ETHEKWINI ECONOMY *'AT A GLANCE'*

JANUARY 2020

GLOBAL STATE OF THE ECONOMY

	IMF	World Bank	OECD
Projected GDP Growth 2019	3.2%	2.9%	2.9%
2018 GDP Growth	3.7%	3.1 %	3.7%
Projected GDP Growth 2020	3.5%	2.8%	3.0%
Projected GDP Growth 2021	3.6%	2.8%	3.2%
Global GDP in 2018	84,835 trillion US$ (Current prices, as per the World Bank)		

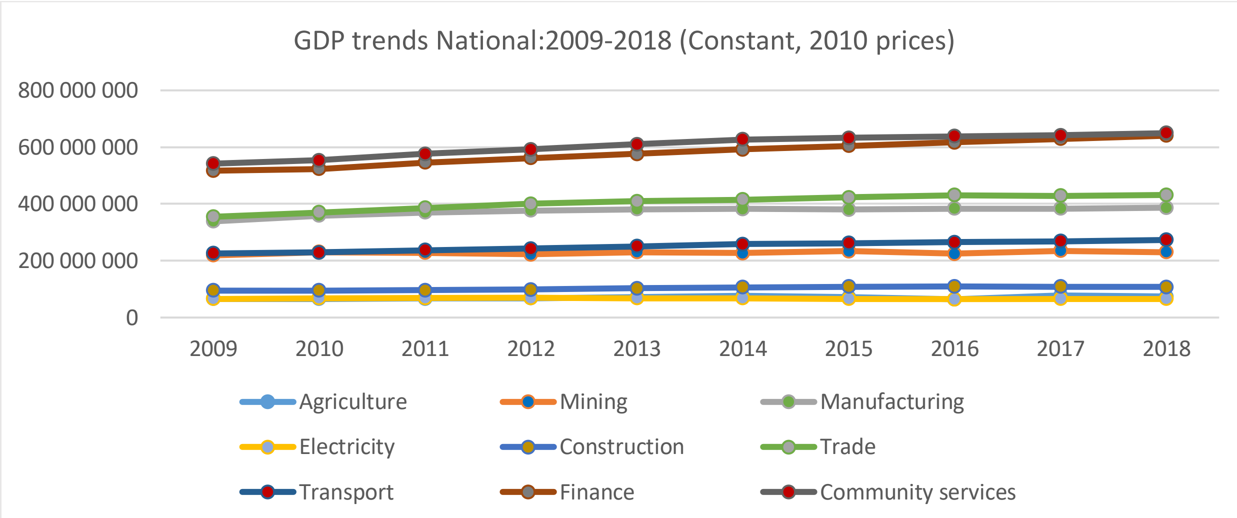
GLOBAL HIGHLIGHTS

Global Economic Trends	World Economic Forum Highlights
The continuous trade tensions between China and the United States (US) was exacerbated by the US intention to impose tariffs on a further $300 billion of Chinese imports and in retaliation, China introduced additional tariffs on $75 billion of imports from the US. These developments affected global equity markets and saw a decline in global oil prices and higher capital outflows from emerging economies. The trade tensions have also contributed to slowing demand in Africa's main trading partners, including China and the Euro region, leading to lower commodity prices and weaker demand for the continent's commodity exports. The International Monetary Front (IMF) has projected global growth to rise from an estimated 2.9% in 2019 to 3.3% in 2020 and 3.4% for 2021. *(https://www.imf.org/en/Publications/WEO)*	Representatives from governments in 91 countries attended the 50th Annual World Economic Forum which focussed on energy, community engagement and platform capabilities to support global, regional and national initiatives that generate positive impact for all stakeholders in achieving a more cohesive and sustainable model. A significant focus was on climate change while others included renewables, and geopolitics. *(https://www.weforum.org/agenda/2020/01/what-are-people-talking-about-at - Davos/)s*

NATIONAL STATE OF THE ECONOMY

	South African Reserve Bank	IMF	The World Bank	OECD
Projected GDP Growth 2019	0.5%	0.7%	0.8%	0.5%
Projected GDP Growth 2020	1.4%	0.8%	0.9%	1.0%
Projected GDP Growth 2021	1.8%	1.0%	1.7%	1.3%

	South African Reserve Bank	IMF	The World Bank	OECD
2018 GDP/Growth	R3.14 trillion (Constant, 2010 Prices, 0.8% growth from 2017, sourced from *Global Insight*)			



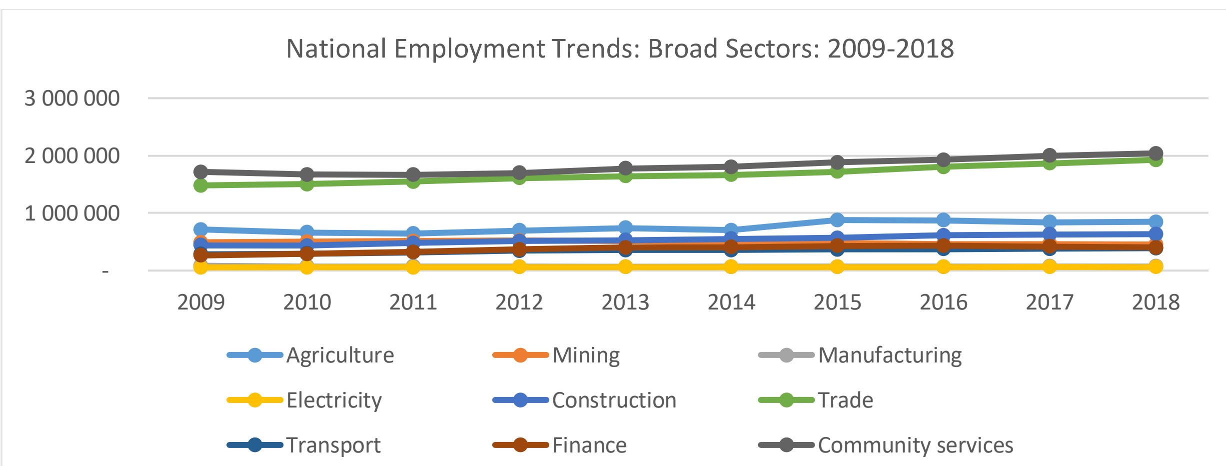
Source: Global Insight 2018

NATIONAL HIGHLIGHTS

Growth in House Prices in 2019	**World Bank downgrades SA's GDP for 2020**	**Consumer Index Update**	**African National Congress (ANC) January 8th Statement**
The FNB House Price Index's average annual growth was 3.6% during 2019, lower than the 3.8% year-on-year growth in 2018. *(Mercury, 14th January 2020).*	The World Bank has cut its growth forecast for South Africa to 0.9% for 2020, from 1.5% previously and 1.3% for 2021 (previously 1.7%). *(https://www.dailymaverick.co.za/article/2020-01-10-world-bank-cuts-sas-2020-economic-growth-forecast/)*	The FNB/BER's consumer index (CCI) remained at -7 in Q4: 2019, the same as Q3. Consumers continue to expect SA's economic prospects to deteriorate during 2020 and are less optimistic on the outlook for their finances. Although the ease of doing business has improved, the anticipated economic growth enhancing reforms to sustain economic activity and reduce unemployment have not materialised yet. *(https://www.investec.com/en_za/focus/economy.html)*	The ANC's January 8th Statement for 2020 has reaffirmed the injunctions contained in the Freedom Charter, that share a focus with several areas under scrutiny by national government – investment, jobs and inclusive growth; an effective land reform programme; and eradicating poverty and improving peoples' lives. One of the tasks of the ANC for 2020 include *'We will mobilize all social partners to grow and transform the economy'*. This entails an economic recovery to create jobs and opportunities. *(www.politicsweb.co.za)*

NATIONAL KEY INDICATORS

Inflation Rate / National Employment	Petrol Price	Exchange Rates	Vehicle Sales	Quarterly GDP
CPI inflation lifted to 4.0% year-on-year in December from 3.6% year-on-year in November, mainly on higher fuel price inflation. (https://tradingeconomics.com/south-africa/inflation-cpi) National employment in the 3rd quarter of 2019 was recorded as 16,375 million, up by 62,000 from previous quarter (0.4%). *(http://www.statssa.gov.za/publications/P0211/P02113rdQuarter3019.pdf)*	**93 Octane**: R15.66 **95 Octane**: R15.44 **50ppm Diesel**: R14.20 As at 6th November 2019 (*https://www.aa.co.za/fuel-pricing)*	Rand/Dollar: 14.9337 Rand/Pound: 19.6371 Rand/Euro: 16.5214 As at 3rd February 2020 *(Mercury, 3rd February 2020)*	**New Car Sales Summary - December 2019** *Aggregate* new sales of 41, 698 units up by 4.2% compared with December 2018 New passenger car sales of 28, 965 units up by 9.1% from December 2018 Light commercial vehicles sales of 10, 461 units down by 6.7% from December 2018 Export sales of 13, 298 units down by 57.7% compared with December 2018. *(https://www.cars.co.za/motoring_news/new-car-sales-in-sa-Decemberr 2019*)	National GDP increased by 3.1% in the 2nd quarter of 2019. *(https://tradingeconomics.com/south-africa/gdp-growth)*

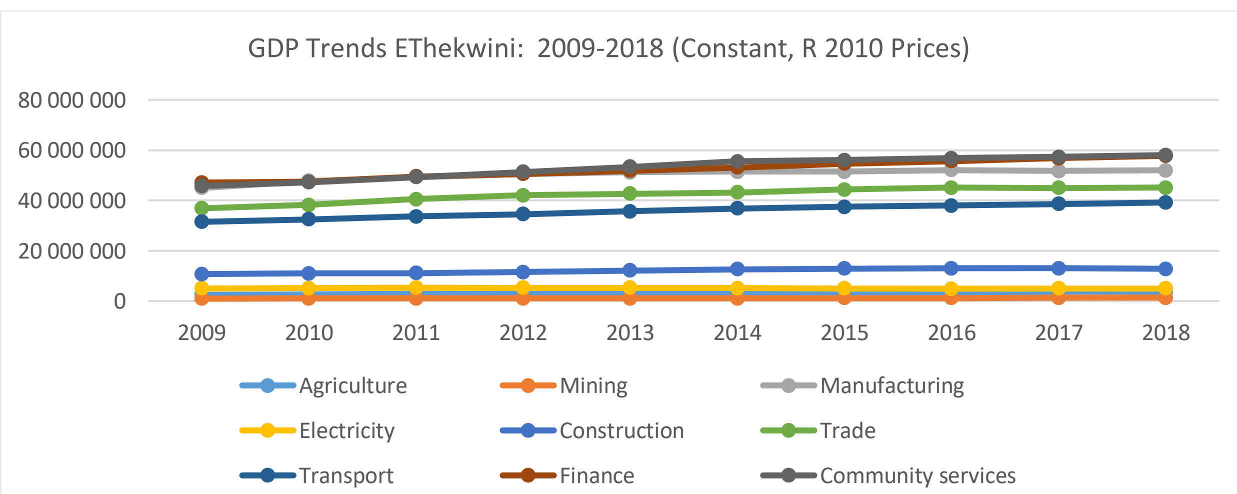


Source: Quantec 2019

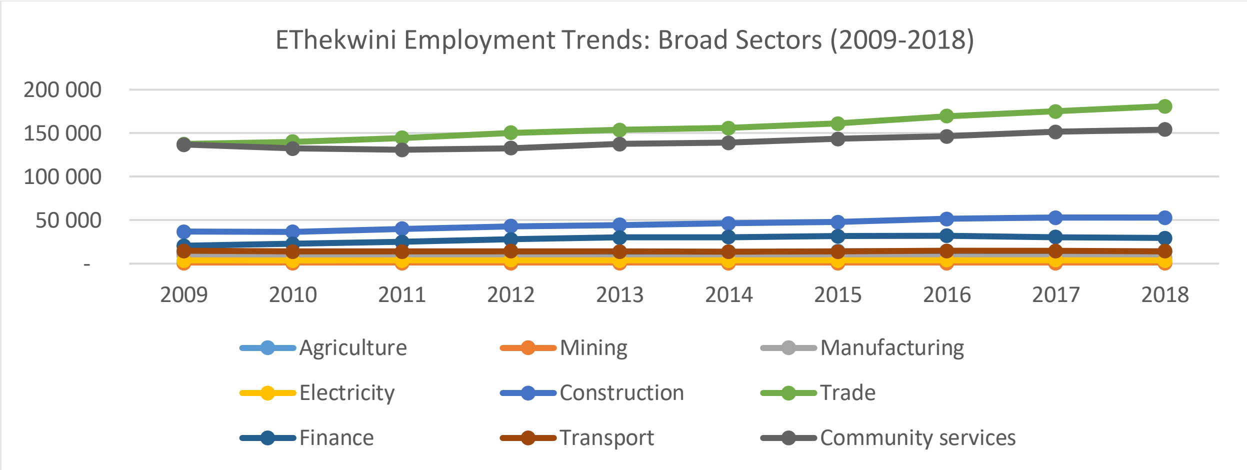
LOCAL STATE OF THE ECONOMY

ETHEKWINI INDICATORS

GDP / Total Population	Total Employment Q3: 2019	Q3:2019 Unemployment Decreased to 21.5%	Development Indicators for 2018	Annual Trade 2018
R301.9 billion, 0.9% growth from 2017. *(Global Insight 2019)* The eThekwini population was recorded as 3,918,863 in 2018 according to Global Insight (Increased by 1.4%) *(Global Insight 2019)*	Formal Sector employment recorded as approximately 1.183 million in the 3rd Quarterly Labour Force Survey in 2019 according to Statistics South Africa. This represented an increase of 24, 000 and 2.1% over the previous quarter. *(http://www.statssa.gov.za/publications/P0211/P02113rdQuarter2019.pdf)*	The City's quarterly unemployment rate decreased by 0.4 percentage points to 21.5% from 21.9% in the previous quarter. Number of unemployed is at 323,000, down by 1,000 from previous quarter. *(http://www.statssa.gov.za/publications/P0211/P02113rdQuarter2019.pdf)*	Human Development Index: 0.66 Gini coefficient: 0.62 Functional Literacy: Total illiterate: 340,675 Total literate: 2,625,882 Number of Households: 1, 125, 767 Geographic Area: 2, 556 km^2 Number of Wards: 110 *(Source: Global Insight 2019/ Development Planning)*	Total Exports: R82, 7 billion (Increased by 13.8%) Total Imports: R114, 5 billion (Increased by 8.5%) *(Global Insight 2019)*



Source: Global Insight 2018



Source: Quantec 2019

ETHEKWINI EVENTS/AWARDS/INVESTMENTS

ManpowerGroup Employment Outlook Survey for KZN	**Passenger growth at King Shaka International Airport**	**KZN delegation to New York to market tourism**
The ManpowerGroup Employment survey for the first quarter of 2020 found that the employment outlook for KwaZulu-Natal is +2%. The employment outlook is determined by taking the percentage of employers expecting an increase in hiring activity and subtracting from this the percentage of employers expecting to see a decrease in employment. Nationally the outlook was also +2%. *(KZN Network, 15th January 2020).*	The City's King Shaka International Airport posted a steady growth in passenger volumes during the festive season. International passenger volumes grew by 9% and domestic by 12%. Most airlines operated at full capacity and the highest passenger volumes were recorded in December, of which 93% were domestic. *(KZN Network, 29 January 2020).*	A delegation from Tourism KZN and Durban Tourism visited New York to showcase KZN's tourism attractions at the city's Times Travel Show. According to Tourism KZN, the Americas are among the top 3 long-haul international markets for the province. The event brought 35,500 participants with 750 exhibitors from 175 countries and is the largest travel trade and consumer show in North America. *(KZN Network, 29 January 2020).*

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Although care has been taken to source the most up-to-date information for this edition, new information may come on stream during the editing, layout and printing of the *'Economy at a Glance'* publication and it may not be possible to update.