



stats sa

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Press statement

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GDP increased by 1,9% in the first quarter of 2022¹

Gross domestic product (measured by production)

South Africa's gross domestic product (GDP) increased by 1,9% in the first quarter of 2022.

The manufacturing industry increased by 4,9% in the first quarter, contributing 0,6 of a percentage point to GDP growth. Seven of the ten manufacturing divisions reported positive growth rates in the first quarter. The petroleum, chemical products, rubber and plastic products division made the largest contribution to the increase in the first quarter. The food and beverages division; basic iron and steel, non-ferrous metal products, metal products and machinery division; and motor vehicles, parts and accessories and other transport equipment division also made significant contributions to growth.

The trade, catering and accommodation industry increased by 3,1%, contributing 0,4 of a percentage point to GDP growth. Increased economic activities were reported for wholesale trade, retail trade, motor trade and catering and accommodation services.

The finance, real estate and business services industry increased by 1,7%, contributing 0,4 of a percentage point to GDP growth. Increased economic activities were reported for insurance and pension funding, auxiliary activities, real estate and business services.

The personal services industry increased by 1,1% and contributed 0,2 of a percentage point to GDP growth. Increased economic activities were reported for community and other producers.

The transport, storage and communication industry increased by 1,8%, contributing 0,1 of a percentage point. Increased economic activities were reported for land transport and communication services.

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 gross domestic product increased by 1,9% in the first quarter of 2022.

Household final consumption expenditure increased by 1,4% in the first quarter, contributing 1,0 percentage point to total growth. The largest contributions to growth were reported for expenditures on durable goods, non-durable goods and services.

The main contributors to growth in HFCE were expenditures on transport (2,8% and contributing 0,4 of a percentage point), food (2,5% and contributing 0,4 of a percentage point), restaurants (6,5% and contributing 0,2 of a percentage point) and communication (2,4% and contributing 0,1 of a percentage point).

Expenditure in the other category³ contributed negatively to growth in HFCE in the first quarter.

Final consumption expenditure by general government increased by 1,0% in the first quarter. Increases in employment numbers and spending on goods and services were reported.

Total gross fixed capital formation increased by 3,6%. The main contributors to the increase were machinery and equipment⁴ (5,4% and contributing 2,2 percentage points), transport equipment (13,5% and contributing 1,2 percentage points) and 'other' assets⁵ (3,6% and contributing 0,4 of a percentage point).

There was a R4 billion drawdown of inventories in the first quarter of 2022 (seasonally adjusted and annualised value). Decreases in trades and electricity contributed to the inventory drawdowns experienced in the first quarter of 2022.

Net exports contributed negatively to growth in expenditure on GDP in the first quarter. Exports of goods and services increased by 3,9%, largely influenced by increased trade in vehicles and other transport equipment; mineral products; machinery and electrical equipment; and vegetable products.

Imports of goods and services increased by 4,9%, driven largely by increases in vehicles and other transport equipment; mineral products; animal and vegetable fats and oils; and paper and articles of paper.

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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.

⁴ Machinery and other equipment includes computers and related equipment.

⁵ Other assets includes research and development, computer software, mineral exploration and cultivated biological resources.