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**Import Tracker  
Quarter 3 2018**

**Report prepared for the Department of Trade and  
Industry**

**November 2018**

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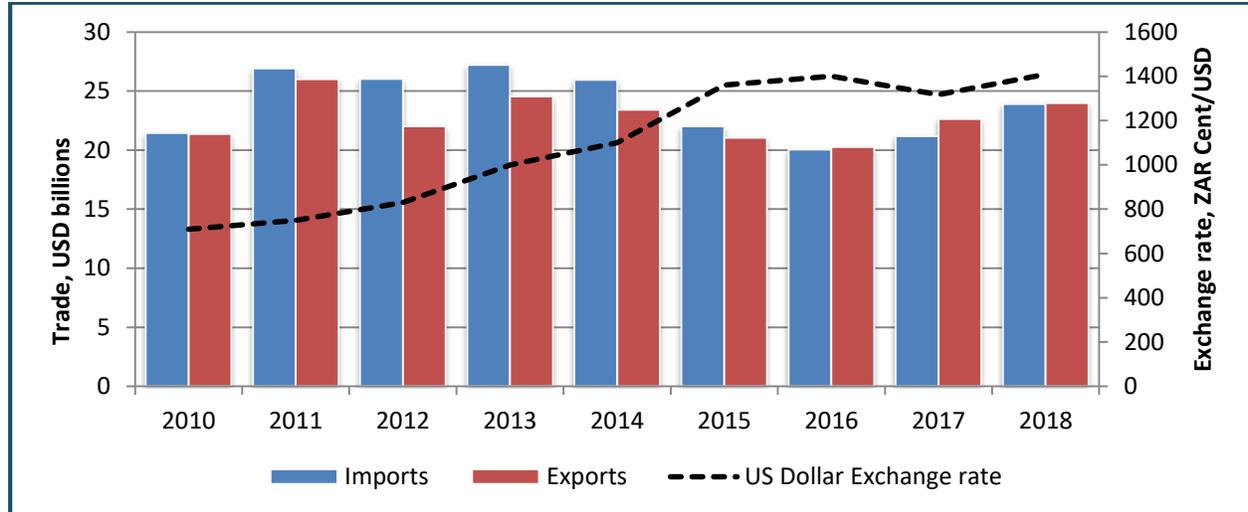
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# Import trends

## Trade context

Quarter 3 2018 saw a continued narrowing of the trade balance, with a very slim surplus of 0,3%. Year-on-year import growth of 12,8% was more than double export growth of 6% over the same period. Exports were buoyed by strong growth by the automotive sector, and iron and steel; as well as by a mild recovery in commodity prices for gold and platinum.

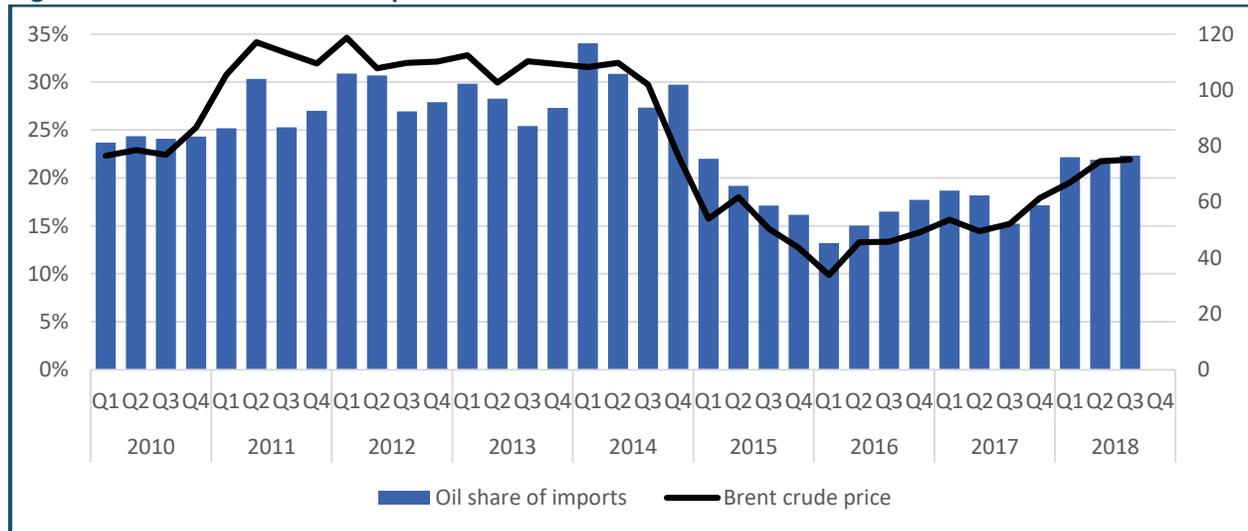
**Figure 1: Trade balance, Quarter 3 2010 - 2018**



Source: ITC Trade Map, South African Reserve Bank (SARB)

Rapid import growth, and the resultant narrowing of the trade balance, is primarily driven by two major factors. First is a combination of rising petroleum prices and a weakening Rand. While oil prices are expected to decline sharply in Quarter 4 of 2018, high prices during the three quarters to date have led to significant growth in the oil share of imports, as can be seen in Figure 2.

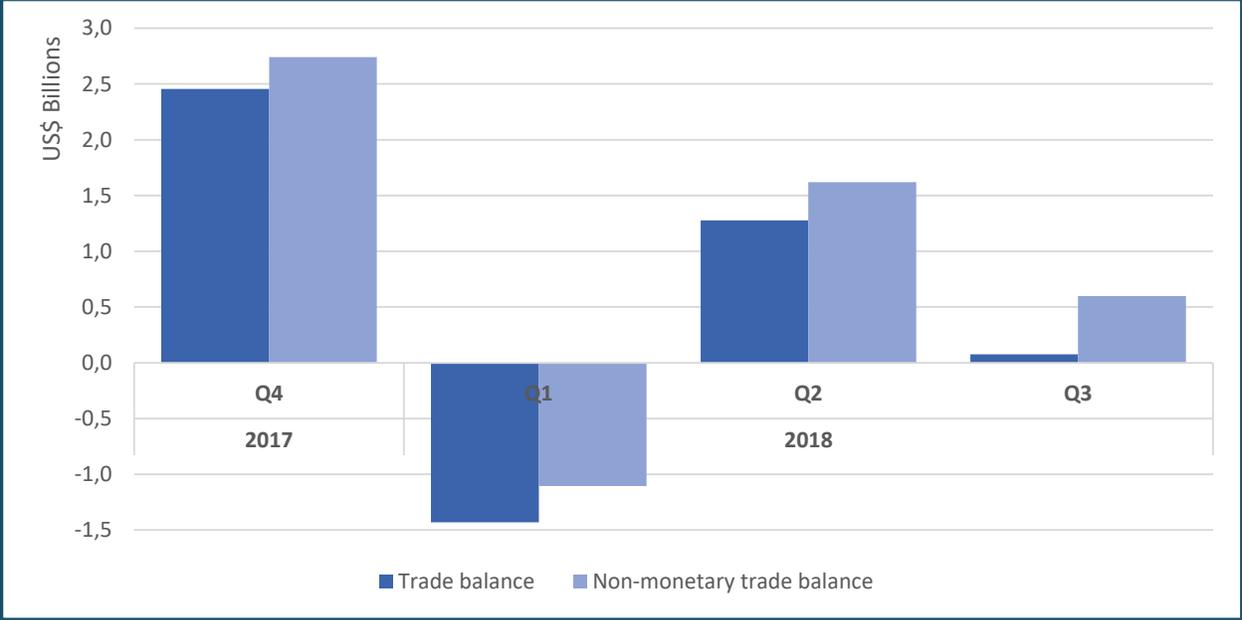
**Figure 2: Petroleum share of imports**



Source: ITC Trade Map, US Federal Reserve FRED Brent Crude series

Second, are the continued imports of two specific goods categories – namely “Unused postage, revenue or similar stamps” (HS 49070010) and “Coin of legal tender” (HS 71189000) – which are anomalous and generally refer to the movement of cash, rather than goods. The Import Tracker is relatively confident that these imports refer to cash imports of dollars destined for the Zimbabwean dual currency system, and that they therefore should not be included in the overall goods trade data (or should be added to the export data). As can be seen in Figure 3, excluding the import of cash results in significantly more favourable trade balances for all quarters since the surge began, with the surplus for Q3 2018 expanding by approximately R7,3 billion (from R1 billion to R8,4 billion) if cash is excluded.

**Figure 3: Balance of trade with and without cash imports**



Source: Author’s calculations based on ITC Trade Map

**Major imports**

A list of South Africa’s 100 largest import commodities by value is included as Annex 1. The ranking is dominated by seven categories of products: petroleum and other liquid fuels, ICT equipment (including cellphones and computers), automotive and automotive components, aircraft and aircraft components, medical equipment, major production metals (such as copper and aluminium), and selected food and beverage products (such as rice and chemical inputs).

The continued surges in “Unused postage, revenue or similar stamps” (HS 49070010) and “Coin of legal tender” (HS 71189000) are selected for further analysis (see Finding 2).

**Import surges**

The 50 product lines with the most rapid growth in import quantity are listed in Annex 2. The table summarises the reason for the surges, and highlights where further analysis will be completed. Analysis of import surges are in the following section.

## Explanation of import surges

### Finding 1: Ongoing monitoring of previously identified surges

Monitoring continued for surges identified in previous reports, with most of these surges continuing, but with monitoring coming to an end for processed palladium and titanium ores. The most serious surge remains the ongoing import of large quantities of cash and coins. Given the seriousness of this trend, it is analysed separately as Finding 2.

**Table 1: Ongoing monitoring of import surges from Q1 2018**

HS Code	Description	Status of surge	Explanation
<b>25232900</b>	Portland cement	Accelerating	Lifting of exports restrictions in Vietnam, exposing the country to Vietnamese overproduction
<b>Various</b>	Specialist paper products	Accelerating	Restructuring at Mondi, and the offshoring of various production lines to Russia and Poland
<b>49070010, 71189000</b>	Denominated paper and coins	Ongoing	Import of dollars to sustain the Zimbabwean dual currency system, details in Finding 2
<b>Various</b>	Fertiliser inputs	Ongoing	Recovery in the agricultural sector
<b>27111200</b>	Propane, liquefied	Ongoing	Seasonal demand, and ongoing YOY growth
<b>72024100</b>	Ferrochrome	Ongoing	Recovery in Zimbabwean ferrochrome industry. Imports are likely transit trade
<b>22030090</b>	Beer made from malt: Other	Ongoing	Restructuring at Heineken and Namibian Breweries, recovery in consumer expenditure
<b>26140000</b>	Titanium ores and concentrates	Irregular surges, monitoring stopped	Occasional imports from Kenmare's Momo mine
<b>71102900</b>	Processed palladium	Ended, monitoring stopped	Unexplained

Two surges increased and appear to indicate structural changes for the industries in question. Surges in Portland cement continue, as the lifting of export restrictions in Vietnam has exposed the South African economy to chronic oversupply in the Vietnamese cement market. Surges in Portland cement have now been accompanied by related surges in additives, notably pozzolana, a volcanic ash that is used to produce high quality Portland pozzolana cement (PPC). A cluster of specialist paper products – notably various grades of wood pulp, and newsprint paper – continue to be imported in significant quantities, because of restructuring at Mondi. This trend is expected to remain in the long term.

Fertiliser inputs have continued to grow, in an uneven and mixed manner, and likely represent a continued recovery in the agriculture sector after the onset of drought in 2017. A wide selection of chemical inputs featured across the ongoing growth in fertiliser inputs, but these cluster relatively

evenly into the three core fertiliser inputs of nitrates, phosphates and potash. The three core fertiliser chemical clusters are in relatively strong global supply, but nevertheless the data indicates that purchasers have been seeking new sources of supply for their inputs, with import surges being driven by the entry of new suppliers or the expansion of smaller suppliers. These new market sources for fertilisers are highlighted in Table 2.

**Table 2: Market seeking for fertiliser inputs**

HS Code	Item	Market seeking	Growth
25030000	Sulphur of all kinds (excluding sublimed, precipitated and colloidal sulphur)	Entry of Kazakhstan as largest source	236%
28342100	Nitrate of potassium	Spike from Chile	182%
31042000	Potassium chloride for use as fertiliser	Spike from Jordan, Lithuania; entry of Belarus	165%
25309000	Arsenic sulfides, alunite, pozzuolana, earth colours and other mineral substances, n.e.s.	Ongoing growth from Zimbabwe	69%
31022100	Ammonium sulphate	Spike from China, Netherlands	61%
31054000	Ammonium dihydrogenorthophosphate	Entry of Saudi Arabia, UAE	47%
31026000	Double salts and mixtures of calcium nitrate and ammonium nitrate	Entry of Latvia, Belgium	47%

Imports of propane indicate an ongoing expansion of imports of liquid petroleum gas, which results from local shortages during winter peaks, and the expansion of Liquefied Petroleum Gas (LPG) import infrastructure. While South Africa typically imports butane as the core component of LPG, the current spike seems to indicate a diversification into propane, notably through imports from Angola and Equatorial Guinea.

Ferrochrome imports continue as the Zimbabwean ferrochrome sector continues to recover. These imports are not considered likely to be used in the South African market, where there is minimal demand for ferrochrome. Imports likely represent either transit trade, or marketing agreements with major South African-based ferrochrome firms, such as Glencore and Samancor.

Import surges in malt beer continue and are likely a long-run trend, resulting from restructuring at Heineken and Namibian breweries. Malt beer is one of a number of imported consumption products (such as other alcoholic beverages and cosmetics) that grew significantly in the quarter, which might indicate a stabilisation of the South African consumer market after a period of economic uncertainty.

## **Finding 2: Continued surges in cash imports are likely dollars bound for Zimbabwe's dual currency system**

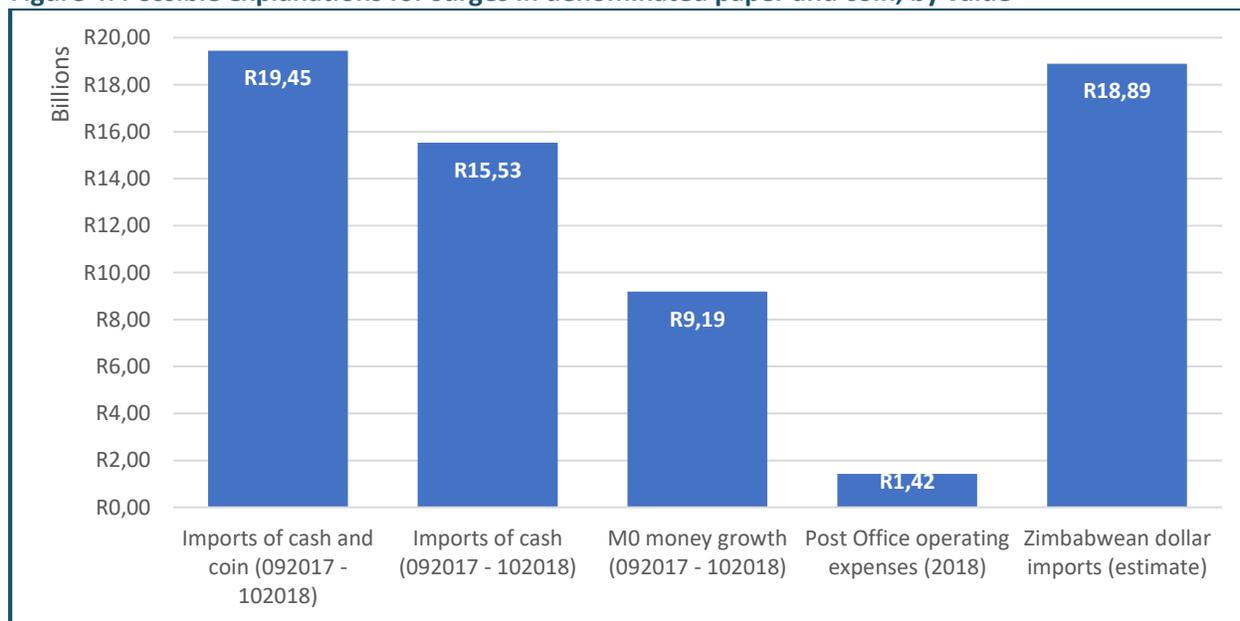
September marks a year since South Africa began recording an extremely unusual surge in the import of denominated paper – a category that includes postage stamps, revenue stamps and banknotes – at a level that far surpasses any other country in the world. The import levels are so large that denominated paper is now the seventh largest import commodity, with R3,8 billion in imports in Quarter 3 of 2018. Excluding these imports, the balance of trade for the year to September 2018 increases from a US\$2,8 billion surplus to a US\$4,1 billion surplus – a 46% increase. The extremely high levels of these

imports initially seemed to indicate an error in the data, but the trend is sufficiently established and regular to indicate that the import of this denominated paper is a real phenomenon, or that there are structural problems in the way customs captures the data.

There now appears to be adequate evidence to suggest the surge is due to the import of dollars to sustain Zimbabwe’s dual currency system. Three sets of evidence support this conclusion.

First, the imports – which can technically be any of “postage stamps, revenue stamps or bank notes” – can be narrowed down to be foreign banknotes, through a process of elimination. Postage stamps can be eliminated because the value of the imports (approximately R1,2 billion a month) is too high for the South African Post Office (SAPO), the sole purchaser of stamps, which has operating expenses of R1,4 billion a year. Revenue stamps can be eliminated because South Africa stopped issuing them in 2009. South African cash imports can be eliminated because the imports are significantly larger than the growth in M0 money supply, an imperfect but useful indicator that the imports are at least not entering the Rand money system.<sup>1</sup> The elimination of these explanations are highlighted in Figure 4.

**Figure 4: Possible explanations for surges in denominated paper and coin, by value**



*ITC Trade Map (import data), SA Reserve Bank (M0 money growth), SAPO Annual Report 2018 (Post office data), Zimbabwean Reserve Bank press statements (Zimbabwe dollar imports)*

Second, the imports of cash closely match the imports of US dollars by the Zimbabwean Reserve Bank (ZRB). ZRB does not declare the exact figure of imports of cash per period, but occasional announcements benchmark the dollar imports at around US\$100 million a month, increasing to US\$150 million from July 2018 – a rate that roughly aligns with South Africa’s imports of cash and coin. This correlation is an imperfect measure, but it suggests the import of dollars is at least a possible explanation for the surge.

<sup>1</sup> The imports could still be South African Rands, if the monetary system featured significant outflows of Rands, as M0 money is impacted by both outflows and inflows of cash.

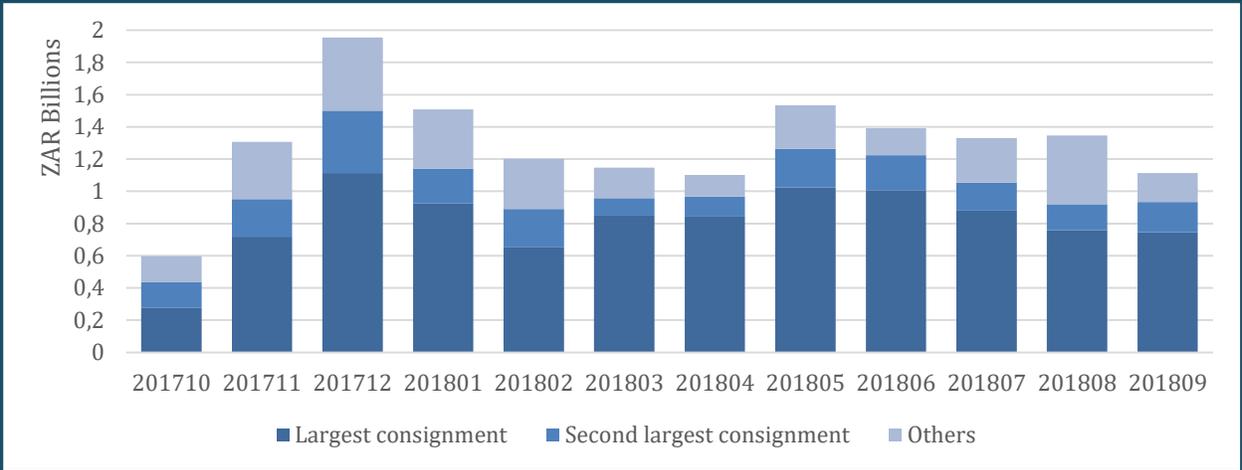
Third and finally, the period of the surge coincides with the start of more aggressive monetary easing by the ZRB. Chronic shortages of currency appeared to peak in September 2017, during which time the ZRB was placed under serious pressure to expand the flow of currency in the broader economy. The surges in South Africa’s imports of cash began in earnest in October 2017, aligning with this change in strategy.

While by no means certain, it therefore appears that the surge is most likely due to the Zimbabwe Reserve Bank’s imports of cash.

If, as seems likely, the imports of cash reflect a flow of dollars to Zimbabwe, SARS should work to adjust the way it classifies these imports. While the customs act likely does require recording the imports in the trade data, these imports could be more accurately captured as transit trade, or at least be reflected in exports data. Improvements are important both to create a more accurate picture of South African trade, but also to facilitate ongoing monitoring of cash tariff-lines, which require special attention because of the risk of money laundering involved in the physical movement of money.

Implementing these changes should first target the largest consignment of dollar imports each month. As can be seen in Figure 5, the import of denominated paper tends to be dominated by one large consignment each month. Each consignment features a regular pattern, in which it originates in the United Kingdom, and is landed at O.R. Tambo international airport. Cooperation with partner customs agencies may also be required, as the United Kingdom does not report exporting cash to South Africa. Switzerland, which often features as the second largest source of imports of cash, similarly does not report exporting denominated paper to South Africa.

**Figure 5: Consignments for the import of denominated paper**



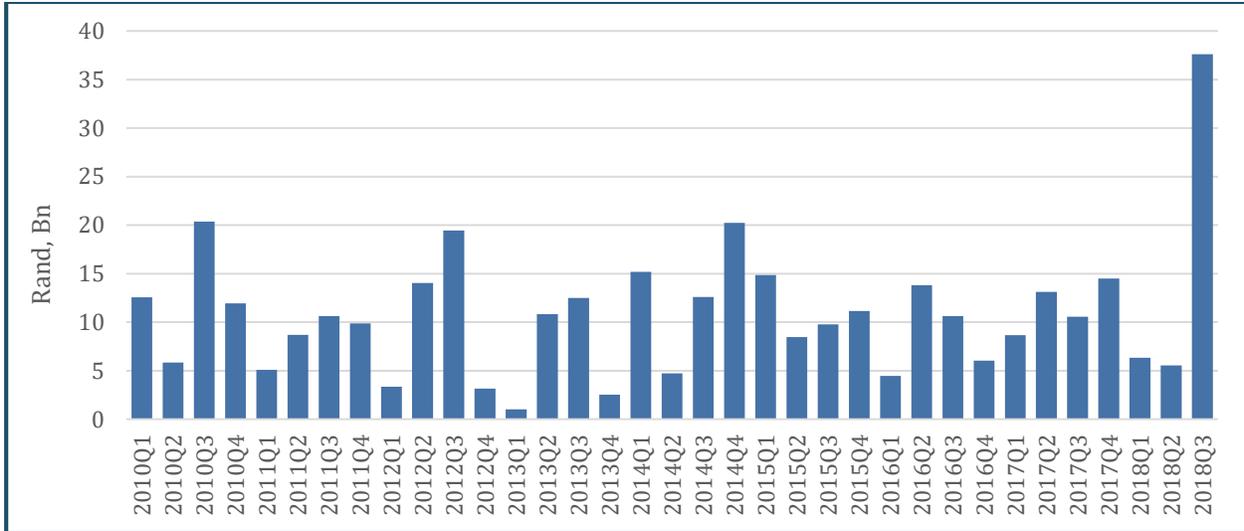
Source: Author’s working based on SARS Trade data

**Finding 3: Surges in imports of cement clinkers are bound for Osho Cement’s new Coega facility**

Cement clinkers are a raw material used in the production of cement. As can be seen in Figure 6, Quarter 3 2018 shows a significant increase in the importation of clinkers, with imports growing by 578% in the third quarter of 2018. The surge is likely driven by imports bound for Osho Cement, a company setting up a cement manufacturing plant at Coega special economic zone. Osho’s R500 million investment aims to build two cement grinders in the Coega zone, each with a capacity to produce

0,7 million tons of cement a year. While construction of the Osho facility is still ongoing, the first load of 55 410 tons of clinkers and gypsum made landing aboard the Genco Brittany at the Port of Ngqura in September, with this shipment accounting for the bulk of the import surge.<sup>2</sup>

**Figure 6: South African imports of cement clinkers, R billion**

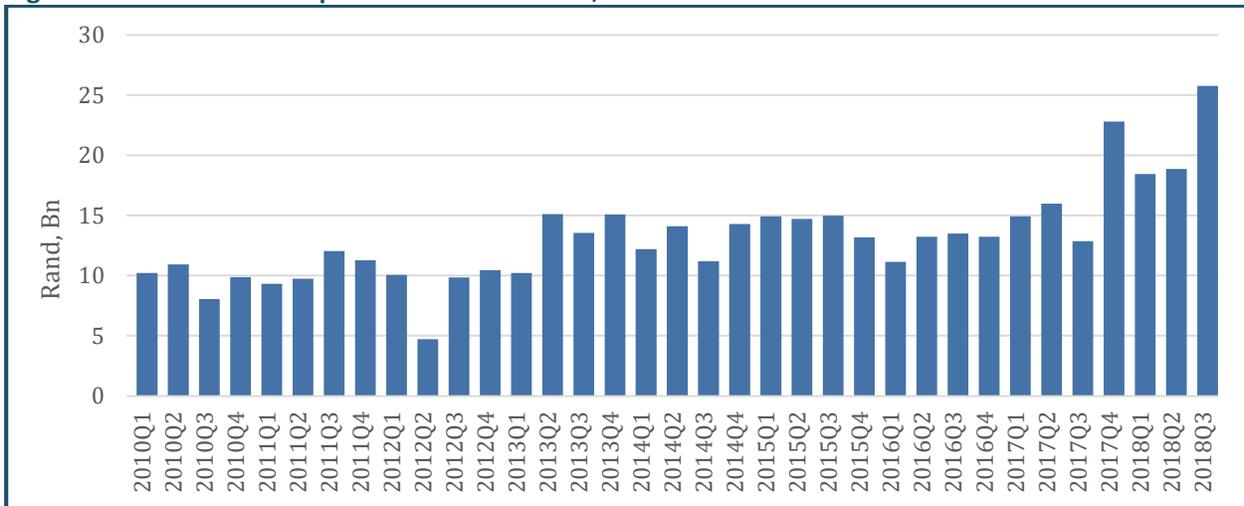


Source: dti trade data

**Finding 4: Surges in imports of alumina result from purchases of stockpiles by South 32**

Alumina oxide is an oxide of aluminium, occurring in nature as various minerals such as bauxite and corundum. It is amphoteric in nature, and is used in various chemical, industrial and commercial applications – most prominently being the production of aluminium. The general growth trend seen in Figure 7 likely represents the results of rising global aluminium prices, driven by protectionism in the United States and production problems at Alunorte, the world’s largest producer.

**Figure 7: South African imports of alumina oxide, R billion**



Source: dti trade data

<sup>2</sup> Engineering News, 19 September 2018, “Ngqura Port celebrates milestone”, <http://www.engineeringnews.co.za/article/ngqura-port-celebrates-milestone-2018-09-19>

Sharp recent spikes, however, appear to be driven by irregular purchasers by South 32. The integrated aluminium manufacturer produces alumina at its Australian Worsley site, which provides the raw material for production at Richard Bay's Hillside Aluminium and Maputo's Mozal Aluminium. South 32 reports that, as a result of continued production problems with a calciner at the Worsley facility and favourable price dynamics in the quarter, the company recently purchased stockpiled alumina.<sup>3</sup> While the bulk of these stockpiles are expected to be purchased in December 2018, it is likely that the imports result from related purchases by the company, and represent a positive sign for the securing of stable, low-cost inputs for South Africa's aluminium production.

### **Finding 5: Surges in imports of steel are caused by anomalous imports from Indonesia**

The global steel market is facing a number of challenges, with the sector characterised by structural problems such as persistent excess capacity and a weak global economic recovery in market demand. The effects of the steel crisis are evident across the South African value chain, with domestic manufacturers struggling to compete, sustain jobs and invest. These conditions have been driving ongoing import growth of flat-rolled products. Imports began to increase in the second quarter of 2017, though there was a slight slowing down in the third and fourth quarter of 2017, before then increasing by 27% in the third quarter of 2018.

While the growth seen in Quarter 3 is not significantly outside of the trend, it is worth noting, mainly because unusually large imports from Indonesia during August accounted for almost all of the bulk of the surge. Indonesia is not a major producer of iron and steel but is of interest because it frequently plays a role in the protectionist measures dominating global steel trade. Indonesia was reported to have been used as a route to skirt US steel tariffs against China<sup>4</sup>; and had itself placed a number of safeguard measures against galvalume, a type of coated steel that may fall in the HS category in question.<sup>5</sup> These protectionist dynamics may result in stranded shipments of supply, which could underpin the imports to South Africa.

While the surge thus cannot be definitely explained in this quarter, the risks involved deserve attention, and it had thus been flagged for further analysis.

### **Finding 6: Surges in imports of sugarcane molasses result from ongoing challenges in the industry**

Surges in imports of sugarcane molasses represent an ongoing challenge for the domestic sugar industry. The possible drivers of surge by 178% in volumes of cane molasses imports from 18,4 million in Q3 2017 to 51,1 million in Q3 2018 are not obvious. Historically, South Africa has been a major importer of cane molasses from Mozambique and Zambia, and this surge may simply represent a continuation of this trend.

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<sup>3</sup> South32, Quarterly report: September 2018, [https://www.south32.net/docs/default-source/exchange-releases/quarterly-report-september-20183a548fe5d2684fd2aed70746e0f8297a.pdf?sfvrsn=5e7754b1\\_4](https://www.south32.net/docs/default-source/exchange-releases/quarterly-report-september-20183a548fe5d2684fd2aed70746e0f8297a.pdf?sfvrsn=5e7754b1_4)

<sup>4</sup> Wall Street Journal, 4 June 2018, "How China skirts America's Anti-dumping tariffs on steel", <https://www.wsj.com/articles/how-china-skirts-americas-antidumping-tariffs-on-steel-1528124339>

<sup>5</sup> McGiven, B. "WTO Appellate Body Report: Indonesia – Iron or Steel Products", 17 Aug 2018, <https://www.whitecase.com/publications/alert/wto-appellate-body-report-indonesia-iron-or-steel-products>

According to Tongaat Hulett, one of the largest sugar manufacturers in South Africa, domestic cane production for the year saw high yields, supported by better rainfall in the KwaZulu-Natal coastal region, and yet delays in implementing the upward revisions to import duty continued to support the high volumes of imports.<sup>6</sup> In addition, lower international sugar prices and a stronger Rand also contributed to high volumes of imports.<sup>7</sup> Adding more pressure on cane production are Hulett’s recent financial and operational results, which suggest that unrenewed lease agreements in its Mozambique operations reduced the cane area and a process of speeding up of the harvest programme affected the “lower cane age profile”.<sup>8</sup>

### Finding 7: Data errors and other issues

A number of surges are not unusual for general import trends. These are flagged in Annex 2. Five surges appear to result from challenges with the trade data and are highlighted in Table 3.

In addition, an apparent surge in imports of HS 100610 (Rice in the husk, “paddy” or rough) appear to result from a reclassification of imports away from HS 100640 (Broken rice), and levels therefore do not appear to have increased substantially. An apparent surge in imports of HS 70010000 (Cullet and other waste and scrap of glass) appears to result from the month-long French summer holidays, which result in a single month of zero imports per year, which differs each year and creates the appearance of a surge the following year.

**Table 3: Expected data errors, Quarter 3 2018**

HS code	Product	Description of error
25201000	Gypsum; anhydrite	Unusual quantity value for July imports from Oman
57039000	Carpet tiles of vegetable textile materials or coarse animal hair, tufted “needle punched”, whether or not made up	Unusual quantity value for August imports from China
71039900	Precious and semi-precious stones, worked, whether or not graded, but not strung, mounted or set, precious and semi-precious stones, worked, ungraded, temporarily strung for convenience of transport	Unusual quantity value for July imports from Brazil
84314990	Parts of machinery of heading 8426, 8429 and 8430, n.e.s: Other	Unusual quantity value for July imports from China
85392125	Tungsten halogen filament lamps (excl. sealed beam lamp units): Quartz iodide lamps identifiable for use solely or principally with motor vehicles	Unusual quantity value for September imports from China

<sup>6</sup> Tongaat Hulett hit by sugar imports: <https://www.iol.co.za/business-report/companies/analysis-tonga-at-hulett-hit-by-sugar-imports-15210630>

<sup>7</sup>Tonga at Hulett profit falls 37% on higher sugar imports by SA: <https://www.iol.co.za/business-report/companies/tonga-at-hulett-profit-falls-37-on-higher-sugar-imports-by-sa-15196466>.

<sup>8</sup> Tongaat Hulett, Interim results presentation, 12 Nov 2018, [http://www.tonga-at.com/wp-content/uploads/2018/11/Tonga-at-Hulett-Interim-Presentation-12\\_Nov\\_2018-Final.pdf](http://www.tonga-at.com/wp-content/uploads/2018/11/Tonga-at-Hulett-Interim-Presentation-12_Nov_2018-Final.pdf)

## Data Annex

### Annex 1: Top 100 import products, by value, Quarter 3 2018

HS Code	Product Description	Import value, Rand billion	Change in rank, Q3 2017 - Q23 2018
27090000	Crude oil	37,47	No change
98010030	Automotive components: for motor cars	15,70	No change
27101230	Diesel	12,33	No change
98010040	Original equipment components: for goods vehicles	8,48	No change
85171210	Mobile phones	4,68	5
87032290	Cars and related vehicles: cylinder capacity 1 000 cm <sup>3</sup> to 1 500 cm <sup>3</sup>	4,10	No change
49070010	Postage stamps, revenue stamps and banknotes	3,79	3242
87032390	Cars and related vehicles: cylinder capacity 1 500 cm <sup>3</sup> to 3 000 cm <sup>3</sup>	3,78	-1
85176290	Routers and set-top boxes: Other	3,73	-4
71189000	Coin of legal tender	3,57	1117
98010045	Original equipment components: for goods vehicles	2,94	-3
27101202	Light oils and preparations: Petrol	2,91	4
84713000	Laptops and other portable computing devices	2,75	-4
28182000	Aluminium oxide	2,58	4
87032190	Cars and related vehicles: cylinder capacity not exceeding 1 000 cm <sup>3</sup>	2,43	5
87033290	Cars and related vehicles: cylinder capacity 1 000 cm <sup>3</sup> to 2 500 cm <sup>3</sup>	2,34	-5
84715000	Processing units for automatic data-processing machines	1,58	8
84439900	Parts and accessories of printers, copying and fax machines, n.e.s	1,57	1
71023100	Non-industrial diamonds unworked or simply sawn, cleaved or bruted	1,46	8
84314990	Parts of machinery of heading 8426, 8429 and 8430, n.e.s: Other	1,37	2
33021000	Alcoholic and other solutions used in the food and drink industries	1,34	-6
87082900	Parts and accessories of bodies for tractors and buses	1,34	7
64029900	Footwear with outer soles and uppers of rubber or plastics	1,33	No change
10063000	Semi-milled or wholly milled rice, whether or not polished or glazed	1,32	-11
90189000	Medical instruments and appliances, n.e.s.	1,28	-1
87033390	Cars and related vehicles: cylinder capacity exceeding 2 500 cm <sup>3</sup>	1,22	-9
31021000	Urea, whether or not in aqueous solution	1,21	12
85044000	Static converters	1,17	2
85177090	Parts for telephones, routers and other telecoms devices	1,17	2
27111100	Natural gas, liquefied	1,16	5
84798990	Machines and mechanical appliances, n.e.s: Other	1,15	32
98010015	Automotive components: for motor cars	1,12	10
74081100	Wire of refined copper, with a maximum cross-sectional dimension of > 6 mm	1,08	-5
98010025	Original equipment components: for buses and taxis	1,04	No change
27040000	Coke and semi-coke of coal	1,04	35
27011200	Bituminous coal	1,04	45

<b>71081300</b>	Gold, in semi-manufactured forms, for non-monetary purposes	0,97	-16
<b>87041090</b>	Dumpers for off-highway use: Other	0,90	-5
<b>27160000</b>	Electrical energy	0,89	11
<b>38220000</b>	Diagnostic or laboratory reagents (pharmaceutical chemicals)	0,87	-2
<b>87042181</b>	Motor vehicles with diesel or semi-diesel engine of gross vehicle weight <= 5t	0,85	3
<b>69091900</b>	Ceramic wares for chemical or other technical uses	0,85	7
<b>87089990</b>	Parts and accessories for tractors and buses	0,84	2
<b>88033000</b>	Parts of aeroplanes or helicopters, n.e.s. (excluding those for gliders)	0,84	-3
<b>95030090</b>	Tricycles, scooters, pedal cars and similar wheeled toys: Other	0,83	-2
<b>64041990</b>	Footwear with soles of rubber or plastics and uppers of textile materials	0,83	No change
<b>84295200</b>	Self-propelled bulldozers, etc: With 360 degree revolving superstructure	0,82	-11
<b>30022000</b>	Vaccines for human medicine	0,80	16
<b>85451100</b>	Electrodes of graphite or other carbon, for electric furnaces	0,77	280
<b>88024000</b>	Powered aircraft, weight > 15.000 kg (excluding helicopters and dirigibles)	0,75	-38
<b>84433100</b>	Printers, copiers and fax machines	0,74	2
<b>27101207</b>	Light oils and preparations: Other	0,74	16
<b>87032490</b>	Cars and related vehicles: cylinder capacity exceeding 3 000 cm3	0,72	-21
<b>94019090</b>	Parts of seats, n.e.s: Other	0,70	-7
<b>85443000</b>	Ignition wiring sets and other wiring sets for vehicles, aircraft or ships	0,70	-1
<b>27011900</b>	Coal (excl. anthracite and bituminous coal)	0,69	-30
<b>22083010</b>	Whiskies: In containers holding 2 li or less	0,67	-17
<b>84717000</b>	Storage units for automatic data-processing machines	0,64	-10
<b>39269090</b>	Articles of plastics and articles of other materials: Other	0,61	1
<b>31042000</b>	Potassium chloride for use as fertiliser	0,59	146
<b>64039990</b>	Footwear with leather uppers: Other	0,58	4
<b>31054000</b>	Ammonium dihydrogenorthophosphate "monoammonium phosphate"	0,56	45
<b>61091000</b>	T-shirts, singlets and other vests of cotton, knitted or crocheted	0,55	-7
<b>84733000</b>	Parts and accessories of automatic data-processing machines	0,51	-13
<b>72026000</b>	Ferro-nickel	0,51	177
<b>33049990</b>	Beauty or make-up preparations and preparations for the care of the skin: Other	0,49	5
<b>24012000</b>	Tobacco, partly or wholly stemmed or stripped, otherwise unmanufactured	0,48	-15
<b>73269090</b>	Articles of iron or steel, n.e.s: Other	0,47	-6
<b>87083090</b>	Brakes and servo-brakes and their parts, for tractors and buses	0,47	10
<b>27131200</b>	Petroleum coke, calcined	0,47	66
<b>84291100</b>	Self-propelled bulldozers and angledozers, track laying	0,46	-4
<b>38112100</b>	Additives for oil lubricants containing petroleum or bituminous mineral oil	0,46	-11
<b>76069290</b>	Plates, sheets and strip, of aluminium alloys, thickness > 0,2 mm: Other	0,46	131
<b>23040000</b>	Soya oilcake and other solid residues	0,45	-19
<b>16041317</b>	Canned sardines	0,45	51
<b>85371090</b>	Electric control boards, for a voltage <= 1.000 V: Other	0,45	23
<b>29349900</b>	Nucleic acids and their salts, whether or not chemically defined	0,44	24

<b>84099990</b>	Parts suitable for use diesel or semi-diesel piston engine, n.e.s: Other	0,43	-5
<b>21069090</b>	Food preparations, n.e.s: Other	0,43	-13
<b>22030090</b>	Beer made from malt: Other	0,43	26
<b>84223000</b>	Packaging machinery	0,43	13
<b>84718000</b>	Units for automatic data-processing machines	0,43	57
<b>84834000</b>	Gears and gearing for machinery	0,42	-11
<b>85437000</b>	Electrical machines and apparatus, having individual functions, n.e.s. in chapter 85	0,41	4
<b>48115990</b>	Coated paper and paperboard	0,41	17
<b>29173600</b>	Terephthalic acid and its salts	0,41	406
<b>84295190</b>	Self-propelled front-end shovel loaders: Other	0,41	-3
<b>71023900</b>	Diamonds, worked, but not mounted or set (excl. industrial diamonds)	0,41	12
<b>72259200</b>	Flat-rolled products of alloy steel other than stainless, width of $\geq$ 600 mm	0,41	45
<b>25030000</b>	Sulphur of all kinds (excl. sublimed, precipitated and colloidal sulphur)	0,40	72
<b>84304100</b>	Self-propelled boring or sinking machinery	0,40	34
<b>74031100</b>	Copper, refined, in the form of cathodes and sections of cathodes	0,39	43
<b>64041190</b>	Sports footwear: Other	0,38	-15
<b>47032100</b>	Semi-bleached or bleached coniferous chemical wood pulp, soda or sulphate	0,37	150
<b>49019900</b>	Printed books, brochures and similar printed matter	0,37	3
<b>76012000</b>	Unwrought aluminium alloys	0,36	12
<b>84295900</b>	Self-propelled mechanical shovels	0,36	23
<b>33030090</b>	Perfumes and toilet waters: Other	0,36	20
<b>84749000</b>	Parts of machinery for working mineral substances of heading 8474, n.e.s.	0,36	5
<b>39069090</b>	Acrylic polymers, in primary forms	0,36	10

**Annex 2: Surges in import products, by quantity, with explanation, Quarter 3 2018 (sorted by explanation)**

HS Code	Product Description	Explanation	Real Growth	Percent Growth
<b>57039000</b>	Carpet tiles of vegetable textile materials or coarse animal hair	Data error	39506538,46	10374%
<b>71039900</b>	Specified precious and semi-precious stones, worked but unmounted	Data error - July imports from Brazil	13736258,13	896%
<b>84314990</b>	Parts of machinery of heading 8426, 8429 and 8430, n.e.s: Other	Data error - July imports from China	19920719,42	166%
<b>25201000</b>	Gypsum; anhydrite	Data error - Oman July imports extremely high	47328410,69	111%
<b>1069000</b>	Live animals	Not significant - denomination is highly volatile	2837787584	83%
<b>70010000</b>	Cullet and other waste and scrap of glass	Not significant - French summer holiday	6667583,85	69%
<b>28365000</b>	Calcium carbonate	Not significant - import commodity	13092101,15	55%
<b>27090000</b>	Petroleum oils: Crude	Not significant - import commodity	858939787,6	20%
<b>27011200</b>	Bituminous coal	Not significant - import commodity	202880234,7	94%
<b>27040000</b>	Coke and semi-coke of coal	Not significant - import commodity	149960601,5	187%
<b>27101202</b>	Light oils and preparations: Petrol	Not significant - import commodity	145626206,1	59%
<b>27011100</b>	Anthracite	Not significant - import commodity	47581673,39	210%
<b>27101207</b>	Light oils and preparations: Other	Not significant - import commodity	19394624	24%
<b>27101235</b>	Light oils and preparations: Residual fuel oils	Not significant - import commodity	11479238,41	85%
<b>31021000</b>	Urea, whether or not in aqueous solution	Not significant - low value/high volume	14125292,32	5%
<b>16041317</b>	Canned sardines	Not significant - seasonal, in trend	7494234,21	78%
<b>29173600</b>	Terephthalic acid and its salts	Not significant - surge within usual variance	28140952,39	293%
<b>98010030</b>	Original equipment components: Motor cars	Not significant - within trend	15376999,83	23%
<b>85412900</b>	Transistors with a dissipation rate >= 1 W (excl. photosensitive transistors)	Not significant - within trend	6588038	45%
<b>90183140</b>	Disposable hypodermic syringes of plastics	Not significant - within trend	10123084	20%
<b>85235210</b>	Cards incorporating one or more electronic integrated circuits "smart cards": Digital	Not significant - within trend	8071580	16%
<b>44029000</b>	Wood charcoal	Not significant - within trend	6540943,3	31%
<b>25232900</b>	Portland cement	Ongoing monitoring - continued surge from Vietnam	48945190,82	28%

31042000	Potassium chloride for use as fertiliser	Ongoing monitoring - fertiliser inputs	101193234,4	165%
22030090	Beer made from malt: Other	Ongoing monitoring - Heineken restructuring	8732346,72	40%
26140000	Titanium ores and concentrates	Ongoing monitoring - imports from that one mine in Mozambique	10399589,5	20291882%
27111200	Propane, liquefied	Ongoing monitoring - LPG growth	11325900,33	216%
47032900	Semi-bleached or bleached non-coniferous chemical wood pulp, soda or sulphate (excl. dissolving grades)	Ongoing monitoring - Mondi restructuring	22702423,06	530%
47032100	Semi-bleached or bleached coniferous chemical wood pulp, soda or sulphate (excl. dissolving grades)	Ongoing monitoring - Mondi restructuring	16252233,24	91%
48010000	Newsprint	Ongoing monitoring - Mondi restructuring	11261529,88	990%
44012100	Coniferous wood in chips or particles	Ongoing monitoring - Mondi restructuring	18993049,9	288%
72024100	Ferro-chromium, containing by weight > 4% of carbon	Ongoing monitoring - Zimbabwe ferrochrome recovery	8876428,71	885%
25030000	Sulphur of all kinds (excl. sublimed, precipitated and colloidal sulphur)	Ongoing monitoring - fertiliser inputs	353031919,3	236%
31054000	Ammonium dihydrogenorthophosphate	Ongoing monitoring - fertiliser inputs	30950607,72	47%
31026000	Double salts and mixtures of calcium nitrate and ammonium nitrate	Ongoing monitoring - fertiliser inputs	8348034	47%
25309000	Arsenic sulfides, alunite, pozzuolana, earth colours and other mineral substances, n.e.s.	Ongoing monitoring - fertiliser inputs	10442715,92	69%
25081000	Bentonite	<b>Selected for analysis</b>	11209891,26	63%
27131200	Petroleum coke, calcined	<b>Selected for analysis</b>	13516433,5	22%
28342100	Nitrate of potassium	Ongoing monitoring - fertiliser inputs	7267716,29	182%
31022100	Ammonium sulphate	Ongoing monitoring - fertiliser inputs	42307872,14	61%
23061000	Oilcake and other solid residues from cotton seeds	<b>Selected for analysis</b>	10150024	85%
90189000	Medical instruments and appliances, n.e.s.	<b>Selected for analysis</b>	11941065	38%
17031000	Cane molasses resulting from the extraction or refining of sugar	<b>Selected for analysis</b>	32746020,07	178%
28182000	Aluminium oxide	<b>Selected for analysis</b>	58636663,9	19%
85232100	Cards incorporating a magnetic stripe for the recording of sound or of other phenomena	<b>Selected for analysis</b>	7754992	119%
23021000	Bran, sharps and other residues of maize	<b>Selected for analysis</b>	8990275,03	129%
25231000	Cement clinkers	<b>Selected for analysis</b>	49311090	2147%

<b>72107000</b>	Coated flat products of iron or non-alloy steel, of a width of $\geq$ 600 mm	<b>Selected for analysis</b>	7758631,34	67%
<b>85392125</b>	Tungsten halogen filament lamps	Uncertain	31898915	4867%
<b>10061000</b>	Rice in the husk, "paddy" or rough	Data error - Misclassification of imports	14021576,58	3670%