gross
domestic
product**
3rd quarter 2020
8 December 2020
Embargo: 11:30am

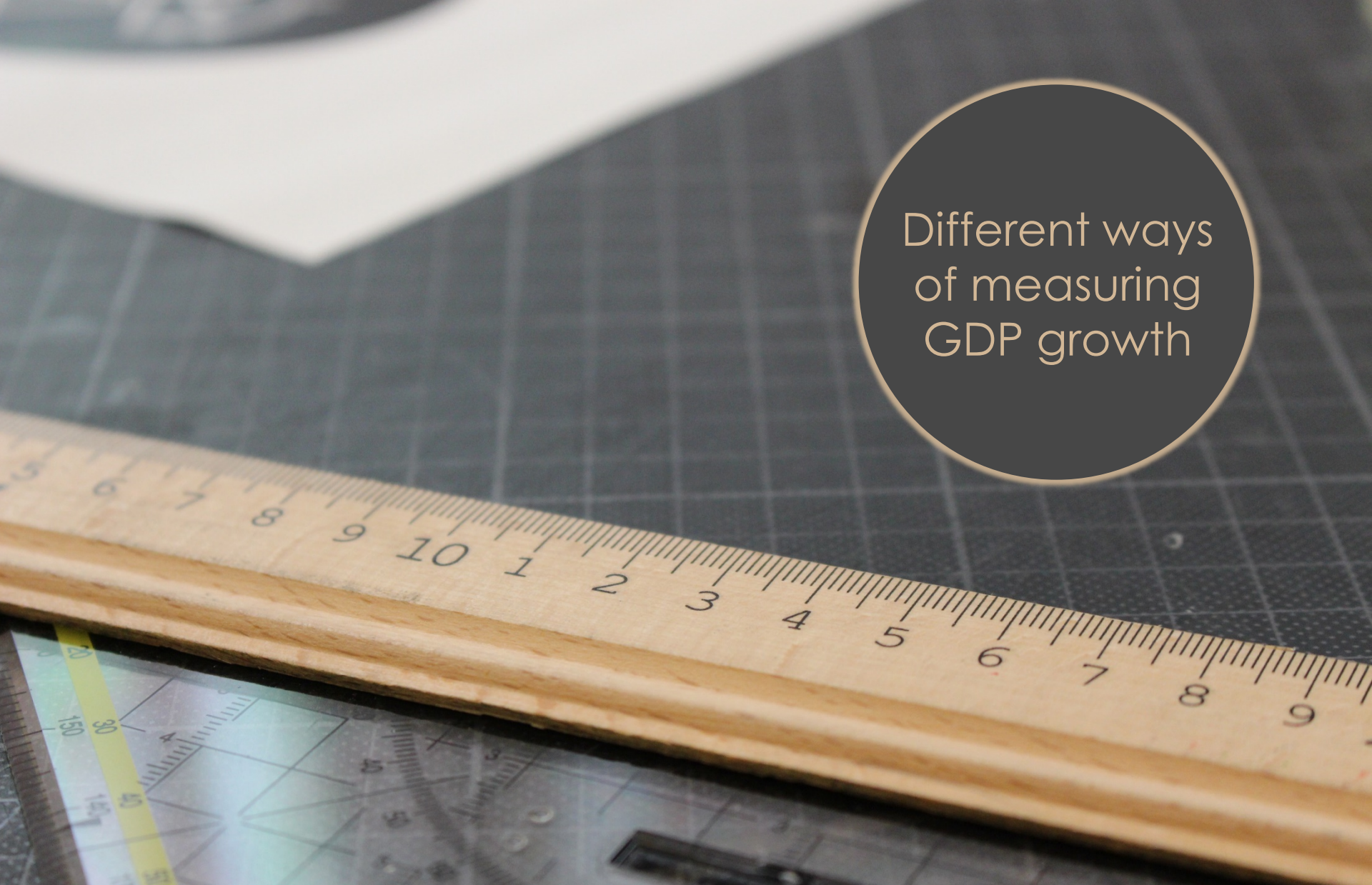


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Different ways
of measuring
GDP growth

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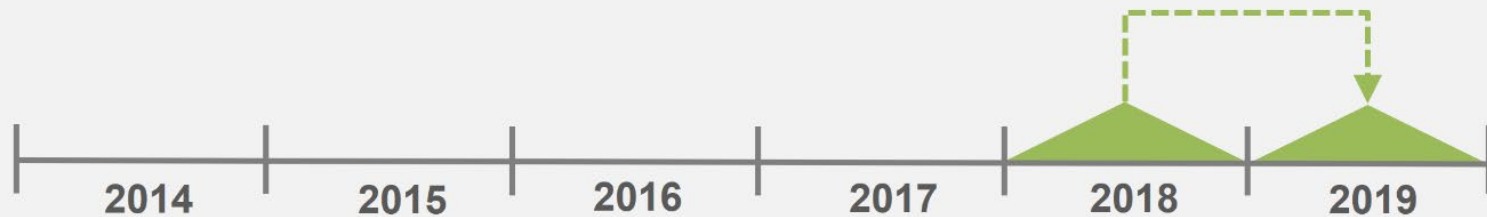
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Measuring GDP growth: Annual

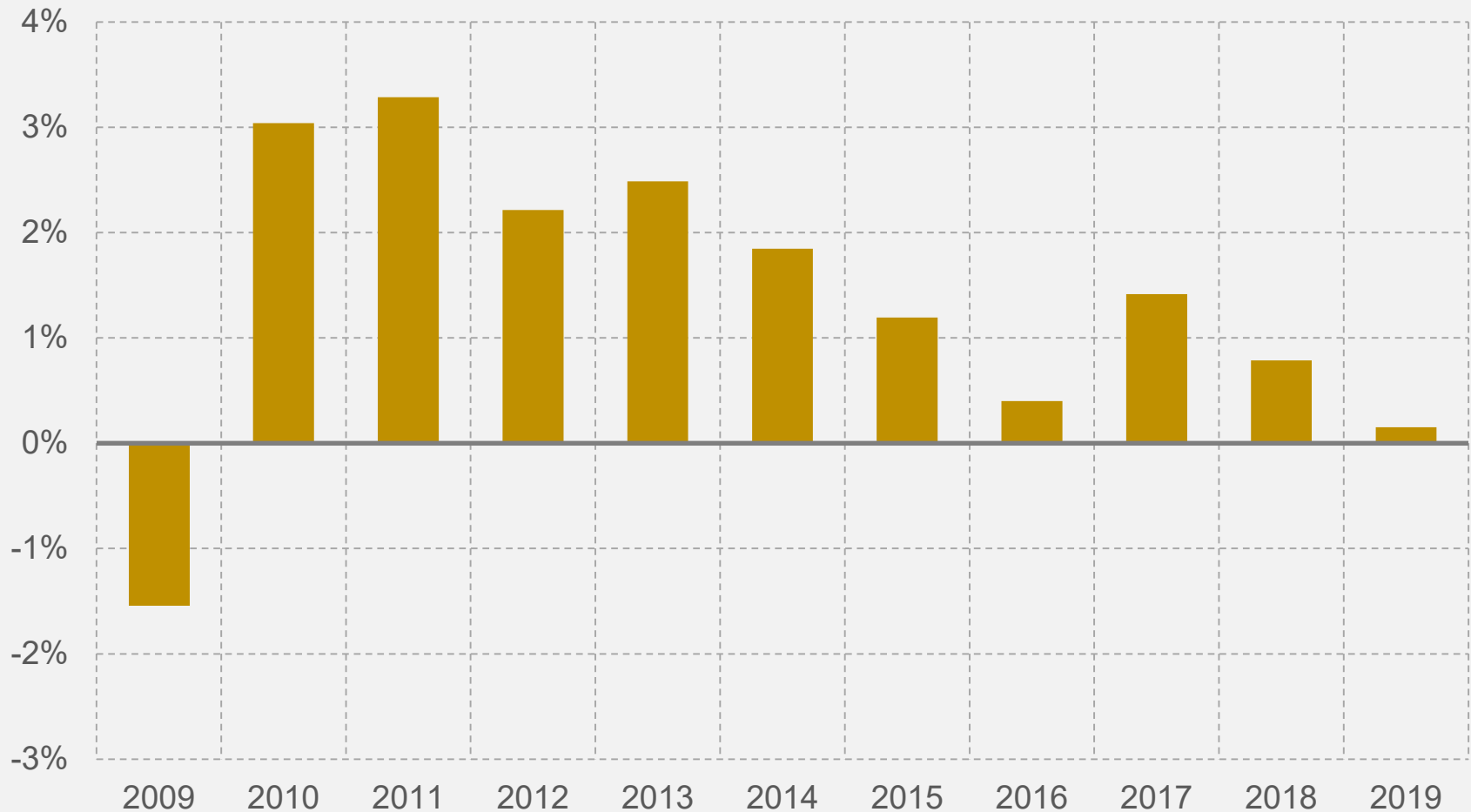
Annual growth for a full year

Percentage change in GDP from one year to the following year



Example: real GDP was R3,144 trillion in 2018, increasing to R3,149 trillion in 2019 – a growth rate of 0,2%

Measuring GDP growth: Annual



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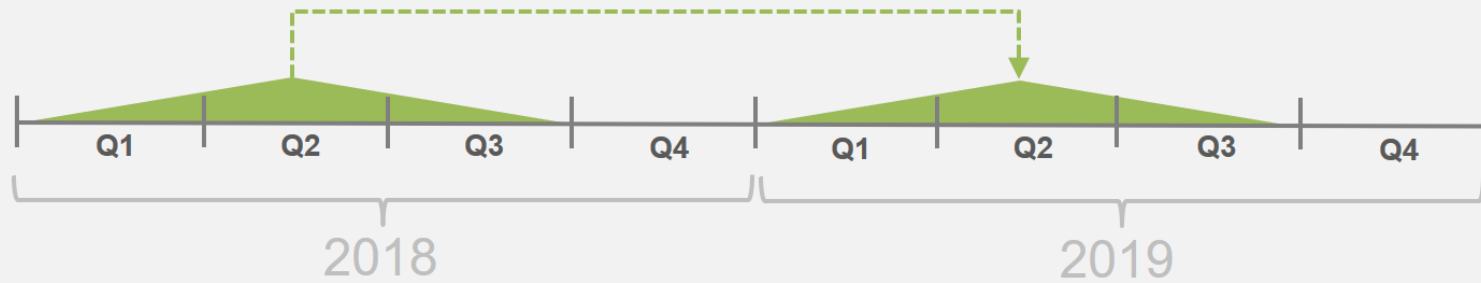
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Measuring GDP growth: 9 months-on-9 months

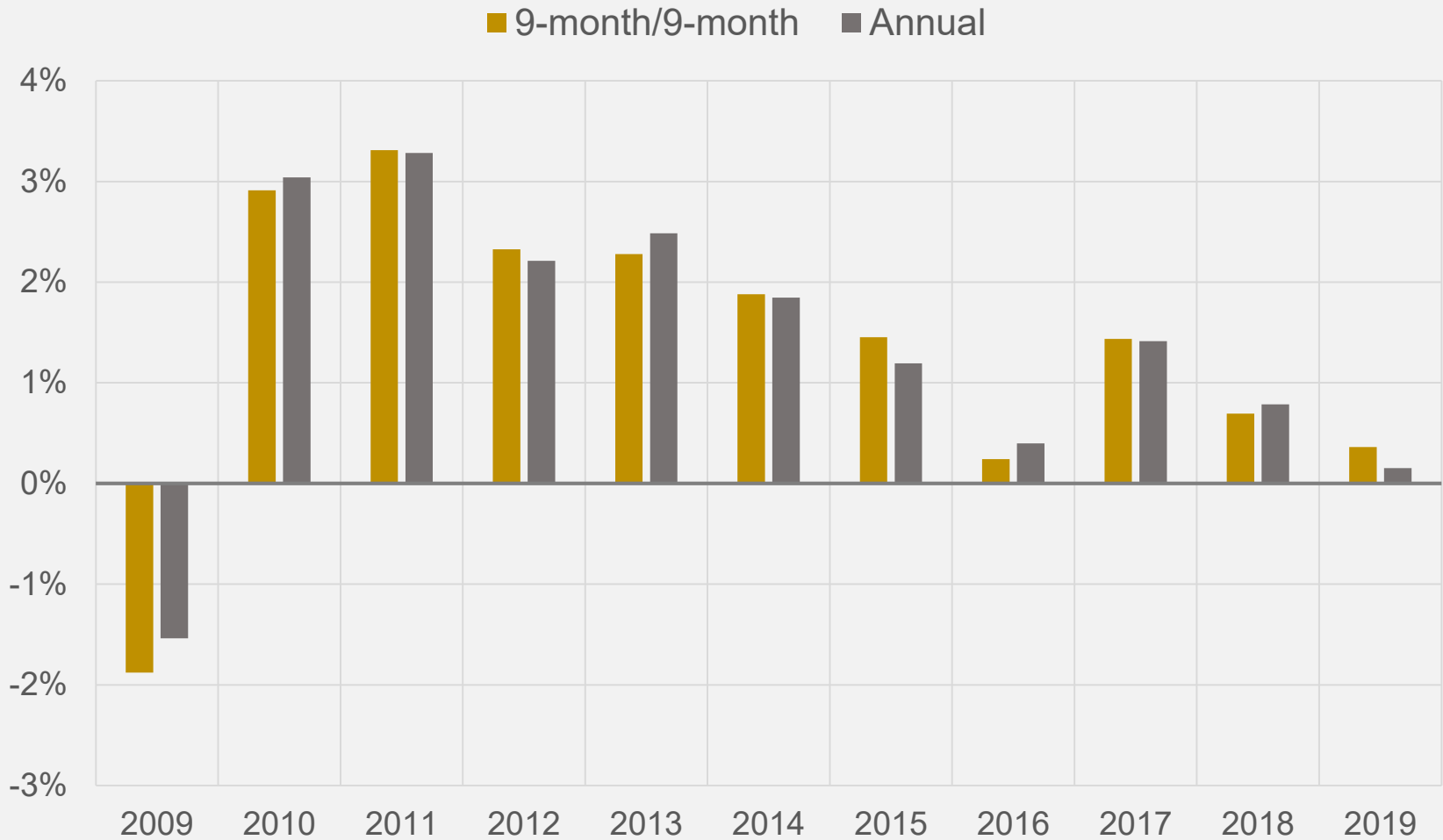
Year to date growth, measured year-on-year

The change in GDP from the first nine months of the previous year to the first nine months of the current year



Example: Real GDP was R2,334 trillion in the first three quarters of 2018, increasing to R2,343 trillion in the first three quarters of 2019 – a growth rate of 0,4%

Measuring GDP growth: 9 months-on-9 months



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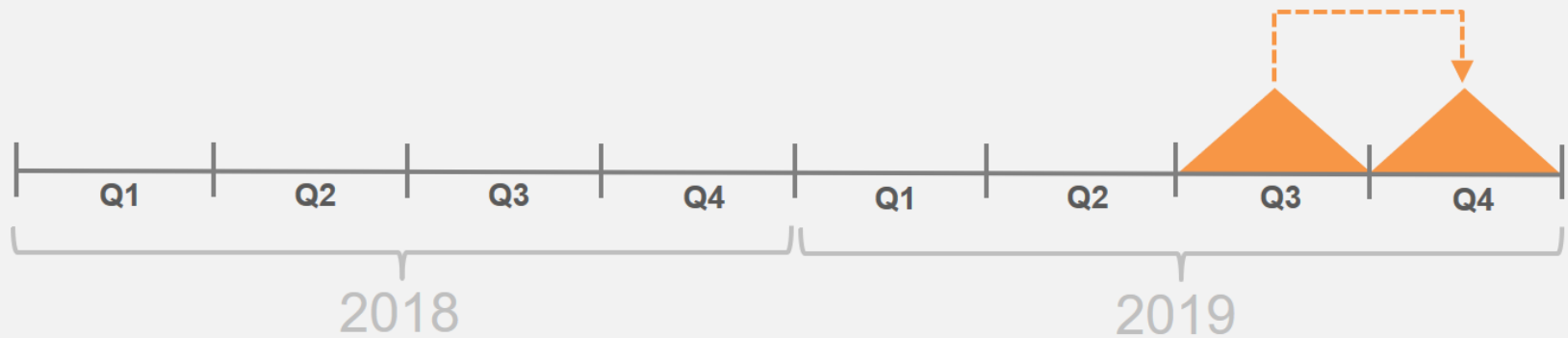
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Measuring GDP growth: quarter-on-quarter

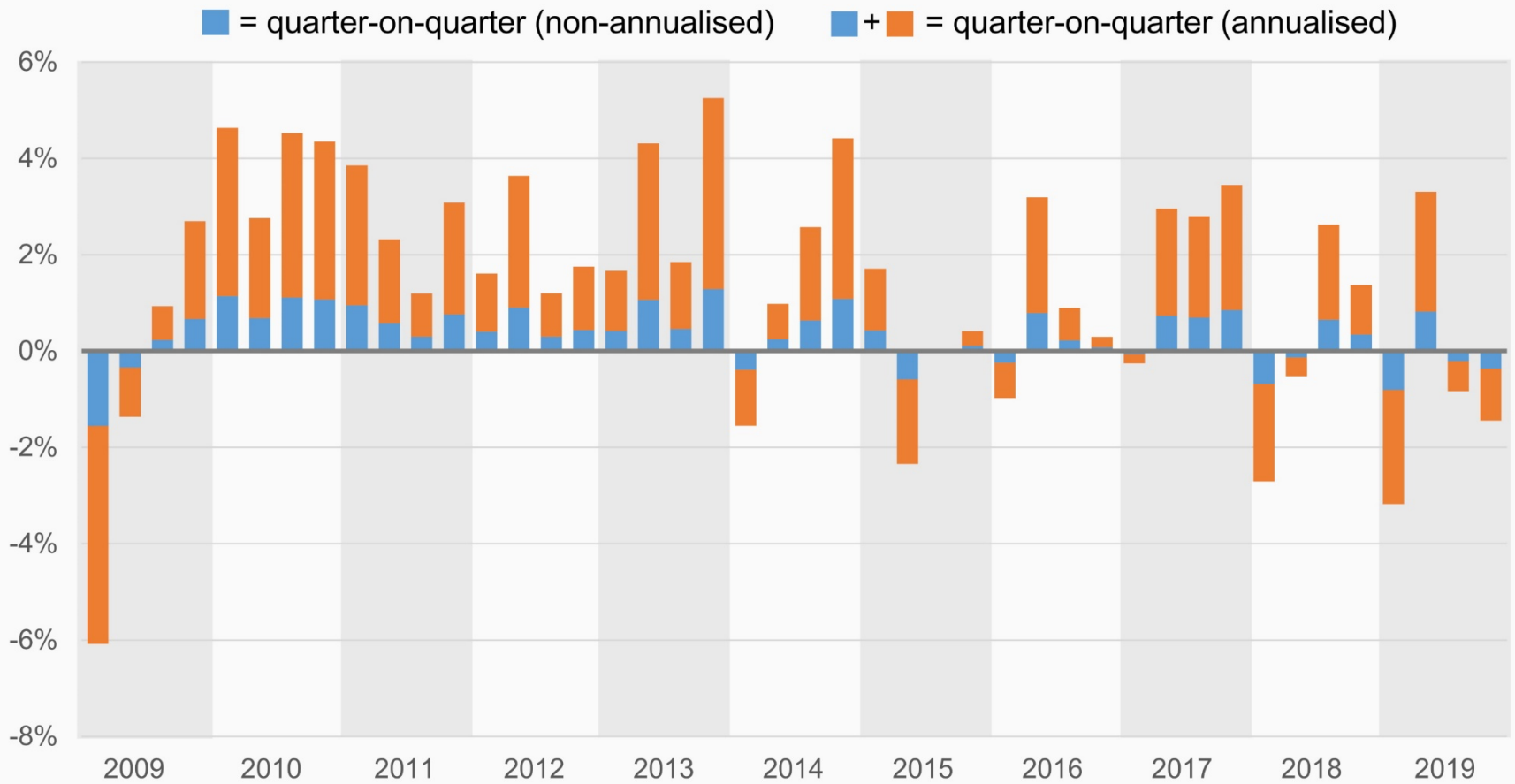
Quarterly quarter-on-quarter growth, seasonally adjusted and annualised (q/q saa)

Percentage change in GDP between the latest quarter and the previous quarter, annualised



Example: Real GDP (seasonally adjusted and annualised) decreased by 1,4% in Q4: 2019 compared with Q3: 2019

Quarter-on-quarter growth: non-annualised vs annualised



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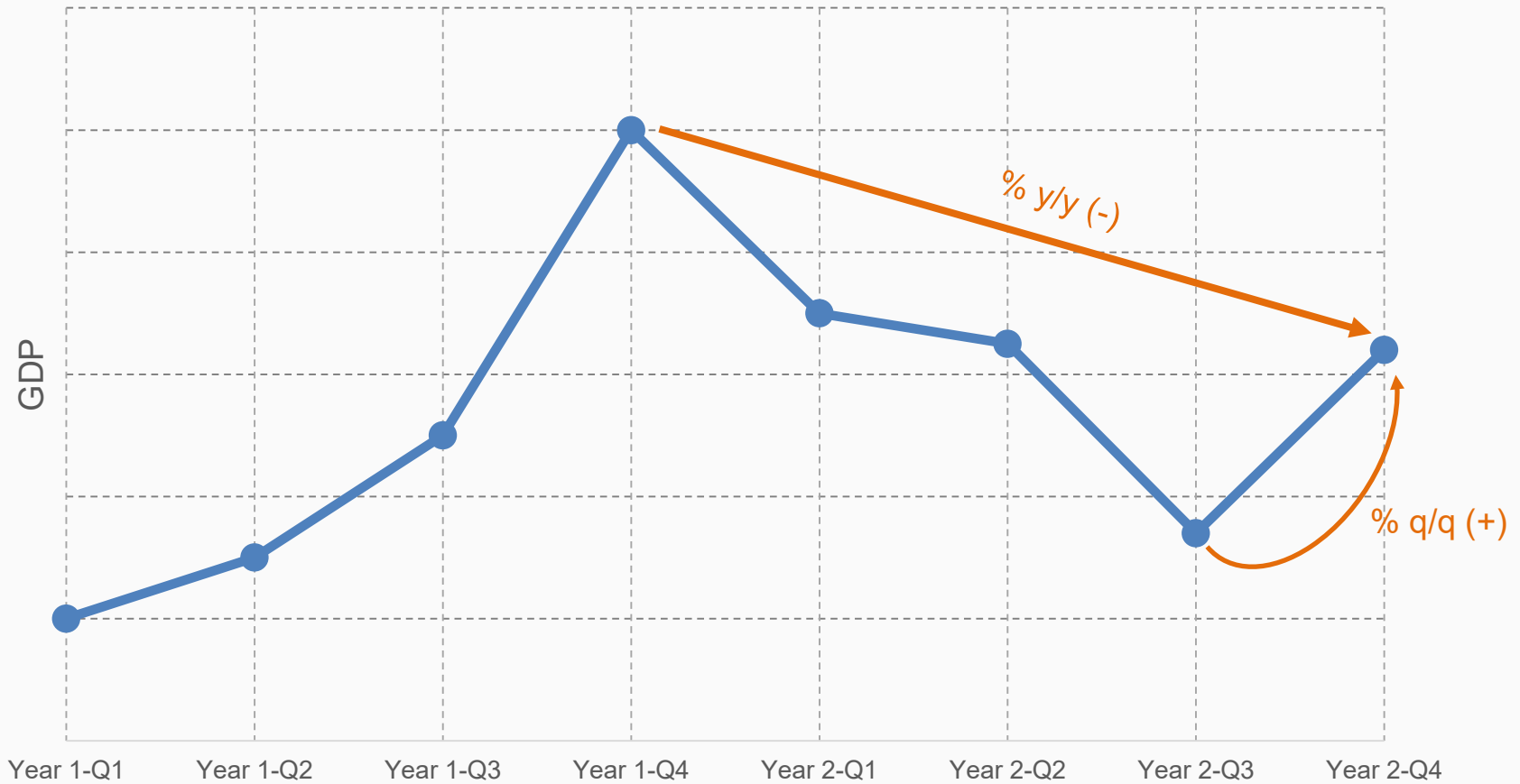


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Conceptual difference between year-on-year and quarter-on-quarter growth



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Results:
GDP
production

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GDP production: Revisions for Q2: 2020

Previous

-51,0%

in Q2: 2020

(quarter-on-quarter)

Seasonally adjusted and annualised



Revised

-51,7%

in Q2: 2020

(quarter-on-quarter)

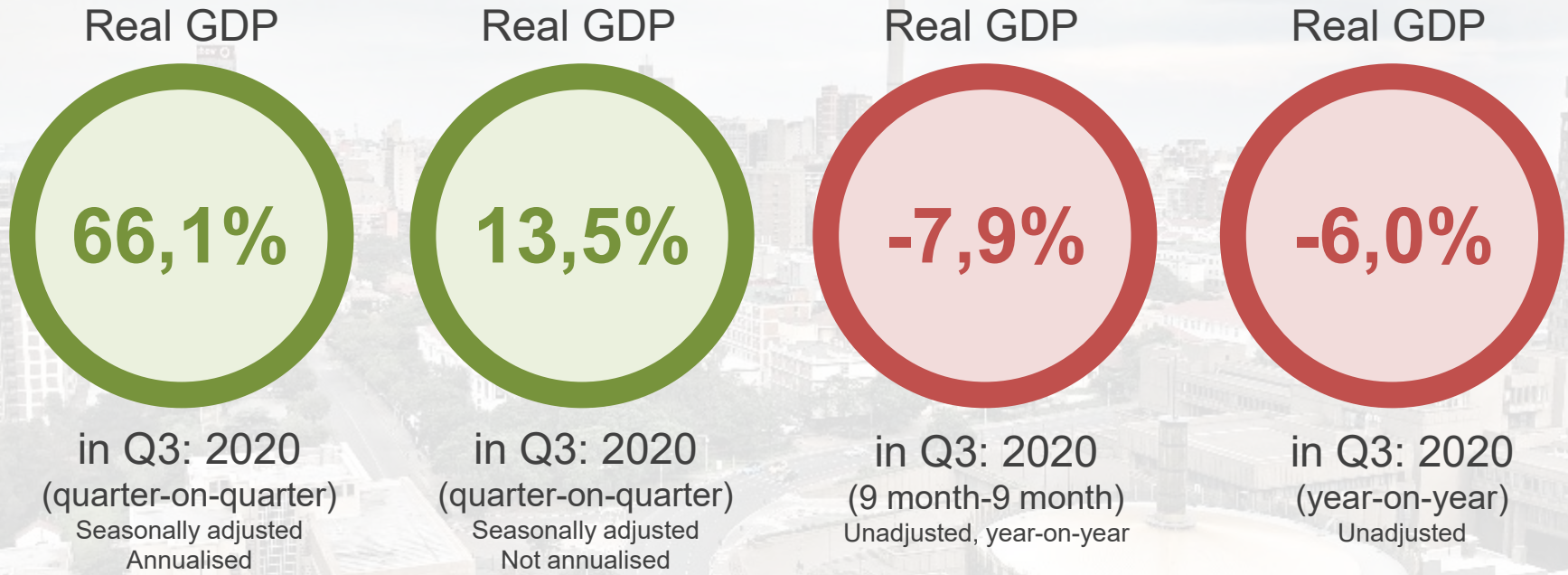
Seasonally adjusted and annualised

GDP production: Revisions for Q2: 2020

	Industry	Previous	Revised	Difference
		Q-Q growth		
Up	Agriculture, forestry and fishing	15,1	19,6	4,5
	Mining and quarrying	-73,1	-72,0	1,0
No change	Construction	-76,6	-76,5	0,0
	Electricity, gas and water	-36,4	-36,4	0,0
	Manufacturing	-74,9	-74,9	0,0
	Trade, catering and accommodation	-67,6	-67,6	0,0
Down	Personal services	-32,5	-32,7	-0,3
	General government services	-0,6	-1,0	-0,4
	Transport, storage and communication	-67,9	-69,4	-1,4
	Finance, real estate and business services	-28,9	-34,2	-5,3
Total value added at basic prices		-49,4	-50,5	-1,0
Taxes less subsidies on products		-65,3	-63,2	2,1
GDP at market prices		-51,0	-51,7	-0,7

Differences between previous and revised data may not necessarily add up due to rounding-off

GDP production: Growth figures for Q3: 2020



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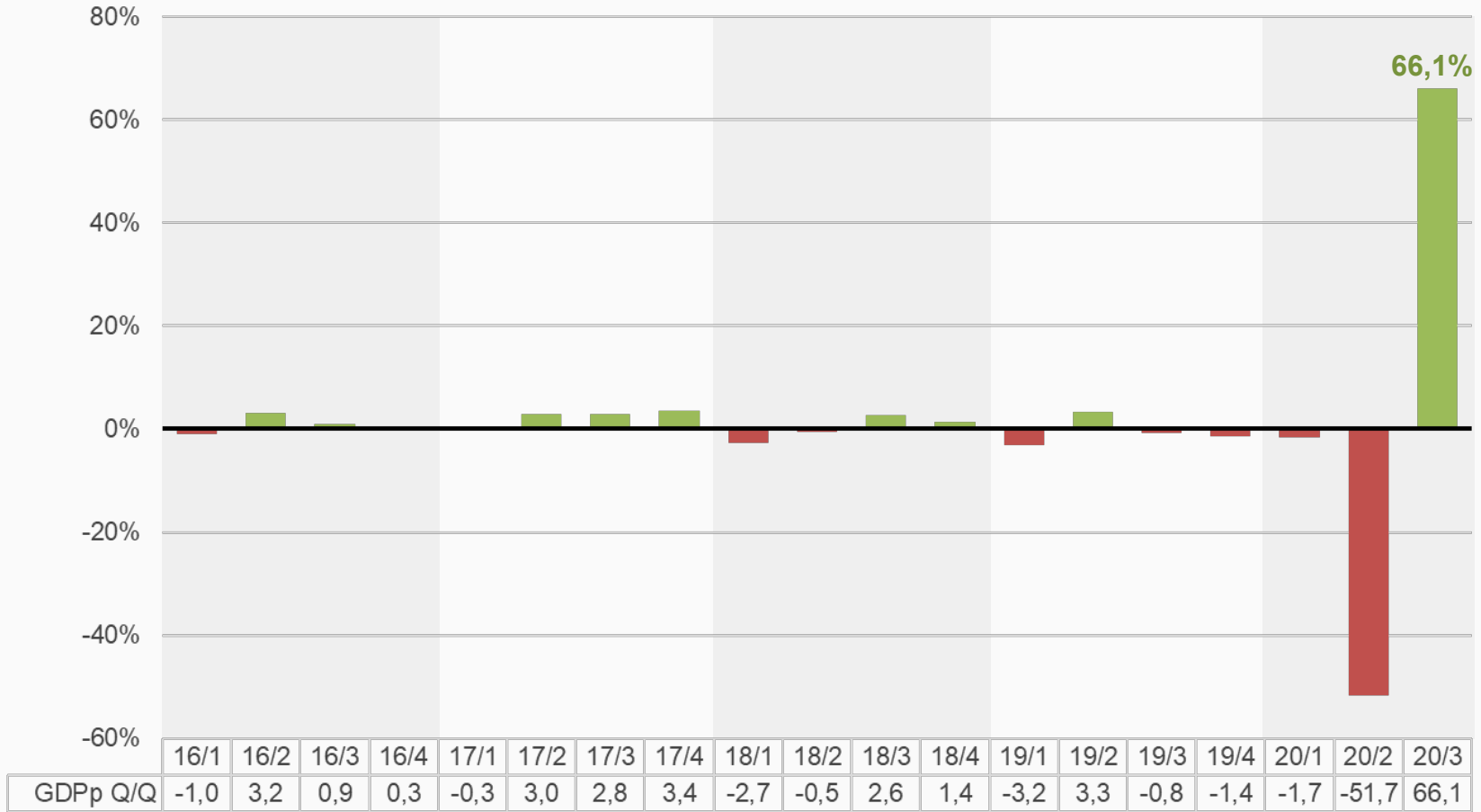
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Quarter-on-quarter percentage growth in GDP production

The economy grew at an annualised rate of 66,1% in Q3: 2020

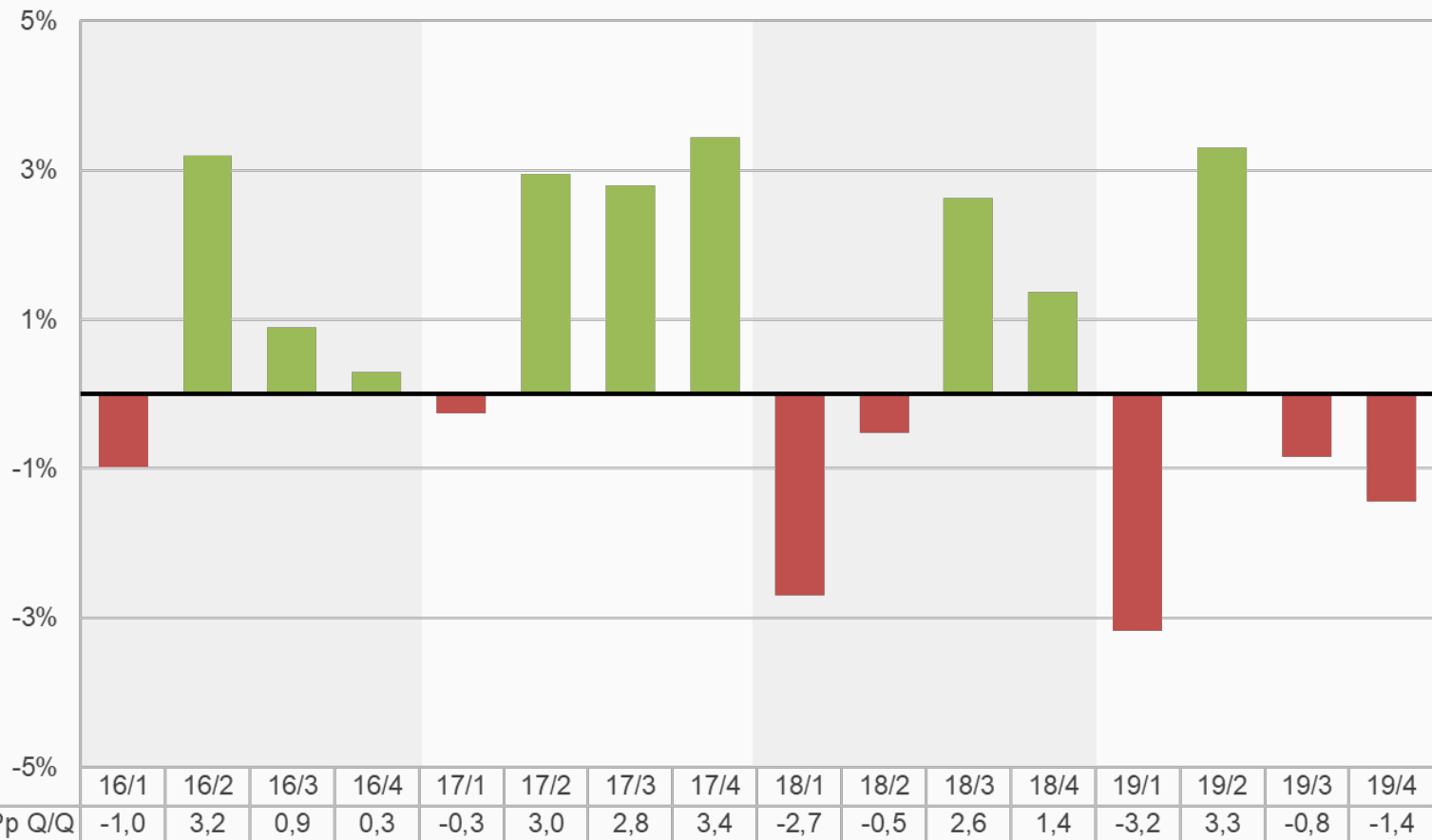


Seasonally adjusted

Manufacturing, trade and mining were the biggest contributors to growth in Q3: 2020



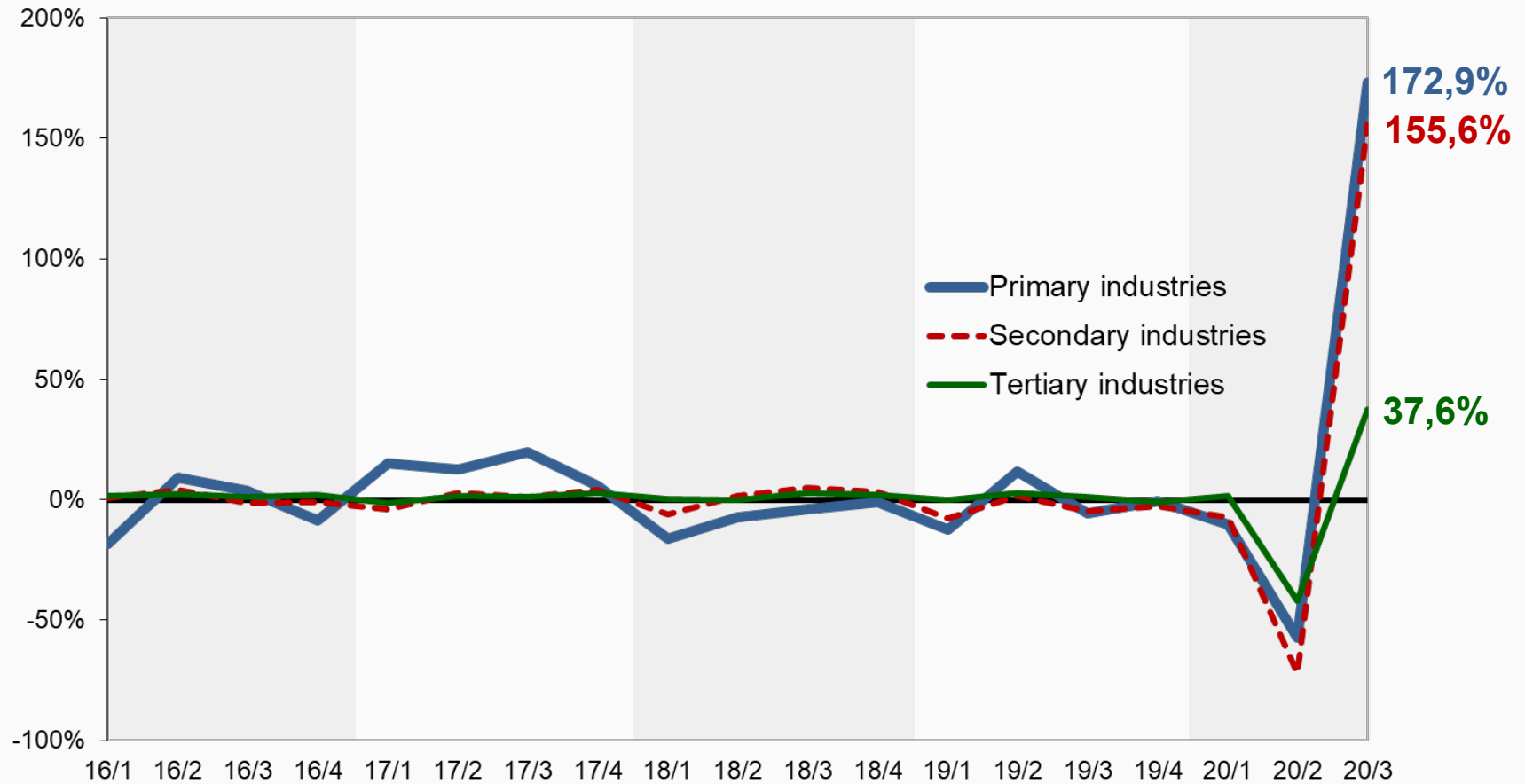
Quarter-on-quarter percentage growth in GDP production (excluding 2020)



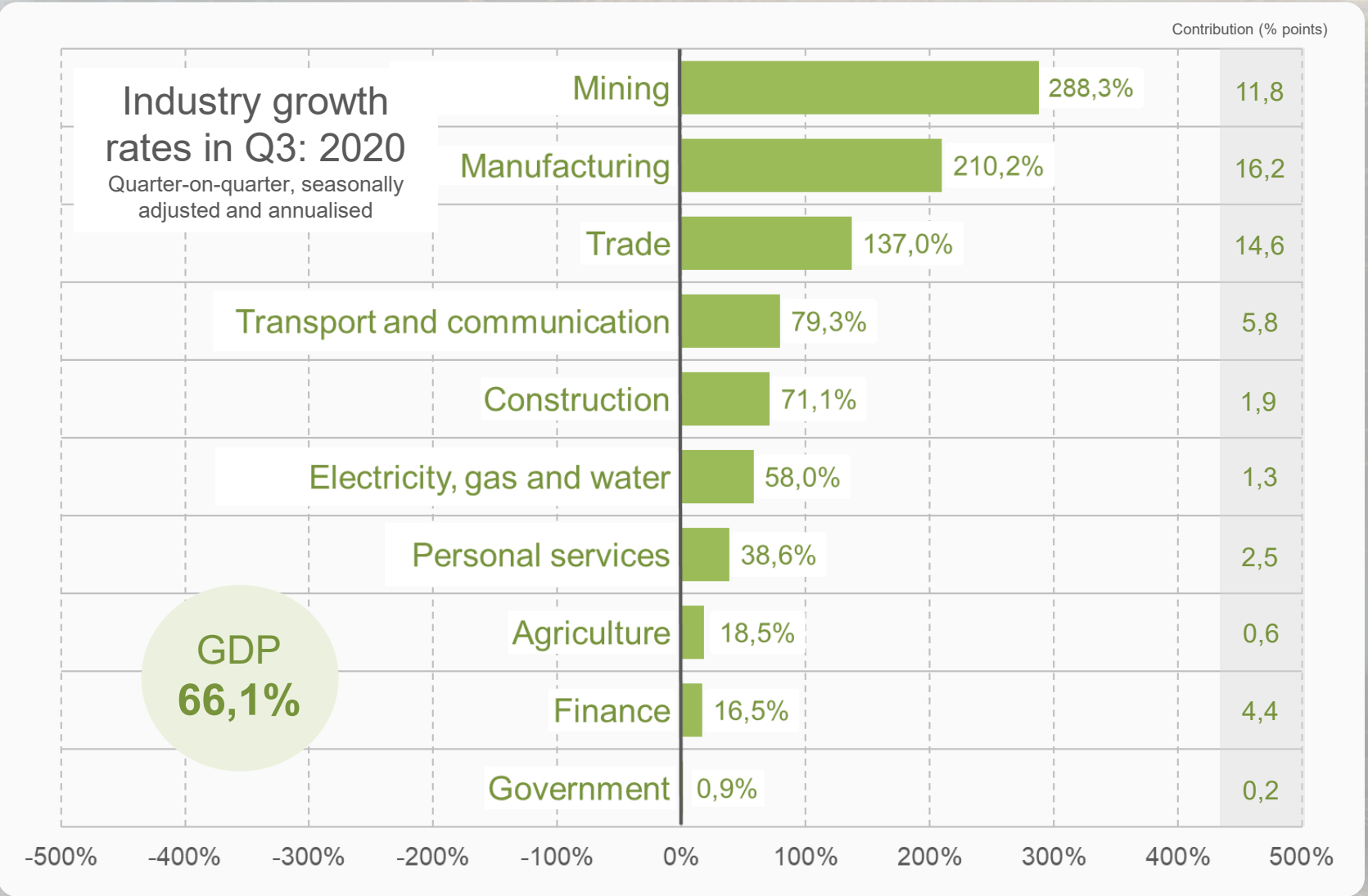
Seasonally adjusted and annualised

All three economic sectors grew in Q3: 2020

Quarter-on-quarter percentage growth, seasonally adjusted and annualised



Manufacturing, trade and mining were the biggest contributors to growth in Q3: 2020



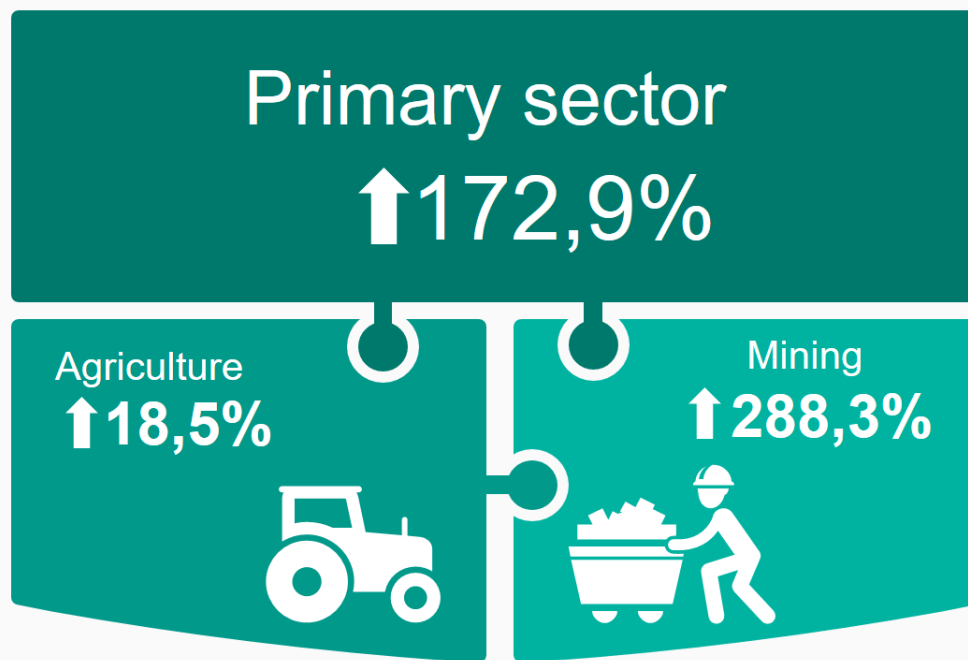
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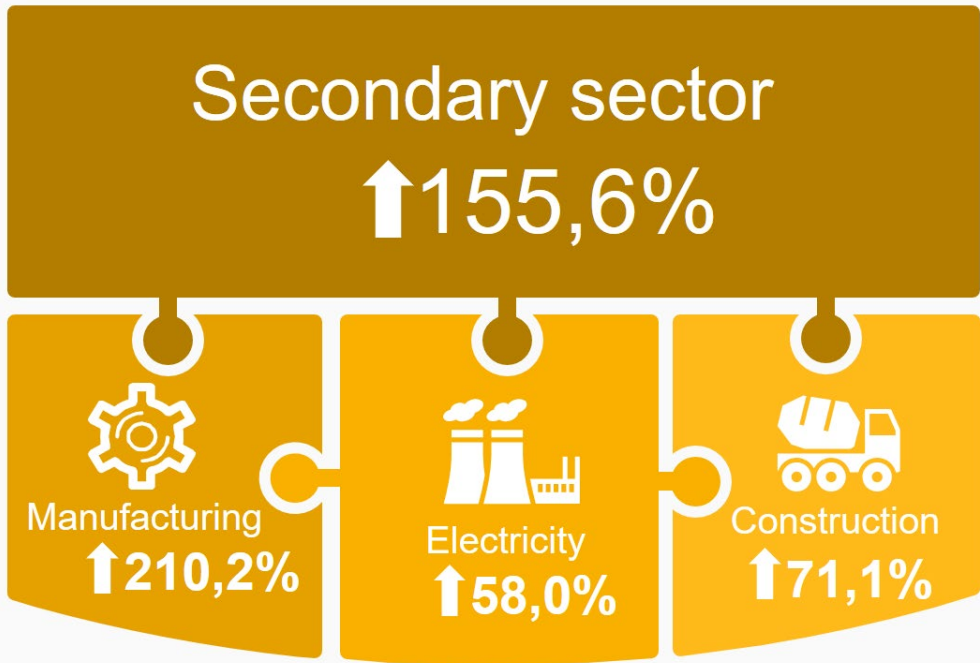
Quarter-on-quarter growth, seasonally adjusted and annualised



Agriculture: Increased production was reported for field crops, horticulture and animal products

Mining: Increased production was recorded for PGMs, iron ore, gold, manganese ore and diamonds

Quarter-on-quarter growth, seasonally adjusted and annualised



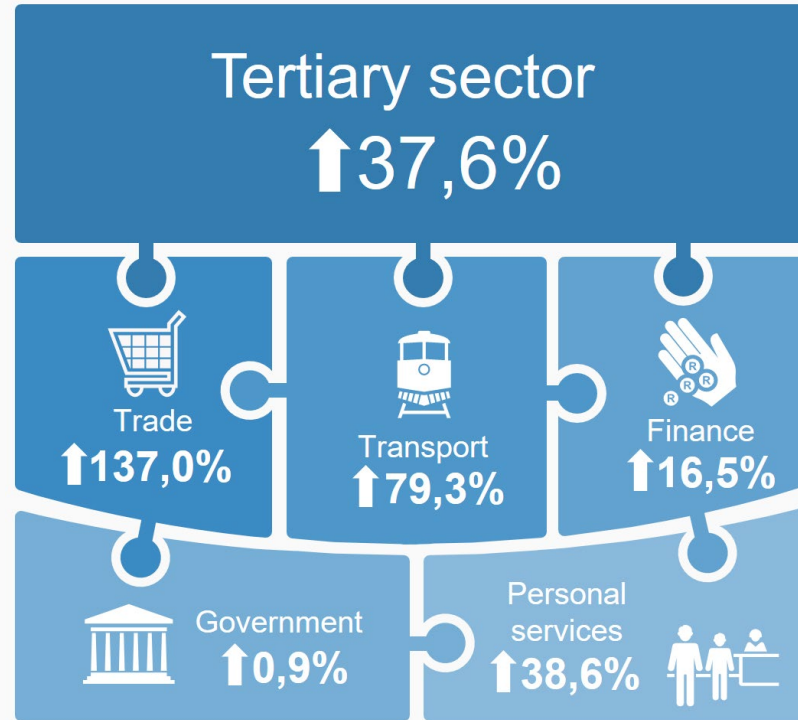
Manufacturing: Growth was driven largely by increases in iron, steel and machinery; and petroleum and chemicals

Electricity, gas and water: Growth was driven by a rise in both electricity usage and water consumption

Construction: Increased activity was reported for residential buildings, non-residential buildings and construction works

In the tertiary sector, trade recorded the highest growth rate in Q3: 2020

Quarter-on-quarter growth, seasonally adjusted and annualised



Trade: All trade activities recorded a rise in economic activity

Transport: There was an increase in land transport, transport support services and communication services

Finance: Was driven mostly by financial intermediation, insurance and pension funding, real estate activities and other business services

Government: The rise was mainly attributed to increased employment in provincial government and higher education institutions

Biggest movers in nominal terms, Q3: 2020 compared with Q2: 2020

Nominal GDP was estimated at **R1,27 trillion** in Q3: 2020, up by **R196 billion** from Q2: 2020

 **Manufacturing** was up by R44 billion to R156 billion

 **Trade** was up by R40 billion to R167 billion

 **Mining** was up by R29 billion to R101 billion

 **Agriculture** was down by R5 billion to R36 billion

Finance is the biggest industry in South Africa

Percentage contribution to total nominal value added in Q3: 2020



Results: Expenditure on GDP



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Expenditure on GDP: Revisions for Q2: 2020

Previous

-52,3%

in Q2: 2020

(quarter-on-quarter)

Seasonally adjusted and annualised



Revised

-53,7%

in Q2: 2020

(quarter-on-quarter)

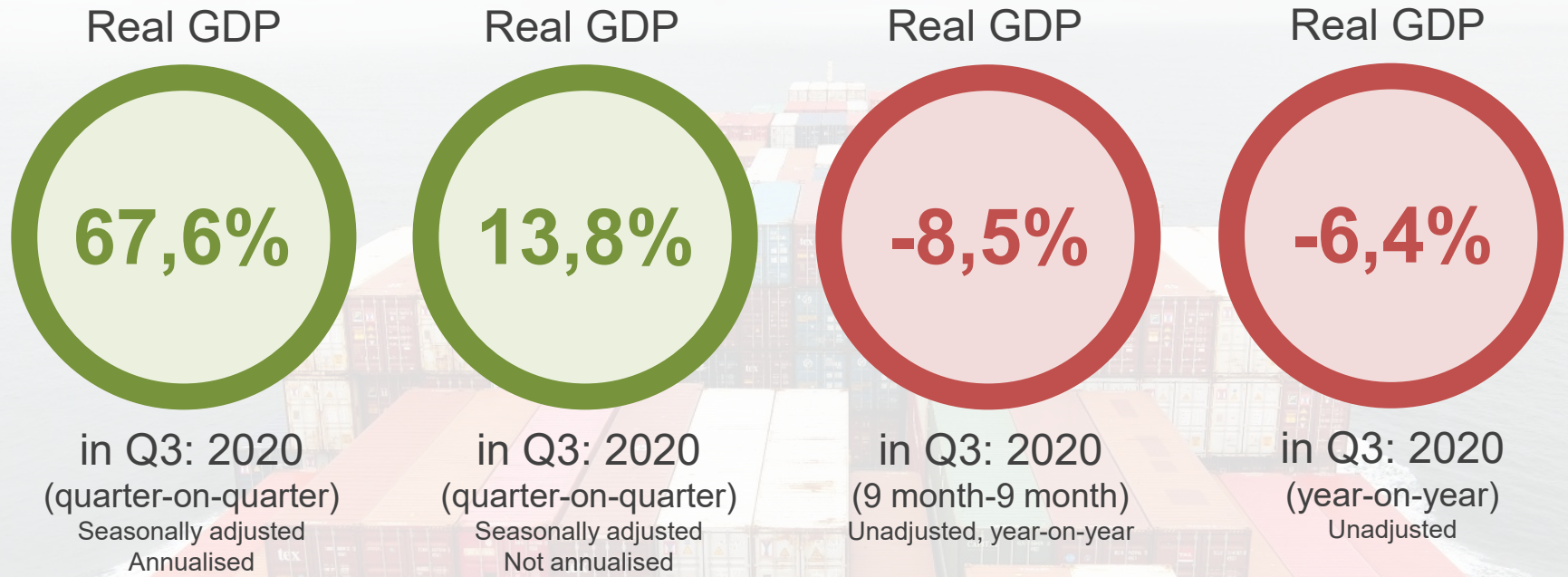
Seasonally adjusted and annualised

Expenditure on GDP: Revisions for Q2: 2020

	Component	Previous	Revised	Difference
		Q-Q growth		
Up	Imports of goods and services	-54,2	-54,0	0,3
	Gross fixed capital formation	-59,9	-59,8	0,1
Down	Government final consumption expenditure	-0,9	-2,1	-1,3
	Household final consumption expenditure	-49,8	-52,4	-2,6
	Exports of goods and services	-72,9	-76,0	-3,1
Expenditure on GDP		-52,3	-53,7	-1,4
Change in inventories (R billion)		-74,0	-48,4	25,7

Differences between previous and revised data may not necessarily add up due to rounding-off

Expenditure on GDP: Growth figures for Q3: 2020



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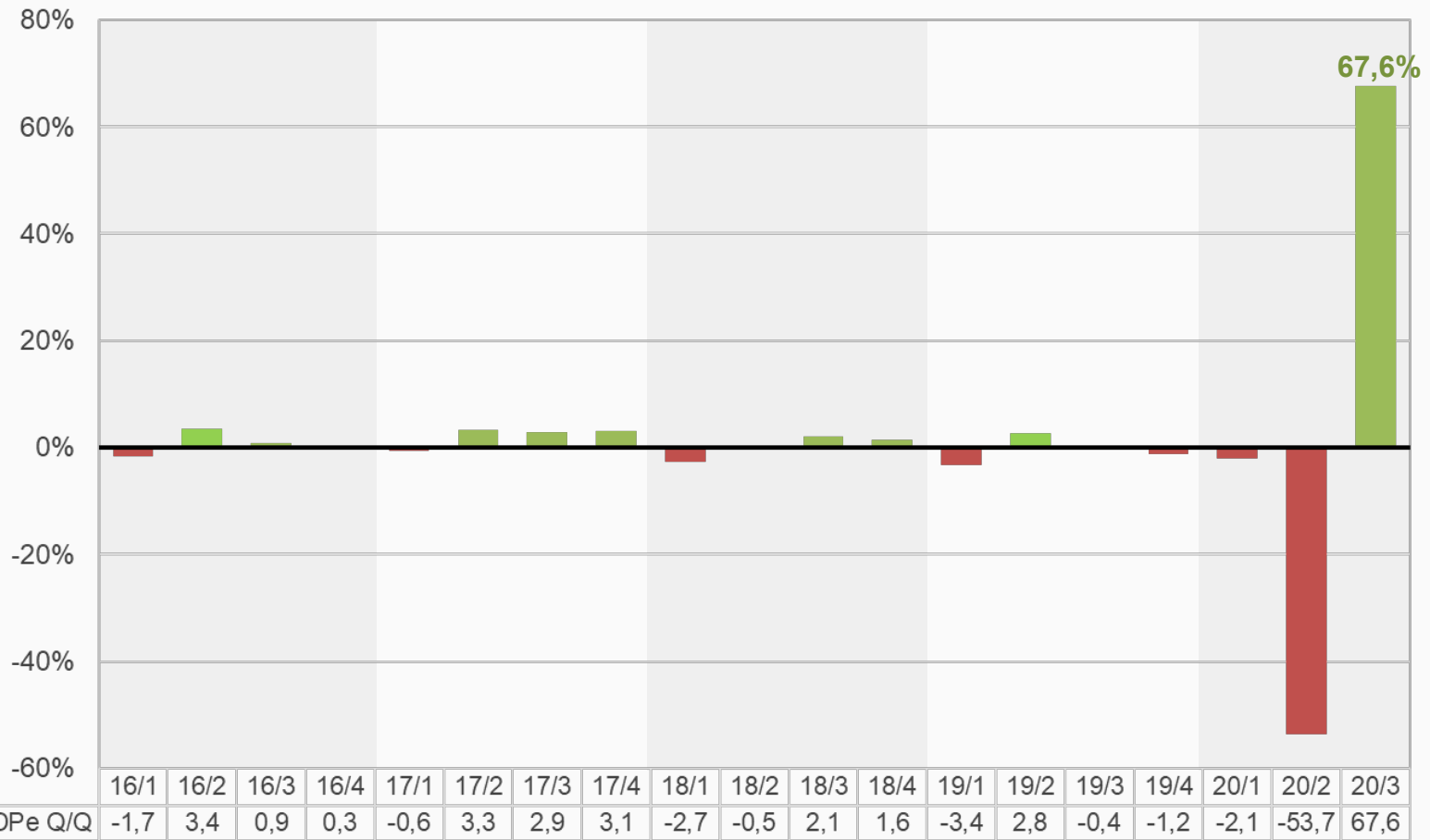
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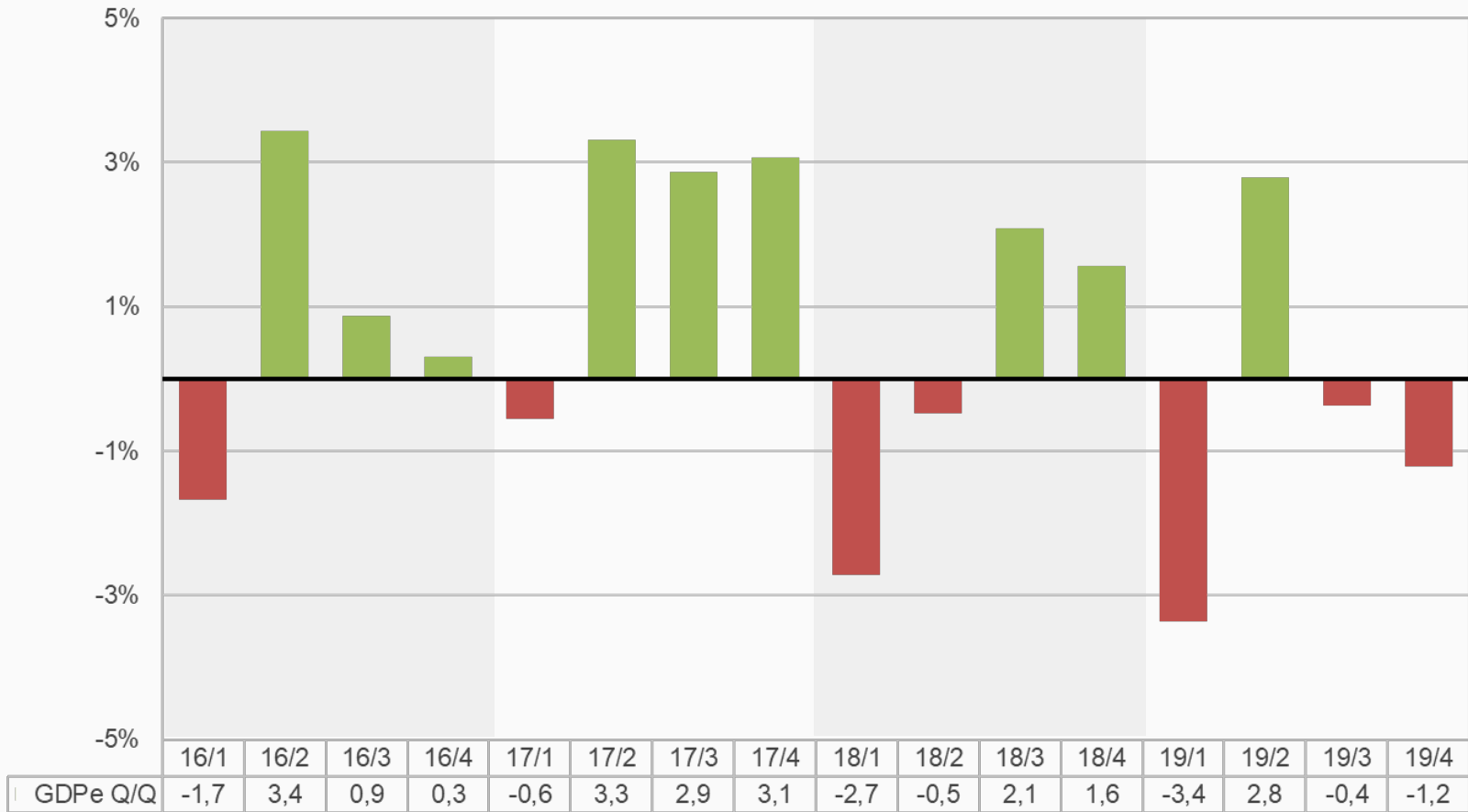
Expenditure on GDP: Quarter-on-quarter percentage growth

Expenditure on GDP grew at an annualised rate of 67,6% in Q3: 2020



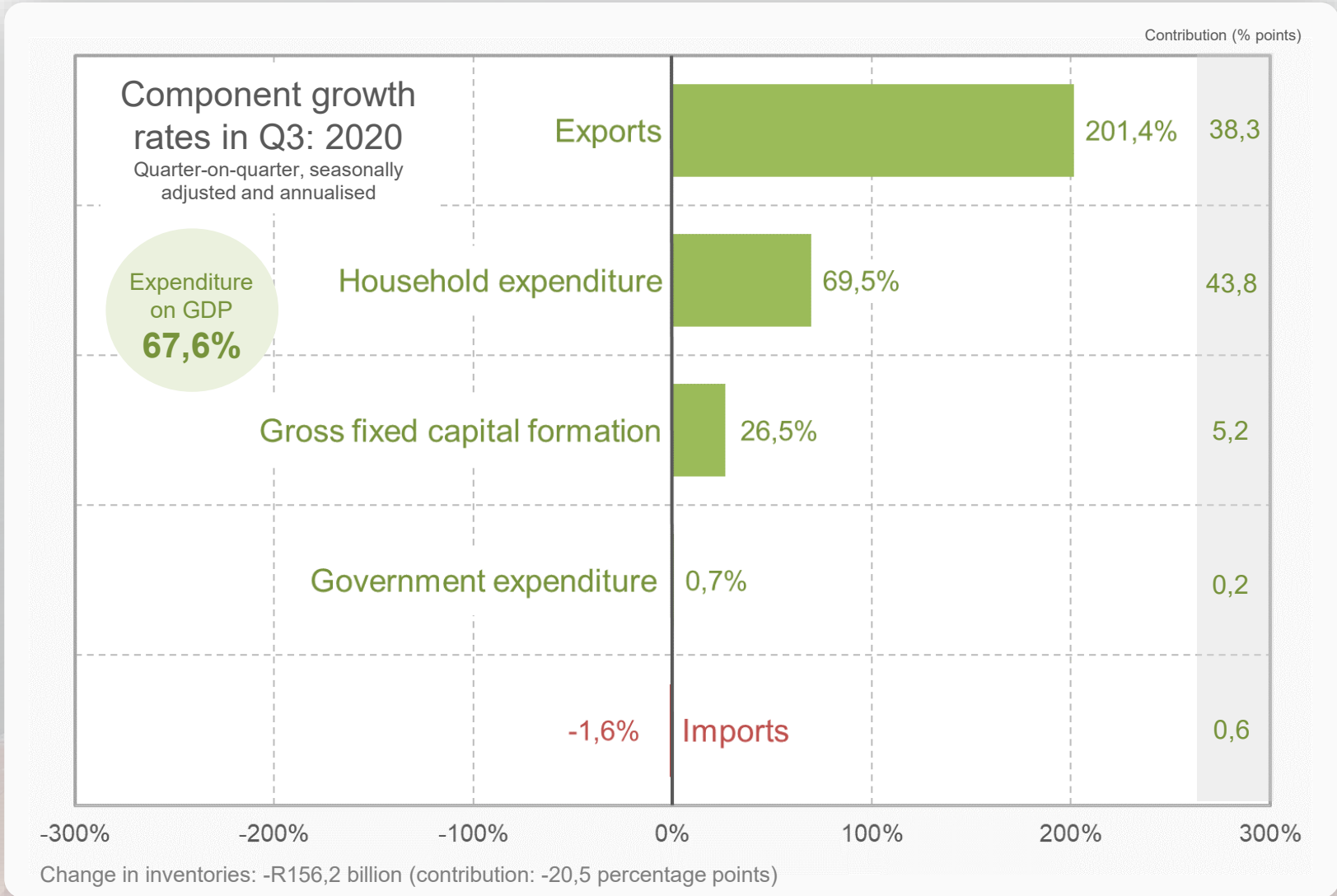
Seasonally adjusted Increases in household consumption expenditure and exports were the biggest contributors to growth in Q3: 2020

Expenditure on GDP: Quarter-on-quarter percentage growth (excludes 2020)



Seasonally adjusted and annualised

Household expenditure and exports were the biggest contributors to growth in Q3: 2020



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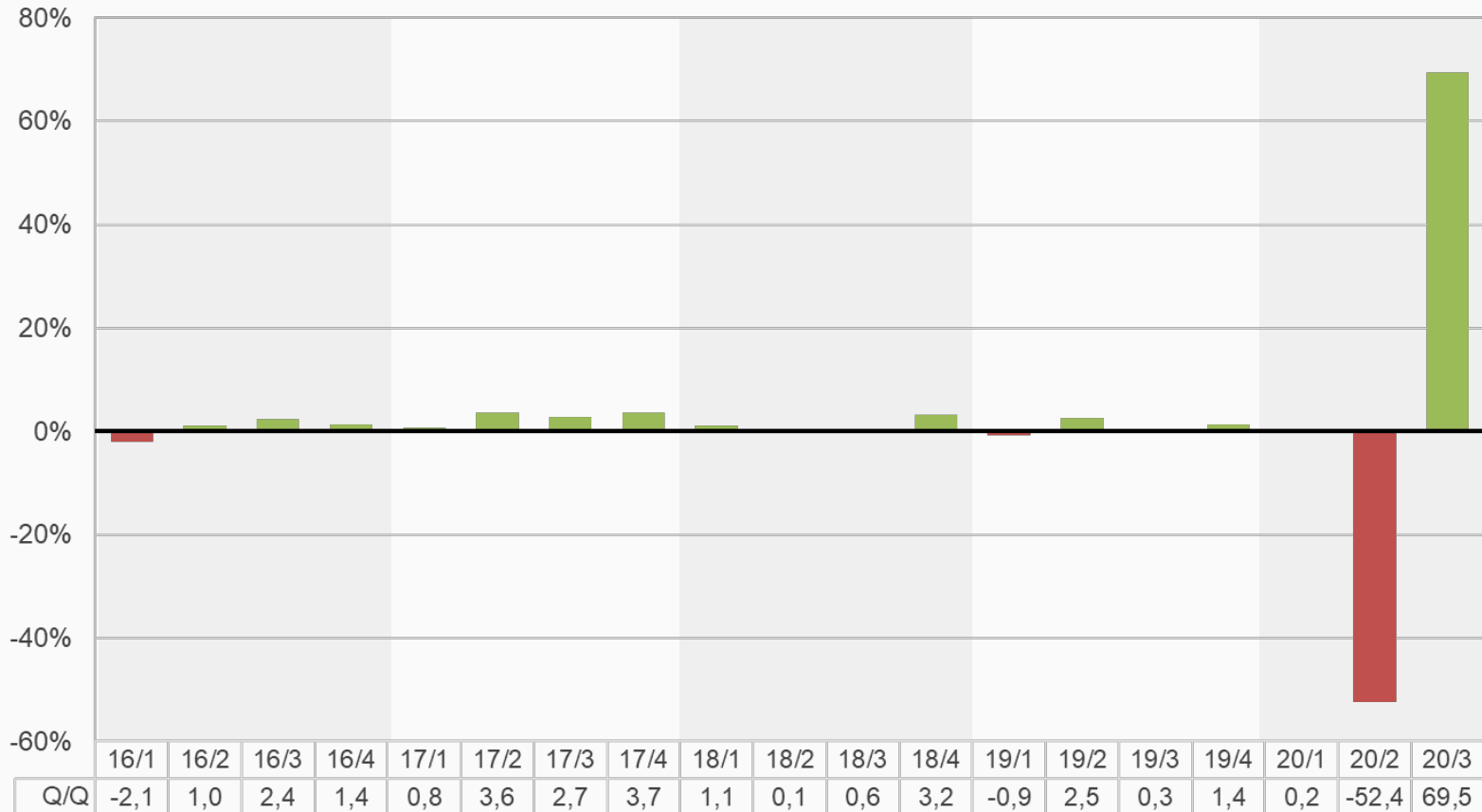
Household final consumption expenditure (HFCE)



Growth in Q3: 2020
(quarter-on-quarter)
Seasonally adjusted and annualised

Household final consumption expenditure (HFCE) time series

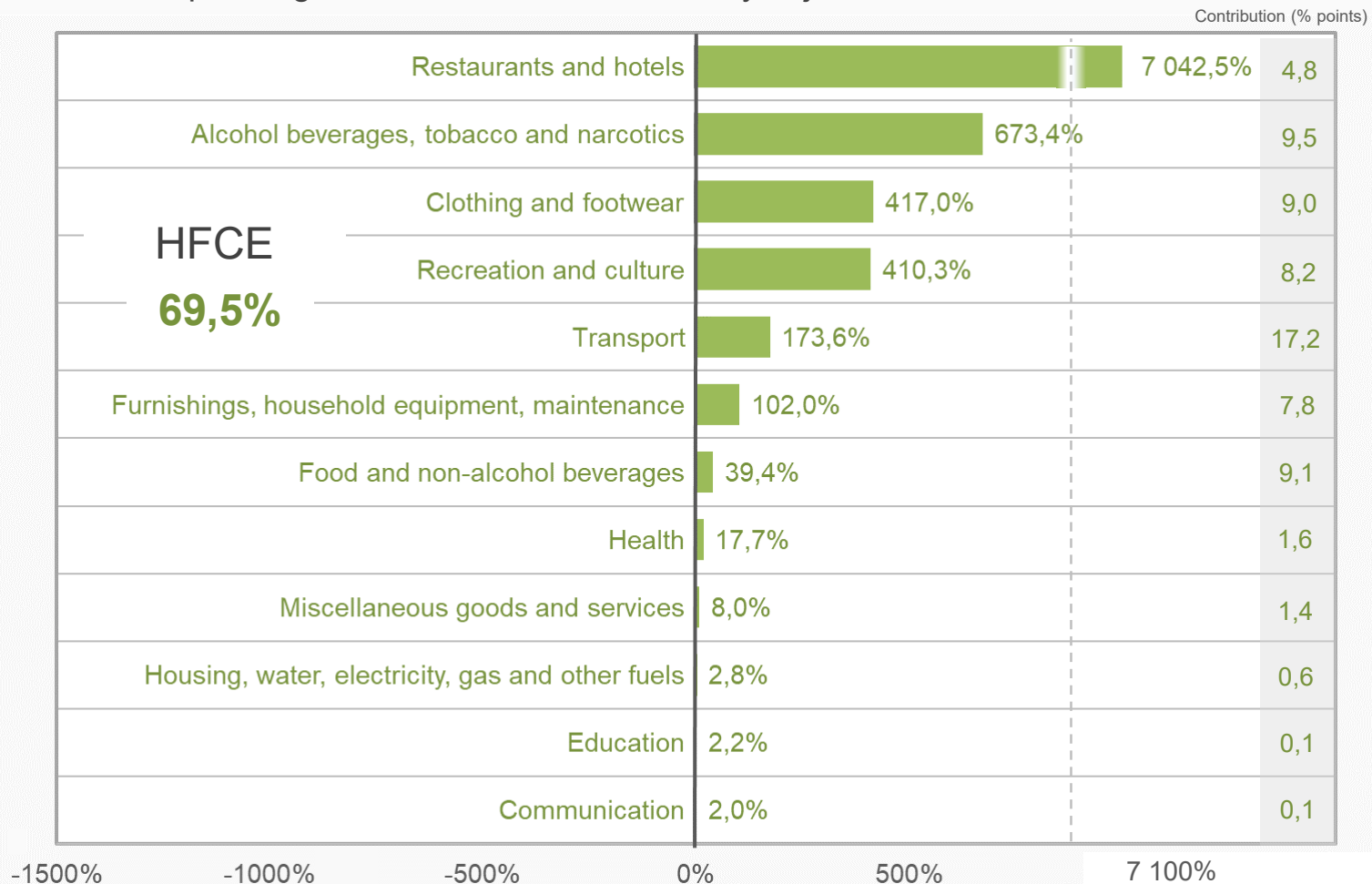
Quarter-on-quarter percentage growth, seasonally adjusted and annualised



Household consumption expenditure increased in Q3: 2020, in line with the retail trade sales and increased expenditure on non-retail goods and services

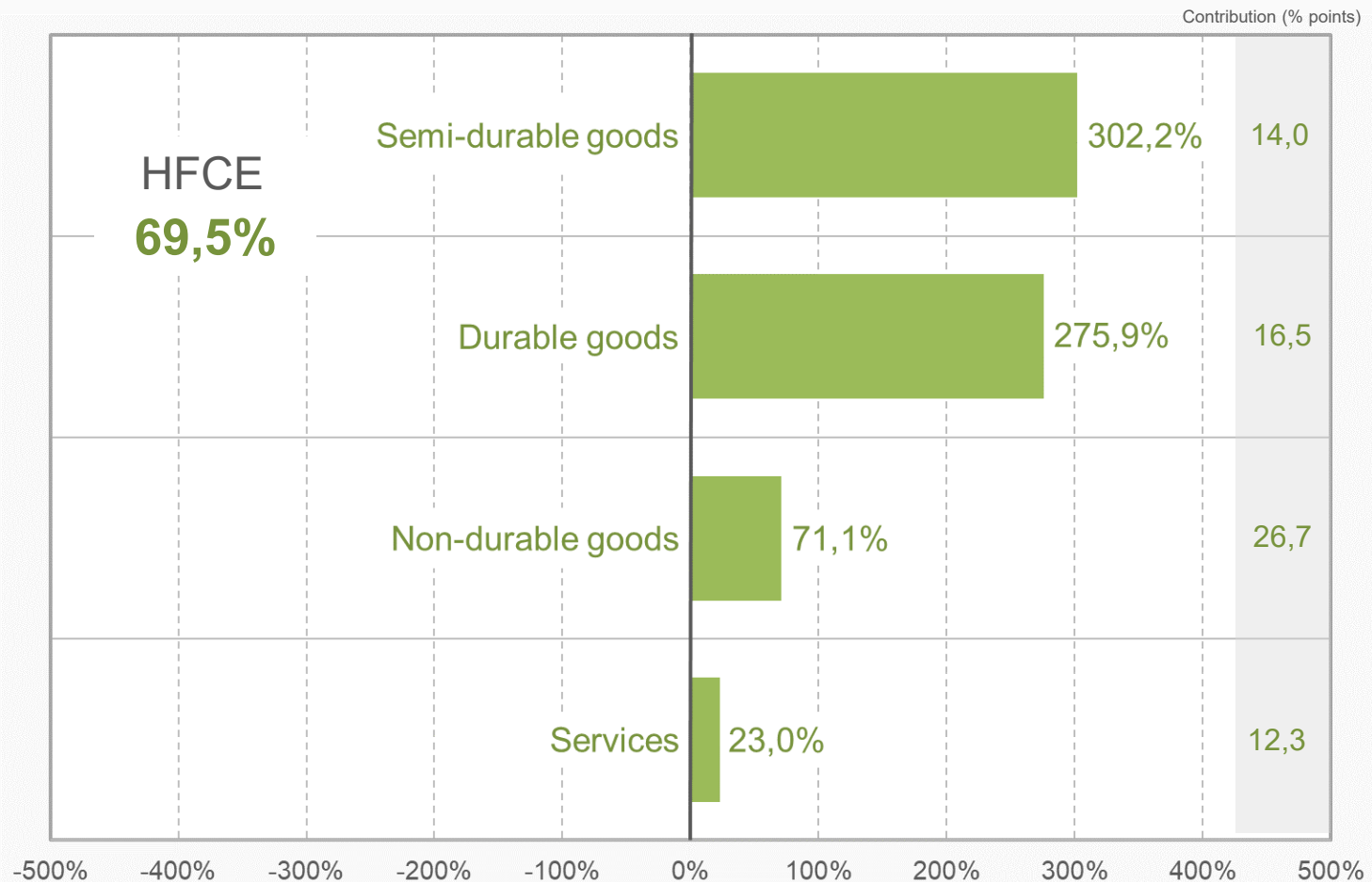
Household final consumption expenditure by purpose

Quarter-on-quarter growth in Q3: 2020, seasonally adjusted and annualised



Household final consumption expenditure by durability

Quarter-on-quarter growth in Q3: 2020, seasonally adjusted and annualised



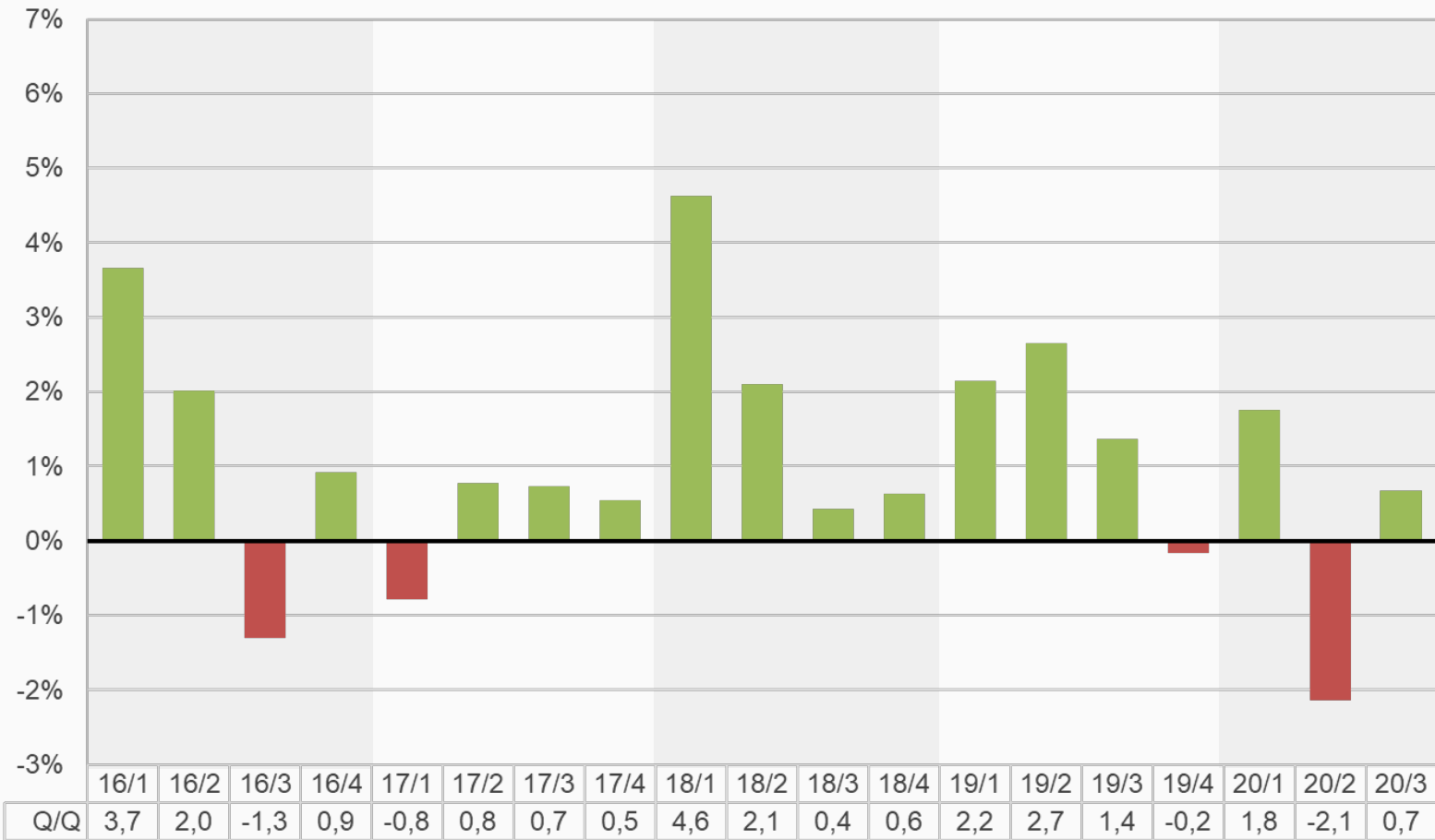
Government final consumption expenditure (GFCE)



Growth in Q3: 2020
(quarter-on-quarter)
Seasonally adjusted and annualised

Government final consumption expenditure (GFCE) time series

Quarter-on-quarter percentage growth, seasonally adjusted and annualised



Increased employment in the civil service and spending on goods and services contributed to growth in Q3: 2020

Gross fixed capital formation (GFCF)

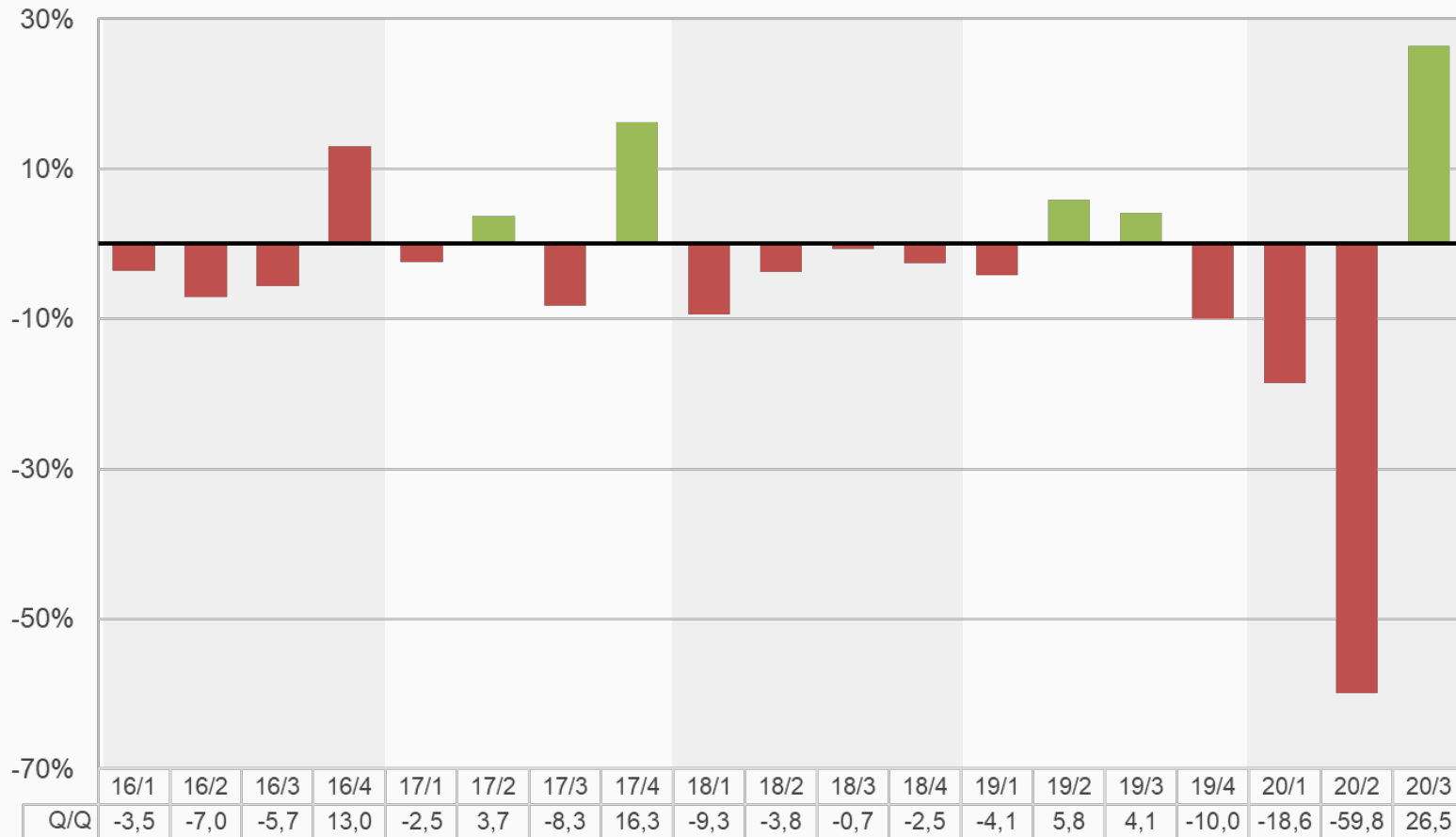
Gross fixed capital formation (GFCF)



Growth in Q3: 2020
(quarter-on-quarter)
Seasonally adjusted and annualised

Gross fixed capital formation (GFCF) time series

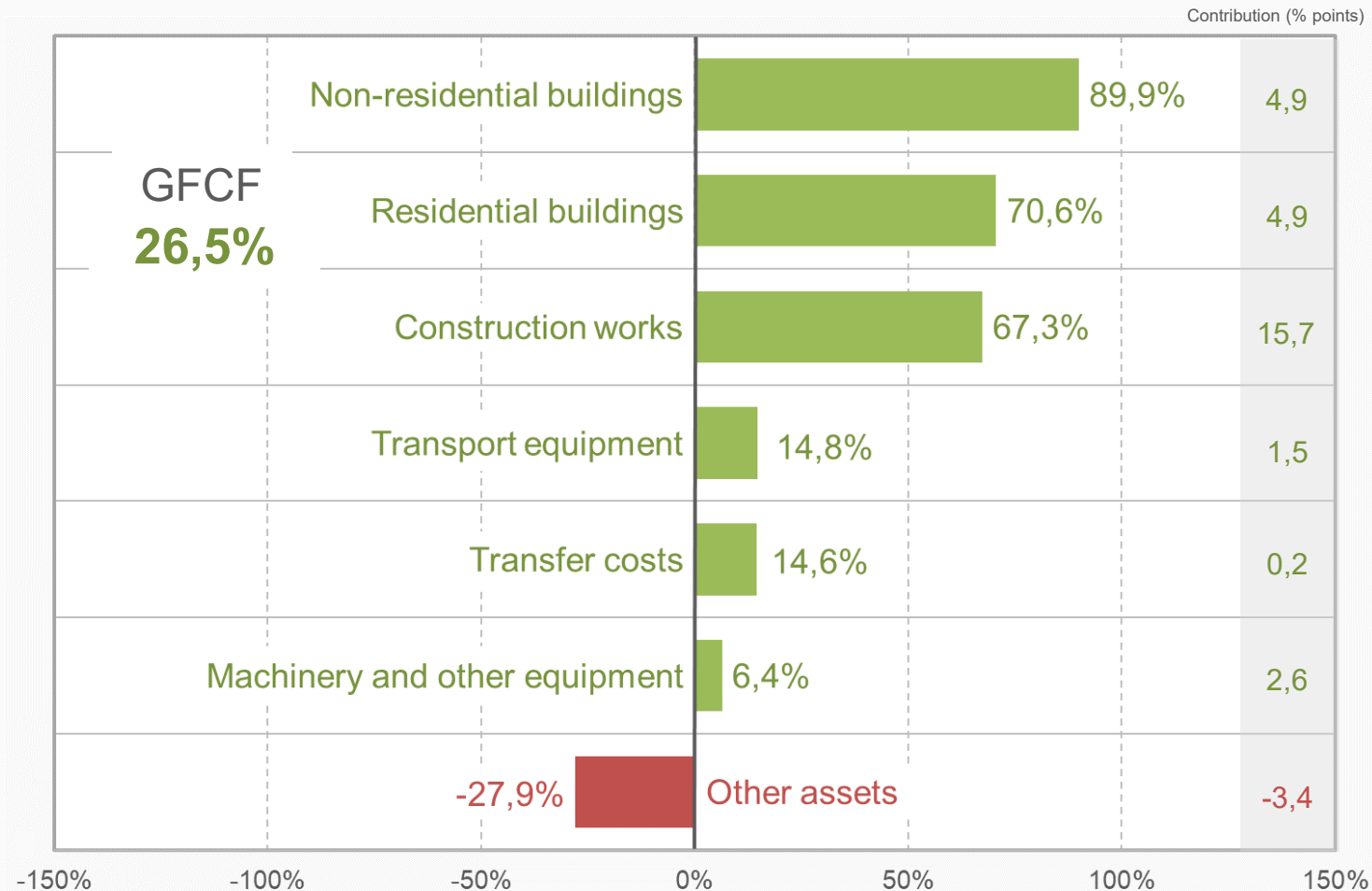
Quarter-on-quarter percentage growth, seasonally adjusted and annualised



Growth in Q3: 2020 was driven largely by increasing investments in construction works, machinery and other equipment, residential buildings, transport equipment and non-residential buildings

Gross fixed capital formation (GFCF) by asset type

Quarter-on-quarter growth in Q3: 2020, seasonally adjusted and annualised



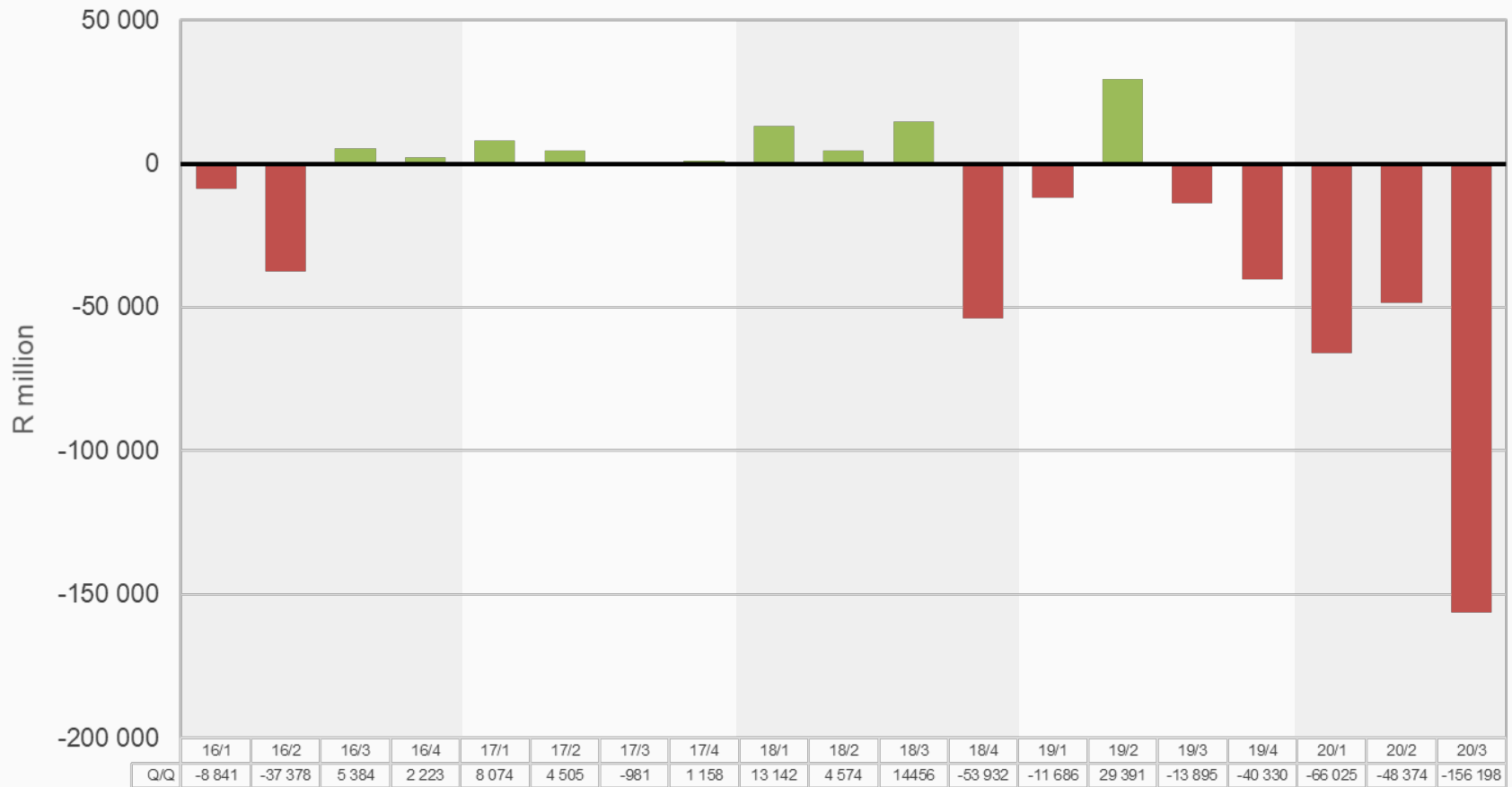
Change in inventories



**-R156 198
million**

in Q3: 2020
(quarter-on-quarter)
Seasonally adjusted and annualised

Change in inventories time series



Large inventory drawdowns were reported for the mining and trade industries in Q3: 2020

Exports and imports

Exports and imports

Exports



in Q3: 2020
(quarter-on-quarter)
Seasonally adjusted and annualised



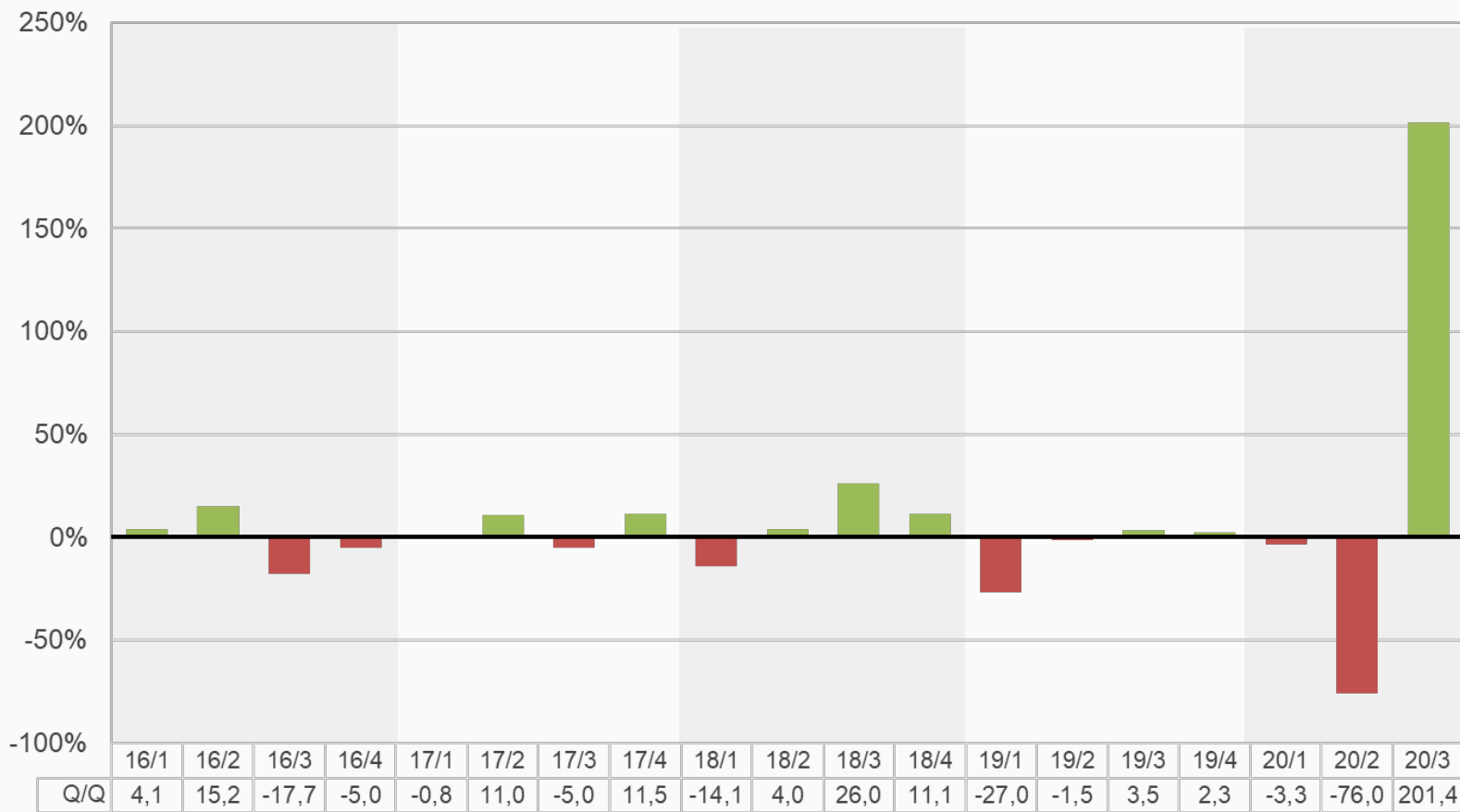
Imports



in Q3: 2020
(quarter-on-quarter)
Seasonally adjusted and annualised

Exports and imports

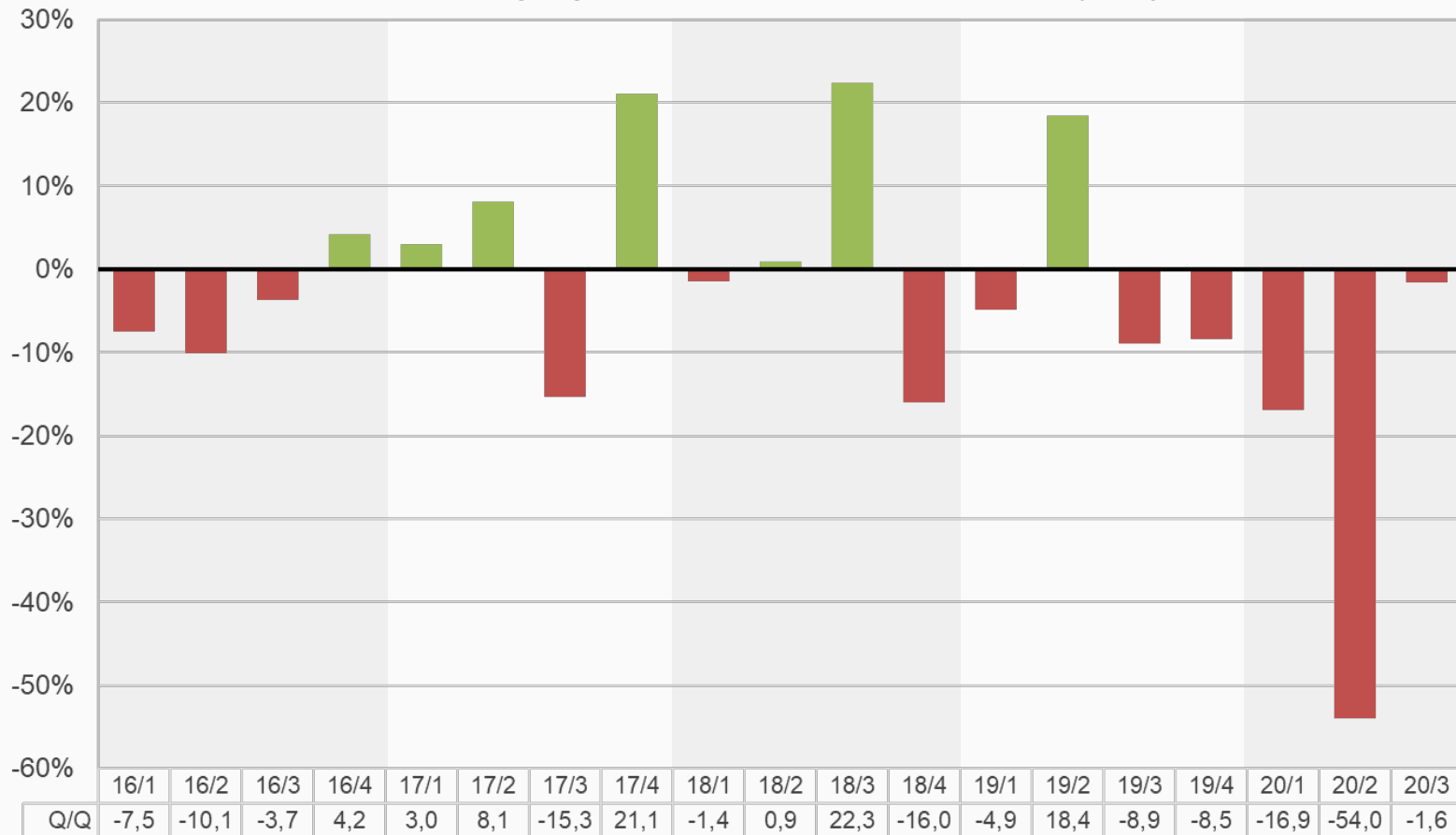
Quarter-on-quarter percentage growth in **exports**, seasonally adjusted and annualised



The rise in Q3: 2020 was largely influenced by increased trade in vehicles and other transport equipment, precious metals and stones, machinery and equipment, mineral products and base metals

Exports and imports

Quarter-on-quarter percentage growth in **imports**, seasonally adjusted and annualised



The decline in Q3: 2020 was driven largely by decreases in textiles and textiles articles, chemical products and prepared foodstuffs, beverages and tobacco products

Recap



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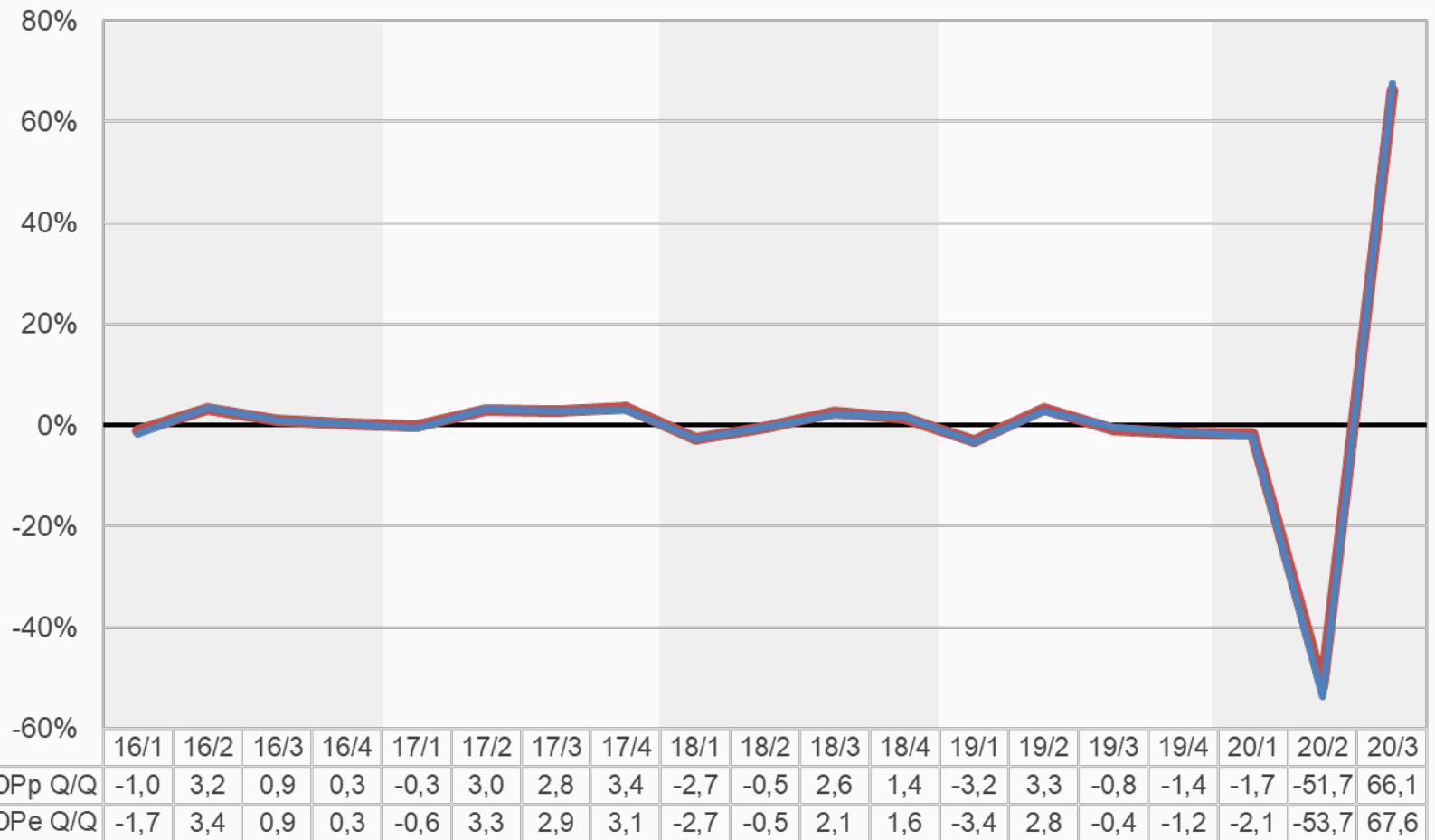


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Growth rates: GDP production and expenditure on GDP



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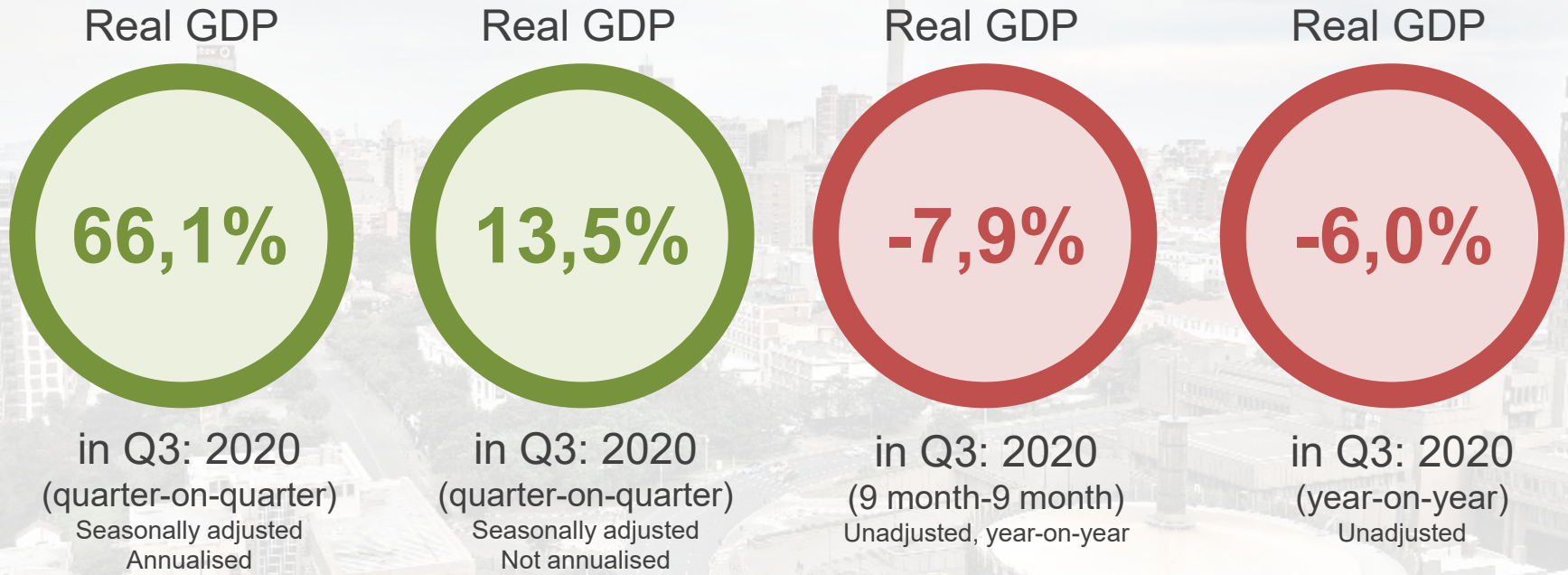


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GDP production: Growth figures for Q3: 2020



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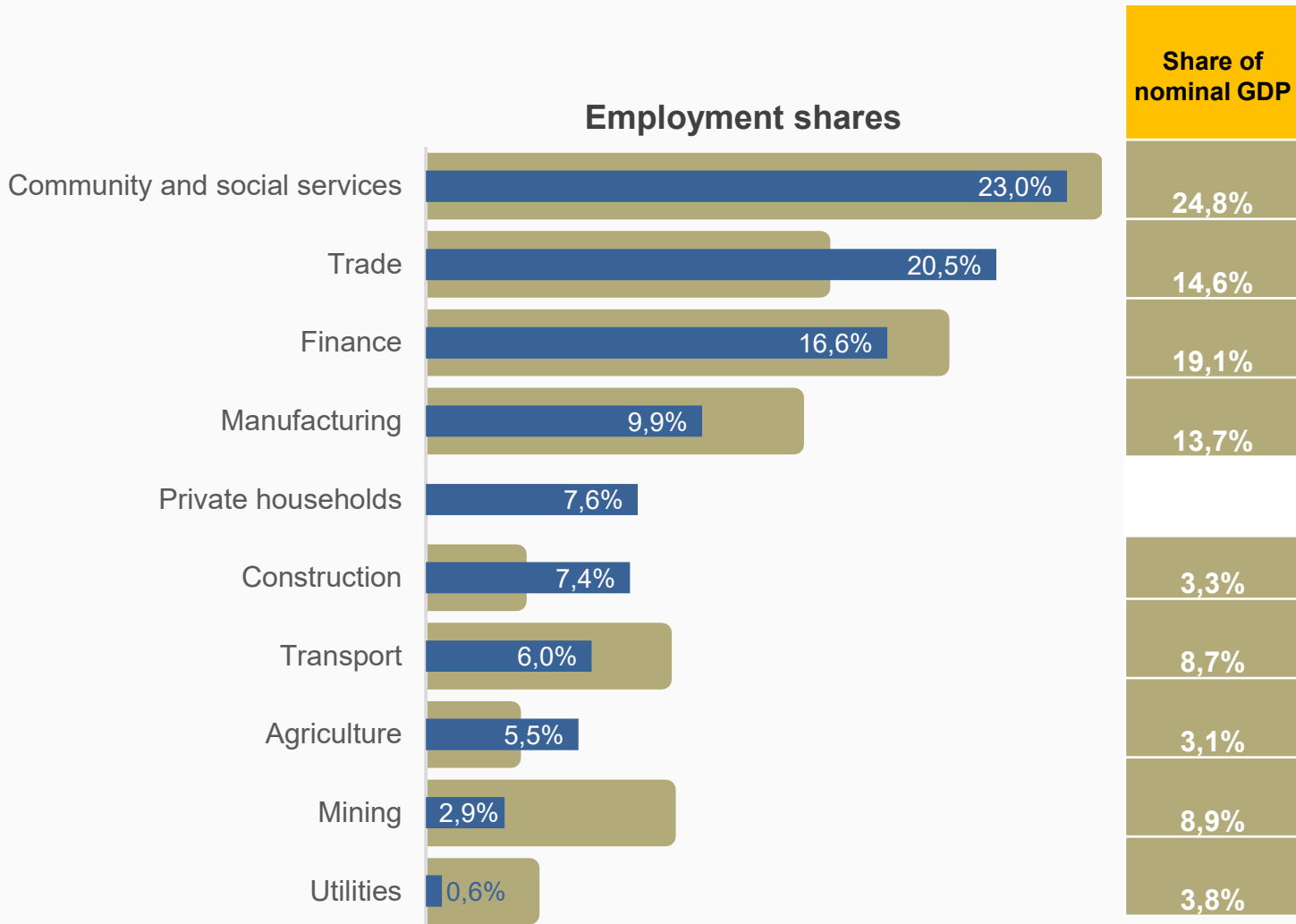


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Employment and GDP share per industry, Q3: 2020



Percentages have been rounded and may not sum to 100%

Employment shares: Quarterly Labour Force Survey (QLFS), 3rd quarter 2020



Ndzi hela kwala!

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