



**stats sa**

Department:  
Statistics South Africa  
**REPUBLIC OF SOUTH AFRICA**

**Press release**

**Embargo: Tuesday 06 September 2022, 11:30**

## **GDP decreased by 0,7% in the second quarter of 2022<sup>1</sup>**

### **Gross domestic product (measured by production)**

South Africa's gross domestic product (GDP) decreased by 0,7% in the second quarter of 2022.

The manufacturing industry decreased by 5,9% in the second quarter, contributing -0,7 of a percentage point to GDP growth. Eight of the ten manufacturing divisions reported negative growth rates in the second quarter. The petroleum, chemical products, rubber and plastic products division made the largest contribution to the decrease in the second quarter. The food and beverages division; motor vehicles, parts and accessories and other transport equipment division; and basic iron and steel, non-ferrous metal products, metal products and machinery division also made notable negative contributions to growth.

The agriculture industry decreased by 7,7% in the second quarter, contributing -0,2 of a percentage point to GDP growth. Decreased economic activities were reported for animal products.

The mining and quarrying industry decreased by 3,5%, contributing -0,2 of a percentage point to GDP growth. Decreased economic activities were reported for gold, coal, manganese ore and diamonds.

The trade, catering and accommodation industry decreased by 1,5%, contributing -0,2 of a percentage point to GDP growth. Decreased economic activities were reported for wholesale trade and retail trade.

The construction industry decreased by 2,4%, contributing -0,1 of a percentage point. Decreased economic activities were reported for residential buildings and construction works.

The unadjusted real GDP at market prices for the first six months of 2022 increased by 1,4% compared with the first six months of 2021.

<sup>1</sup> Unless otherwise specified, growth rates are quarter-on-quarter and seasonally adjusted. All growth rates are calculated on the basis of series at constant prices. The GDP estimates are preliminary and may be revised.

## Expenditure on GDP<sup>2</sup>

Expenditure on real gross domestic product decreased by 0,7% in the second quarter of 2022.

Household final consumption expenditure increased by 0,6% in the second quarter, contributing 0,4 of a percentage point to total growth. The largest contribution to growth was in services.

The main contributors to growth in HFCE were expenditures on the 'other' category<sup>3</sup> (3,2% and contributing 0,4 of a percentage point), restaurants (6,2% and contributing 0,3 of a percentage point), communication (1,5% and contributing 0,1 of a percentage point), health (1,0% and contributing 0,1 of a percentage point), and transport (0,6% and contributing 0,1 of a percentage point).

Expenditures on alcohol and tobacco, clothing, housing, furnishings and recreation contributed negatively to growth in HFCE in the second quarter.

Final consumption expenditure by general government decreased by 0,7% in the second quarter. Decreases in employment numbers and spending on goods and services were reported.

Total gross fixed capital formation increased by 0,5%. The main contributors to the increase were machinery and equipment<sup>4</sup> (2,9% and contributing 1,2 percentage points), transfer costs (7,8% and contributing 0,1 of a percentage point) and 'other' assets<sup>5</sup> (1,3% and contributing 0,1 of a percentage point).

There was a R27 billion build-up of inventories in the second quarter of 2022 (seasonally adjusted and annualised value). Increases in trades, transport and communication and finance contributed to the inventory build-up experienced in the second quarter of 2022.

Net exports contributed negatively to growth in expenditure on GDP in the second quarter. Exports of goods and services increased by 0,3%, largely influenced by increased trade in pearls, precious and semi-precious stones, precious metals; base metals and articles of base metals; and chemical products.

Imports of goods and services increased by 5,6%, driven largely by increases in chemical products and mineral products.

### Media enquiries:

Trevor Oosterwyk  
Chief Director: Communications  
[trevoro@statssa.gov.za](mailto:trevoro@statssa.gov.za)  
012 310 4687 / 082 908 9104

### Technical enquiries:

Litshani Ligudu  
Acting Chief Director: National Accounts  
[litshanil@statssa.gov.za](mailto:litshanil@statssa.gov.za)  
012 310 4674 / 082 884 4279

<sup>2</sup> The figures showing growth in expenditure on GDP exclude the residual, calculated as the difference between GDP measured by production and the sum of the expenditure components. For more detail see Table 31 on the Stats SA website.

<sup>3</sup> Given the sources used to estimate HFCE, spending by non-residents in South Africa needs to be deducted from HFCE. Hence, an increase in non-residents' expenditure decreases the 'other' component of HFCE and makes a negative contribution to the HFCE growth rate.

<sup>4</sup> Machinery and other equipment includes computers and related equipment.

<sup>5</sup> Other assets includes research and development, computer software, mineral exploration and cultivated biological resources.