



*Updated : 28 October 2016*

*Note: Forecasts from 2016 Q3*

## 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       |
|--|------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|
| <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        | 0.7        | 1.7        | 0.6         | 1.2        | 1.9        | 2.4        | 2.9        | 2.6        |
| Government consumption expenditure               | 5.1        | 4.9        | 4.0        | 5.8        | 4.6         | 3.0        | 2.8        | 3.5        | 3.8        | 1.8        | 0.2        | 1.3         | 1.2        | 2.0        | 1.9        | 2.3        | 2.2        |
| Gross fixed capital formation                    | 11.0       | 12.1       | 13.8       | 12.8       | -6.7        | -3.9       | 5.5        | 2.6        | 7.0        | 1.5        | 2.5        | -3.3        | 0.5        | 3.5        | 5.0        | 4.1        | 3.6        |
| <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>0.5</b> | <b>1.7</b> | <b>-1.0</b> | <b>1.2</b> | <b>2.5</b> | <b>3.0</b> | <b>3.1</b> | <b>2.8</b> |
| Exports of goods & services                      | 8.6        | 7.5        | 7.8        | 1.5        | -17.0       | 7.7        | 3.5        | 0.8        | 3.6        | 3.3        | 4.1        | 1.1         | 4.1        | 3.6        | 4.9        | 4.1        | 4.2        |
| Imports of goods & services                      | 10.9       | 18.3       | 9.4        | 2.8        | -17.7       | 10.8       | 11.9       | 4.2        | 5.0        | -0.5       | 5.3        | -2.9        | 3.8        | 5.0        | 5.2        | 4.5        | 4.5        |
| <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>2.3</b> | <b>1.6</b> | <b>1.3</b> | <b>0.2</b>  | <b>1.2</b> | <b>2.1</b> | <b>2.9</b> | <b>3.0</b> | <b>2.7</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       | -4.7       | -4.7       | -4.3       | -3.5        | -3.8       | -3.1       | -3.0       | -2.9       | -2.9       |
| Government debt (gross loan debt)                | 33.2       | 31.4       | 27.1       | 26.5       | 30.1        | 34.7       | 38.2       | 41.0       | 44.0       | 46.9       | 49.8       | 51.3        | 51.6       | 51.0       | 50.0       | 49.2       | 48.8       |
| Current account balance (+ / -)                  | -3.1       | -4.5       | -5.4       | -5.5       | -2.7        | -1.5       | -2.2       | -5.1       | -5.9       | -5.3       | -4.3       | -4.1        | -4.8       | -5.7       | -5.6       | -4.8       | -4.0       |
| Gross fixed capital formation (fixed investment) | 17.2       | 18.9       | 20.6       | 23.5       | 21.5        | 19.3       | 19.1       | 19.2       | 20.3       | 20.5       | 20.6       | 19.8        | 19.9       | 20.3       | 20.9       | 21.1       | 21.2       |
| <b><u>Inflation (% change)</u></b>               |            |            |            |            |             |            |            |            |            |            |            |             |            |            |            |            |            |
| CPI (headline)                                   | 3.3        | 4.7        | 7.1        | 11.5       | 6.6         | 4.3        | 5.0        | 5.7        | 5.8        | 6.1        | 4.6        | 6.3         | 5.8        | 5.3        | 5.3        | 5.0        | 4.8        |
| PPI (total)                                      | 3.7        | 6.4        | 9.8        | 15.2       | 0.7         | 1.9        | 5.7        | 4.9        | 6.0        | 7.4        | 3.6        | 7.2         | 7.0        | 6.2        | 5.8        | 4.9        | 4.3        |
| <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       | 7.25        | 7.25       | 7.00       | 7.00       | 6.75       | 6.75       |
| 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       | 10.75       | 10.75      | 10.50      | 10.50      | 10.25      | 10.25      |
| <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       | 1.09        | 1.08       | 1.08       | 1.09       | 1.13       | 1.16       |
| R/USD  | 6.36       | 6.77       | 7.05       | 8.25       | 8.44        | 7.32       | 7.25       | 8.21       | 9.65       | 10.84      | 12.75      | 14.78       | 14.28      | 14.29      | 14.44      | 15.08      | 15.98      |
| R/Euro   | 7.91       | 8.51       | 9.66       | 12.03      | 11.69       | 9.71       | 10.08      | 10.55      | 12.82      | 14.40      | 14.14      | 16.10       | 15.49      | 15.37      | 15.73      | 17.00      | 18.59      |
| R/Yen  | 0.058      | 0.058      | 0.060      | 0.080      | 0.090       | 0.083      | 0.091      | 0.103      | 0.099      | 0.103      | 0.105      | 0.138       | 0.142      | 0.137      | 0.133      | 0.137      | 0.145      |
| 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      | 19.91       | 17.18      | 17.36      | 18.12      | 19.44      | 21.13      |
| <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    | 1 248.8     | 1 245.5    | 1 231.2    | 1 216.5    | 1 201.5    | 1 200.0    |
| 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    | 1 036.7     | 1 040.3    | 1 078.2    | 1 094.2    | 1 140.3    | 1 165.3    |
| Palladium (USD / ozt)                            | 213.0      | 328.9      | 361.4      | 331.5      | 289.6       | 576.7      | 727.4      | 653.4      | 722.2      | 808.8      | 690.9      | 620.0       | 680.0      | 759.6      | 767.5      | 822.2      | 838.7      |
| Iron ore (USD / metric ton)                      | 28.1       | 33.5       | 36.6       | 61.6       | 80.0        | 146.7      | 167.8      | 128.5      | 135.4      | 96.8       | 55.2       | 54.0        | 54.6       | 51.3       | 54.3       | 54.8       | 57.3       |
| 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       | 59.7        | 65.0       | 60.0       | 55.3       | 55.8       | 57.5       |
| 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    | 6 863.4    | 5 502.2    | 4 780.0     | 4 850.0    | 5 350.1    | 5 565.5    | 5 720.0    | 5 930.0    |
| 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    | 1 622.3     | 1 685.0    | 1 758.2    | 1 772.5    | 1 816.1    | 1 862.7    |
| 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       | 45.0        | 51.6       | 55.0       | 59.3       | 63.0       | 65.0       |

## Outlook for the South African economy

| Economic variable                                | 2014       |            |            |            | 2015       |            |            |            | 2016        |            |            |            | 2017       |            |            |            |
|--|------------|------------|------------|------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|------------|------------|
|  | Q1         | Q2         | Q3         | Q4         | Q1         | Q2         | Q3         | Q4         | Q1          | Q2         | Q3         | Q4         | Q1         | Q2         | Q3         | Q4         |
| <b><u>Real GDP growth (y-o-y % change)</u></b>   |            |            |            |            |            |            |            |            |             |            |            |            |            |            |            |            |
| Household consumption expenditure                | 0.3        | 0.2        | 0.8        | 1.4        | 1.9        | 1.7        | 1.6        | 1.7        | 0.8         | 1.0        | 0.6        | 0.2        | 0.8        | 1.0        | 1.4        | 1.8        |
| Government consumption expenditure               | 3.6        | 1.9        | 1.2        | 0.7        | -0.2       | 0.1        | 0.3        | 0.8        | 1.5         | 1.5        | 1.5        | 0.7        | 1.0        | 1.2        | 1.2        | 1.6        |
| Gross fixed capital formation                    | 4.5        | 1.6        | 0.0        | 0.2        | 3.0        | 3.0        | 3.4        | 0.9        | -2.4        | -3.3       | -4.2       | -3.3       | -0.5       | 0.9        | 0.9        | 0.7        |
| <b>Gross Domestic Expenditure (GDE)</b>          | 0.3        | 0.0        | 0.3        | 1.5        | 4.3        | 0.7        | 0.8        | 0.9        | -1.8        | -0.5       | -0.6       | -0.9       | 0.2        | 1.3        | 1.5        | 1.8        |
| Exports of goods & services                      | 8.1        | 0.1        | 1.0        | 4.0        | -0.1       | 9.5        | 5.8        | 1.6        | -0.2        | 1.1        | 1.0        | 2.3        | 5.4        | 2.7        | 4.7        | 3.5        |
| Imports of goods & services                      | 1.3        | -4.3       | -3.0       | 4.2        | 6.6        | 6.0        | 4.8        | 4.0        | -4.0        | -2.6       | -2.6       | -2.3       | 1.7        | 4.7        | 4.9        | 3.9        |
| <b>Gross Domestic Product (GDP)</b>              | <b>2.2</b> | <b>1.4</b> | <b>1.6</b> | <b>1.4</b> | <b>2.3</b> | <b>1.6</b> | <b>1.1</b> | <b>0.2</b> | <b>-0.6</b> | <b>0.7</b> | <b>0.5</b> | <b>0.5</b> | <b>1.2</b> | <b>0.7</b> | <b>1.5</b> | <b>1.6</b> |
| <b><u>Key economic ratios (% of GDP)</u></b>     |            |            |            |            |            |            |            |            |             |            |            |            |            |            |            |            |
| Budget deficit/surplus                           | -3.7       | -3.8       | -8.6       | -2.7       | -3.0       | -3.7       | -8.7       | -1.7       | -3.2        | -2.8       | -6.3       | -1.8       | -4.3       | -5.7       | -4.7       | -0.5       |
| Government debt (gross loan debt)                | 43.7       | 44.5       | 46.0       | 46.9       | 46.6       | 47.3       | 48.8       | 49.8       | 48.0        | 48.9       | 50.1       | 51.3       | 50.3       | 50.7       | 50.8       | 51.6       |
| Current account balance (+ / -)                  | -5.0       | -6.2       | -5.5       | -4.4       | -5.1       | -3.1       | -4.5       | -4.6       | -5.3        | -3.1       | -3.7       | -4.4       | -4.4       | -4.6       | -4.8       | -5.3       |
| Gross fixed capital formation (fixed investment) | 20.5       | 20.5       | 20.5       | 20.5       | 20.7       | 20.4       | 20.8       | 20.5       | 20.1        | 20.0       | 19.7       | 19.7       | 20.0       | 19.9       | 19.7       | 19.7       |
| <b><u>Inflation (% change)</u></b>               |            |            |            |            |            |            |            |            |             |            |            |            |            |            |            |            |
| CPI (headline)                                   | 5.9        | 6.5        | 6.2        | 5.7        | 4.1        | 4.6        | 4.7        | 4.9        | 6.5         | 6.2        | 6.1        | 6.4        | 6.2        | 5.6        | 5.8        | 5.5        |
| PPI (total)                                      | 7.6        | 8.5        | 7.3        | 6.3        | 3.1        | 3.4        | 3.4        | 4.5        | 7.6         | 6.8        | 7.1        | 7.4        | 7.2        | 7.4        | 6.9        | 6.4        |
| <b><u>Interest rates (end of period)</u></b>     |            |            |            |            |            |            |            |            |             |            |            |            |            |            |            |            |
| Repurchase (repo) rate                           | 5.50       | 5.50       | 5.75       | 5.75       | 5.75       | 5.75       | 6.00       | 6.25       | 7.00        | 7.00       | 7.00       | 7.25       | 7.25       | 7.25       | 7.25       | 7.25       |
| Prime overdraft rate                             | 9.00       | 9.00       | 9.25       | 9.25       | 9.25       | 9.25       | 9.50       | 9.75       | 10.50       | 10.50      | 10.50      | 10.75      | 10.75      | 10.75      | 10.75      | 10.75      |
| <b><u>Exchange rates (averages)</u></b>          |            |            |            |            |            |            |            |            |             |            |            |            |            |            |            |            |
| USD/Euro   | 1.37       | 1.37       | 1.32       | 1.25       | 1.13       | 1.11       | 1.11       | 1.09       | 1.10        | 1.05       | 1.12       | 1.09       | 1.09       | 1.09       | 1.08       | 1.08       |
| R/USD  | 10.87      | 10.54      | 10.76      | 11.21      | 11.74      | 12.09      | 12.99      | 14.18      | 15.86       | 15.01      | 14.08      | 14.17      | 14.36      | 14.00      | 14.10      | 14.68      |
| R/Euro   | 14.89      | 14.45      | 14.25      | 14.00      | 13.21      | 13.38      | 14.44      | 15.52      | 17.48       | 15.74      | 15.72      | 15.47      | 15.66      | 15.24      | 15.27      | 15.80      |
| R/Yen  | 0.106      | 0.103      | 0.104      | 0.098      | 0.099      | 0.100      | 0.106      | 0.117      | 0.137       | 0.137      | 0.138      | 0.140      | 0.142      | 0.139      | 0.141      | 0.145      |
| R/British Pound                                  | 17.99      | 17.74      | 17.96      | 17.74      | 17.78      | 18.53      | 20.11      | 21.51      | 22.69       | 21.04      | 18.50      | 17.42      | 17.51      | 16.76      | 16.87      | 17.58      |
| <b><u>Commodity prices (averages)</u></b>        |            |            |            |            |            |            |            |            |             |            |            |            |            |            |            |            |
| Gold (USD/oz)                                    | 1293.4     | 1288.6     | 1282.6     | 1200.1     | 1219.8     | 1192.9     | 1124.5     | 1104.5     | 1180.1      | 1265.0     | 1300.0     | 1250.0     | 1252.0     | 1247.0     | 1243.0     | 1240.0     |
| Platinum (USD/oz)                                | 1425.0     | 1444.5     | 1428.1     | 1223.5     | 1192.6     | 1125.6     | 986.4      | 905.9      | 913.0       | 1193.6     | 1030.0     | 1010.0     | 1022.0     | 1034.1     | 1046.4     | 1058.8     |
| Palladium (USD / ozt)                            | 741.1      | 843.8      | 850.7      | 799.8      | 775.0      | 760.7      | 621.8      | 606.0      | 527.0       | 568.0      | 701.0      | 684.0      | 682.4      | 680.8      | 679.2      | 677.6      |
| Iron ore (USD / metric ton)                      | 120.4      | 102.6      | 90.3       | 74.0       | 62.3       | 57.9       | 54.4       | 46.2       | 47.7        | 55.3       | 57.9       | 55.0       | 59.0       | 54.0       | 53.5       | 52.0       |
| Coal (USD / metric ton)                          | 78.3       | 75.0       | 70.2       | 65.9       | 60.8       | 63.5       | 53.6       | 51.4       | 51.8        | 55.8       | 65.3       | 66.0       | 68.0       | 66.0       | 64.0       | 62.1       |
| Copper (USD / metric ton)                        | 7030.2     | 6795.3     | 6995.8     | 6632.3     | 5810.0     | 6060.1     | 5175.0     | 4963.7     | 4701.0      | 4855.0     | 4802.0     | 4762.0     | 4733.7     | 4760.0     | 4800.0     | 5106.3     |
| Aluminium (USD / metric ton)                     | 1701.0     | 1797.0     | 2021.8     | 1986.7     | 1821.0     | 1792.6     | 1599.3     | 1532.0     | 1537.0      | 1628.0     | 1644.0     | 1680.0     | 1682.0     | 1684.0     | 1686.0     | 1688.0     |
| Brent crude oil (USD/ bbl)                       | 107.9      | 109.8      | 102.1      | 76.0       | 54.0       | 62.1       | 50.0       | 43.4       | 34.4        | 46.8       | 46.2       | 52.5       | 52.0       | 53.5       | 51.0       | 50.0       |