AUGUST 2018

GLOBAL STATE OF THE ECONOMY:

	IMF	World Bank	OECD
Projected GDP Growth 2018	3.9%	3.1%	3.9%
2017 GDP Growth	3.7%	3.0%	3.6%
2019 GDP Growth	3.9%	3.0%	3.9%

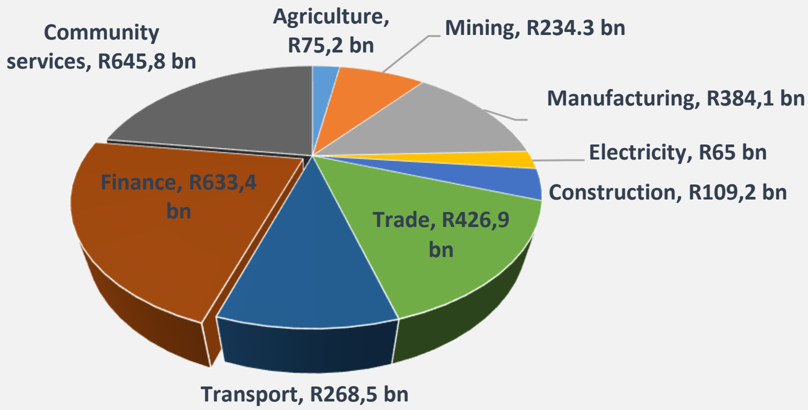
GLOBAL HIGHLIGHTS

South Africa, China ties new deal	Economy grows in 2nd Quarter in Sub-Saharan Africa
SA and China has signed an agreement during a state visit by President Ramaphosa to the value of R14 billion. This agreement focuses on cooperation in the fields of climate change, water resources, transport-related infrastructure and refurbishments to a number of technical and vocational training. *(SANews.gov.za, 3rd September 2018)*	Sub-Saharan Africa's economy grew for the 3rd consecutive quarter in Q2, as the region gains traction after the slump in low commodity prices. Regional GDP is projected to have expanded 3.3% year-on-year in the 2nd quarter, which would mark the fastest growth rate since Q1 2015. A supportive external environment likely boosted the recovery, thanks to higher commodity prices and healthy global demand. The major-players - Nigeria and South Africa are projected to have gained steam in the second quarter, although growth remains weak in both. economies.*(https://www.focus-economics.com/regions/sub-saharan-africa)*

NATIONAL STATE OF THE ECONOMY

National GDP Growth and Forecasts

	South African Reserve Bank	International Monetary Fund	The World Bank	OECD
Projected GDP Growth for 2018	1.2%	1.5%	1.4%	1.9%
Projected GDP Growth for 2019	1.5%	1.7%	1.8%	2.1%
2017 GDP/Growth	R3.12 trillion (Constant, 2010 Prices, increase of 1.3% from 2016, sourced from *Global Insight*)			



National GDP: Broad Sectors 2017 (2010 , Constant, R1000)

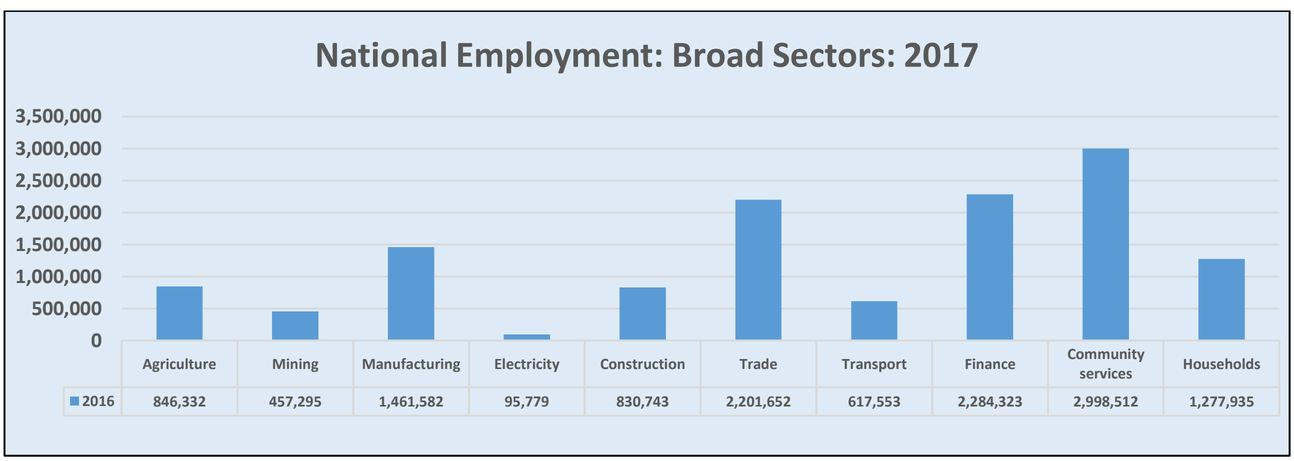
Source: Global Insight 2018

NATIONAL HIGHLIGHTS

SA's Business Confidence increases in July	SA's global property rights ranking drops 15 places	UK investment outlay for Africa	KZN Citizen Satisfaction Survey Report
South Africa's business confidence rose in July, doing so for the first time in six months, the South African Chamber of Commerce and Industry (SACCI) said on Wednesday. The body's Business Confidence Index (BCI) gained one index point in July 2018 and was 94.7 compared to 93.7 in June 2018. *(SANews.gov.za)*	SA has dropped 15 places to 37th in the latest global property rights rankings – the largest drop by any country. Previously it was ranked 22nd globally and first in Africa last year in the International Property Rights Index compiled by the Washington-based Property Rights Alliance released in partnership with the Free Market. *(Merury, 13th August 2018)*	The UK is planning to invest 8 billion pounds in Africa in the next 4 years in order to increase its presence in the continent. The outlay will comprise 4 billion pounds in African economies and an additional 4 billion pounds of private sector financing. This was announced by the UK Prime Minister Theresa May in her joint address of business leaders in Africa during August 2018. *(Mercury, 29th August 2018).*	This survey was conducted on over 22 000 households by Statistics South Africa. The results show that 46.3% were outright dissatisfied with local government, while 31.6% were somewhat dissatisfied and 22.1% were outright satisfied. For eThekwini, the top 3 priorities chosen, that the KZN provincial government should attend to were: Job Creation; Crime prevention and fighting corruption. *(http://www.statssa.gov.za/?page_id=1854&PPN=Report-03-00-07&SCH=7365).*

NATIONAL KEY INDICATORS

INFLATION RATE / NATIONAL EMPLOYMENT	PETROL PRICE	EXCHANGE RATES	VEHICLE SALES	QUARTERLY GDP / UNEMPLOYMENT TRENDS
The inflation rate rose to 5.1% in July from 4.6% in the previous month. This increase is due to the higher fuel price. *(http://www.inflation.eu/inflation-rates/south-africa/inflation-south-africa.aspx)* National employment in the first Quarter of 2018 was recorded as 16,378 million. *(https://www.iol.co.za/business-report/economy/breaking-unemployment-rate-drops-to-267-13260041)*	**93 Octane**: R15.80 **95 Octane**: R16.02 **0.05% Diesel**: R14.45 As at 31st August 2018 *(https://businesstech.co.za/news/energy/255539/here-is-the-official-petrol-price-for-july-2018/)*	Rand/Dollar: 14.1222 Rand/Pound: 18.1901 Rand/Euro: 16.5414 As at 29th August 2018 *(Mercury, 29th August 2018)*	**New Car Sales Summary July 2018** July vehicles sales was recorded as 47 881, an improvement of 1210 vehicles (+2.6%) compared to the 46 671 vehicles sold in July 2017, reports Naamsa. Naamsa said that the latest domestic sales figures are in line with industry expectations but that export sales remain disappointing. *(National Association of Automobile Manufacturers of South Africa)*	The national economy shrank by a seasonally adjusted annualized 0.7% in the 2nd quarter of 2018, following a 2.6 percent contraction in the 1st quarter. It was the second consecutive period of contraction, as output fell for agriculture, transport and trade. *(https://tradingeconomics.com/south-africa/gdp-growth)*

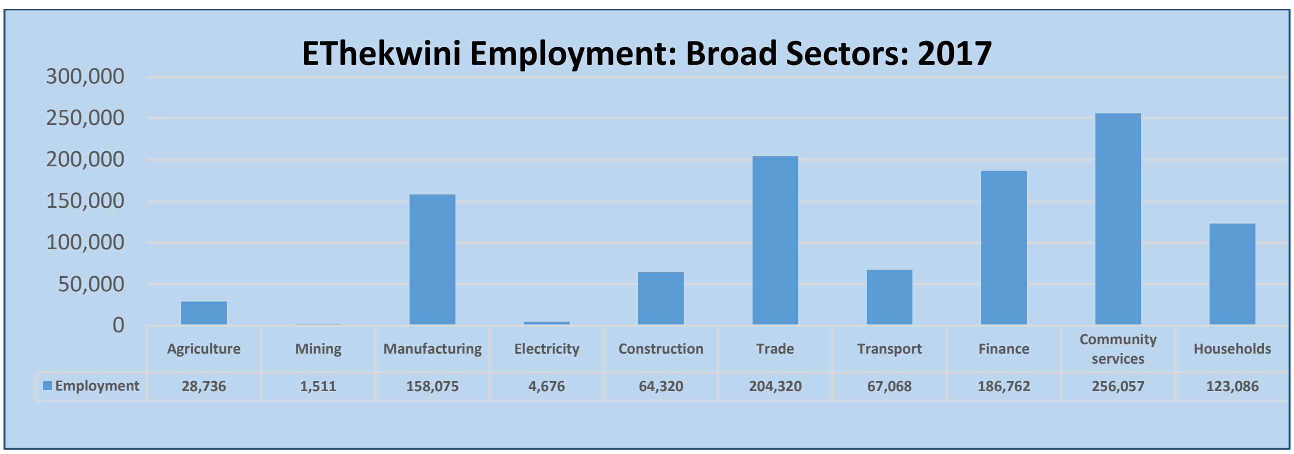


Source: Global Insight 2018

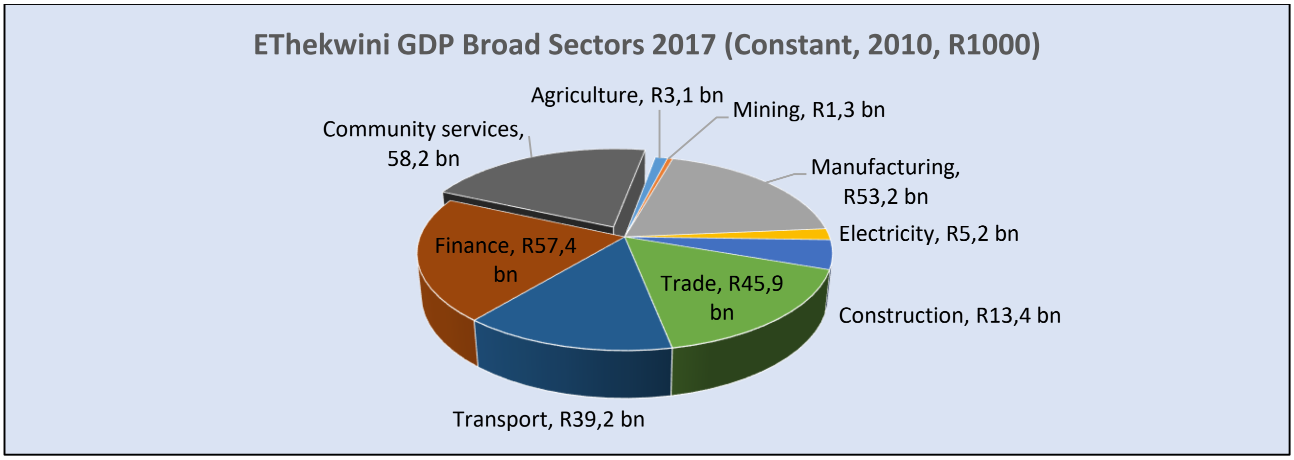
LOCAL STATE OF THE ECONOMY

ETHEKWINI INDICATORS

GDP / TOTAL POPULATION	TOTAL EMPLOYMENT	Q1:2018 UNEMPLOYMENT DECREASED TO 20.3%	POVERTY STATISTICS	ANNUAL TRADE 2017
R304.4 billion in 2017 Increased by 0.4% *from 2016.* *(Global Insight updated database)* The eThekwini population was recorded as 3,866,505 in 2017 according to Global Insight (Increased by 1.4%) *(Global Insight internal database)*	Formal Sector employment recorded as approximately 1,222 million according to the 2nd Quarterly Labour Force Survey in 2018 according to Statistics South Africa. This represented an increase of 1.4% over the previous quarter. *(Statistics South Africa)*	The City's quarterly unemployment rate decreased by 1 percentage point to 19.3% from 20.3% in the previous quarter. *(SANews, 1st August 2018).*	The number of people living below the food poverty line in 2017 in eThekwini was recorded at approximately 1,051,334. *(Source: Global Insight, 2018)*	Total Exports: R72.7 billion (Increased by 1.6%) Total Imports: R105.5 billion (Increased by 0.75%) *(Global Insight internal database)*



Source: Global Insight 2018



Source: Global Insight 2018

ETHEKWINI EVENTS/LAUNCHES/INVESTMENT

City hosts Nevada investment delegation	**International Delegation to invest in local film industry**	**Award for Durban ICC**	**C40 Climate Actions plans to be finalised in Durban**
The City hosted a trade delegation from Nevada during August to explore new trade opportunities. The discussions focused on aerospace construction, logistics, innovation, and advanced water technologies. *(EThekwini Bulletin, 6th August 2018)*	A delegation from America attending the K-CAP Ekhaya Multi Arts Centre workshop during August has pledged to invest in the local film and television industry to showcase African stories. The delegation included actor Danny Glover. *(EThekwini Bulletin, 6th August 2018)*	The Durban Inkosi Albert Luthuli International Convention Centre received the KZN Premier's Service Excellence Award during August 2018. This was in recognition of the Centre's contribution to job creation and economic growth in the City. *(EThekwini Weekly Bulletin, 13th August 2018).*	The Deadline 2020 Climate Action Planning Pilot Programme took place at the Moses Mabhida Stadium with 15 environmental delegates from more than 7 countries. The eThekwini Mayor is the C40 Vice President for Africa. C40 is a network of large cities actively engaged with climate change response initiatives to comply with the objectives of the Paris Agreement. *(EThekwini Bulletin 27th August 2018).*

LINKS TO ECONOMIC REPORTS

Name	Description	Link
Citizen Satisfaction Survey	In 2015, the Office of the Premier for KZN asked Statistics South Africa to undertake a Citizen Satisfaction Survey in the KZN Province. This resulted in the KZN Citizen Satisfaction Survey which was conducted from October to November 2015.	http://www.statssa.gov.za/?page_id=1854&PPN=Report-03-00-07&SCH=7365

EThekwini Economy at a glance: Policy Strategy Information & Research Dept. (PSIR): ref denny.thaver@durban.gov.za

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.