



TRADE & INDUSTRIAL POLICY STRATEGIES



Tracking quarterly trends and analysing foreign direct investment, imports and exports

# TIPS EXPORT TRACKER

## SECOND QUARTER 2020

Compiled by Wendy Nyakabawo and Mawabo Ndlebe

### TIPS TRACKERS

TIPS Export Tracker provides updates on export trends, and identifies sectors and products that are performing well and those that are lagging.

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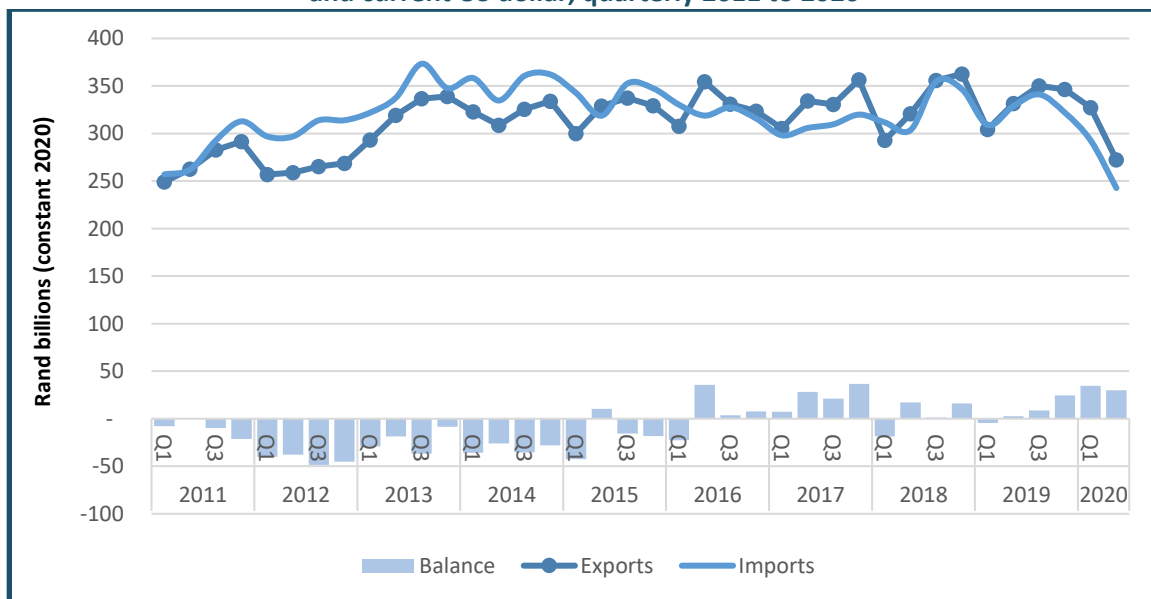
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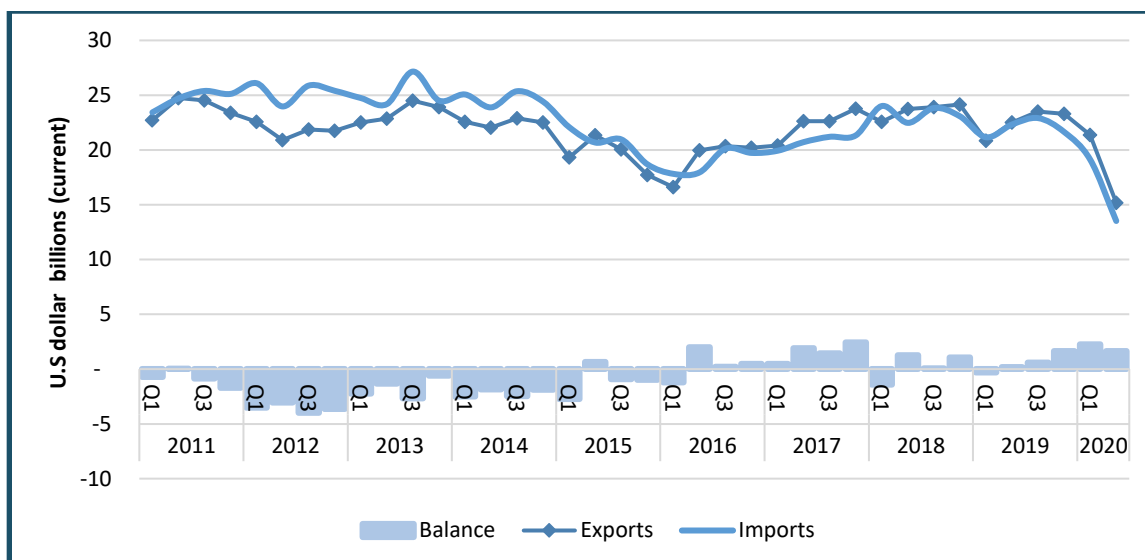
## OVERVIEW OF EXPORT PERFORMANCE

The second quarter of 2020 saw a strong decline in exports, combined with an even stronger slump in imports as international trade slowed down because of the COVID-19 pandemic. Several sectors, however, particularly agriculture and parts of mining, were able to increase exports over the quarter. Stringent COVID-19 containment measures implemented in most countries led to the plummeting of merchandise trade, with the “Great Lockdown” seeing South Africa through a five-week, hard nationwide lockdown in the second quarter of 2020. Exports dropped by 32.5% in US dollar terms, while imports plunged to US\$14 billion in the second quarter of 2020, down by 39.2% from the same period last year. However, because of the depreciation of the rand, the decline in both exports and imports in rand terms was a little lower compared to the decline in dollar terms – with rand exports down by 17.6%, and imports by 25.9%.

These trends in trade in the second quarter of 2020 show the full disruption the pandemic has had on South Africa’s international trade, resulting in it being called the “pandemic quarter”. With the return to greater levels of economic activity subsequently taking place (both in South Africa and abroad), this quarter should not necessarily be seen as indicative of future trends. One trend that predates the pandemic and has persisted is that South Africa’s trade surplus continued, with this quarter showing a surplus of R29.8 billion, up from R2.6 billion in the second quarter of 2019, marking it a fifth straight quarter of surpluses (see Graph 1).

**Graph 1: Exports, imports and trade balance in constant (2020) rand value and current US dollar, quarterly 2011 to 2020**





Source: South African Revenue Services (SARS) Statistics. Downloaded from sars.gov.za in September 2020.

Although the composition of South Africa’s top 20 export sectors has remained unchanged from Q2 2019 to Q2 2020, some key sectors have dropped in rank, particularly the vehicles sector which dropped two places from being the third largest export sector in Q2 2019, to fifth position in Q2 2020 (see Table 1). Unsurprisingly, South Africa’s vehicle sector was severely affected by the coronavirus pandemic and the lockdown, which resulted in the suspension of domestic vehicle production during April 2020, as availability and supply of inputs and raw materials was disrupted, and global demand dropped. By May 2020, vehicle production had partially resumed, operating at 50% capacity, with full production resuming in June 2020.<sup>1</sup>

This disruption saw the share of vehicles in South Africa’s total exports drop by almost half from 12.8% in Q2 2019 to 5.9% in Q2 2020. Vehicle exports declined by 61.2% from R41.3 billion in Q2 2019 to R16 billion in Q2 2020, representing the largest decline in South Africa’s top 20 export sectors. With a market share of 29%, vehicle exports to Germany, South Africa’s largest vehicle export market plunged by 63.3% from R12.6 billion in Q1 2020 to R4.6 billion in Q2 2020. The National Association of Automobile Manufacturers of South Africa (NAAMSA) has forecast a steady recovery in vehicle exports for the second half of 2020, as major export markets ease lockdown restrictions.

**Table 1: Top 20 sectors, Q2 2019 to Q2 2020**

| HS Code | Sector                 | VALUE (R BILLIONS) |         | SHARE % |         | ANNUAL GROWTH RATE % |
|---------|------------------------|--------------------|---------|---------|---------|----------------------|
|         |                        | Q2 2019            | Q2 2020 | Q2 2019 | Q2 2020 | Q2 2019-Q2 2020      |
| '71     | Precious stone         | 49.5               | 58.2    | 15.3%   | 21.4%   | 17.5%                |
| '26     | Ores, slag and ash     | 48.6               | 43.0    | 15.0%   | 15.8%   | -11.5%               |
| '27     | Mineral fuels and oils | 33.5               | 25.7    | 10.3%   | 9.4%    | -23.4%               |
| '08     | Fruits and nuts        | 12.3               | 18.0    | 3.8%    | 6.6%    | 46.4%                |
| '87     | Vehicles               | 41.3               | 16.0    | 12.8%   | 5.9%    | -61.2%               |
| '72     | Iron and steel         | 22.1               | 13.8    | 6.8%    | 5.1%    | -37.6%               |
| '84     | Machinery (industrial) | 19.8               | 12.6    | 6.1%    | 4.6%    | -36.3%               |
| '76     | Aluminium              | 6.2                | 6.6     | 1.9%    | 2.4%    | 6.6%                 |

<sup>1</sup> NAAMSA. Quarterly Review of Business Conditions: New Motor Vehicle Manufacturing Industry/ Automotive Sector: 2nd Quarter 2020.

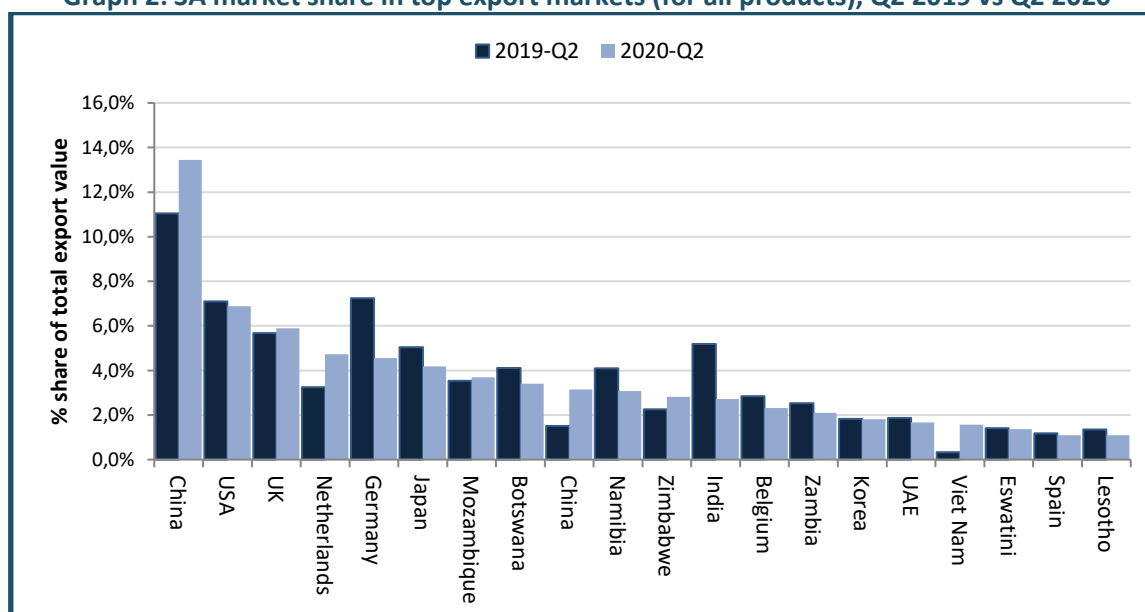
|     |                                    |     |     |      |      |        |
|-----|------------------------------------|-----|-----|------|------|--------|
| '29 | Organic chemicals                  | 3.9 | 4.5 | 1.2% | 1.7% | 15.8%  |
| '85 | Electrical machinery and equipment | 6.1 | 4.5 | 1.9% | 1.6% | -26.4% |
| '39 | Plastics                           | 5.8 | 4.3 | 1.8% | 1.6% | -26.0% |
| '38 | Chemical products                  | 4.1 | 4.2 | 1.3% | 1.5% | 3.1%   |
| '10 | Cereals                            | 1.1 | 3.4 | 0.4% | 1.3% | 200.3% |
| '28 | Inorganic chemicals                | 3.8 | 3.3 | 1.2% | 1.2% | -13.8% |
| '22 | Beverages, spirits, vinegar        | 4.6 | 2.9 | 1.4% | 1.1% | -37.2% |
| '73 | Articles of iron or steel          | 4.9 | 2.7 | 1.5% | 1.0% | -45.8% |
| '47 | Wood pulp                          | 1.4 | 2.7 | 0.4% | 1.0% | 95.8%  |
| '17 | Sugars and confectionery           | 2.2 | 2.5 | 0.7% | 0.9% | 14.8%  |
| '20 | Vegetable products                 | 2.1 | 2.1 | 0.6% | 0.8% | 2.8%   |
| '48 | Paper and paperboard               | 2.0 | 2.1 | 0.6% | 0.8% | 3.9%   |

Source: Calculated from ITC Trade Map data. Downloaded from [www.trademap.org](http://www.trademap.org) in September 2020.

Several other subsectors among the top 20 reported sharp decline in exports, notably articles of iron and steel (HS73) down by 45.8%, iron and steel (HS72) (-37.6%), beverages (-37.2%) and machinery (industrial) (-36.3%). Although the ban on alcohol sales during Levels 4 and 5 of the nationwide lockdown only affected domestic sales, distribution and transportation of alcoholic beverages, exports were also disrupted by reduced logistics at ports, reducing beverage exports from R4.6 billion in Q2 2019 to R2.9 billion in Q2 2020.

In contrast, agriculture subsectors were the top export performing sectors during the second quarter of 2020, as the sector experienced minimal disruptions, remaining fairly operational globally during the lockdown. Cereal exports grew by 200% from R1.1 billion in Q2 2019 to R3.4 billion, thanks to favourable weather conditions which resulted in a larger harvest. Fruits and nuts, sugar and confectionery and vegetable products showed positive growth, increasing by 46.4%, 14.8% and 2.8%, respectively. Among the top performers was the wood pulp sector, with exports up by 95% year-on-year from R1.4 billion in Q2 2019 to R2.7 billion in Q2 2020.

**Graph 2: SA market share in top export markets (for all products), Q2 2019 vs Q2 2020**



Source: Calculated from ITC Trade Map data. Downloaded in September from <https://trademap.org> and [sars.gov.za](http://sars.gov.za).

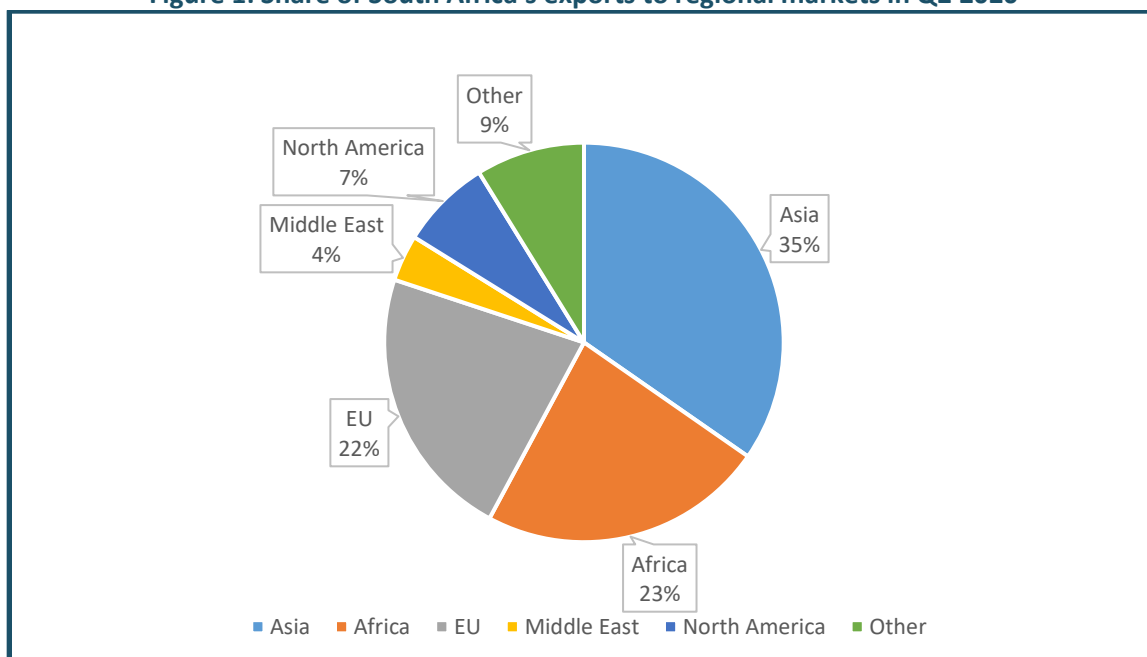
South Africa's total exports to China amounted to R36.6 billion in the Q2 2020, a 2% increase from Q2 2019. While most countries' share of South African exports declined from Q2 2019 to

Q2 2020 because of the global lockdown, China’s share increased from 11% to 13.4% as it gradually lifted lockdown restrictions much earlier than most countries. In Q2 2020, the top 5 export products to China included ores (67.7%), iron and steel (11.7%), wood pulp (3.3%), copper (3.2%) and fruit and nuts (2.9%), altogether accounting for 88.8% of South Africa’s total exports to China by value. Among the top 5 exports, wood pulp had the highest growth, up from R316.4 million in Q2 2019 to R1 billion in Q2 2020, a year-on-year increase of 287%, followed by fruit and nuts, which increased by 31.3%. In contrast, ores and copper exports fell by 6.3% and 2.3%, respectively.

South Africa’s total exports to Germany plunged from R23.4 billion in Q2 2019, to R12.4 billion in Q2 2020, representing a 47.1% year-on-year decrease. This saw Germany’s share of South Africa’s total exports by value fall from 7.2% in Q2 2019 to 4.6% in Q2 2020. The fall in exports was driven by the significant decline in vehicle exports in Q2 2020, which fell by 66% due to production disruptions. On the demand side, the German economy was hit hard by the impact of the pandemic, with its economy experiencing a record contraction, down by 10.1% in the second quarter of 2020 compared to the previous quarter. This triggered a massive slump in Germany’s exports as well as imports. Besides vehicle exports, machinery (industrial) exports to Germany saw a large decline, decreasing by 60.8%. Within the top 5 exports to Germany, ores, and fruit and nuts increased in Q2 2020 by 35.7% and 12.7% year-on-year, respectively.

The second quarter of 2020 saw an 18.4% year-on-year decline of South Africa’s total exports to the United States (US), from R22.9 billion in Q2 2019 to R18.7 billion in Q2 2020. The top 5 export products, which collectively accounted for 68% of South Africa’s exports to the US by value, included precious stones<sup>2</sup> (42.2%), ores (8.6%), vehicles (7%), aluminium (5.6%) and organic chemicals (4.6%). Among the top 5 sectors, all except vehicles experienced a drop in exports to the US, with ores, aluminium and organic chemicals experiencing the biggest declines of 38.9%, 14.8% and 12.4%, respectively.

**Figure 1: Share of South Africa’s exports to regional markets in Q2 2020**



Source: Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> in September 2020.

<sup>2</sup> Includes natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coins.

Asia absorbed 35% of South Africa’s total regional exports by value in the second quarter of 2020, amounting to R94.4 billion, a decrease of 11% from R106.3 billion in Q2 2019. The second and third largest regional markets for South Africa’s exports, which are the rest of Africa and the European Union, saw a decline in market share in the second quarter of 2020. The rest of Africa’s share decreased from 26% in Q2 2019 to 23% in Q2 2020. South Africa’s exports to Africa were down by a quarter from R84.7 billion in Q2 2019 to R63.2 billion. The European Union (EU-28) accounted for 24% of South Africa’s exports by value in Q2 2019, and was down to 22% in Q2 2020. Exports to the EU declined by 23% year-on-year to R60.6 billion in the second quarter of 2020.

## SIGNIFICANT PRODUCT GROWTH IN EXPORTS AND ANALYSIS

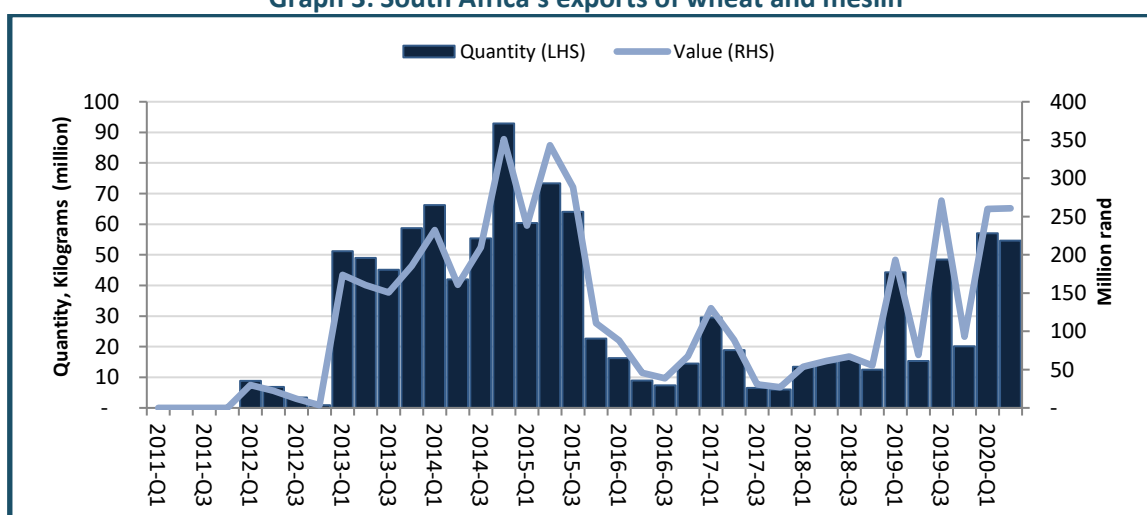
Three product subsectors of significant export growth have been identified for this quarter. These are cereals, fruit and nuts, and paper products. Beverages, cement and iron and steel products declined. The full list of top exports showing growth and declines is provided in the Annexure. In this quarter, the production selection has been expanded to other products outside the top 50 exports to avoid overlooking and eliminate bias in the selection of other goods needing attention, as well as issues with data errors. The Annexure also provides a list of products receiving ongoing monitoring.

### Significant growth in wheat and meslin

*HS 10019900: Wheat and meslin (excluding seed for sowing, and durum wheat).*

Wheat is one of the most important cereal grains, and a worldwide staple food. It is typically ground into flour and used to make various food products such as bread, cereal, pasta and many others, while meslin is a mixture of wheat and rye. South Africa is generally a net importer of wheat, but its strong second quarter performance in the production of field and horticulture crops saw a significant increase in exports particularly to the Southern African Development Community (SADC) region.

**Graph 3: South Africa’s exports of wheat and meslin**

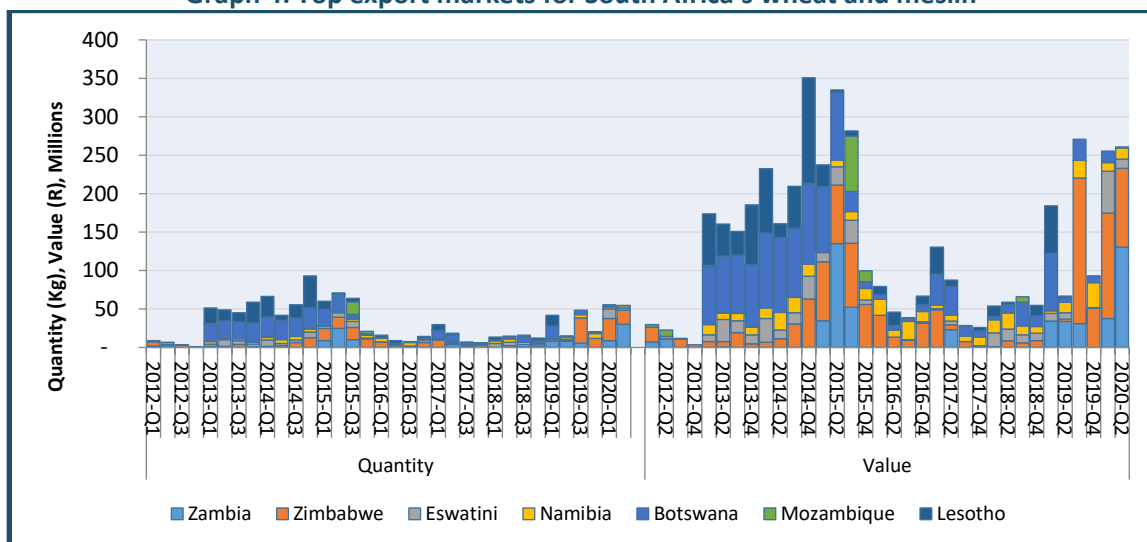


Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020

The second quarter of 2020 saw South Africa export 54.6 million kg of wheat and meslin worth R260 million, compared to R15.3 million kg valued at R69.4 million in the second quarter of 2019. By quantity, this represents an increase of just over 250% year on year. The growth in South Africa’s wheat and meslin exports was driven by a combination of a good harvest and high

demand in the export markets, which include Zambia, Zimbabwe, Botswana, Eswatini and Namibia. In Q2 2020, these five countries were the only importers of South African wheat and meslin following a drop by Lesotho and Sweden that previously imported wheat and meslin in South Africa in 2019Q2 (see Graph 4).

**Graph 4: Top export markets for South Africa’s wheat and meslin**



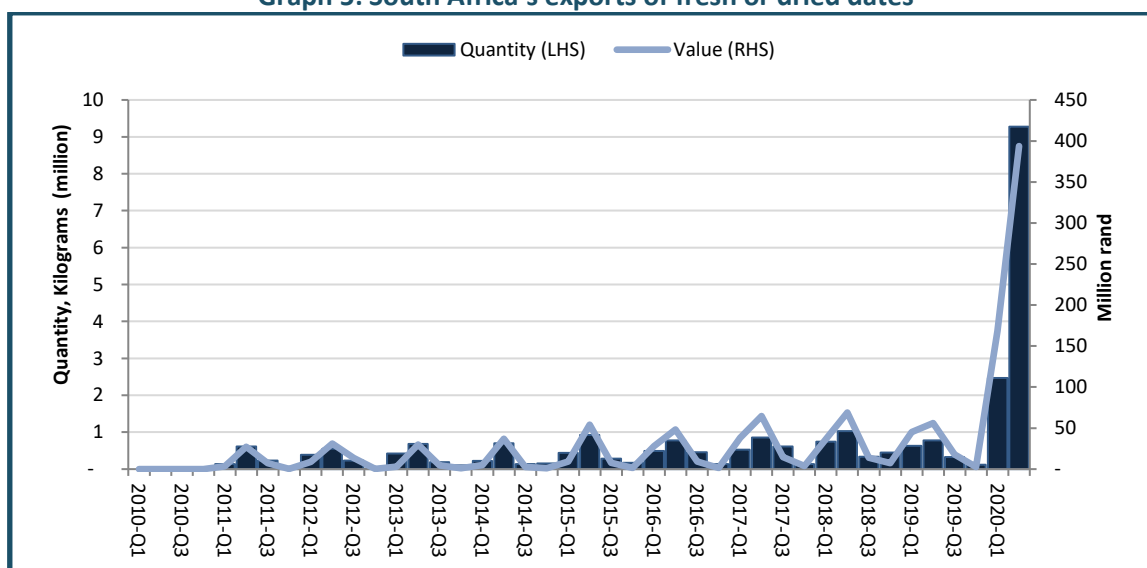
Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

### Significant growth in fresh or dried dates

*HS 08041010: Fresh or dried dates: fresh*

Dates are the fruit of a date palm tree (*Phoenix dactylifera*) and are marketed all over the world as high-value confectionery or fruit, served either fresh or dried depending on the stage of maturity. Dates are used as ingredients in the baking, confectionery and other food manufacturing industries to produce snacks such as mueslis and dried fruit mixtures. The Medjool dates produced in South Africa are aimed at the export market, with approximately 60% of total Medjool dates exported and the remaining 40% sold in the local market.

**Graph 5: South Africa’s exports of fresh or dried dates**

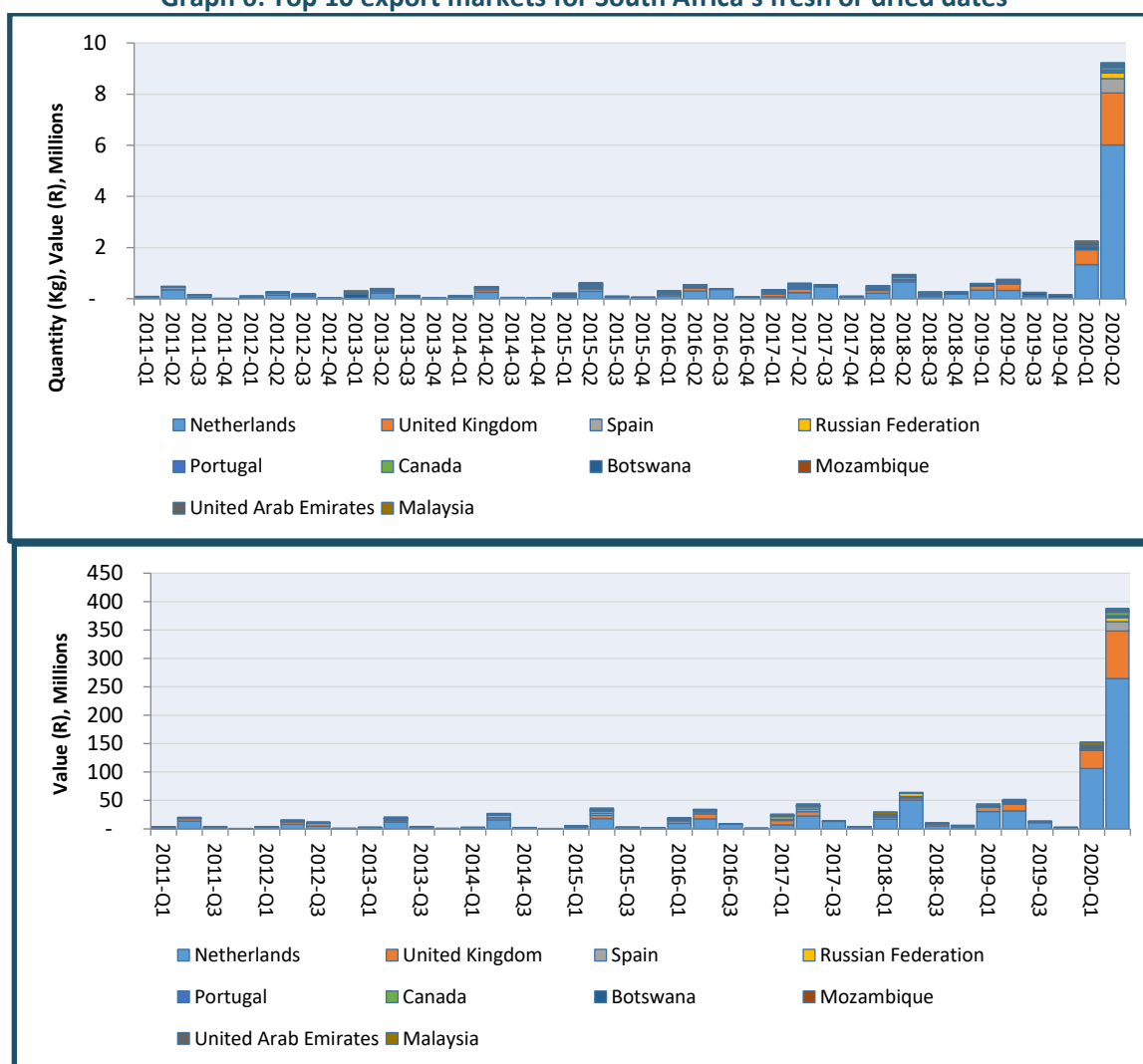


Source: Author’s. Calculated from ITC TradeMap data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.



The second quarter of 2020 saw an acceleration of South Africa’s exports of dates, from 780 thousand kg valued at R55.9 million in Q2 2019, to 9.2 million kg valued at R393.7 million in Q2 2020. The abnormal increase in South Africa’s exports of dried or fresh dates was due to significantly high demand from the Netherlands and United Kingdom (UK). The two countries account for 86% of South Africa’s dates exports by quantity. Exports to Netherlands increased from 899 kg (R31.9 million) in Q2 2019, to over six million kg (R264.8 million) in Q2 2020. Similarly, increased demand from the UK saw exports to the country increase by over 1.7 million kg to two million kg in Q2 2020, valued at R83.3 million (see Graph 6). The acceleration in demand for South Africa’s dried or fresh dates can also be attributed to the 36% decrease in unit price per kg R67 in Q2 2019 to R43 in Q2 2020. It will be important to continue monitoring the fresh or dried dates sector for the next following quarters to evaluate if South Africa is gaining market share.

**Graph 6: Top 10 export markets for South Africa’s fresh or dried dates**



Source: Author’s. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

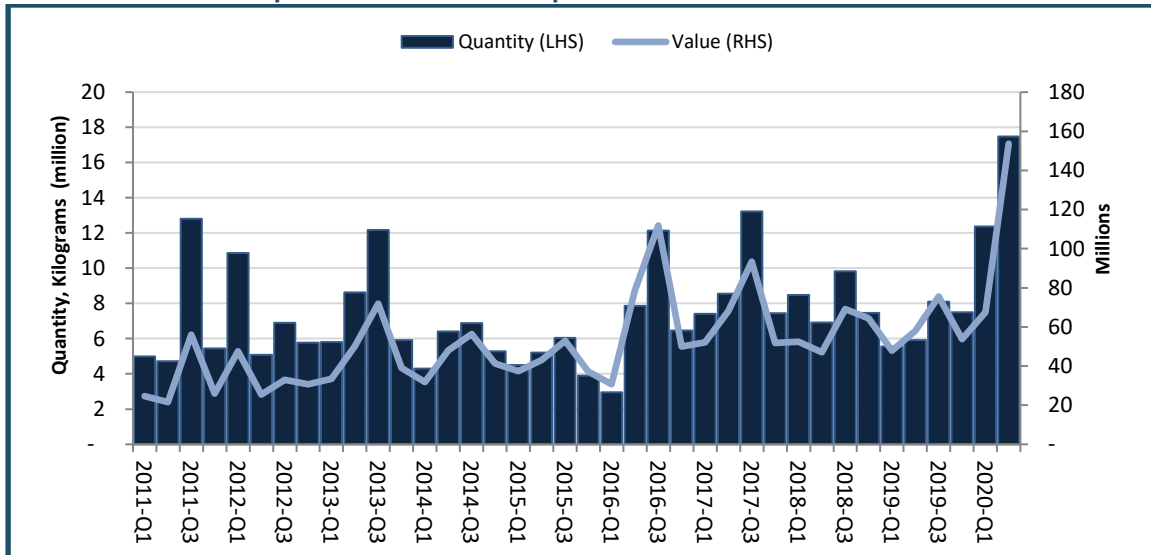
## Significant growth in unbleached kraftliners

*HS 48041100: Unbleached kraftliner, uncoated, in rolls of a width > 36 cm*

South Africa is among the top global exporters of unbleached kraftliners, ranking seventh in the world by both value and quantity. Unbleached kraftliners are a product of the paper industry, defined as one of the types of packaging paper or paperboards, whose fiber content has no less

than 80% virgin fibers.<sup>3</sup> Unbleached kraftliners are used in various industrial and commercial operations as packaging and protection, with a growing demand in industries such as food and beverages and pharmaceuticals. It is characterised by high resistance to stress and as such is also used in manufacturing industrial bags and grocery bags.

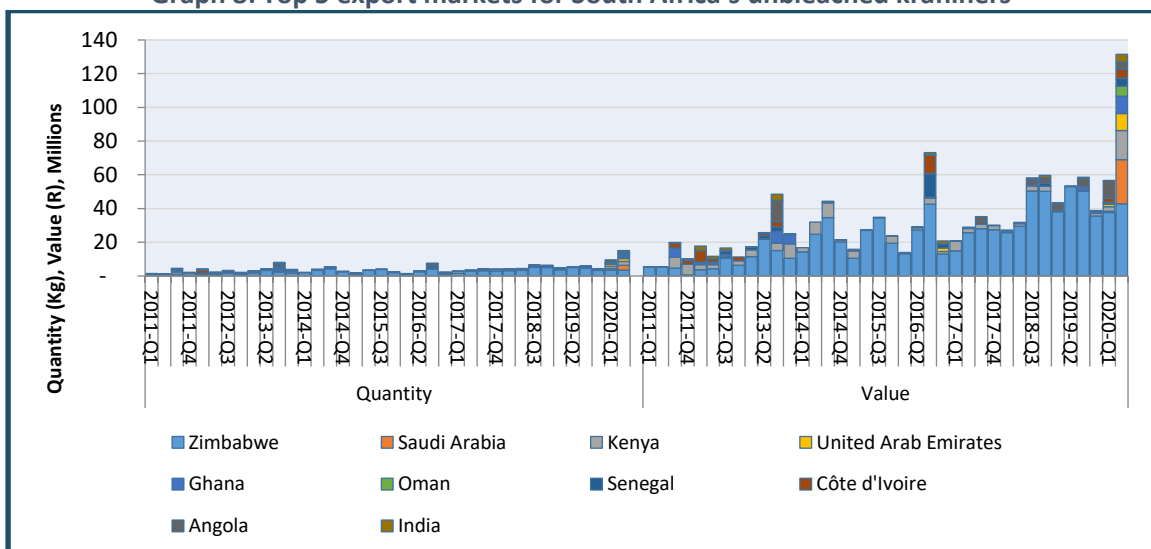
**Graph 7: South Africa's exports of Unbleached kraftliners**



Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

South Africa's exports of unbleached kraftliner significantly increased in the second quarter of 2020, growing by 194% year-on-year from 5.9 million kg valued at R58 million in Q2 2019 to R153.6 million kg amounting to R153.6 million in Q2 2020, the highest recorded over the observed period (Q1 2011 to Q2 2020). Half of South Africa's unbleached kraftliner exports were imported by Zimbabwe (20%), Saudi Arabia (17%) and Kenya (12%). Growth in exports were mainly driven by an increase in demand by Saudi Arabia and Ghana (see Graph 8).

**Graph 8: Top 5 export markets for South Africa's unbleached kraftliners**



Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

<sup>3</sup><https://www.pgpaper.com/types-of-packaging-paper/>

## SIGNIFICANT SLUMPS AND ANALYSIS

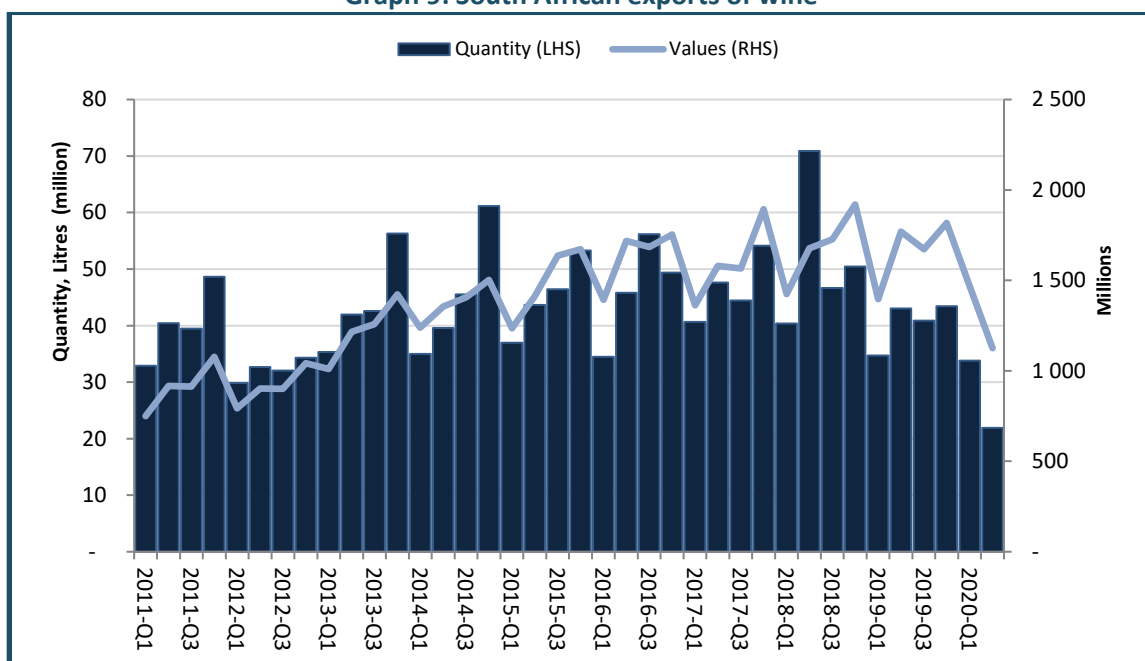
### Significant slump in wine

*HS 22042141: Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested*

Wine of fresh grapes is wine produced using fresh grapes as the main input. South Africa is among the top 10 of global exporters of wine (*HS 22042141*), seated in the eighth place by quantity. The nationwide restrictions due to COVID-19 resulted in an initial shutdown of all wine-related activities affecting grape harvesting and the winemaking process. A last minute change by government permitted the wine industry to continue harvesting and storage activities to limit loss and wastage.

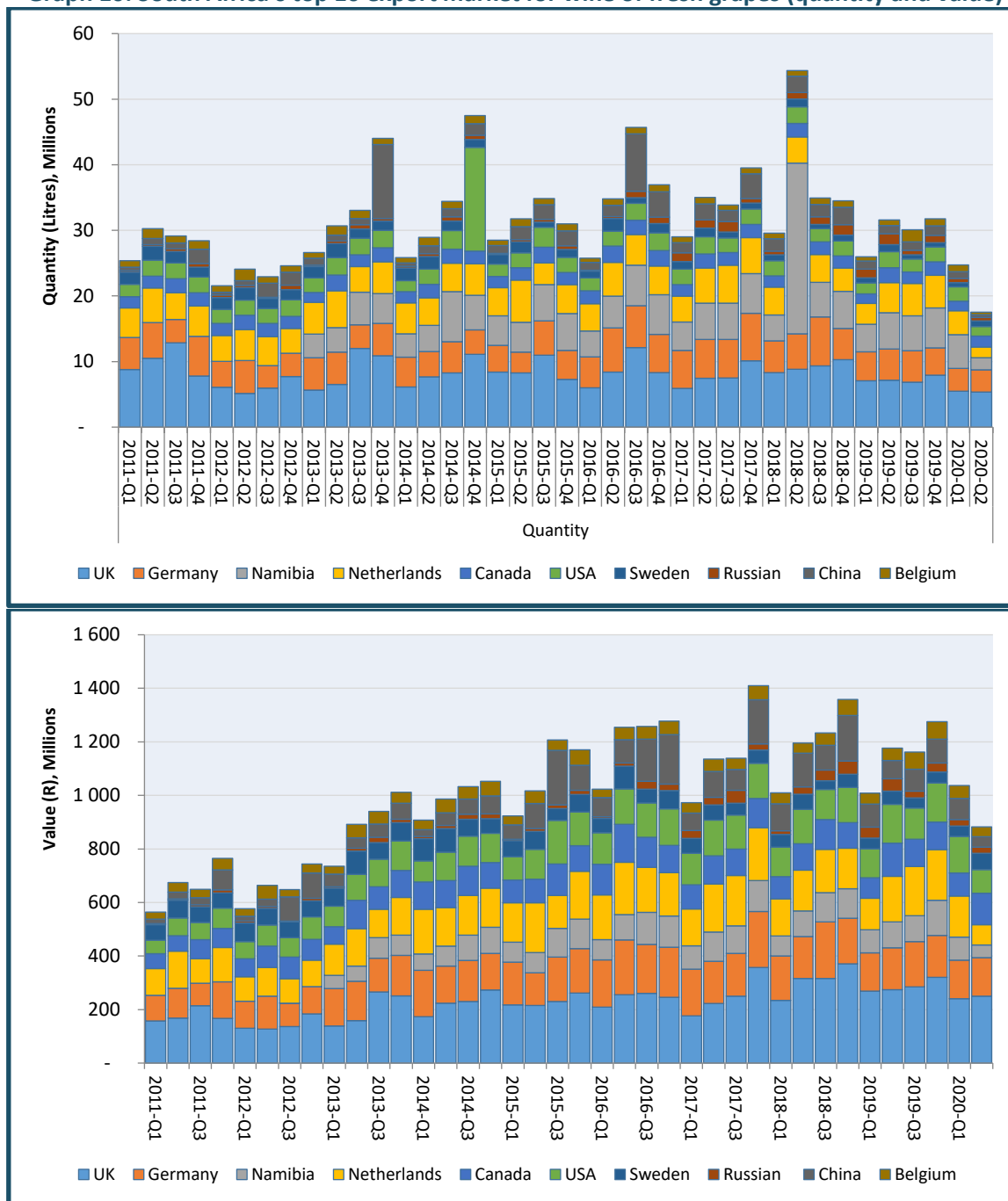
South Africa's exports of wine of fresh grapes declined to 21.3 million litres (worth R1.1 billion) in Q2 2020, from 43 million litres valued at R1.7 billion in Q2 2019. This decline represents a 49% year-on-year decrease in wine exports in the second quarter of 2020. The decrease in South Africa's wine exports in Q2 2020 can be attributed to logistics and port capacity after wine export restrictions had been lifted during the first week of April.

**Graph 9: South African exports of wine**



Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

**Graph 10: South Africa's top 10 export market for wine of fresh grapes (quantity and value)**



Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

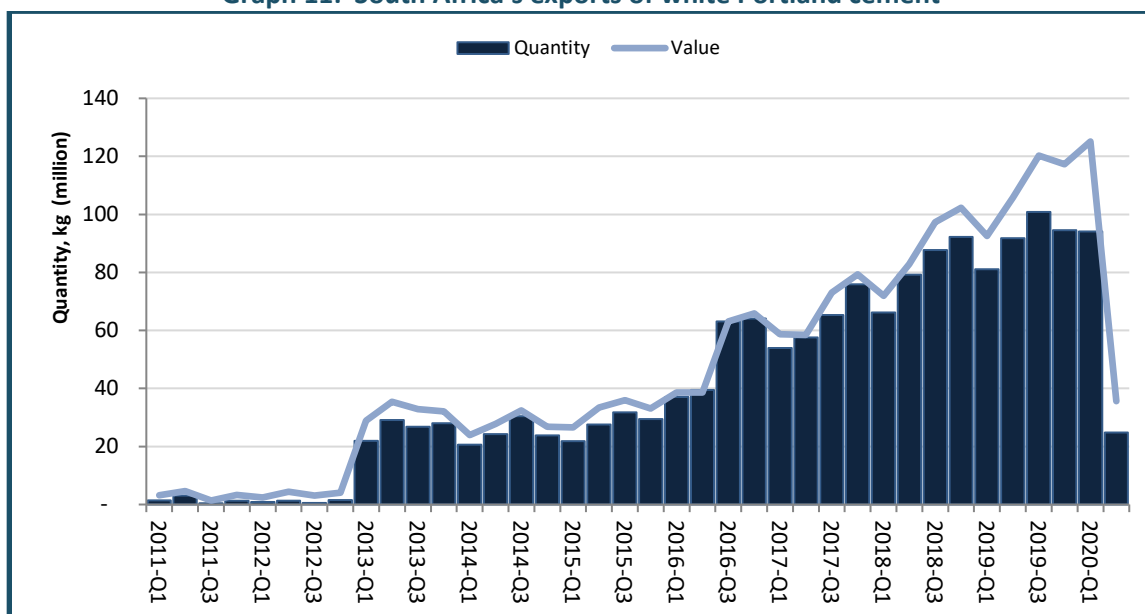
The top export markets by quantity for South Africa's wine in the second quarter of 2020 were the UK, Germany, Namibia, Netherlands and Canada. All top markets saw a decline in exports in Q2 2020, with Namibia and Netherlands decreasing the most. Wine exports to Namibia fell by 67% from 5.5 million litres in Q2 2019 valued at R96 million to 1.8 million litres in Q2 2020 valued at R47 million. The Netherlands saw a year-on-year decline of 63.7% from 4.5 million litres in Q2 2019 (R170 million) to 1.6 million litres in Q2 2020 valued at R75.8 million.

## Significant slump in white Portland cement

*HS 25232100: White portland cement, whether or not artificially coloured*

White Portland cement is the same as grey cement, only differing in colour and fineness. It is mainly used in combination with aggregates to produce white concrete for prestige construction and decorative work, since it allows a wide range of colour options in producing architectural and structural concrete. In addition, white Portland cement is also used in road construction to increase the visibility of highway medians. South Africa is among the top global exporters of white Portland cement, ranked at third place after Turkey and Ireland.

**Graph 11: South Africa's exports of white Portland cement**



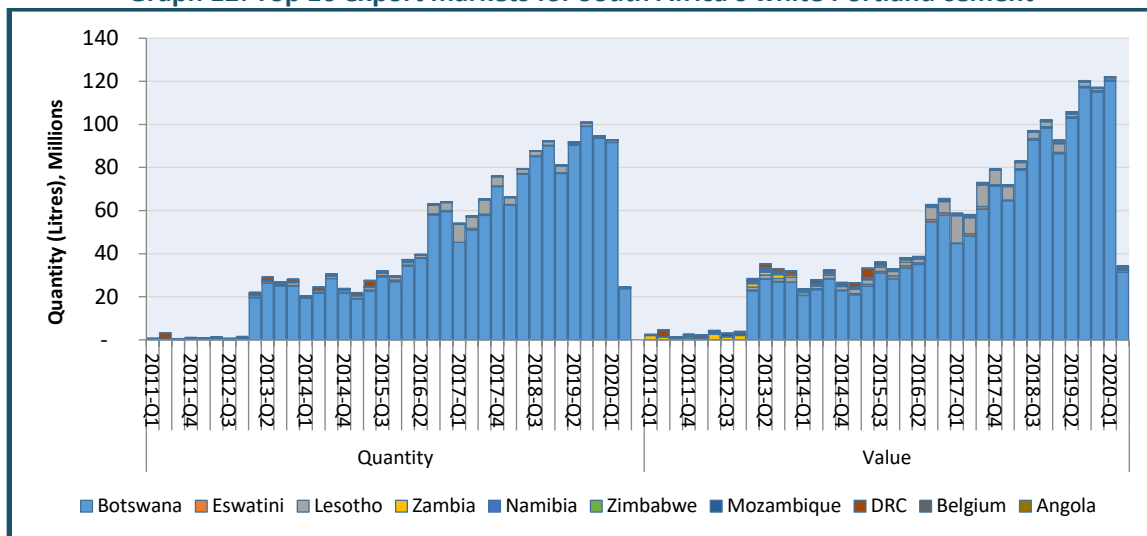
Source: Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

South Africa's white Portland cement exports have been steadily increasing since 2013, from 1.4 million kg in Q1 2011 and peaking at 100.8 million kg in Q3 2019. The second quarter saw a significant decline in cement exports, down by 73% from 91.8 million kg, valued at R105.8 million to 35.6 million kg amounting to R35.6 million.

The Botswana market claims almost all of South Africa's white Portland cement exports, accounting for 95% share in the second quarter of 2020. Therefore, the decline in South Africa's exports was as a result of a decrease in demand from its main export market, which plunged from 90.2 million kg in Q2 2019 to 23.6 million kg in Q2 2020, representing a year-on-year decline of 74%. The Botswana government has introduced new legislation restricting imports of cement, with a requirement of 70% local sourcing of cement from Botswana local suppliers and 30% imported. According to the Botswana Ministry of Trade and Industry, this new regulation is intended to regulate trade with South Africa better.<sup>4</sup> Therefore, the decline in white Portland cement in Q2 2020 may not be entirely attributed to COVID-19 pandemic disruptions, but also the introduction of new regulations of cement trade with Botswana, which is South Africa's top cement export market.

<sup>4</sup> <https://www.globalcement.com/news/item/7731-botswana-to-restrict-cement-imports>

**Graph 12: Top 10 export markets for South Africa’s white Portland cement**



Source: Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

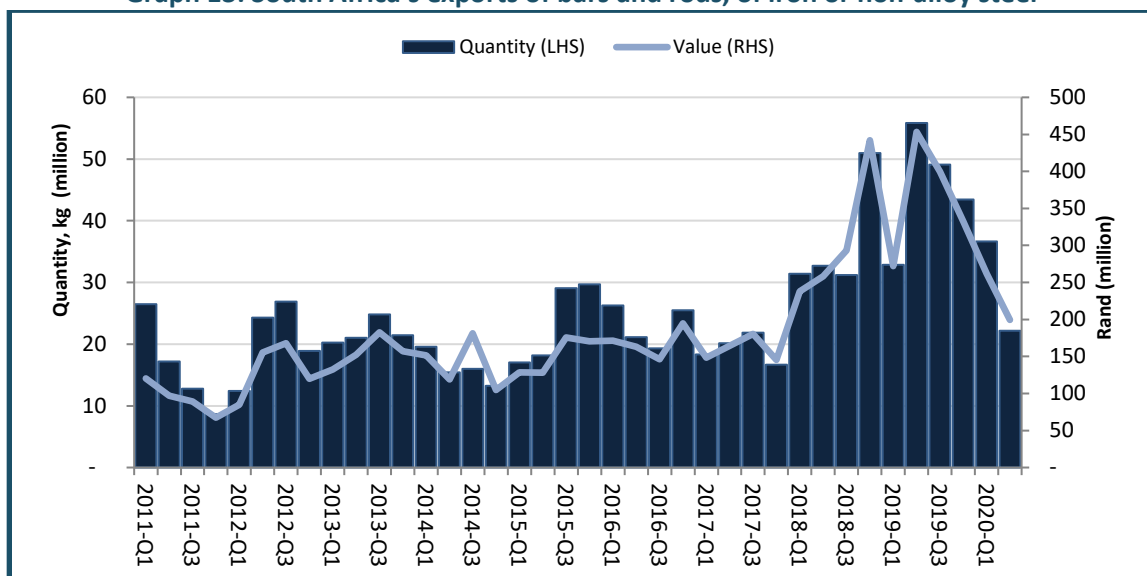
### Significant slump in bars and rods, of iron or non-alloy steel

*HS 72142000: Bars and rods, of iron or non-alloy steel, with indentations, ribs, groves or other deformations produced during the rolling process*

Bars and rods of iron or non-alloy steel, with indentations, ribs, groves or other deformations produced during the rolling process are common construction and finishing materials, widely used for a variety of structural and aesthetic purposes in several manufacturing industries. The deformation of these bars and rods promotes better bonding with concrete to reduce the risk of slippage, since concrete has tensile strength (the maximum stress that a material can withstand while being stretched or pulled before breaking).

South Africa’s exports of bar and rods of iron or non-alloy steel fell sharply from 55.8 million kg valued at R453.2 million in Q2 2019 to 22.1 million kg amounting to R199.5 million in Q2 2020. Mozambique, the Democratic Republic of Congo (DRC) and Tanzania were the leading importers of iron or non-alloy steel bars and rods, collectively claiming 74% of exports by quantity.

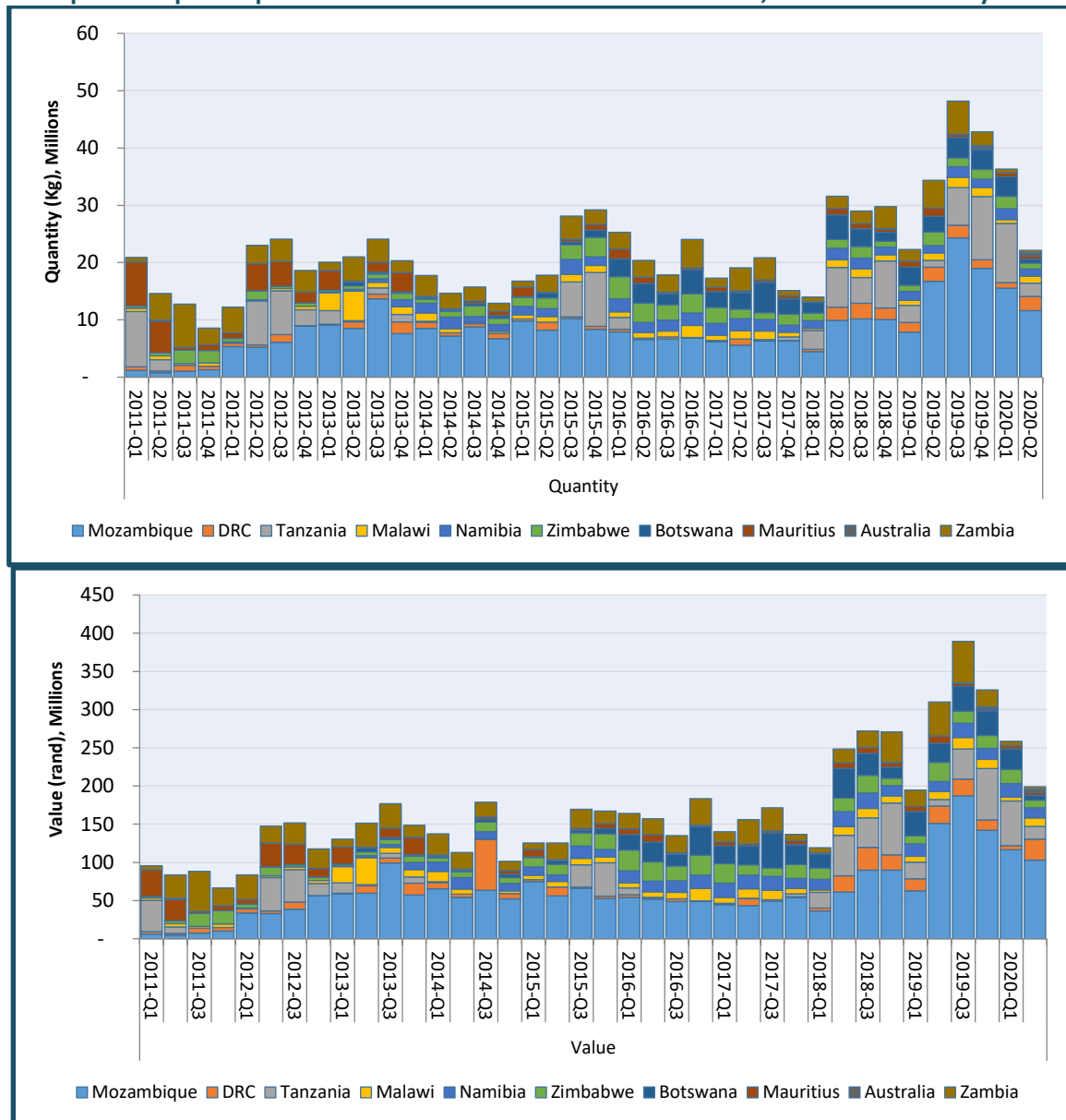
**Graph 13: South Africa’s exports of bars and rods, of iron or non-alloy steel**



Source: Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

Within the top 10 importing markets, all except Tanzania experienced a decrease in imports of bars and rods of iron and non-alloy steel from South Africa in the second quarter of 2020. Botswana, Zimbabwe and Mozambique were the major contributors to the decline, as their demand was down by 75.2%, 56.6% and 30.4%, respectively. The decline in exports has been taking place consistently over the past four quarters, and the decline is likely to be factors other than COVID-19.

**Graph 18: Top 10 export markets for South Africa's Bars and rods, of iron or non-alloy steel**



Source: Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in September 2020.

## Annexure

**Table A1: South Africa's top 50 exports by value, Q2 2020**

| RANK | HS CODE | PRODUCT DESCRIPTION  | EXPORT VALUE (RAND THOUSANDS) |            | GROWTH RATE (%) |
|------|---------|--|-------------------------------|------------|-----------------|
|      |         |  | 2019-Q2                       | 2020-Q2    |                 |
| 1    | '71     | Precious stone   | 49 520 951                    | 58 211 727 | 17.5%           |
| 2    | '26     | Ores, slag and ash   | 48 582 585                    | 42 998 622 | -11.5%          |
| 3    | '27     | Mineral fuels and oils   | 33 489 802                    | 25 652 819 | -23.4%          |
| 4    | '08     | Fruit and nut  | 12 288 266                    | 17 987 350 | 46.4%           |
| 5    | '87     | Vehicles   | 41 326 890                    | 16 028 608 | -61.2%          |
| 6    | '72     | Iron and steel   | 22 076 773                    | 13 781 943 | -37.6%          |
| 7    | '84     | Machinery (industrial)   | 19 803 187                    | 12 620 050 | -36.3%          |
| 8    | '76     | Aluminium and articles thereof                                 | 6 165 066                     | 6 569 420  | 6.6%            |
| 9    | '29     | Organic chemicals  | 3 890 445                     | 4 506 773  | 15.8%           |
| 10   | '85     | Electrical machinery and equipment                             | 6 103 922                     | 4 491 825  | -26.4%          |
| 11   | '39     | Plastics   | 5 807 661                     | 4 295 061  | -26.0%          |
| 12   | '38     | Chemical products  | 4 063 310                     | 4 187 432  | 3.1%            |
| 13   | '10     | Cereals  | 1 134 277                     | 3 406 481  | 200.3%          |
| 14   | '28     | Inorganic chemicals  | 3 787 278                     | 3 266 038  | -13.8%          |
| 15   | '22     | Beverages, spirits, vinegar                                    | 4 564 927                     | 2 868 392  | -37.2%          |
| 16   | '73     | Articles of iron or steel                                      | 4 926 903                     | 2 669 015  | -45.8%          |
| 17   | '47     | Pulp of wood   | 1 359 976                     | 2 662 570  | 95,8%           |
| 18   | '17     | Sugars and sugar confectionery                                 | 2 169 182                     | 2 489 258  | 14.8%           |
| 19   | '20     | Vegetable, fruit and nut products                              | 2 072 197                     | 2 129 727  | 2.8%            |
| 20   | '48     | Paper and paperboard   | 2 035 882                     | 2 114 742  | 3.9%            |
| 21   | '33     | Essential oils and cosmetics                                   | 2 134 132                     | 2 082 107  | -2.4%           |
| 22   | '03     | Fish and crustaceans, molluscs and other aquatic invertebrates | 1 973 128                     | 1 805 749  | -8.5%           |
| 23   | '34     | Soap   | 1 448 853                     | 1 729 414  | 19.4%           |



|    |     |   |           |           |        |
|----|-----|---|-----------|-----------|--------|
| 24 | '21 | Edible preparations   | 1 528 816 | 1 671 804 | 9.4%   |
| 25 | '30 | Pharmaceutical products   | 1 609 340 | 1 664 196 | 3.4%   |
| 26 | '25 | Salt, sulphur, earth and stone, plastering materials, lime and cement | 1 897 377 | 1 638 685 | -13.6% |
| 27 | '74 | Copper  | 2 285 130 | 1 596 668 | -30.1% |
| 28 | '90 | Medical or surgical equipment   | 1 944 446 | 1 580 646 | -18.7% |
| 29 | '23 | Waste from food industries  | 1 224 634 | 1 450 156 | 18.4%  |
| 30 | '44 | Wood  | 2 175 911 | 1 374 609 | -36.8% |
| 31 | '15 | Animal or vegetable fats and oils                                     | 849 144   | 1 154 804 | 36.0%  |
| 32 | '02 | Meat  | 715 110   | 1 101 241 | 54.0%  |
| 33 | '40 | Rubber  | 1 523 252 | 1 078 487 | -29.2% |
| 34 | '12 | Oil seeds and oleaginous fruits                                       | 906 004   | 1 065 544 | 17.6%  |
| 35 | '11 | Milling industry products   | 632 157   | 1 050 971 | 66.3%  |
| 36 | '31 | Fertilisers   | 965 825   | 938 455   | -2.8%  |
| 37 | '19 | Preparations of cereals   | 945 238   | 977 987   | -1.5%  |
| 38 | '07 | Edible vegetables and certain roots and tubers                        | 862 141   | 975 343   | 7.9%   |
| 39 | '51 | Wool  | 941 572   | 944 262   | -5.8%  |
| 40 | '04 | Dairy products  | 839 066   | 936 866   | -7.4%  |
| 41 | '32 | Tanning or dyeing extracts  | 1 038 615 | 919 782   | -26.8% |
| 42 | '99 | Commodities not elsewhere specified                                   | 718 000   | 873 893   | 3.0%   |
| 43 | '24 | Tobacco and manufactured tobacco substitutes                          | 713 946   | 868 682   | -1.9%  |
| 44 | '63 | Other made-up textile articles  | 593 814   | 803 279   | 7.2%   |
| 45 | '75 | Nickel  | 565 909   | 799 077   | 11.2%  |
| 46 | '35 | Albuminoidal substances; modified starches; glues; enzymes            | 251 635   | 763 594   | 136.0% |
| 47 | '94 | Furniture   | 1 266 988 | 741 650   | -54.6% |
| 48 | '88 | Aircraft and spacecraft   | 1 752 848 | 687 494   | -70.9% |
| 49 | '96 | Miscellaneous manufactured articles                                   | 519 875   | 685 569   | -7.4%  |
| 50 | '82 | Tools, implements, cutlery, spoons and forks                          | 1 036 415 | 662 113   | -59.1% |

Source: South African Revenue Services (SARS) trade statistics. September 2020.

**Table A2: Top 50 exports of goods, by quantity, with explanations, Q2 2020**

| NO. | HS CODE  | PRODUCT DESCRIPTION  | MAJOR IMPORTER        | EXPLANATION                           | QUANTITY: Q2 2019 | QUANTITY: Q2 2020 | UNIT      | PERCENT GROWTH | CHANGE IN RANK |
|-----|----------|--|-----------------------|---------------------------------------|-------------------|-------------------|-----------|----------------|----------------|
| 1.  | 27011200 | Bituminous coal, whether or not pulverised, non-agglomerated                                       | India and Vietnam     | Not significant                       | 19 581 716 929    | 16 746 127 708    | Kilograms | -14.5%         |                |
| 2.  | 26011200 | Agglomerated iron ores and concentrates (excluding roasted iron pyrites)                           | China and Netherlands | Not significant                       | 9 899 270 026     | 8 512 314 576     | Kilograms | -14.0%         | -              |
| 3.  | 26011100 | Non-agglomerated iron ores and concentrates (excluding roasted iron pyrites)                       | China                 | Likely impact of COVID-19. Monitoring | 5 974 749 453     | 4 719 662 219     | Kilograms | -21.0%         | -              |
| 4.  | 26020000 | Manganese ores and concentrates, including ferruginous manganese ores and concentrates, with a ... | China and India       | Likely impact of COVID-19. Monitoring | 5 018 667 002     | 3 488 448 631     | Kilograms | -30.5%         | -              |
| 5.  | 26100000 | Chromium ores and concentrates   | China and Mozambique  | Likely impact of COVID-19. Monitoring | 3 566 421 884     | 2 695 544 333     | Kilograms | -24.4%         | -              |

|     |          |  |                         |   |             |             |           |        |     |
|-----|----------|--|-------------------------|---|-------------|-------------|-----------|--------|-----|
| 6.  | 72024100 | Ferro-chromium, containing by weight > 4% of carbon  | China and UAE           | Likely impact of COVID-19. Monitoring                                   | 901 517 928 | 636 977 810 | Kilograms | -29.3% | -   |
| 7.  | 10059090 | Maize (excluding seed for sowing): other   | Zimbabwe                | Significant. Analysed in previous quarter. Continue monitoring          | 186 404 680 | 583 124 650 | Kilograms | 212.8% | +14 |
| 8.  | 27101207 | Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "including ... | Ship stores and bunkers | Monitoring. Possible impact of nationwide lockdown resulting in storage | 62 234 951  | 433 407 911 | Litres    | 596.4% | +38 |
| 9.  | 17011400 | Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excluding ...      | Korea and Indonesia     | Monitoring (increase within normal variance)                            | 195 926 556 | 282 806 075 | Kilograms | 44.3%  | +9  |
| 10. | 44012200 | Wood in chips or particles (excluding those of a kind used principally for dyeing or tanning ...       | Japan and China         | Decelerating. Fourth consecutive quarter decline with normal variance   | 526 660 653 | 273 815 701 | Kilograms | -48.0% | -1  |
| 11. | 27101202 | Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume including ...  | Botswana                | Not significant   | 287 656 204 | 253 783 282 | Litres    | -11.8% | +3  |
| 12. | 08055010 | Fresh or dried lemons "citrus limon, citrus limonum" and limes "citrus aurantifolia, citrus ...        | Netherlands             | Ongoing monitoring  | 157 455 516 | 246 888 698 | Kilograms | 56.8%  | +12 |

|     |          |  |                         |   |             |             |           |         |      |
|-----|----------|--|-------------------------|---|-------------|-------------|-----------|---------|------|
| 13. | 38140099 | Organic composite solvents and thinners, n.e.s.; prepared paint or varnish removers (excluding ...         | Botswana                | Abnormal increase. Possible data error.   | 13 342 301  | 226 420 987 | Kilograms | 1597.0% | +125 |
| 14. | 08051010 | Fresh or dried oranges: fresh  | Netherlands             | Recovering  | 147 512 876 | 220 895 104 | Kilograms | 49.7%   | +11  |
| 15. | 10059010 | Maize (excluding seed for sowing): dried kernels or grains fit for human consumption, not further ...      | Korea and Japan         | Ongoing increase. Analysed in previous quarters.  | 59 124 150  | 220 225 283 | Kilograms | 272.5%  | +33  |
| 16. | 27101235 | Light oils and preparations, of petroleum or bituminous minerals which $\geq$ 90% by volume "including ... | Ship stores and bunkers | Likely COVID-19 effects, as products were exported to ship stores and bunkers                       | 480 743 960 | 208 263 557 | Litres    | -56.7%  | -5   |
| 17. | 08081000 | Fresh apples   | UK and Russia           | Not significant   | 179 759 894 | 192 206 575 | Kilograms | 6.9%    | +5   |
| 18. | 47020000 | Chemical wood pulp, dissolving grades  | China                   | Not significant   | 199 574 811 | 182 612 301 | Kilograms | -8.5%   | -1   |
| 19. | 25232900 | Portland cement (excluding white, whether or not artificially coloured)                                    | Botswana                | Not significant   | 195 328 892 | 178 588 597 | Kilograms | -8.6%   | -    |
| 20. | 76011000 | Aluminium, not alloyed, unwrought  | Netherlands             | On-going monitoring. If product exports continue to increase, will be selected in the next quarters | 132 743 259 | 176 007 061 | Kilograms | 32.6%   | +8   |
| 21. | 08054010 | Fresh or dried grapefruit: fresh   | Netherlands and China   | Not significant   | 178 305 176 | 175 869 454 | Kilograms | -1.4%   | +2   |

|     |          |  |                      |   |             |             |           |        |       |
|-----|----------|--|----------------------|---|-------------|-------------|-----------|--------|-------|
| 22. | 27011100 | Anthracite, whether or not pulverised, non-agglomerated  | Viet Nam             | Ongoing, Monitoring (decrease within normal variance)   | 432 718 432 | 166 672 858 | Kilograms | -61.5% | -10   |
| 23. | 25301000 | Vermiculite, perlite and chlorites, unexpanded   | Mozambique           | Not significant   | 145 636 289 | 161 808 635 | Kilograms | 11.1%  | +3    |
| 24. | 71039900 | Precious and semi-precious stones, worked, whether or not graded, but not strung, mounted or ...       | USA                  | Decline in demand in USA due to pandemic  | 221 152 753 | 161 791 110 | Carats    | -26.8% | -8    |
| 25. | 27101230 | Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "including ... | Botswana             | Ongoing decrease. Analysed in previous quarters   | 519 905 720 | 154 661 482 | Litres    | -70.3% | -15   |
| 26. | 26140000 | Titanium ores and concentrates   | USA and Netherlands  | Ongoing decrease. Analysed in previous quarters   | 225 973 798 | 150 810 156 | Kilograms | -33.3% | -11   |
| 27. | 08052110 | Fresh or dried mandarins incl. tangerines and satsumas (excluding clementines): fresh                  | UK and Netherlands   | Ongoing monitoring. If trend continues in future quarters, this product will be selected for analysis | 103 853 835 | 148 629 043 | Kilograms | 43.1%  | +6    |
| 28. | 73041990 | Line pipe of a kind used for oil or gas pipelines, seamless, of iron or steel (excluding products ...  | Singapore and Demark | Limited data for comprehensive analysis. Possible data error  | -           | 131 007 542 | Kilograms |        | +6727 |
| 29. | 17019900 | Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar ...       | Mozambique and UK    | Monitoring  | 188 076 998 | 106 220 519 | Kilograms | -43.5% | -9    |

|     |          |  |                                    |   |             |             |              |          |       |
|-----|----------|--|------------------------------------|---|-------------|-------------|--------------|----------|-------|
| 30. | 73079990 | Tube or pipe fittings, of iron or steel (excluding cast iron or stainless steel products; flanges; ... | Zambia                             | Abnormal increase. Possible data error. Q2 2020 unit price outlier                                    | 1 735 928   | 106 130 162 | Kilograms    | 6013.7%  | +454  |
| 31. | 72011000 | Non-alloy pig iron in pigs, blocks or other primary forms, containing, by weight, <= 0,5% of ...       | Italy, Turkey, USA and Netherlands | Not significant   | 122 817 251 | 98 395 005  | Kilograms    | -19.9%   | -2    |
| 32. | 26151000 | Zirconium ores and concentrates  | China                              | Not significant   | 95 339 841  | 90 482 823  | Kilograms    | -5.1%    | +3    |
| 33. | 87089325 | Clutches and parts thereof, for tractors, motor vehicles for the transport of ten or more persons, ... | Lesotho                            | Abnormal increase. Possible data error. Q2 2020 unit price outlier.                                   | 722 086     | 87 688 323  | Kilograms    | 12043.8% | +728  |
| 34. | 39021090 | Polypropylene, in primary forms: other   | Nigeria                            | Not significant   | 106 338 311 | 87 100 554  | Kilograms    | -18.1%   | -3    |
| 35. | 11031390 | Groats and meal of maize "corn": other   | DRC and Zimbabwe                   | Ongoing increase. Analysed in previous quarters   | 27 926 794  | 85 005 886  | Kilograms    | 204.4%   | +49   |
| 36. | 28042100 | Argon  | DRC                                | Abnormal increase, with very low export value of less than R1 million to justify any further analysis | 222 829     | 84 762 086  | Cubic meters | 37939.1% | +1271 |
| 37. | 29012900 | Hydrocarbons, acyclic, unsaturated (excluding ethylene, propene "propylene", butene "butylene" ...     | Singapore and USA                  | Not significant   | 84 223 884  | 81 826 764  | Kilograms    | -2.8%    | -5    |

|     |          |   |                        |   |            |            |              |            |       |
|-----|----------|---|------------------------|---|------------|------------|--------------|------------|-------|
| 38. | 28092090 | Phosphoric acid; polyphosphoric acids, whether or not chemically defined: other                         | India                  | Monitoring. Limited data available  | 12 164 085 | 76 868 567 | Kilograms    | 531.9%     | +107  |
| 39. | 08083000 | Fresh pears   | Netherlands and Russia | Not significant   | 85 625 055 | 74 598 749 | Kilograms    | -12.9%     | +2    |
| 40. | 44072900 | Tropical wood specified in subheading note 1 to this chapter, sawn or chipped lengthwise, sliced ...    | Mauritius              | Ongoing monitoring. Periodic growth surges. Was analysed in previous quarters   | 1 998      | 74 000 688 | Cubic meters | 3703638.1% | +4736 |
| 41. | 26080000 | Zinc ores and concentrates  | China                  | Not significant   | 78 209 586 | 66 520 063 | Kilograms    | -14.9%     | +4    |
| 42. | 47032900 | Semi-bleached or bleached non-coniferous chemical wood pulp, soda or sulphate (excluding dissolving ... | China and Thailand     | Not significant   | 58 795 794 | 61 875 154 | Kilograms    | 5.2%       | +8    |
| 43. | 25030000 | Sulphur of all kinds (excluding sublimed sulphur, precipitated sulphur and colloidal sulphur)           | Zambia and DRC         | Ongoing monitoring. Increase within normal variation.                           | 86 402 377 | 56 969 757 | Kilograms    | -34.1%     | -3    |
| 44. | 28352690 | Phosphates of calcium (excluding calcium hydrogenorthophosphate "dicalcium phosphate"): other           | Lithuania              | On-going monitoring, product was selected for analysis in the previous quarters | 94 981 597 | 55 138 621 | Kilograms    | -41.9%     | -8    |
| 45. | 10019900 | Wheat and meslin (excluding seed for sowing, and durum wheat)   | Zambia and Zimbabwe    | Selected for analysis   | 15 311 216 | 54 609 673 | Kilograms    | 256.7%     | +78   |

|     |          |  |                              |  |             |            |           |        |     |
|-----|----------|--|------------------------------|--|-------------|------------|-----------|--------|-----|
| 46. | 25161100 | Granite, crude or roughly trimmed (excluding already with the characteristics of setts, curbstones ... | Italy, Poland and China      | Not significant  | 51 298 768  | 54 439 742 | Kilograms | 6.1%   | +12 |
| 47. | 11031310 | Groats and meal of maize "corn": maize meal not further processed other than by the addition ...       | Lesotho and Mozambique       | Continue to monitor. Product was analysed in previous quarters             | 45 779 090  | 54 310 154 | Kilograms | 18.6%  | +18 |
| 48. | 26180000 | Granulated slag (slag sand) from the manufacture of iron or steel                                      | US                           | Monitoring (decrease within normal variation)                              | 100 610 410 | 45 215 232 | Kilograms | -55.1% | -14 |
| 49. | 48041900 | Kraftliner, uncoated, in rolls of a width > 36 cm (excluding unbleached and goods of heading ...       | Italy, UK, Belgium and Spain | Monitoring   | 29 520 035  | 44 852 779 | Kilograms | 51.9%  | +33 |
| 50. | 27011900 | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal)           | Eswatini                     | Decelerating for three consecutive quarters. Analysed in previous quarters | 303 509 778 | 43 221 319 | Kilograms | -85.8% | -37 |



| ON-GOING MONITORING, DATA ERRORS, OTHER ISSUES AND TRENDS TO WATCH |   |  |   |
|--|---|--|---|
| HS Code  | Product Description   | Description of increase-decrease in quantity, and error or issue   | Trends to watch   |
| <b>Ongoing monitoring and trends to watch</b>                      |   |  |   |
| 44072900   | Tropical wood specified in subheading note 1 to this chapter, sawn or chipped lengthwise, sliced ...    | Very high increase in certain quarters, notably Q4 2019 and Q2 2020 with all increases going to Mauritius. In Q4 2019 exports increased to 154 million cubic meters from 7 223 cubic meters in Q4 2018. Another surge was then experienced in Q2 2020, which saw an increase to 74 million cubic meters from 33 657 in Q2 2019.  | This product was analysed in the previous quarters and we continue to monitor to see if they are growth patterns or possibility of quantity data errors |
| 27011900   | Coal, whether or not pulverised, non-agglomerated (excluding anthracite and bituminous coal)            | Decelerating for three consecutive quarters. From 294 million kg in Q4 2019, to 100 million kg in Q1 2020, and a further decline to 43 million kg in Q2 2020. Coal exports were analysed in the previous quarter, with the expectation of further decline in exports in Q2 2020 during the hard lockdown   |   |
| <b>Data errors or issues and updates</b>                           |   |  |   |
| 38140099   | Organic composite solvents and thinners, n.e.s.; prepared paint or varnish removers (excluding ...)     | Abnormal increase. Possible data error in reporting exports quantity to Botswana in Q2 2020 – Values seem to be within normal variance, while quantity at 13.4 million litres in Q2 2019 vs 226 million in Q2 2020. Unit price averaged at R9.00, over the observed period, then decreased in Q2 2020 to R0.37, signalling possible error in quantity reporting.   | N/A   |
| 73079990   | Tube or pipe fittings, of iron or steel (excluding cast iron or stainless steel products; flanges; ...) | Abnormal increase. Possible data error in reporting exports quantity. The abnormal increase is to Zambia, taking 99.2% of exports, with quantity reaching 105.3 million kg in Q2 2020 vs 263 thousand kg in Q2 2019. Yet, in terms of values, Zambia occupies 6th spot with R5 million worth of imports of tubes or pipe fittings of iron and steel from SA – while Namibia is at top importer by value. | N/A   |
| 87089325   | Clutches and parts thereof, for tractors, motor vehicles for the transport of ten or more persons...    | Abnormal increase. Possible data error in reporting exports quantity to Lesotho, which   | N/A   |

|          |       |  |     |
|----------|-------|--|-----|
|          |       | increased to 87.1 million kg in Q2 2020 from 1 000 kg in Q2 2019, with Lesotho claiming 99.3% of the exports. However, by value Lesotho is not even in the top 10 importer of clutches and parts from South Africa. Unit price fell significantly from R89 in Q2 2019 to R0.52, confirming possible data error in reporting quantity |     |
| 28042100 | Argon | Abnormal increase. Possible data error in reporting exports quantities to DRC in Q2 2020. Exports to DRC claimed 99.9% of South Africa's argon exports, increasing from 27 000 cubic meters in Q2 2019 to 84.7 million cubic meters in Q2 2020. Unit price fell significantly from R27.99 to R0.03.                                  | N/A |