






# ECONOMY AT A GLANCE

PREPARED BY ECONOMIC DEVELOPMENT AND INVESTMENT PROMOTION UNIT

## GLOBAL STATE OF THE ECONOMY

		 THE WORLD BANK	 OECD BETTER POLICIES FOR BETTER LIVES
Projected GDP Growth for 2017	<b>3.6%</b>	<b>2.9%</b>	<b>3.3%</b>
2016 GDP Growth	<b>3.4%</b>	<b>2.7%</b>	<b>3.0%</b>

## GLOBAL HIGHLIGHTS



### Growth in China

Growth in China is expected to reach just over 6% by 2018 as the economy adjusts to a number of transitions towards consumption and services, heavy industries and sustainable credit development.



### USA Interest Rate

The US economy is continuing to show signs of growth and increasing the interest rates may be the right move, but may impact negatively on emerging markets. Countries such as Turkey, Brazil, and South Africa, which perpetually run trade deficits, finance their current account deficits by building up dollar-denominated debt.



### Brexit

The rand had weakened since the results of the Brexit vote but the currency's decline was short-lived and has strengthened again. The current volatility exists because many traders and speculators did not anticipate the UK's exit from the EU.







### African Growth

Africa remains the fastest growing region after the East Asia averaging 4.2% over last 4 years. The global trends is affecting African countries differently – revenues are dropping in resource-rich regions, while oil importers are benefiting from lower inflation. Many countries are also facing large fiscal deficits.

## NATIONAL STATE OF THE ECONOMY

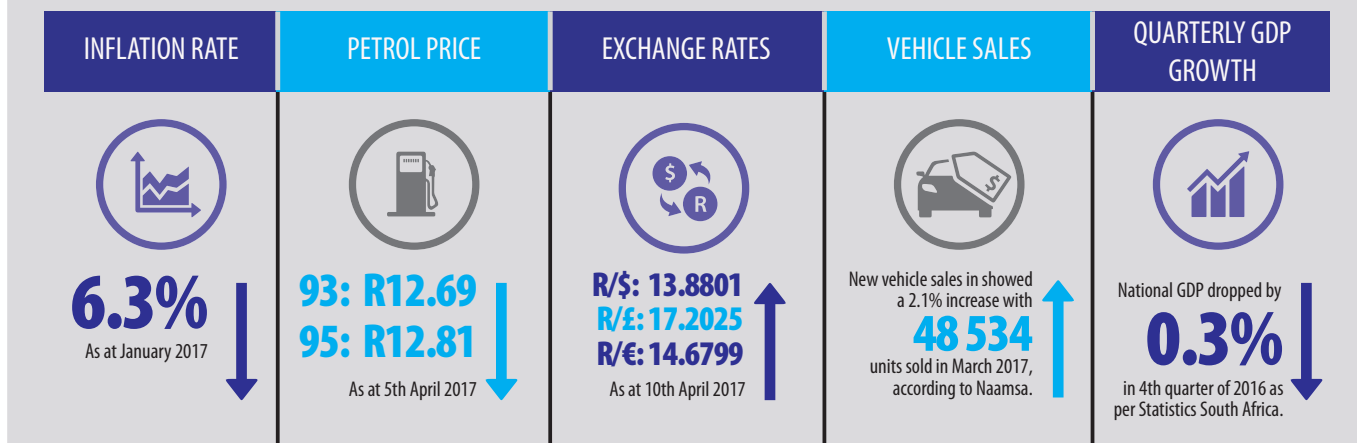
### NATIONAL GDP GROWTH AND FORECASTS

	 South African Reserve Bank		 THE WORLD BANK	 OECD BETTER POLICIES FOR BETTER LIVES
Projected GDP Growth for 2017	<b>1.1%</b>	<b>1.0%</b>	<b>1.1%</b>	<b>1.1%</b>
2016 GDP Growth	<b>R3.07 trillion</b>	(increase of 0.3% from 2015, sourced from Statistics South Africa)		

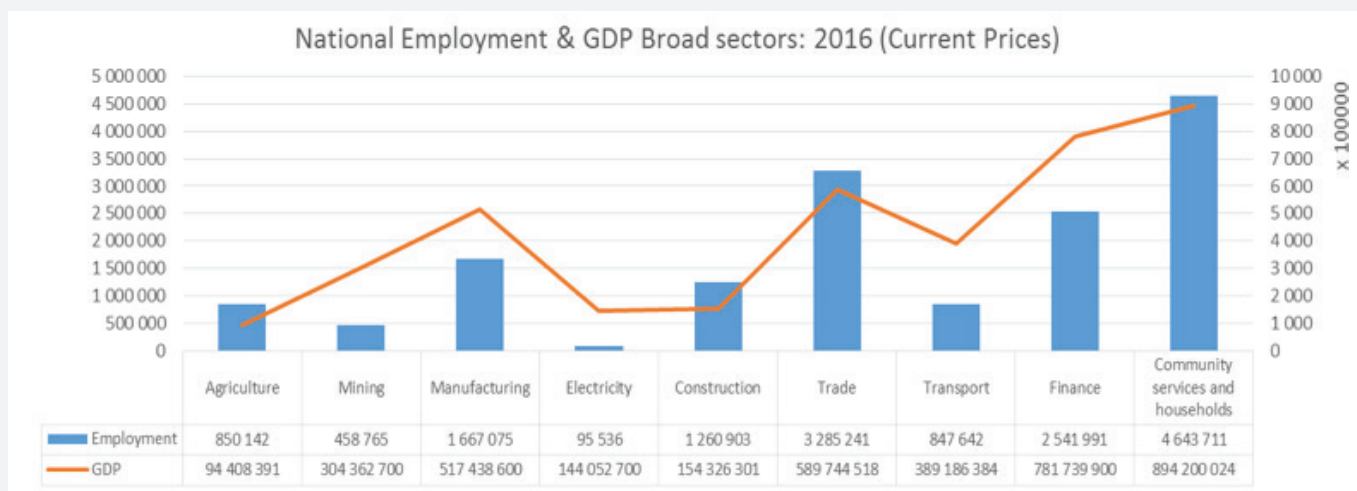
## NATIONAL HIGHLIGHTS

GDP FOURTH QUARTER	RATING DOWNGRADES	QUARTERLY LABOUR FORCE SURVEY	RADICAL ECONOMIC TRANSFORMATION FRAMEWORK
Real gross domestic product decreased by 0, 3% in the 4th quarter of 2016, following an increase of 0, 4% in the third quarter. The largest negative contributor to growth was in the mining and quarrying industry, which decreased by 11, 5% and contributed -0, 9 of a percentage point to GDP growth. The manufacturing sector output decreased by 3, 1%. (Statistics South Africa)	Two rating agency Standard & Poors and Fitch Ratings has downgraded the country to 'junk status' (from 'BBB-' to 'BB+'), which is one notch below investment grade. The other international ratings agency Moody's has given South Africa a three-month stay of execution before making its pronouncement.	The official unemployment rate decreased by 0.6% quarter-to-quarter and increased by 2.0 percentage points year-on-year. The unemployment rate as at the 4th quarter was recorded as 26.5%.	In the State of the Nation Address, the President said the structure of the economy will be transformed through industrialisation, broad-based black economic empowerment and through strengthening and expanding the role of the state in the economy

## NATIONAL KEY INDICATOR

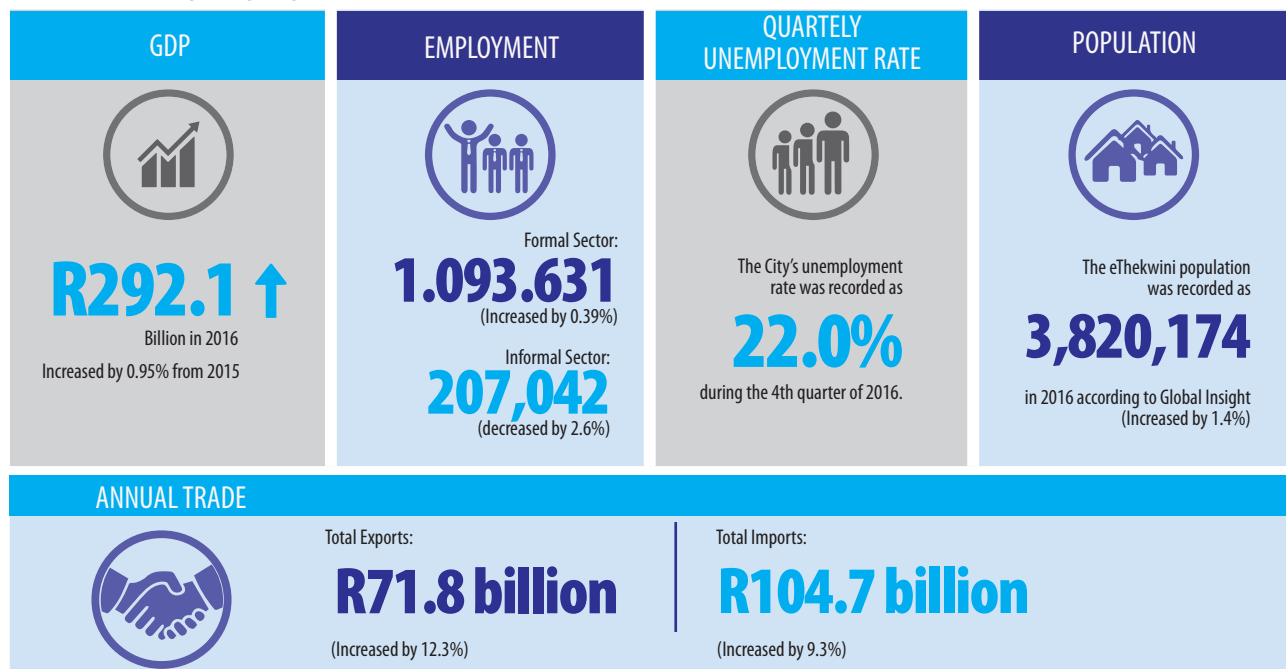


## NATIONAL EMPLOYMENT & GDP: BROAD SECTORS: 2016



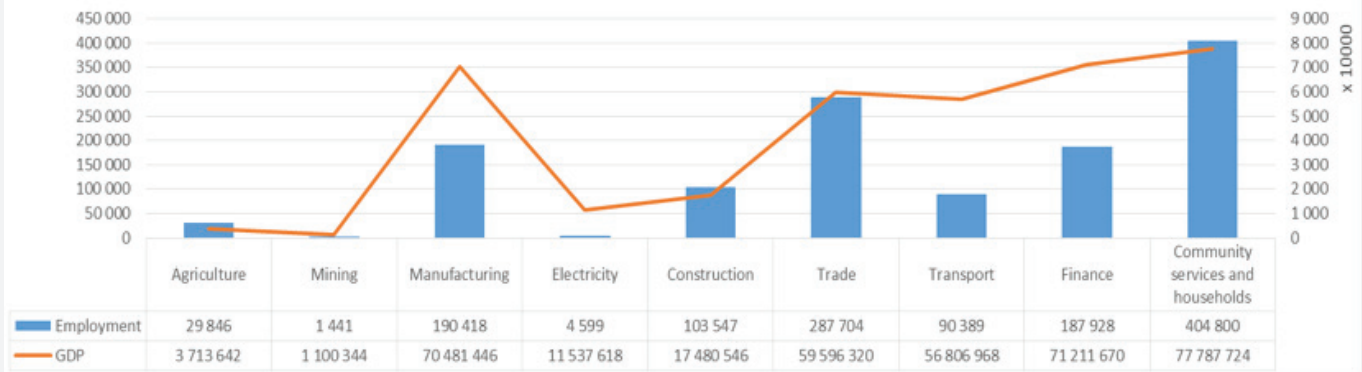
## LOCAL STATE OF THE ECONOMY

### ETHEKWINI HIGHLIGHTS



## ETHEKWINI TOTAL EMPLOYMENT & GDP: BROAD SECTORS: 2016

eThekweni Employment and GDP Broad Sectors: 2016 (Current Prices)



## EVENTS/LAUNCHES/INVESTMENTS

MARITIME SUMMIT	AUTOMOTIVE CONFERENCE	PWC-EDGE-CHAMBER BREAKFAST	DEVELOPMENT OF INVESTMENT PROMOTION STRATEGY	RADICAL ECONOMIC TRANSFORMATION FRAMEWORK
The eThekweni Maritime Cluster hosted the 2nd Annual Maritime Summit during 29-31 March 2017 at the Maritime School of Excellence. The Summit provided a platform for role players within the maritime shipping and transport industry, ocean resource companies, logistics businesses and government port authorities to network during the sessions.	The National Association of Automotive Components Allied Manufacturers (NAACAM) was hosted by the City during 5-7 April 2017. The event was led by international experts who showcased global views on manufacturing best practice and emerging trends in the automotive sector.	The Durban Chamber in Collaboration with EDGE and PWC hosted a breakfast seminar to discuss the budget speech, State of the Nation address and the State of the Province Address, under the theme 'Where to from here for business'. The KZN Premier, as key note speaker emphasised the role of radical economic transformation in shaping the future economy.	The world bank delegation is assisting the City to craft a global best practice Investment Promotion Strategy. The Strategy and Implementation Plan are expected to make a significant improvement in the city's efforts to attract more foreign investors.	The eThekweni Mayor unveiled the City's Radical Economic Transformation Framework during February 2017 – announcing opportunities for public and private investments to develop black-owned small enterprises. The money invested is expected to accelerate a number of projects to benefit local businesses and communities.

## CATALYTIC PROJECTS

CORNUBIA	DUBE TRADEPORT	POINT WATERFRONT	CENTRUM SITE	KEYSTONE
Construction of the first 486 units in Phase 1a Housing is complete. At present, 995 of the 2,180 units have been completed as part of Phase 1b. Cornubia Industrial and Business Estate is 100% sold and 13 businesses are already operational in the area. Environmental authorisation has been received for Phase 2, which includes the Cornubia Business Hub in extent of 85,000m <sup>2</sup> . ( <a href="http://www.cornubia.co.za">www.cornubia.co.za</a> )	Dube TradePort has attracted over R1.4-billion investment to date. Dube TradeZone has secured Samsung Electronics; Amsted Reelin, Rossi SA, Ukuphanta and DB Schenker. The latest businesses to locate at the TradeZone is Yangtze Optics Africa Cable and Cipla Bio-Tec. Planning is already underway for Dube TradeZone 2, as well as Dube AgriZone Phase 2. ( <a href="http://www.dubetradeport.co.za">www.dubetradeport.co.za</a> )	This is one of the key catalytic projects in the City – and also forms part of the City's initiative to redevelop and regenerate the inner-city. The first phase commenced in 2017 and relates mostly to the provision of infrastructure. The balance of the project will cover a 10-15-year horizon at between R25-R30-billion of public/private sector investment. ( <a href="http://www.durbanpoint.co.za">www.durbanpoint.co.za</a> )	The development of the Durban Centrum site is part of a plan to enhance the city's environment and offer more cultural amenities for its citizens. This 28-hectare site comprises the largest single area of the central city and provides the potential for comprehensive redevelopment. It is expected that the redevelopment of this site will complement the adjoining central business district while trying to preserve the city's heritage in terms of its historic buildings.	Keystone is a 152-hectare logistics and light-industrial precinct on the N3 near the Hammarsdale interchange. The construction phase is expected to create 3,500 construction jobs and over 6,000 direct jobs. Investors at present include Mr Price and Ackermans. Work has commenced on the portion of the eThekweni Western Aqueduct Link that runs through Keystone Park. ( <a href="http://www.keystoneinvestments.co.za">www.keystoneinvestments.co.za</a> )