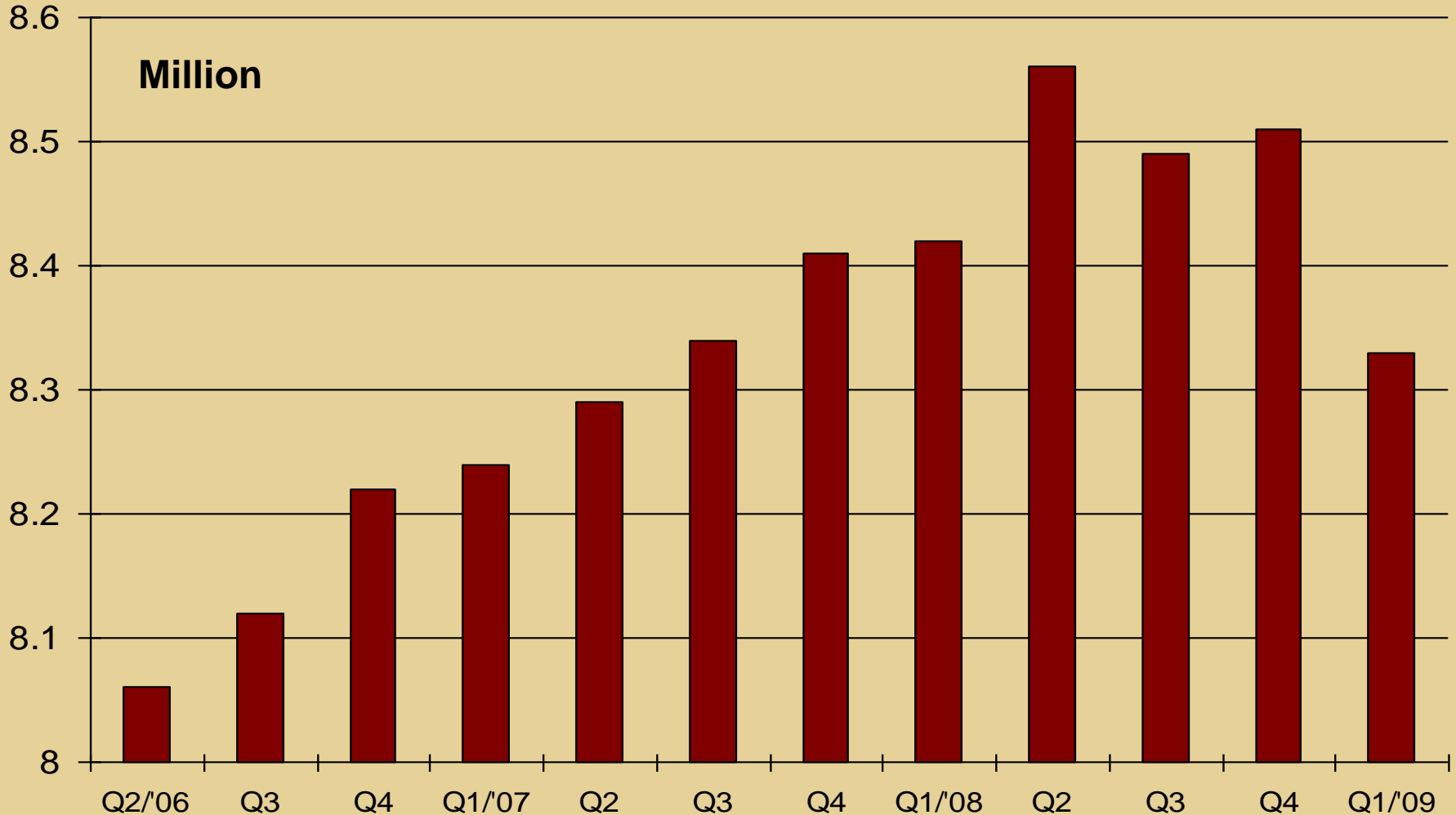


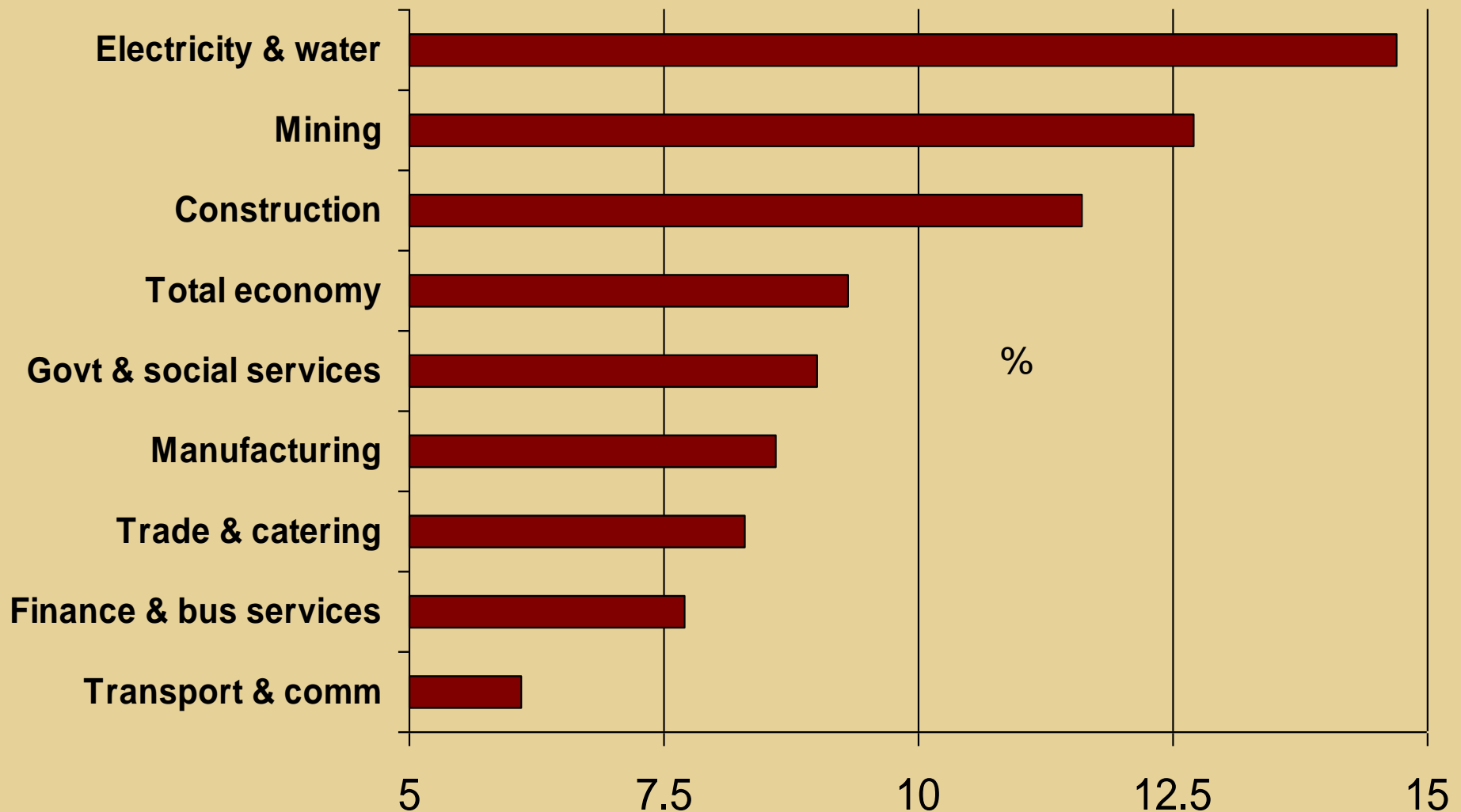
Prospects for a swift return to higher growth

Dr Roelof Botha

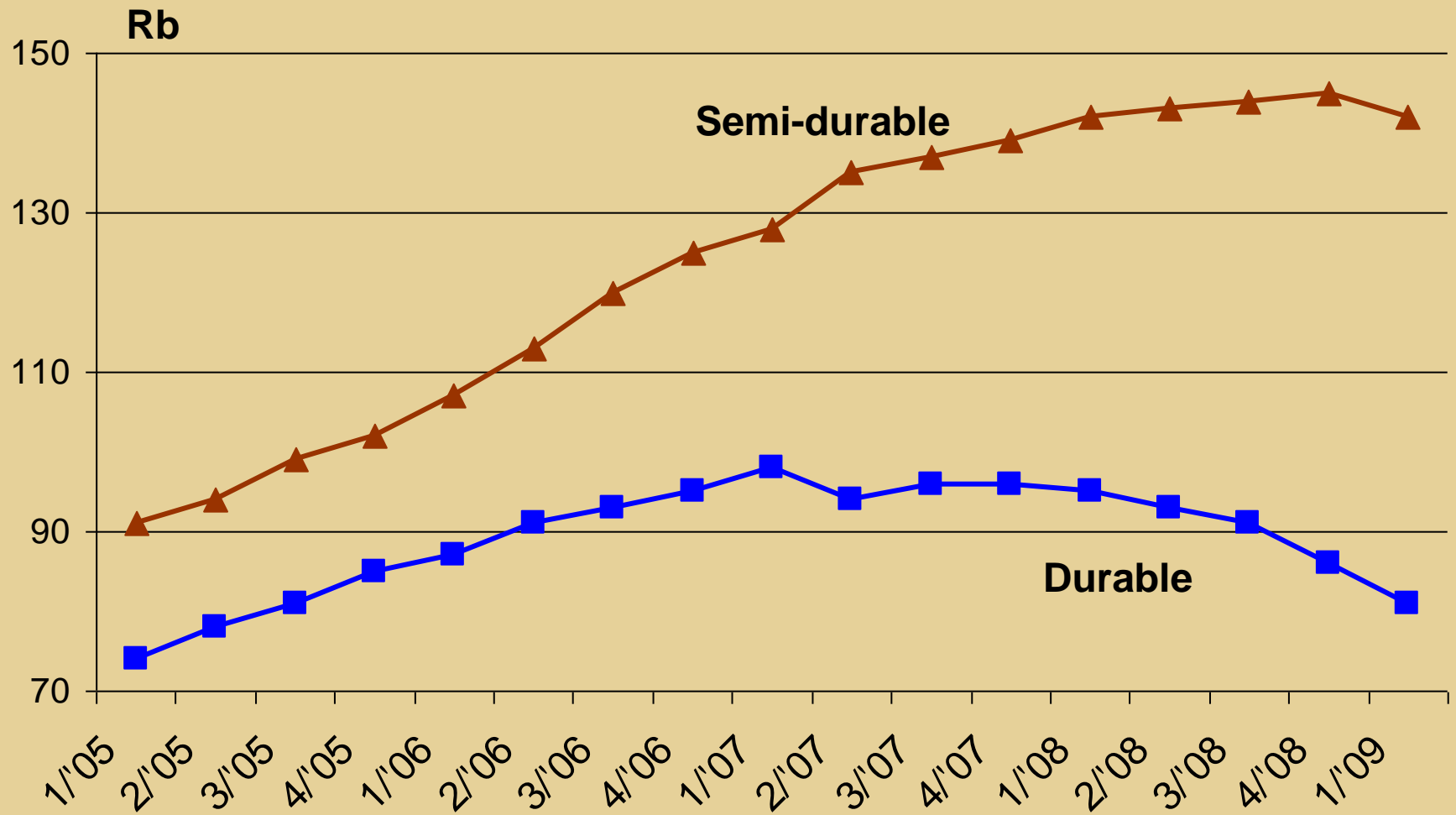
Employment in the SA economy (formal non-agricultural sectors)



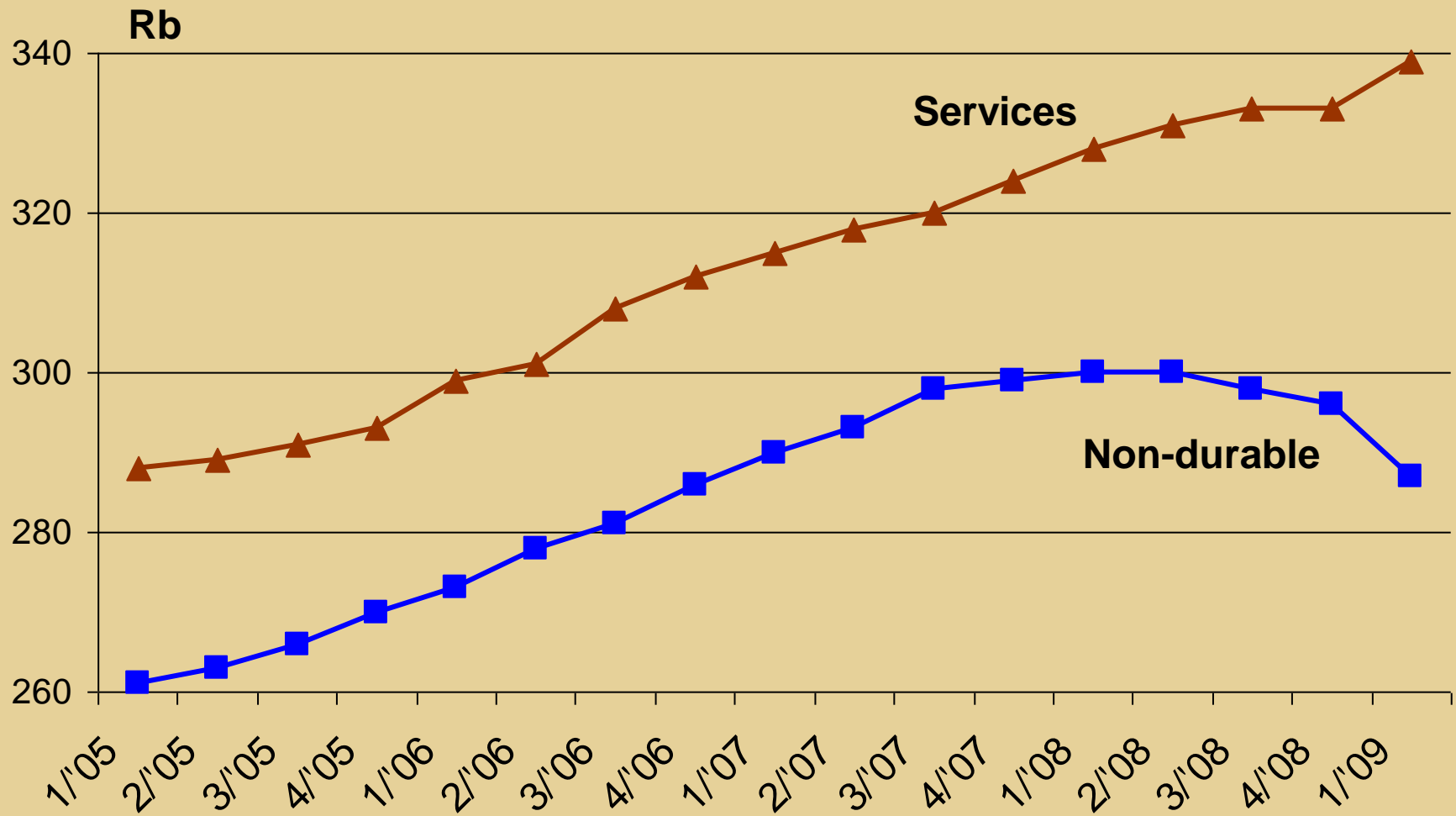
Average annual increase in salaries by sector (at current prices) May '06 – Feb '09



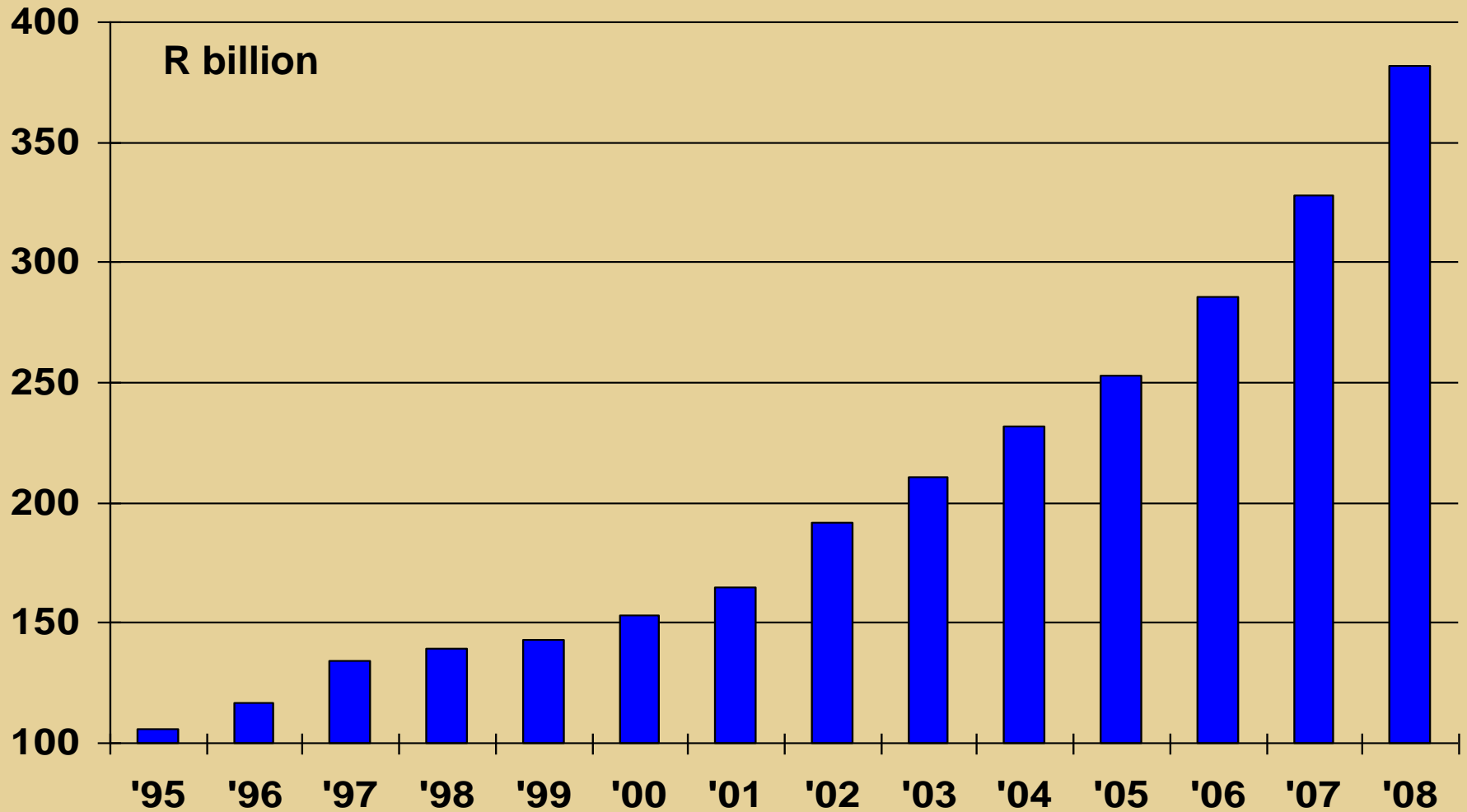
Real household expenditure trends – durable & semi-durable (annualised)



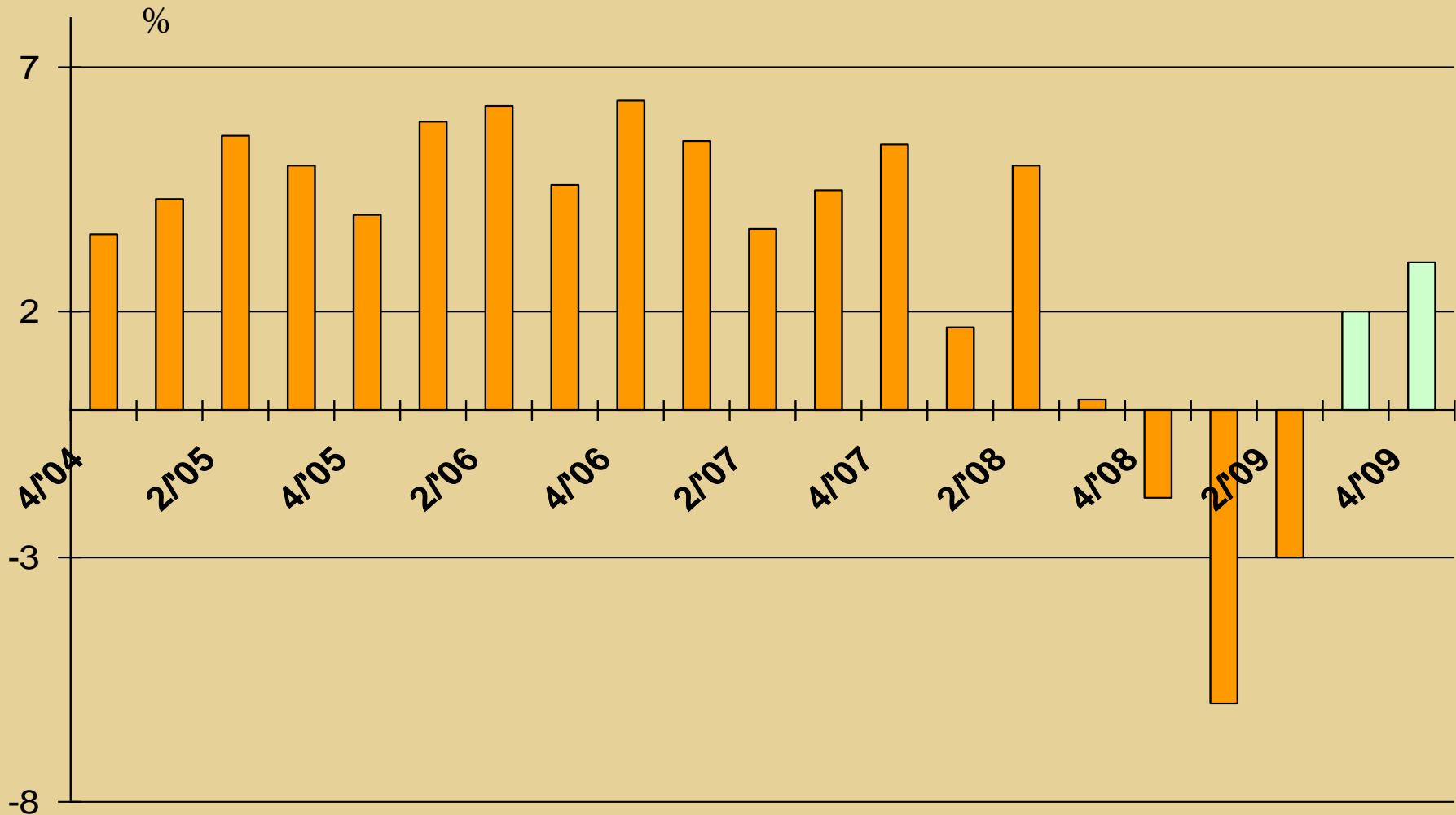
Real household expenditure trends – non-durable & services (annualised)



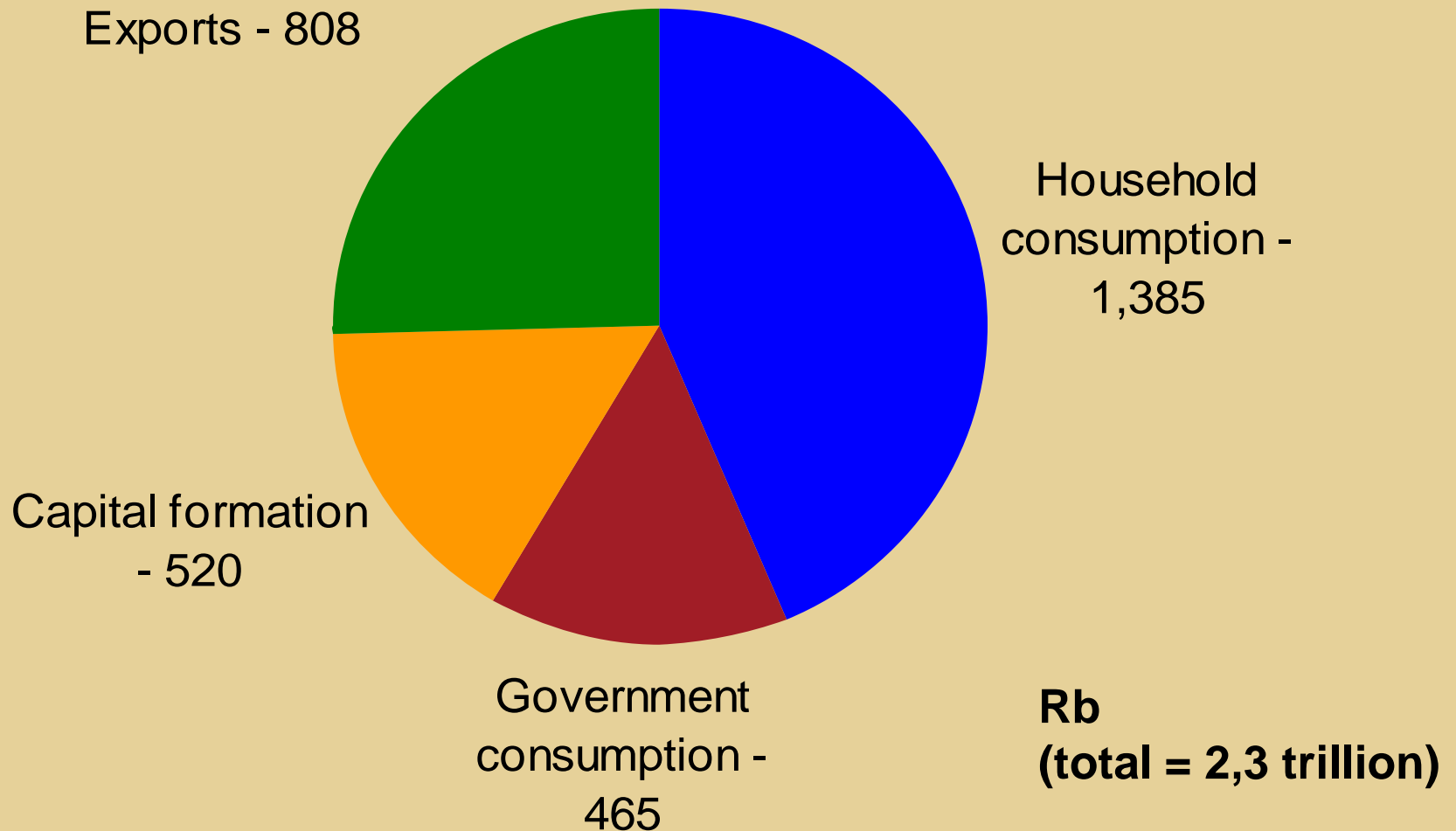
Household expenditure on food & beverages (at current prices)



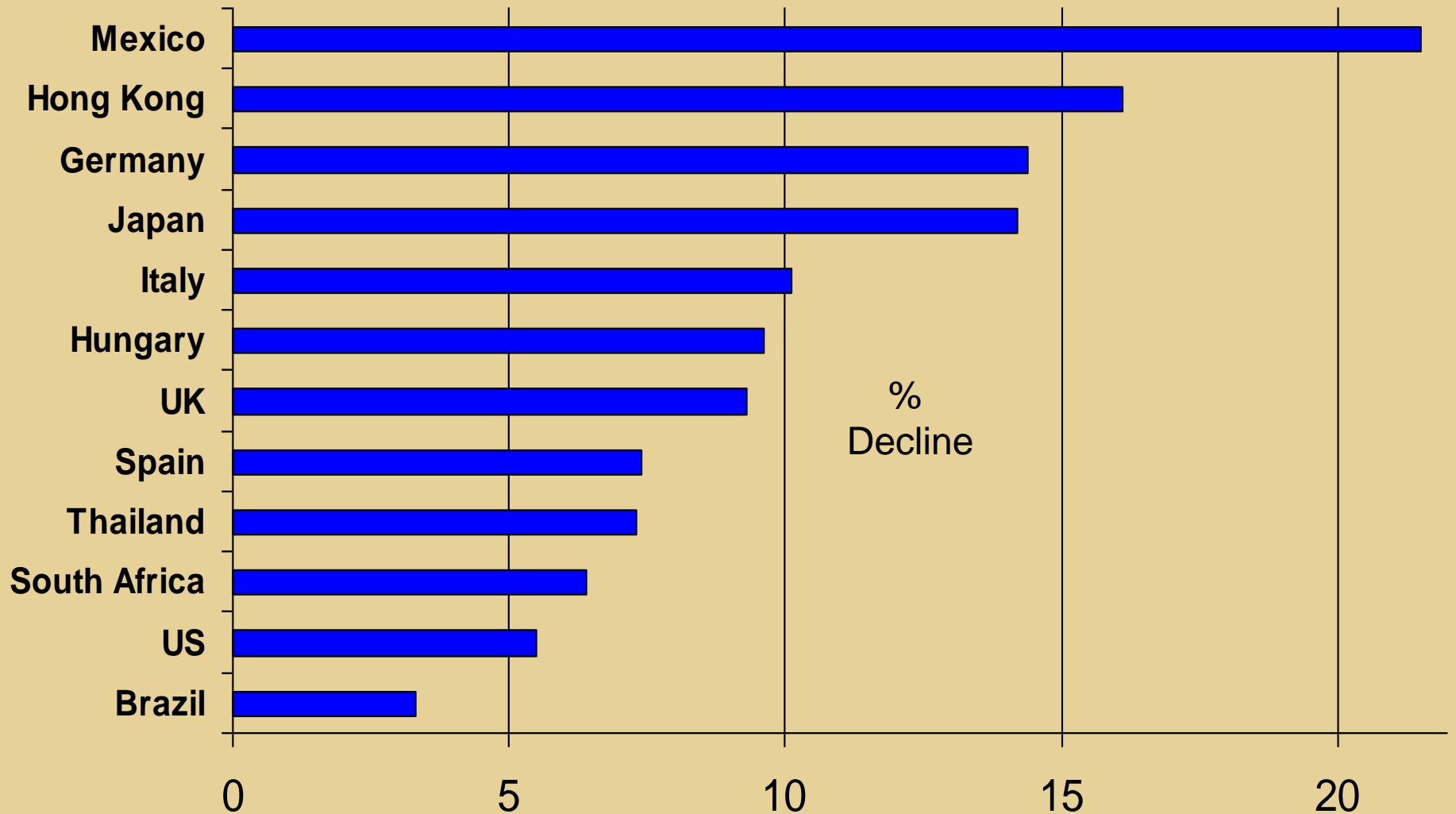
Real GDP growth (quarterly, at annualised rates)



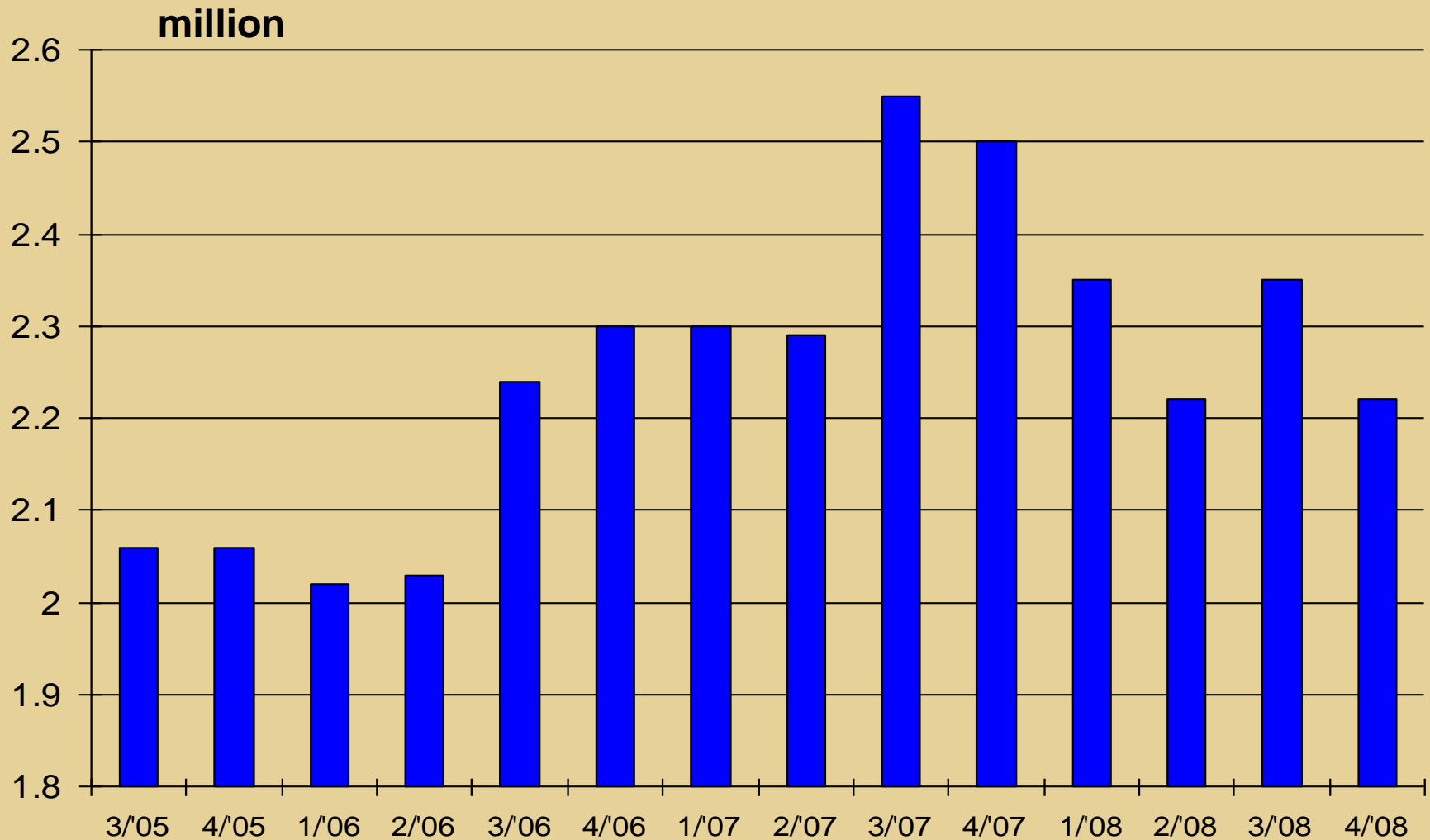
Composition of final demand 2008



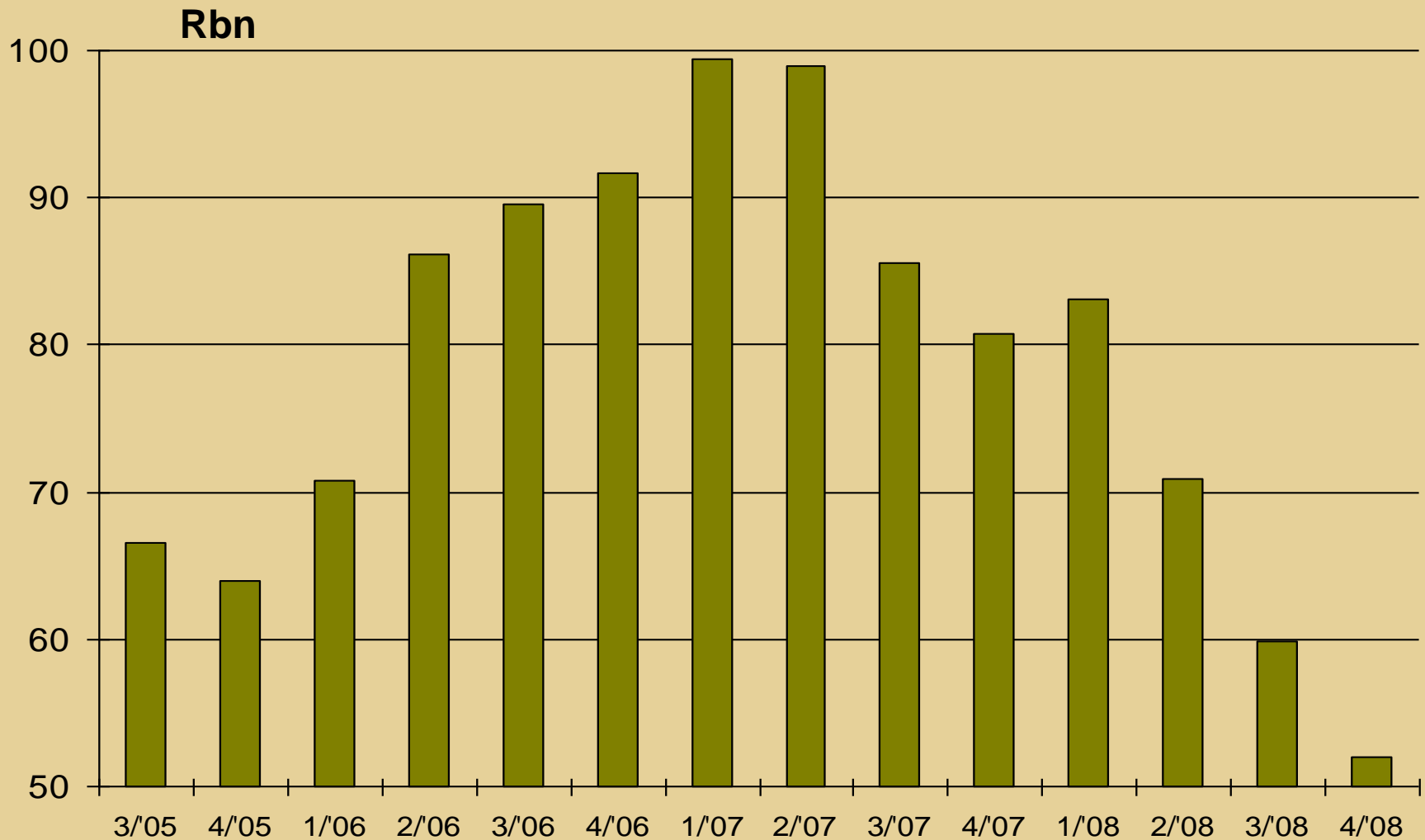
% Contraction in GDP growth 1st quarter 2009 (selected countries)



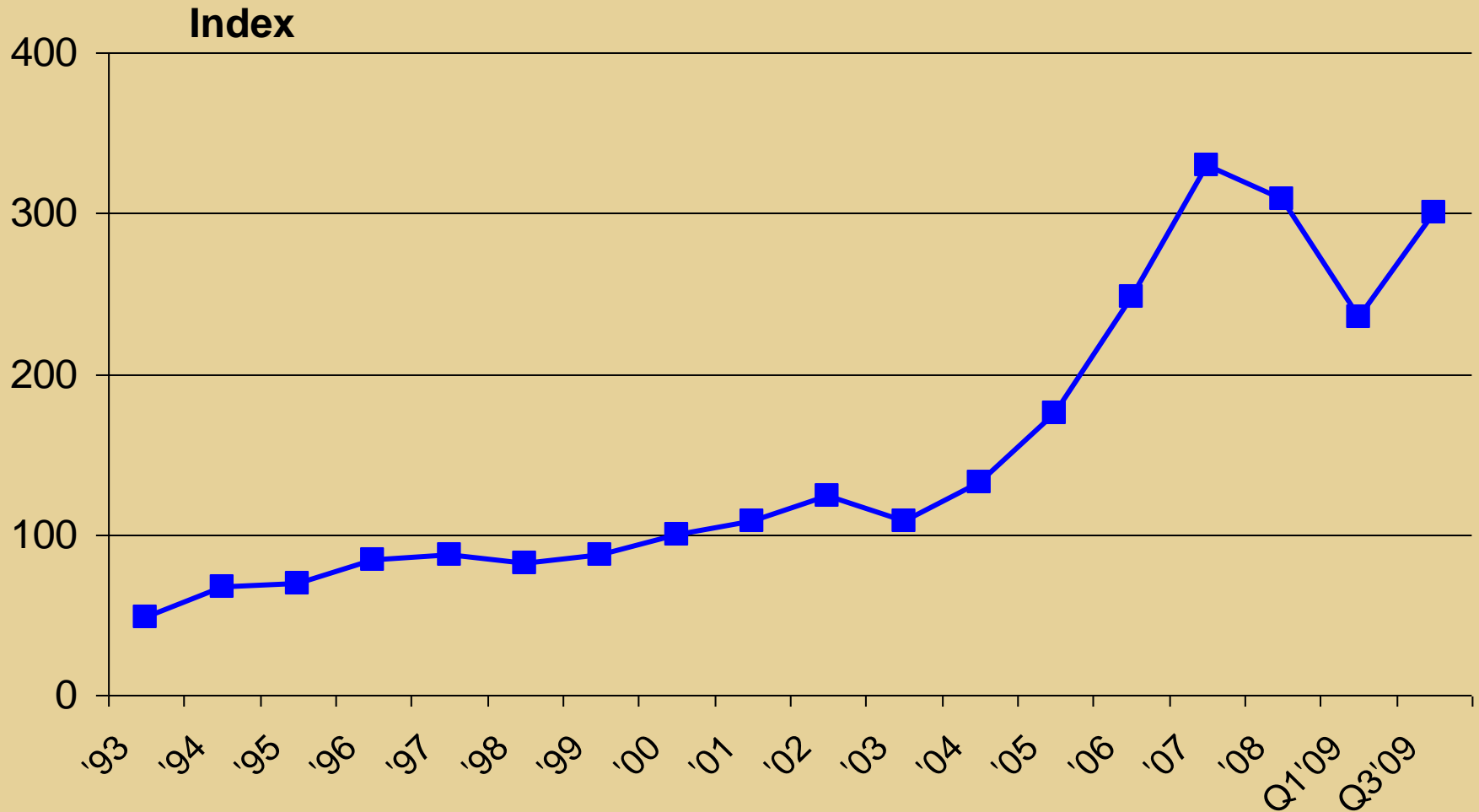
Passenger arrivals – OR Tambo



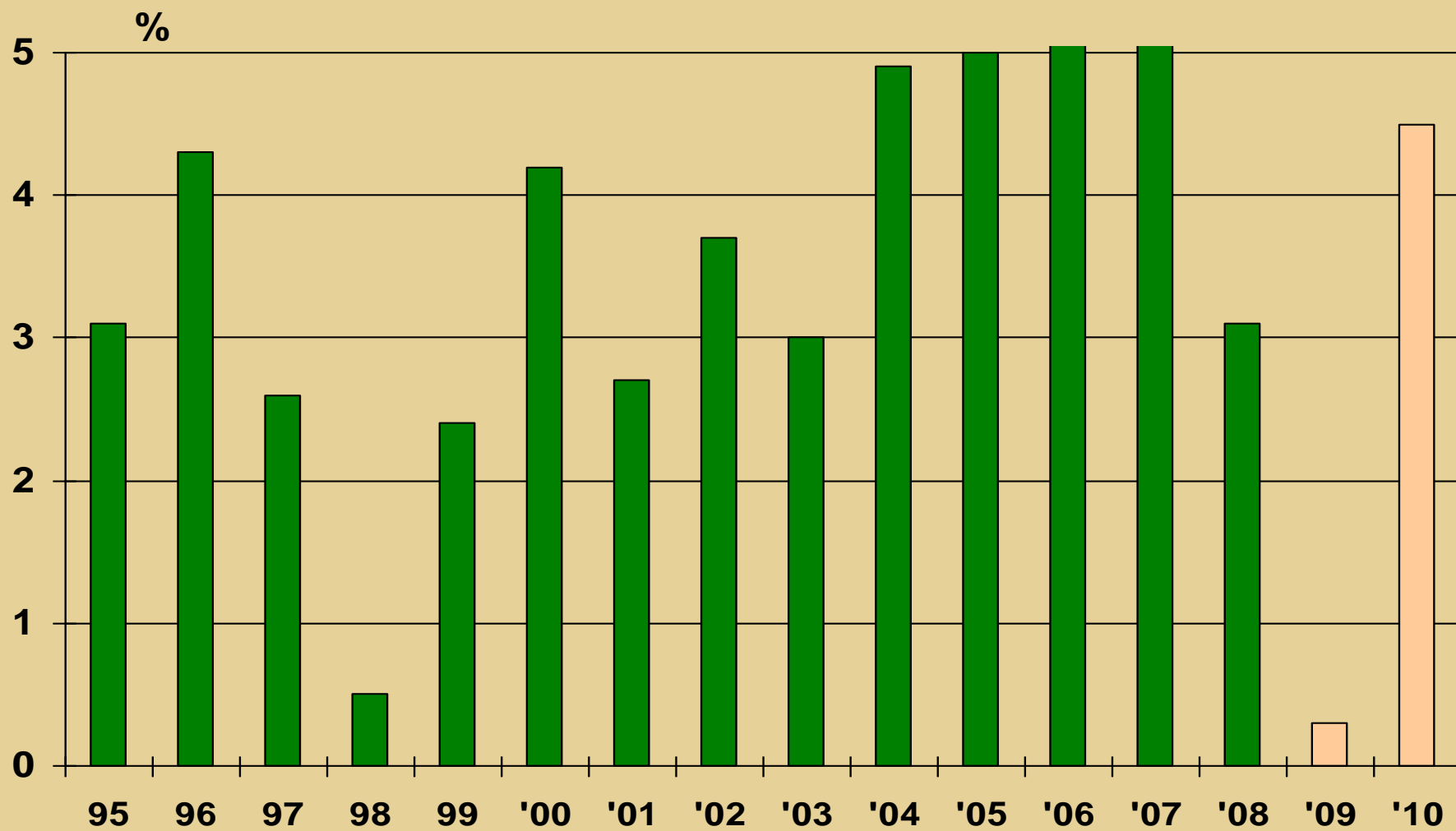
New residential mortgage advances (quarterly)



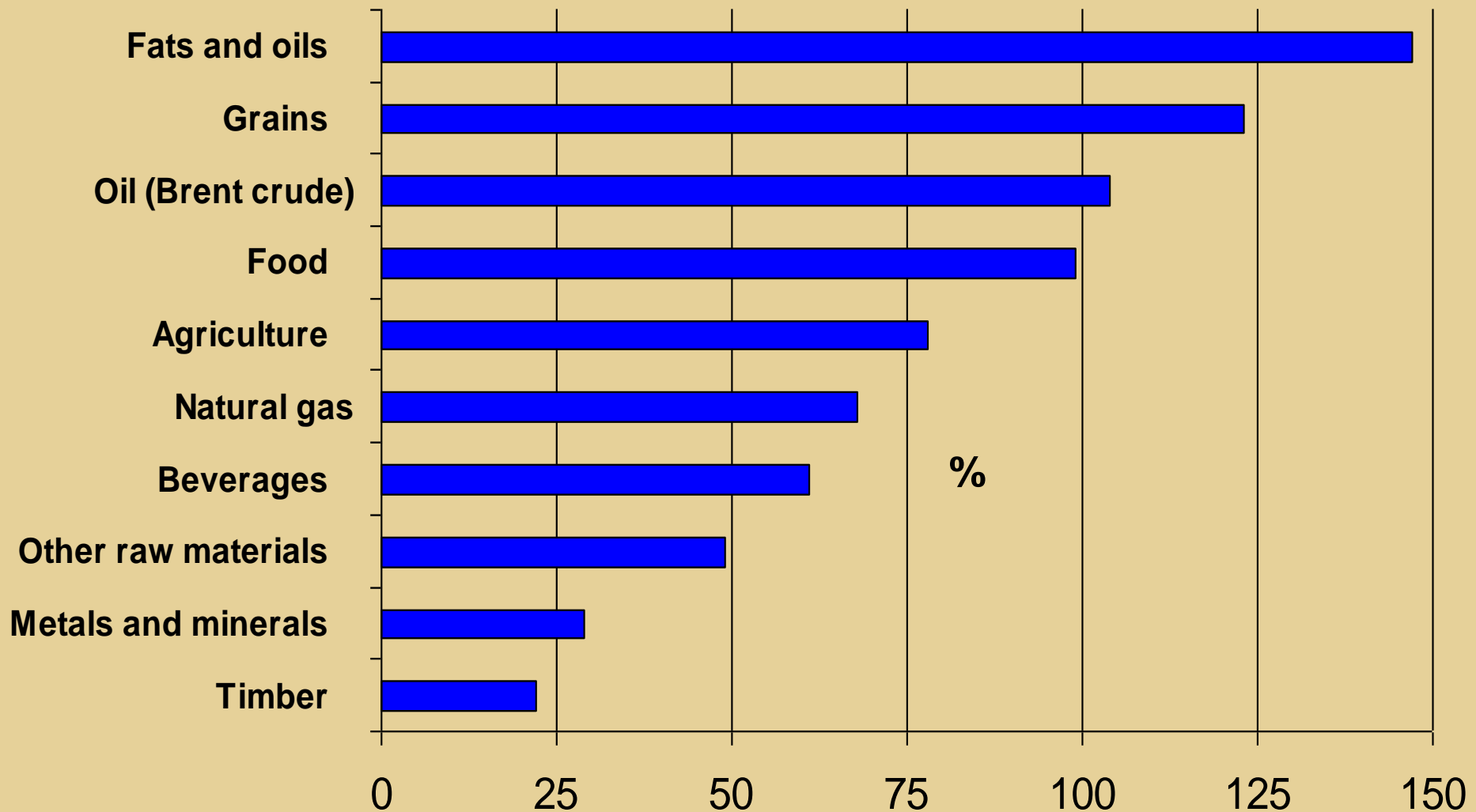
Share prices (JSE)



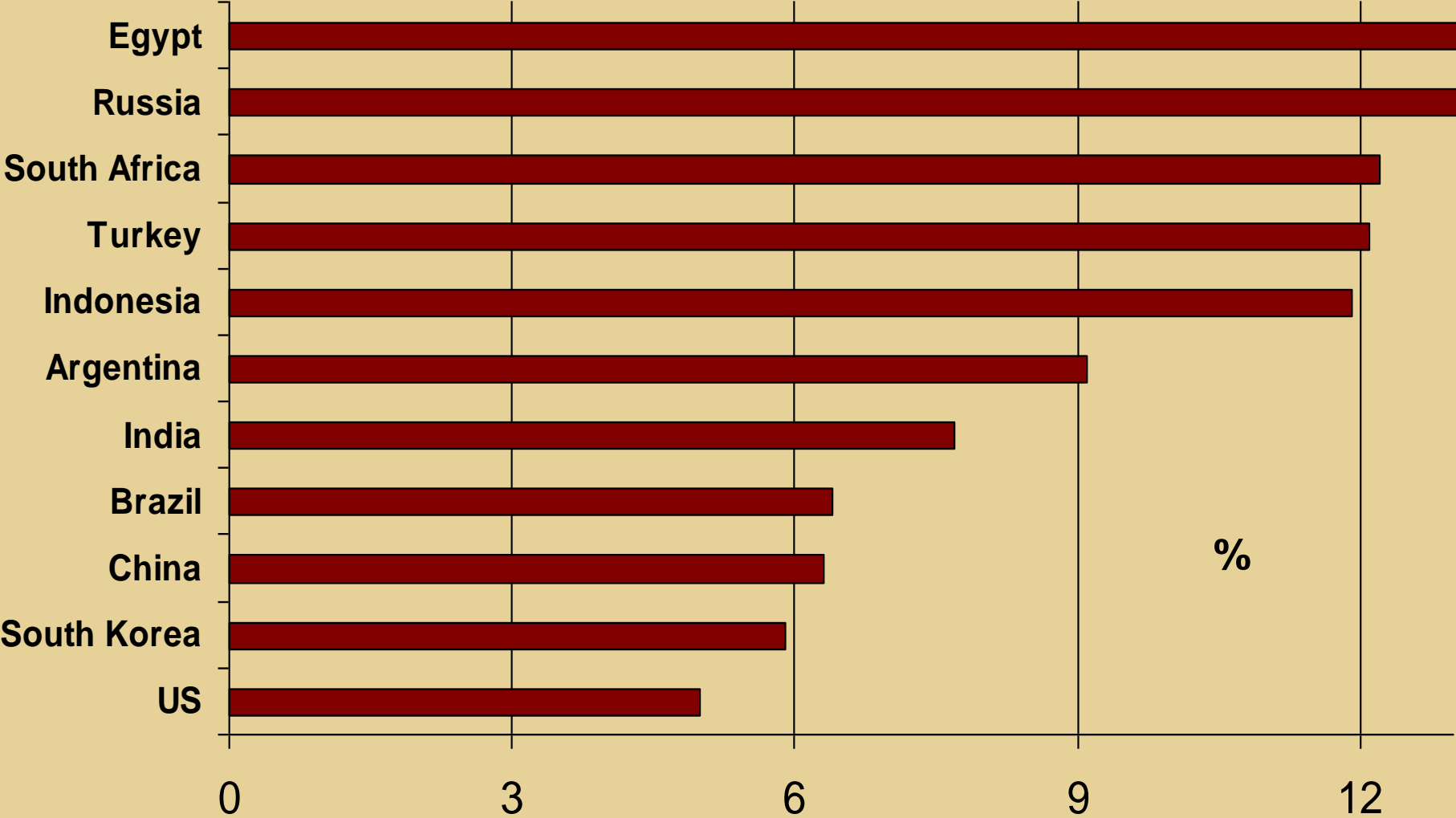
Real GDP growth



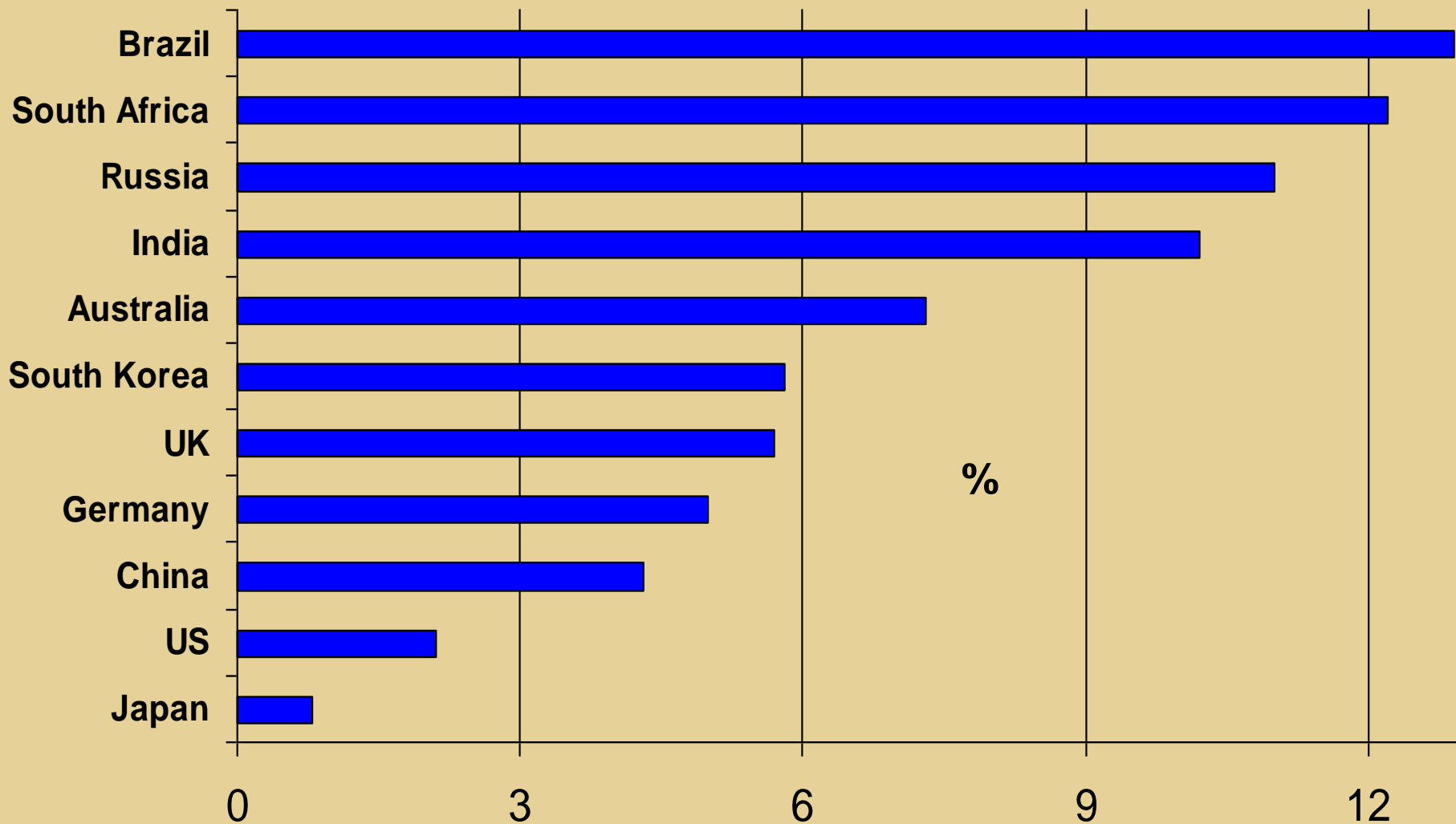
Commodity price increases – 2006 to June 2008



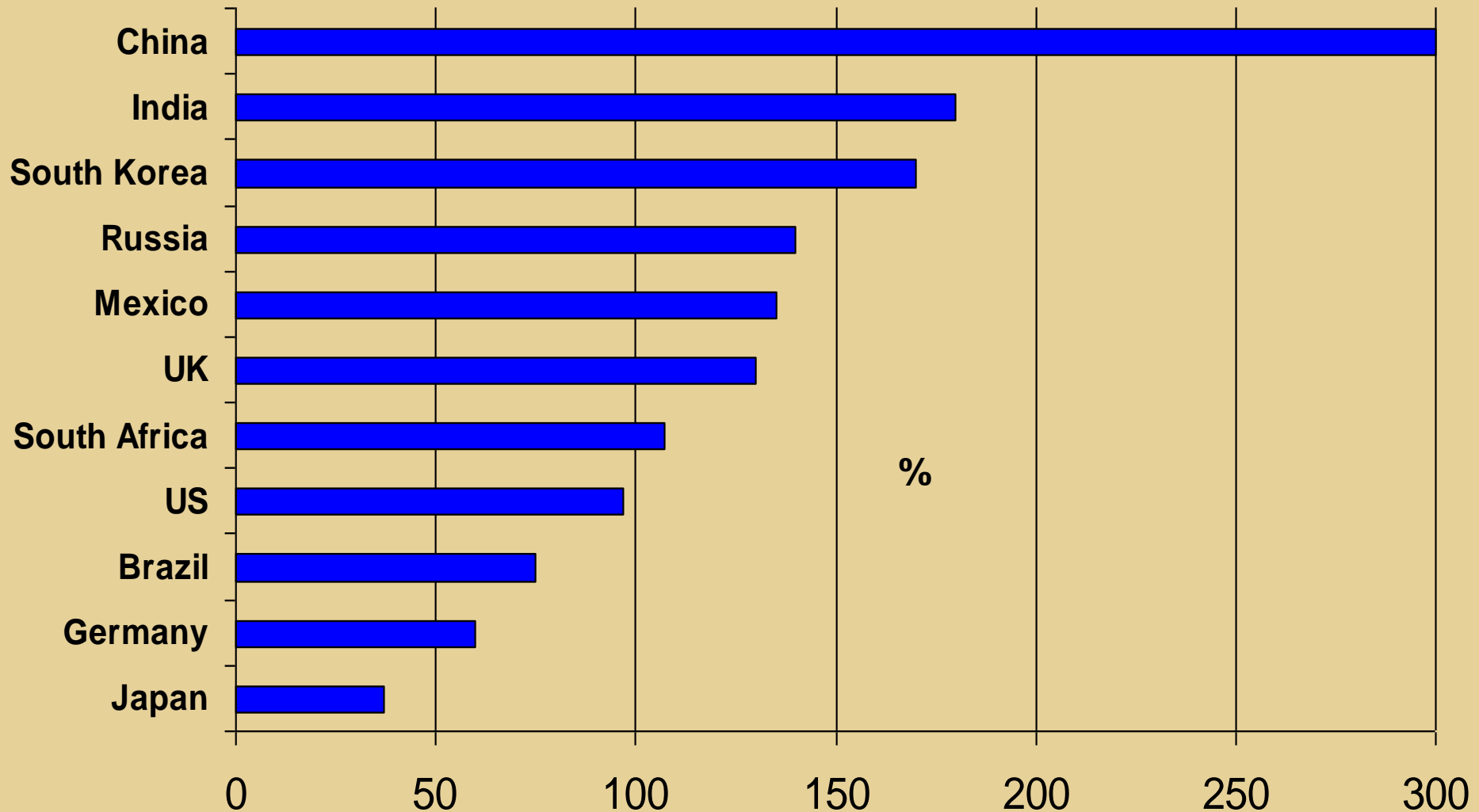
Annualised consumer price increases – selected countries



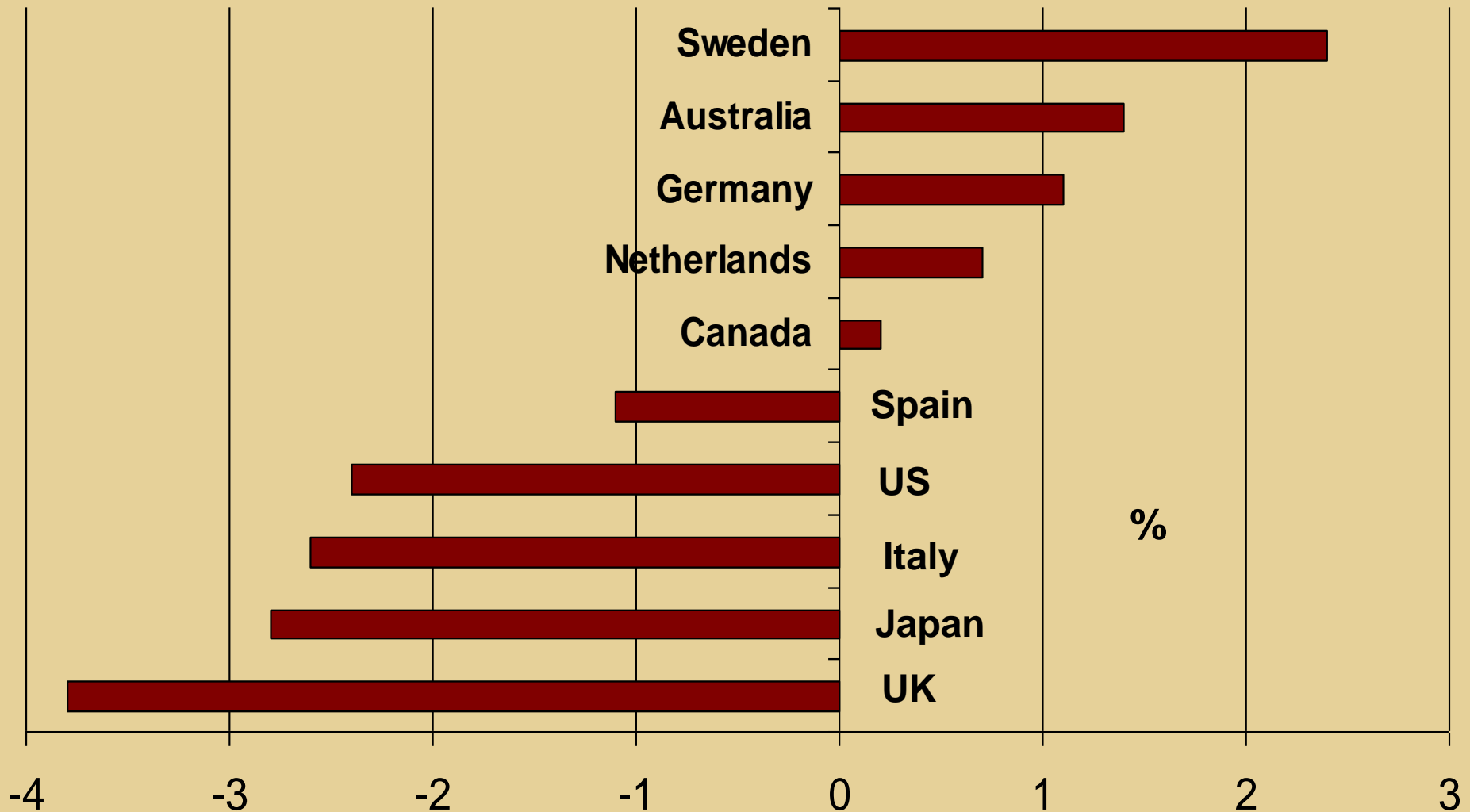
Short-term interest rates – selected countries



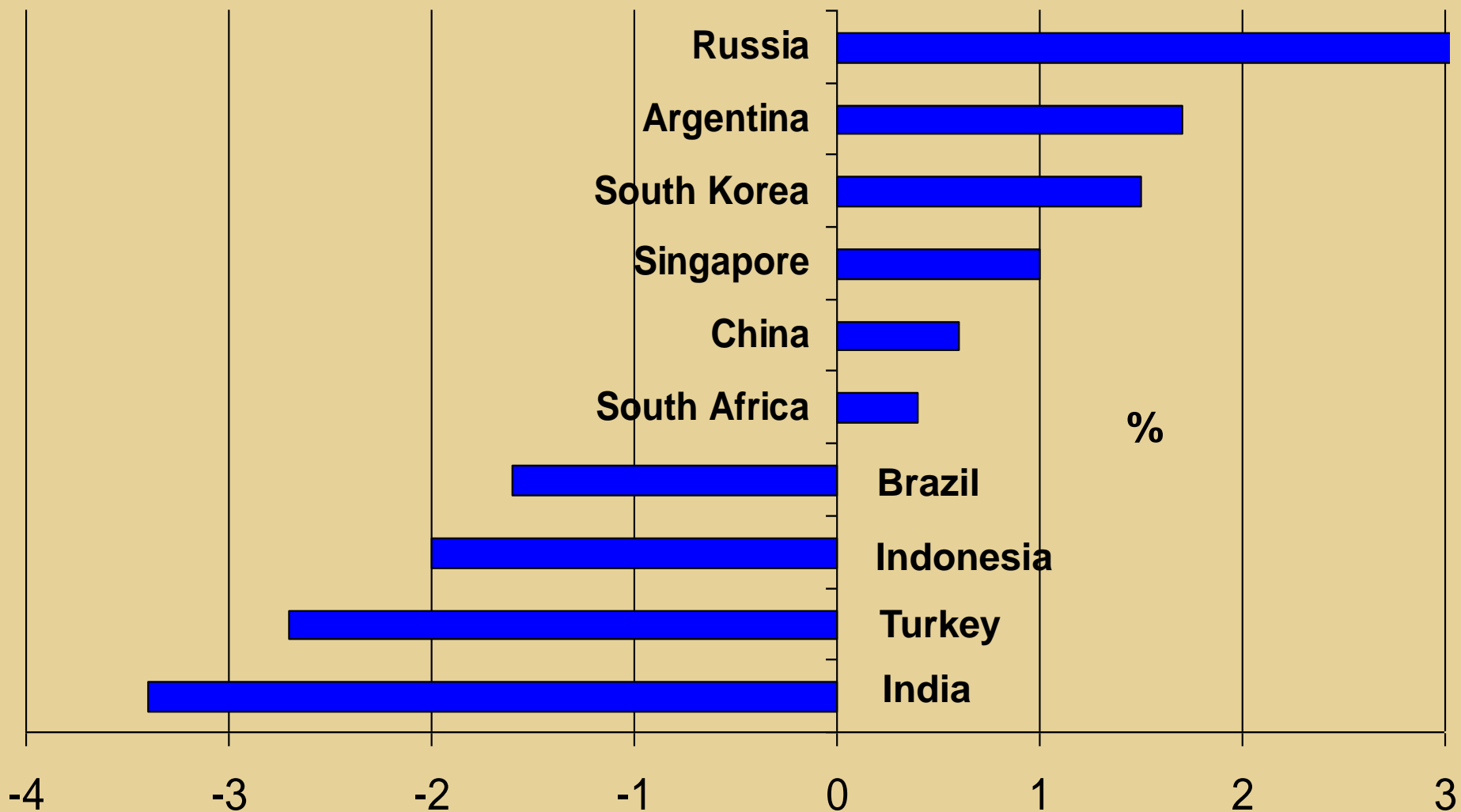
Increase in GNI *per capita* 1992 to 2007



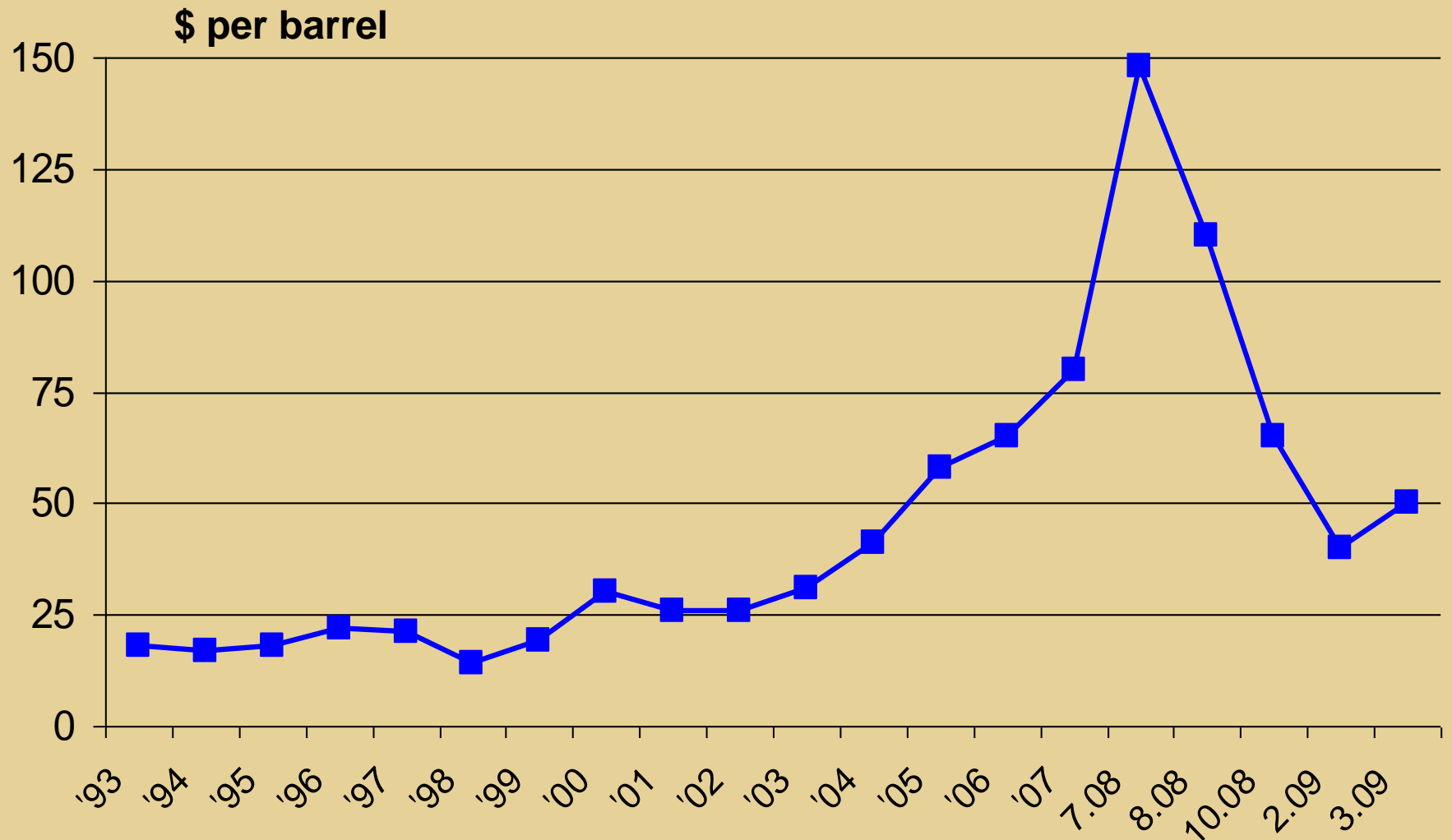
Budget balances – selected high-income countries



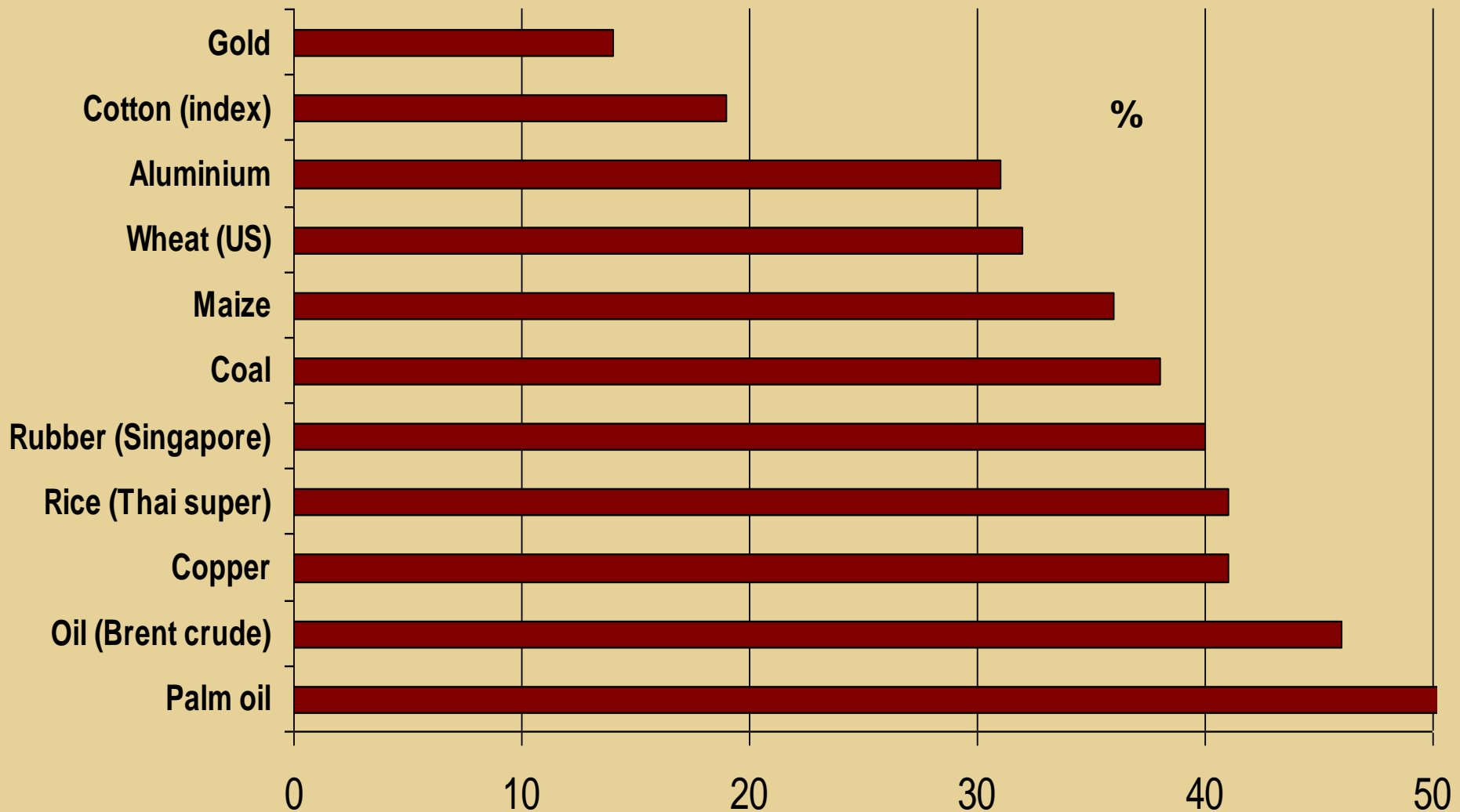
Budget balances – selected emerging markets



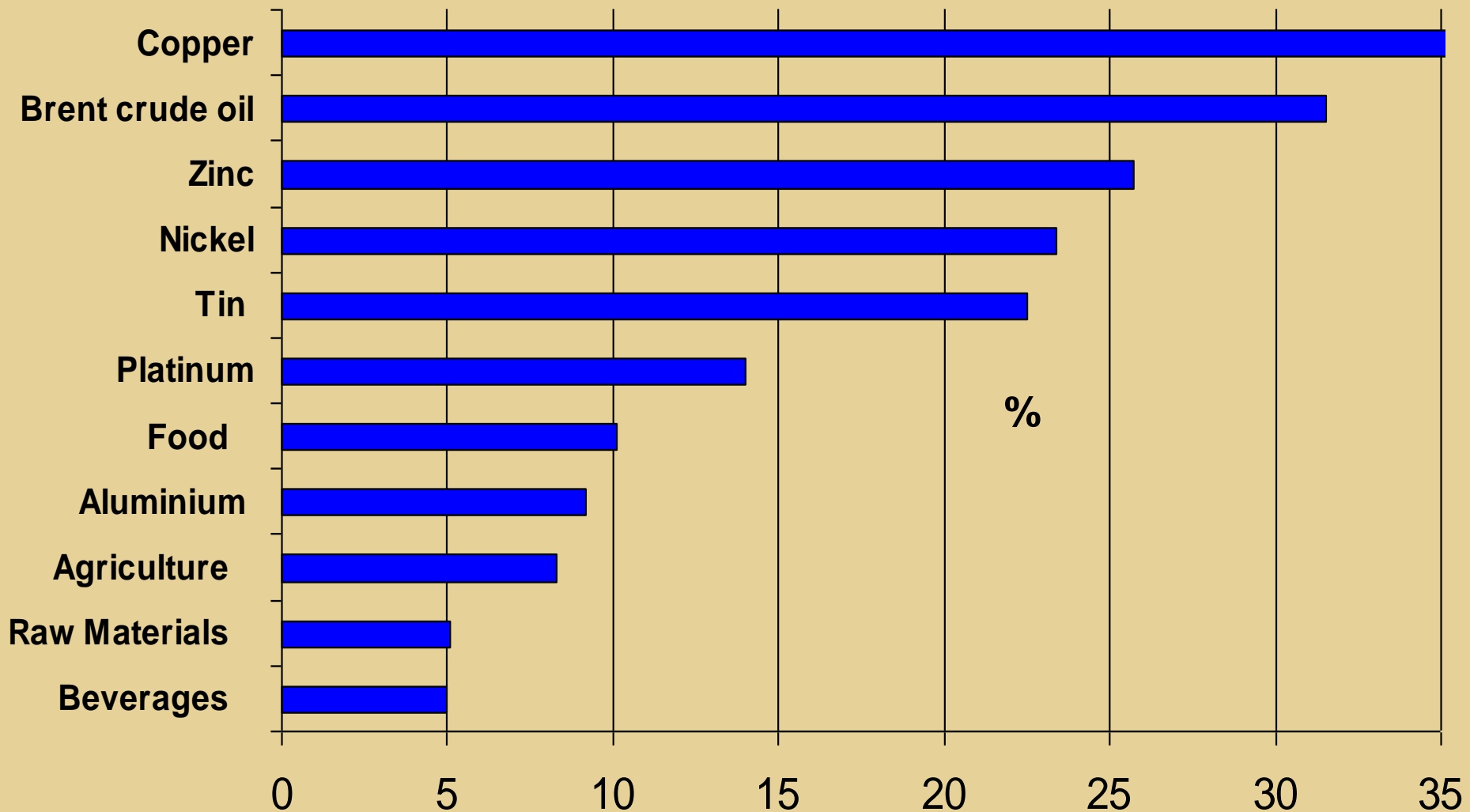
Oil price trends



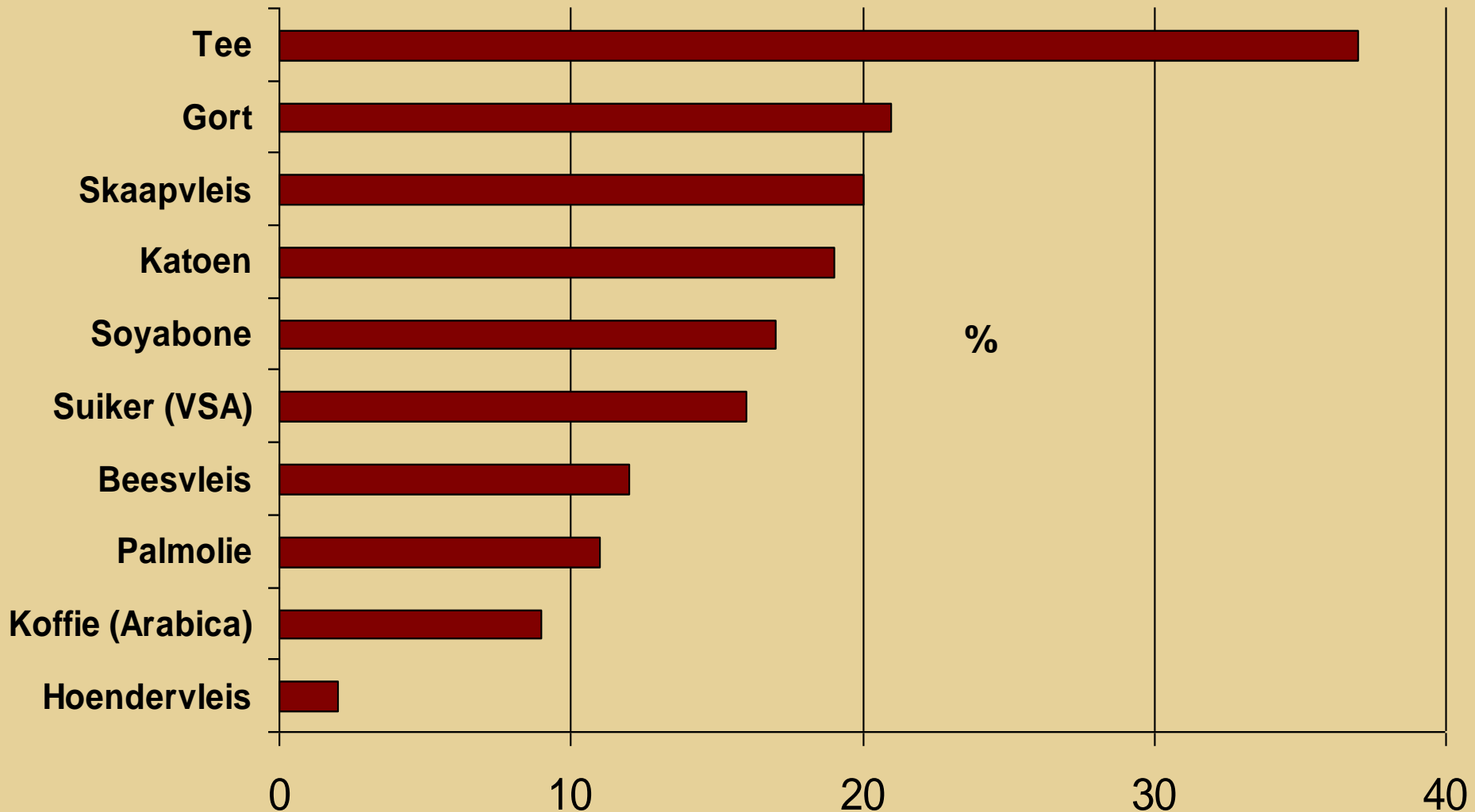
Commodity price declines between 2008 high & October 2008



Commodity price increases – 1st to 2nd quarter 2009



Toename in uitgesoekte produksiepryse (1e kwartaal 2009 tot Julie 2009)



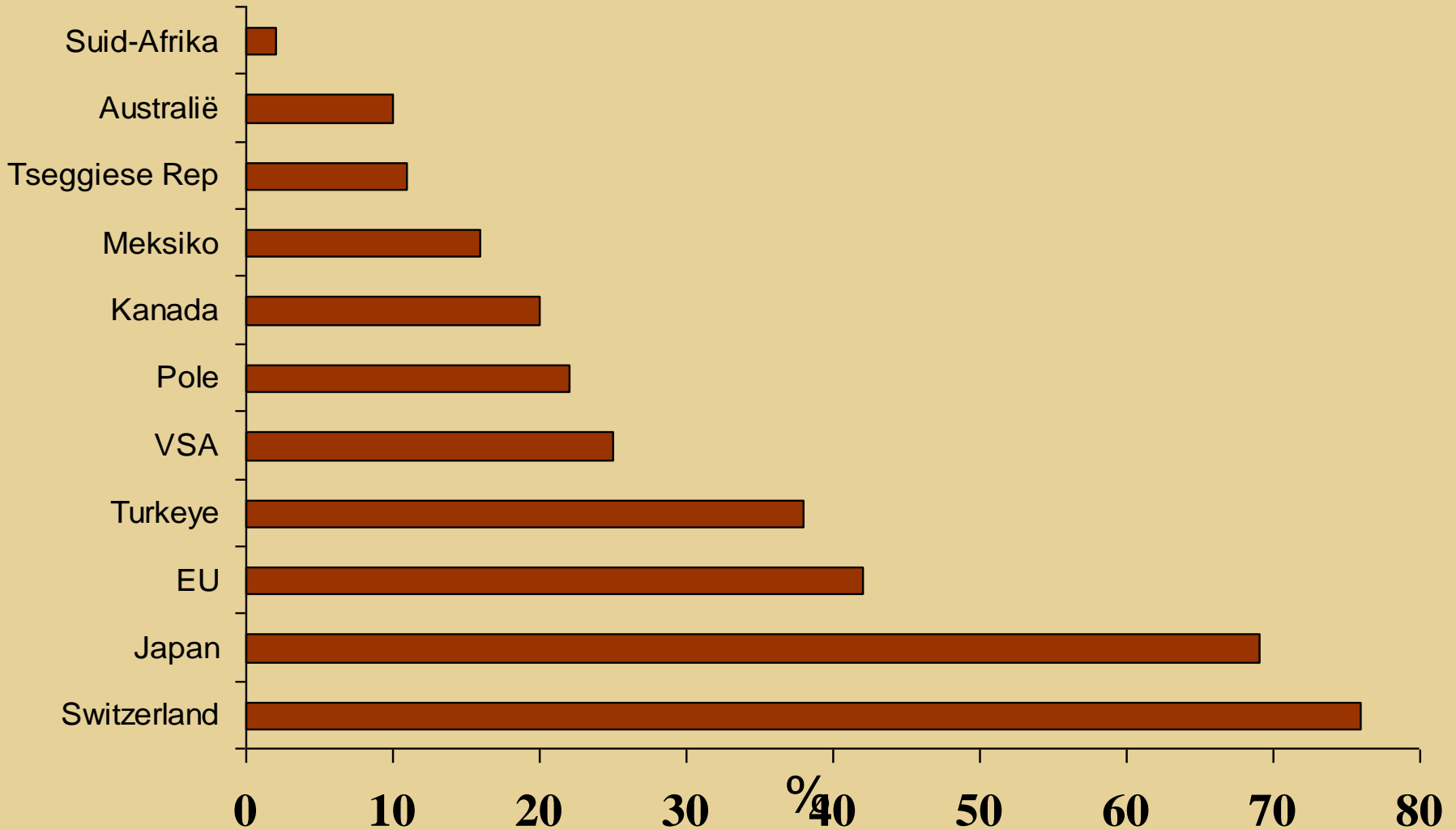
Bedreigings vir landbou in Suid-Afrika

- Grondhervorming
- Arbeidswetgewing
- Gebrek aan fiskale ondersteuning
- Internasionale beskermingsmaatreëls
- Misdaad
- Skuldvlakke
- Arm buurstate
- Relatief hoë rentekoerse

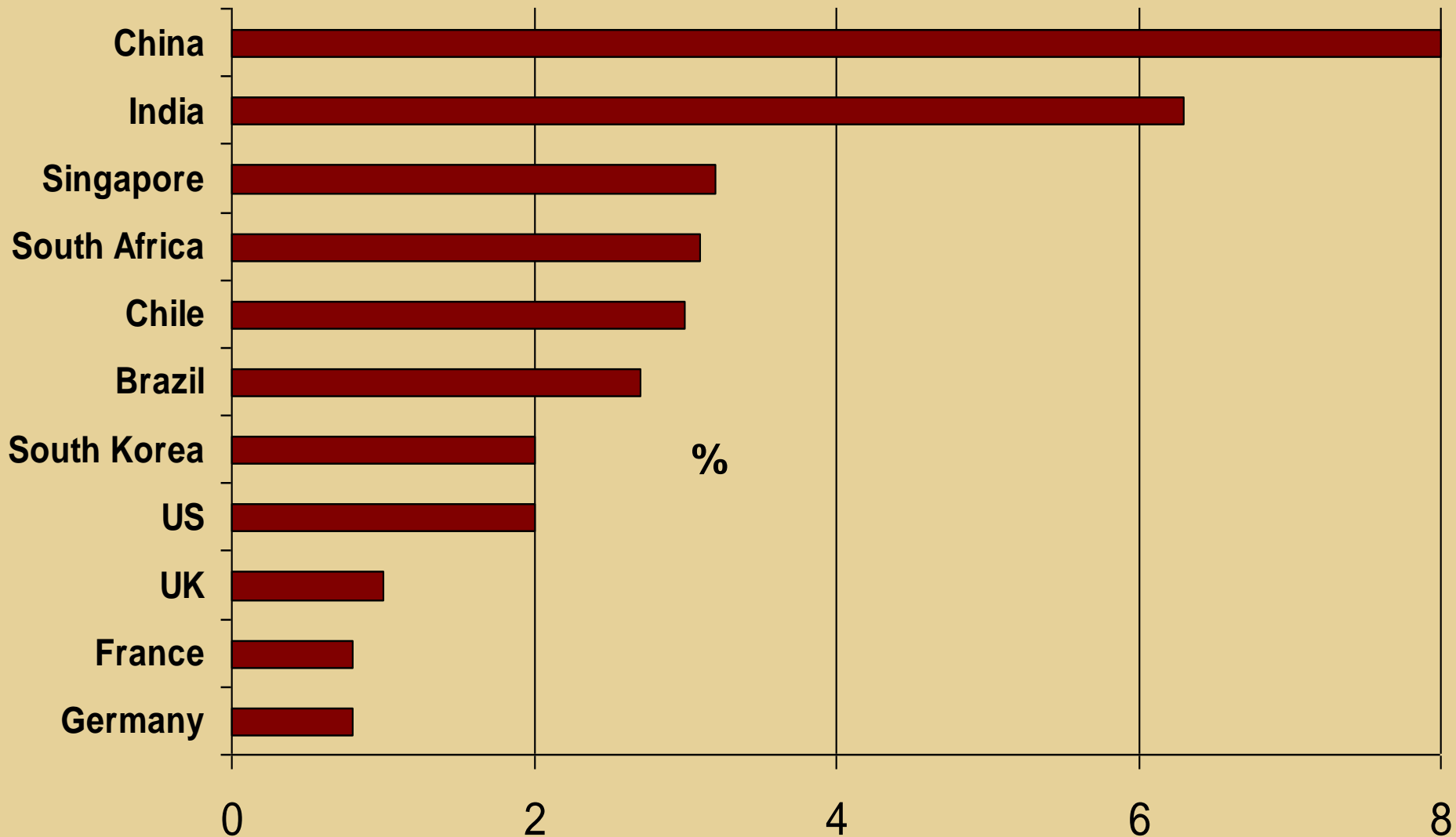
Strategiese rol van landbou in Suid-Afrika

- Grootste enkele bron van werkskepping
- Insette vir sekondêre voedselverwerking
- Voedselsekuriteit
- Bron van buitelandse valutaverdienste
- Stabiliteit met verstedeliking
- Omgewingsbewaring
- Bydrae tot BBP
- Bydrae tot belastings

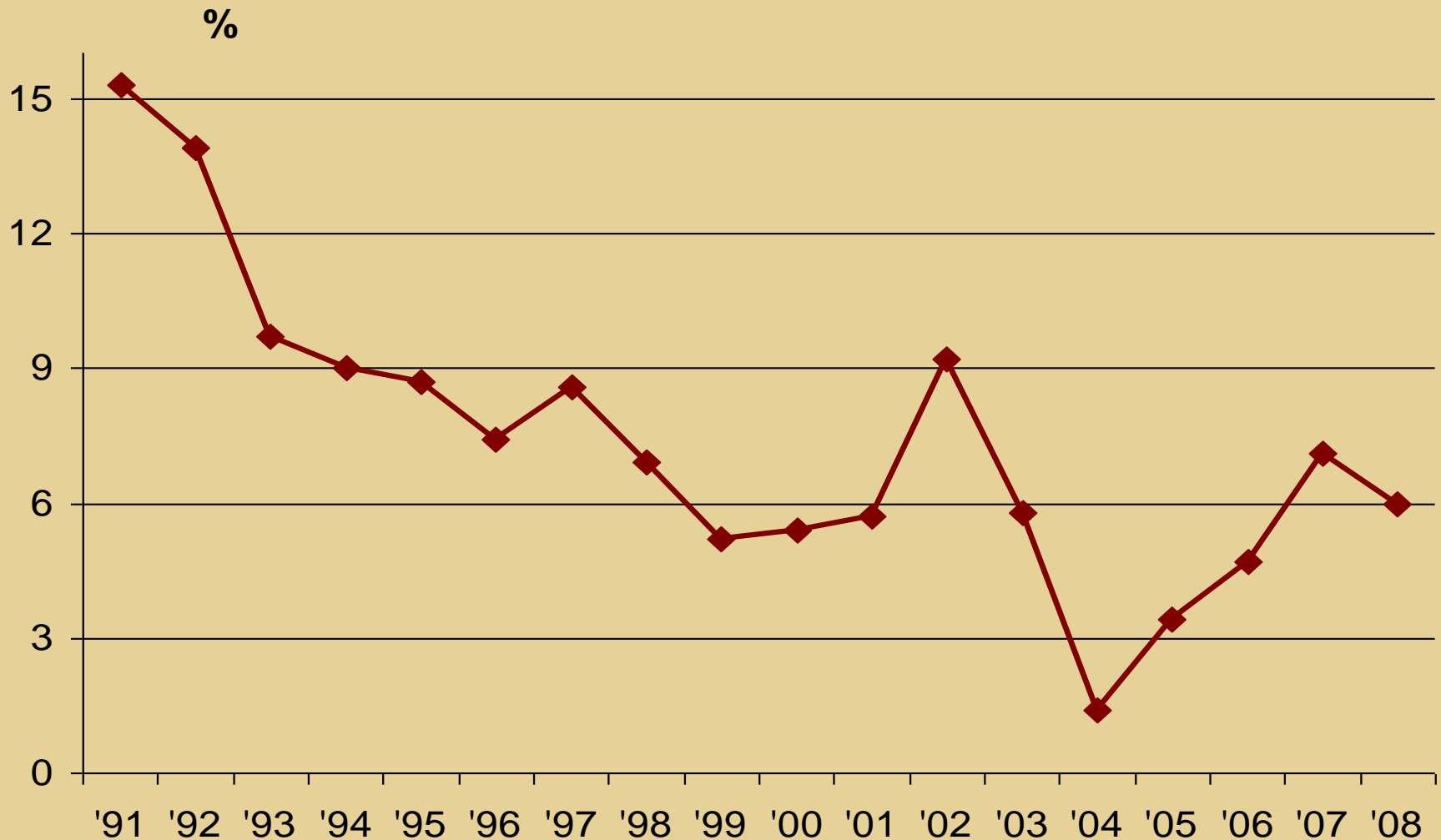
Effektiewe internasionale landbousubsidies



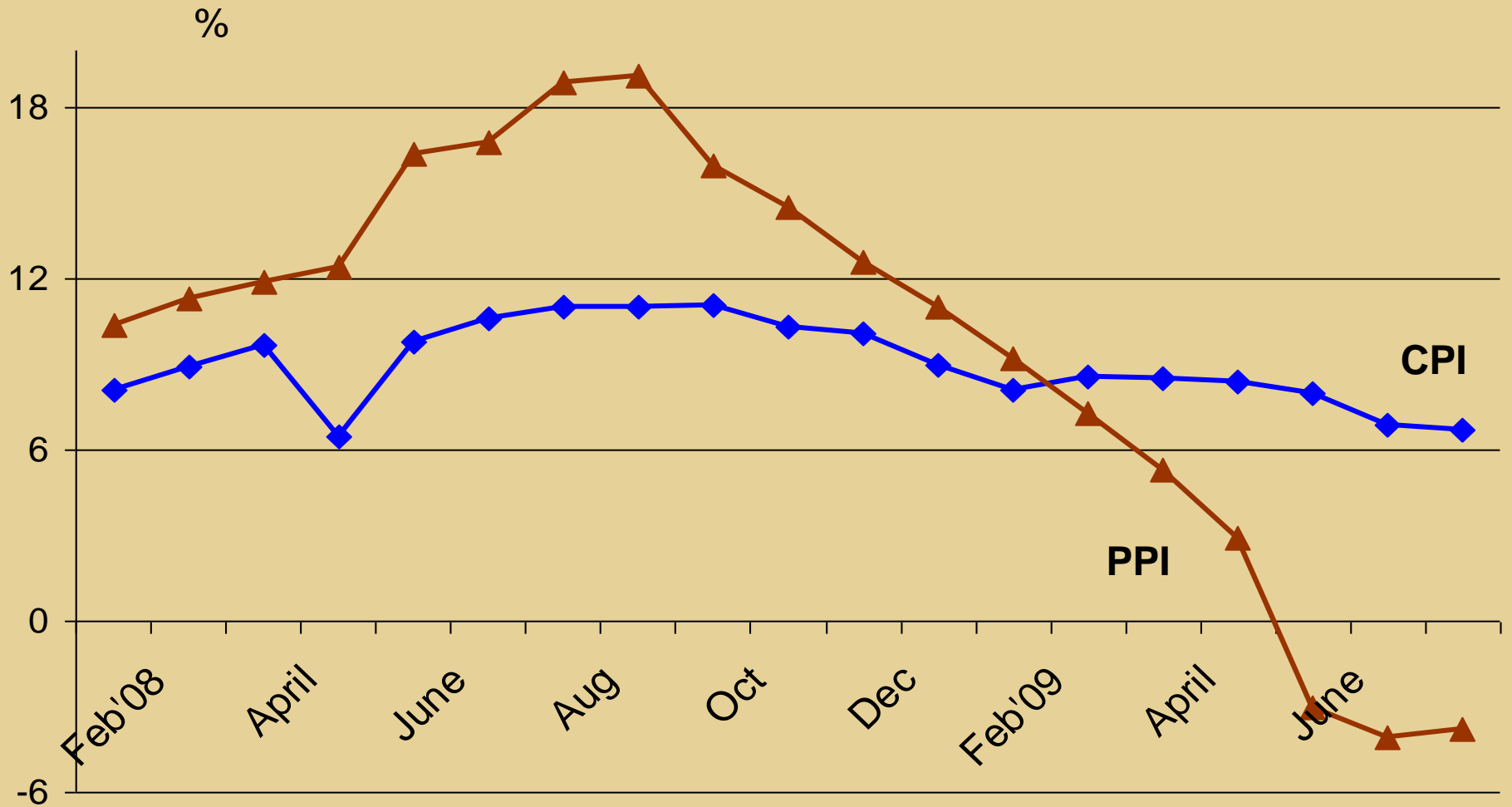
GDP growth forecasts for 2010 (selected countries) – *Economist Intelligence Unit*



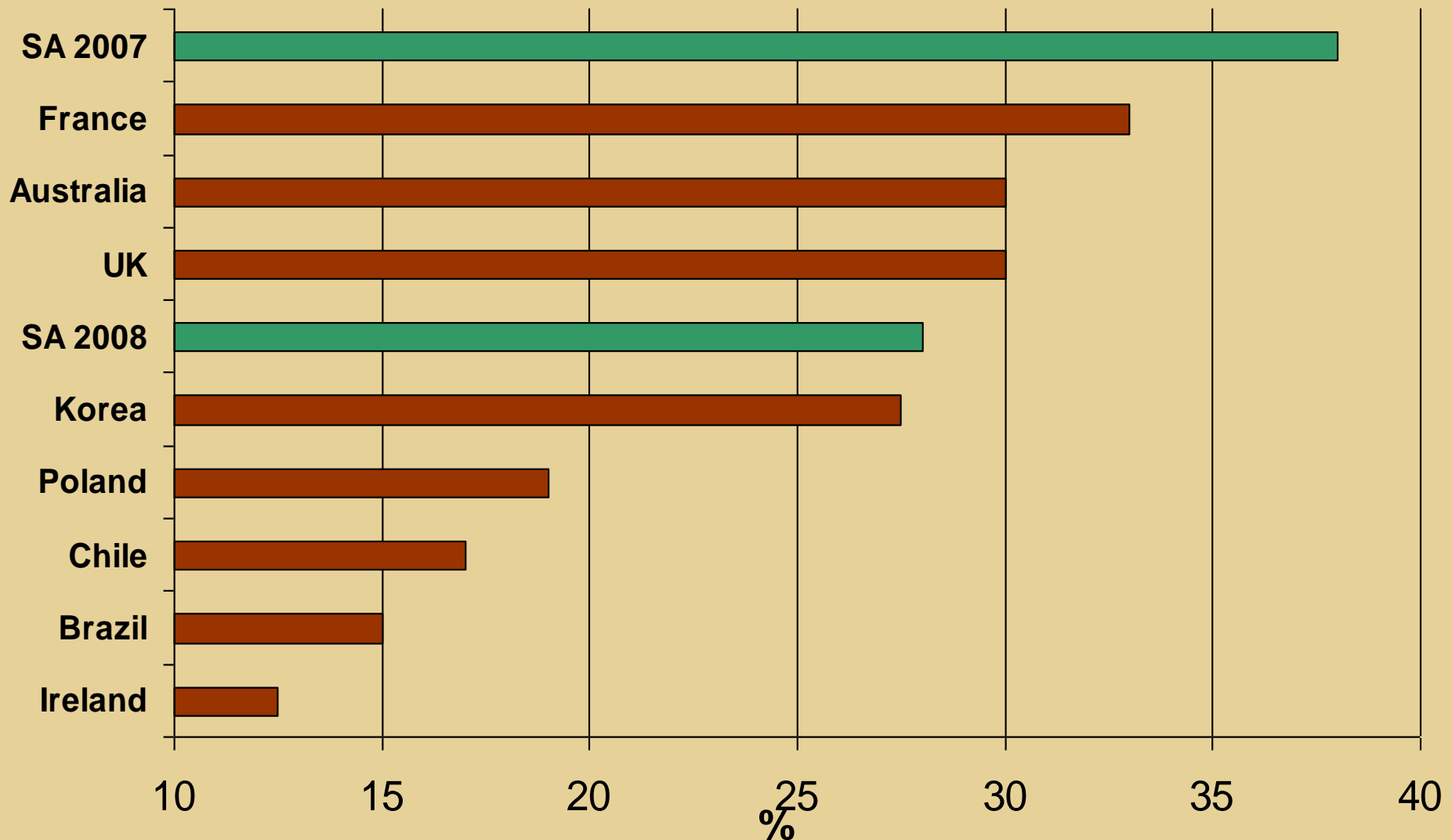
Inflation trends (annual % change in the consumer price index)



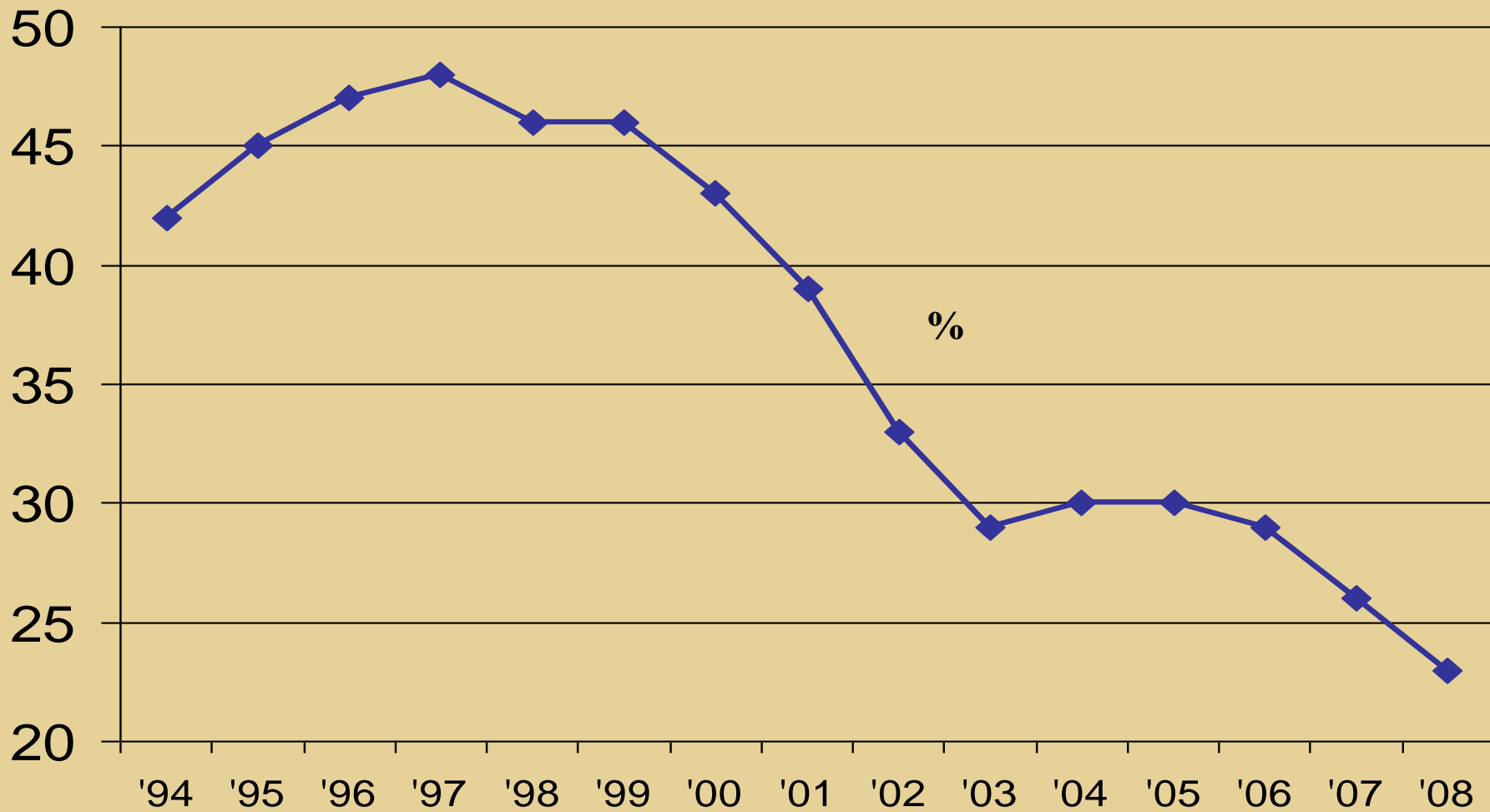
Inflation trends (CPI & PPI – annualised)



Effective corporate tax rates – SA & key trading partners



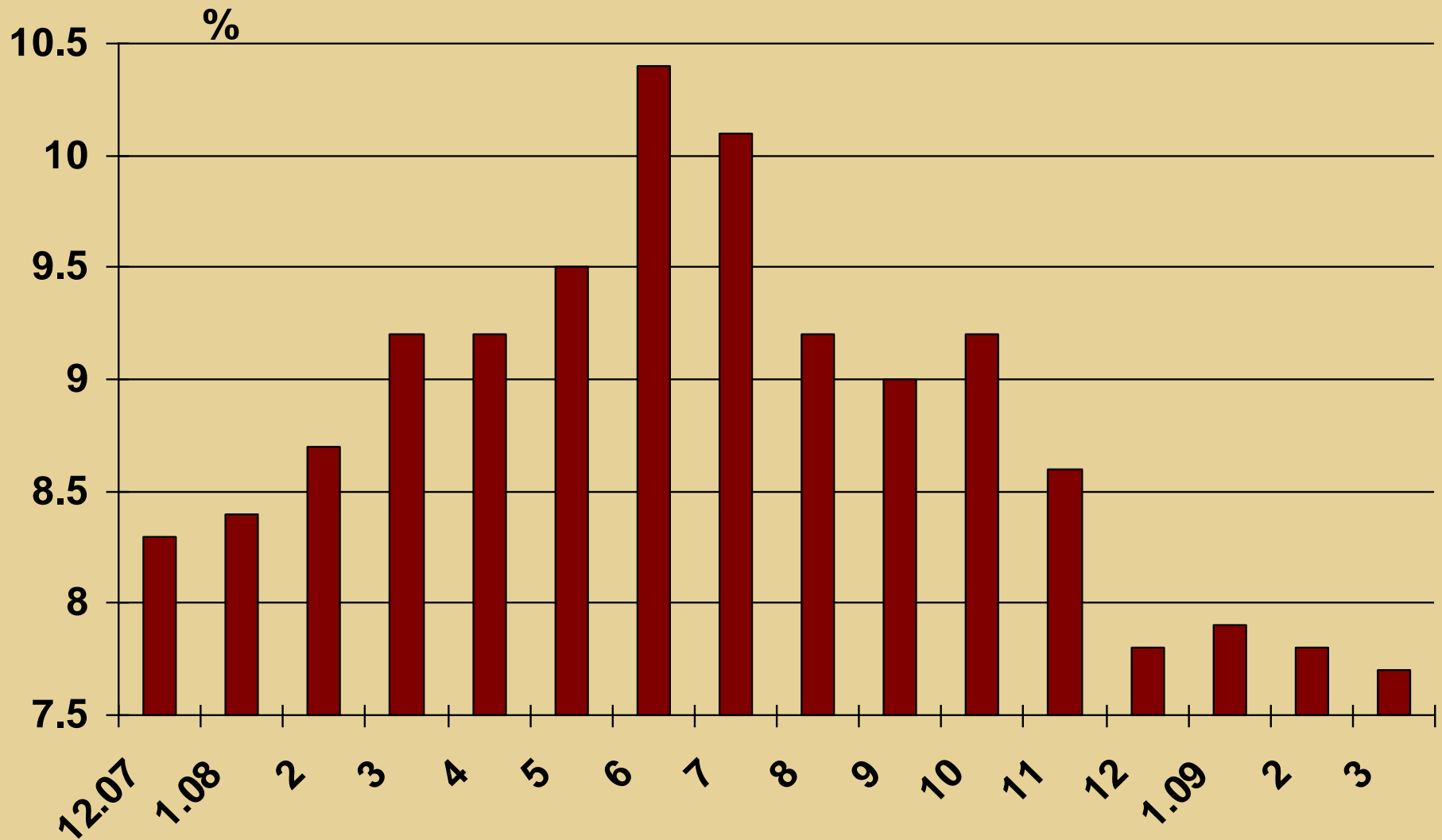
Public debt/GDP ratio



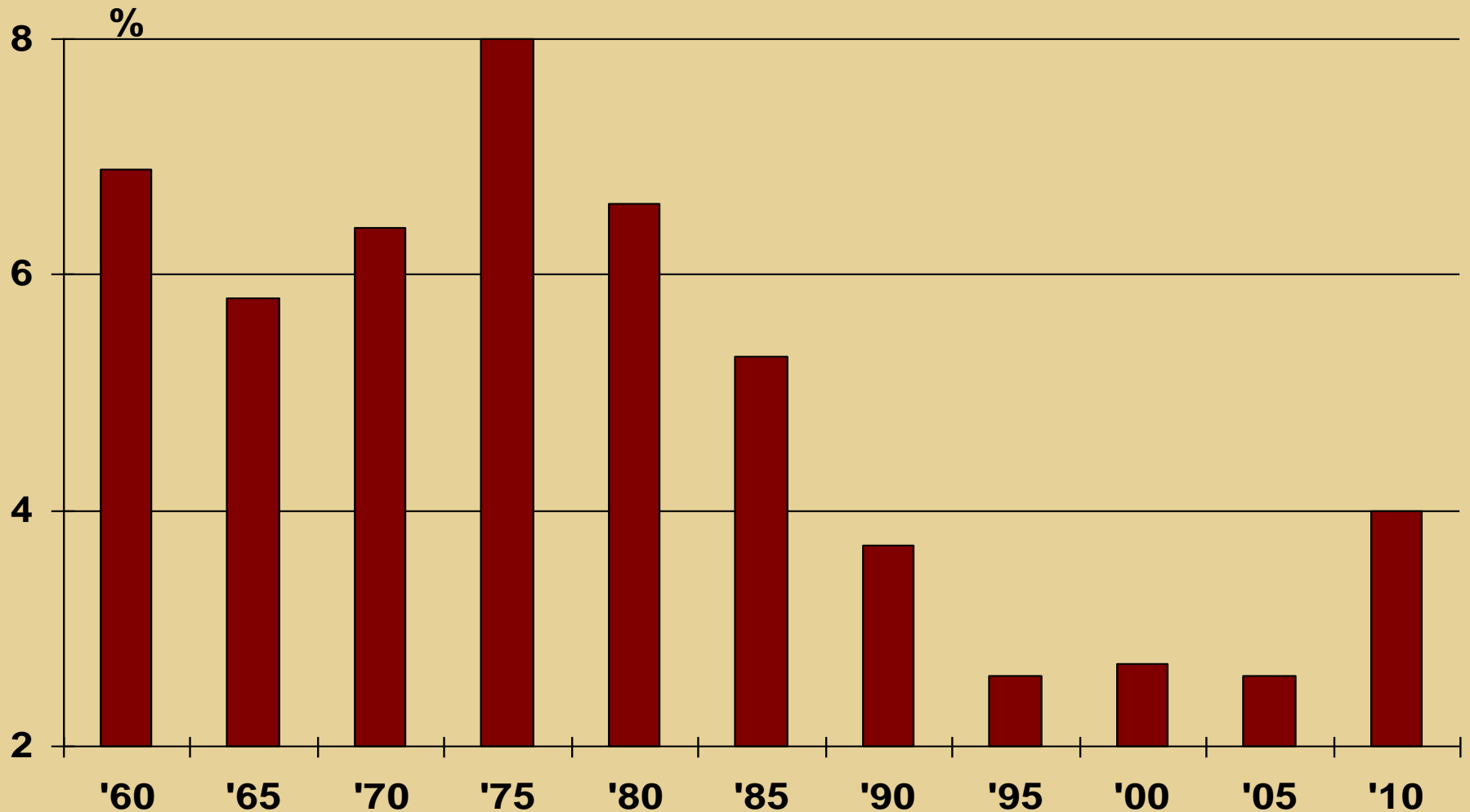
Progress with meeting basic needs

- 2.7 million houses
- 1000 new health clinics
- Access to clean water for 10 million people
- New sanitation facilities for 7 million people
- 4.5 million new electricity connections
- Free education
- Redistribution of 3 million hectares of land
- Primary School Nutrition Programme for 5 million children
- 11 million new social grant beneficiaries (BIG?)

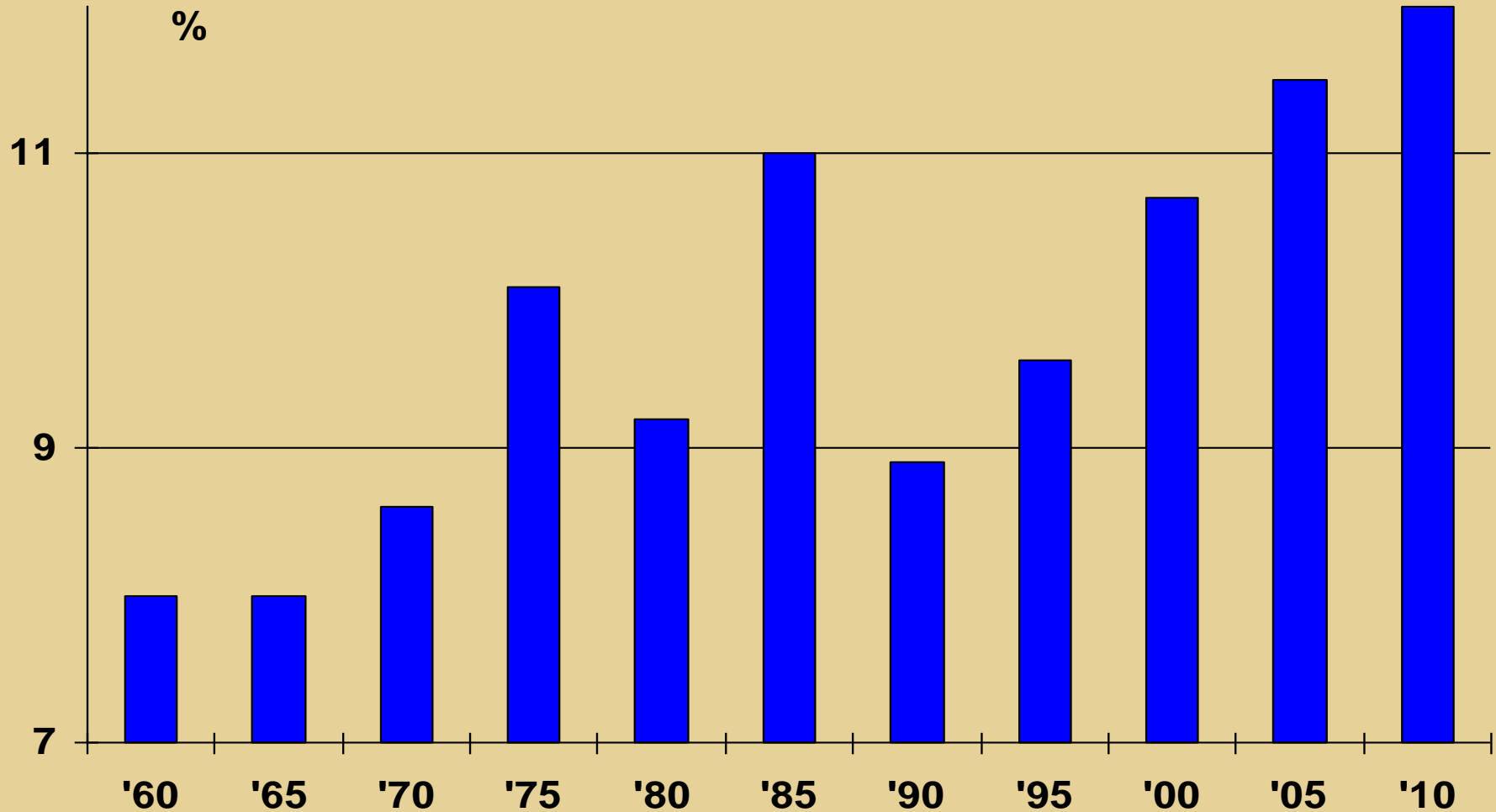
SA bond yield – 10 years plus (monthly)



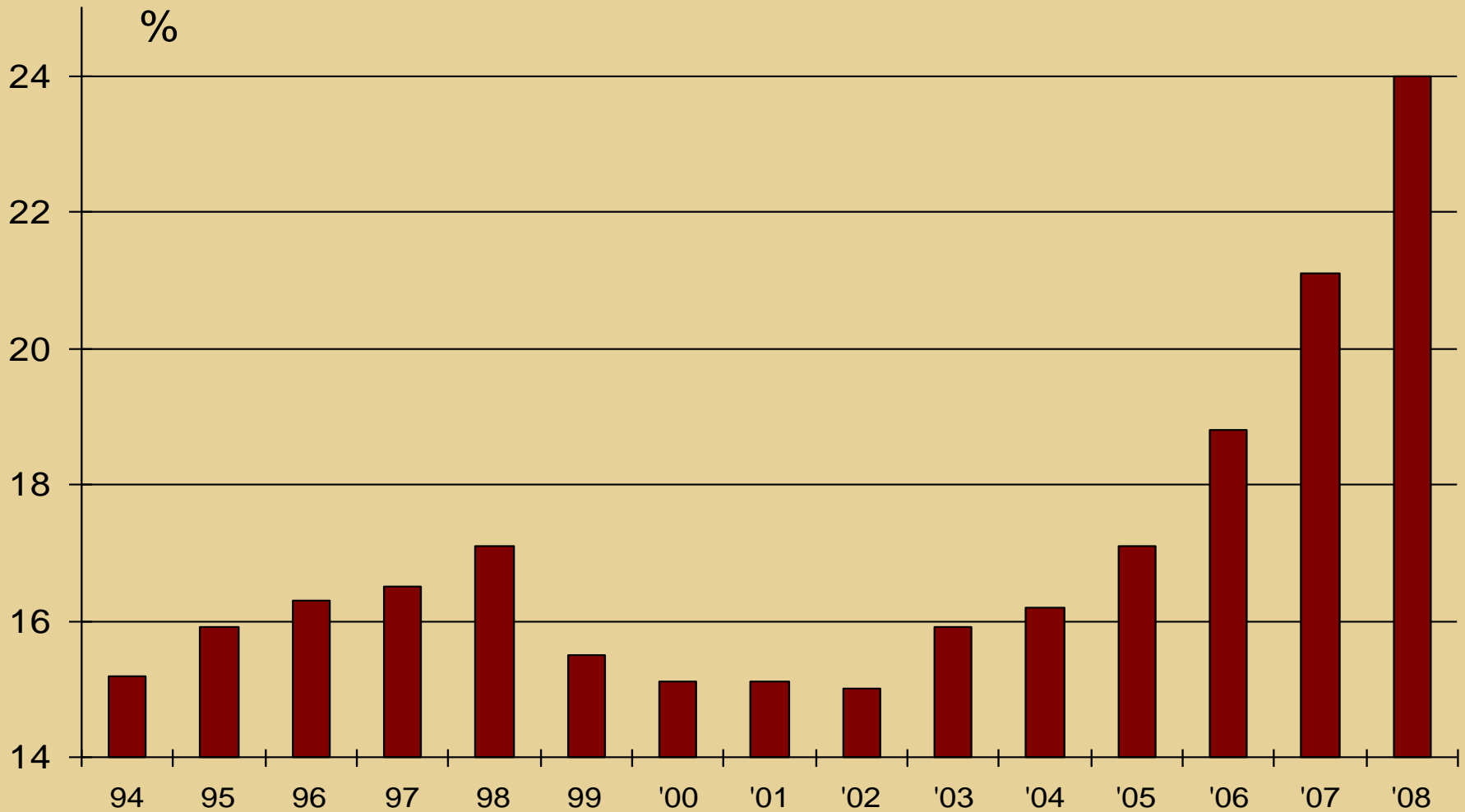
Capital expenditure by Government as % of GDP (5-year intervals, with forecast for 2010)



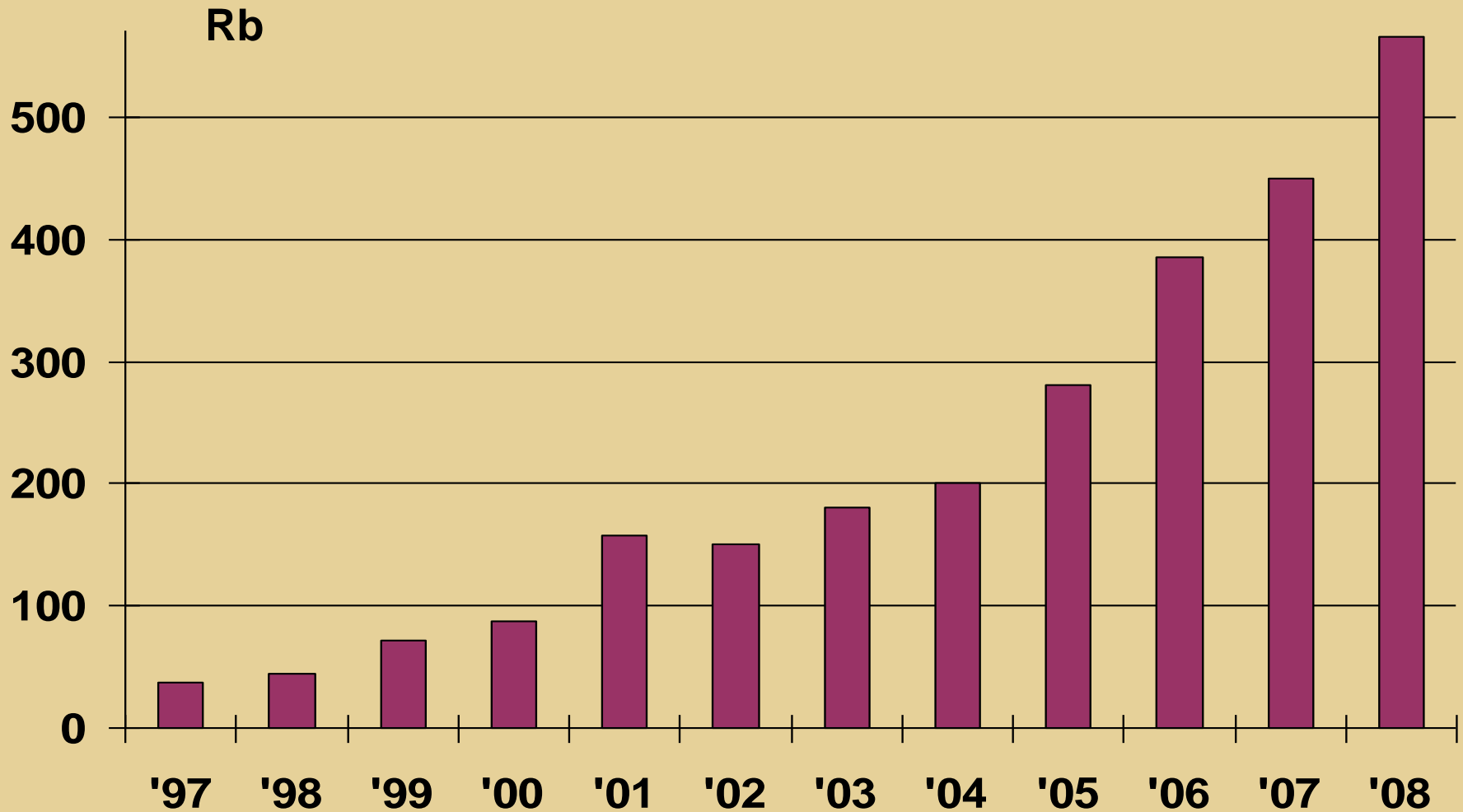
Capital expenditure by the private sector as % of GDP (5-year intervals, with forecast for 2010)



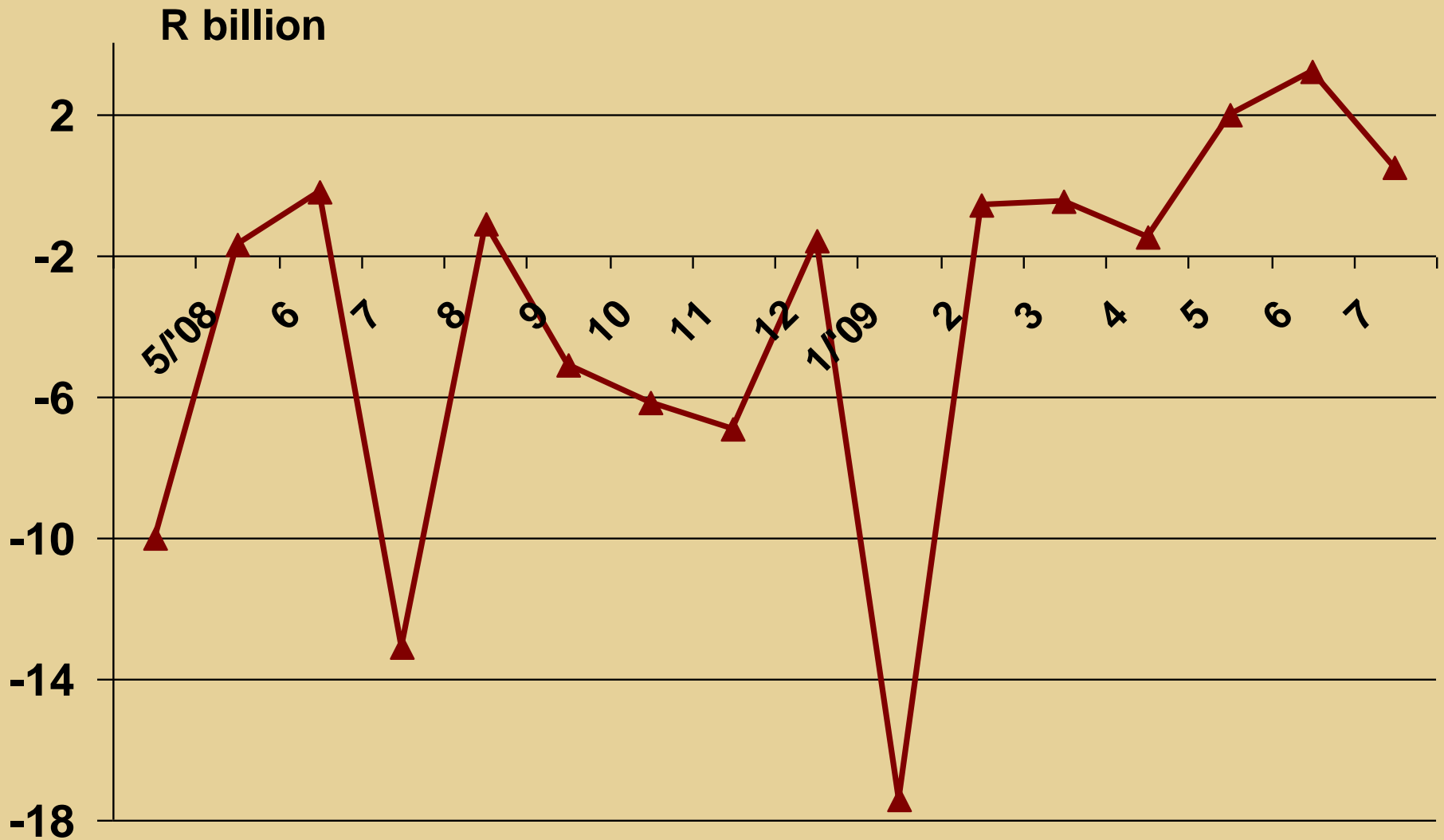
Fixed capital formation/GDP ratio



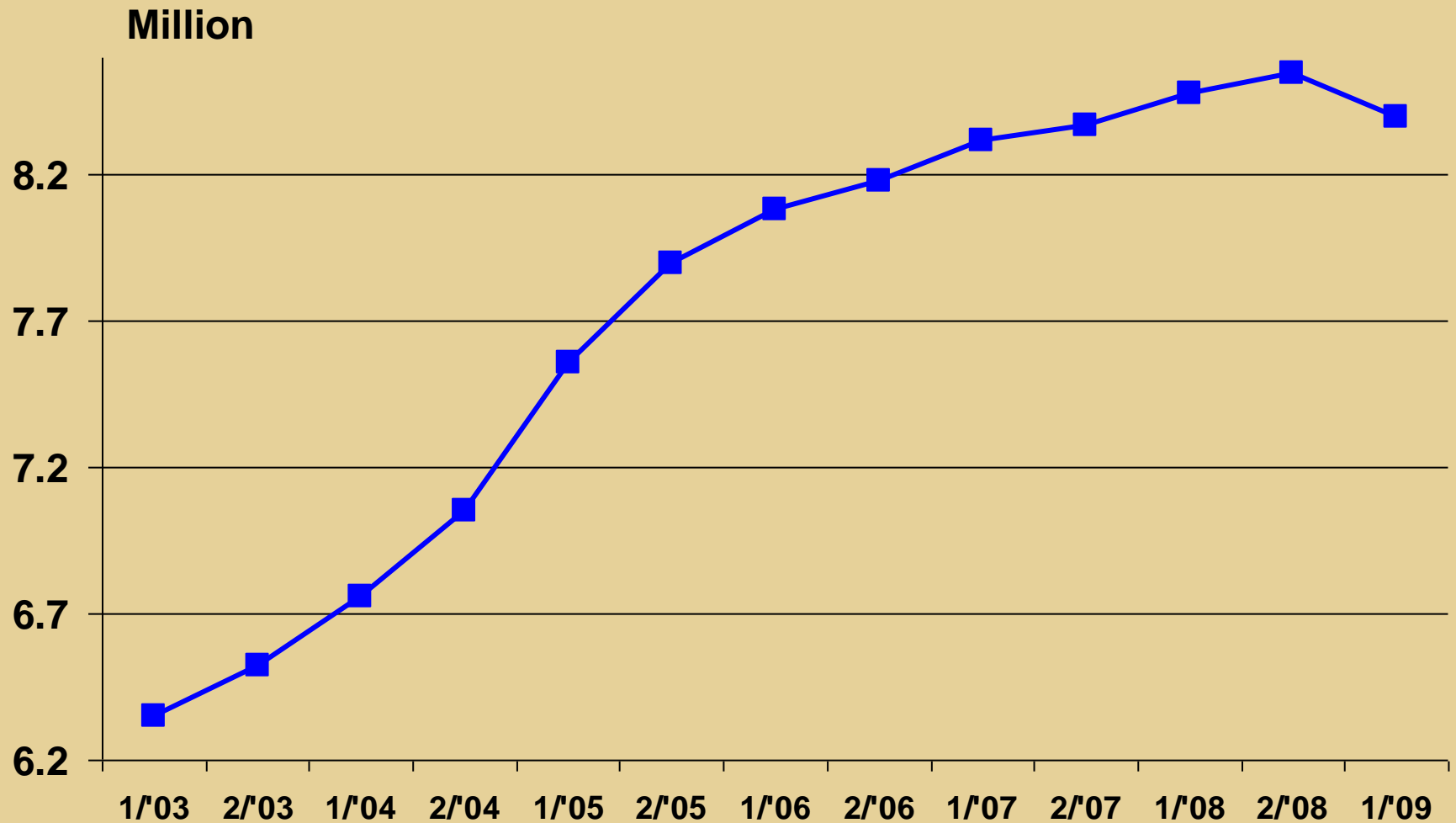
South Africa's gross gold & foreign exchange assets



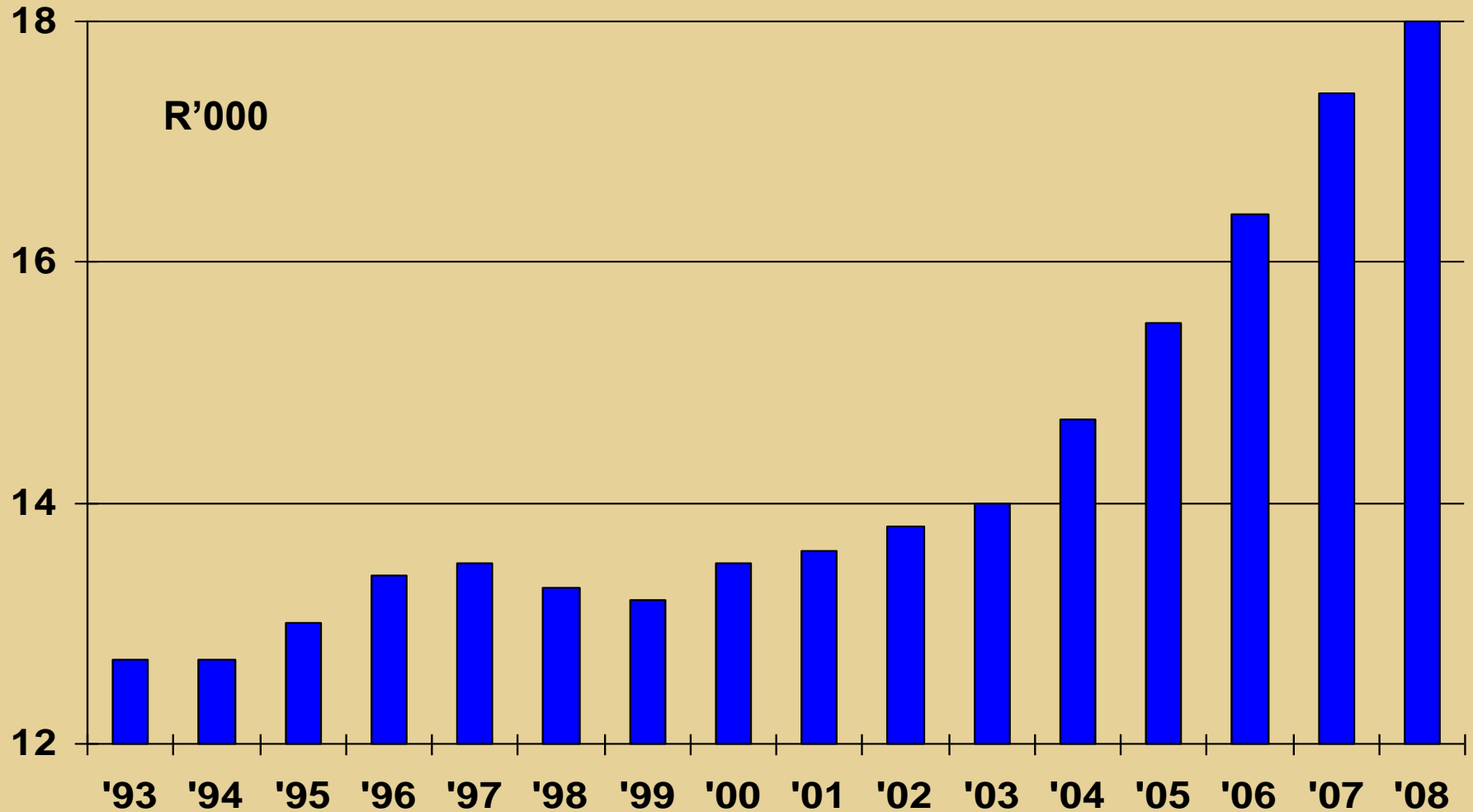
Trade balance for South Africa (April '08 to July '09)



Formal non-agricultural employment (half-yearly)



Per capita disposable income (constant 2000p)



Summary: prospects for a “soft landing” & resurgent 2nd half of 2009

- Global economic recovery
- Return to price stability
- Modest recovery of commodity markets
- Declining interest rate cycle (32% to date)
- Expansionary budget (including tax cuts)
- Fiscal stability
- Declining bond yields
- Structural increase in capital formation/GDP ratio
- Sustained increase in regional per capita incomes
- Balance of payments stability
- Progress with meeting basic needs