APRIL 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%

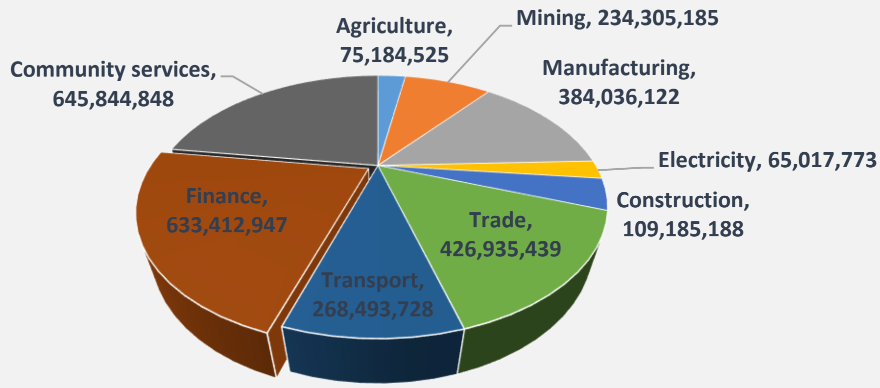
GLOBAL HIGHLIGHTS

IMF keeps global growth forecast at 3.9%	World Economic Situation
The IMF kept its global growth forecast at 3.9% for 2018 and 2019 in the latest World Economic Outlook. However, it said that this may be threatened by trade restrictions especially between China and the US. The report also mentioned there's still opportunities for countries to engage in multilateral agreements to take advantage of this. *(IMF World Economic Outlook)*	Short-term growth continues to strengthen due to positive growth outlook for developed economies in 2018 and favourable investment conditions. This may be dampened by rising trade conflicts and the introduction of tariffs on imported goods. Weak productivity growth and lack of secure employment are constraining progress in many countries in Africa, Latin America and Western Asia. *(https://www.un.org/development/desa/dpad/publication/world-economic-situation-and-prospects-april-2018-briefing-no-113/)*

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	1.7%	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)

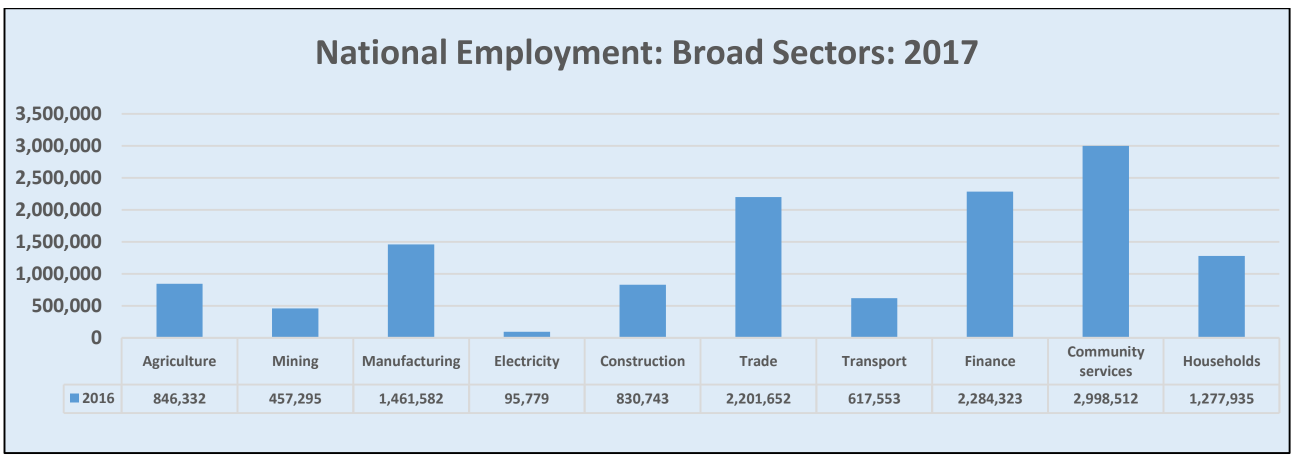
NATIONAL HIGHLIGHTS

SA still one of the World's most unequal countries	SA Manufacturing increases	SA Business Confidence is on the decline	India-South Africa Summit in April 2018
SA is still one of the most unequal countries in the world after 24 years into democracy according to a *20/20 Insight* report. The report recommends transformation policies that include the recognition of black trade unions, removal of racial salary disparities and the introduction of skills development for black staff. *(Mercury, 5th April 2018).*	Manufacturing production in SA increased 0.6% year-on-year – the weakest increase in manufacturing output since March 2017. The biggest single contributor to the slowdown was the food and drink sector. *(Mercury, 11th April 2018).*	The South African Chamber of Commerce & Industry (Sacci) Business Confidence Index declined by 1.3 index points to 98.9 points in February to 97.6 points in March, however, the largest positive annual contributions to the business climate were from lower inflation, increased merchandise import volumes and new vehicles sales. *(Mercury, 6th April 2018).*	The Department of Trade & Industry, in partnership with the High Commission of India, Ministry of Commerce & Industry of India, Invest India, the Confederation of Indian Industry and the Federation of Indian Chambers of Commerce & Industry will hold a business summit during 29-30 April at the Sandton Convention Centre. The purpose is to maximize economic and commercial partnerships between the two countries. (*Mercury, 16th April 2018).*

NATIONAL KEY INDICATORS

INFLATION RATE	PETROL PRICE	EXCHANGE RATES	VEHICLE SALES	QUARTERLY GDP / UNEMPLOYMENT TRENDS
The inflation rate decreased to 3.7% in March 2018 year-on-year, after 5.5% in February 2018.	**93**: R14.23 **95**: R13.89 As at 4th April 2018	Rand/Dollar: 12.3740 Rand/Pound: 17.2782	SA's new vehicle sales rose 1.1% year-on-year to 49,233 units in March, data from the trade and industry department	South Africa's gross domestic product (GDP) growth rate was 3.1% in the fourth quarter of 2017. The largest positive contributor was

(http://www.inflation.eu/inflation-rates/south-africa/inflation-south-africa.aspx)	*(SANews.gov.za)*	Rand/Euro: 15.1145 As at 25th April 2018 *(Mercury, 25th April 2018)*	showed on Tuesday. Exports fell 8.1% to 27,438 units compared with the same month a year earlier. *(National Association of Automobile Manufacturers of South Africa)*	the agriculture, forestry and fishing industry, which increased by 37.5%. The industry's growth of 37.5% in the fourth quarter of 2017 was mainly the result of higher production of animal products. *(http://ewn.co.za/2018/03/06/gdp-3-1-in-fourth-quarter-of-2017).* The unemployment in the 4th quarter of 2017 decreased by 1 percentage point to 26.7%. *(https://www.iol.co.za/business-report/economy/breaking-unemployment-rate-drops-to-267-13260041)*

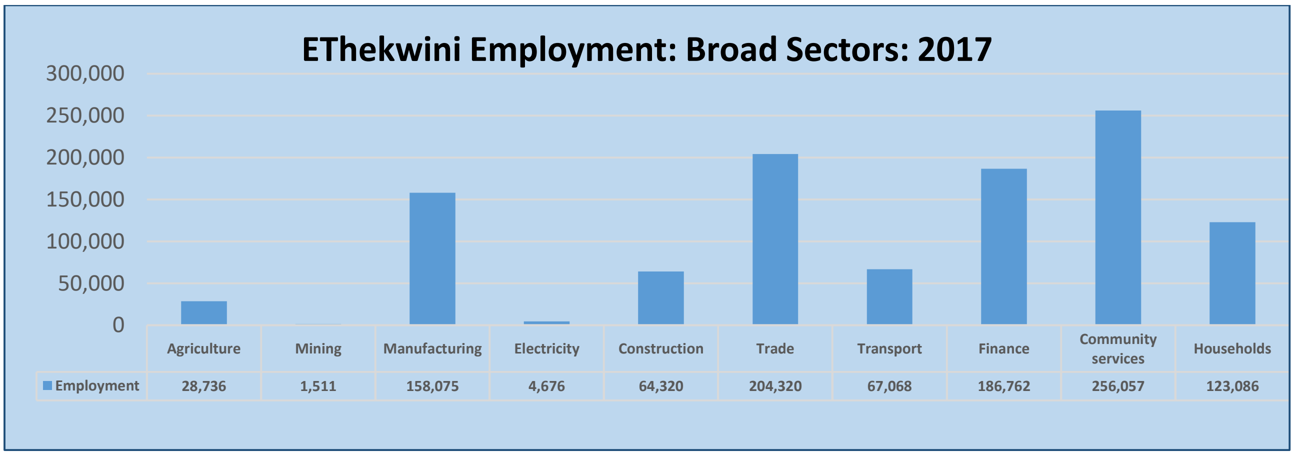


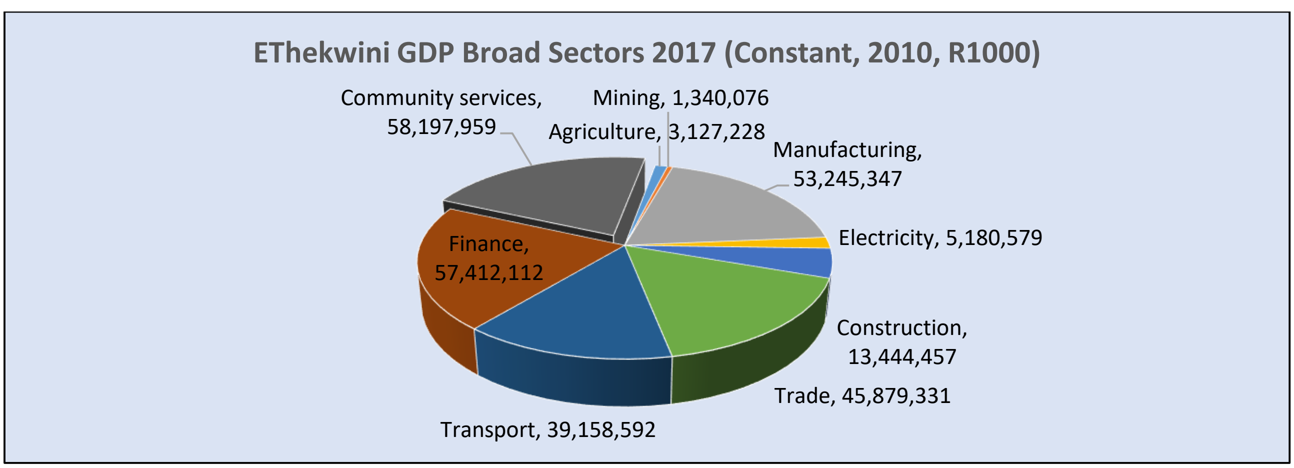
LOCAL STATE OF THE ECONOMY

ETHEKWINI INDICATORS

GDP / TOTAL POPULATION	**TOTAL EMPLOYMENT**	**Q4 2017 UNEMPLOYMENT INCREASES TO 23.3%**	**POVERTY STATISTICS**	**ANNUAL TRADE 2017**
R304.4 billion in 2017 Increased by 0.8% *from 2016.* *(Global Insight internal database)*	Formal Sector employment recorded as 1,167-million according to the 4th Quarterly Labour Force Survey in 2017 Statistics	The City's quarterly unemployment rate decreased to 21.9% during the 4th quarter of 2017 after 23.3% in the 3rd quarter. *(http://www.statssa.gov*	The number of people living below the food poverty line in 2017 in eThekwini was recorded at approximately 1,951,503. *(Source: Global Insight)*	Total Exports: R72.7 billion (Increased by 1.6%) Total Imports: R105.5 billion (Increased by 0.75%)

The eThekwini population was recorded as 3,866,505 in 2017 according to Global Insight (Increased by 1.4%) *(Global Insight internal database)*	South Africa. This represented a decrease of 1.4% over the previous quarter. (*http://www.statssa.gov.za/publications/P0211/P02112ndQuarter2017.pdf)*	*.za/publications/P0211/P02112ndQuarter3017.pdf)*		*(Global Insight internal database)*





EVENTS/LAUNCHES/INVESTMENT

Durban best performing port	**Transnet's Plan for Island View precinct**	**Construction to commence on Durban Cruise Terminal**	**EThekwini to host Urban Planning Workshop**
According to a PwC survey, Durban scored the highest (94 points) in the hub attractiveness index. The report also stated that almost half of all containers at southern African ports moved through the port of Durban. *(Mercury, 17th April 2018).*	Transnet National Ports Authority has outlined its island View Precinct Strategy to accommodate leases within the petrochemical hub in the Port of Durban, and to bring in emerging businesses into the market. The underlying principles will also promote radical socio-economic transformation, job creation and to facilitate investment in ageing infrastructure. *(Mercury, 12th April 2018)*	Transnet National Ports Authority and the KwaZulu Cruise Terminal consortium have signed an agreement to start construction of the R200m cruise terminal at the Port of Durban entrance, which will begin in January 2019 and commence operations in October 2020. The project will supplement the City's Point Waterfront Development and plans to extend the beachfront promenade. *(Engineering News, 17th April 2019).*	The City will host the Urban Planning Urban Advisory Planning Team for the time in Africa during 29 April-5 May. The Workshop will be hosted by the Development Planning, Management and Environment Unit. The objective is to bring planners from different regions to exchange knowledge to build better cities. *(Metro, Ezasegagasini, 6-9 April 2018)*

LINKS TO ECONOMIC REPORTS

Name	Description	Link
African Economic Outlook 2017	The annual African Economic Outlook (AEO) monitors the continent's state of affairs using a collaborative approach. The AEO assesses the recent economic and social situation in Africa, projects likely developments for the near future and explores a special theme on the structure of African economies	www.africaneconomicoutlook.org/sites/default/.../African_Economic_Outlook_2017.pdf
How important is Tourism to the South African Economy	At the 2018 International Travel Trade Show in Germany held in March 2018, South African Tourism CEO Sisa Ntshona was quoted as stating that tourism is vitally important to the South African economy, and that the sector should be nurtured for sustained and inclusive growth. Recent data from Stats SA show how important tourism actually is.	http://www.statssa.gov.za/?p=11030
South African Reserve Bank Full Quarterly Bulletin – No 287 – March 2018	The South African Reserve Bank publishes quarterly economic bulletins on the global and national economic performances relating to GDP, employment, trade and other aspects.	https://www.resbank.co.za/Publications/Detail-Item-View/Pages/Publications.aspx?sarbweb=3b6aa07d-92ab-441f-b7bf-bb7dfb1bedb4&sarblist=21b5222e-7125-4e55-bb65-56fd3333371e&sarbitem=8334

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 make any updates.