

Media Releases 2009

Special Announcement: Revised South African Trade Statistics for the calendar year 2008

Pretoria, 4 February: The South African Revenue Service (SARS) announced on Monday 2 February 2009 that it would issue a revised report on trade statistics on Wednesday 4 February 2009. This revised statement clarifies the treatment of temporary imports of gold for the purpose of refining into South Africa.

The South African Reserve Bank is officially responsible for the compilation of balance of payments statistics in South Africa. After consultation with the Reserve Bank, we have agreed to a similar treatment of temporary imports of gold in the compilation of trade statistics.

Balance of payments statistics are compiled in accordance with guidelines provided by the International Monetary Fund (IMF). The value of goods temporarily imported or exported without a change of ownership should not be reflected as part of merchandise trade statistics.

Accordingly, the revised statistics in the accompanying table reflects import and export statistics without the inclusion of temporarily imported gold.

The trade deficit for 2008, therefore, decreases from R88,05 billion to R64,5 billion resulting in the downward revision of values of imports of gold by R23,5 billion.

Imports of 2008 were revised from R751, 14 billion to R727, 6 billion and exports for 2008 remained at R663, 1 billion.

The value of imports of goods classified under "Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewelry; coin" were revised from R27,9 billion to R4,4 billion in relation to monthly trade recorded between July 2008 and December 2008.

The previous statement of preliminary trade data released by SARS does not affect the official balance of payments statistics released in the Reserve Bank's Quarterly Bulletin as appropriate amendments were made to the data and has been confirmed by the SA Reserve Bank.

The revised import totals indicate a positive outlook for the South African economy. Relative to exports, South Africa imported less from the rest of the world over the past year than was initially estimated.

Comparison between revised and previously published trade data

1. The progressive trade data for 2008 as given below is in respect of unaudited figures for December 2008 and audited figures for January to November 2008.
2. The trade deficit for the calendar year 2008 decreased from R88, 0 billion to a revised trade deficit of R64, 5 billion. Exports remained the same at R663, 1 billion and imports decreased by R23, 5 billion to R727, 6 billion.
3. The revised data indicates a trade deficit of R1.6 billion in December 2008 compared with the originally published figure of R9 billion.
4. The revised trade deficits in the third and fourth quarters of 2008 were R19.3 billion and R14.7 billion respectively, compared with the originally published figures of R26.6 billion and R30.9 billion respectively.

SARS wishes to thank all concerned for the constructive engagement and assistance.

TABLE 1: PREVIOUS AND REVISED IMPORT AND EXPORT DATA FOR 2008

1. Monthly unaudited data

| | PREVIOUSLY PUBLISHED UNAUDITED TRADE DATA FOR 2008 | | | REVISED UNAUDITED TRADE DATA FOR 2008 | | |
|---------------|--|-------------------------------|-------------------------------|---------------------------------------|-----------------------|-----------------------|
| | EXPORT TOTALS | IMPORT TOTALS BEFORE REVISION | TRADE BALANCE BEFORE REVISION | EXPORT TOTALS | REVISED IMPORT TOTALS | REVISED TRADE BALANCE |
| 200801 | 39,356,824,420 | 49,573,217,324 | -10,216,392,904 | 39,356,824,420 | 49,573,217,324 | -10,216,392,904 |
| 200802 | 46,946,333,613 | 52,766,094,571 | -5,819,760,958 | 46,946,333,613 | 52,766,094,571 | -5,819,760,958 |
| 200803 | 51,150,885,145 | 56,181,039,293 | -5,030,154,148 | 51,150,885,145 | 56,181,039,293 | -5,030,154,148 |
| 200804 | 56,174,337,820 | 66,168,996,877 | -9,994,659,057 | 56,174,337,820 | 66,168,996,877 | -9,994,659,057 |
| 200805 | 56,240,451,131 | 57,900,036,960 | -1,659,585,829 | 56,240,451,131 | 57,900,036,960 | -1,659,585,829 |
| 200806 | 60,159,933,271 | 60,343,835,850 | -183,902,579 | 60,159,933,271 | 60,343,835,850 | -183,902,579 |
| 200807 | 61,268,155,910 | 75,599,590,470 | -14,331,434,560 | 61,268,155,910 | 74,386,480,015 | -13,118,324,105 |
| 200808 | 60,390,944,210 | 65,514,394,768 | -5,123,450,558 | 60,390,944,210 | 61,469,997,589 | -1,079,053,379 |
| 200809 | 61,067,338,442 | 68,179,238,884 | -7,111,900,442 | 61,067,338,442 | 66,142,799,690 | -5,075,461,248 |
| 200810 | 65,652,574,294 | 75,445,253,779 | -9,792,679,485 | 65,652,574,294 | 71,810,526,793 | -6,157,952,499 |
| 200811 | 53,877,901,811 | 65,944,264,257 | -12,066,362,446 | 53,877,901,811 | 60,772,799,966 | -6,894,898,155 |
| 200812 | 48,541,090,767 | 57,589,345,738 | -9,048,254,971 | 48,541,090,767 | 50,176,819,387 | -1,635,728,620 |
| | 660,826,770,834 | 751,205,308,771 | -90,378,537,937 | 660,826,770,834 | 727,692,644,315 | -66,865,873,481 |

*Note: The monthly data does not reflect vouchers of corrections passed in subsequent months.

2. Cumulative progressive data for 2008 (unaudited for Dec '08)

| PREVIOUSLY PUBLISHED UNAUDITED TRADE DATA FOR 2008 | | | REVISED UNAUDITED TRADE DATA FOR 2008 | | |
|--|-------------------------------|-------------------------------|---------------------------------------|-----------------------|-----------------------|
| EXPORT TOTALS | IMPORT TOTALS BEFORE REVISION | TRADE BALANCE BEFORE REVISION | EXPORT TOTALS | REVISED IMPORT TOTALS | REVISED TRADE BALANCE |
| 2008663,099,791,574 | 751,144,898,704 | -88,045,107,130 | 663,099,791,574 | 727,632,234,248 | -64,532,442,674 |

*Note: Published trade totals are amended on an on-going basis, as and when traders submit vouchers of correction to bills of entry previously declared. The cumulative progressive data reflects subsequent vouchers of corrections to imports and exports.

Trade for the year

The cumulative **revised** trade deficit for January 2008 to December 2008 is R64.5 billion versus a deficit of R69.9 billion (audited) for the same period in 2007; this represents a year-on-year decline of -R5,4 billion (7.73%) (compared to the previously reported growth of R18.1 billion (26%)). The cumulative trade deficit for January 2006 to December 2006 is R68.6 billion (audited), reflecting a year-on-year growth of R1.3 billion (2%) in 2007.

Compared to the same period in 2007, the growth in exports was 35% and the growth in **revised** imports 30% (compared to previously reported growth of 34%). Cumulative **revised** imports increased by R166 billion (30%) from R561.2 billion to R727,6 billion and exports increased by R171.8 billion (35%) from R491.3 billion to R663.1 billion. With respect to the same period in 2006, the growth in exports in 2007 was 25% (a cumulative increase of R97.3 billion year-on-year) and the growth in imports 21% (reflecting a cumulative increase of R98.6 billion).

Conclusion

As from February 2009, SARS will publish two sets of import data- one that includes temporary imports of gold and another that excludes temporary imports of gold. The **official** trade deficit will be calculated from the import figure that excludes temporary imports of gold.

SARS, the Reserve Bank and other relevant third parties will continue to share data and its methodologies (as they become updated or revised), in order to enhance the process of verifying the accuracy of trade data.

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