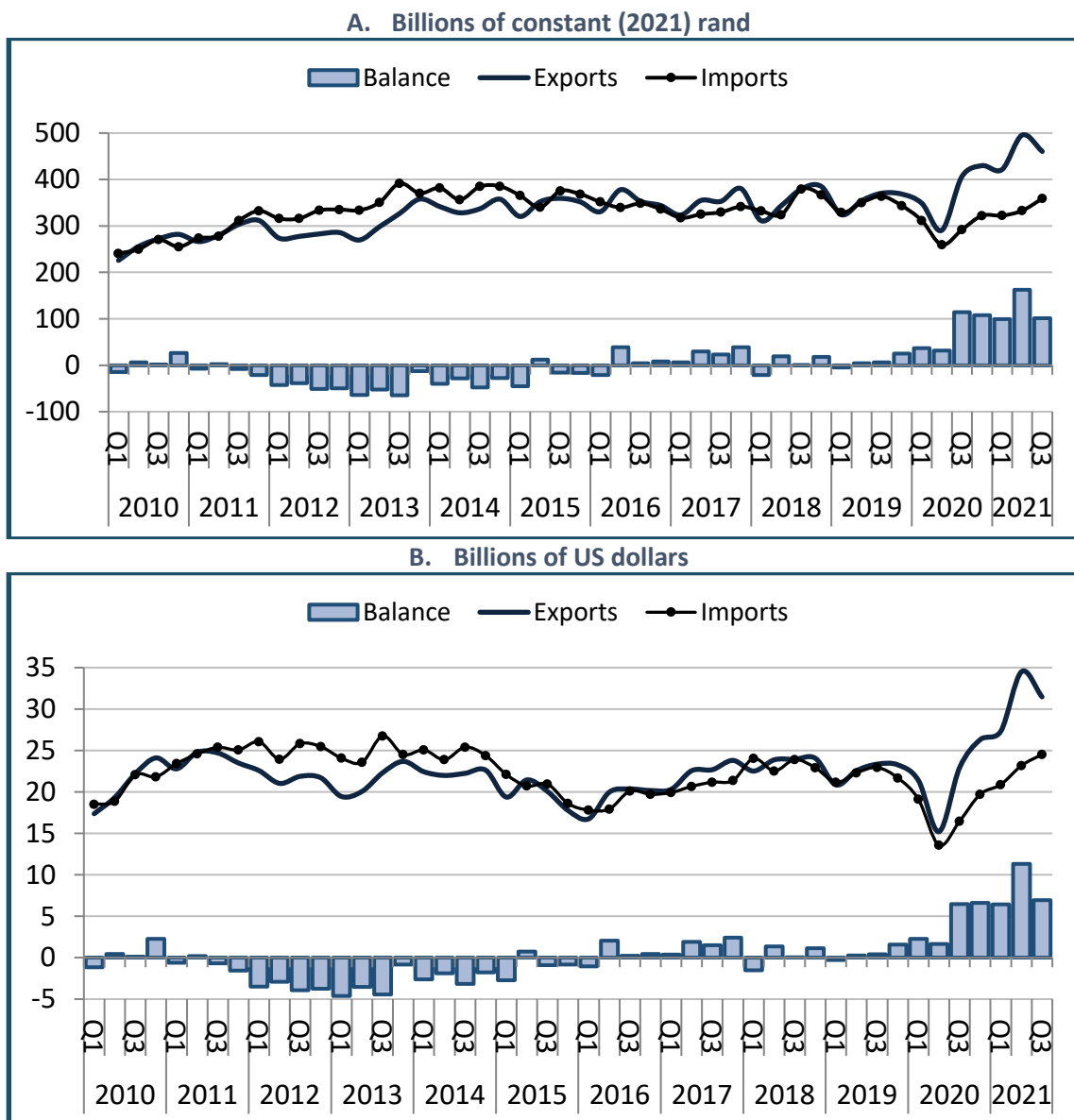


International trade

The balance of trade has been strongly positive over the past five quarters, mostly as a result of high mining prices combined, until recently, with depressed petroleum costs. The auto industry, however, saw a steep fall in exports in the quarter.

South Africa's trade balance remained strongly positive, with a R101 billion (US\$6.9 billion) surplus in the third quarter of 2021. Exports decreased by 7% from the previous quarter, dropping to R460 billion in constant 2021 Rands. This represented a 13% increase compared to the third quarter of 2020, when the pandemic disrupted international value chains. In constant rand, in the third quarter of 2021, imports climbed by 8%. The combination of lower exports and higher imports meant the balance of trade declined almost 38% in the quarter.

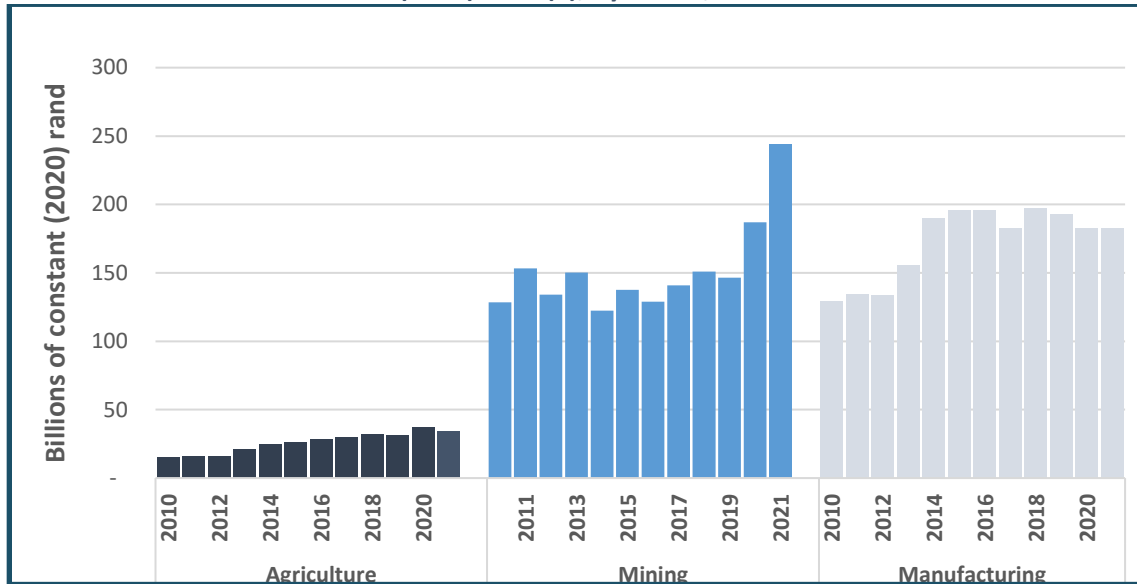
Graph 13. Third quarter exports, imports and balance of trade in billions of constant rand and current US dollars



Note: (a) Constant rand values reflated using CPI rebased to September 2021; US dollar values calculated with the trade-weighted exchange rate from the Reserve Bank. Source: Calculated from South African Revenue Service data.

Mining exports increased by 30% in constant rand terms in the year to the third quarter of 2021, representing the highest levels of mining exports since 2010. The increase over the previous year mostly reflected higher prices, although they fell somewhat over the past quarter. Manufacturing exports were down, largely due to the problems facing the auto industry.

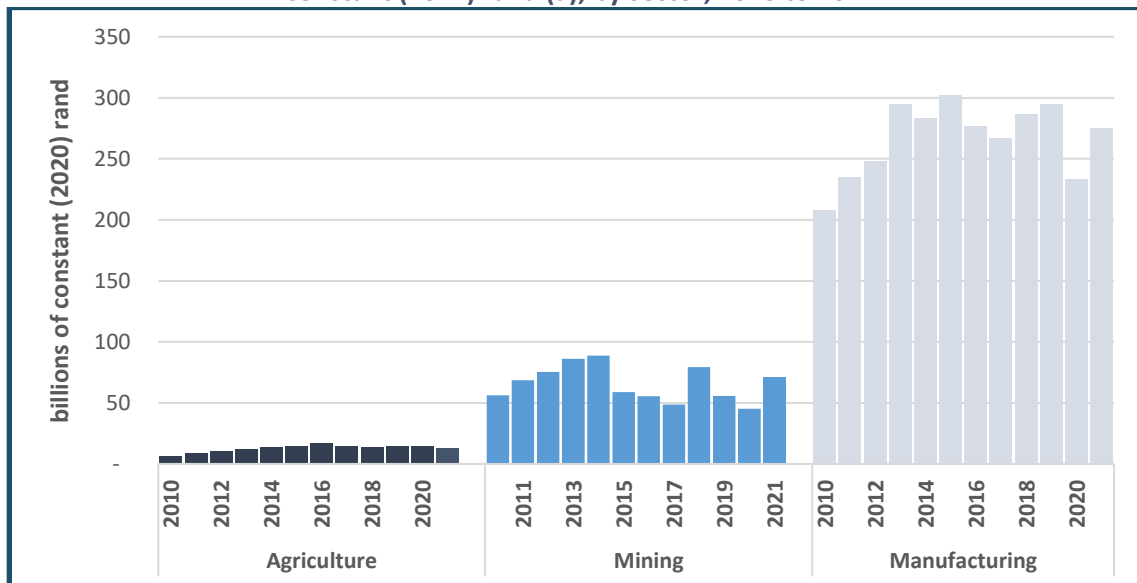
Graph 14. Third-quarter goods exports in billions of constant (2021) rand (a), by sector, 2010 to 2021



Note: (a) Reflated using CPI rebased to September 2021. Source: Calculated from South African Revenue Service data.

Petroleum imports, which are included under mining, increased by 57% in the year to the third quarter 2021, parallel to the global surge in energy prices. Manufacturing imports climbed 18% over the year, but remained below the levels witnessed in 2018 and 2019.

Graph 15. Third-quarter goods imports in billions of constant (2021) rand (a), by sector, 2010 to 2021



Note: (a) Reflated using CPI rebased to September 2021. Source: Calculated from South African Revenue Service data.

Manufacturing exports were flat in the third quarter of 2021 in constant rand. The largest declines in exports emerged in auto (19%), food (18%) and clothing (10%). These declines reflected the impacts of the July unrest combined with disruptions to global value chains. Commodity-based producers in metals and wood saw the largest rise in exports by value in the third quarter of 2021. Manufactured imports increased 15% in the period, with the largest increases in transport equipment and metals.

Table 1. Trade by manufacturing subsector, third quarter 2021 with third quarter 2020

INDUSTRY	VALUE (BILLIONS)		% CHANGE FROM Q3 2020		CHANGE IN BILLIONS	
	USD	RAND	USD	RAND	USD	RAND
EXPORTS						
Food and beverages	1.11	16.20	-0.1%	-17.5%	-0.00	-3.43
Clothing and footwear	0.40	5.90	9.1%	-9.8%	0.03	-0.64
Wood products	0.17	.,40	51.7%	25.3%	0.06	0.49
Paper and publishing	0.38	5.50	31.2%	8.5%	0.09	0.44
Chemicals, rubber, plastic	2.47	36.10	32.4%	9.4%	0.60	3.09
Glass and non-metallic mineral products	0.12	1.80	15.0%	-5.1%	0.02	-0.09
Metals and metal products	2.90	42.50	55.9%	28.8%	1.04	9.50
Machinery and appliances	2.33	34.10	16.2%	-4.0%	0.33	-1.42
Transport equipment	2.36	34.60	-1.3%	-18.5%	-0.03	-7.87
IMPORTS						
Food and beverages	0.93	13.70	31.0%	8.2%	0.22	1.03
Clothing and footwear	1.22	17.80	29.2%	6.6%	0.28	1.11
Wood products	0.10	1.40	34.8%	11.4%	0.03	0.15
Paper and publishing	0.68	10.00	35.0%	11.6%	0.18	1.04
Chemicals, rubber, plastic	4.45	65.10	46.3%	20.9%	1.41	11.24
Glass and non-metallic mineral products	0.25	3.70	56.0%	29.4%	0.09	0.85
Metals and metal products	1.38	20.2	75.2%	44.6%	0.59	6.25
Machinery and appliances	5.57	81.4	22.7%	1.3%	1.03	1.04
Transport equipment	3.78	55.30	81.4%	49.8%	1.70	18.40

Source: SARS monthly data.