



TRADE & INDUSTRIAL POLICY STRATEGIES



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

# TIPS EXPORT TRACKER

## THIRD QUARTER 2020

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### 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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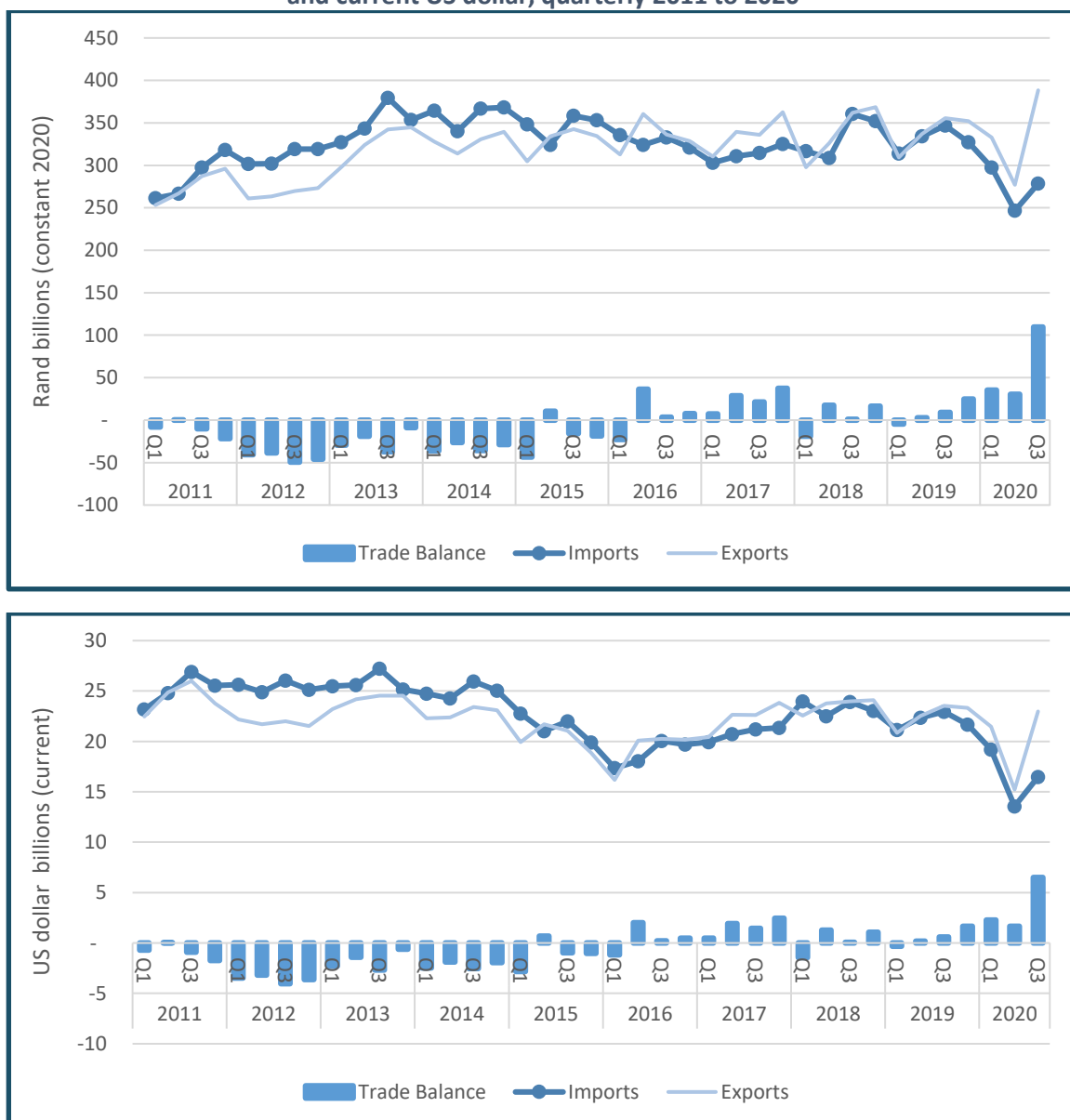
## CONTENTS

|  |           |
|--|-----------|
| <b>Overview of export performance .....</b>  | <b>3</b>  |
| <b>Significant product growth in exports and analysis .....</b>  | <b>6</b>  |
| Significant growth in maize seed for sowing .....  | 7         |
| Significant growth in copper ores and concentrates.....  | 8         |
| Significant growth in flours, meals and pellets of fish or crustaceans, molluscs or other aquatic invertebrates.....   | 9         |
| <b>Significant slumps and analysis .....</b>   | <b>11</b> |
| Significant slump in chemical wood pulp, dissolving grades .....   | 11        |
| Significant slump in raw cane sugar .....  | 12        |
| Significant slump in parts suitable for use solely or principally with compression-ignition internal combustion piston engine “diesel or semi-diesel engine” ..... | 13        |
| <b>Annexure.....</b>   | <b>16</b> |

## OVERVIEW OF EXPORT PERFORMANCE

South Africa's merchandise export performance bounced back in the third quarter of 2020, growing by 9.2% (year-on-year) and 40.2% from the previous quarter amounting to R388 billion, an impressive improvement from the historic slump experienced in the second quarter of 2020 as a result of the Great Lockdown. The third quarter of 2020 saw the pace of decline in imports moderating to 19.6%, compared to the 26% decline in Q2 2020 (year-on-year), in constant rand terms. In US dollar terms, merchandise exports experienced a marginal decrease of 2.4% in Q3 2020 to US\$22.9 billion, while imports dropped by 28.2% to US\$16.4 billion from Q3 2019. South Africa continued on a positive trade balance, recording a sixth straight quarter surplus of R109 billion (US\$6.5 billion) in the third quarter of 2020, the highest recorded over the observed period. This record trade surplus is mainly due to the impressive rebound in export demand as most economies reopened in the third quarter of 2020, easing restrictions on business activities, with imports still declining although at a slower pace (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 November 2020.

Table 1 presents the composition of South Africa's top 20 export sectors. Precious stones, ores, vehicles, mineral fuels and machinery (industrial) dominated South Africa's exports in Q3 2020, accounting for 61.5% of total export value. Exports for most sectors in the top 20 are seen to have experienced an increase in demand in the third quarter of 2020, with 14 of the 20 showing positive growth. Cereals, precious stones and chemicals had significant growth, increasing by 78.2%, 76.2% and 61.9%, respectively from Q3 2019 to Q3 2020. In contrast, wood pulp had the largest decline, falling by 32%, followed by vehicles (25.2%), mineral fuels (18.6%) and inorganic chemicals (17%).

**Table 1: Top 20 sectors, Q3 2019 to Q3 2020**

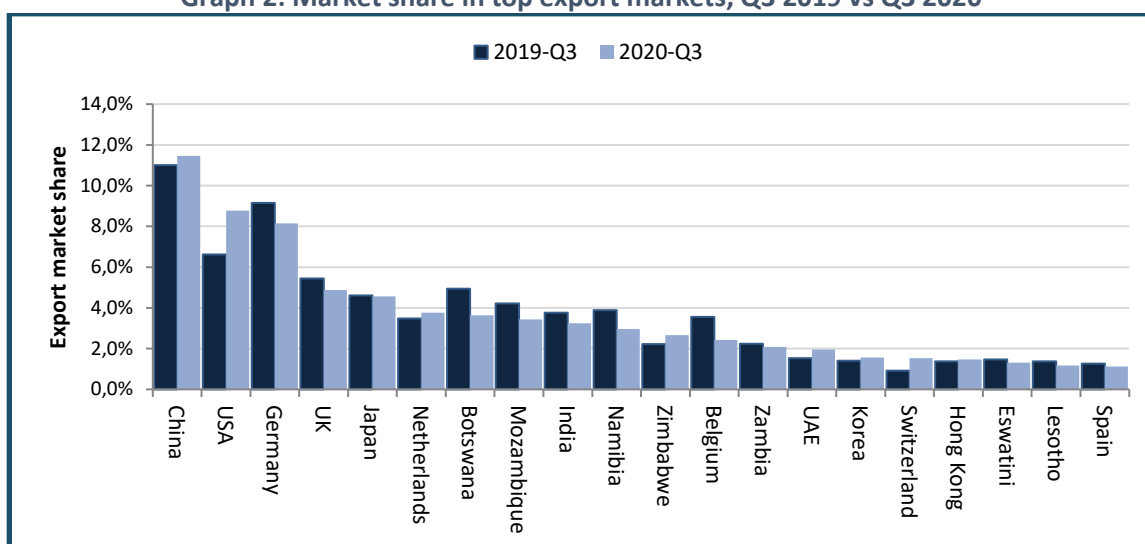
| HS Code | Sector                             | VALUE<br>(R BILLIONS) |         | SHARE % |         | ANNUAL GROWTH RATE % |
|---------|------------------------------------|-----------------------|---------|---------|---------|----------------------|
|         |                                    | Q3 2019               | Q3 2020 | Q3 2019 | Q3 2020 | Q3 2019-Q3 2020      |
| '71     | Precious stones                    | 53.5                  | 94.3    | 15.5%   | 24.3%   | 76.2%                |
| '26     | Ores                               | 50.3                  | 56.5    | 14.6%   | 14.5%   | 12.4%                |
| '87     | Vehicles                           | 50.1                  | 37.5    | 14.5%   | 9.6%    | -25.2%               |
| '27     | Mineral fuels and oils             | 32.1                  | 26.1    | 9.3%    | 6.7%    | -18.6%               |
| '84     | Machinery (industrial)             | 21.7                  | 24.5    | 6.3%    | 6.3%    | 13.2%                |
| '08     | Fruit and nut                      | 19.5                  | 23.7    | 5.7%    | 6.1%    | 21.5%                |
| '72     | Iron and steel                     | 17.0                  | 14.6    | 4.9%    | 3.8%    | -14.1%               |
| '38     | Chemical products                  | 4.5                   | 7.3     | 1.3%    | 1.9%    | 61.9%                |
| '85     | Electrical machinery and equipment | 7.0                   | 7.1     | 2.0%    | 1.8%    | 2.3%                 |
| '76     | Aluminium                          | 6.6                   | 7.0     | 1.9%    | 1.8%    | 6.2%                 |
| '39     | Plastics                           | 4.8                   | 5.8     | 1.4%    | 1.5%    | 20.3%                |
| '22     | Beverages, spirits and vinegar     | 4.5                   | 5.3     | 1.3%    | 1.4%    | 17.0%                |
| '73     | Articles of iron or steel          | 4.6                   | 4.3     | 1.3%    | 1.1%    | -5.9%                |
| '29     | Organic chemicals                  | 4.0                   | 4.2     | 1.2%    | 1.1%    | 3.8%                 |
| '28     | Inorganic chemicals                | 4.3                   | 3.5     | 1.2%    | 0.9%    | -17.0%               |
| '10     | Cereals                            | 1.9                   | 3.3     | 0.5%    | 0.9%    | 78.2%                |
| '74     | Copper                             | 2.5                   | 2.9     | 0.7%    | 0.8%    | 17.4%                |
| '33     | Essential oils                     | 2.1                   | 2.6     | 0.6%    | 0.7%    | 20.9%                |
| '20     | Vegetable products                 | 2.3                   | 2.6     | 0.7%    | 0.7%    | 9.5%                 |
| '47     | Wood pulp                          | 3.5                   | 2.4     | 1.0%    | 0.6%    | -32.0%               |

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

In the third quarter of 2020, South Africa’s exports to China amounted to R44.5 billion or 11.5% of its overall exports, representing a year-on-year growth of 17.3% from Q3 2019 to Q3 2020. Ores remain the largest export product to China, accounting for 69.7% of South Africa’s total exports to China by value in Q3 2020, followed by iron and steel (7%), fruit and nut (5.2%), copper (5%) and wood pulp (2.3%). Among these top 5 products, all experienced growth with copper and wood pulp showing the biggest year-on-year increase of 39.5% and 18.1%, respectively, in Q3 2020.

The United States was South Africa’s second largest export market in the third quarter of 2020, with total exports to the country amounting to R34 billion, an increase of 48.9% from the same quarter last year. The top 5 export products to the US market from South Africa claimed a share of 73.9% of total exports by value, with precious stones accounting for the largest share of 53.1%, vehicles (5.9%), machinery (industrial) (5.8%), ores (4.6%) and aluminium (4.5%). Among the top 5 exports, precious stones had the highest growth up from R7 billion in Q3 2019 to R18 billion, a year-on-year increase of 154.8%, followed by aluminium and machinery (industrial) which increased by 28.5% and 16.6%, respectively. In contrast, vehicles and ores exports declined, with vehicles down by 31.7% from R2.9 billion in Q3 2019 to R1.9 billion in Q3 2020, and ores declining by 17.4% to R1.5 billion in Q3 2020.

**Graph 2: Market share in top export markets, Q3 2019 vs Q3 2020**



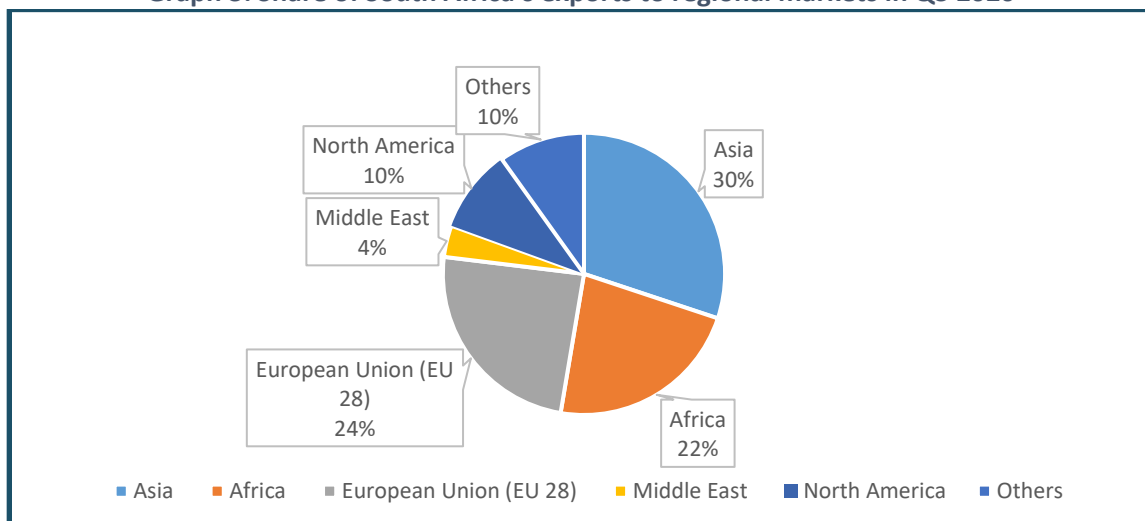
Source: Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in November 2020.

South Africa’s exports to Germany accounted for 8.2% of its total exports by value in Q3 2020, amounting to R31.6 billion. The third quarter of 2020 saw a marginal increase in South Africa’s exports to Germany, which were up by 0.3% from Q3 2019. Vehicles remain the country’s largest export to Germany, although its share has declined from 55.4% of its total exports to Germany in Q3 2019 to 41.4% in Q3 2020. With South Africa having resumed full vehicle production in June 2020 after the lockdown disruptions, the drop in the export share of vehicles in Q3 2020 is likely driven by low demand from Germany since its economy was hit hard by the impact of the COVID-19 pandemic. The other top export products to Germany included precious ores, which accounted for 16.7% of South Africa’s total exports to Germany, followed by ores (15.5%), machinery (industrial) (10.1%) and chemical products (5.9%).

Within the top 5 export products to Germany, chemical products experienced an abnormally high increase in the third quarter of 2020, up by over 700% from R229 million in Q3 2019 to R1.8 billion in Q3 2020. Export growth in chemical products was mainly driven by an increase in

demand for two product groups, namely diagnostic or laboratory reagents on a backing (HS3822), which grew from R21 million in Q3 2019 to R1.1 billion in Q3 2020, and reaction initiators, reaction accelerators and catalytic preparations (HS3815), which increased from R200 million in Q3 2019 to R729 million in Q3 2020. Diagnostic reagents are one of the most fundamental components of diagnostic testing assays, therefore the increase in their export demand can be specifically linked to COVID-19 infection testing, as they are a critical input in accurately detecting the COVID-10 infection.<sup>1</sup>

**Graph 3: Share of South Africa’s exports to regional markets in Q3 2020**



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

In Q3 2020, South Africa’s exports to the Asian region accounted for 30% of its total exports by value, amounting to R123 billion, a 21.1% increase from Q3 2019. The European Union (28) region was the second largest regional market for South African exports, absorbing 24%, followed by Africa (22%), North America (10%) and the Middle East (4%). South Africa’s exports to all these regional markets grew in the third quarter of 2020, with North America and the Middle East experiencing the biggest growth. Exports to North America were up by 56.5% year-on-year, from R25.1 billion in Q3 2019, to R39.2 billion in Q3 2020, while exports to the Middle East increased by 38.1% from R10.7 billion in Q3 2019 to R14.8 billion in Q3 2020.

South Africa’s exports to the rest of Africa experienced a slight year-on-year increase of 0.2% in the third quarter of 2020, amounting to R92.7 billion. This saw its market share decline from 26.8% of South Africa’s total exports by value in Q3 2019, to a share of 22.5% in Q3 2020. The top 5 African markets for South Africa’s exports were Botswana, with a share of 3.6%, Mozambique (3.4%), Namibia (3.0%), Zimbabwe (2.7%) and Zambia (2.1%).

## SIGNIFICANT PRODUCT GROWTH IN EXPORTS AND ANALYSIS

Three products of significant export growth have been identified for this quarter. These include cereals, ores and animal feed products for growth and wood pulp, sugar and confectionery and industrial machinery products for declines. The full list of top exports with growth or a decline are provided in the Annexure. In this quarter, the production selection has been expanded to other products outside the top 50 exports, eliminating bias in the selection and overlooking other goods needing attention, as well as issues with data errors. The Annexure also provides a list of products for ongoing monitoring.

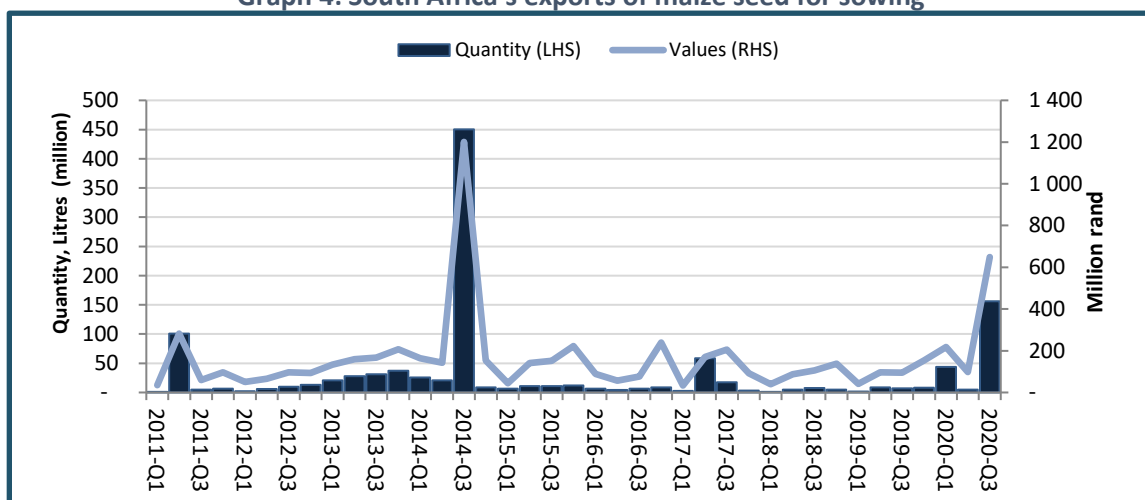
<sup>1</sup> Korea’s exports of COVID-19 diagnostic reagents notch W2.5tr (koreaherald.com)

## Significant growth in maize seed for sowing

HS 10051000: Maize seed for sowing

Maize seed for sowing is a live embryo in dormancy mode, with or without cover, which can grow as a fully development maize plant under favourable environment. South Africa’s seed industry is the most advanced on the African continent. In the third quarter of 2020, South Africa’s exports of maize seed for sowing grew exponentially from 6.9 million kg in Q3 2019 valued at R95 million, to 156 million kg in Q3 2020 which amounted to R648 million, an increase of just over 2000% on a year-on-year basis. This is the strongest export growth, since reaching a peak of 450 million kg in the third quarter of 2014.

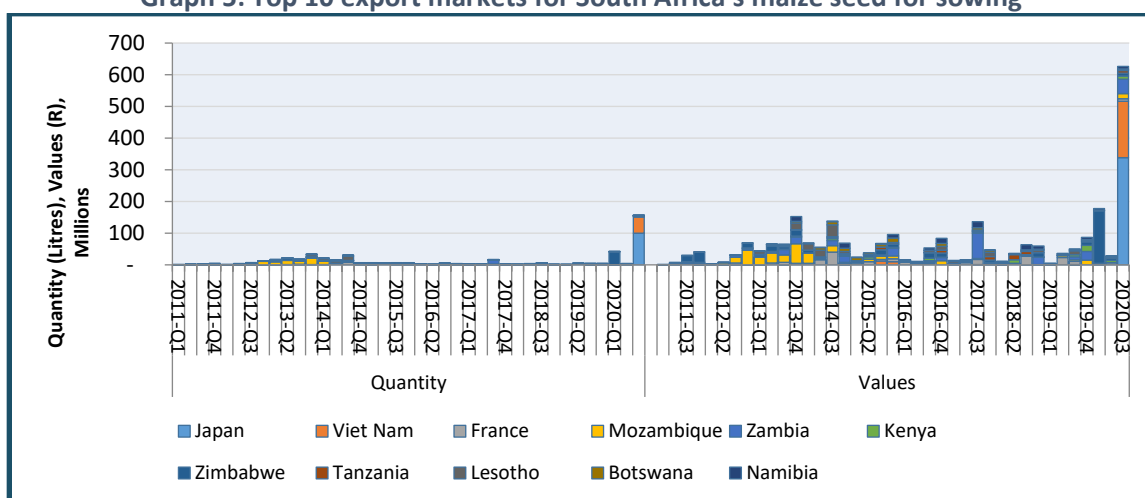
Graph 4: South Africa’s exports of maize seed for sowing



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

South Africa’s maize seed for sowing exports were supported by an increase in demand from Japan and Vietnam which absorbed 64% and 32.9% of South Africa’s total export quantity of maize seed for sowing. Exports to Japan increased to 100 million kg, valued at R338 million in Q3 2020 from just under 2 000 million kg worth R14 000. Exports to Vietnam increased from 12.9 thousand kg (R864 thousand) in Q3 2019 to 51.4 million kg worth R338 million in Q3 2020. The significant decline in the unit price from R11.31 per kg in Q3 2019 to R4.15 per kg in Q3 2020 is likely a contributing factor to the increase in demand for South Africa’s maize seed for sowing.

Graph 5: Top 10 export markets for South Africa’s maize seed for sowing



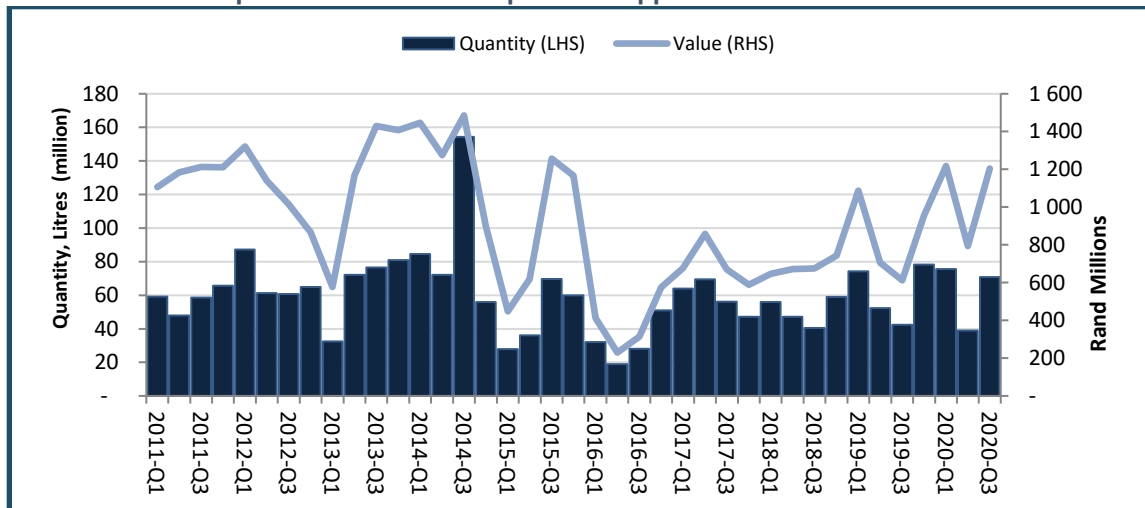
Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in November 2020.

## Significant growth in copper ores and concentrates

HS 26030000: Copper ores and concentrates

Copper ore is primarily mined from chalcopyrite, bornite, and malachite, which is extracted and then converted into copper concentrates, which are further processed through roasting and smelting into refined copper.<sup>2</sup> Global demand for copper ores and concentrates is mainly driven by its use in the electricity industry, as copper wires and cables account for over 50% of global copper production. South Africa is amongst the top 10 global copper ores and concentrates exporters, ranking seventh in the third quarter of 2020.

Graph 6: South Africa's exports of copper ores and concentrates



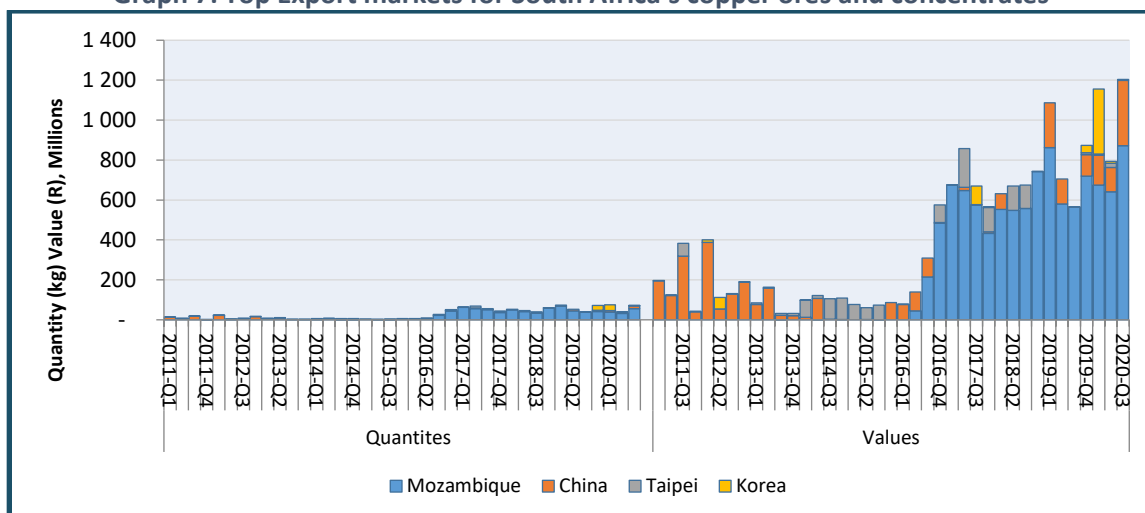
Source: Author's. Calculated from ITC TradeMap data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in November 2020.

In the third quarter of 2020, South Africa exported 70.8 million kg of copper ores and concentrates worth R1.2 billion, compared to 42.3 million kg valued at R613 million in Q3 2019, representing a 67.4% year-on-year growth regardless of a unit price increase from R14.48 in Q3 2019 to R16.98 in Q3 2020.

<sup>2</sup> Copper Concentrates – Cargo Handbook – the world's largest cargo transport guidelines website



**Graph 7: Top Export markets for South Africa's copper ores and concentrates**



Source: Author's. Calculated from ITC TradeMap data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in November 2020. Note: Should the trend of high copper exports to Mozambique persist in future quarters, work will be done to verify if it is the final destination or a capturing error with the final destination of the product elsewhere.

Of the 70.8 million kg of copper ores and concentrates exported by South Africa in Q3 2020, 79% was imported by Mozambique, while 21% went to China. Exports to Mozambique grew from 38.8 million kg valued at R563 million in Q3 2019, to 55.7 million kg worth R871 million in Q3 2020. The main driving force for the growth of South Africa's copper ores and concentrates in Q3 2020 was the significant increase in demand by China. The Chinese economy experienced a speedy recovery post COVID-19, which saw demand for copper ore and concentrate increase with the expansion of its power and construction sectors as a result of implementing stimulus packages.<sup>3</sup> South Africa's copper ore and concentrates exports to China grew from 39 000 kg valued at R219 000 in Q3 2019, to 14.5 million kg worth R327.8 million in Q3 2020. Based on secondary sources, this increase in demand for copper ores and concentrates by China's construction and power sectors is expected to continue driving global copper demand as well as prices.

### Significant growth in flours, meals and pellets of fish or crustaceans, molluscs or other aquatic invertebrates

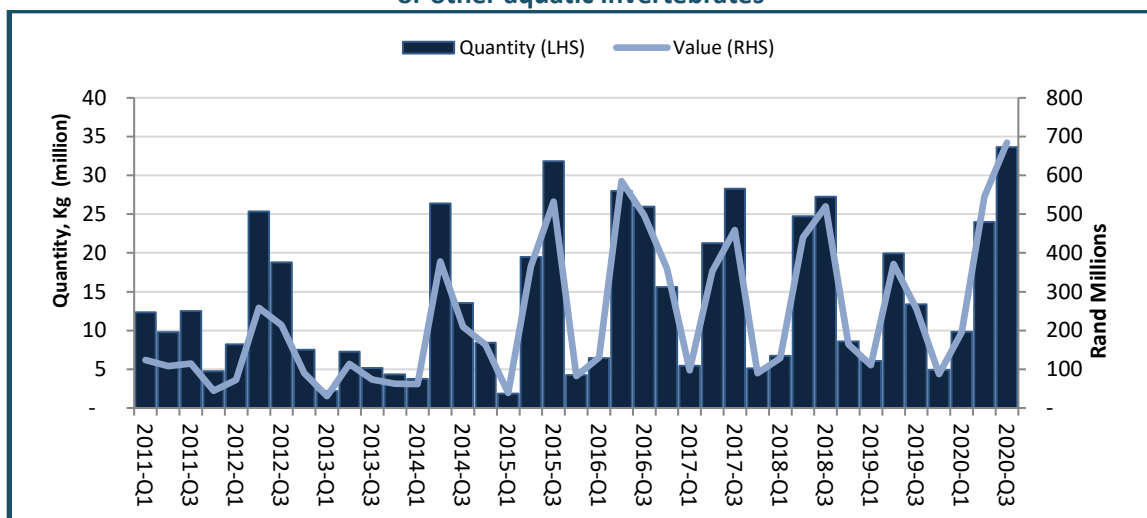
*HS 23012000: Flours, meals and pellets of fish or crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption*

South Africa is one of top global exporters of flours, meals and pellets of fish or crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption, ranking third position in the world by quantity after Chile and Denmark. Flours, meals and pellets of fish and other aquatic products are residues and waste from the food industries and are mainly sourced from slaughterhouses, floating factories which process fishery products, canning and packing industries. These products are processed by steam-heating, pressing and then treated with a solvent to remove oil and fat, dried and sterilised through a heating process and then ground into the final product.<sup>4</sup> The flour, meals and pellets are mainly used as animal feed, and can also be used as fertilisers.

<sup>3</sup> <https://www.globaltimes.cn/content/1201727.shtml>

<sup>4</sup> <https://customnews.pk/wp-content/uploads/2020/01/Flours-meals-and-pellets-of-meat-or-meat-offal-2301-Sixth-editionb.pdf>

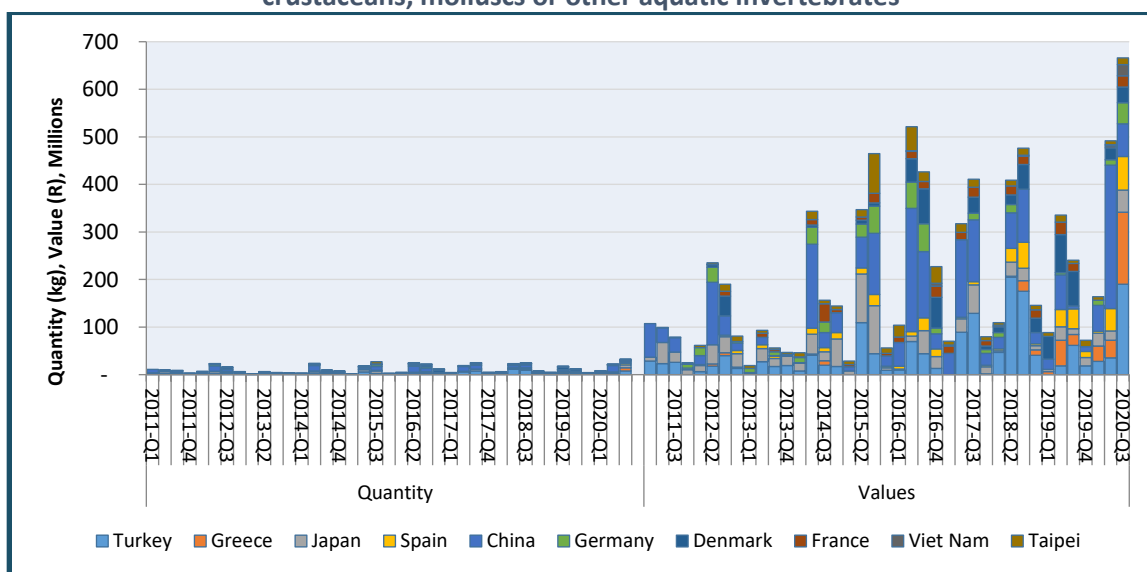
**Graph 8: South Africa’s exports of flours, meals and pellets of fish or crustaceans, molluscs or other aquatic invertebrates**



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

In Q3 2020, South Africa’s exports of flours, meals and pellets of fishery products amounted to 33.6 million kg valued at R684.4 million, the highest recorded over the past decade, representing a year-on-year growth rate of 152% from the 13.3 million kg worth R256.9 million in Q3 2019. South Africa’s top export markets for flours, meals and pellets of fishery products were Turkey, Greece, Japan, Spain and China, altogether accounting for 78% of the country’s flours, meals and pellets of fishery products exports in Q3 2020. Growth in exports were mainly driven by an increase in demand by Japan, China and Greece. Demand for flours, meals and pellets of fishery products from South Africa by the Japanese market increased by over 800% from 565 000 kg (R12.3 million) in Q3 2019 to 5.6 million kg (R46.6 million) in Q3 2020. Exports to Greece increased significantly from 1.1 million kg worth R22.3 million in Q3 2019 to 6.6 million kg valued at R151.2 million) in Q3 2020, while exports to China grew from 297 000 kg in the third quarter of 2019 to 2.8 million in Q3 2020.

**Graph 9: Top 5 export markets for South Africa’s flours, meals and pellets of fish or crustaceans, molluscs or other aquatic invertebrates**



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

## SIGNIFICANT SLUMPS AND ANALYSIS

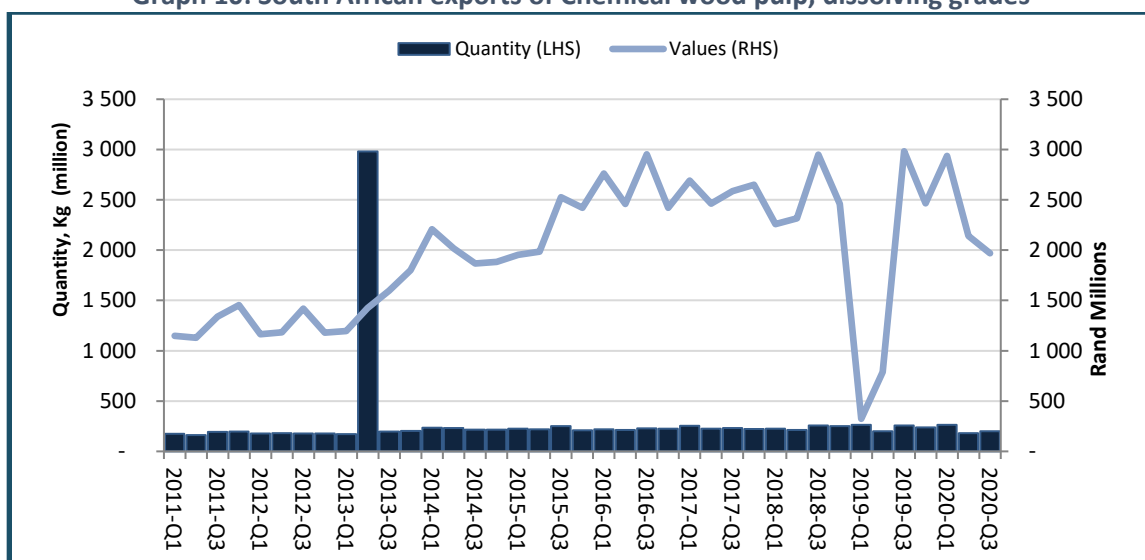
### Significant slump in chemical wood pulp, dissolving grades

HS 47020000: Chemical wood pulp, dissolving grades

Chemical wood pulp is a source of fibre obtained by the process of digestion or cooking of wood with solutions of various chemicals. The dissolving grades are a special grade of chemical wood pulp, which are used to manufacture regenerated or cellulose derivatives such as acetate that is used in film, satin fabrics as well as eyeglass frames.<sup>5</sup>

South Africa is the world's top exporter of chemical wood pulp, dissolving grades by quantity, and ranked second after the US by export value. In the third quarter of 2020, South Africa's exports of chemical wood pulp, dissolving grades declined from by 23% from 258.8 million kg valued at R2.9 billion in Q3 2019 to 199.2 million kg worth R1.9 billion in Q3 2020.

**Graph 10: South African exports of Chemical wood pulp, dissolving grades**

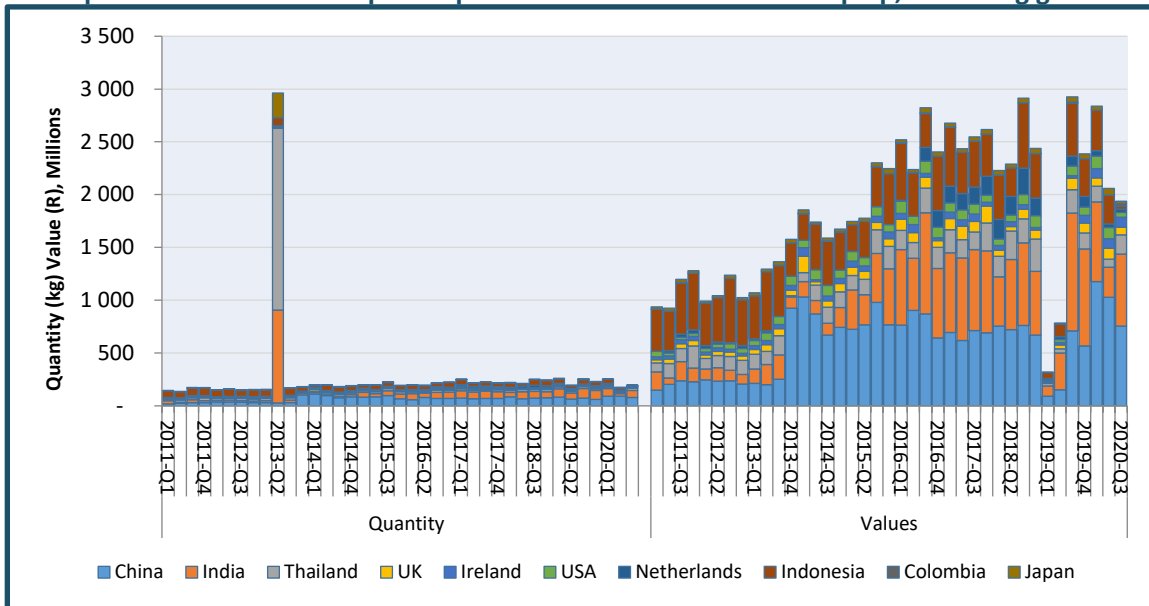


Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in November 2020.

South Africa exports most of its chemical wood pulp, dissolving grade to China, India and Thailand, with a market share of 39%, 34% and 11% respectively. The decline in South Africa's exports of chemical wood pulp, dissolving grade can be largely attributed to subdued demand for the product by most markets, with 60% of the country's top 10 export markets for chemical wood pulp showing a reduction in imports of this product from South Africa. Exports to Indonesia experienced a significant decline in the third quarter of 2020, dropping 93% from 41.3 million kg (R503 million) in Q3 2019 to 2.8 million kg valued at R28.6 million in Q3 2020, while exports to the Netherlands, US and India dropped by 63.5%, 42.8% and 23.5%, respectively from Q3 2019 to Q3 2020. As the unit price has been on a declining trend each quarter since Q3 2019, ongoing monitoring of chemical wood pulp, dissolving grade will continue in the next coming quarters to observe if there will be a turnaround on export quantities due to the decrease in price.

<sup>5</sup> <https://www.afandpa.org/our-products/pulp>

**Graph 11: South Africa's top 10 export market for chemical wood pulp, dissolving grades**



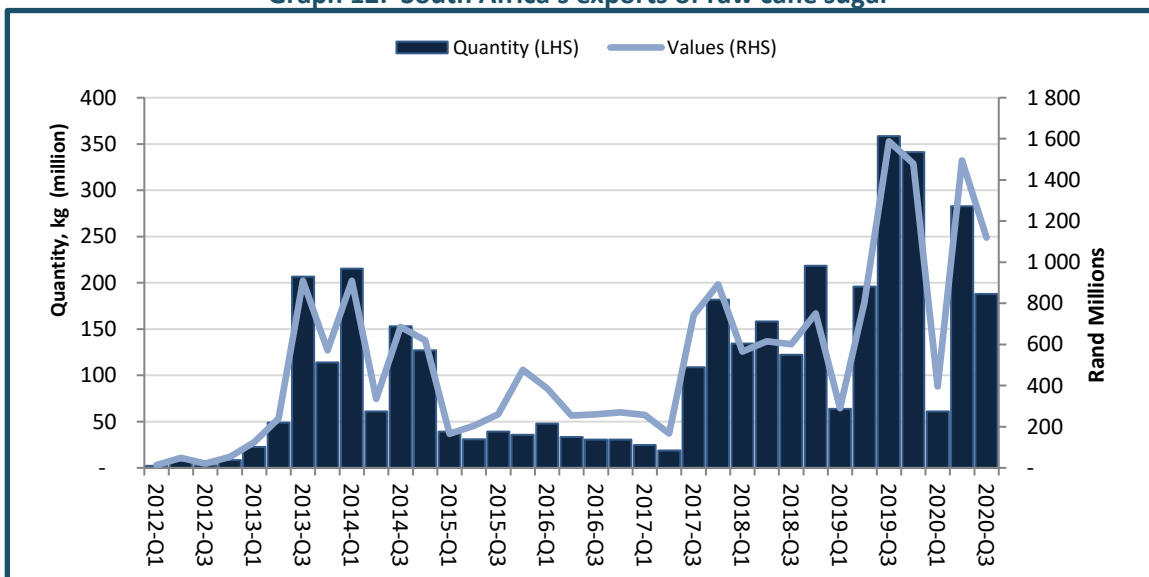
Source: Authors. Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in November 2020,

### Significant slump in raw cane sugar

*HS 17011400: Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excluding cane sugar of 1701 13)*

Raw cane sugar is produced directly from extracted cane juice, which is clarified and processed through a single-crystallisation process. It is commonly used as a sweetener in the food and beverage industry, and is often preferred over other types of sugar because of its widespread availability, versatility and slightly fruity taste.<sup>6</sup> South Africa is the third largest global exporter of raw cane sugar (*HS 17011400*) by both volume and value, after Brazil and Thailand.

**Graph 12: South Africa's exports of raw cane sugar**



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

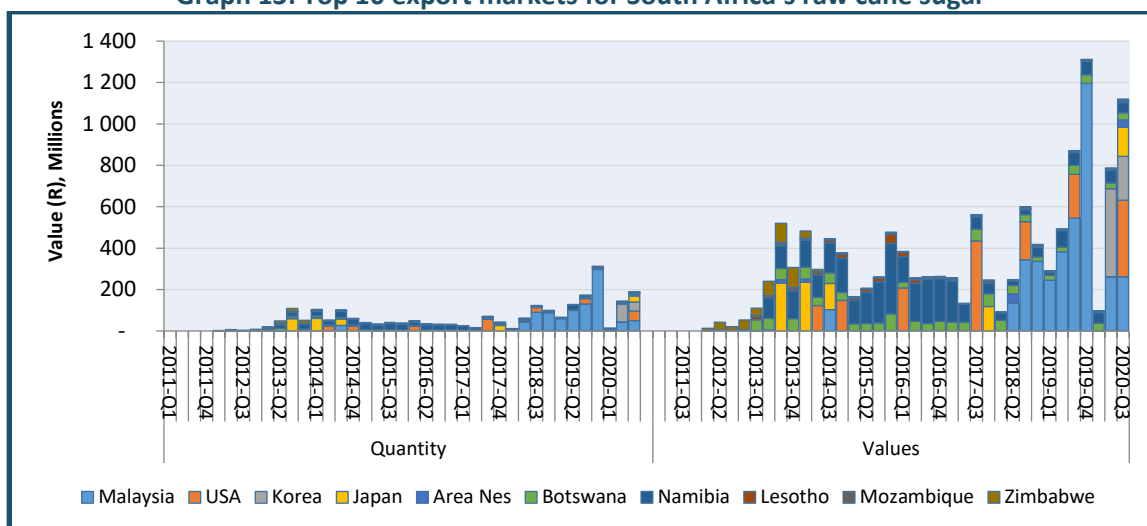
<sup>6</sup> [https://www.healthline.com/nutrition/harmful-sweeteners#TOC\\_TITLE\\_HDR\\_2](https://www.healthline.com/nutrition/harmful-sweeteners#TOC_TITLE_HDR_2)

South Africa’s raw cane sugar exports have fluctuated over time, experiencing growth and slump periods. Raw cane sugar exports reached a peak of 358.6 million kg in the third quarter of 2019, valued at R1.5 billion, plummeting thereafter in the first quarter of 2020 to 61 million kg worth R396 million, due to low demand by the food industries as various global economies implemented lockdowns because of COVID-19.

Similar sugar products experienced a significant decline as well during this period and were analysed in previous publications (refer to TIPS Export Tracker First Quarter 2020). The third quarter of 2020 saw South Africa’s export of raw cane sugar fall by 47.5% year-on-year to 187 million kg valued at R1.1 billion.

The top export markets for South Africa’s raw cane sugar include Malaysia, US and Korea, altogether claiming 74% of the country’s raw cane sugar exports by quantity. The driving force behind the decline in South Africa’s raw cane sugar exports is the significant decrease in demand by the Malaysian market. Exports to Malaysian dropped by 61.9% from 130 million kg in Q3 2019 to worth R544 million to 49 million kg (R262 million) in Q3 2020. The increase in unit price from R4.43 in Q3 2019 to R5.96 could have also influenced the fall in export quantity.

**Graph 13: Top 10 export markets for South Africa’s raw cane sugar**



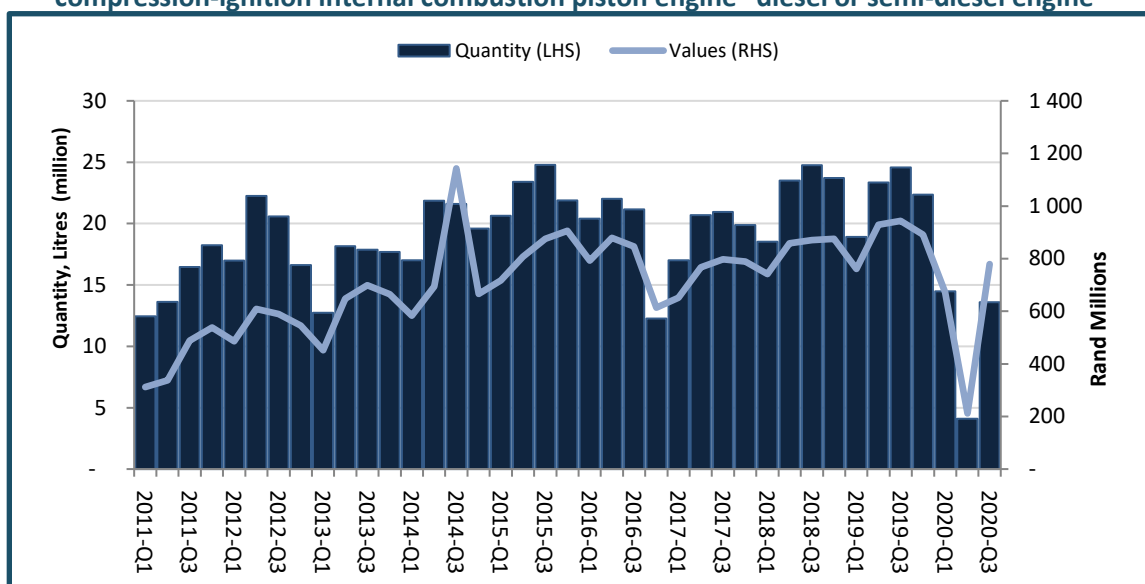
Source: Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in November 2020. Note: Graph is distorted by missing data of some of the countries in the third quarter of 2019.

### Significant slump in parts suitable for use solely or principally with compression-ignition internal combustion piston engine “diesel or semi-diesel engine”

HS 84099990: Parts suitable for use solely or principally with compression-ignition internal combustion piston engine “diesel or semi-diesel engine”, n.e.s: other

Parts suitable for use solely or principally with compression-ignition internal combustion piston engine “diesel or semi-diesel engine” fall under the category of industrial machinery. South Africa is among the top 10 global exports of this industrial machinery product group, ranked at eighth place by export quantity.

**Graph 14: South Africa’s exports of parts suitable for use solely or principally with compression-ignition internal combustion piston engine “diesel or semi-diesel engine”**

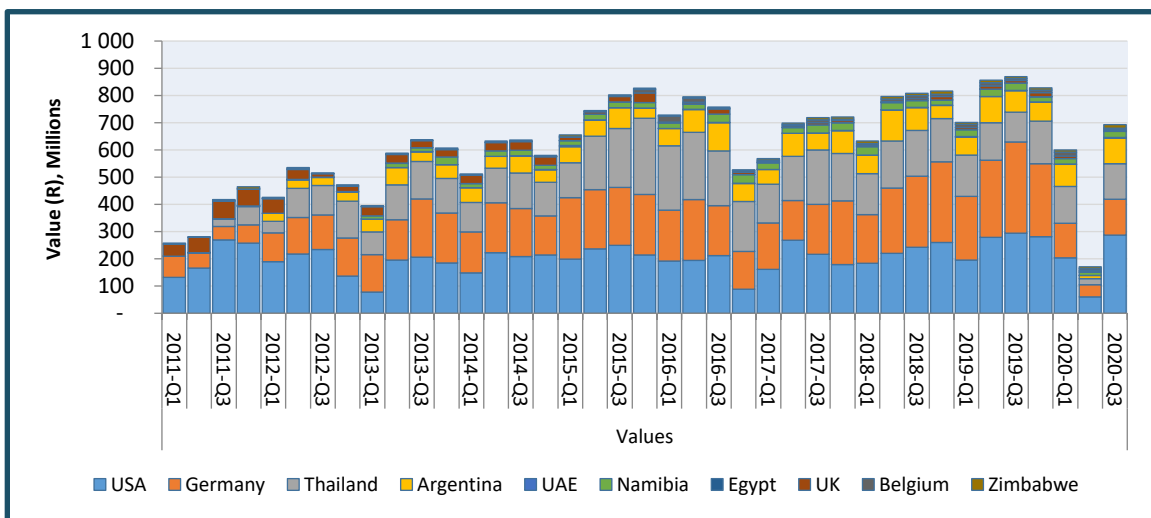
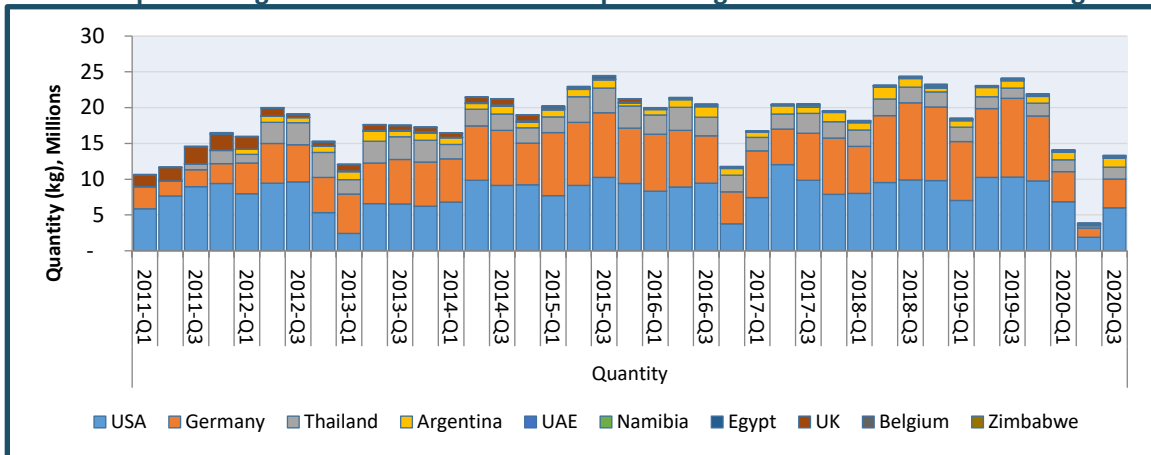


Source: Calculated from ITC Trade Map data. Downloaded from <https://trademap.org> and [sars.gov.za](https://sars.gov.za) in November 2020.

South Africa’s exports of parts suitable for use solely or principally with compression-ignition internal combustion piston engine “diesel or semi-diesel engine” have been on a declining trend since Q4 2019 (not taking into account the deep decline caused by the hard lockdown in the initial pandemic quarter). The third quarter of 2020 saw a significant year-on-year decline in this parts exports, down by 45% from 24.5 million kg valued at R943 million in Q3 2019 to 13.5 million kg amounting to R778 million in Q3 2020. The decline in exports can be linked to the increase in unit price by almost 50% from R38.41 in Q3 2019 to R57.32 in Q3 2020, the highest price recorded over the observed time period.

In Q3 2020, South Africa’s top export markets for these industrial machinery parts included the US (44.3%), Germany (29.5%) and Thailand (12.2%), altogether accounting for 86% of South Africa’s exports of this product group. Apart from the significant price increase, the drop in exports was mainly driven by a decrease in demand by the top 2 export markets. Exports to the US were down by 41.6% from 10.3 million kg in Q3 2019 to six million kg in Q3 2020, while exports to Germany fell sharply by 63.5% from 10.9 million kg in Q3 2019 to four million in Q3 2020. Both economies were hit hard in the second quarter of 2020 due to the COVID-19 pandemic, and given the frail recovery in the third quarter of 2020, it is important to continue monitoring the export trend of industrial machinery parts to these markets to see if they improve over time as global economies recover.

**Graph 15: Top 10 export markets for South Africa’s parts suitable for use solely or principally with compression-ignition internal combustion piston engine “diesel or semi-diesel engine”**



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

## Annexure

**Table A1: South Africa's top 50 exports by value, Q3 2020**

| RANK | HS CODE | PRODUCT DESCRIPTION                      | EXPORT VALUE (RAND THOUSANDS) |            | GROWTH RATE (%) |
|------|---------|--|-------------------------------|------------|-----------------|
|      |         |  | 2019-Q3                       | 2020-Q3    |                 |
| 1    | '71     | Precious stones                          | 53 522 657                    | 94 329 225 | 76.2%           |
| 2    | '26     | Ores                                     | 50 263 806                    | 56 487 747 | 12.4%           |
| 3    | '87     | Vehicles                                 | 50 094 068                    | 37 464 640 | -25.2%          |
| 4    | '27     | Mineral fuels and oils                   | 32 075 055                    | 26 111 956 | -18.6%          |
| 5    | '84     | Machinery (industrial)                   | 21 675 281                    | 24 528 024 | 13.2%           |
| 6    | '08     | Fruit and nut                            | 19 515 700                    | 23 707 876 | 21.5%           |
| 7    | '72     | Iron and steel                           | 17 026 663                    | 14 625 638 | -14.1%          |
| 8    | '85     | Chemical products                        | 6 966 600                     | 7 128 751  | 2.3%            |
| 9    | '76     | Electrical machinery and equipment       | 6 636 309                     | 7 045 278  | 6.2%            |
| 10   | '39     | Aluminium                                | 4 838 853                     | 5 818 867  | 20.3%           |
| 11   | '73     | Plastics                                 | 4 553 275                     | 4 285 874  | -5.9%           |
| 12   | '22     | Beverages, spirits and vinegar           | 4 549 598                     | 5 323 840  | 17.0%           |
| 13   | '38     | Articles of iron or steel                | 4 496 974                     | 7 280 149  | 61.9%           |
| 14   | '28     | Organic chemicals                        | 4 269 953                     | 3 544 145  | -17.0%          |
| 15   | '29     | Inorganic chemicals                      | 4 010 277                     | 4 163 241  | 3.8%            |
| 16   | '47     | Cereals                                  | 3 494 646                     | 2 377 563  | -32.0%          |
| 17   | '17     | Copper                                   | 2 758 045                     | 2 361 186  | -14.4%          |
| 18   | '74     | Essential oils                           | 2 482 679                     | 2 914 943  | 17.4%           |
| 19   | '20     | Vegetable products                       | 2 347 852                     | 2 569 996  | 9.5%            |
| 20   | '48     | Wood pulp                                | 2 168 943                     | 2 284 980  | 5.3%            |
| 21   | '33     | Essential oils, cosmetics and toiletries | 2 127 161                     | 2 571 585  | 20.9%           |



|    |     |  |           |           |        |
|----|-----|--|-----------|-----------|--------|
| 22 | '25 | Salt; sulphur; earths and stone; plastering materials, lime and cement                                 | 2 028 271 | 1 682 549 | -17.0% |
| 23 | '90 | Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ...        | 2 014 603 | 2 143 182 | 6.4%   |
| 24 | '10 | Cereals  | 1 855 940 | 3 306 553 | 78.2%  |
| 25 | '44 | Wood and wood products   | 1 853 186 | 1 837 885 | -0.8%  |
| 26 | '21 | Edible preparations  | 1 618 899 | 2 083 404 | 28.7%  |
| 27 | '34 | Soaps  | 1 614 533 | 1 852 605 | 14.7%  |
| 28 | '30 | Pharmaceutical products  | 1 609 567 | 1 551 398 | -3.6%  |
| 29 | '30 | Fish and crustaceans, molluscs and other aquatic invertebrates   | 1 581 057 | 1 741 262 | 10.1%  |
| 30 | '40 | Rubber and articles thereof  | 1 564 942 | 1 744 203 | 11.5%  |
| 31 | '94 | Furniture  | 1 250 723 | 1 257 492 | 0.5%   |
| 32 | '51 | Wool, fine or coarse animal hair; horsehair yarn and woven fabric                                      | 1 249 419 | 1 129 992 | -9.6%  |
| 33 | '23 | Residues and waste from the food industries; prepared animal fodder                                    | 1 167 539 | 1 585 504 | 35.8%  |
| 34 | '75 | Nickel   | 1 137 652 | 1 088 669 | -4.3%  |
| 35 | '88 | Aircraft, spacecraft, and parts thereof  | 1 112 336 | 1 750 964 | 57.4%  |
| 36 | '19 | Preparations of cereals, flour, starch or milk; pastrycooks' products                                  | 991 047   | 1 089 599 | 9.9%   |
| 37 | '32 | Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring ...      | 986 007   | 1 048 682 | 6.4%   |
| 38 | '24 | Tobacco and manufactured tobacco substitutes   | 894 340   | 1 069 487 | 19.6%  |
| 39 | '31 | Fertilisers  | 888 158   | 1 254 399 | 41.2%  |
| 40 | '04 | Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere ...         | 863 780   | 921 351   | 6.7%   |
| 41 | '02 | Meat and edible meat offal   | 826 598   | 1 155 478 | 39.8%  |
| 42 | '15 | Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal ...        | 805 516   | 1 872 903 | 132.5% |
| 43 | '12 | Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal ...    | 771 190   | 990 915   | 28.5%  |
| 44 | '61 | Articles of apparel and clothing accessories, knitted or crocheted                                     | 761 697   | 666 638   | -12.5% |
| 45 | '62 | Articles of apparel and clothing accessories, not knitted or crocheted                                 | 756 306   | 714 028   | -5.6%  |
| 46 | '86 | Railway or tramway locomotives, rolling stock and parts thereof; railway or tramway track fixtures ... | 714 054   | 605 913   | -15.1% |

|    |     |  |         |         |        |
|----|-----|--|---------|---------|--------|
| 47 | '82 | Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal | 711 915 | 573 666 | -19.4% |
| 48 | '07 | Edible vegetables and certain roots and tubers   | 711 769 | 742 540 | 4.3%   |
| 49 | '99 | Commodities not elsewhere specified  | 685 940 | 830 356 | 21.1%  |
| 50 | '69 | Ceramic products   | 649 183 | 656 751 | 1.2%   |

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

**Table A2: Top 50 exports of goods, by quantity, with explanations, Q3 2020**

| NO. | HS CODE  | PRODUCT DESCRIPTION  | MAJOR IMPORTER     | EXPLANATION     | QUANTITY: Q3 2019 | QUANTITY: Q3 2020 | UNIT      | PERCENT GROWTH | CHANGE IN RANK |
|-----|----------|--|--------------------|-----------------|-------------------|-------------------|-----------|----------------|----------------|
| 1.  | 27011200 | Bituminous coal, whether or not pulverised, non-agglomerated                                       | India and Pakistan | Not significant | 16 546 728 930    | 18 754 552 613    | Kilograms | 13%            | -              |
| 2.  | 26011200 | Agglomerated iron ores and concentrates (excluding roasted iron pyrites)                           | China and Korea    | Not significant | 9 560 354 917     | 10 519 936 683    | Kilograms | 10%            | -              |
| 3.  | 26011100 | Non-agglomerated iron ores and concentrates (excluding roasted iron pyrites)                       | China              | Not significant | 6 101 609 688     | 6 111 778 204     | Kilograms | 0%             | -              |
| 4.  | 26020000 | Manganese ores and concentrates, including ferruginous manganese ores and concentrates, with a ... | China and India    | Not significant | 5 311 337 944     | 6 044 874 001     | Kilograms | 14%            | -              |

|     |          |   |                      |   |               |               |           |        |      |
|-----|----------|---|----------------------|---|---------------|---------------|-----------|--------|------|
| 5.  | 26100000 | Chromium ores and concentrates  | China and Mozambique | Not significant   | 4 049 583 932 | 3 306 856 896 | Kilograms | -18%   | -    |
| 6.  | 01064900 | Live insects (excluding bees)   | Zambia               | Significant. Export quantity has been fluctuating since Q3 2018 experiencing periods of very high growth and slumps. Ongoing monitoring. (Export value too low to warrant analysis in this quarter) | 264 252 048   | 1 006 022 190 | Units     | 281%   | -13  |
| 7.  | 08051010 | Fresh or dried oranges: fresh   | Netherlands          | Not significant   | 957 373 244   | 942 716 021   | Kilograms | -2%    | -7   |
| 8.  | 72024100 | Ferro-chromium, containing by weight > 4% of carbon   | China and UAE        | Not significant   | 758 893 196   | 655 707 155   | Kilograms | -14%   | -8   |
| 9.  | 10059090 | Maize (excluding seed for sowing): other  | Taipei and Botswana  | Significant. Analysed in the previous quarters. Continuing on a growth trend.   | 258 900 283   | 458 254 833   | Kilograms | 77%    | +11  |
| 10. | 04069099 | Cheese (excluding fresh cheese, including whey cheese, curd, processed cheese, blue-veined cheese ... | Botswana             | Abnormal growth in Q3 2020. Unit price at R0.17 is below average price of R42/kg. Possible data error. Continue monitoring in the next quarter  | 915 788       | 428 180 447   | Kilograms | 46655% | +681 |

|     |          |  |                                 |   |             |             |           |       |      |
|-----|----------|--|---------------------------------|---|-------------|-------------|-----------|-------|------|
| 11. | 27011100 | Anthracite, whether or not pulverised, non-agglomerated  | Vietnam                         | Not significant   | 460 161 911 | 427 148 753 | Kilograms | -7%   | +2   |
| 12. | 71039900 | Precious and semi-precious stones, worked, whether or not graded, but not strung, mounted or ...       | US and China                    | Significant. Ongoing monitoring   | 254 582 781 | 377 349 100 | Carats    | 48%   | +10  |
| 13. | 27101202 | Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "including ... | Botswana                        | Not significant   | 310 784 569 | 302 433 364 | Litres    | -3%   | +4   |
| 14. | 25232900 | Portland cement (excluding white, whether or not artificially coloured)                                | Botswana                        | Significant. Expected decline from new import restricting policy by main export market (Botswana) | 196 263 184 | 273 800 232 | Kilograms | 40%   | +9   |
| 15. | 44012200 | Wood in chips or particles (excluding those of a kind used principally for dyeing or tanning ...       | Japan                           | Ongoing decrease for second consecutive quarter. Analysed in previous quarters.                   | 464 346 218 | 264 627 529 | Kilograms | -43%  | -3   |
| 16. | 73041990 | Line pipe of a kind used for oil or gas pipelines, seamless, of iron or steel (excluding products ...  | Singapore and UAE               | Export data only available since for four quarters (Q3 2019 to Q3 2020). Continue monitoring      | 5 880 984   | 262 231 292 | Kilograms | 4359% | +200 |
| 17. | 27101235 | Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl. ...     | Ship stores and bunkers and UAE | Significant increase. Product analysed in previous quarters                                       | 449 743 175 | 256 605 603 | Litres    | -43%  | -3   |

|     |          |  |                           |  |             |             |           |      |     |
|-----|----------|--|---------------------------|--|-------------|-------------|-----------|------|-----|
| 18. | 08052110 | Fresh or dried mandarins including tangerines and satsumas (excluding clementines): fresh              | Netherlands and UK        | Ongoing monitoring. Export quantity has been fluctuating over time | 170 510 918 | 221 223 298 | Kilograms | 30%  | +6  |
| 19. | 27101230 | Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume: including ... | Botswana                  | Product analysed in previous quarter. Continue monitoring          | 474 551 477 | 220 667 391 | Litres    | -53% | -8  |
| 20. | 26140000 | Titanium ores and concentrates   | China, US and Netherlands | On-going decrease. Product analysed in previous quarter            | 301 512 345 | 212 645 504 | Kilograms | -29% | -2  |
| 21. | 47020000 | Chemical wood pulp, dissolving grades  | China and India           | Selected for analysis  | 258 750 053 | 199 175 341 | Kilograms | -23% | -   |
| 22. | 10059010 | Maize (excluding seed for sowing): dried kernels or grains fit for human consumption, not further ...  | Korea                     | On-going monitoring. Product analysed in previous quarters         | 98 244 547  | 193 363 618 | Kilograms | 97%  | +11 |
| 23. | 17011400 | Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excluding ...      | Malaysia, US and Korea    | Significant decline. Selected for analysis                         | 358 636 848 | 187 847 283 | Kilograms | -48% | -8  |

|     |          |  |                           |   |             |             |              |        |       |
|-----|----------|--|---------------------------|---|-------------|-------------|--------------|--------|-------|
| 24. | 44031100 | Wood in the rough, treated with paint, stains, creosote or other preservatives, coniferous ...   | Mauritius                 | Abnormal increase caused by rise in exports to Mauritius. Value of exports is too low to warrant products analysis. Continue monitoring | 171 728     | 162 013 583 | Cubic meters | 94243% | +1426 |
| 25. | 08055010 | Fresh or dried lemons "citrus limon, citrus limonum" and limes "citrus aurantifolia, citrus ...  | Netherlands               | Not significant   | 166 359 201 | 157 603 228 | Kilograms    | -5%    | -     |
| 26. | 10051000 | Maize seed for sowing  | Japan and Vietnam         | Significant growth. Selected for analysis   | 6 972 502   | 156 380 333 | Kilograms    | 2143%  | +169  |
| 27. | 08081000 | Fresh apples   | UK                        | Not significant   | 144 128 054 | 150 347 539 | Kilograms    | 4%     | -1    |
| 28. | 28352690 | Phosphates of calcium (excluding calcium hydrogenorthophosphate "dicalcium phosphate"): other    | Netherlands and Lithuania | On-going growth. Product was analysed in previous quarter   | 30 015 900  | 140 477 058 | Kilograms    | 368%   | +48   |
| 29. | 76011000 | Aluminium, not alloyed, unwrought  | Netherlands and US        | Not significant   | 142 620 869 | 133 917 484 | Kilograms    | -6%    | -2    |
| 30. | 17019900 | Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar ... | Mozambique                | Not significant   | 134 325 326 | 127 538 049 | Kilograms    | -5%    | -2    |
| 31. | 72011000 | Non-alloy pig iron in pigs, blocks or other primary forms, containing, by weight, <= 0,5% of ... | US and Netherlands        | Not significant   | 123 551 722 | 118 668 702 | Kilograms    | -4%    | -1    |

|     |          |   |                                    |  |            |             |              |        |       |
|-----|----------|---|------------------------------------|--|------------|-------------|--------------|--------|-------|
| 32. | 26180000 | Granulated slag (slag sand) from the manufacture of iron or steel                                       | US                                 | On-going monitoring  | 81 449 725 | 111 882 755 | Kilograms    | 37%    | +8    |
| 33. | 26080000 | Zinc ores and concentrates  | Korea and China                    | Not significant  | 94 544 204 | 106 375 759 | Kilograms    | 13%    | +2    |
| 34. | 28042100 | Argon   | Democratic Republic of Congo (DRC) | Abnormal increase, with very low export value of less than R1 million to justify any further analysis. Unit price of R0,0 below average price of R37. Continue monitoring. | 295 295    | 90 327 685  | Cubic metres | 30489% | +1119 |
| 35. | 29012900 | Hydrocarbons, acyclic, unsaturated (excluding ethylene, propene "propylene", butene "butylene" ...      | Singapore and US                   | Not significant  | 88 194 719 | 89 032 032  | Kilograms    | 1%     | +2    |
| 36. | 39021090 | Polypropylene, in primary forms: other  | Nigeria                            | On-going monitoring  | 64 804 931 | 88 801 967  | Kilograms    | 37%    | +10   |
| 37. | 26151000 | Zirconium ores and concentrates   | China                              | Not significant  | 83 472 092 | 71 070 930  | Kilograms    | -15%   | +2    |
| 38. | 26030000 | Copper ores and concentrates  | Mozambique                         | Significant increase. Selected for analysis  | 42 336 866 | 70 868 039  | Kilograms    | 67%    | +21   |
| 39. | 47032900 | Semi-bleached or bleached non-coniferous chemical wood pulp, soda or sulphate (excluding dissolving ... | China                              | Not significant  | 65 857 016 | 68 617 921  | Kilograms    | 4%     | +6    |

|     |          |  |                         |  |            |            |           |      |     |
|-----|----------|--|-------------------------|--|------------|------------|-----------|------|-----|
| 40. | 25030000 | Sulphur of all kinds (excluding sublimed sulphur, precipitated sulphur and colloidal sulphur)            | Zambia                  | Not significant  | 75 529 235 | 67 543 306 | Kilograms | -11% | +3  |
| 41. | 25161100 | Granite, crude or roughly trimmed (excluding already with the characteristics of setts, curbstones ...   | China and Poland        | Not significant  | 60 947 797 | 66 759 925 | Kilograms | 10%  | +8  |
| 42. | 27101207 | Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "including ...   | Ship stores and bunkers | Ongoing monitoring   | 86 040 022 | 65 157 533 | Litres    | -24% | -4  |
| 43. | 08054010 | Fresh or dried grapefruit: fresh   | Netherlands and China   | Not significant  | 77 965 982 | 64 999 000 | Kilograms | -17% | -2  |
| 44. | 72104990 | Flat-rolled products of iron or non-alloy steel, of a width of >= 600 mm, hot-rolled or cold-rolled ...  | US                      | Limited data for comprehensive analysis. Continue monitoring | 21 437 215 | 57 173 128 | Kilograms | 167% | +56 |
| 45. | 44011100 | Fuel wood, in logs, billets, twigs, faggots or similar forms, coniferous                                 | Eswatini                | Limited data for comprehensive analysis. Continue monitoring | 32 377 206 | 55 880 220 | Kilograms | 73%  | +26 |
| 46. | 22042941 | Wine of fresh grapes, including fortified wines, and grape must whose fermentation has been arrested ... | UK and Germany          | Ongoing increase. Product analysed in previous quarters      | 44 645 464 | 53 942 016 | Litres    | 21%  | +11 |



|     |          |  |                         |  |            |            |           |      |     |
|-----|----------|--|-------------------------|--|------------|------------|-----------|------|-----|
| 47. | 11031390 | Groats and meal of maize "corn": other   | Zimbabwe and Mozambique | Ongoing. Growth driven by increase in demand from Zimbabwe in Q3 2020. Product analysed in previous quarters | 27 334 576 | 52 753 473 | Kilograms | 93%  | +35 |
| 48. | 25231000 | Cement clinkers  | Lesotho and Eswatini    | Not significant  | 47 718 598 | 50 098 494 | Kilograms | 5%   | +8  |
| 49. | 22042141 | Wine of fresh grapes, including fortified wines, and grape must whose fermentation has been arrested ... | UK and Netherlands      | Ongoing monitoring   | 38 707 298 | 47 537 611 | Litres    | 23%  | +14 |
| 50. | 27074000 | Naphthalene containing > 50% of naphthalene (excluding chemically defined)                               | UAE                     | Ongoing monitoring. Export quantity has fluctuated over time   | 59 354 635 | 47 386 931 | Litres    | -20% | -   |

| 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>On-going monitoring and trends to watch</b>                     |  |  |  |
| 04069099   | Cheese (excluding fresh cheese, including whey cheese, curd, processed cheese, blue-veined cheese ...) | Very high increase in certain quarters, notably Q2 and Q4 of 2019 and Q1 and Q3 of 2020 with all increases going to Botswana. In Q2 2019 exports increased to 607 million kg from 135 525 kg in Q1 2019. It dropped to 192 096 kg in Q3 2019, there after surging again to 1.5 billion kg in Q4 2019. Another surge was then experienced in Q1 2020 and Q2 of 2020.  | Continue monitoring export trend. If growth continues for three consecutive quarters, products will be considered for analysis |
| 28042100   | Argon  | Was listed under possible data errors in Q2 2020 due to abnormal growth experienced in that quarter. South Africa's exports of Argon seem to be continuing on upward growth trend increasing to 90 million kg in Q3 2020 vs (84 million kg in the previous quarter and 295 thousand kg in Q3 2019). Still driven by increased demand by DRC.   | If third consecutive increase occurs, product will be considered for analysis in the next quarter                              |
| <b>Data errors or issues and updates</b>                           |  |  |  |
| 38151100   | Supported catalysts with nickel or a nickel compound as the active substance, n.e.s.                   | Abnormal increase. Possible data error in reporting exports quantity to Eswatini in Q3 2020 – Approximately 99% of South Africa's exports of this product was to Eswatini with quantity reaching 38 million kg for valued at R67 000. Values do not correspond with exported quantity signalling possible error in quantity reporting.   | N/A  |
| 69074000   | Finishing ceramics (excluding refractory)  | Abnormal increase. Possible data error in reporting exports quantity. The abnormal increase is to Kenya, taking 82% of exports, with quantity reaching 18.6 million square meters in Q3 2020 vs 1 million square metres in Q3 2019, making it the top export market. Yet, in terms of values, Kenya occupies eighth spot with R4 million worth of imports of finishing ceramics from South Africa – while Botswana is the top importer by value. | N/A  |