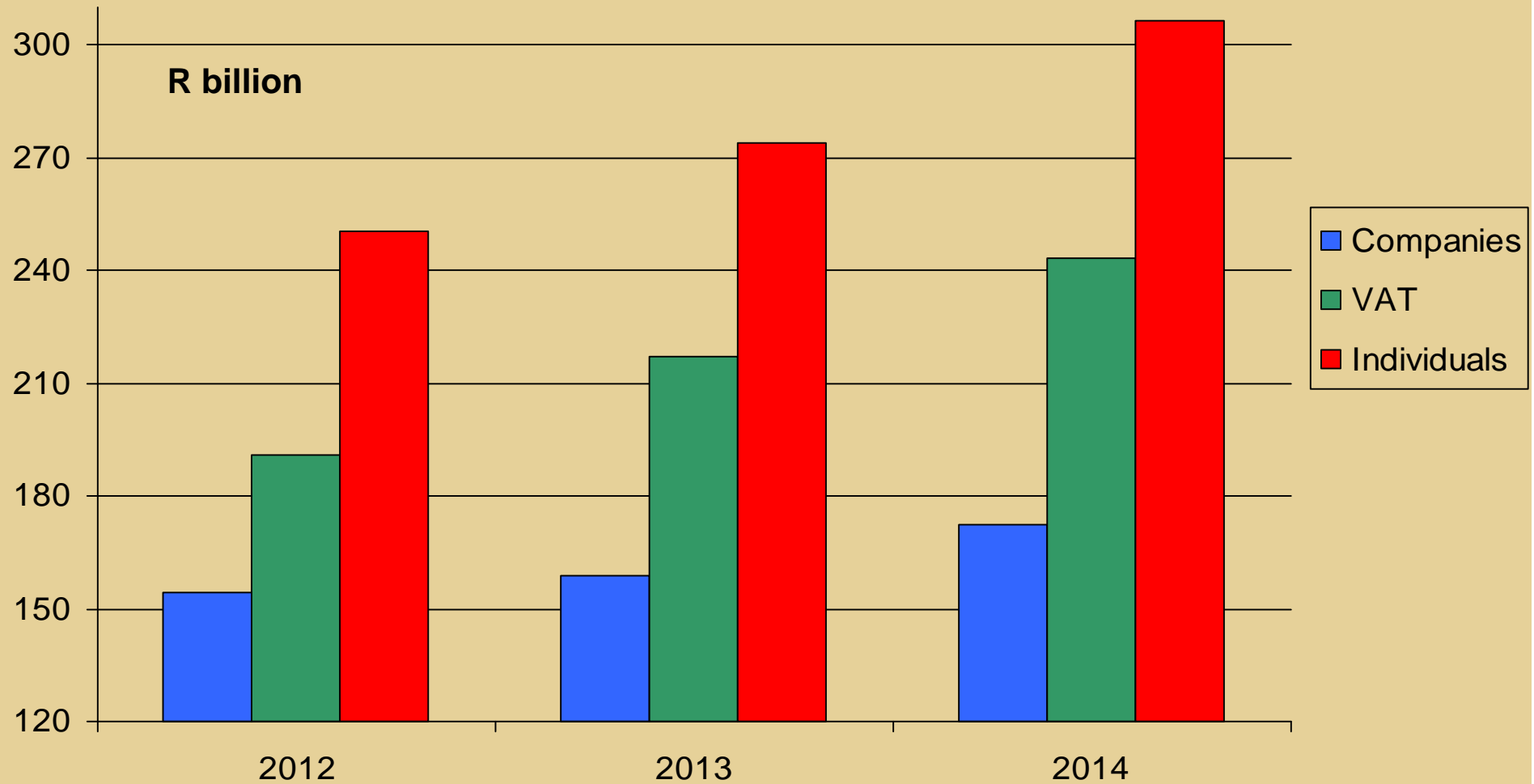




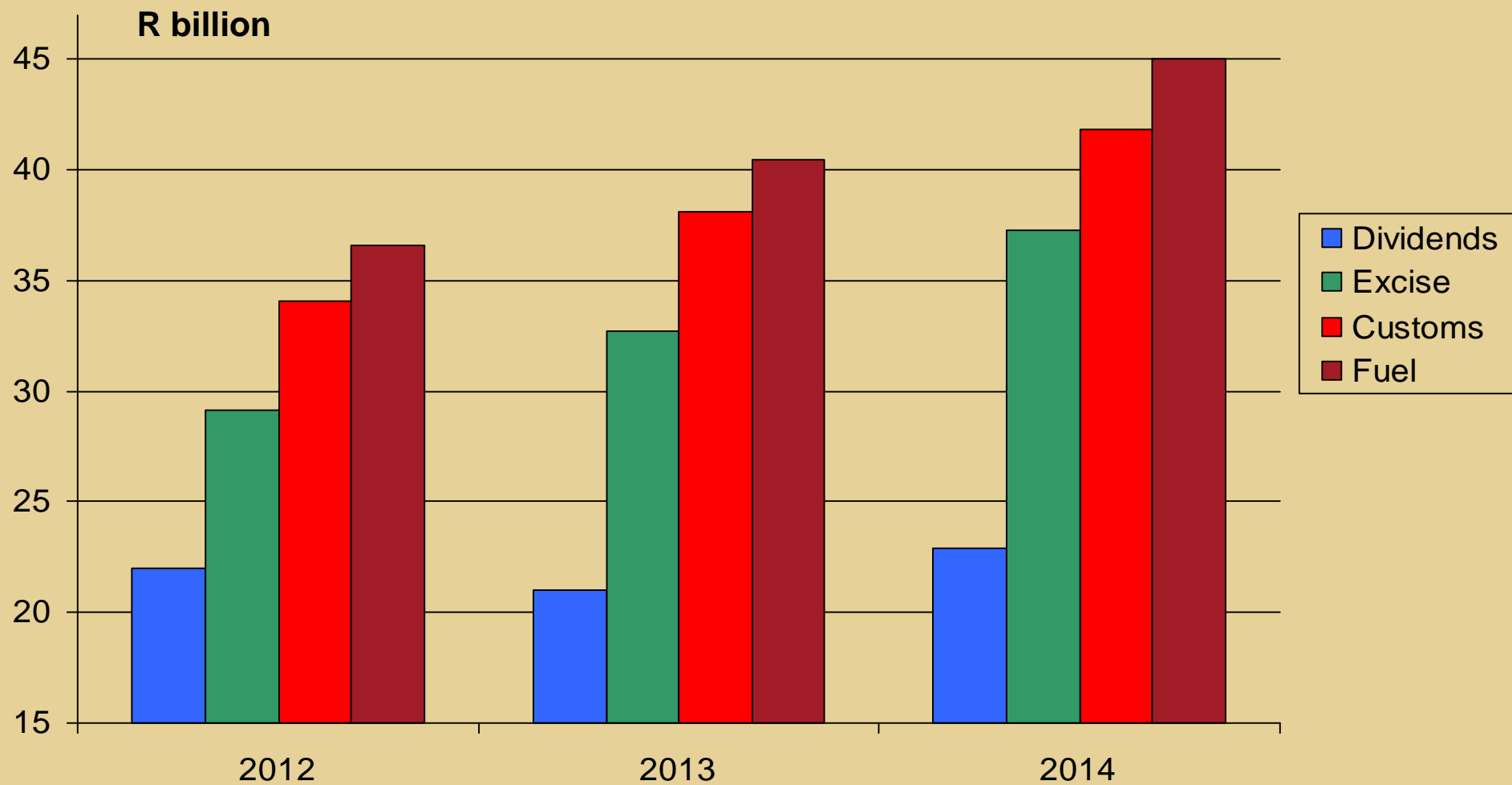
Global & regional economic prospects into 2013

Dr Roelof Botha

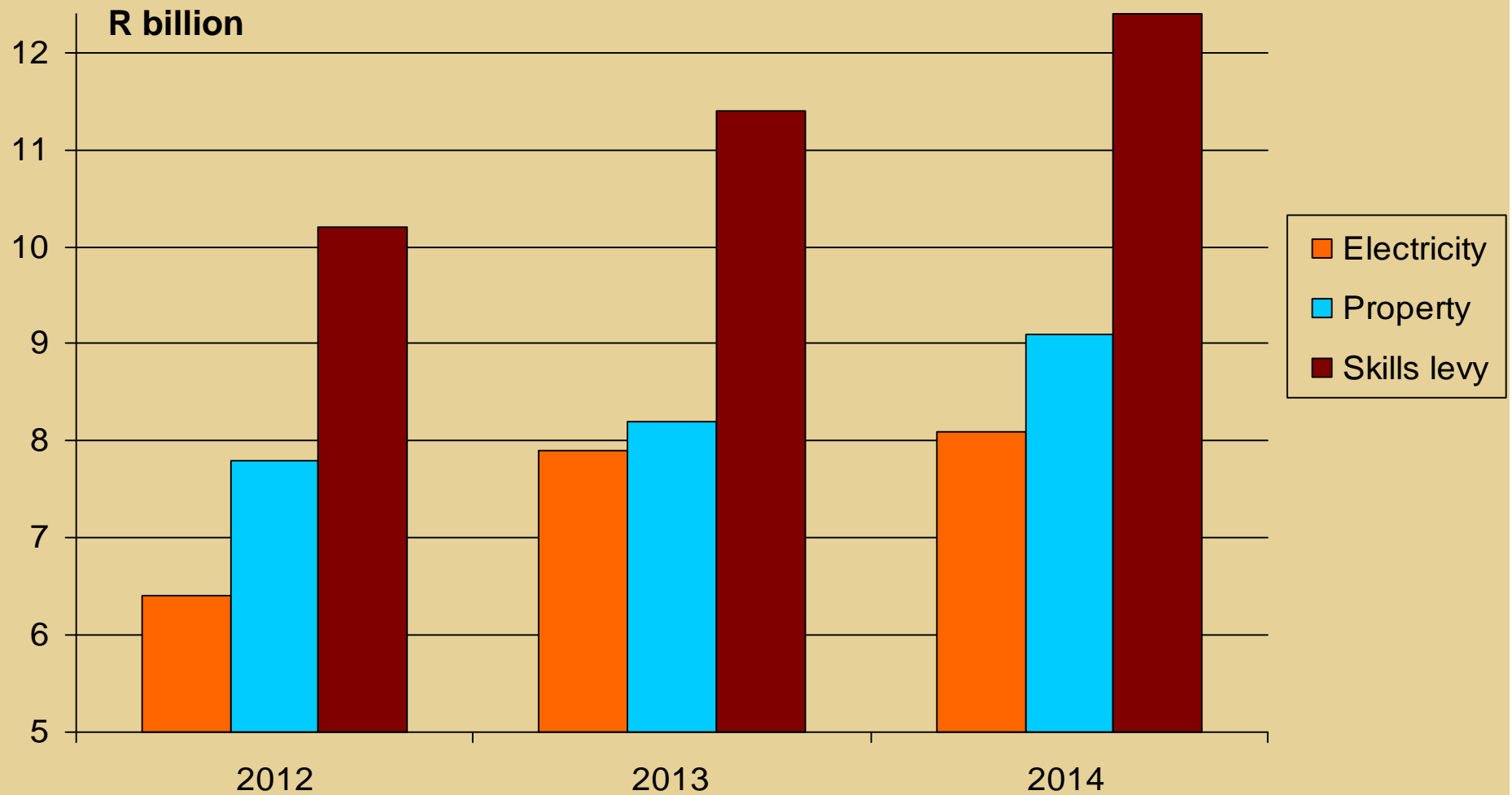
Healthy post-recession growth trends for SA's key sources of taxation (fiscal years)



Healthy growth trends for 2nd tier sources of taxation (fiscal years)

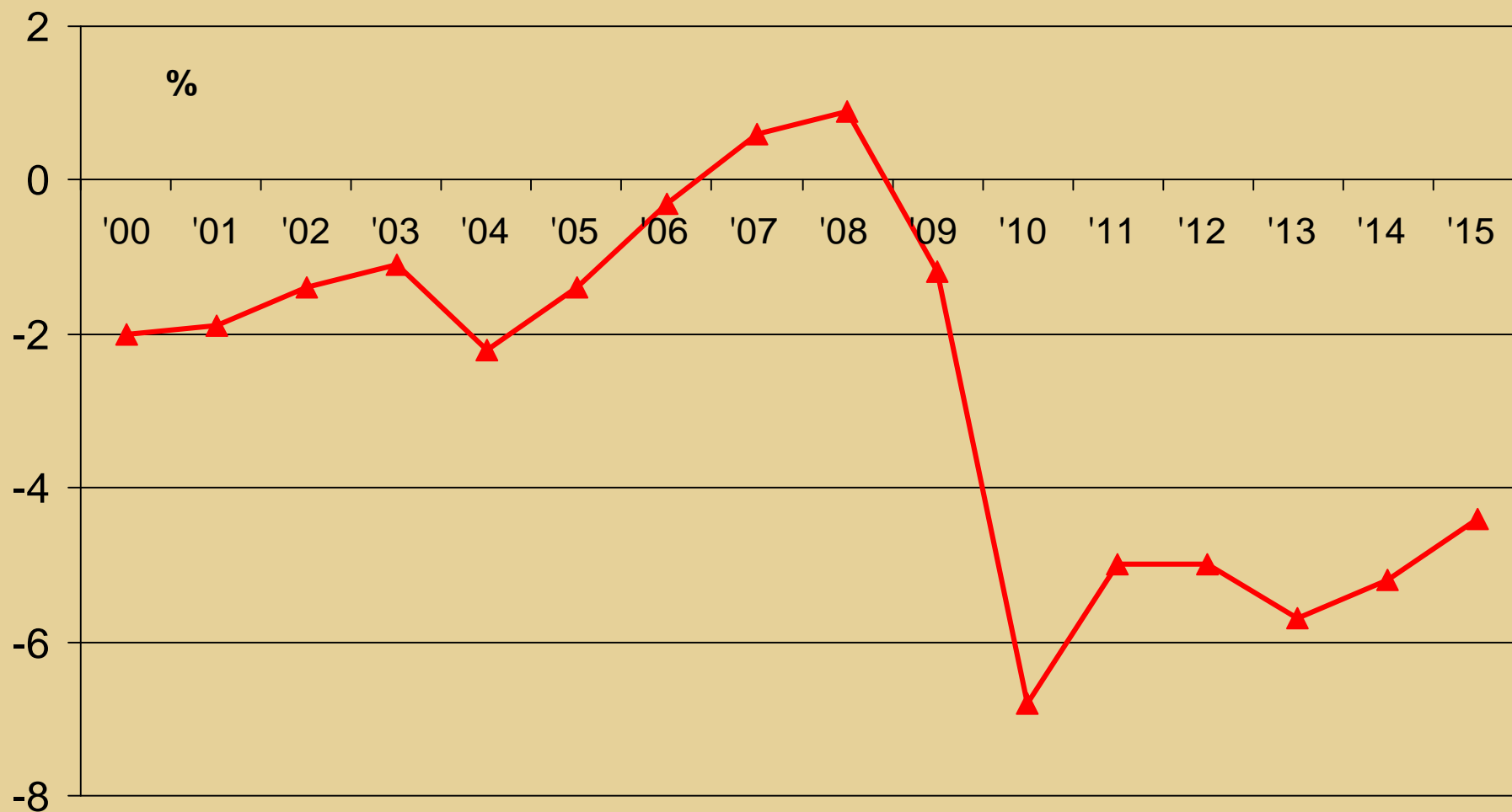


Healthy growth trends for 3rd tier sources of taxation (fiscal years)



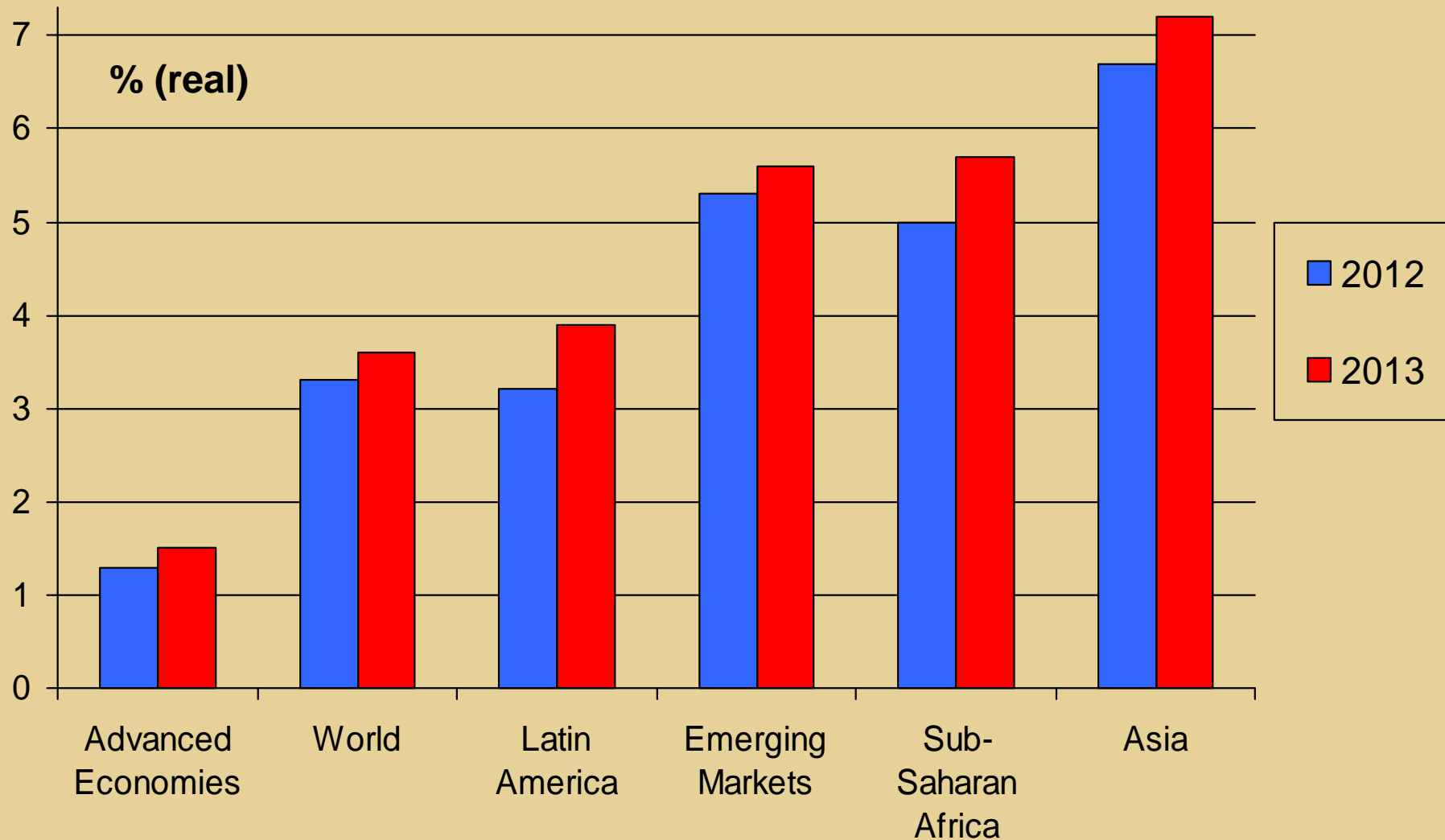
SA budget deficit/GDP ratio & forecasts – fiscal years ended 31 March

(Source: National Treasury)



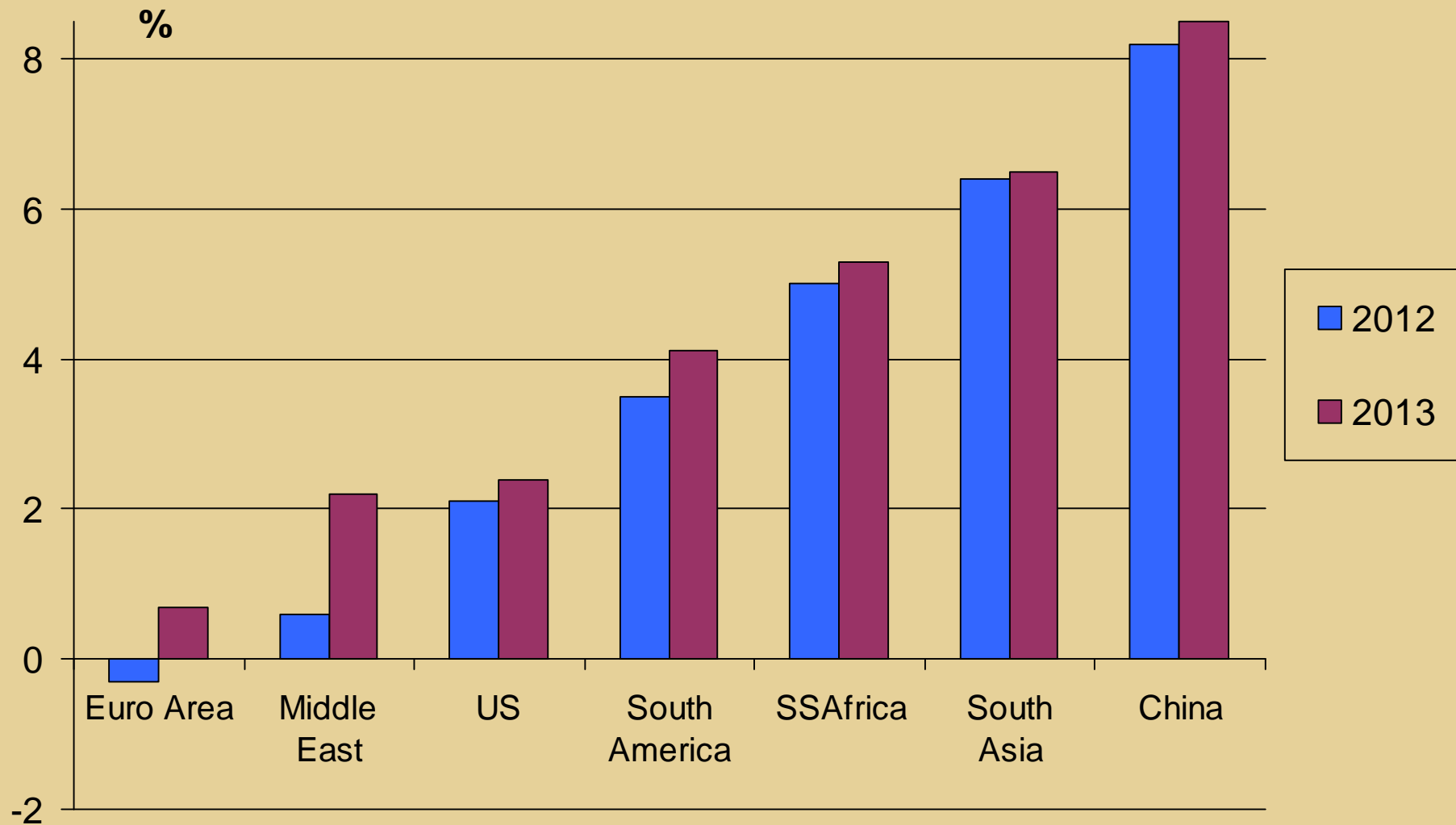
GDP growth estimates for 2012 and forecasts for 2013

– world & key regions *(Source: IMF)*



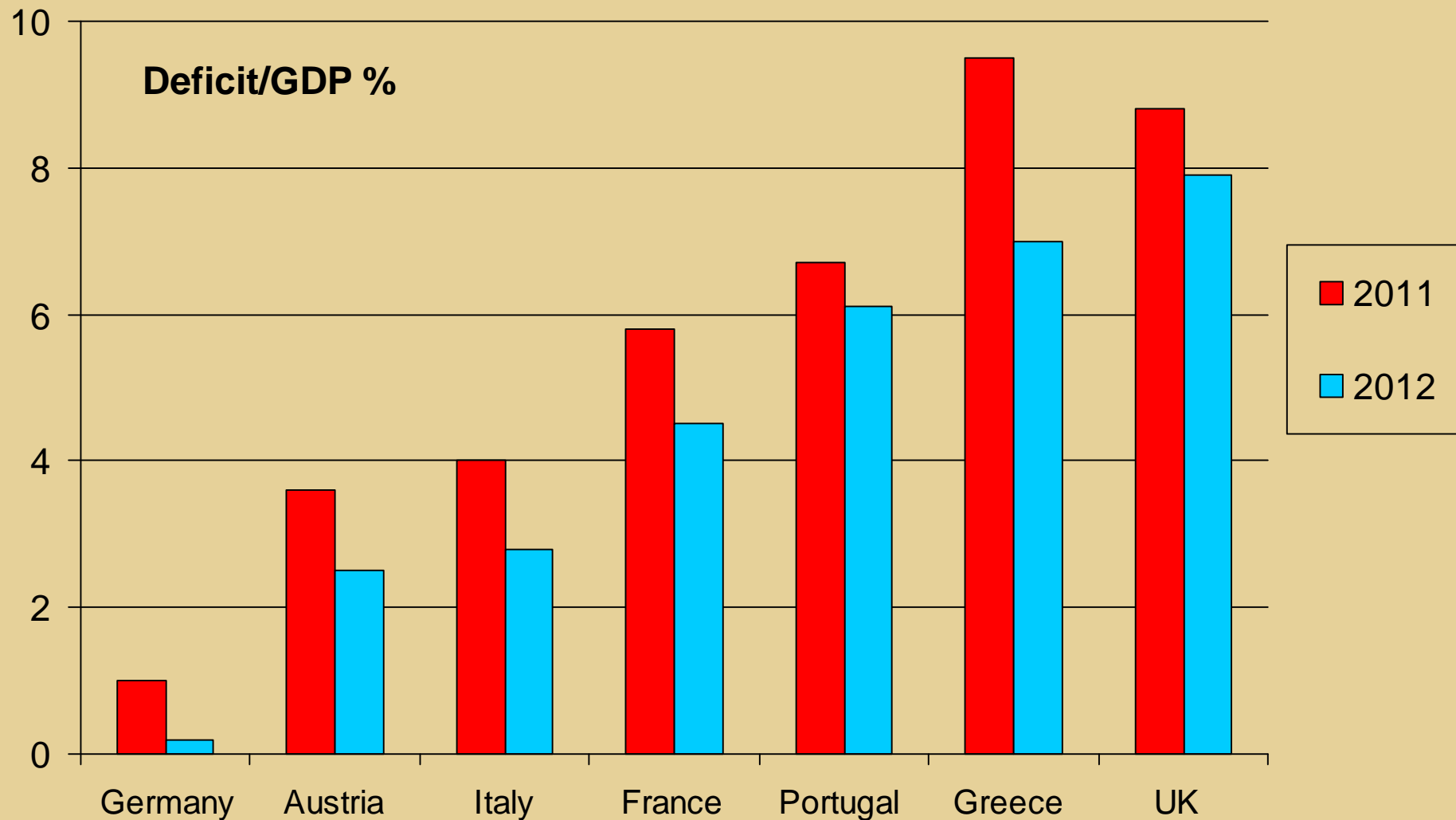
GDP growth estimates for 2012 & forecasts for 2013

– US, China & key regions *(Source: World Bank)*



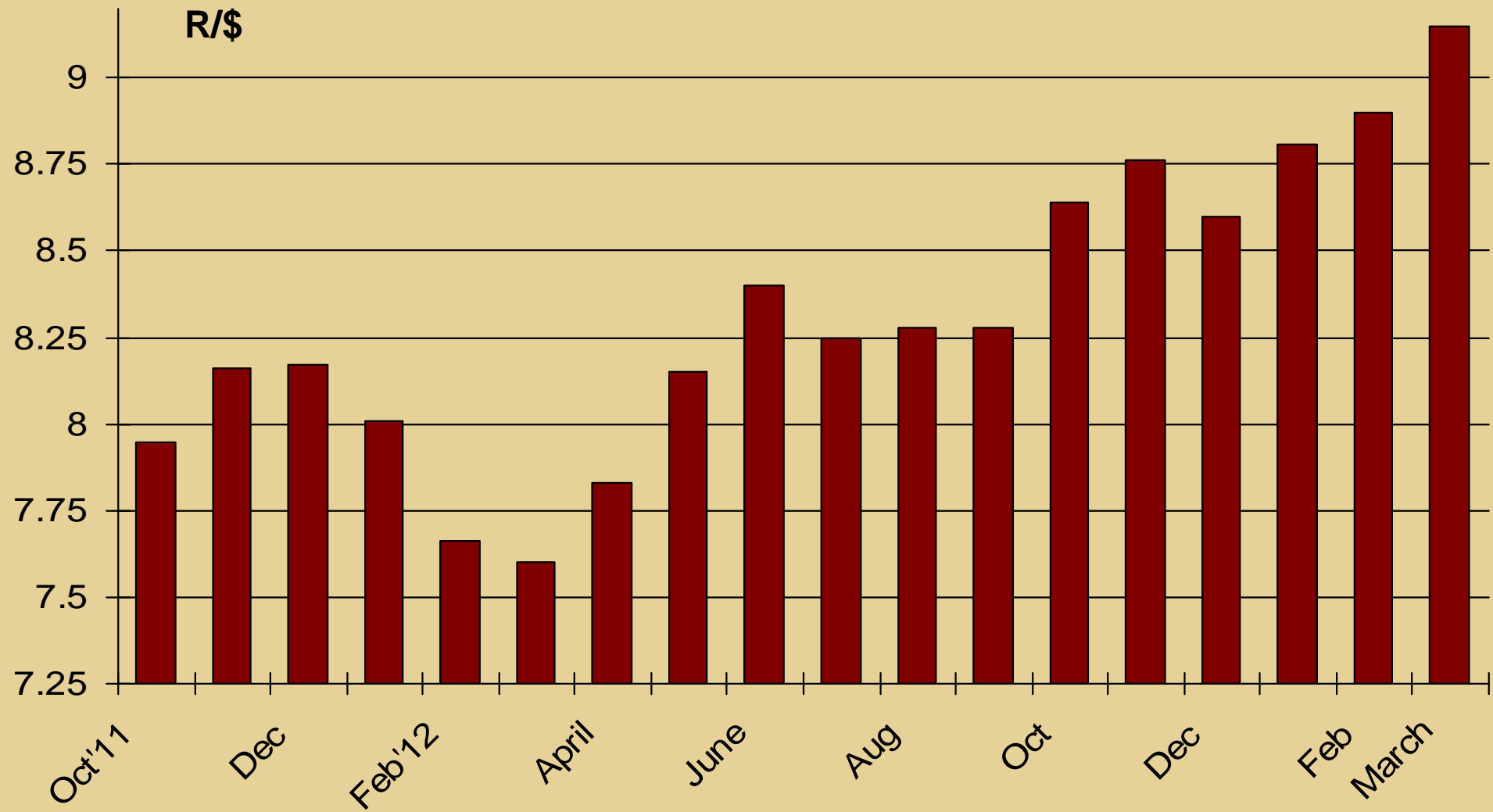
Progress with a return to fiscal stability in Europe

(Source: Economist Intelligence Unit)

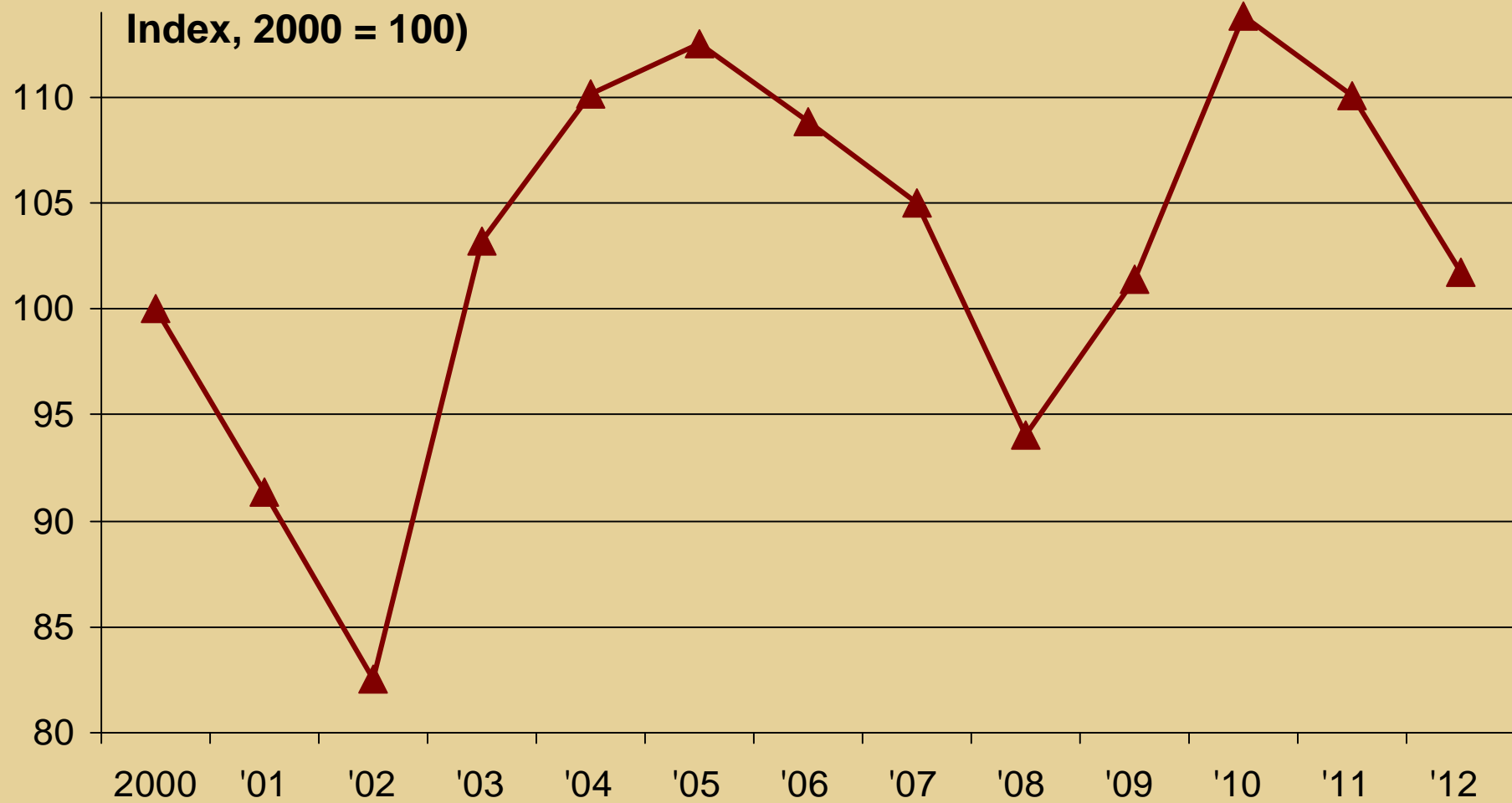


Rand/US dollar exchange rate (monthly averages)

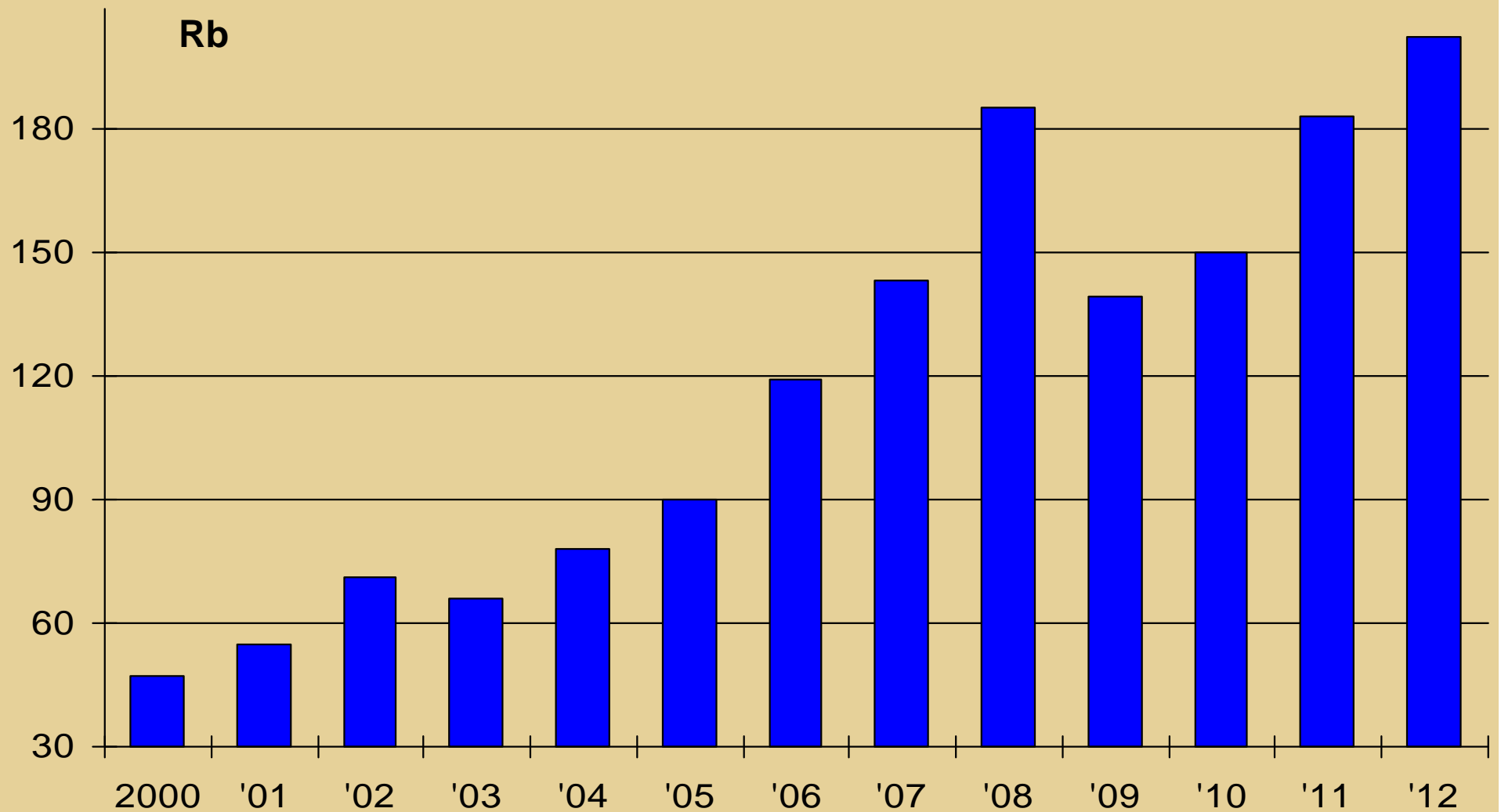
(Sources: SARB; Thebe Securities)



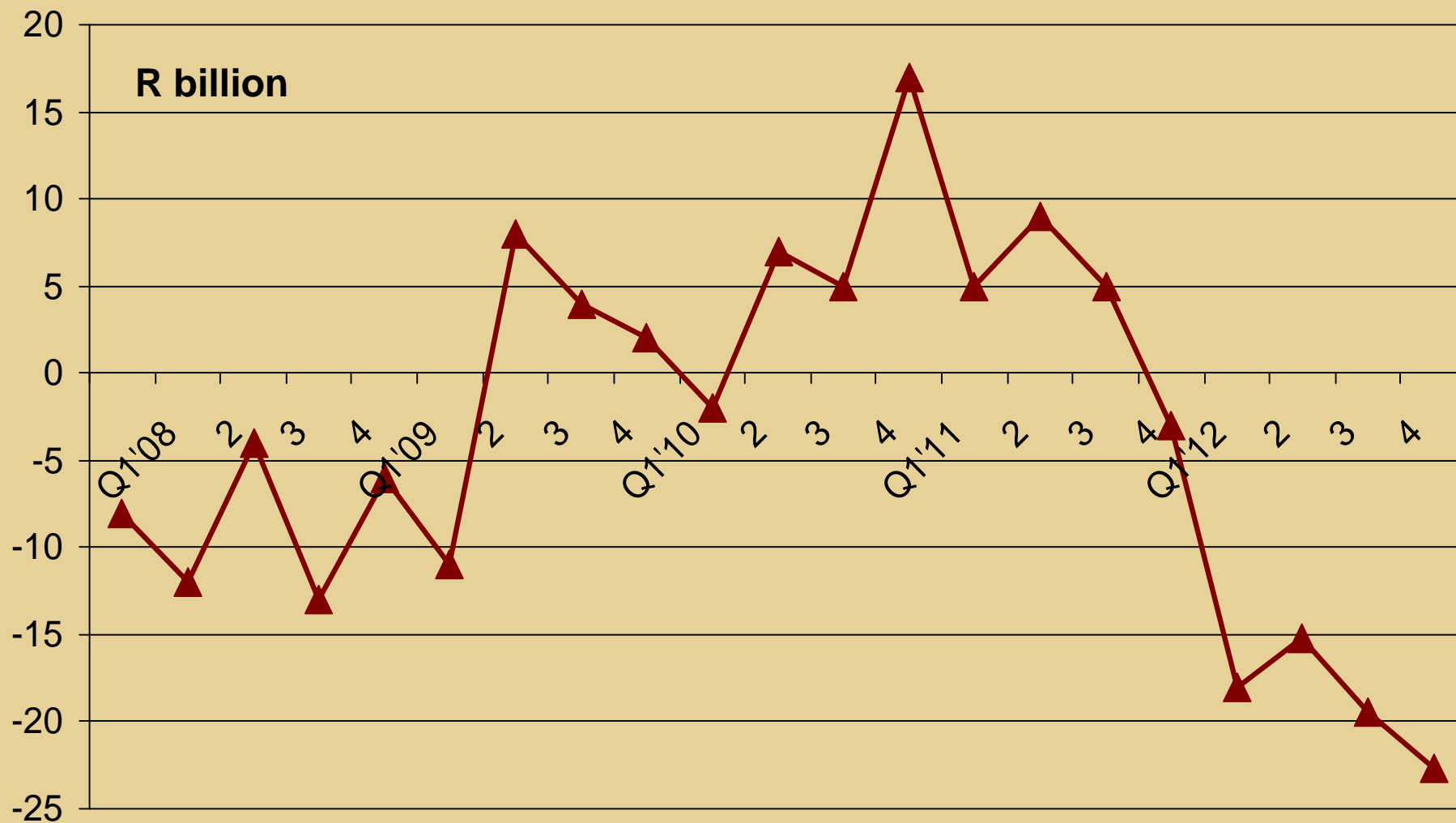
Real effective exchange rate of the rand



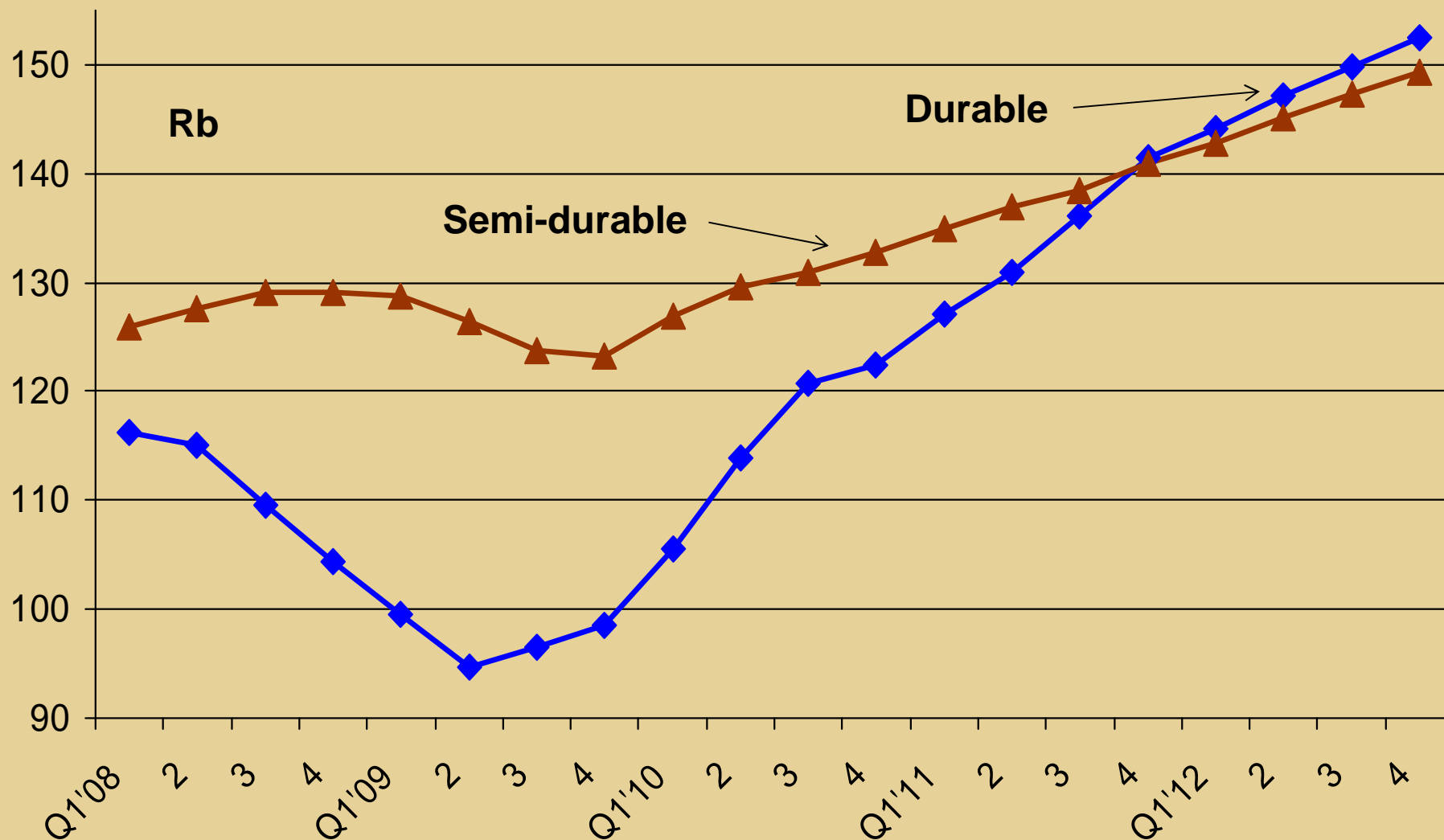
High levels of average quarterly merchandise imports will continue to place pressure on the rand in 2013



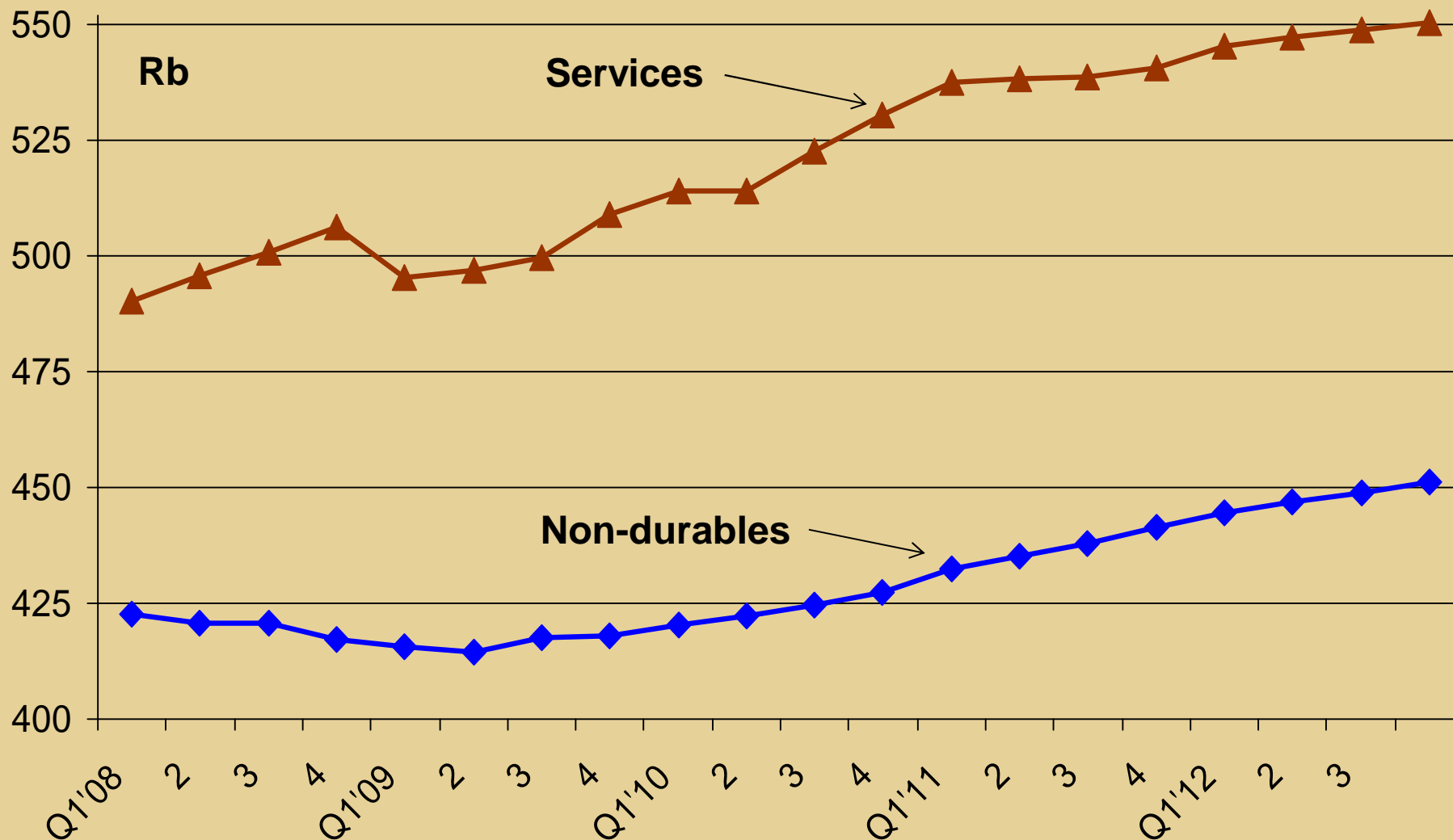
South Africa's quarterly trade balance (including gold) *Source: SARB*



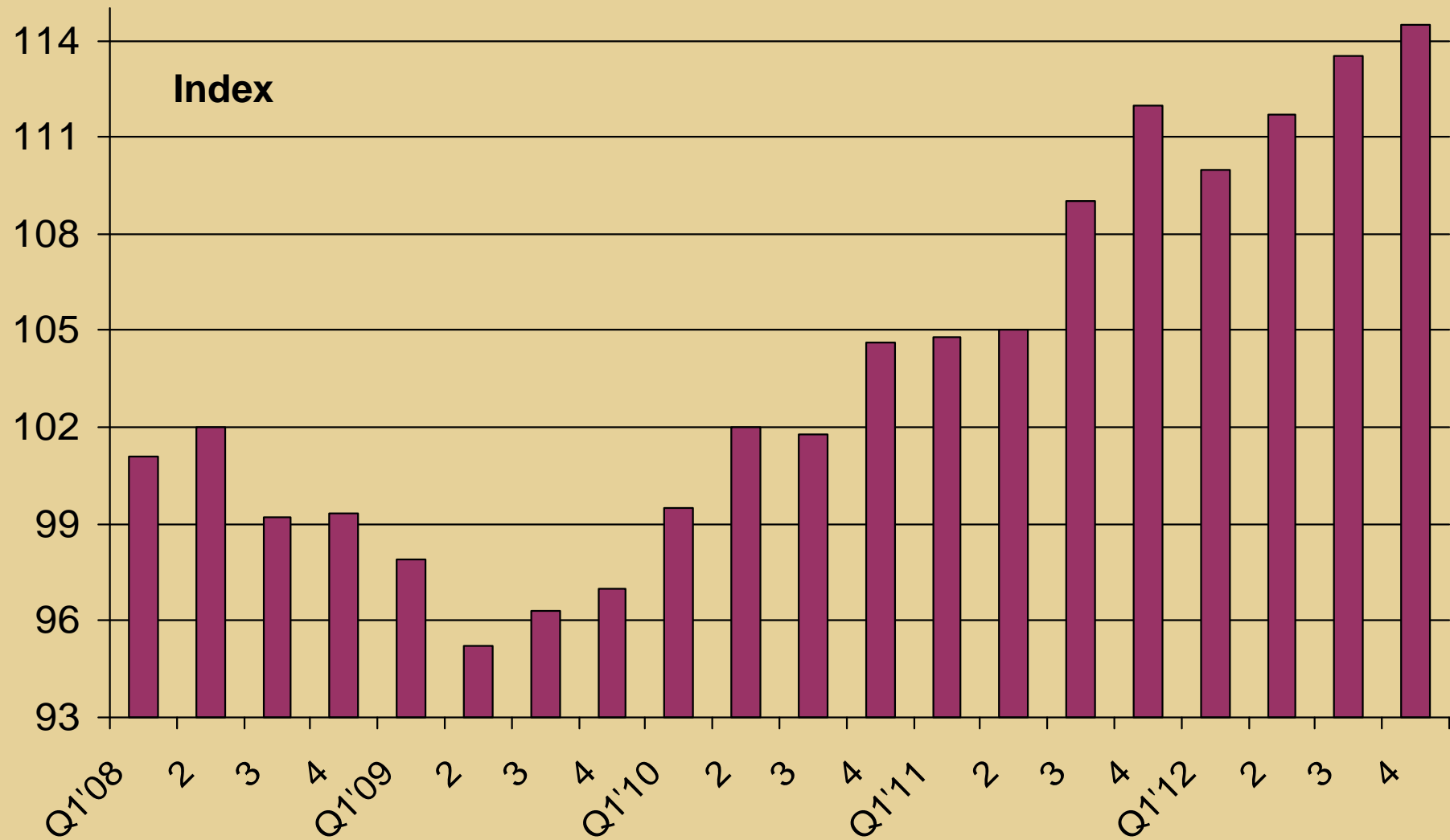
Household consumption expenditure at constant 2005 p (annualised) – durables & semi-durables



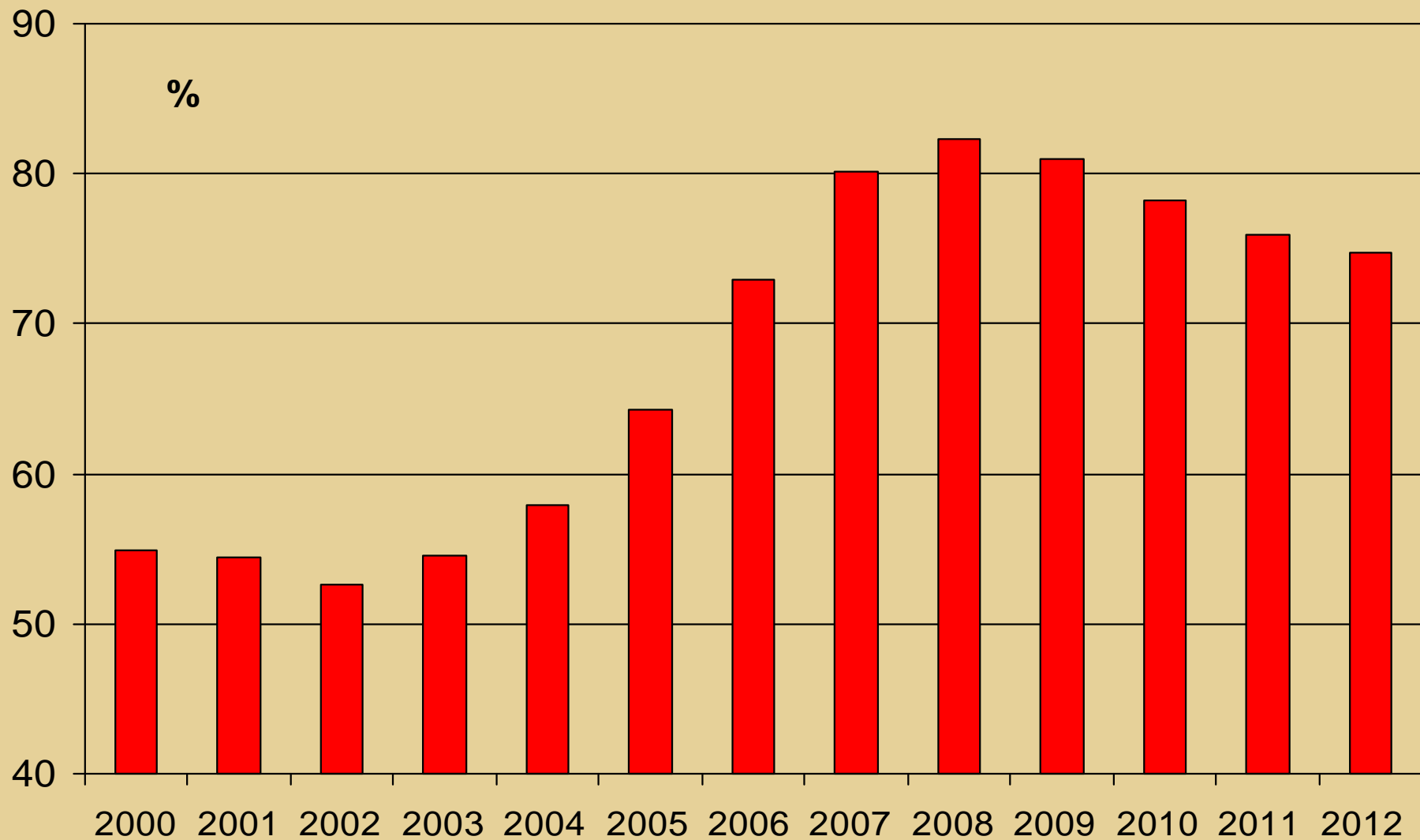
Household consumption expenditure at constant 2005 p (annualised) – non-durables & services



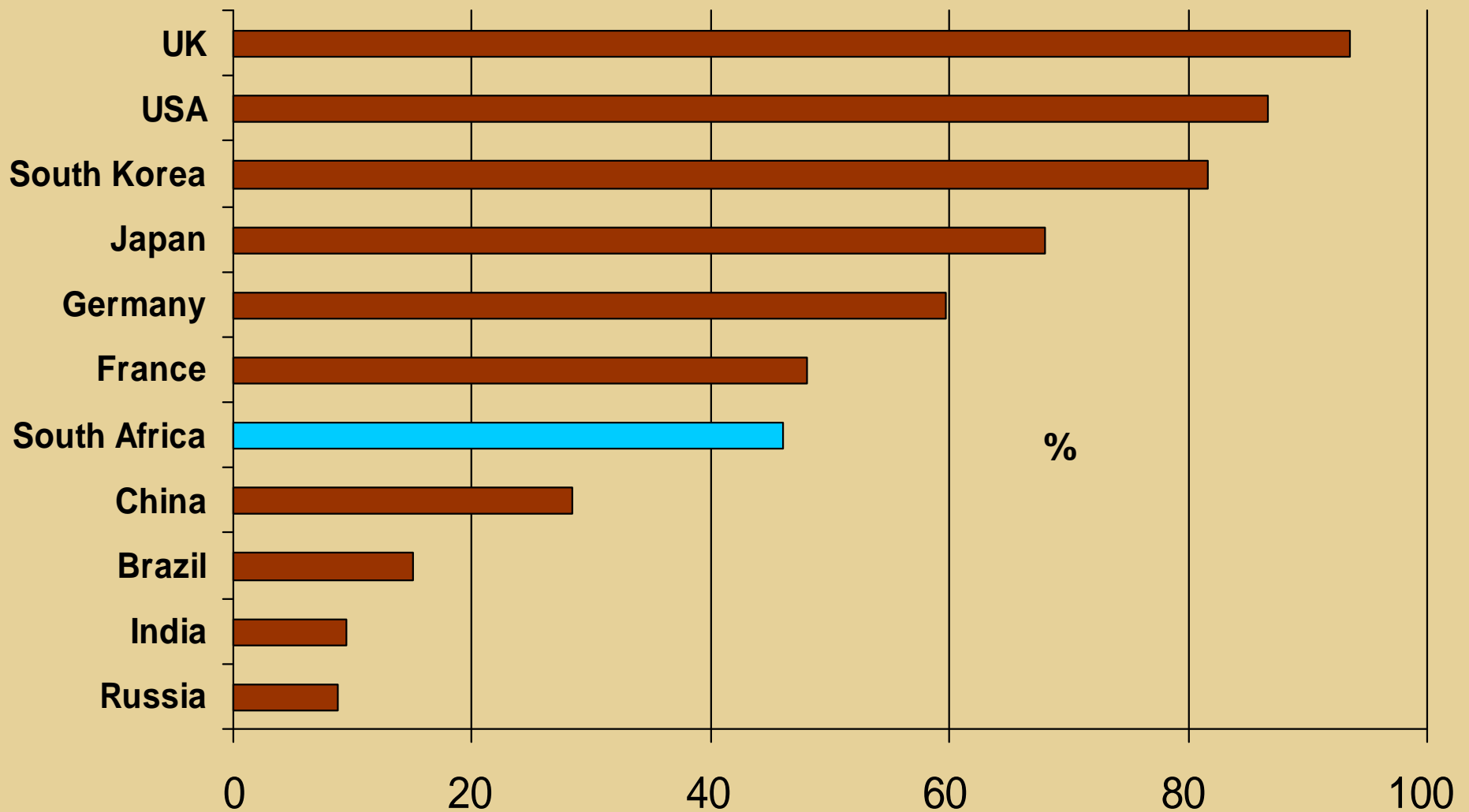
Real retail trade sales (index, 2008 = 100)



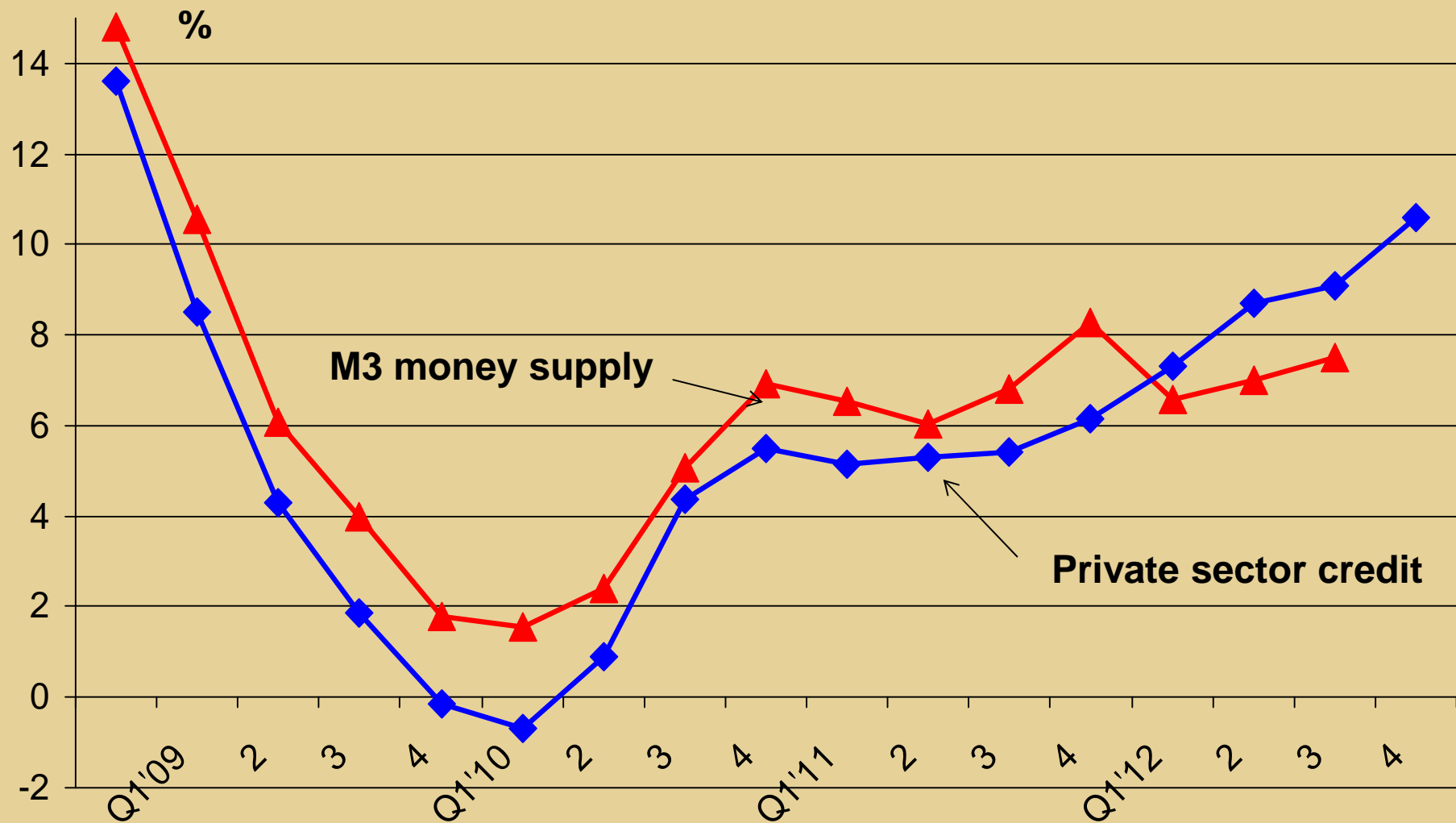
Household debt to disposable income



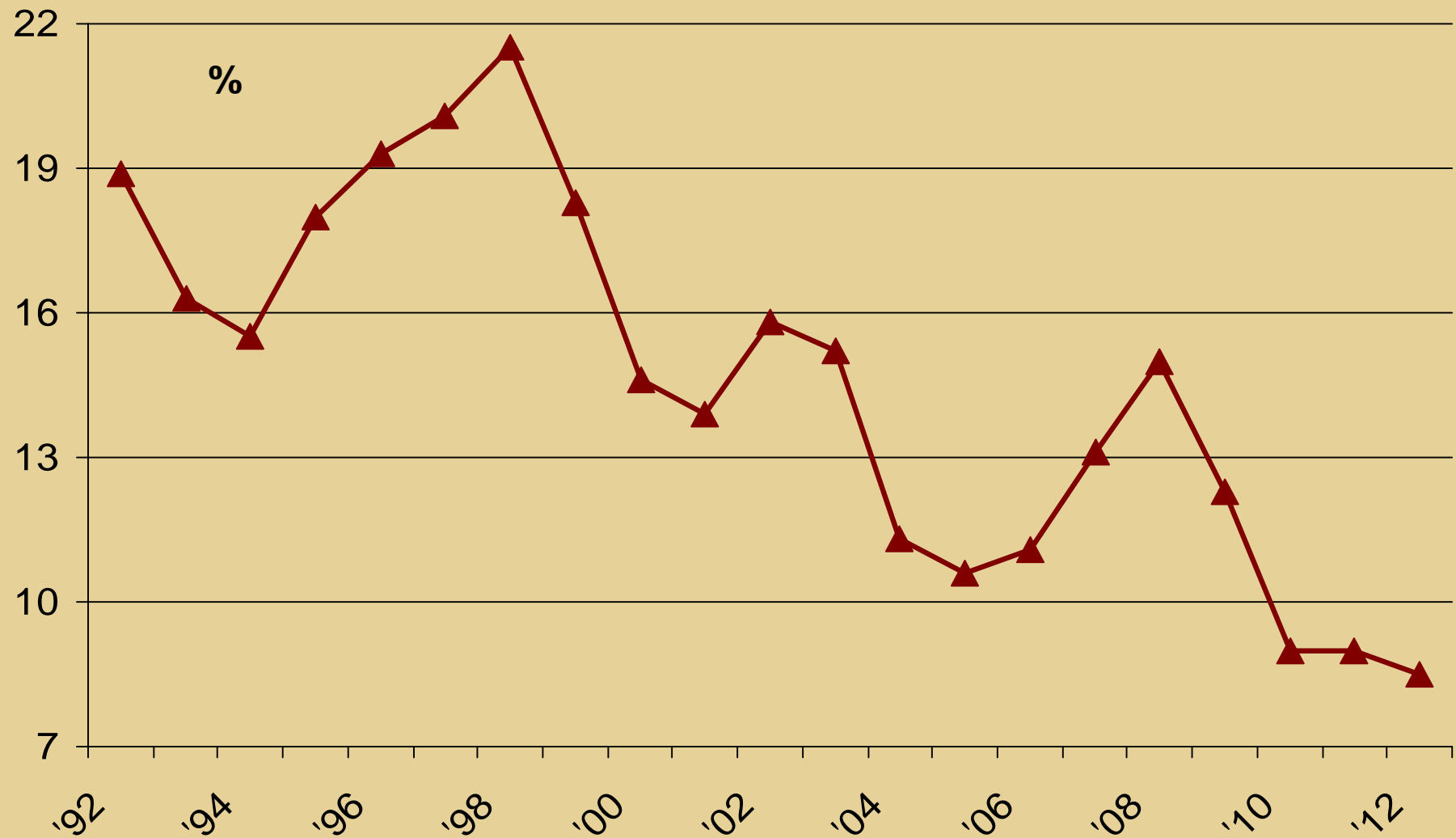
Household debt as % of GDP – selected high income countries & BRICS



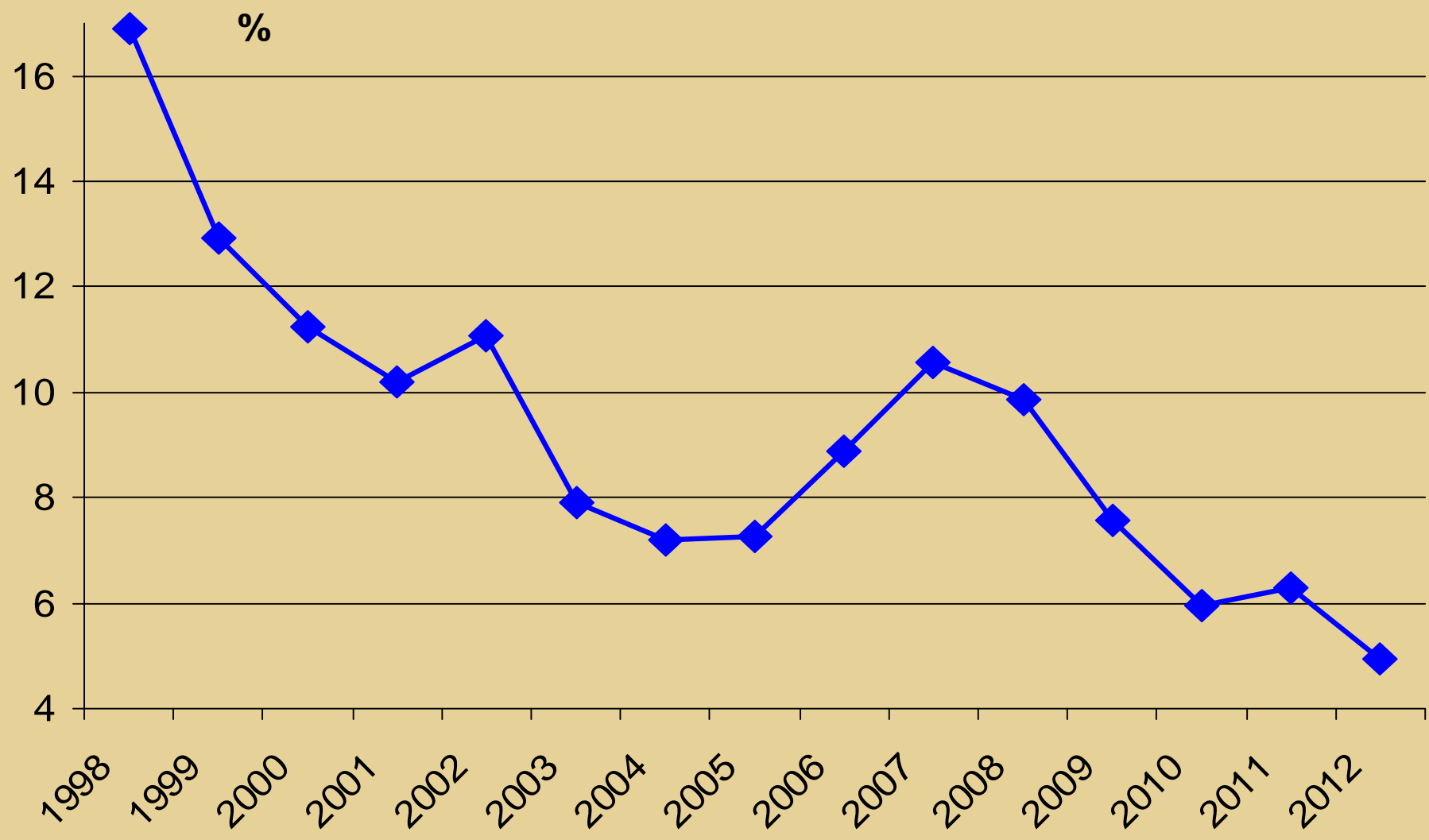
Economic recovery being accommodated by the money supply & a higher demand for credit



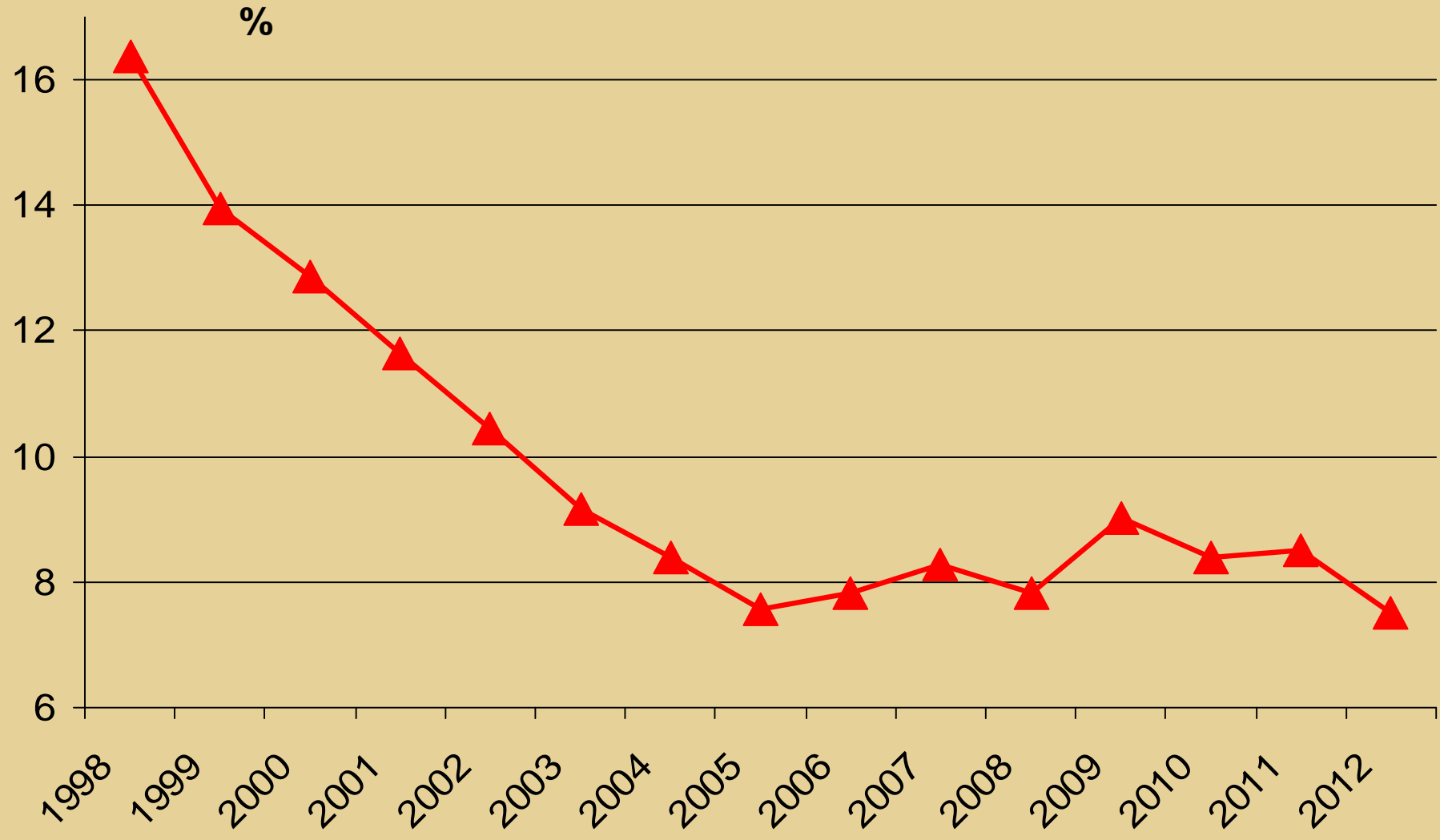
Lowest prime rate in 40 years enhances household spending power



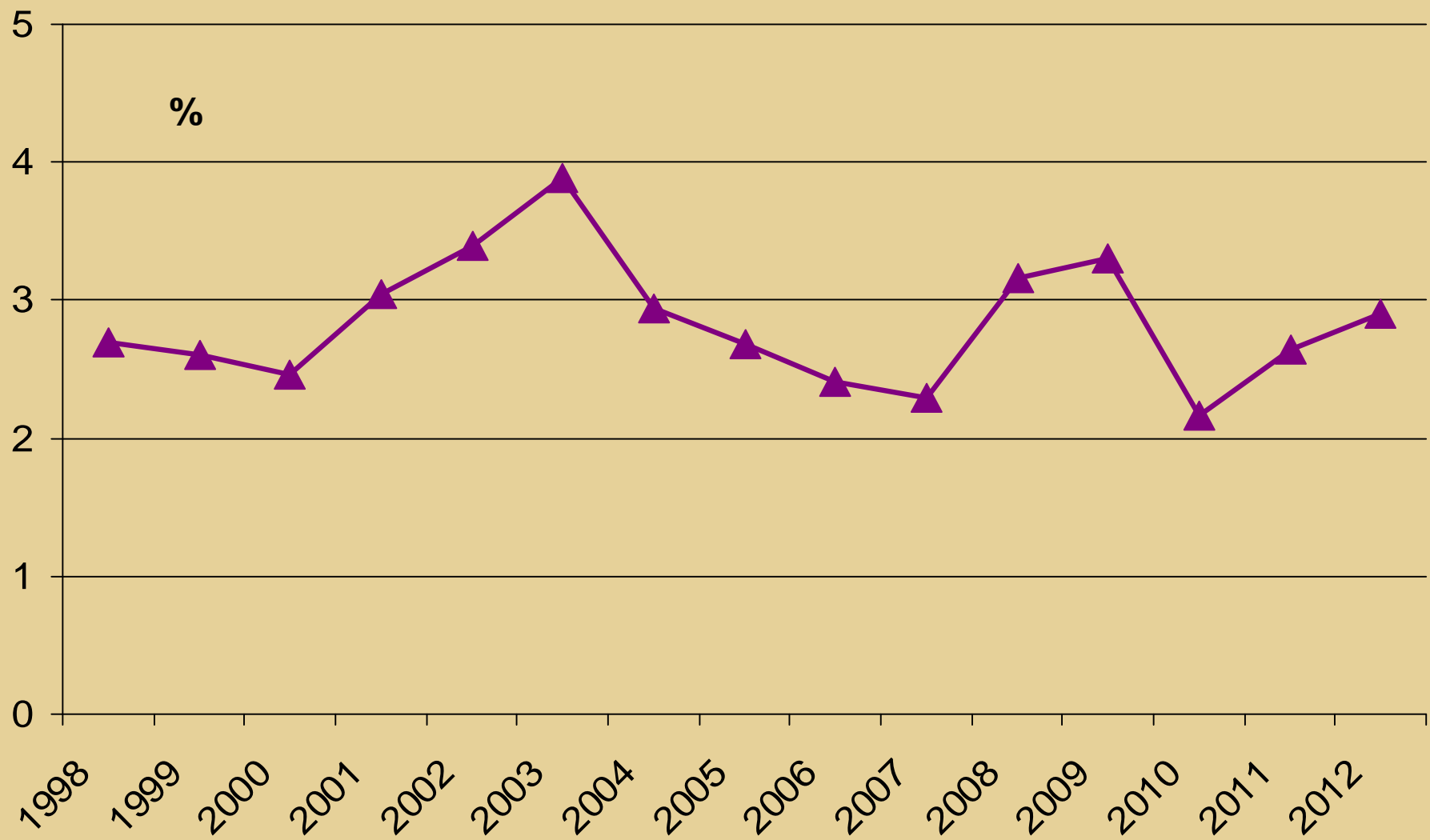
Short-term government bond yield – new record low



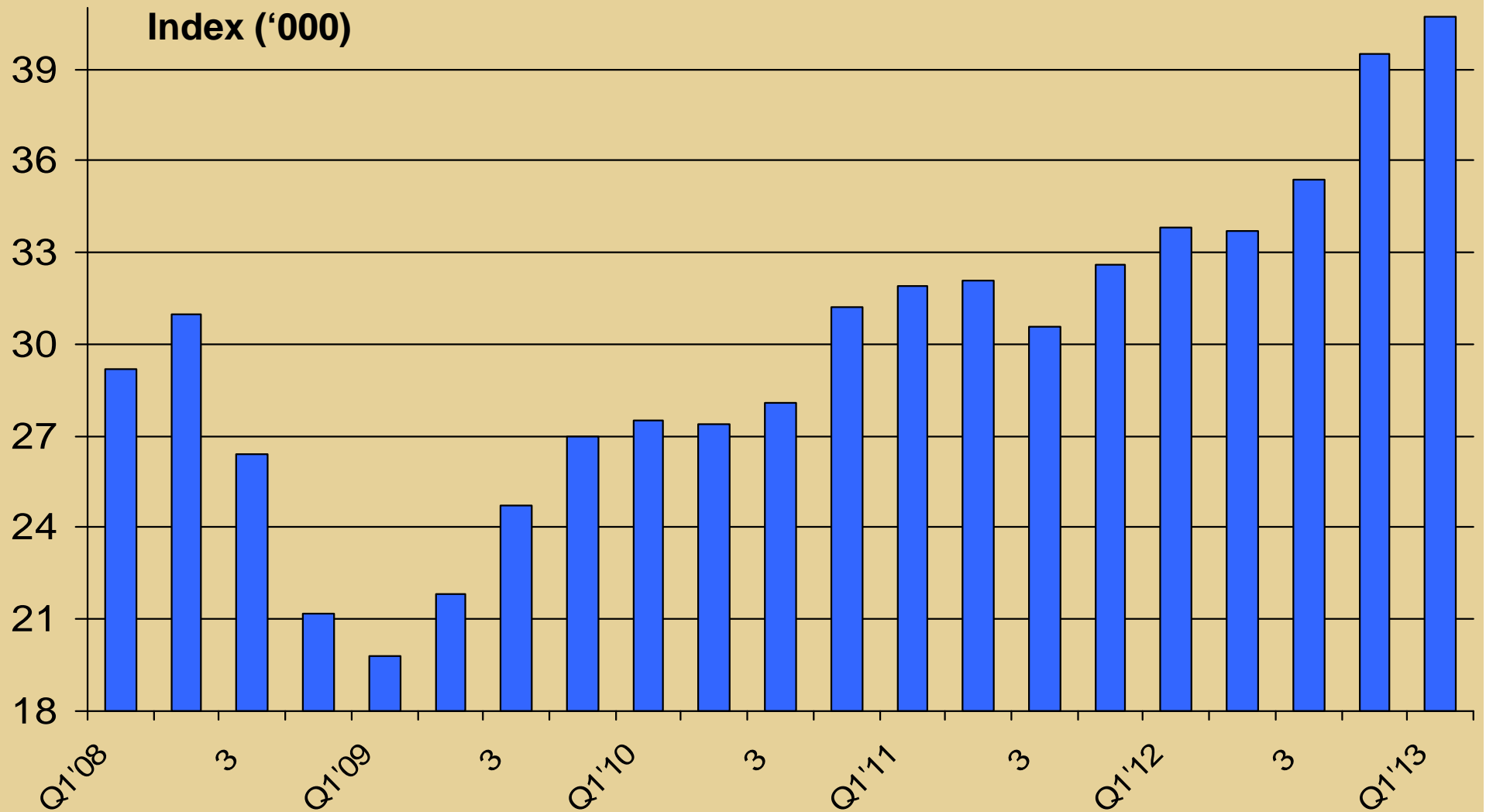
Long-term government bond yield – new record low



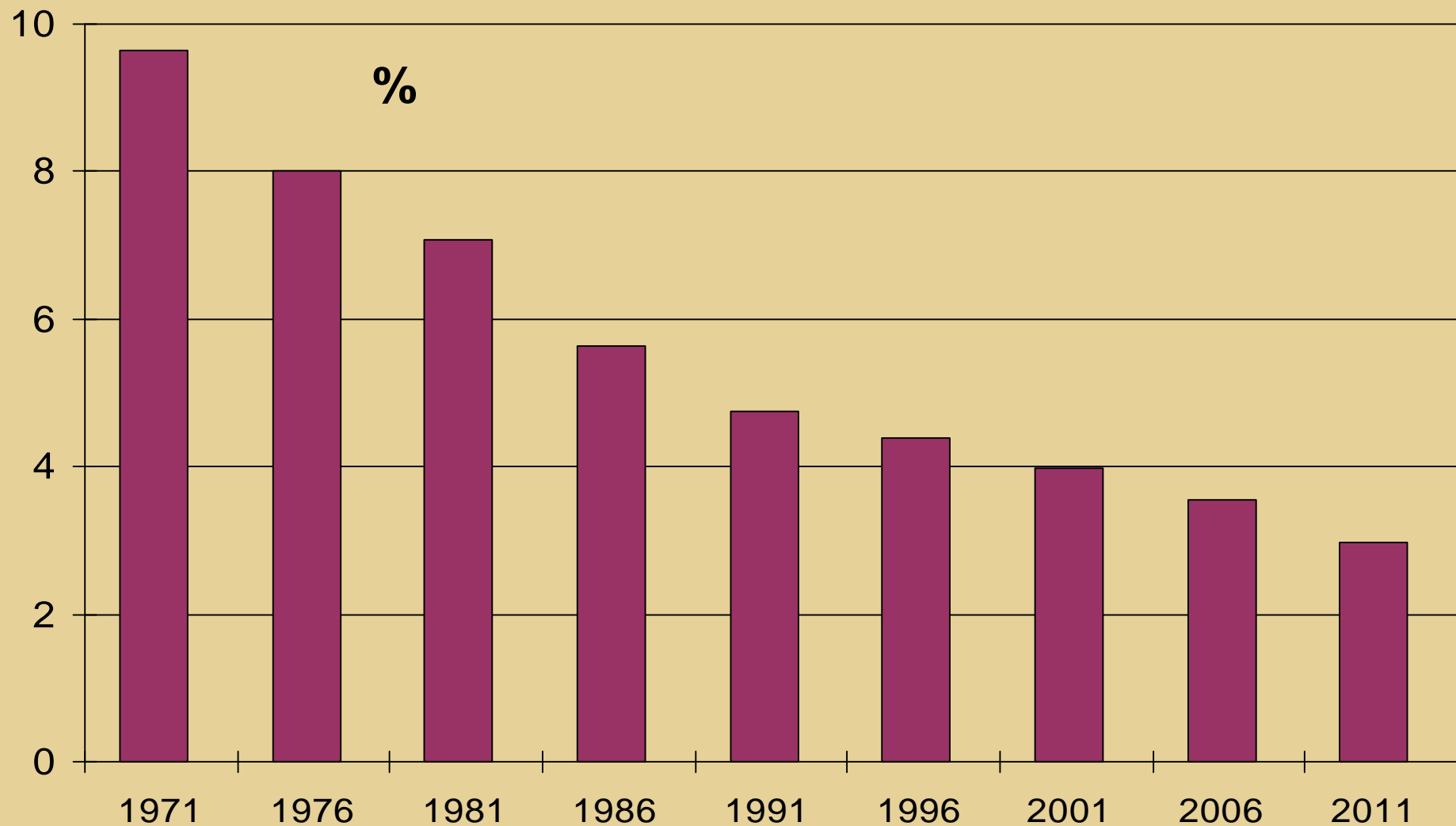
Dividend yield on JSE recovers, but remains in narrow band



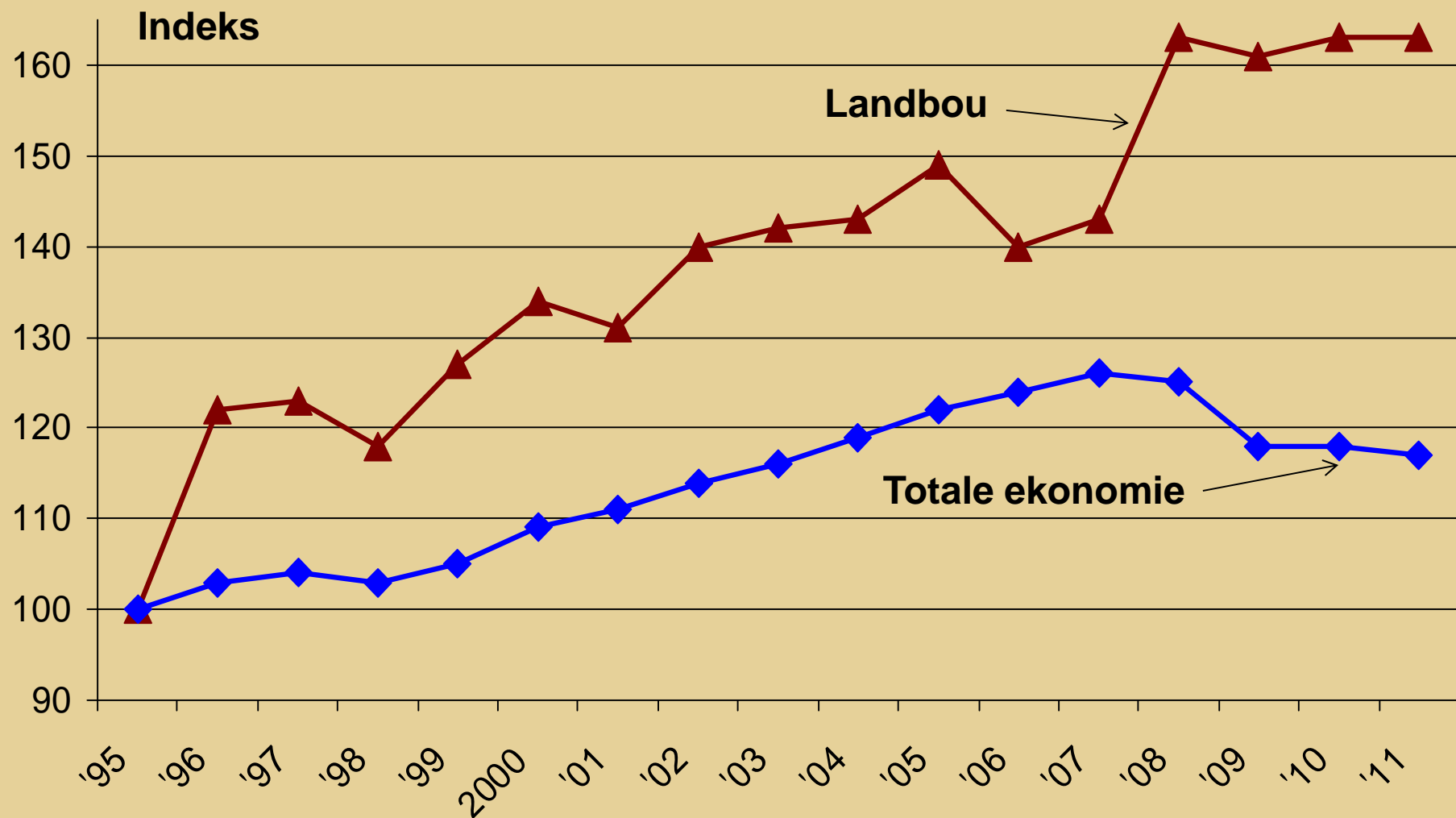
New record high for JSE all share index (Alsi)



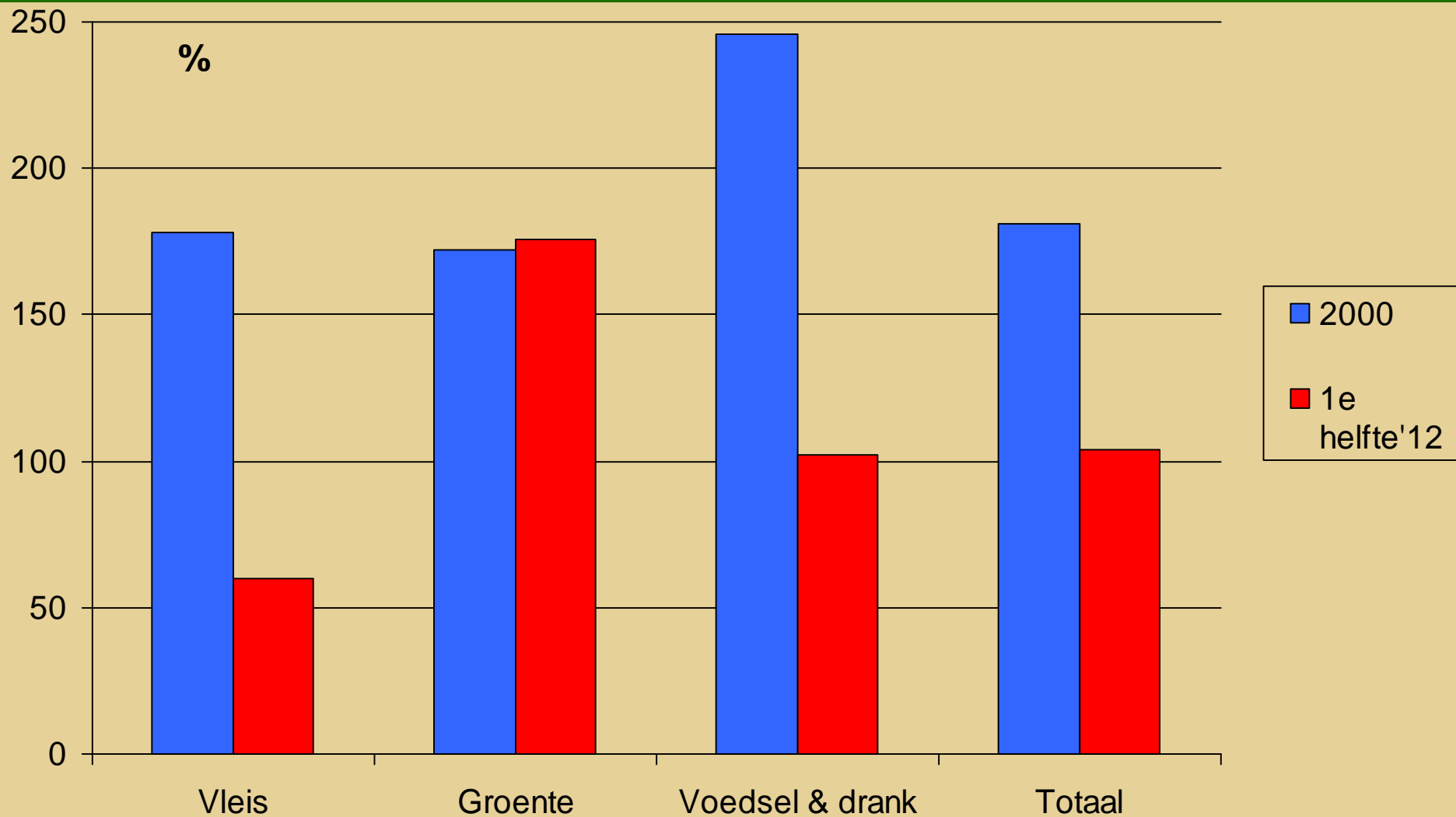
Strukturele daling in die aandeel van landbou in Suid-Afrika se totale kapitaalvoorraad



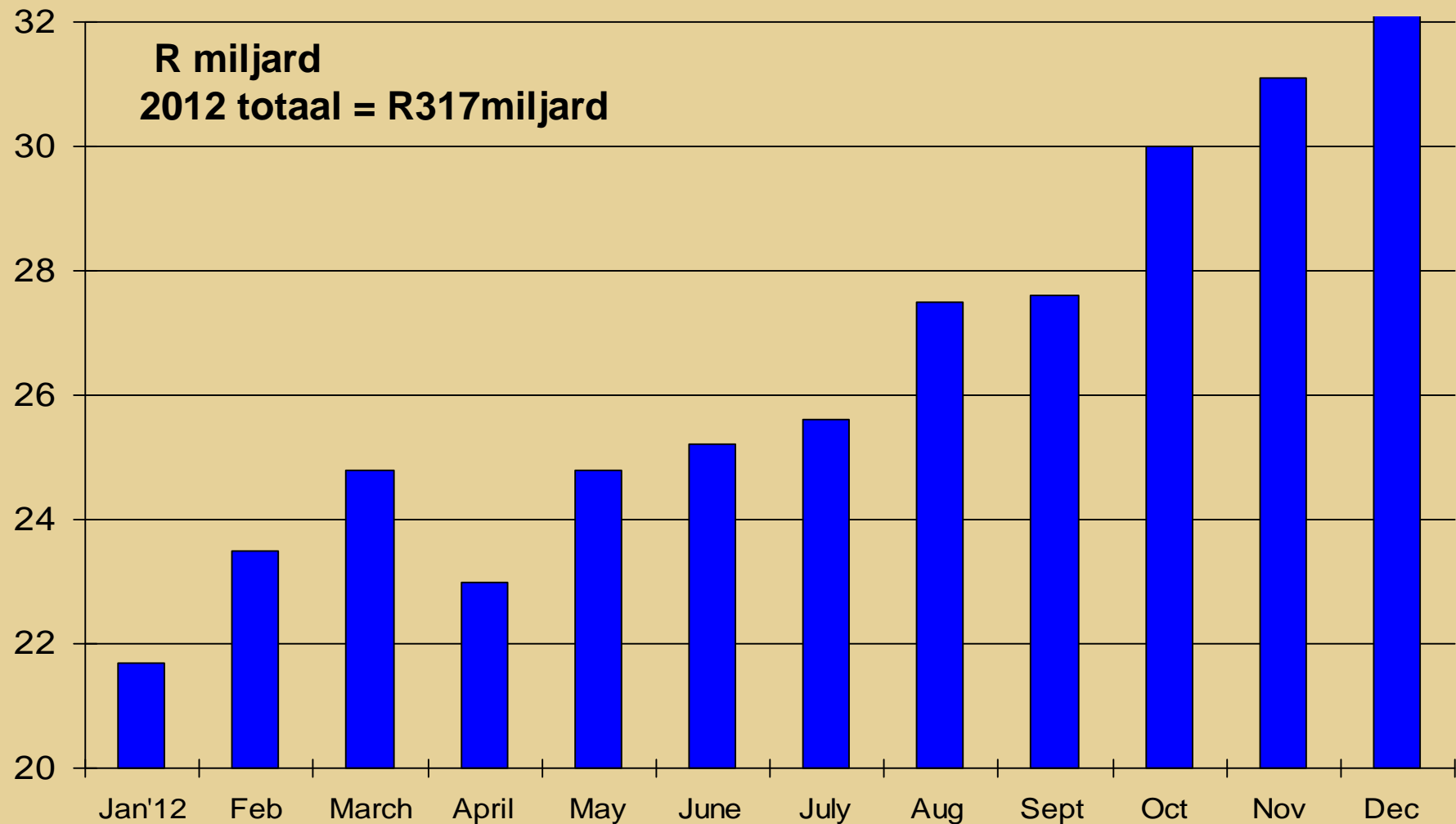
Productiviteit van vaste kapitaalvoorraad in landbou en die ekonomie as geheel (indeks; 1995 = 100)



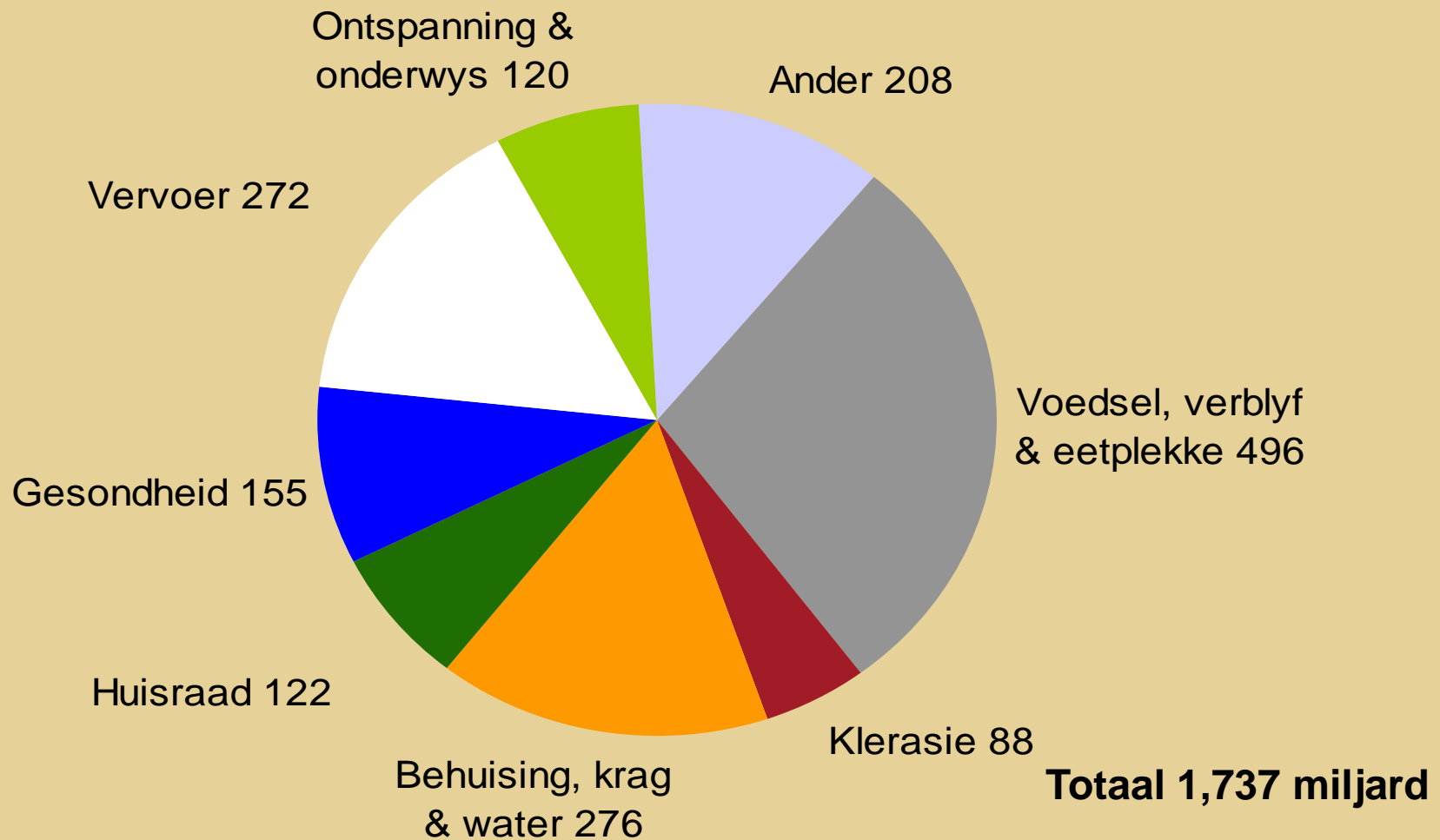
Strukturele daling van landbou-uitvoere as % van -invoere



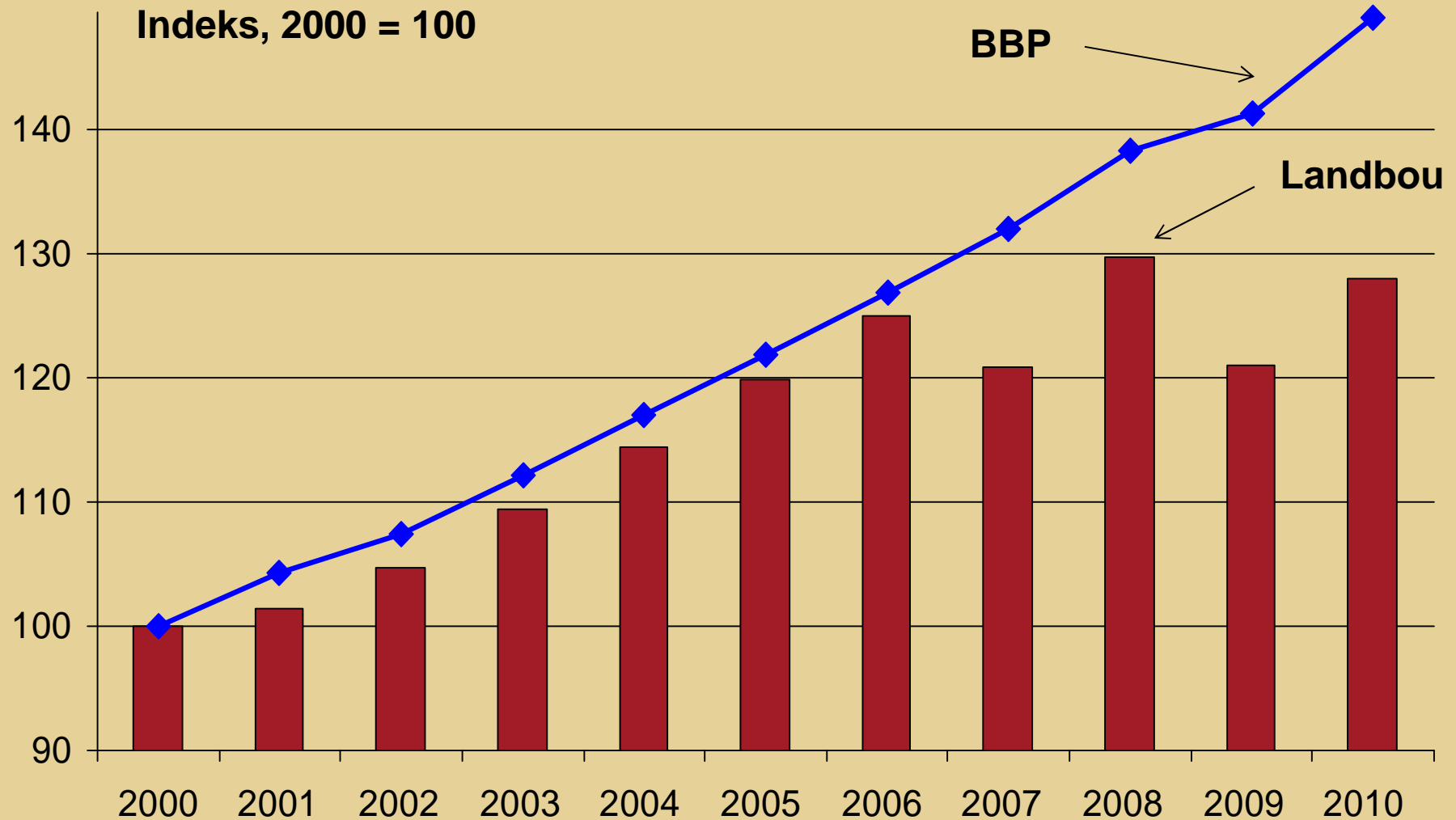
Maandelikse verkoopswaarde van voedsel- en saagmeulprodukte in Suid-Afrika – 2012



Samestelling van huishoudelike verbruiksbesteding in Suid-Afrika 2011



Verandering in die reële BBP en die waarde van landbouproduksie – kernlande in Afrika suid van die Sahara



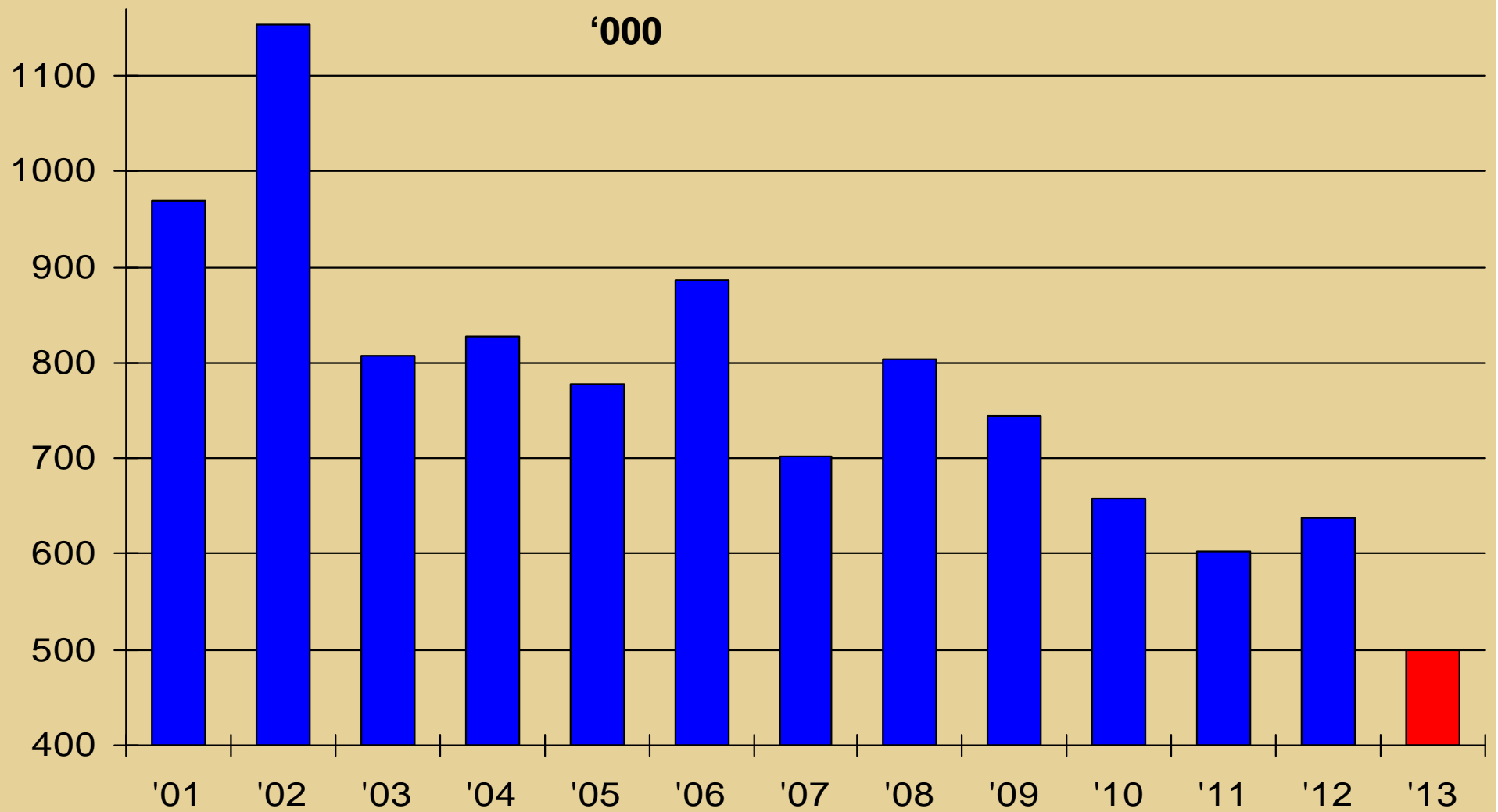
Cosatu – the enemy within

- Use of inflammatory rhetoric by its leadership
- Adversarial approach towards wage negotiations
- Systematic erosion of South Africa's global competitiveness
- Decimation of employment in agriculture (500,000 jobs lost)
- Labour costs outstripping labour productivity
- Encouragement amongst members for lawlessness
- Boycotts of macroeconomic policies
- Incitement for the use of violence
- Malicious damage to property during strikes
- Regular incidents of arson, assault and murder during strikes

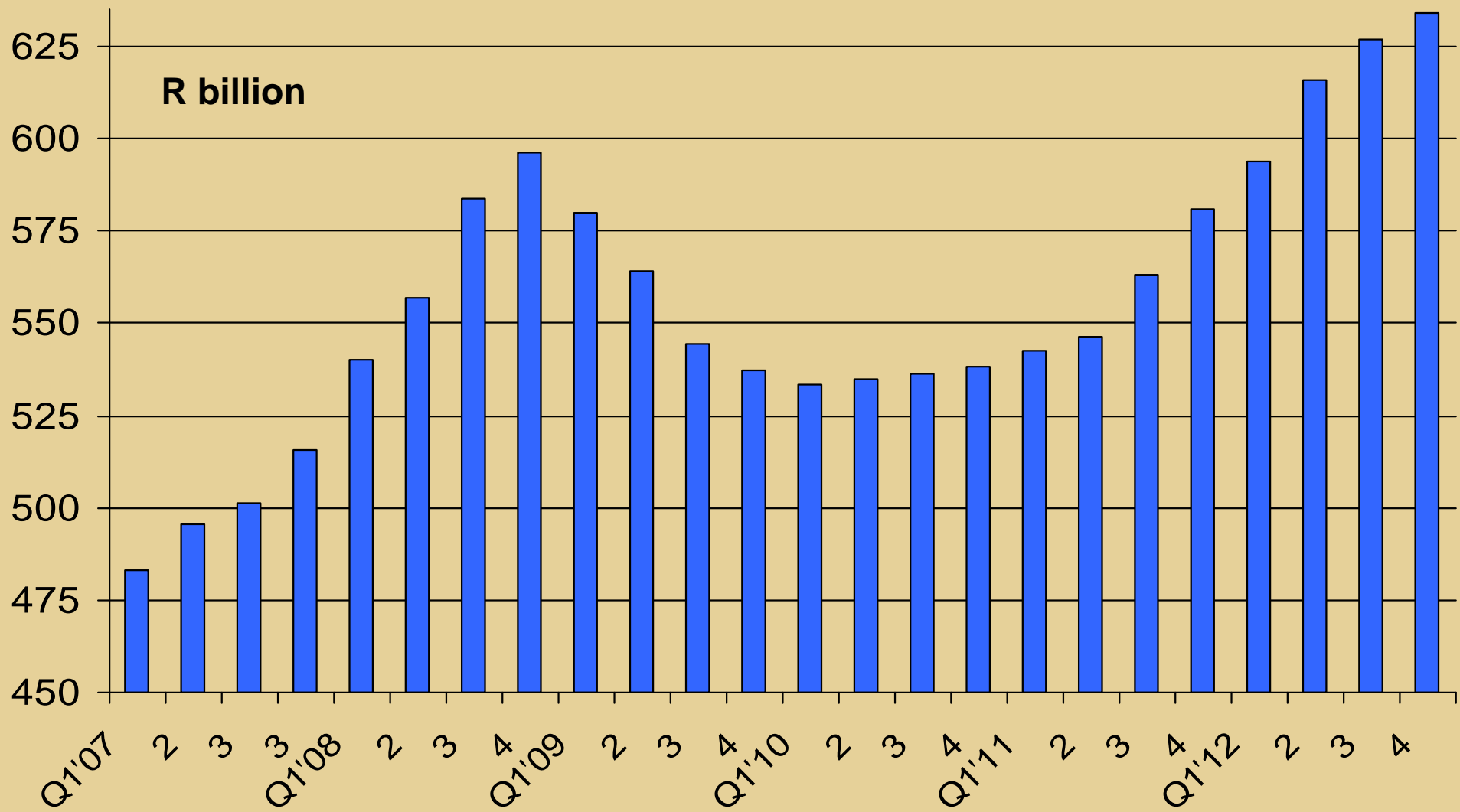
Indices of labour productivity & unit labour costs in manufacturing (2000 = 100)



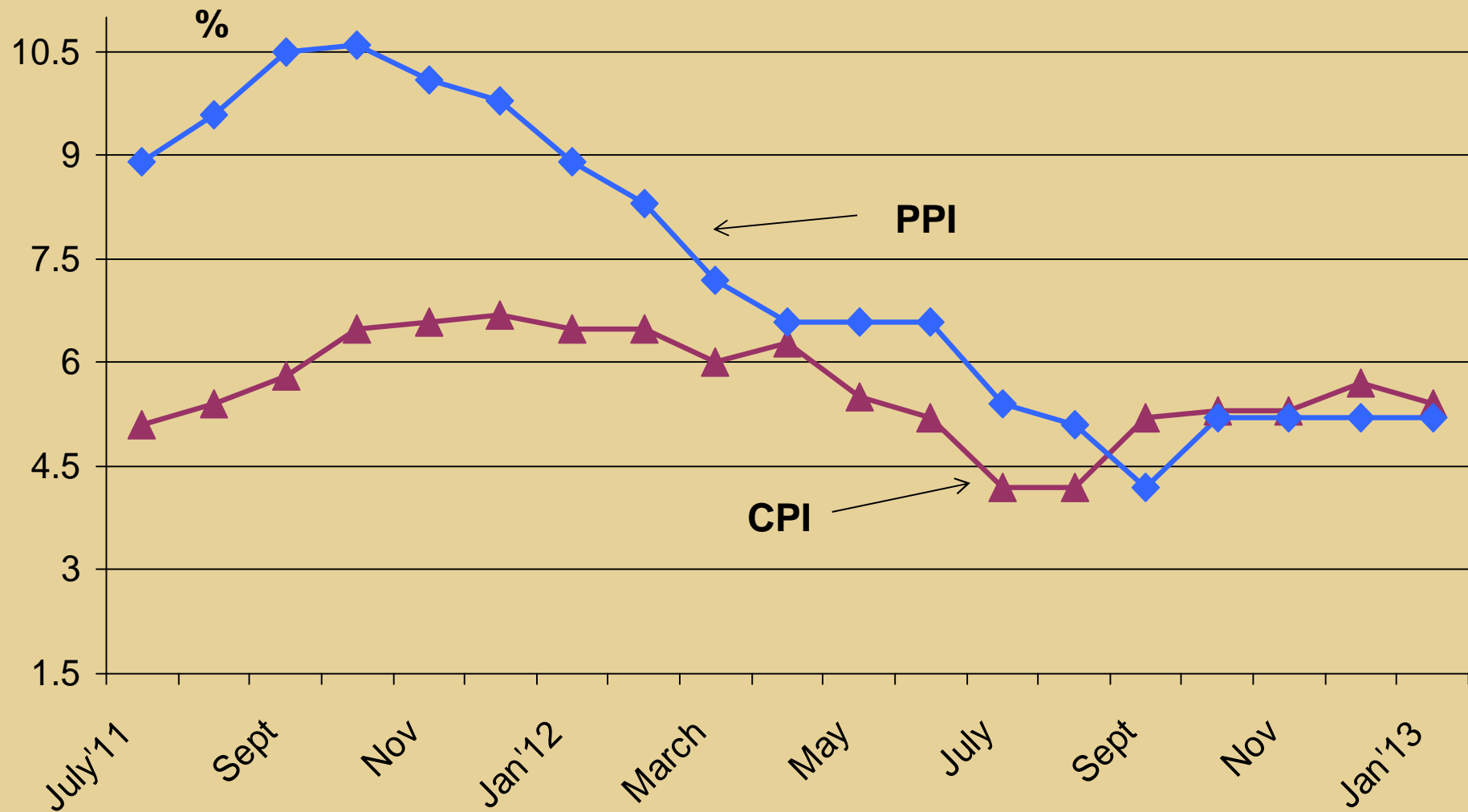
Employment in agriculture in South Africa (forecast for 2013)



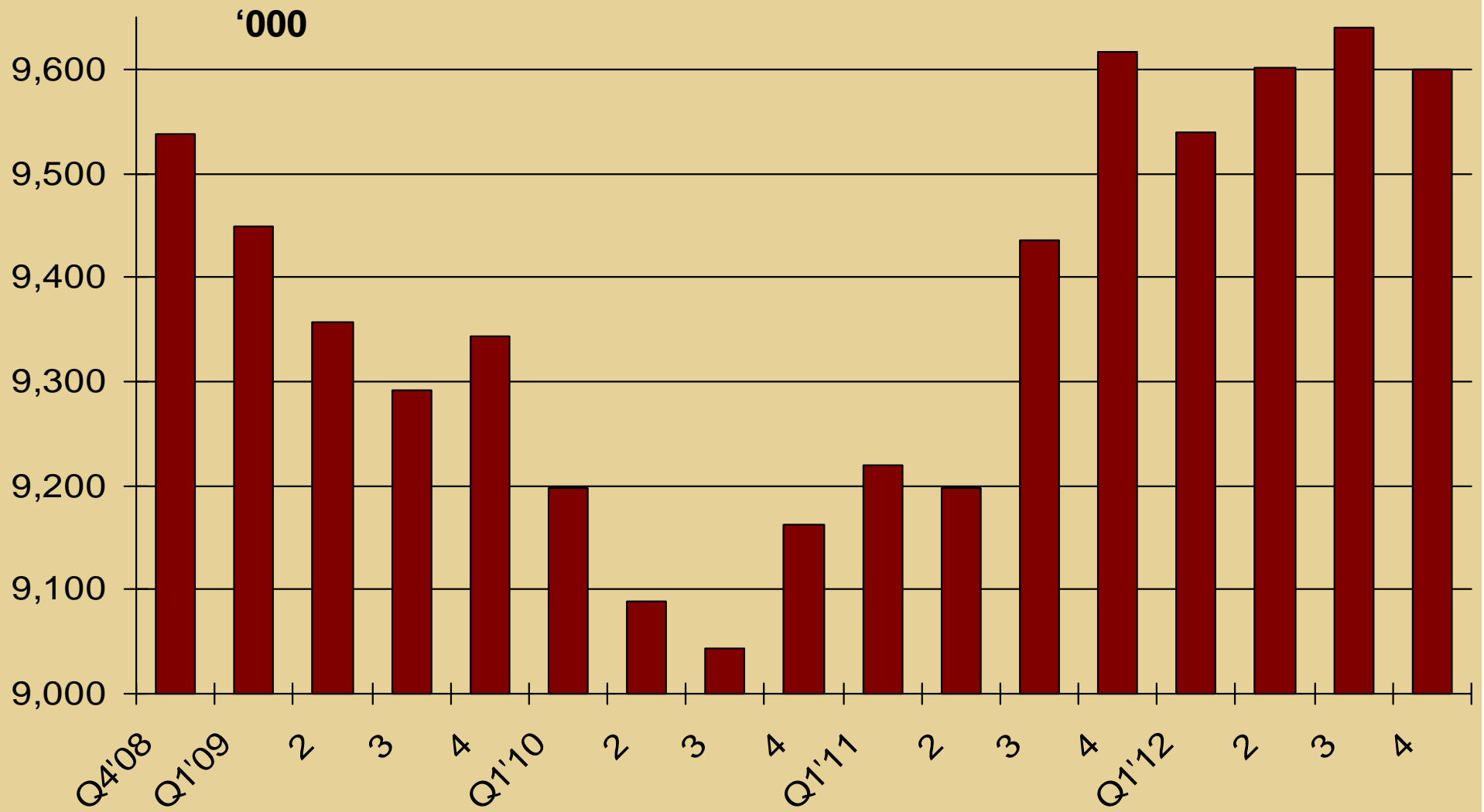
Capital formation trends (annualised rates at 2011 prices)



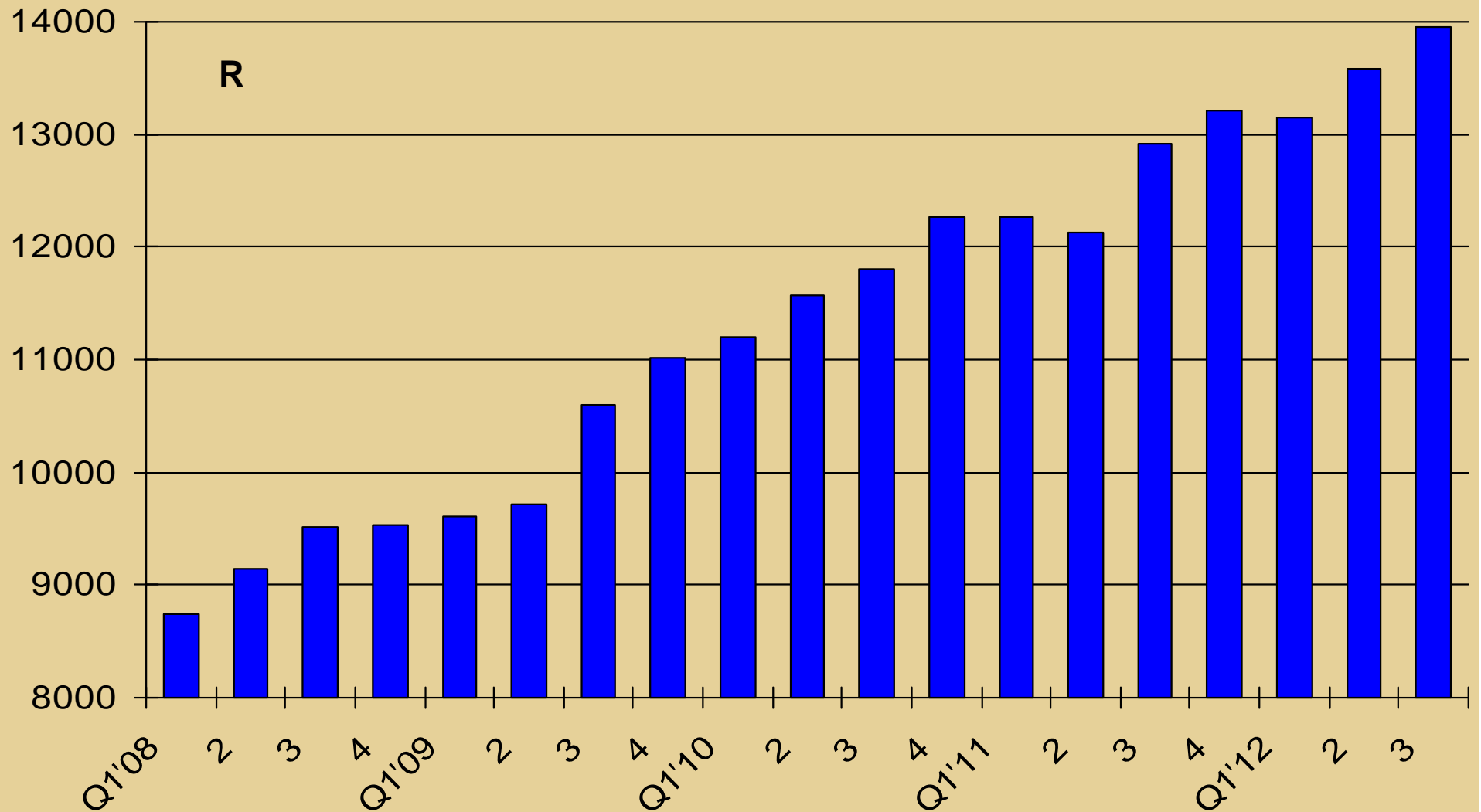
Convergence of consumer & producer inflation to within the Reserve Bank's target range of 3% to 6%



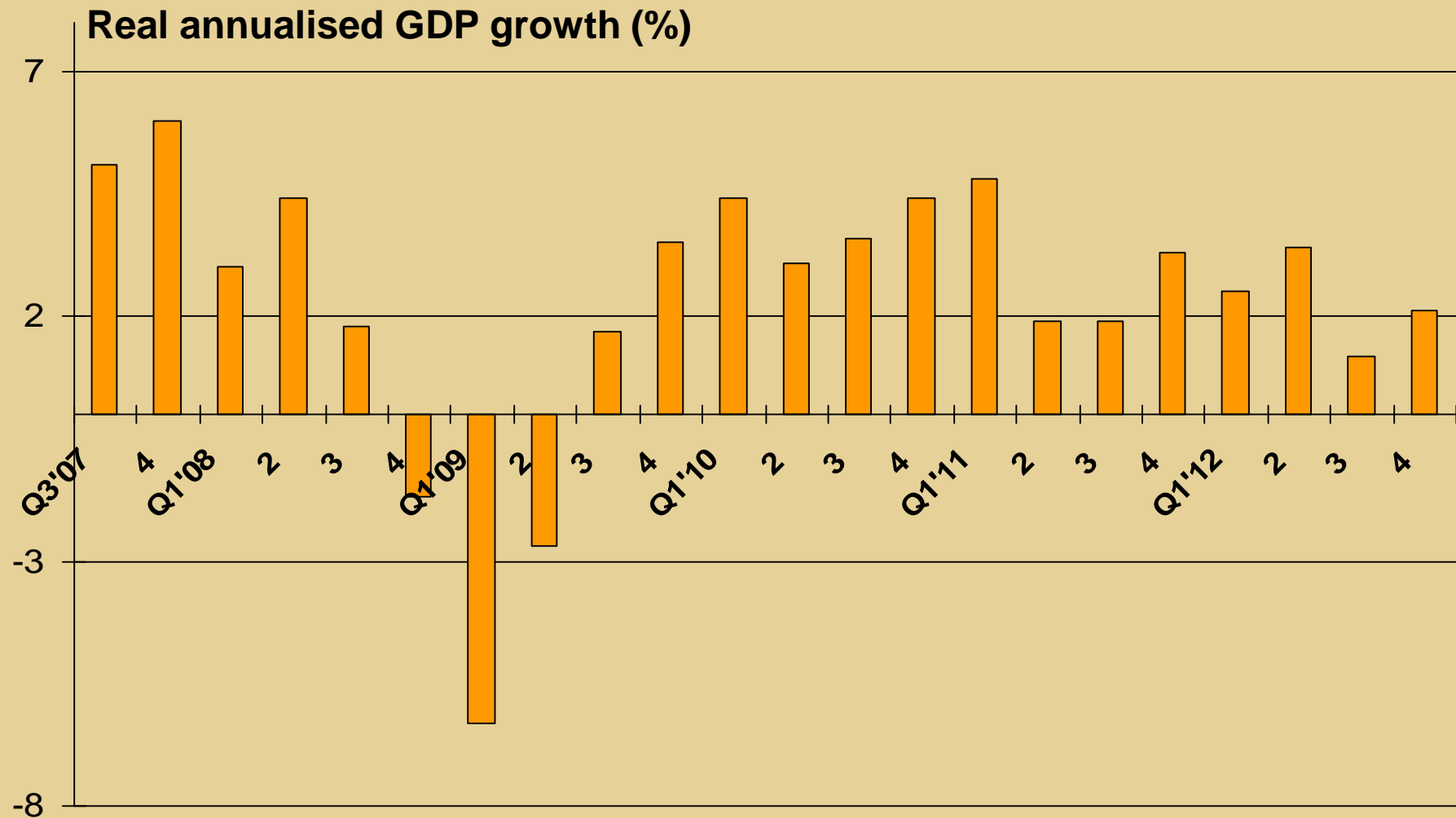
Formal sector employment – progress, but slow



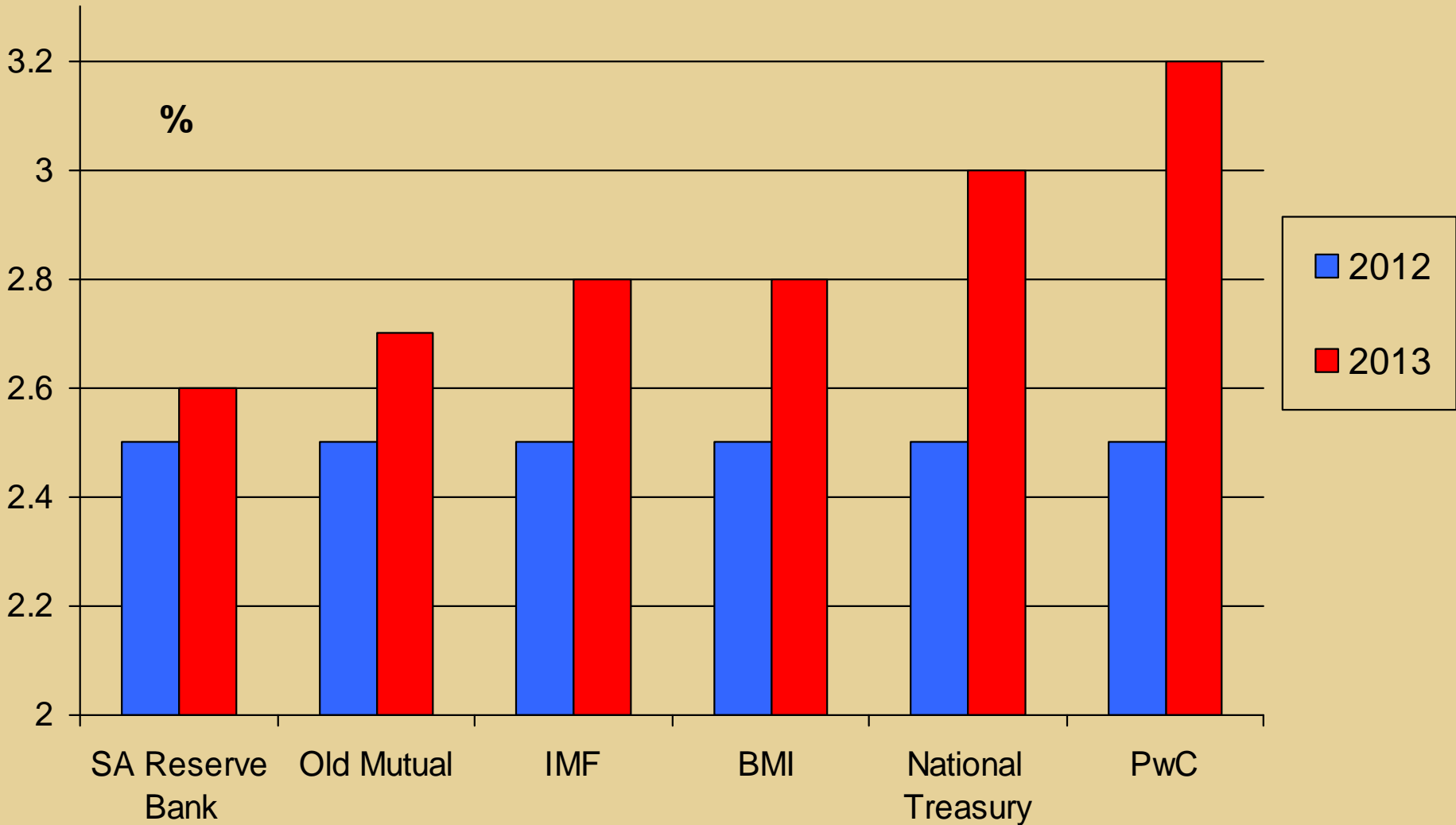
Average monthly salary in the formal sectors (nominal)



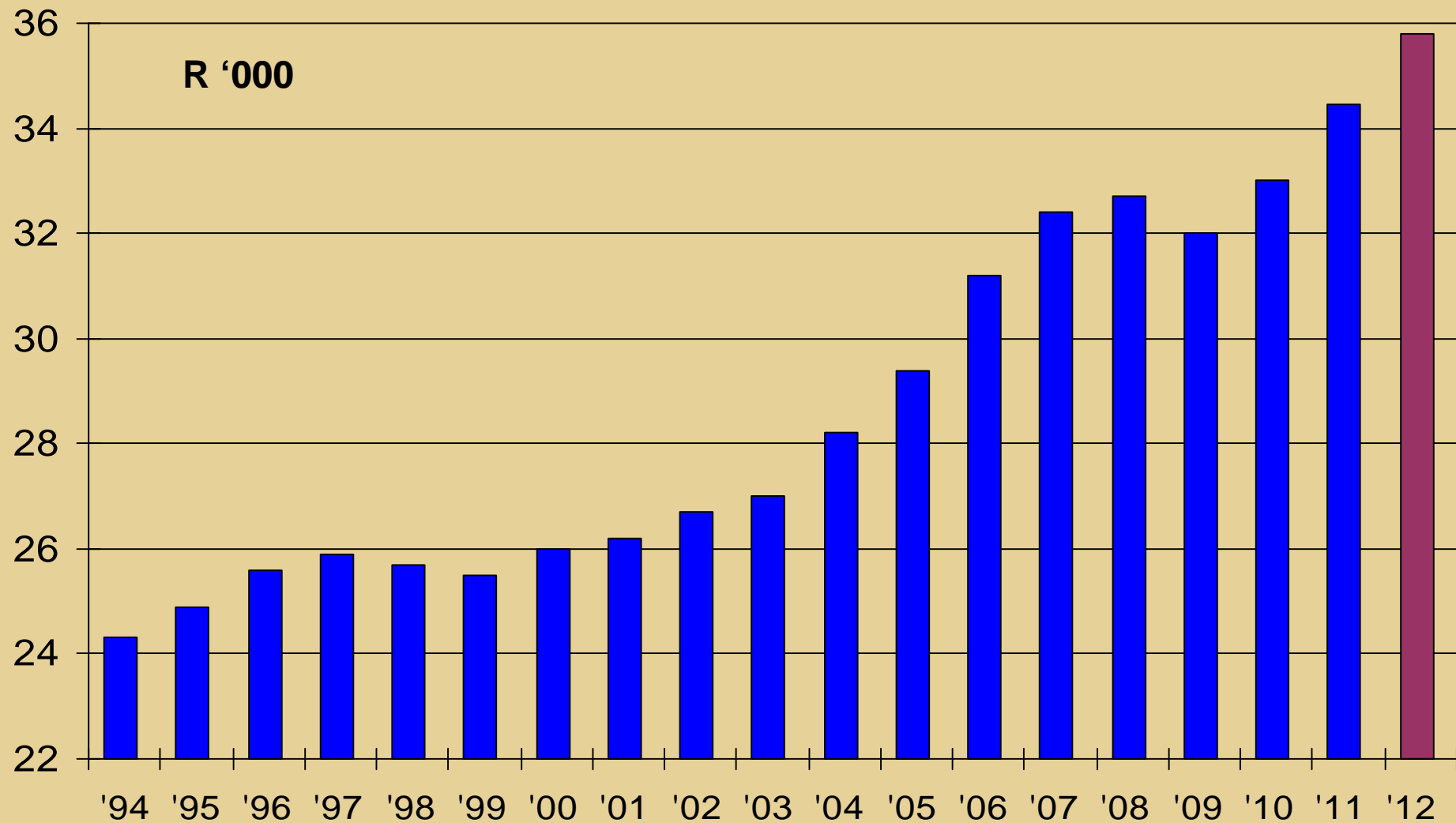
Economy has now grown in real terms for 14 successive quarters



Marginally higher real GDP growth being forecast for 2013



New record high for real disposable income per capita of households (at constant 2011 prices)



Researched & prepared by Dr Roelof Botha

Sources of basic data include the SA Reserve Bank, Stats SA, The Economist Intelligence Unit, the IMF & the World Bank Group

Biographical notes:

- ✓ Dr Roelof Botha received his early schooling in Sweden, Germany, the Netherlands and three different provinces in South Africa
- ✓ A diversified career has been followed in management accounting; financial journalism; lecturing; consulting; and economic research
- ✓ He is a regular commentator & columnist in the national media and has authored more than 500 articles, books and research publications
- ✓ His Honours and Masters degrees were both obtained *cum laude* at the University of Pretoria, whilst the Doctorate was completed at the University of Johannesburg
- ✓ In 2005, he received the prestigious *Finmedia Economist of the Year* award, based on the accuracy of forecasts of key economic indicators
- ✓ Current activities include being a Senior Adjunct Faculty member of the Gordon Institute of Business Science (GIBS)
- ✓ Economic advisor to PricewaterhouseCoopers for the past 22 years

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