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Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

Press release

Embargo: Tuesday 03 September 2024, 11:30

GDP increased by 0,4% in the second quarter of 2024¹

Gross domestic product (measured by production)

South Africa's gross domestic product (GDP) increased by 0,4% in the second quarter of 2024, following a 0,0% growth in the first quarter of 2024.

The finance, real estate and business services industry increased by 1,3%, contributing 0,3 of a percentage point to the GDP growth. Increased economic activities were reported for financial intermediation, auxiliary activities, real estate activities and other business services.

The trade, catering and accommodation industry increased by 1,2%, contributing 0,1 of a percentage point. Increased economic activities were reported for wholesale trade, retail trade and accommodation.

The manufacturing industry increased by 1,1%, contributing 0,1 of a percentage point. Six of the ten manufacturing divisions reported positive growth rates in the second quarter. The following divisions made the largest positive contributions: motor vehicles, parts and accessories and other transport equipment; food and beverages; and basic iron and steel, non-ferrous metal products, metal products and machinery.

The electricity, gas and water industry increased by 3,1%, contributing 0,1 of a percentage point. This was largely due to increases in electricity production and consumption, as well as water consumption.

The transport, storage and communication industry decreased by 2,2%, contributing -0,2 of a percentage point. Decreased economic activities were reported for land transport and transport support services.

The agriculture, forestry and fishing industry decreased by 2,1%, contributing -0,1 of a percentage point. This was primarily due to decreased economic activities reported for field crops and animal products.

¹ 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 GDP²

Expenditure on real GDP increased by 0,5% in the second quarter of 2024, following a decrease of 0,1% in the first quarter of 2024.

Household final consumption expenditure (HFCE) increased by 1,4%, contributing 0,9 of a percentage point to the total growth. The highest growth rates were reported for services and semi-durable goods.

The main positive contributors to the increase in HFCE were expenditures on the 'other' category³ (4,5% and contributing 0,6 of a percentage point), clothing and footwear (3,2% and contributing 0,2 of a percentage point) and food and non-alcoholic beverages (1,2% and contributing 0,2 of a percentage point).

Final consumption expenditure by general government increased by 1,0%, contributing 0,2 of a percentage point. This was mainly driven by increases in purchases of goods and services and compensation of employees.

Gross fixed capital formation decreased by 1,4%, contributing -0,2 of a percentage point. The main negative contributors to the decrease were other assets⁴ (-8,4% and contributing -0,9 of a percentage point), construction works (-3,7% and contributing -0,6 of a percentage point) and machinery and other equipment (-1,2% and contributing -0,5 of a percentage point).

There was a R9,6 billion build-up of inventories (seasonally adjusted and annualised value). Large increases in three industries, namely trade, catering and accommodation; manufacturing; and finance, real estate and business services, contributed to the inventory build-up.

Net exports contributed negatively to expenditure on GDP. Exports of goods and services decreased by 0,4%, largely influenced by decreased trade in vegetable products; mineral products; vehicles and transport equipment excluding large aircraft; and base metals and articles of base metals.

Imports of goods and services increased by 1,7%, largely influenced by increased trade in vehicles and transport equipment excluding large aircraft; vegetable products; mineral products; and textiles and textile articles.

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² 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.

³ Given the sources used to estimate HFCE, spending by residents abroad needs to be added to HFCE. Hence, an increase in residents' expenditure abroad increases the 'other' component of HFCE and makes a positive contribution to the HFCE growth rate.

⁴ Other assets include research and development, computer software, mineral exploration and cultivated biological resources.