



stats sa

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Statistics South Africa
REPUBLIC OF SOUTH AFRICA

Press release

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GDP increased by 0,1% in the fourth quarter of 2023¹

Gross domestic product (measured by production)

South Africa's gross domestic product (GDP) increased by 0,1% in the fourth quarter of 2023.

The transport, storage and communication industry increased by 2,9% in the fourth quarter, contributing 0,2 of a percentage point to GDP growth. Increased economic activities were reported for land transport, air transport, transport support services and communications.

The mining and quarrying industry increased by 2,4% in the fourth quarter, contributing 0,1 of a percentage point. Increased economic activities were reported for platinum group metals (PGMs), coal, chromium ore and diamonds.

The personal services industry increased by 0,9% in the fourth quarter, contributing 0,1 of a percentage point. Increased economic activities were reported for health and education.

The finance, real estate and business services industry increased by 0,6% in the fourth quarter of 2023, contributing 0,1 of a percentage point. Increased economic activities were reported for financial intermediation, auxiliary activities, real estate activities and business services.

The trade, catering and accommodation industry decreased by 2,9% in the fourth quarter of 2023, contributing -0,3 of a percentage point. Decreased economic activities were reported for wholesale trade, retail trade, motor trade, accommodation and food and beverages.

The agriculture, forestry and fishing industry decreased by 9,7% in the fourth quarter of 2023, contributing -0,2 of a percentage point to GDP growth. This was primarily due to decreased economic activities reported for field crops, animal products and horticulture products.

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 increased by 0,1% in the fourth quarter of 2023.

Household final consumption expenditure increased by 0,2% in the fourth quarter, contributing 0,1 of a percentage point to total growth. Increases were reported for durable goods and services.

The main positive contributors to the increase in HFCE were expenditures on the 'other' category³ (3,1% and contributing 0,4 of a percentage point), transport (0,4% and contributing 0,1 of a percentage point) and communication (1,1% and contributing 0,1 of a percentage point).

The main negative contributors were expenditures on housing, water, electricity, gas and other fuels; food and non-alcoholic beverages; clothing and footwear; and restaurants and hotels.

Final consumption expenditure by general government decreased by 0,3% in the fourth quarter, mainly driven by decreases in purchases of goods and services and compensation of employees.

Total gross fixed capital formation decreased by 0,2% in the fourth quarter. The main negative contributors to the decrease were residential buildings (-3,9% and contributing -0,5 of a percentage point), transport equipment (-3,0% and contributing -0,3 of a percentage point), construction works (-1,1% and contributing -0,2 of a percentage point) and machinery and other equipment (-0,4% and contributing -0,2 of a percentage point).

There was a R7,5 billion build-up of inventories in the fourth quarter of 2023 (seasonally adjusted and annualised value). Large increases in three industries, namely manufacturing; trade, catering and accommodation; and electricity gas and water, contributed to the inventory build-up.

Net exports contributed negatively to expenditure on GDP in the fourth quarter. Exports of goods and services increased by 0,6%, largely influenced by increased trade in prepared foodstuffs, beverages and tobacco; vegetable products; chemical products; and base metals and articles of base metals.

Imports of goods and services increased by 4,0%, largely influenced by increased trade in mineral products; chemical products; and vegetable products.

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 residents abroad needs to be added to HFCE. Hence, an increase in residents' expenditure abroad increases the 'other' component of HFCE and makes a positive contribution to the HFCE growth rate.

Key findings for the annual estimates of 2023

Annual real GDP increased by 0,6% in 2023 following an increase of 1,9% in 2022

According to the latest preliminary indicators, real GDP increased by 0,6% in 2023, following an increase of 1,9% in 2022.

The annual increase in real GDP of 0,6% in 2023 was primarily led by higher economic activities in finance, real estate and business services, which contributed 0,4 of a percentage point based on growth of 1,8%; transport, storage and communication which contributed 0,3 of a percentage point based on growth of 4,3%; personal services, which contributed 0,3 of a percentage point based on growth of 2,0%; and manufacturing, which contributed 0,1 of a percentage point based on growth of 0,5%.

The agriculture, forestry and fishing; trade, catering and accommodation; electricity, gas and water; and mining and quarrying divisions recorded negative growth in 2023.

Expenditure on GDP in 2023

Expenditure on GDP increased by 0,7% in 2023, following an increase of 1,9% in 2022.

Household final consumption expenditure increased by 0,7% and contributed 0,5 of a percentage point.

The main contributors to the growth of 0,7% in HFCE were expenditures on restaurants and hotels (20,3% and contributing 0,9 of a percentage point), health (3,6% and contributing 0,2 of a percentage point), clothing and footwear (5,0% and contributing 0,2 of a percentage point), communication (2,3% and contributing 0,1 of a percentage point), transport (0,5% and contributing 0,1 of a percentage point) and education (1,7% and contributing 0,1 of a percentage point).

Gross fixed capital formation increased by 4,2%, contributing 0,6 of a percentage point to total growth while changes in inventories contributed -0,6 of a percentage point to total growth.

Net exports contributed -0,2 of a percentage point to growth in expenditure on GDP.

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