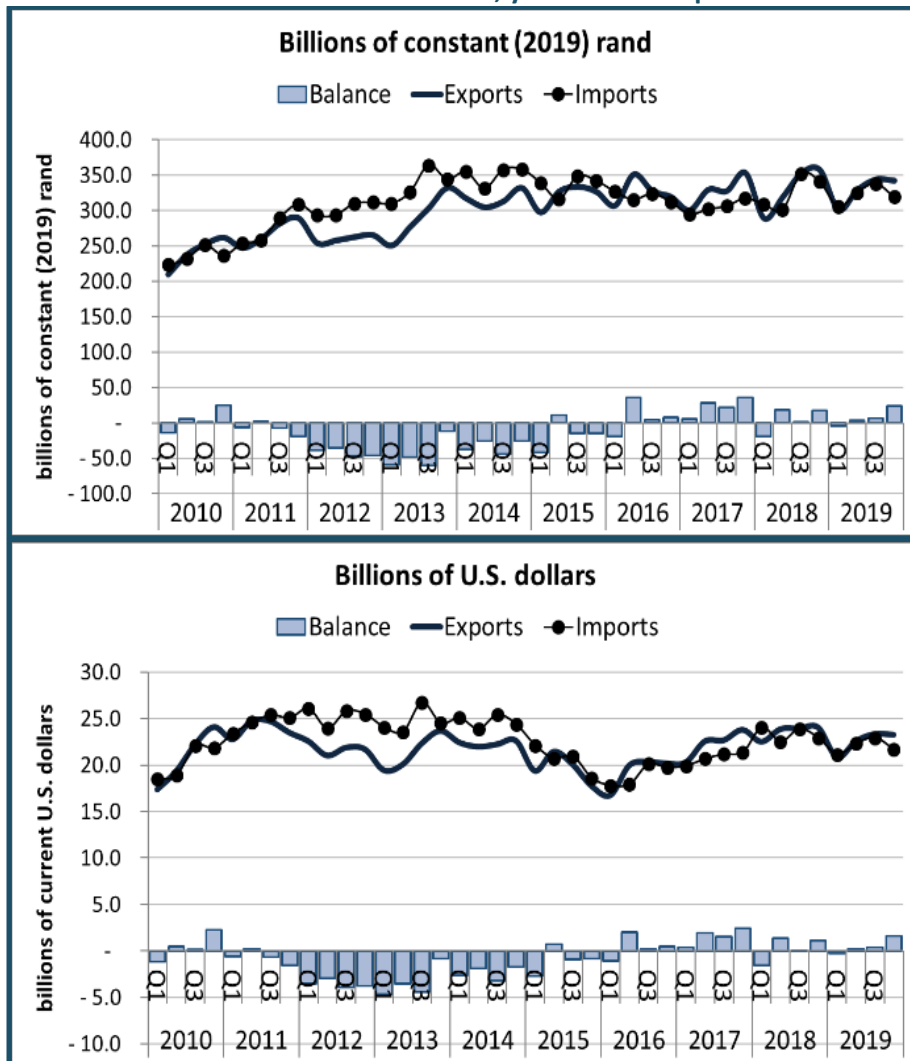


## International trade

From the third to the fourth quarter of 2019, South Africa's exports and imports fell in both constant rand and US dollar terms. The balance of trade improved because of the relatively sharp fall in imports, largely due to slower economic growth.

Exports and imports were lower in both constant rand and US dollar terms in the fourth quarter of 2019 compared to the third quarter. In constant rand, exports decreased by 0.5% while imports fell 5.6%, and the trade surplus more than tripled. Generally, the balance of trade has improved during the economic slowdown, mostly because of lower imports. In addition, the relatively low price of petroleum for much of the period since 2015 helped limit the cost of imports.

**Graph 20. Exports, imports and balance of trade in constant rand and current US dollars, year to fourth quarter**

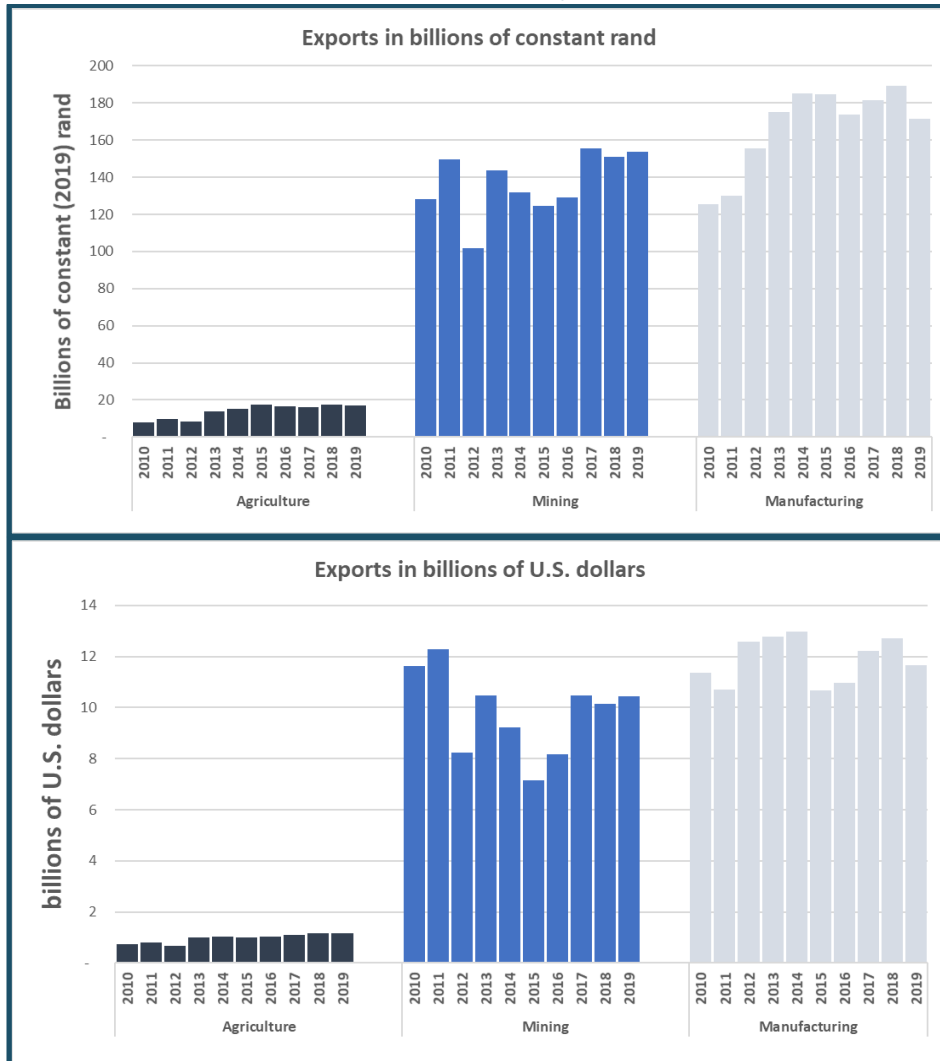


Source: South African Revenue Service (SARS) monthly data.

From the fourth quarter of 2018 to the fourth quarter of 2019, exports fell by 4%, while imports dropped 6%.

The decline in exports was driven by a sharp fall in manufactured products, especially transport equipment, basic metals and heavy chemicals. In constant rand, agricultural exports remained largely unchanged, while mining exports recovered slightly.

**Graph 21. Fourth-quarter exports by sector, in billions of constant rand and current US dollars, 2010 to 2019**

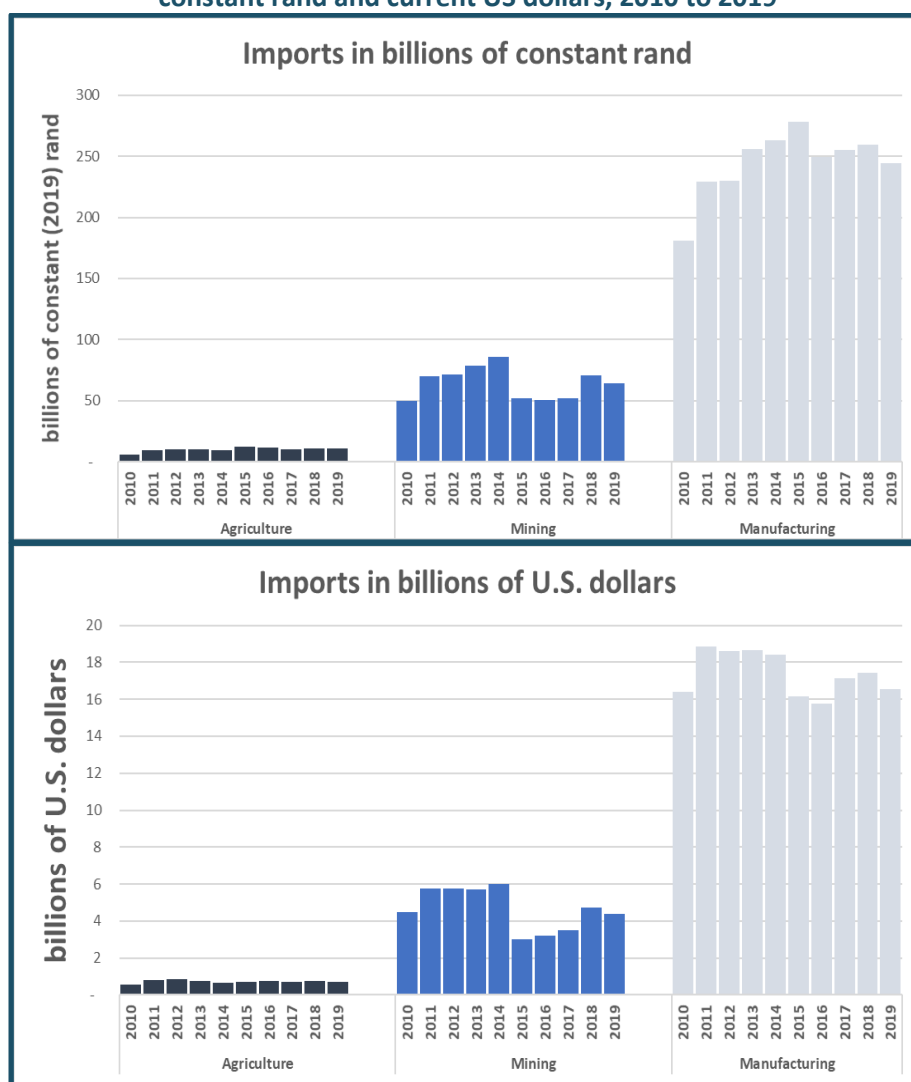


Source: South African Revenue Service (SARS) monthly data

On the import side, the fall was driven by manufacturing and mining.

Mining imports are mostly petroleum, and the unit price of imported petrol fell over 15% in dollar terms from the fourth quarter of 2018 to the fourth quarter of 2019.

**Graph 22. Fourth quarter imports by sector, in billions of constant rand and current US dollars, 2010 to 2019**



Source: South African Revenue Services (SARS) monthly data.

There was a contraction in exports across all subsectors of manufacturing, in both constant rand and dollar terms, between the fourth quarter of 2018 and the fourth quarter of 2019. As noted, the sharpest declines occurred in metals and transport equipment. The largest declines for imports occurred in machinery and equipment, transport equipment and chemicals.

**Table 1. Trade by manufacturing industry, Q4 2018 to Q4 2019**

Industry	Value (billions)		% change from Q4 2018		Change in billions	
	USD	Rand	USD	Rand	USD	Rand
<b>EXPORTS</b>						
Food and beverages	1.11	16.3	-2.4%	-3.4%	-0.03	-0.57
Clothing and footwear	0.50	7.4	-4.1%	-4.9%	-0.02	-0.38
Wood products	0.11	1.6	-31.2%	-31.8%	-0.05	-0.74
Paper and publishing	0.39	5.7	-12.4%	-13.2%	-0.06	-0.87

Industry	Value (billions)		% change from Q4 2018		Change in billions	
	USD	Rand	USD	Rand	USD	Rand
Chemicals, rubber, plastic	1.86	27.4	-5.6%	-6.5%	-0.11	-1.89
Glass and non-metallic mineral products	0.11	1.7	-8.4%	-9.4%	-0.01	-0.17
Metals and metal products	2.39	35.2	-13.1%	-13.9%	-0.36	-5.67
Machinery and appliances	2.02	29.8	-3.2%	-4.1%	-0.07	-1.27
Transport equipment	2.85	42.1	-12.2%	-12.8%	-0.40	-6.17
<b>IMPORTS</b>						
Food and beverages	0.94	13.8	2.6%	1.7%	0.0	0.24
Clothing and footwear	1.11	16.3	-5.7%	-6.6%	-0.1	-1.15
Wood products	0.09	1.4	-4.8%	-5.6%	0.0	-0.08
Paper and publishing	0.78	11.4	12.7%	11.7%	0.1	1.19
Chemicals, rubber, plastic	3.34	49.2	-7.3%	-8.1%	-0.3	-4.36
Glass and non-metallic mineral products	0.26	3.8	-5.7%	-6.4%	0.0	-0.26
Metals and metal products	0.98	14.5	-7.6%	-8.3%	-0.1	-1.32
Machinery and appliances	5.35	78.8	-4.7%	-5.5%	-0.3	-4.61
Transport equipment	3.32	48.9	-7.4%	-8.2%	-0.3	-4.38

Source: South African Revenue Services (SARS) monthly data.