

Press Release

For immediate release

26 November 2014



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Trade reports reveals South Africa's export and manufacturing weaknesses

This week the IRR released a *Fast Facts* report, which tracks South Africa's trade with the world.

Key findings included:

- China is South Africa's single biggest trading partner although trade with the European Union as whole is larger.
- South Africa records significant trade deficits with developed markets except for Japan, Switzerland and – notably – the United States – a result of the African Growth and Opportunity Act.
- South Africa records trade deficits with almost all emerging markets.
- South Africa records trade deficits with Africa's energy producers and marginal surpluses with most African economies.
- South Africa records significant trade surpluses with Zimbabwe, Mozambique, and Zambia.
- Increased Rand weakness coincides with a growing current account deficit – there is no evidence that a weak Rand benefits the South African economy.
- Major imports are petroleum products and manufactured goods.
- Major exports are raw materials and minerals – there are only two manufactured goods among South Africa's top ten exports.

The report's editor, Thuthukani Ndebele said: "The key finding is to highlight the uncompetitive nature of the South African economy, and that policy reforms to boost manufacturing and export competitiveness seem the only way to reverse significant trade deficits."

The report is made available to fee paying corporate subscribers and distributed free of charge to the media, civil society, and politicians.

Ends.
