



***Updated : 20 July 2018***

**Note: Forecasts from 2018 Q2**

## Outlook for the South African economy

Economic variable	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b><u>Real GDP growth (y-o-y % change)</u></b>																		
Household consumption expenditure	6.1	8.8	6.5	1.2	-2.6	3.9	5.1	3.7	2.0	0.8	1.8	0.7	2.2	1.9	2.2	2.1	3.4	3.5
Government consumption expenditure	5.1	4.9	4.0	5.8	4.6	3.0	2.8	3.5	3.1	1.7	-0.3	1.9	0.6	0.8	1.0	1.4	1.8	1.8
Gross fixed capital formation	11.0	12.1	13.8	12.8	-6.7	-3.9	5.5	2.6	7.2	0.7	3.4	-4.1	0.4	1.2	3.2	3.8	5.7	5.4
<b>Gross Domestic Expenditure (GDE)</b>	<b>5.9</b>	<b>8.6</b>	<b>5.8</b>	<b>3.6</b>	<b>-1.4</b>	<b>3.7</b>	<b>5.6</b>	<b>3.2</b>	<b>2.8</b>	<b>0.6</b>	<b>2.1</b>	<b>-0.9</b>	<b>1.9</b>	<b>1.9</b>	<b>2.1</b>	<b>2.4</b>	<b>3.5</b>	<b>3.6</b>
Exports of goods & services	8.6	7.5	7.8	1.5	-17.0	7.7	3.5	0.8	4.0	3.6	2.8	1.0	-0.1	0.6	3.2	2.8	3.4	3.4
Imports of goods & services	10.9	18.3	9.4	2.8	-17.7	10.8	11.9	4.2	5.0	-0.6	5.4	-3.8	1.9	2.6	3.5	3.5	4.5	5.1
<b>Gross Domestic Product (GDP)</b>	<b>5.3</b>	<b>5.6</b>	<b>5.4</b>	<b>3.2</b>	<b>-1.5</b>	<b>3.0</b>	<b>3.3</b>	<b>2.2</b>	<b>2.5</b>	<b>1.8</b>	<b>1.3</b>	<b>0.6</b>	<b>1.3</b>	<b>1.3</b>	<b>2.0</b>	<b>2.2</b>	<b>3.1</b>	<b>3.0</b>
<b><u>Key economic ratios (% of GDP)</u></b>																		
Budget deficit/surplus	-0.5	0.3	0.7	-0.4	-4.6	-4.6	-4.0	-5.2	-4.8	-4.7	-4.2	-4.2	-4.4	-3.5	-3.7	-3.5	-3.7	-3.3
Government debt (gross loan debt)	33.2	31.4	27.1	26.5	30.1	34.7	38.2	41.0	44.1	47.0	49.3	51.6	53.0	54.1	55.1	54.8	55.0	55.6
Current account balance (+ / -)	-3.1	-4.5	-5.4	-5.5	-2.7	-1.5	-2.2	-5.1	-5.8	-5.1	-4.6	-2.8	-2.5	-3.0	-3.6	-4.2	-4.8	-5.3
Gross fixed capital formation (fixed investment)	17.2	18.9	20.6	23.5	21.5	19.3	19.1	19.2	20.4	20.4	20.4	19.5	18.7	18.1	17.9	17.9	18.3	18.8
<b><u>Inflation (y-o-y % change)</u></b>																		
CPI (headline)	3.3	4.7	7.1	11.5	6.6	4.3	5.0	5.6	5.8	6.1	4.6	6.3	5.3	4.8	5.9	5.8	5.1	4.5
PPI (total)	3.7	6.4	9.8	15.2	0.7	1.9	5.7	4.9	6.0	7.4	3.6	7.1	4.9	4.7	6.8	6.8	6.1	5.9
<b><u>Interest rates (end of period)</u></b>																		
Repurchase (repo) rate	7.00	8.67	10.67	11.83	7.00	5.67	5.50	5.00	5.00	5.75	6.25	7.00	6.75	6.50	6.50	6.50	6.00	6.00
Prime overdraft rate	10.50	12.17	14.17	15.33	10.50	9.17	9.00	8.50	8.50	9.25	9.75	10.50	10.25	10.00	10.00	10.00	9.50	9.50
<b><u>Exchange rates (averages)</u></b>																		
USD/Euro	1.24	1.26	1.37	1.46	1.39	1.32	1.39	1.29	1.33	1.33	1.11	1.11	1.13	1.20	1.19	1.21	1.22	1.23
R/USD	6.36	6.77	7.05	8.25	8.44	7.32	7.25	8.21	9.65	10.84	12.75	14.71	13.31	12.70	12.97	13.33	13.65	13.92
R/Euro	7.91	8.51	9.66	12.03	11.69	9.71	10.08	10.55	12.82	14.40	14.14	16.28	15.04	15.20	15.48	16.17	16.63	17.11
R/Yen	0.058	0.058	0.060	0.080	0.090	0.083	0.091	0.103	0.099	0.103	0.105	0.135	0.119	0.115	0.113	0.114	0.117	0.119
R/British Pound	11.57	12.50	14.11	15.10	13.12	11.31	11.62	13.01	15.10	17.86	19.48	19.99	17.16	17.36	18.21	19.28	19.16	19.71
<b><u>Commodity prices (averages)</u></b>																		
Gold (USD/oz)	444.8	604.5	696.8	872.3	970.9	1 225.0	1 569.2	1 668.4	1 410.9	1 266.2	1 160.4	1 247.9	1 259.3	1 295.4	1 300.0	1 350.0	1 360.0	1 370.0
Platinum (USD/oz)	895.7	1 139.8	1 304.2	1 571.1	1 205.9	1 610.7	1 716.1	1 550.0	1 484.0	1 380.3	1 052.6	985.7	949.4	893.4	905.0	1 007.5	1 040.0	1 050.0
Iron ore (USD / metric ton)	28.1	33.5	36.6	61.6	80.0	146.7	167.8	128.5	135.4	91.3	55.4	57.4	71.3	66.4	64.5	62.0	61.0	60.0
Coal (USD / metric ton)	46.2	50.7	62.7	120.6	64.7	91.6	116.3	92.9	80.2	72.3	57.3	64.6	85.7	97.8	82.5	70.0	72.0	72.0
Copper (USD / metric ton)	3 676.5	6 731.4	7 131.6	6 963.5	5 165.3	7 538.4	8 823.5	7 958.9	7 331.5	6 859.4	5 502.2	4 912.3	6 303.5	6 758.3	6 825.0	7 008.1	7 130.0	7 200.0
Aluminium (USD / metric ton)	1 900.5	2 573.1	2 639.9	2 577.9	1 669.2	2 173.0	2 400.6	2 022.8	1 846.7	1 876.6	1 686.2	1 629.5	2 006.4	2 173.4	2 200.0	2 250.0	2 270.0	2 280.0
Brent crude oil (USD/ bbl)	54.4	65.4	72.7	97.7	61.9	79.6	111.0	112.0	108.8	98.9	52.4	44.0	55.7	72.0	74.0	77.0	78.0	80.0

## Outlook for the South African economy

Economic variable	2015				2016				2017				2018				2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Real GDP growth (q-o-q % change)</b>																				
Household consumption expenditure	3.0	-0.3	2.5	1.4	-2.0	1.0	2.6	2.1	0.9	3.8	2.4	3.6	1.5	-1.6	3.4	3.7	3.1	-1.9	3.8	4.9
Government consumption expenditure	-2.1	-0.6	-0.7	3.7	1.1	4.6	1.4	0.6	-1.2	0.6	1.3	1.6	1.2	-2.0	1.9	2.4	-1.6	2.8	1.4	1.8
Gross fixed capital formation	5.4	0.3	9.8	-11.6	-8.5	-5.7	-2.8	10.1	-3.1	-0.2	-2.7	7.4	-3.2	1.9	2.8	5.1	2.1	3.4	2.9	4.0
<b>Gross Domestic Expenditure (GDE)</b>	<b>8.4</b>	<b>-7.0</b>	<b>1.7</b>	<b>3.1</b>	<b>-4.8</b>	<b>-4.6</b>	<b>6.3</b>	<b>2.1</b>	<b>0.0</b>	<b>4.1</b>	<b>-1.2</b>	<b>6.9</b>	<b>1.0</b>	<b>-1.1</b>	<b>1.8</b>	<b>4.2</b>	<b>2.3</b>	<b>-0.5</b>	<b>3.3</b>	<b>4.3</b>
Exports of goods & services	-1.8	6.6	-0.4	-5.5	2.2	19.9	-16.1	-1.6	-3.3	8.0	-0.6	12.3	-16.5	2.1	11.8	11.8	-3.1	0.7	1.3	1.1
Imports of goods & services	20.8	-10.1	4.3	3.5	-10.8	-8.6	-0.6	4.1	-1.6	12.2	-11.3	26.5	-6.5	-2.2	4.0	9.1	-2.4	4.8	7.3	4.3
<b>Gross Domestic Product (GDP)</b>	<b>1.7</b>	<b>-2.1</b>	<b>0.2</b>	<b>0.3</b>	<b>-0.8</b>	<b>3.6</b>	<b>1.0</b>	<b>0.4</b>	<b>-0.5</b>	<b>2.9</b>	<b>2.3</b>	<b>3.1</b>	<b>-2.2</b>	<b>0.2</b>	<b>4.0</b>	<b>4.9</b>	<b>2.2</b>	<b>-1.7</b>	<b>1.5</b>	<b>3.4</b>
<b>Key economic ratios (% of GDP)</b>																				
Budget deficit/surplus	-2.9	-3.6	-8.6	-1.7	-3.1	-2.7	-8.7	-2.2	-2.0	-3.2	-9.4	-3.1	-2.4	-4.0	-6.8	-0.9	-2.8	-4.1	-6.6	-1.5
Government debt (gross loan debt)	46.5	47.1	48.5	49.3	49.0	50.1	50.5	51.6	50.7	51.6	51.5	53.0	52.1	51.6	52.7	54.1	51.9	52.8	53.9	55.1
Current account balance (+ / -)	-4.9	-3.3	-4.8	-5.4	-4.9	-2.0	-2.7	-1.7	-2.0	-2.8	-2.1	-2.9	-4.8	-2.5	-2.4	-2.5	-4.0	-2.4	-3.1	-4.7
Gross fixed capital formation (fixed investment)	20.5	20.3	20.8	20.2	19.8	19.6	19.3	19.4	19.3	18.7	18.4	18.6	18.6	18.1	18.0	17.9	17.8	17.9	17.9	17.9
<b>Inflation (y-o-y % change)</b>																				
CPI (headline)	4.1	4.6	4.7	4.9	6.5	6.2	6.0	6.6	6.3	5.3	4.8	4.7	4.1	4.7	5.1	5.4	6.0	5.7	6.0	6.0
PPI (total)	3.1	3.4	3.5	4.4	7.6	6.8	7.1	6.9	5.6	4.5	4.3	5.1	4.3	4.5	5.0	5.1	6.4	7.0	7.1	6.7
<b>Interest rates (end of period)</b>																				
Repurchase (repo) rate	5.75	5.75	6.00	6.25	7.00	7.00	7.00	7.00	7.00	7.00	6.75	6.75	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Prime overdraft rate	9.25	9.25	9.50	9.75	10.50	10.50	10.50	10.50	10.50	10.50	10.25	10.25	10.17	10.00	10.00	10.00	10.00	10.00	10.00	10.00
<b>Exchange rates (averages)</b>																				
USD/Euro	1.13	1.10	1.11	1.09	1.10	1.13	1.12	1.08	1.07	1.10	1.17	1.18	1.23	1.19	1.19	1.18	1.18	1.19	1.20	1.20
R/USD	11.74	12.09	12.99	14.18	15.86	15.01	14.07	13.90	13.23	13.21	13.17	13.64	11.96	12.65	13.19	13.00	12.85	12.88	13.03	13.13
R/Euro	13.23	13.36	14.46	15.52	17.47	16.96	15.70	15.01	14.10	14.53	15.47	16.07	14.70	15.07	15.67	15.35	15.16	15.38	15.61	15.77
R/Yen	0.099	0.100	0.106	0.117	0.138	0.139	0.137	0.127	0.116	0.119	0.119	0.121	0.110	0.116	0.118	0.115	0.11	0.11	0.11	0.11
R/British Pound	17.78	18.53	20.14	21.52	22.69	21.54	18.48	17.24	16.40	16.90	17.23	18.10	16.64	17.19	17.85	17.76	17.61	17.97	18.45	18.82
<b>Commodity prices (averages)</b>																				
Gold (USD/oz)	1219.8	1192.9	1124.5	1104.5	1180.1	1258.2	1334.6	1218.7	1219.2	1257.7	1278.0	1282.3	1329.0	1306.6	1235.0	1311.0	1306.6	1302.2	1297.8	1293.4
Platinum (USD/oz)	1192.6	1125.6	986.4	905.9	913.0	1002.3	1084.9	942.6	980.0	939.6	950.4	927.3	977.7	905.8	840.0	850.0	890.0	900.0	900.0	930.0
Iron ore (USD / metric ton)	58.7	58.6	55.3	49.0	48.4	52.0	58.4	71.0	85.0	63.6	71.6	65.0	74.3	65.3	63.0	63.0	64.0	65.3	64.7	64.0
Coal (USD / metric ton)	60.8	63.5	53.6	51.4	51.8	55.8	65.3	85.6	83.4	76.7	88.1	94.7	94.4	101.8	100.0	95.0	90.0	85.0	80.0	75.0
Copper (USD / metric ton)	5810.0	6060.1	5175.0	4963.7	4701.0	4855.0	4802.0	5291.0	5933.8	5784.8	6546.0	6949.3	6921.0	6762.0	6670.0	6680.0	6750.0	6800.0	6850.0	6900.0
Aluminium (USD / metric ton)	1821.0	1792.6	1599.3	1532.0	1537.0	1628.0	1644.0	1709.0	1901.8	1919.5	2045.7	2158.7	2119.0	2227.0	2174.0	2173.8	2184.2	2194.7	2205.2	2215.8
Brent crude oil (USD/ bbl)	54.0	62.1	50.0	43.4	34.4	46.0	45.8	50.1	54.7	50.0	54.2	63.9	67.2	75.0	73.6	72.2	72.9	73.6	74.4	75.1