

# Gross domestic product

2<sup>nd</sup> quarter 2021

7 September 2021

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IMPROVING LIVES THROUGH DATA ECOSYSTEMS

GROSS DOMESTIC PRODUCT (GDP) Q2: 2021



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# GDP production

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GROSS DOMESTIC PRODUCT (GDP) Q2: 2021

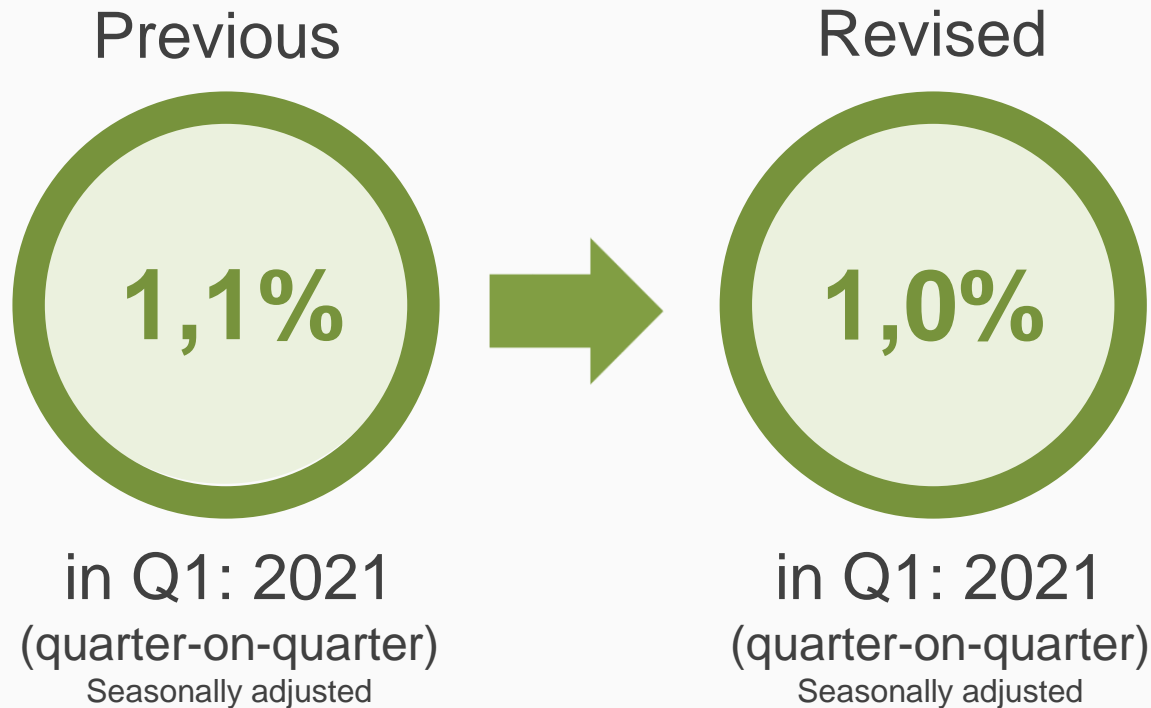


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# GDP production: The growth rate for Q1: 2021 was revised slightly lower





# GDP production: The Q1: 2021 growth rate for transport was revised downwards

	Industry	Previous	Revised	Difference
		Q-Q % growth		
Up	Trade, catering and accommodation	1,5	2,6	1,1
	Electricity, gas and water	-0,7	-0,3	0,3
	Construction	0,2	0,5	0,2
	Personal services	0,4	0,6	0,2
	Manufacturing	0,4	0,5	0,1
	General government services	0,2	0,3	0,1
	Mining and quarrying	4,2	4,3	0,1
Down	Agriculture, forestry and fishing	-0,8	-1,0	-0,2
	Finance, real estate and business services	1,8	1,3	-0,5
	Transport, storage and communication	1,2	-1,1	-2,3
Total value added at basic prices		1,2	1,0	-0,2
Taxes less subsidies on products		0,9	1,4	0,4
<b>GDP at market prices</b>		<b>1,1</b>	<b>1,0</b>	<b>-0,1</b>

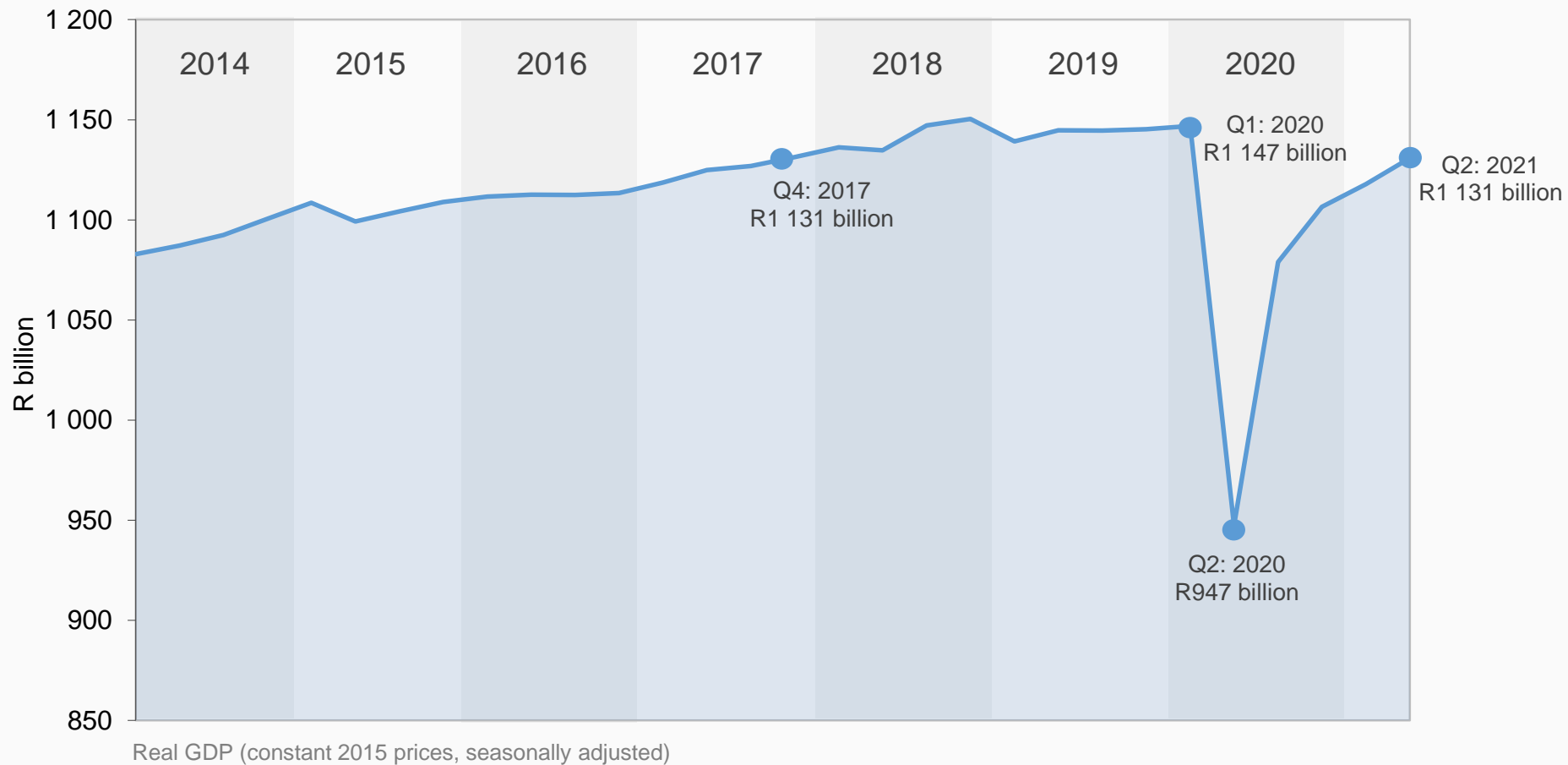
Differences between previous and revised data may not necessarily add up due to rounding-off

# GDP production: Growth rates for Q2: 2021



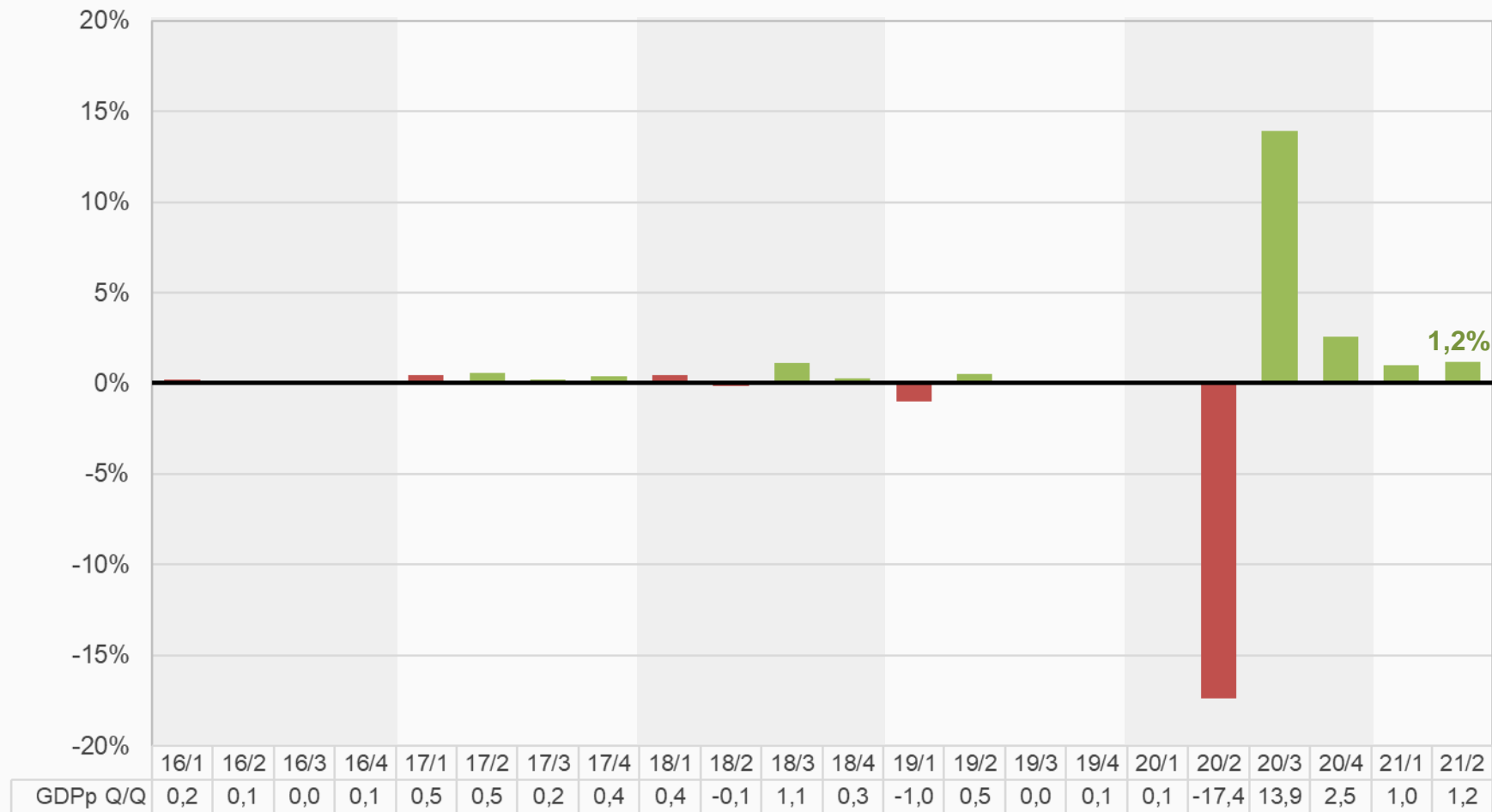
# The impact of the COVID-19 pandemic in perspective

By Q2: 2021, economic activity had returned to a level last seen in Q4: 2017



# The economy grew by 1,2% in Q2: 2021

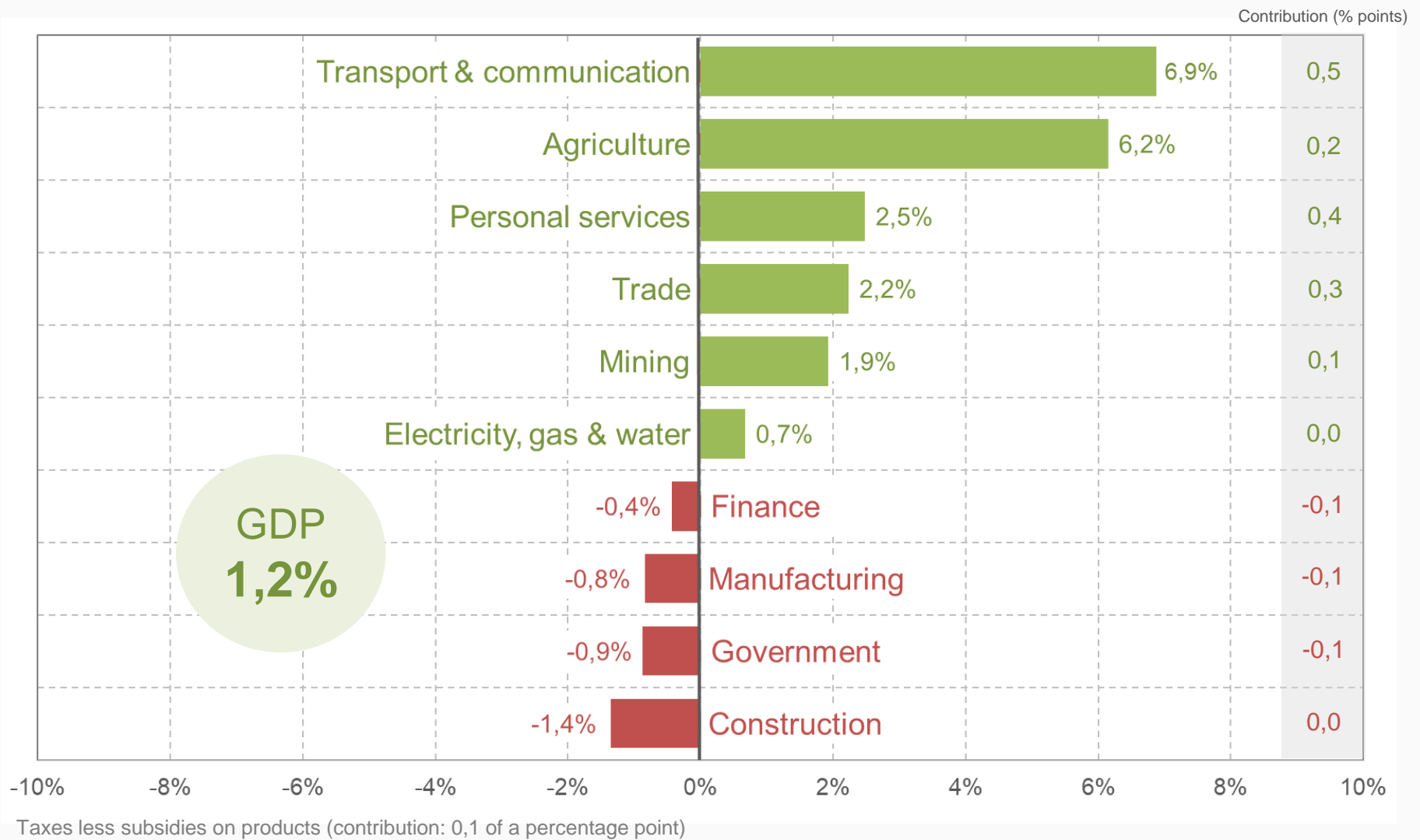
Quarter-on-quarter percentage change in GDP production (constant 2015 prices, seasonally adjusted)



The largest contributors to growth in Q2: 2021 were the transport, personal services, trade and agriculture industries

# Transport and agriculture recorded the highest growth rates in Q2: 2021

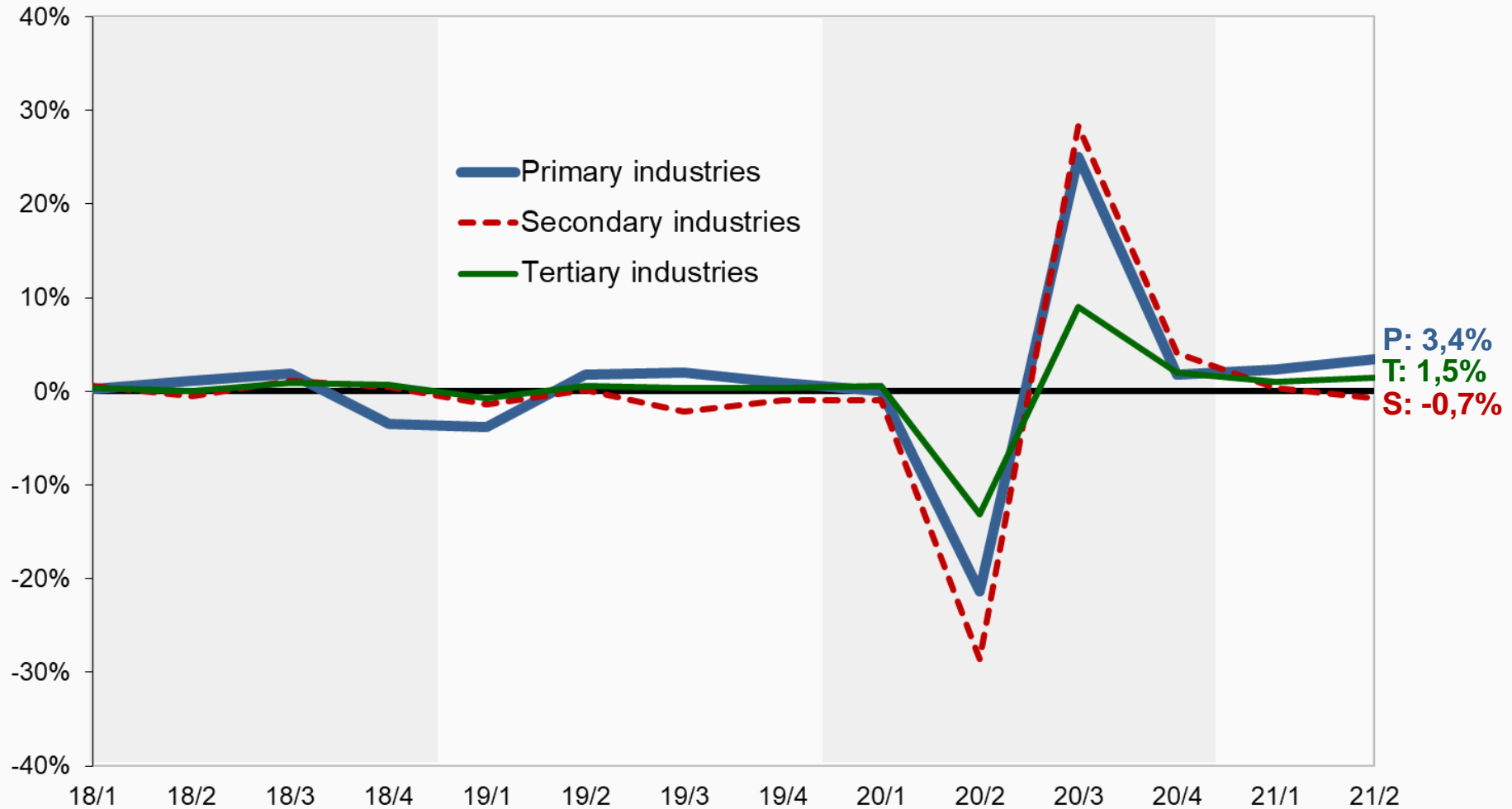
Industry growth rates. Q2: 2021 compared with Q1: 2021 (constant 2015 prices, seasonally adjusted)





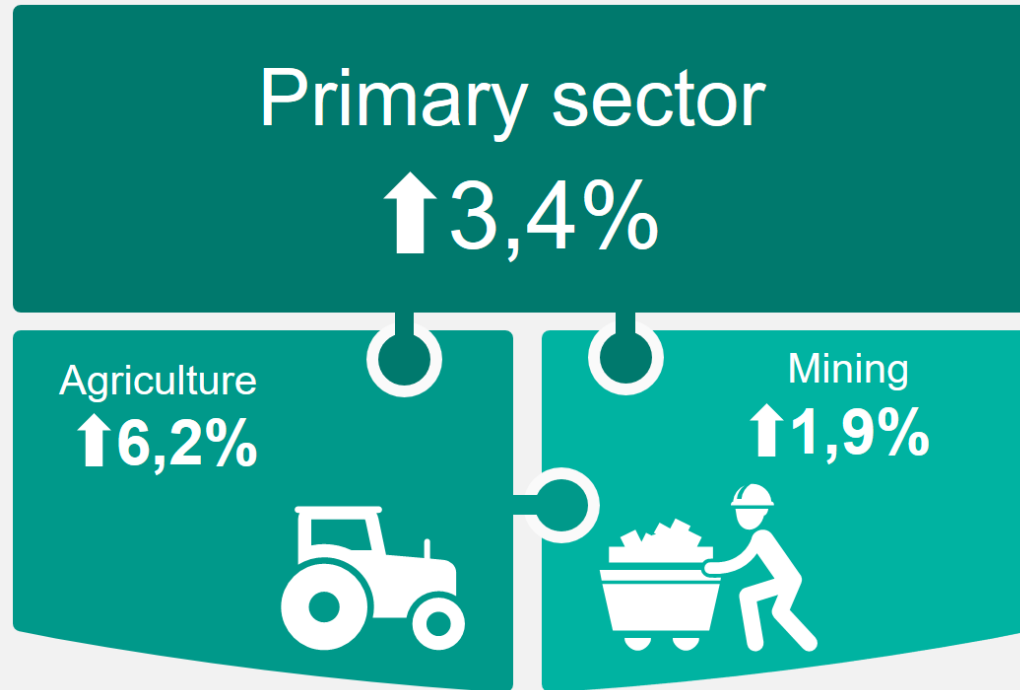
# The secondary sector contracted in Q2: 2021

Quarter-on-quarter percentage change (constant 2015 prices, seasonally adjusted)



# In the primary sector, agriculture recorded the highest growth rate in Q2: 2021

Quarter-on-quarter growth, seasonally adjusted

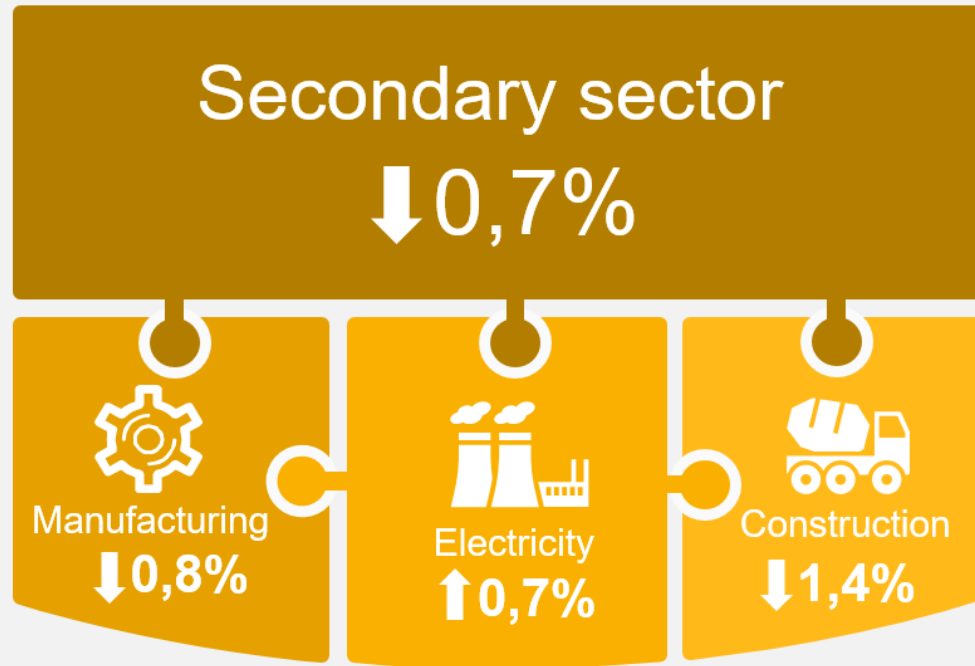


**Agriculture:** Increased production was reported for field crops, horticulture and animal products

**Mining:** Increased production was reported for PGMs, gold and coal

# In the secondary sector, construction recorded the largest decrease in Q2: 2021

Quarter-on-quarter growth, seasonally adjusted



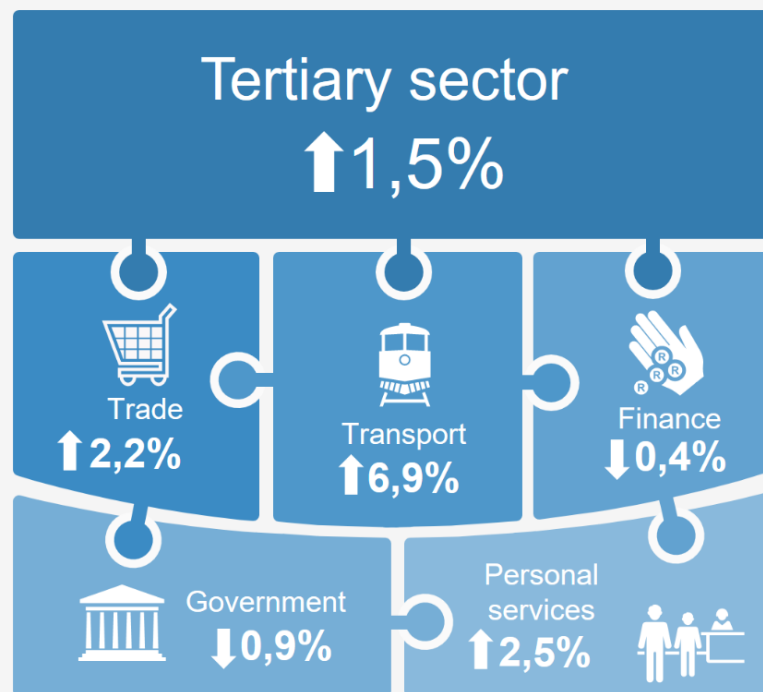
**Manufacturing:** The petroleum, chemical and plastic products division was the most significant contributor to the decrease

**Electricity, gas & water:** The increase was largely driven by a rise in electricity distributed and water consumed

**Construction:** Decreased activity was reported for residential buildings, non-residential buildings and construction works

# In the tertiary sector, transport & communication recorded the biggest rise in Q2: 2021

Quarter-on-quarter growth, seasonally adjusted



**Trade:** All trade activities recorded a rise in economic activity

**Transport:** There was a rise in economic activity related to land transport and communication services

**Finance:** Financial intermediation and auxiliary activities reported a decrease in economic activity

**Personal services:** Increased economic activity was reported for community and other producers

**Government:** The decrease was mainly attributed to a decline in employment in national, provincial and local government

# Nominal GDP was estimated at R1,53 trillion in Q2: 2021

This was up by R76 billion compared with Q1: 2021

The biggest movers in Q2: 2021, in nominal terms



**Mining** was up by R21 billion to R126 billion



**Agriculture** was up by R14 billion to R42 billion



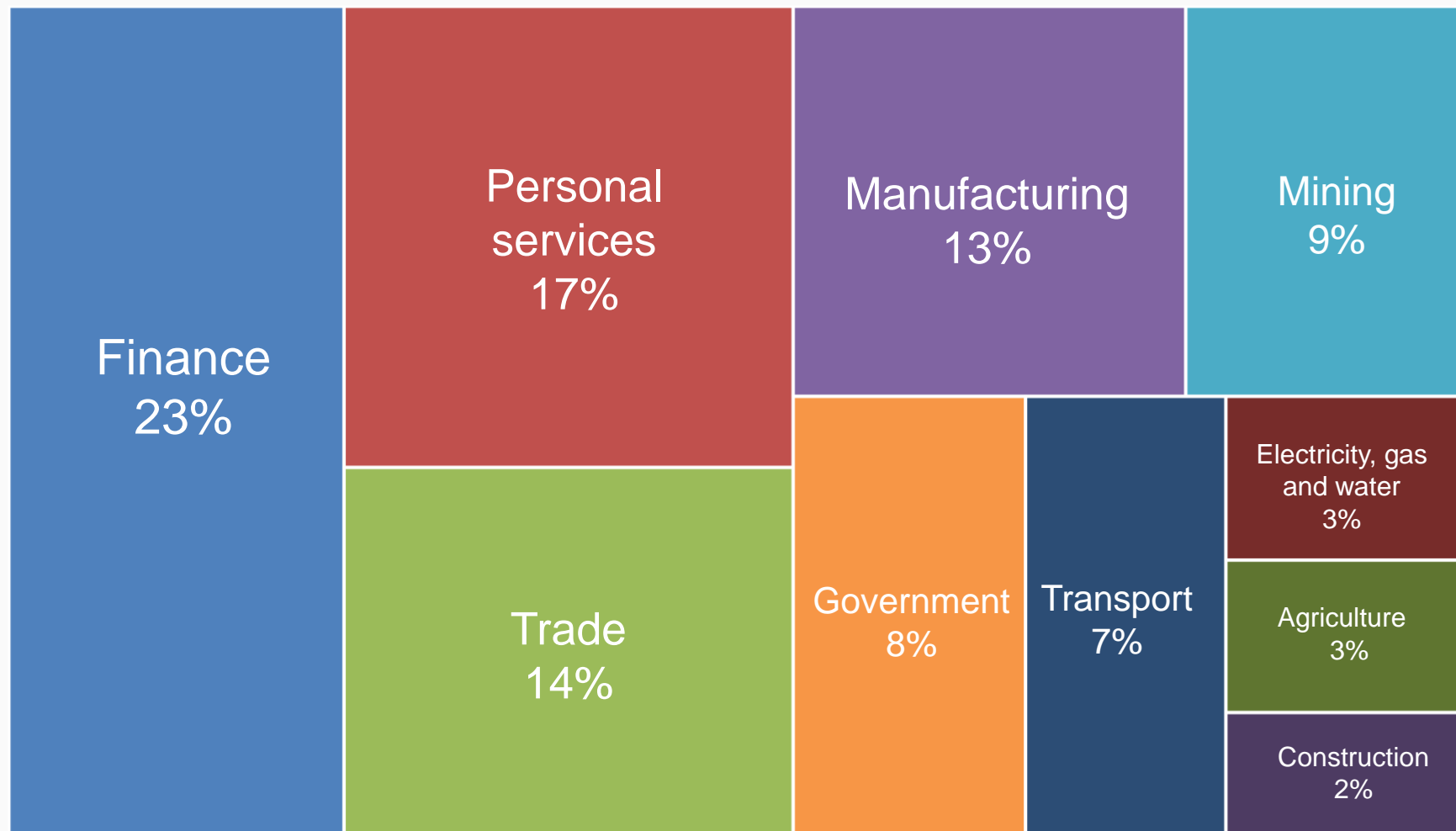
**Trade** was up by R13 billion to R190 billion



**Government** was down by R0,7 billion to R117 billion

# Finance is the largest industry in South Africa, followed by personal services

Percentage contribution to total value added in Q2: 2021 (current prices)

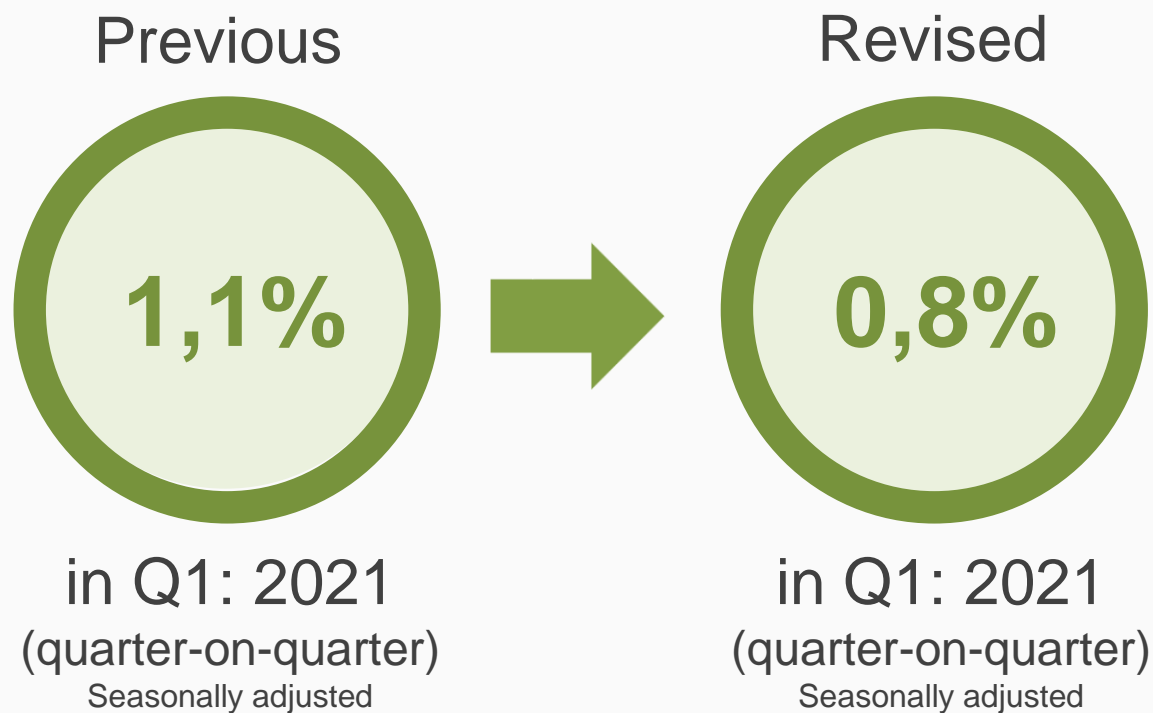






# Expenditure on GDP

# Expenditure on GDP: The growth rate for Q1: 2021 was revised lower



# Expenditure on GDP: The growth rates for all components were revised

	Component	Previous		Revised		Difference	
		Q-Q % growth					
Up	Exports of goods and services	-0,2	1,0			1,3	
	Imports of goods and services	6,1	6,5			0,4	
Down	Household final consumption expenditure	1,1	1,0			-0,1	
	Government final consumption expenditure	0,2	-0,4			-0,7	
	Gross fixed capital formation	-0,6	-3,1			-2,4	
Expenditure on GDP		1,1	0,8			-0,3	
Change in inventories						-0,2	

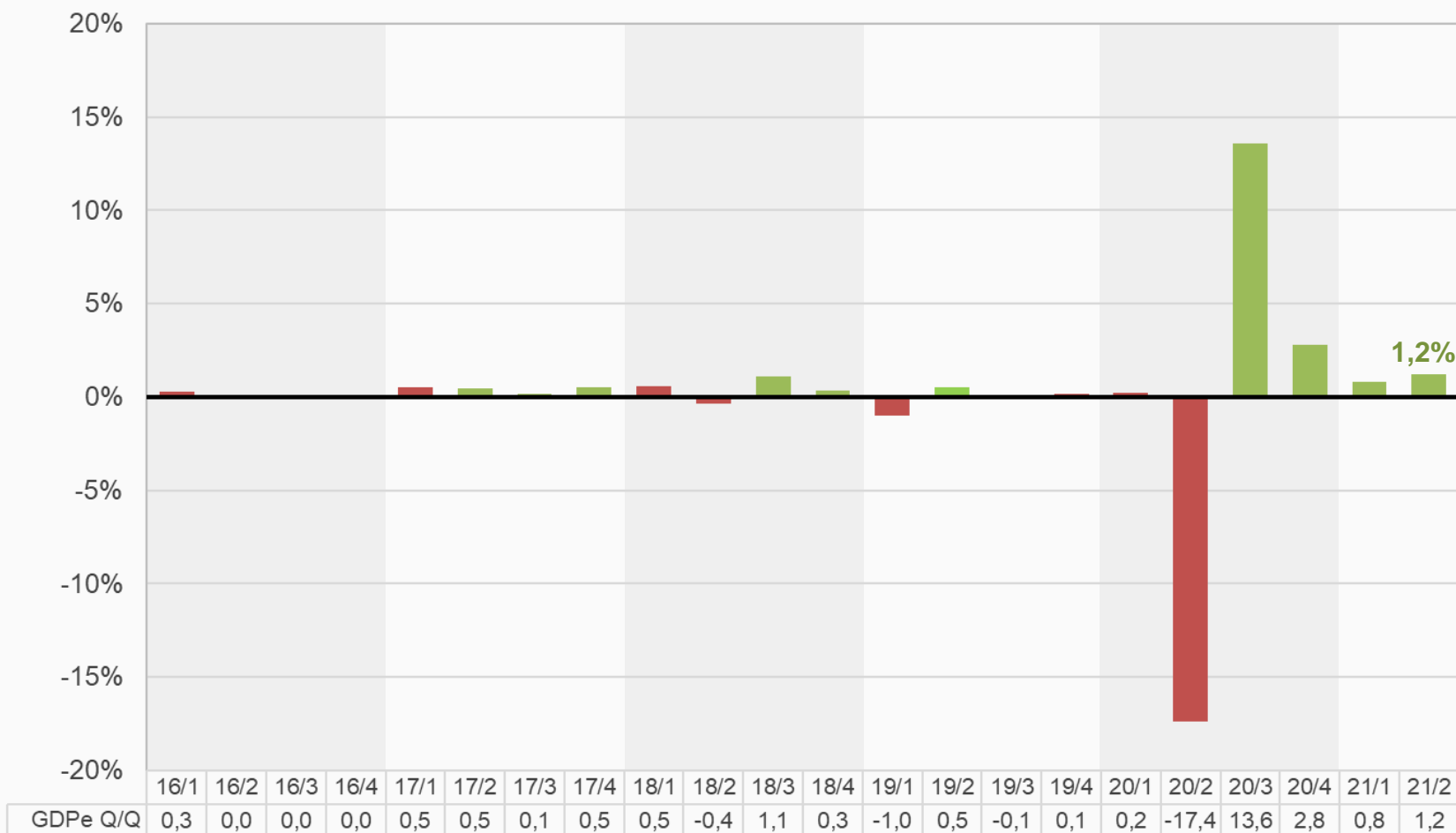
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# Expenditure on GDP: Growth rates for Q2: 2021



# Expenditure on GDP grew by 1,2% in Q2: 2021

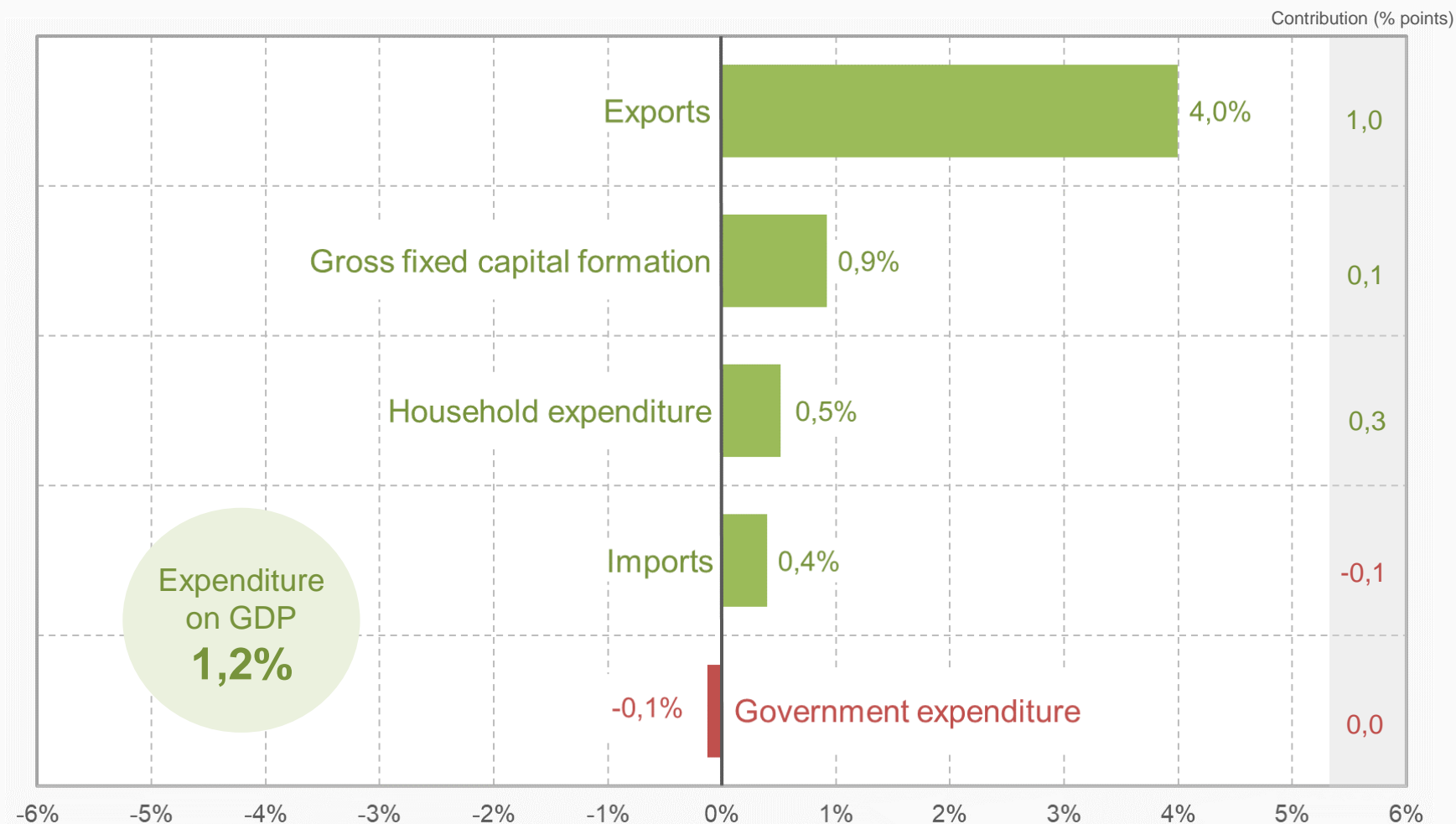
Quarter-on-quarter percentage change (constant 2015 prices, seasonally adjusted)



Exports, household consumption expenditure and gross fixed capital formation contributed to the rise in Q2: 2021

# Exports increased by 4,0% in Q2: 2021

Component growth rates. Q2: 2021 compared with Q1: 2021 (constant 2015 prices, seasonally adjusted)





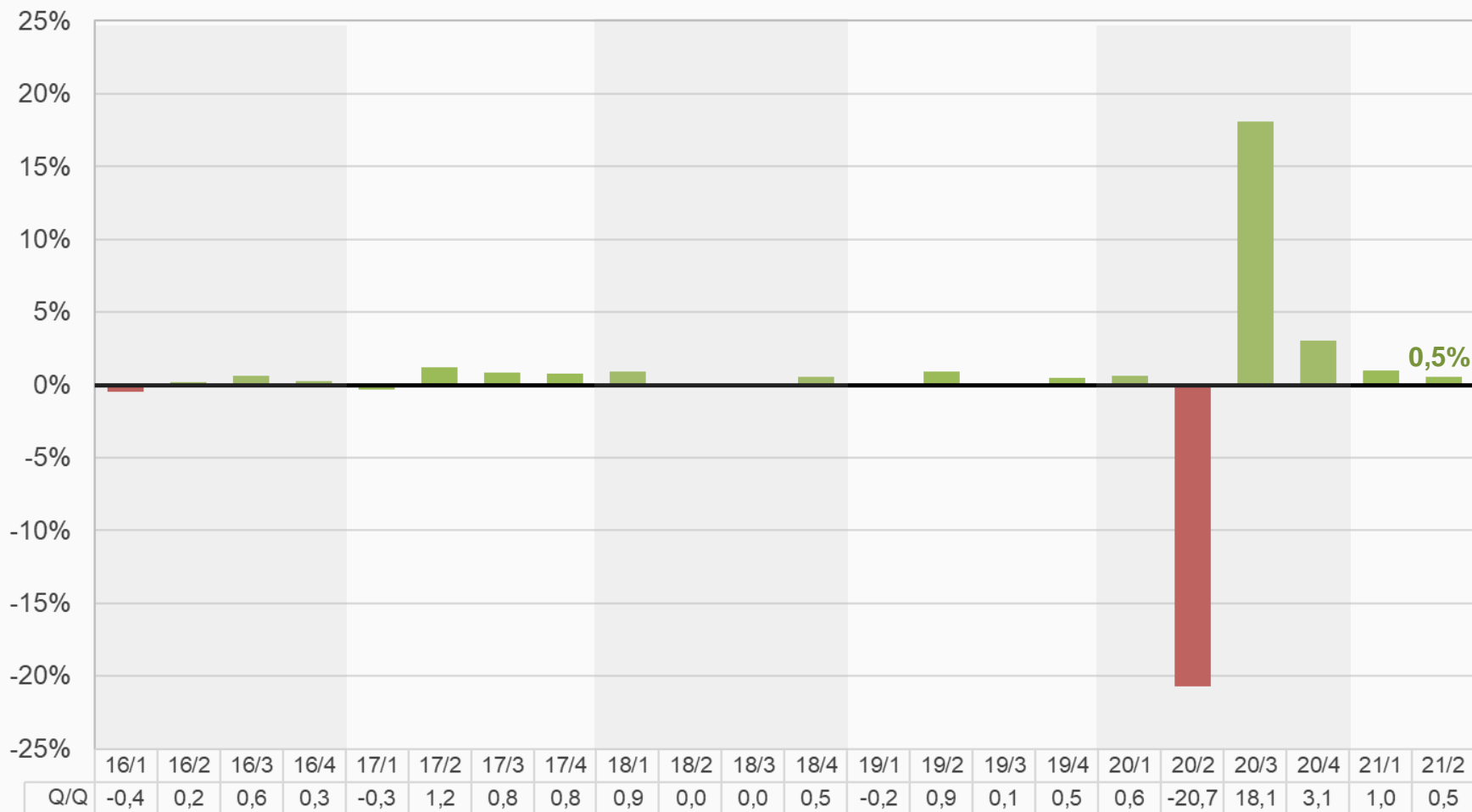
# Household final consumption expenditure (HFCE)



Growth in Q2: 2021  
(quarter-on-quarter)  
Constant 2015 prices, seasonally adjusted

# Household consumption expenditure increased by 0,5% in Q2: 2021

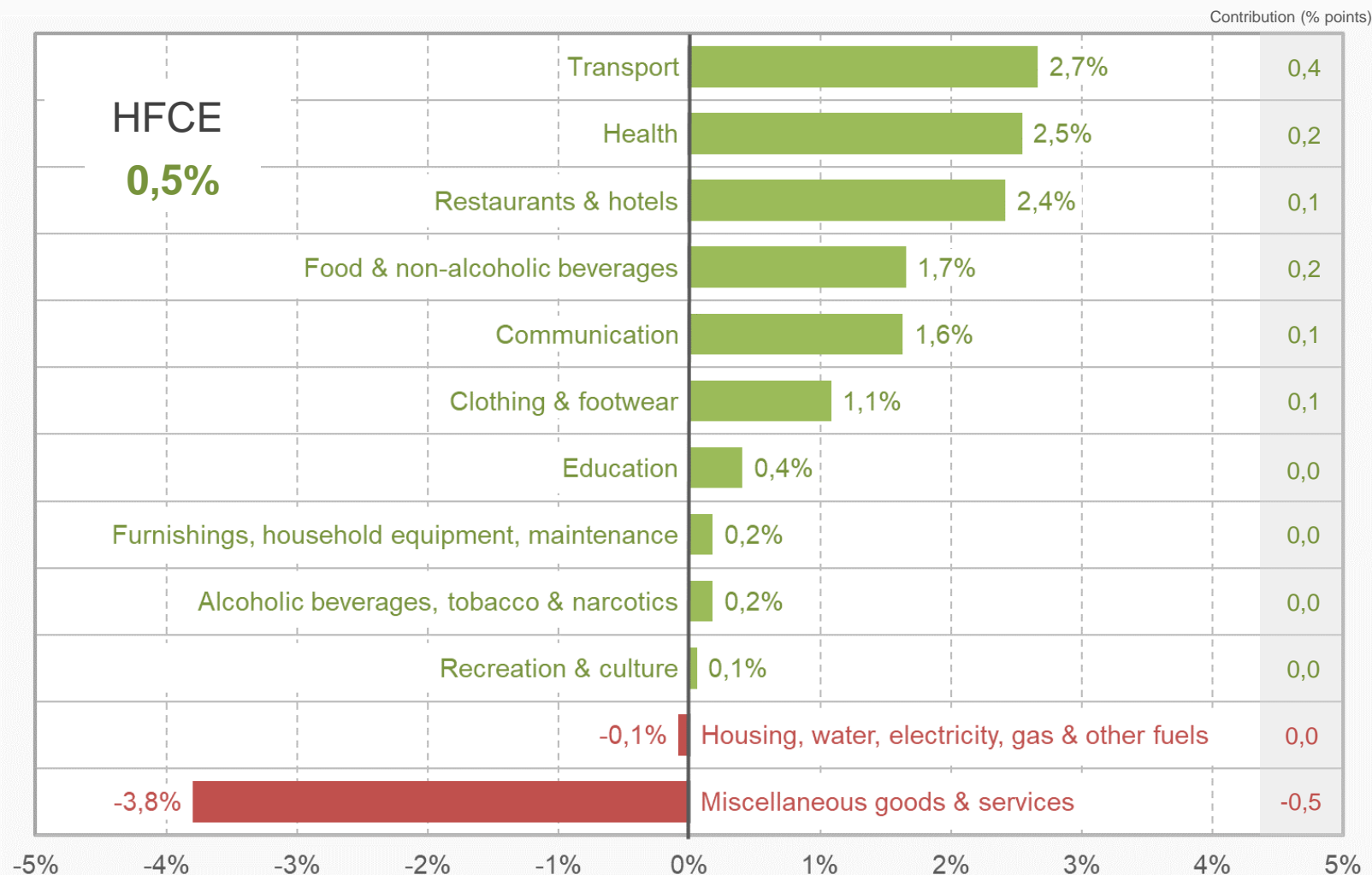
Quarter-on-quarter percentage change (constant 2015 prices, seasonally adjusted)



Household consumption expenditure increased in Q2: 2021 in line with an increase in retail and motor trade sales

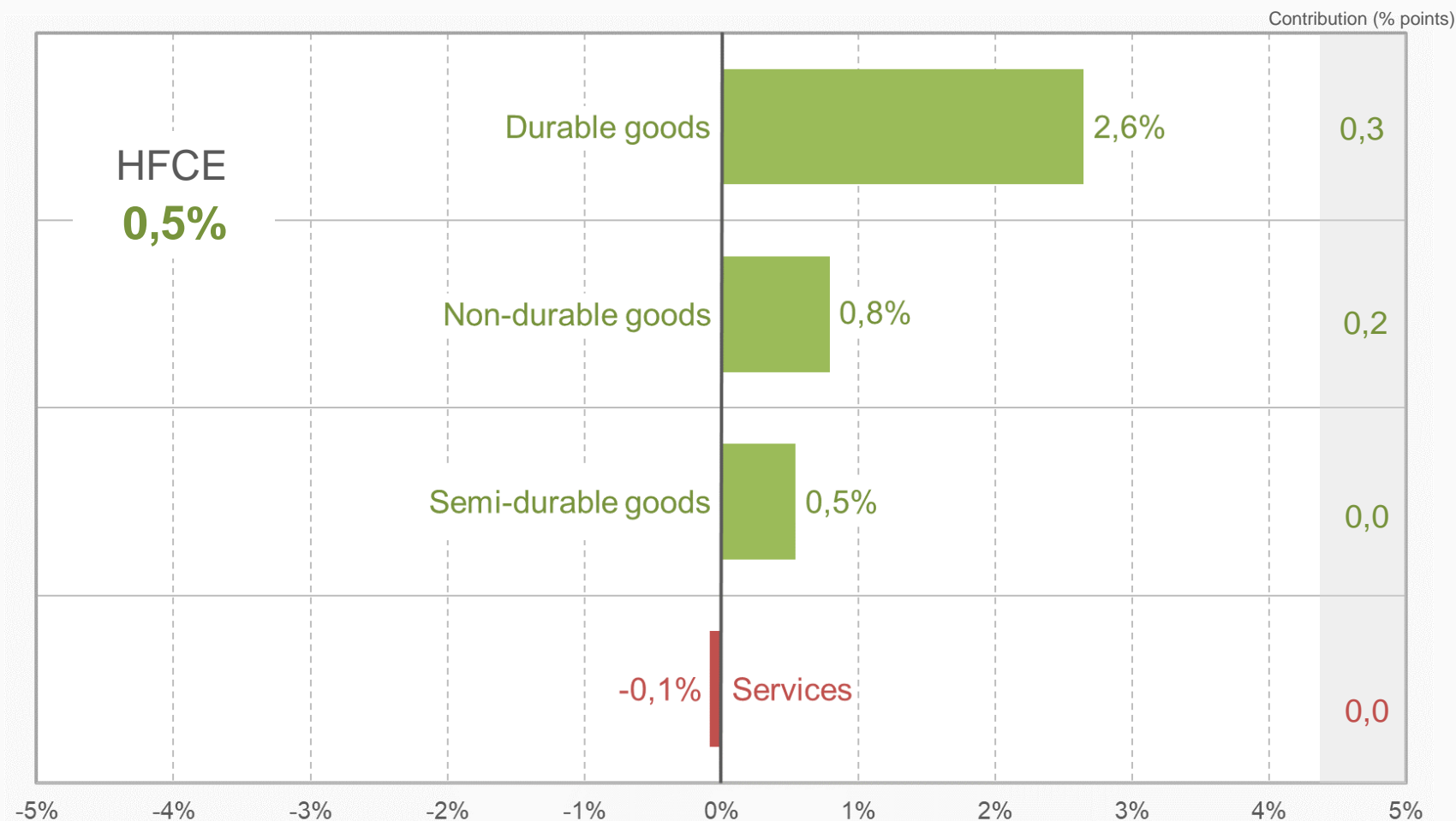
# Households increased expenditure on transport by 2,7%

Household consumption expenditure by purpose. Q2: 2021 compared with Q1: 2021 (constant 2015 prices, seasonally adjusted)



# Households increased expenditure on durable goods by 2,6% in Q2: 2021

Household consumption expenditure by durability. Q2: 2021 compared with Q1: 2021 (constant 2015 prices, seasonally adjusted)



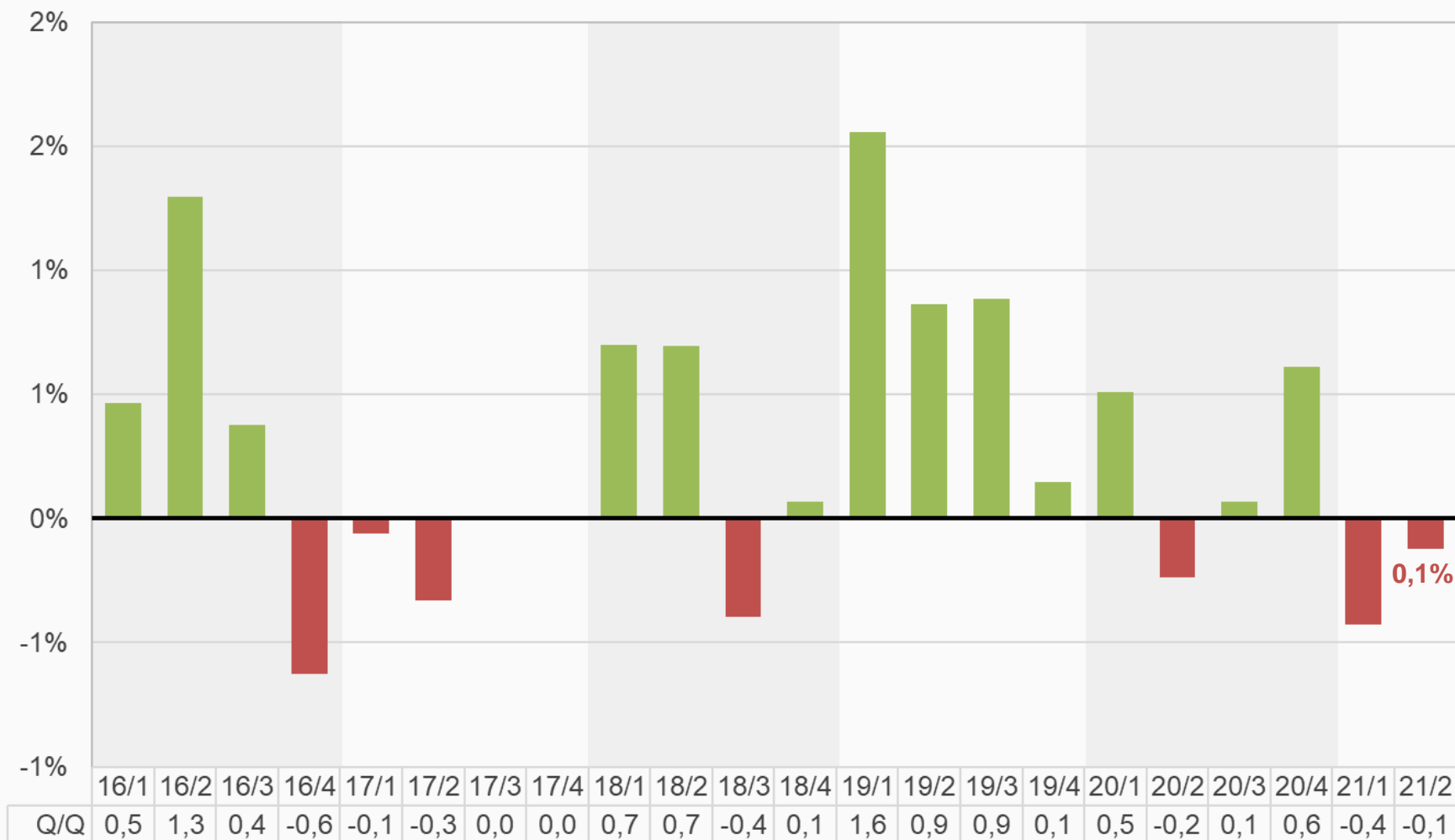
# Government final consumption expenditure (GFCE)



Growth in Q2: 2021  
(quarter-on-quarter)  
Constant 2015 prices, seasonally adjusted

# Government consumption expenditure decreased by 0,1% in Q2: 2021

Quarter-on-quarter percentage change (constant 2015 prices, seasonally adjusted)



Decreases in compensation of employees and spending on goods and services were reported in Q2: 2021



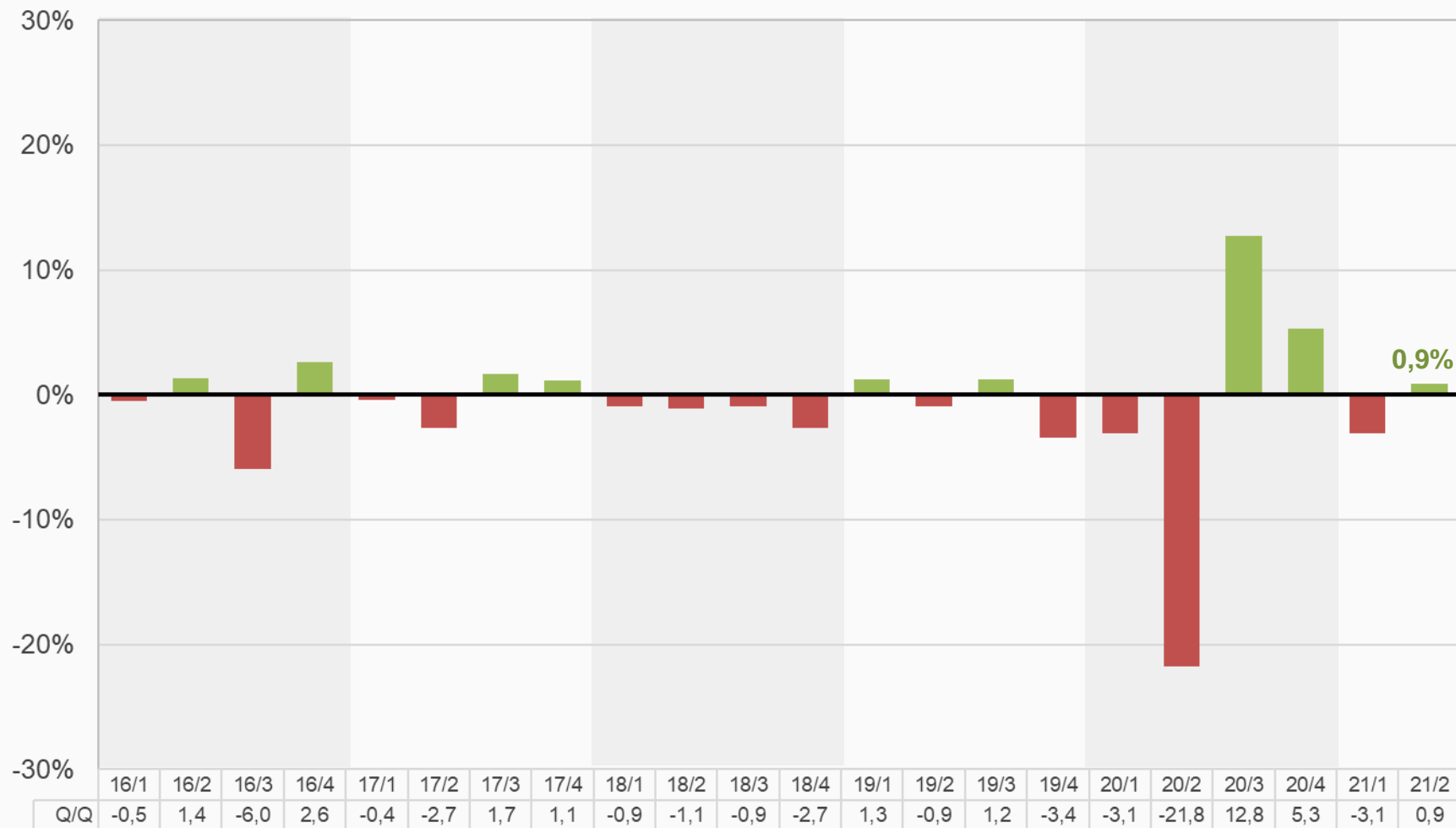
## Gross fixed capital formation (GFCF)



Growth in Q2: 2021  
(quarter-on-quarter)  
Constant 2015 prices, seasonally adjusted

# Gross fixed capital formation increased by 0,9% in Q2: 2021

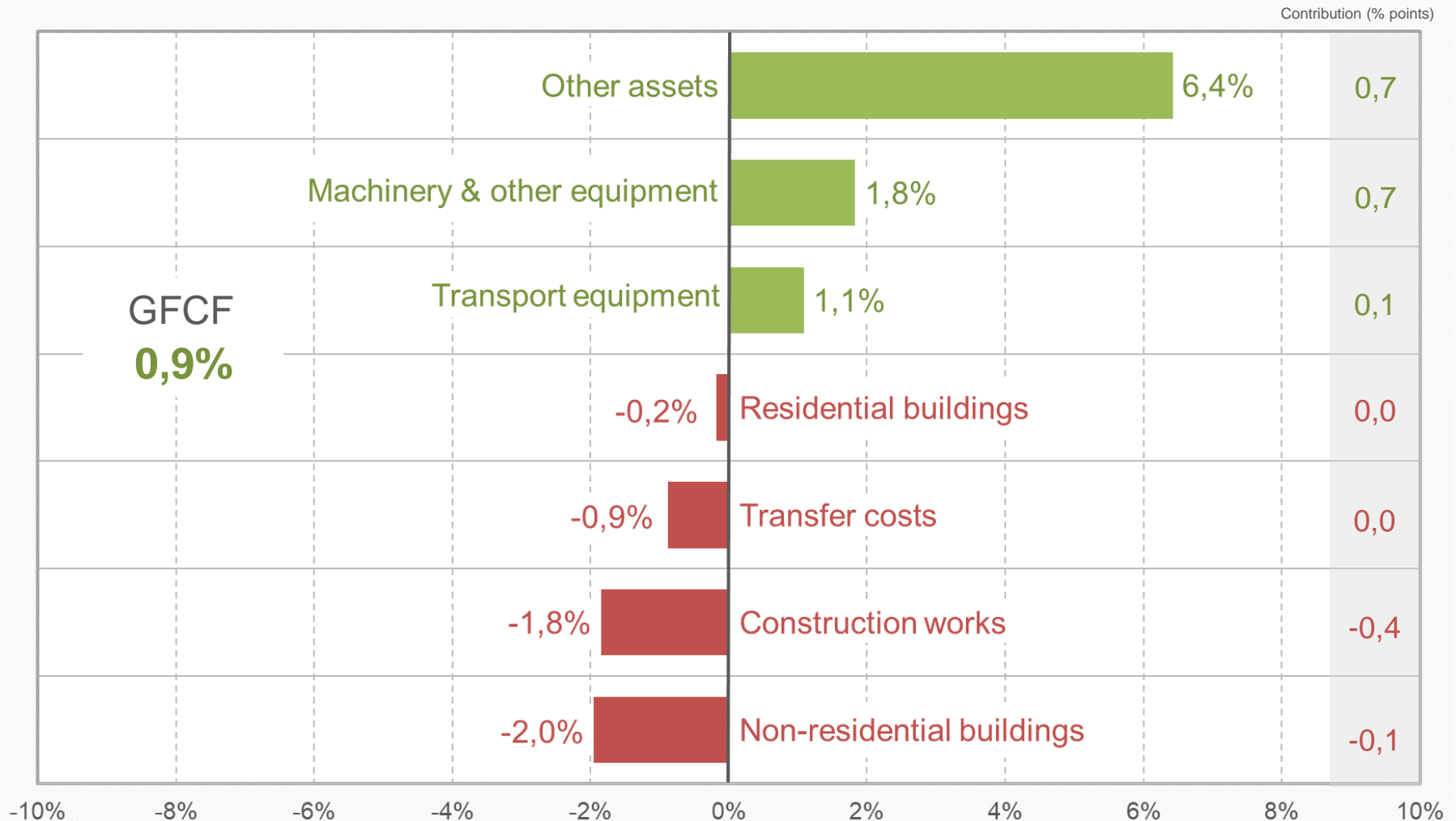
Quarter-on-quarter percentage change (constant 2015 prices, seasonally adjusted)



The rise in Q2: 2021 was driven largely by increasing investments in machinery and other equipment, other assets, and transport equipment

# There was a decrease in investment in four asset types in Q2: 2021

Q2: 2021 compared with Q1: 2021 (constant 2015 prices, seasonally adjusted)



# Change in inventories

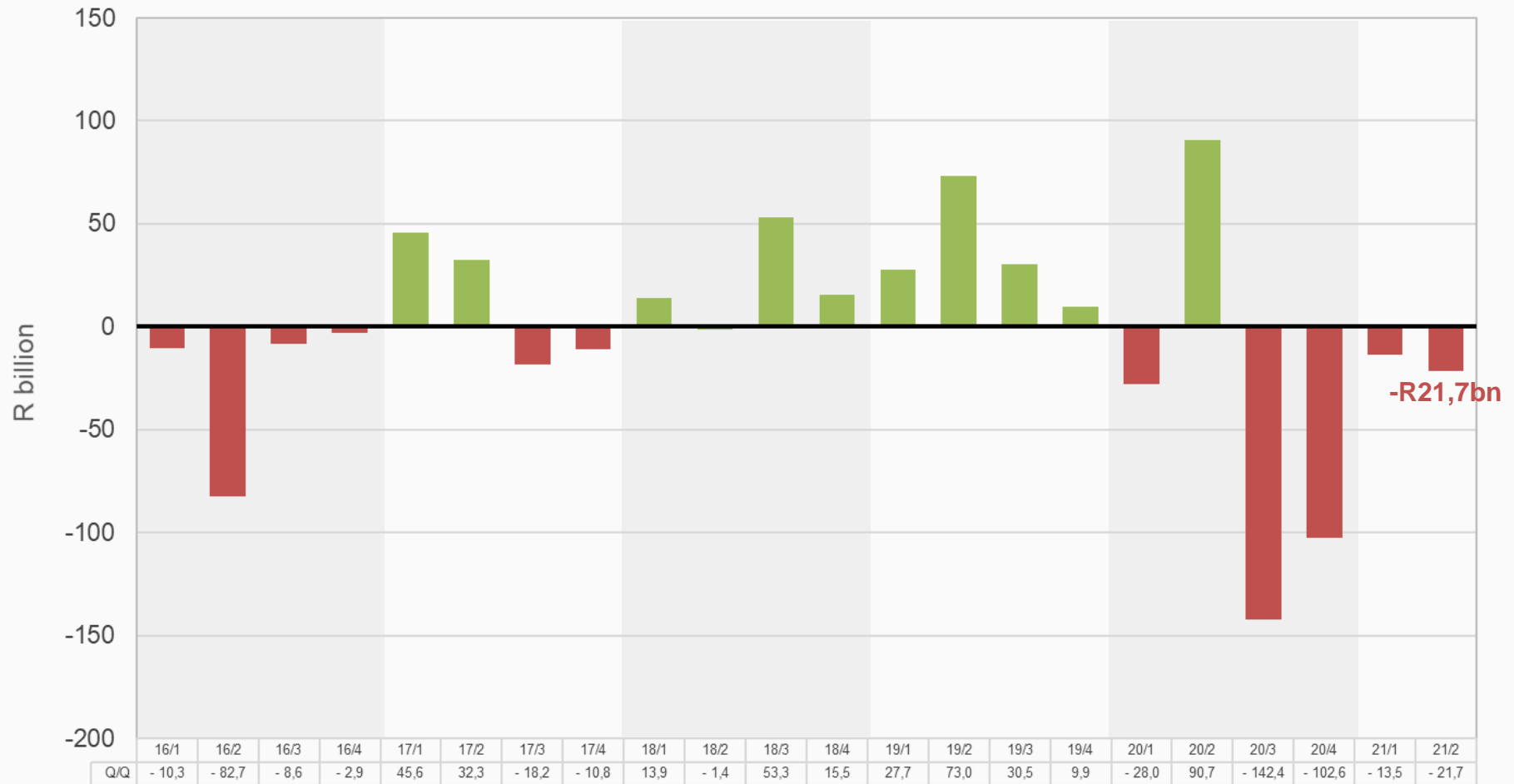


**-R21 674  
million**

**in Q2: 2021**  
**(quarter-on-quarter)**  
Constant 2015 prices, seasonally adjusted

# Large inventory drawdowns were reported for electricity and mining in Q2: 2021

Change in inventories



## Exports and imports

Exports

4,0%

in Q2: 2021  
(quarter-on-quarter)

Constant 2015 prices, seasonally adjusted

Imports

0,4%

in Q2: 2021  
(quarter-on-quarter)

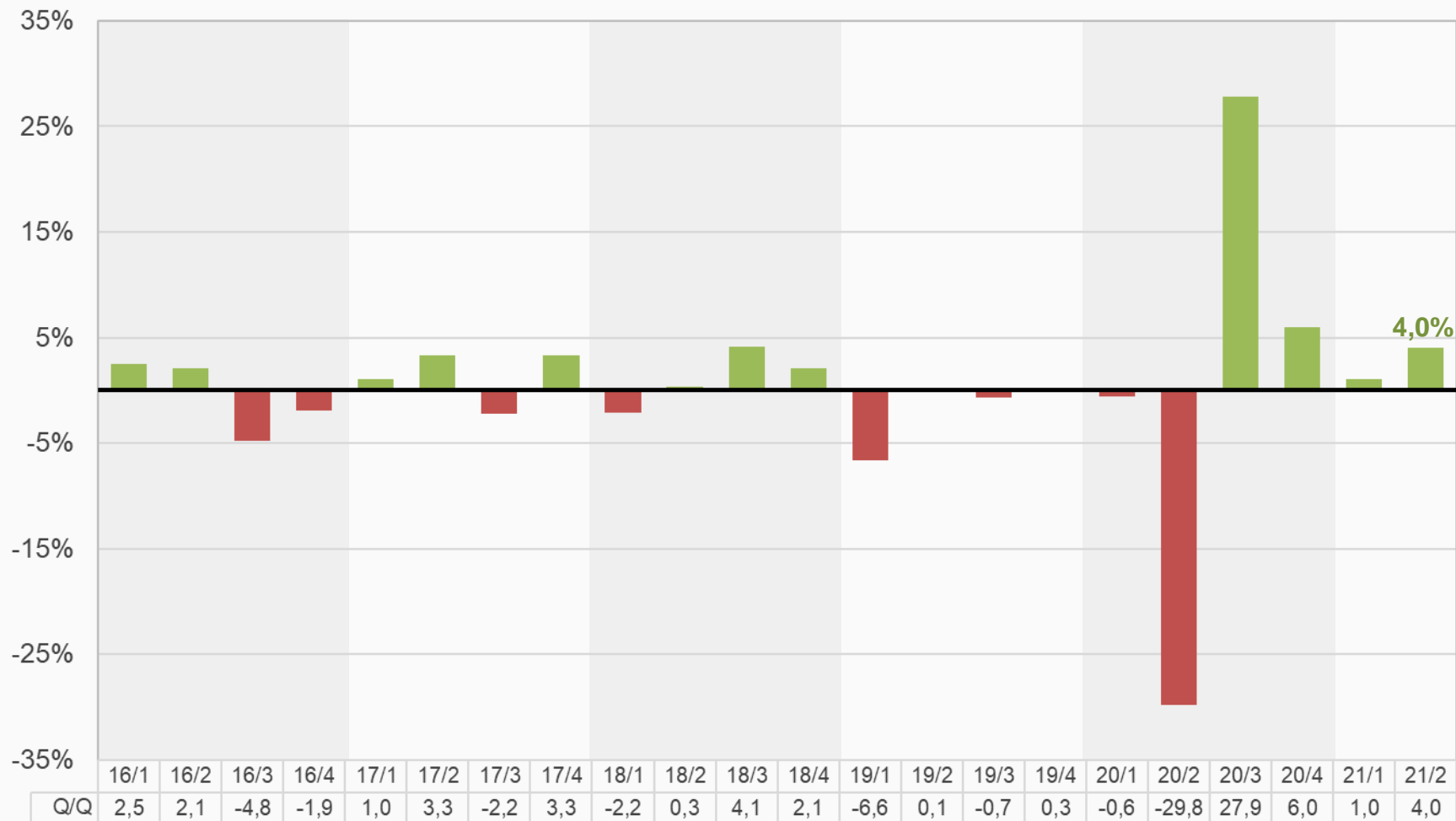
Constant 2015 prices, seasonally adjusted





# Exports increased by 4,0% in Q2: 2021

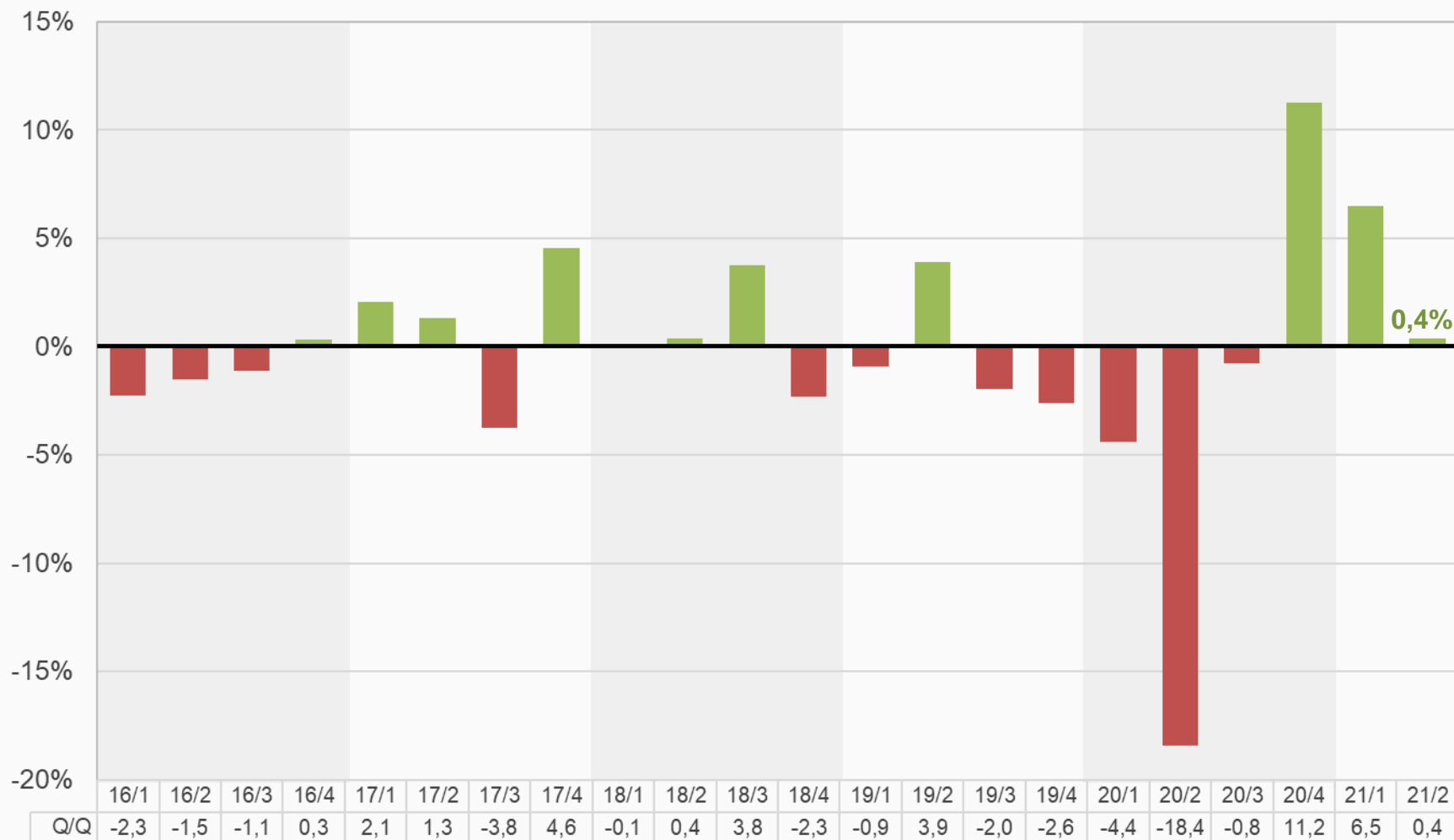
Quarter-on-quarter percentage change (constant 2015 prices, seasonally adjusted)



In Q2: 2021 there was increased trade in mineral products, pearls, precious & semi-precious stones, precious metals and vehicles & other transport equipment

# Imports increased marginally by 0,4% in Q2: 2021

Quarter-on-quarter percentage change (constant 2015 prices, seasonally adjusted)



The rise in imports in Q2: 2021 was driven largely by mineral products; base metals & articles of base metals; and animal & vegetable fats

# Recap

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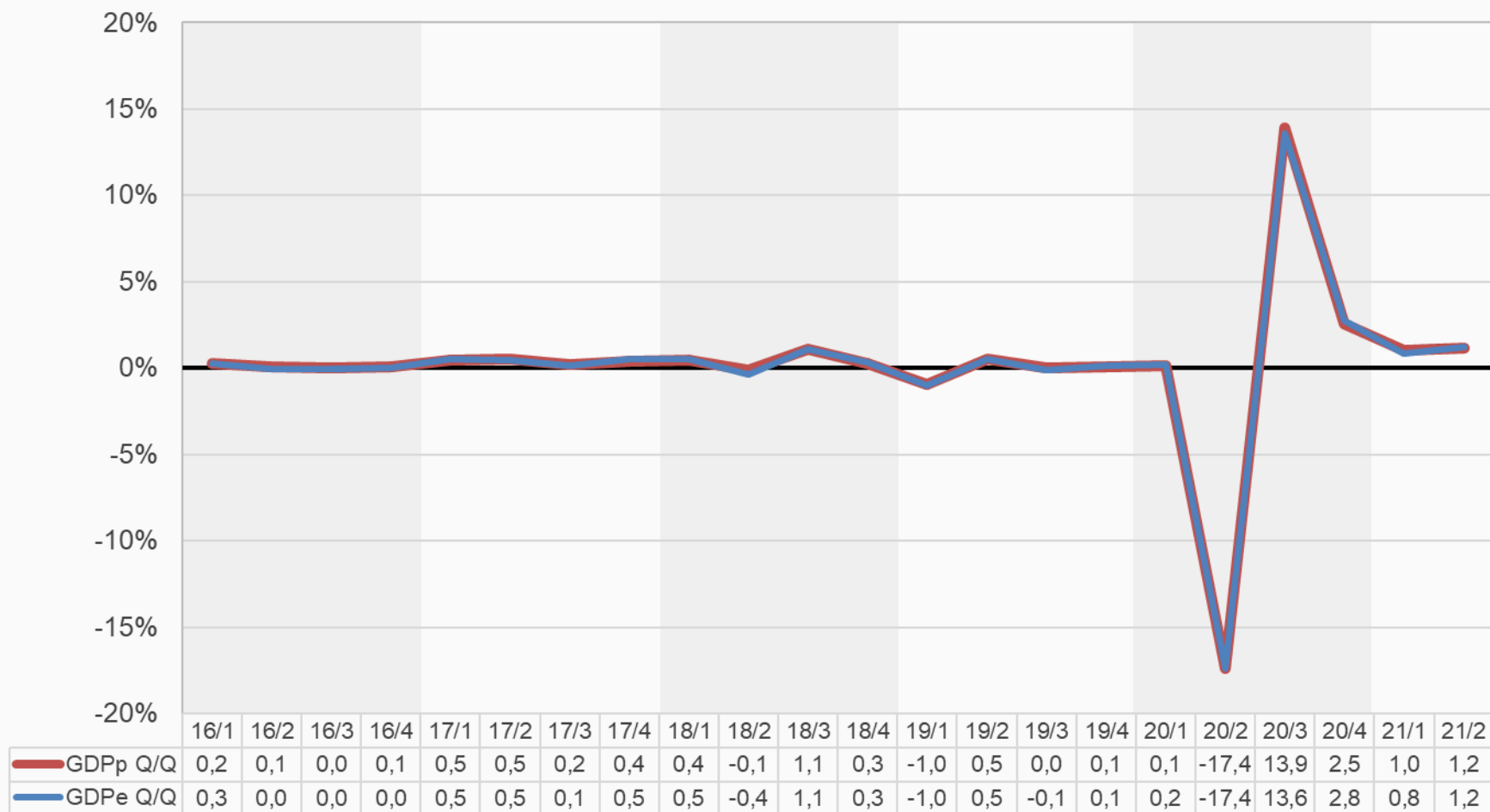
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# Growth rates: GDP production and expenditure on GDP

Quarter-on-quarter percentage change (constant 2015 prices, seasonally adjusted)

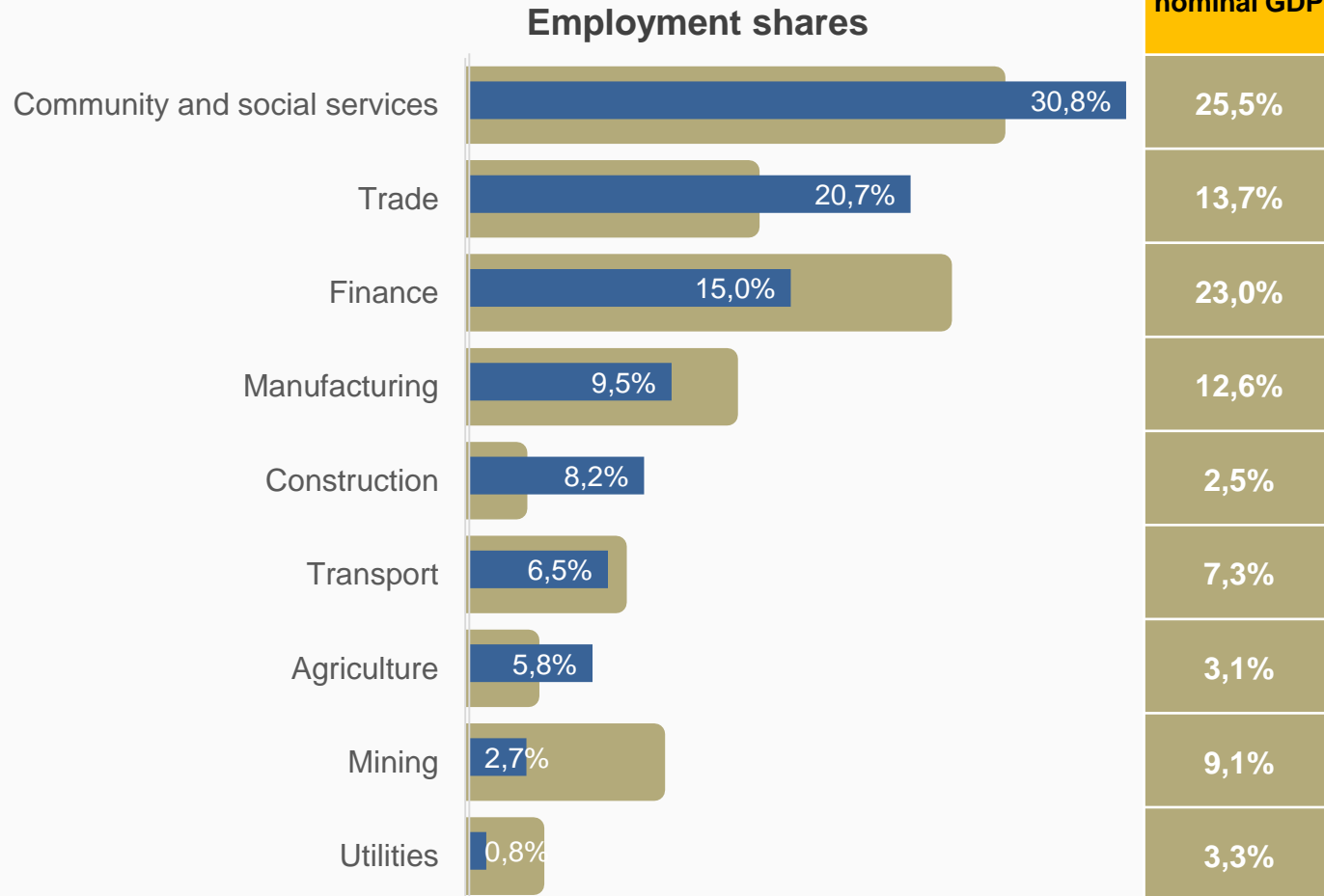


# GDP production: Growth rates for Q2: 2021



# Community & social services, trade, construction and agriculture have higher employment shares relative to their GDP contribution

Employment and GDP share per industry, Q2: 2021



Percentages have been rounded and may not sum to 100%

Employment shares: *Quarterly Labour Force Survey (QLFS)*, 2<sup>nd</sup> quarter 2021

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GROSS DOMESTIC PRODUCT (GDP) Q2: 2021



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GDP  
Q2: 2021

# Ndzi hela kwala!



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