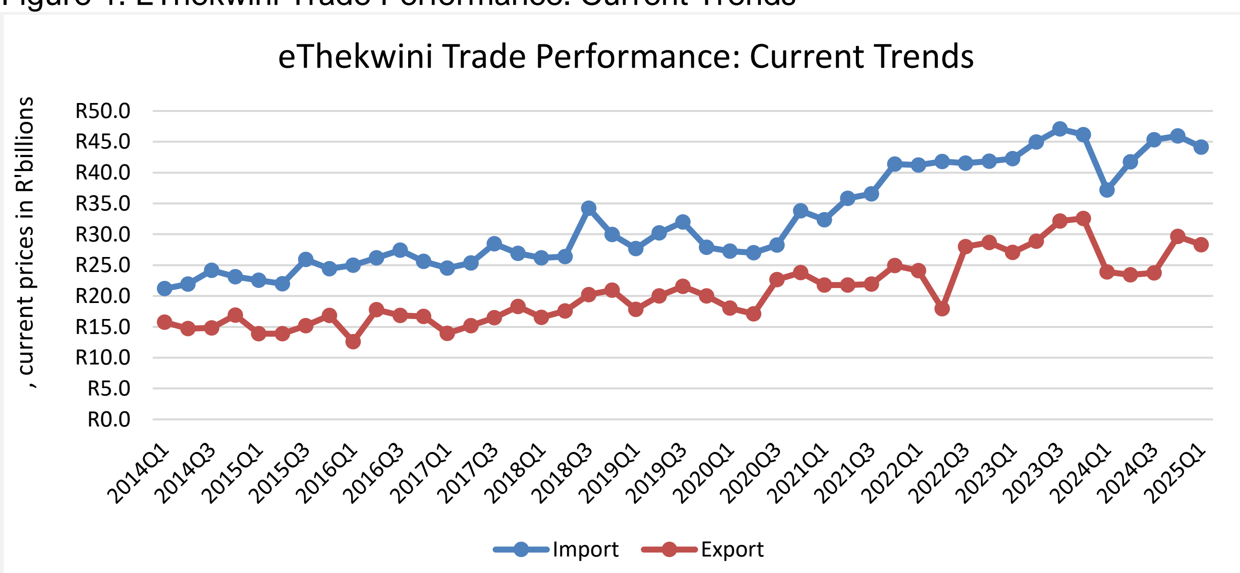
A DEEP DIVE INTO ETHEKWINI'S EXPORT AND IMPORT DYNAMICS, Q1 2025

(EDGE Data Story)

Introduction to Trade Activity in eThekwini

EThekwini's trade activity continues to reflect broader economic shifts, with recent data for Q1 2025 indicating ongoing volatility. According to the latest trade figures, the city recorded imports amounting to R44.16 billion, reflecting a 3.9% decline from the previous quarter. Similarly, exports reached R28.32 billion, registering a 4.5% contraction. These movements mark a downturn in export and import volumes compared to late 2024, possibly pointing to subdued global demand or tightening trade conditions. This trend follows a fluctuating trade performance observed since early 2024, underscoring the need to monitor trade-related sectors closely as they remain critical to eThekwini's economic resilience and recovery trajectory.

Figure 1: EThekwini Trade Performance: Current Trends



Source: Quantec, SARS, 2025

Exports: Top Gains and Consistent Losses Commodities

In the first quarter of 2025, eThekwini's export landscape exhibited both dramatic recoveries and entrenched declines across key product categories. Among the top-performing exports, HS Code HST870322 (vehicles with spark-ignition engines between 1000cc and 1500cc) stood out, surging by 1,164% from just R47.5 million in Q4 2024 to R602.5 million in Q1 2025, although this rebound followed a steep and consistent year-long decline of 97.9% from R2.25 billion in Q1 2024. Likewise, HST110812 (maize starch) climbed 604% to reach R191.3 million, while HST380893 (herbicides and similar products) grew by 504% to R177.9 million, reflecting stronger agricultural demand. Other major increases included HST870323 (motor vehicles exceeding 1500cc but not exceeding 3000cc), which rose by 476% to R508.7 million, and HST270112 (bituminous coal), which jumped 329% to exceed R1 billion, indicating revived demand in heavy industries and energy.

Table 2: Top 10 Export Products

Top 10 Export Products	2024Q3	2024Q4	2025Q1	Growth %
HST0: Total: All commodities	**R23,744,079,042**	**R29,667,779,604**	**R28,324,638,493**	**-4.5%**
HST870421: Of a gross vehicle weight not exceeding 5 tonnes	R3,166,397,322	R8,203,833,631	R9,250,144,679	12.8%
HST100590: Cereals: maize (corn), other than seed	R679,932,099	R756,799,864	R837,421,249	10.7%
HST480419: Kraft paper and paperboard: kraftliner	R333,683,132	R450,271,424	R577,019,693	28.1%
HST170199: Sugars: sucrose, chemically pure, in solid form	R550,424,061	R566,684,314	R503,921,982	-11.1%
HST271012: Light oils and preparations	R351,423,019	R364,634,209	R500,443,620	37.2%
HST150710: Crude oil, whether or not degummed	R444,712,662	R258,228,601	R460,413,511	78.3%
HST870323: Cylinder capacity exceeding 1500 cm³ but not exceeding 3000 cm³	R395,391,450	R189,221,451	R371,050,656	96.1%
HST760820: Aluminium alloys	R276,132,327	R317,585,741	R293,098,725	-7.7%
HST381512: Catalysts, supported: reaction initiators, reaction accelerators	R320,695,794	R332,201,654	R279,648,360	-15.8%
HST100199: Cereals: wheat and meslin	R548,663,681	R235,265,707	R275,814,242	17.2%

Source: Quantec, SARS, 2025

However, despite these short-term gains, several export products from eThekwini experienced uninterrupted quarterly declines throughout 2024, revealing deeper structural or cyclical weaknesses. Notably, HST870323 fell from R5.36 billion in Q1 to R3.17 billion by Q4 2024, marking a 40.8% annual contraction. HST390110 (ethylene polymers) also suffered, dropping from R729 million in Q1 to R278 million in Q4, a 61.9%

decline. Meanwhile, HST720421 (waste and scrap of stainless steel) exports dropped by 78.8%, falling from R296 million to just R62.6 million. HST760200 (aluminium waste and scrap) declined 65.9%, and HST390110 registered further losses into 2025. These sustained downtrends likely reflect a mix of waning global demand, pricing volatility, shifts in manufacturing dynamics, or capacity issues in key export-facing industries such as automotive, petrochemicals, and metal recycling. The data reveals a dual narrative of rebound in some sectors, juxtaposed against prolonged export weakness in others, demanding close monitoring and strategic sector-level support.

Imports: Rising and Sustained Falling Commodities

On the import side, Q1 2025, eThekwini's import profile revealed a mix of sharp increases in essential commodities and continued declines in durable goods, highlighting shifts in consumption patterns, production dynamics, and global pricing pressures. Among the fastest-growing imports, HS Code HST100630 (semi-milled or wholly milled rice) surged by 1,065%, rising from R15.6 million in Q4 2024 to R181.8 million in Q1 2025. Similarly, HST310520 (mineral or chemical fertilizers) increased by 438% to reach R163.3 million, while HST271012 (light oils and preparations) grew 338% to R1.87 billion, likely driven by stockpiling strategies or increasing energy consumption. HST100199 (wheat and meslin) also posted strong growth of 272%, rising to R2.13 billion, indicating sustained demand for staple food products.

Table 2: Top 10 Import Products

Top 10 Import Products	2024Q3	2024Q4	2025Q1	Growth %
HST0: Total: All commodities	**R45,352,610,070**	**R45,943,487,644**	**R44,158,310,230**	**-3.9%**
HST980140: Motor vehicles for the transport of goods of a vehicle mass not exceeding 2,000 kg	R4,756,112,641	R3,953,906,668	R3,436,908,199	-13.1%
HST100199: Cereals: wheat and meslin,	R1,305,291,234	R256,339,383	R2,127,254,135	729.9%
HST271012: Light oils and preparations	R1,739,135,568	R1,644,473,054	R1,872,807,506	13.9%
HST151190: Vegetable oils: palm oil and its fractions	R1,307,053,927	R1,646,186,937	R1,585,680,972	-3.7%
HST870322: Cylinder capacity exceeding 1000 cm³ but not exceeding 1500 cm³	R1,119,280,840	R1,807,263,328	R1,578,185,071	-12.7%
HST100590: Cereals: maize (corn)	R83,079,293	R376,842,442	R1,346,920,004	257.4%
HST870333: Cylinder capacity exceeding 2500 cm³	R487,329,523	R637,727,098	R1,065,383,862	67.1%
HST100630: Semi-milled or wholly milled rice, whether polished or glazed	R830,689,999	R1,190,560,369	R1,025,243,036	-13.9%

HST980130: Motor cars (including station wagons) of heading 87.03	R1,155,503,233	R1,076,098,789	R942,698,563	-12.4%
HST870421: Gross vehicle weight not exceeding 5 tonnes	R289,949,315	R667,361,612	R639,868,340	-4.1%

Source: Quantec, SARS,2025

In contrast, several high-value goods continued to decline into Q1 2025, extending a pattern of consistent quarterly reductions observed throughout 2024. Notably, HST870323 (motor vehicles between 1500cc and 3000cc) dropped by 61.5% year-on-year, from R1.04 billion in Q1 2024 to R401 million in Q4 2024, maintaining its downward trajectory into 2025. HST870322 (vehicles between 1000cc and 1500cc) also contracted sharply, falling from R1.58 billion in Q1 to R516 million by Q4, while HST870321 (vehicles not exceeding 1000cc) declined by 76.2%, from R1.26 billion to R299 million. Electronics followed a similar trend, with HST852872 (TV receivers) falling steadily from R73.9 million to R32.9 million, representing a 55.5% annual decrease. HST720449 (ferrous waste and scrap) also posted a 54.9% decline, likely linked to disruptions in the steel supply chain or increased domestic recycling.

Export Destination Trends: Rising and Falling Demand

Between Q4 2024 and Q1 2025, eThekwini experienced robust export growth to several countries, indicating shifting global trade dynamics and strengthening regional and global linkages. One of the most notable increases was to Belgium, where exports surged from R4.79 billion to R6.23 billion, a 30.1% rise, likely driven by demand in the automotive or chemical sectors. Zambia also showed a strong 29.2% increase, growing from R1.71 billion to R2.21 billion, reflecting strengthening intra-African trade. Similarly, Swaziland and Lesotho saw increases of 26.5% and 21.3%, respectively, showing continued reliance on South Africa's manufacturing and agro-processing exports.

Crucially, exports to the United States grew moderately, rising from R1.63 billion in Q4 2024 to R1.74 billion in Q1 2025, an increase of 6.5%. This reflects steady demand for specialized goods and possibly the impact of renewed trade channels or stable US economic recovery.

However, some destinations saw notable declines. Exports to Mozambique dropped by 23.4%, from R1.34 billion to R1.03 billion, potentially due to currency constraints or shifting trade routes. Italy saw a 20.9% drop (from R365 million to R288 million), and France declined by 16.4%. These contractions may signal reduced European industrial demand or temporary trade frictions.

Import Destination Trends: Shifting Supply Chains and Demand Weakness

Imports to eThekwini also displayed a mix of resilience and contraction. Notably, Germany saw a 7.9% increase, reaching R1.93 billion, as industrial imports like machinery and equipment remained strong. Brazil, India, and China also posted moderate growth, with China remaining the top import partner with R9.38 billion in Q1 2025. These trends highlight the city's reliance on Asia and BRICS partners for strategic goods and components.

Imports from the United States, however, showed a marginal decline of 2.8%, decreasing from R2.05 billion in Q4 2024 to R1.99 billion in Q1 2025. While the reduction is not severe, it suggests a potential slowdown in demand for US goods such as high-tech machinery or pharmaceuticals, or it could reflect delayed shipments and cost factors.

Significant declines were also observed in imports from Singapore (−26.7%), Turkey (−19.7%), and Australia (−18.5%), likely due to supply-side constraints or shifts toward more cost-effective or accessible suppliers.

Conclusion

The trade performance of eThekwini in Q1 2025 reflects a city navigating a dynamic and uneven global economic environment. Export activity showed strong recoveries in selected sectors, with notable product-level gains in maize starch, herbicides, motor vehicles, and bituminous coal. These gains suggest revitalised industrial output and stronger demand from African and European markets. At the same time, several key export products, including ethylene polymers, vehicle components, and metal scrap, continued to experience sustained declines throughout 2024, pointing to structural weaknesses in traditional manufacturing and global commodity demand.

Import trends followed a similar dual pattern. Demand for essential goods such as semi-milled rice, fertilizers, and petroleum surged in early 2025, while imports of vehicles, electronics, and recycled metals sharply declined, indicating weakened consumer purchasing power and possible substitution through local production. These product-level shifts are mirrored by changing trade partner dynamics.

Export destination analysis revealed strong growth in trade with Belgium, Zambia, Swaziland, and Lesotho, underscoring growing regional economic ties and diversified global linkages. In contrast, exports to Mozambique, Italy, and France declined, likely due to logistics constraints, currency pressures, or softer industrial demand. On the import side, countries like Germany, India, and Brazil remained important suppliers, while imports from Singapore, Turkey, and Australia declined sharply, reflecting shifting sourcing strategies, cost dynamics, and potential disruptions in global supply chains.

Key Strategic Priorities Going Forward

1. **Target Support for Declining Sectors:** Provide targeted relief or incentives for declining export sectors, particularly in chemicals, automotive components, and recycling-related manufacturing.
2. **Build Domestic Capacity in Import-Substituted Goods:** Encourage local production in sectors showing falling imports (vehicles, electronics), to capture domestic market share and create jobs.