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Statistics South Africa
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Press statement

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GDP increased 1,2% in the second quarter of 2021¹

Gross domestic product (measured by production)

South Africa's gross domestic product (GDP) increased by 1,2% in the second quarter of 2021.

The transport, storage and communication industry increased by 6,9% in the second quarter, and made the largest contribution to GDP growth, namely 0,5 percentage points. Increased economic activity was reported for land transport and communication services.

The personal services industry increased by 2,5% and contributed 0,4 of a percentage point to GDP growth. Increases were reported for community services and other producers.

The trade, catering and accommodation industry increased by 2,2% and contributed 0,3 of a percentage point to GDP growth. Increased economic activity was reported in wholesale, retail and motor trade, and there was increased spending on catering and accommodation services.

The agriculture, forestry and fishing industry increased by 6,2% and contributed 0,2 of a percentage point to GDP growth. The increase was mainly due to increased production of field crops, horticulture and animal products.

The mining and quarrying industry increased by 1,9% and contributed 0,1 of a percentage point to GDP growth. Increased production was reported for platinum group metals (PGMs), gold and coal.

Unadjusted real GDP for the first six months of 2021 increased by 7,5% compared with the first six months of 2020.

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 1,2% in the second quarter of 2021.

Household final consumption expenditure increased by 0,5% in the second quarter, contributing 0,3 of a percentage point to total growth. The highest growth rates and largest contributors were seen in durable and non-durable goods.

The main positive contributors to growth in HFCE were expenditures on transport (2,7% and contributing 0,4 of a percentage point); health (2,5% and contributing 0,2 of a percentage point); food and non-alcoholic beverages (1,7% and contributing 0,2 of a percentage point); restaurants (2,4% and contributing 0,1 of a percentage point); communication (1,6% and contributing 0,1 of a percentage point); and clothing and footwear (1,1% and contributing 0,1 of a percentage point).

A negative contribution to growth in HFCE was reported for expenditures in the 'other' category³, decreasing by 3,8% and contributing -0,5 of a percentage point, mainly because of lower spending on insurance services in the second quarter.

Final consumption expenditure by general government decreased by 0,1% in the second quarter. Decreases in compensation of employees and spending on goods and services were reported in the second quarter.

Gross fixed capital formation increased by 0,9%. The main contributors to the increase were machinery and equipment⁴ (1,8% and contributing 0,7 of a percentage point), 'other' assets⁵ (6,4% and contributing 0,7 of a percentage point) and transport equipment (1,1% and contributing 0,1 of a percentage point).

There was a R21,7 billion drawdown of inventories in the second quarter of 2021 (seasonally adjusted and annualised). Large decreases in electricity and mining contributed to the inventory drawdowns experienced in the second quarter of 2021.

Net exports contributed positively to growth in expenditure on GDP in the second quarter. Exports of goods and services increased by 4,0%, largely influenced by increased trade in mineral products; pearls, precious and semi-precious stones; precious metals; and vehicles and other transport equipment.

Imports of goods and services increased by 0,4%, driven largely by increases in mineral products; base metals and articles of base metals; and animal and vegetable fats and oils.

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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, a decrease in non-residents' expenditure increases the 'other' component of HFCE and makes a positive 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.