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Statistics South Africa
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Press release

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GDP decreased by 0,2% in the third quarter of 2023¹

Gross domestic product (measured by production)

South Africa's gross domestic product (GDP) decreased by 0,2% in the third quarter of 2023.

The agriculture, forestry and fishing industry decreased by 9,6% in the third quarter of 2023, contributing -0,3 of a percentage point to the negative GDP growth. This was primarily due to decreased economic activities reported for field crops, animal products and horticulture products.

The manufacturing industry decreased by 1,3% in the third quarter, contributing -0,1 of a percentage point. Eight of the ten manufacturing divisions reported negative growth rates in the third quarter. The food, beverages and tobacco division made the largest contribution to the decrease in the third quarter. The petroleum, chemical products, rubber and plastic products division and the basic iron and steel, non-ferrous metal products, metal products and machinery division also made significant contributions to the contraction in this industry.

The construction industry decreased by 2,8% in the third quarter, contributing -0,1 of a percentage point. Decreases were reported for residential buildings, non-residential buildings and construction works.

The mining and quarrying industry decreased by 1,1% in the third quarter. Decreased economic activities were reported for platinum group metals (PGMs), gold, other metallic minerals and manganese ore.

The trade, catering and accommodation industry decreased by 0,2% in the third quarter. Decreased economic activities were reported for wholesale trade, motor trade and food and beverages.

¹ Unless otherwise specified, growth rates are quarter-on-quarter and seasonally adjusted. All growth rates are calculated on the basis of series at constant prices. The GDP estimates are preliminary and may be revised.

Expenditure on GDP²

Expenditure on real GDP decreased by 0,1% in the third quarter of 2023.

Household final consumption expenditure decreased by 0,3% in the third quarter, contributing -0,2 of a percentage point to the total negative growth. Decreases were reported for durable goods, non-durable goods and services.

The main negative contributors to the decrease in HFCE were expenditures on transport (-1,6% and contributing -0,2 of a percentage point), housing, water, electricity, gas and other fuels (-0,8% and contributing -0,1 of a percentage point), 'other' category³ (-0,7% and contributing -0,1 of a percentage point) and recreation and culture (-1,1% and contributing -0,1 of a percentage point).

The positive contributors were expenditures on clothing and footwear, restaurants and hotels, health, education, and food and non-alcoholic beverages.

Final consumption expenditure by general government increased by 0,3% in the third quarter, mainly driven by an increase in compensation of employees.

Total gross fixed capital formation decreased by 3,4% in the third quarter. The main negative contributors to the decrease were machinery and other equipment (-3,2% and contributing -1,3 percentage points), transport equipment (-6,7% and contributing -0,7 of a percentage point), other assets (-5,7% and contributing -0,6 of a percentage point) and construction works (-3,1% and contributing -0,5 of a percentage point).

There was a R44,5 billion drawdown of inventories in the third quarter of 2023 (seasonally adjusted and annualised value). Large decreases in three industries, namely manufacturing; mining and quarrying; and transport, storage and communication, contributed to the inventory drawdown.

Net exports contributed negatively to expenditure on GDP in the third quarter. Exports of goods and services increased by 0,6%, largely influenced by increased trade in vehicles and transport equipment; pearls, precious and semi-precious stones; precious metals; and vegetable products.

Imports of goods and services decreased by 8,6%, largely influenced by decreased trade in machinery and electrical equipment; chemical products; artificial resins and plastics; base metals and articles of base metals; vegetable products; and vehicles and transport equipment.

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² The figures showing growth in expenditure on GDP exclude the residual, calculated as the difference between GDP measured by production and the sum of the expenditure components. For more detail see Table 31 on the Stats SA website.

³ Given the sources used to estimate HFCE, spending by non-residents in South Africa needs to be deducted from HFCE. Hence, an increase in non-residents' expenditure decreases the 'other' component of HFCE and makes a negative contribution to the HFCE growth rate.