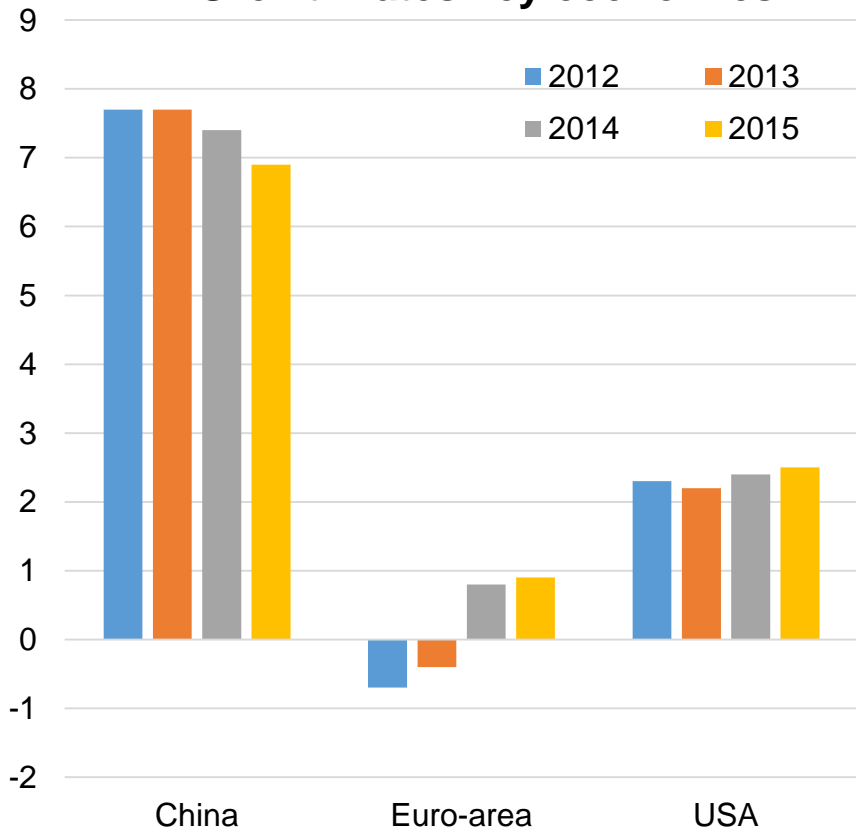




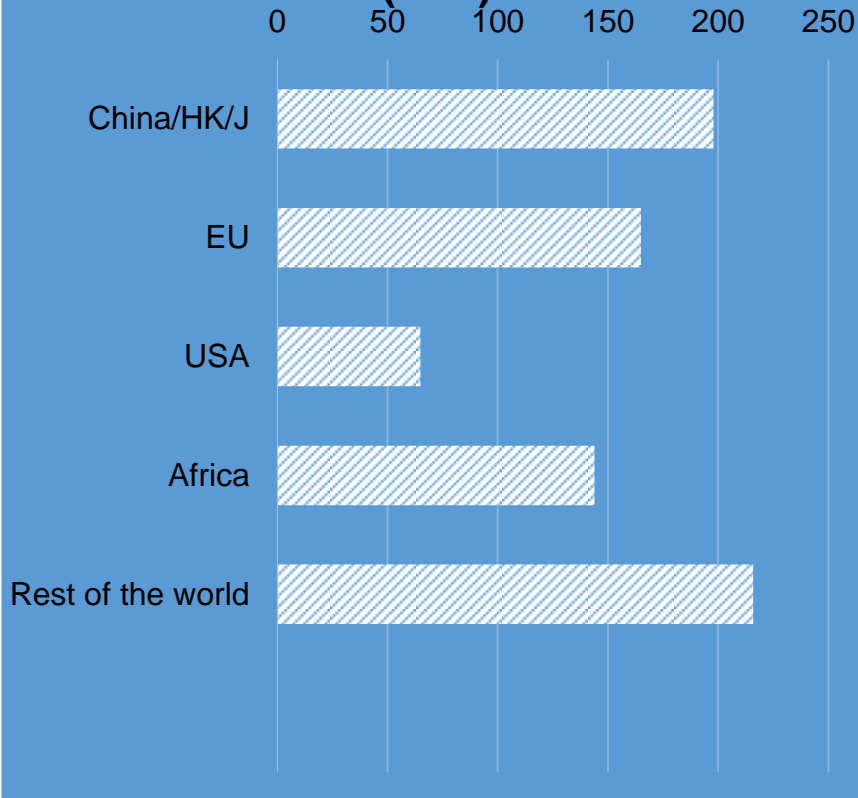
SOUTH AFRICA'S NEXT 10 YEARS: Trends, Risks, Scenarios and Probabilities

Produced by the Centre for Risk Analysis at the IRR
June 2015

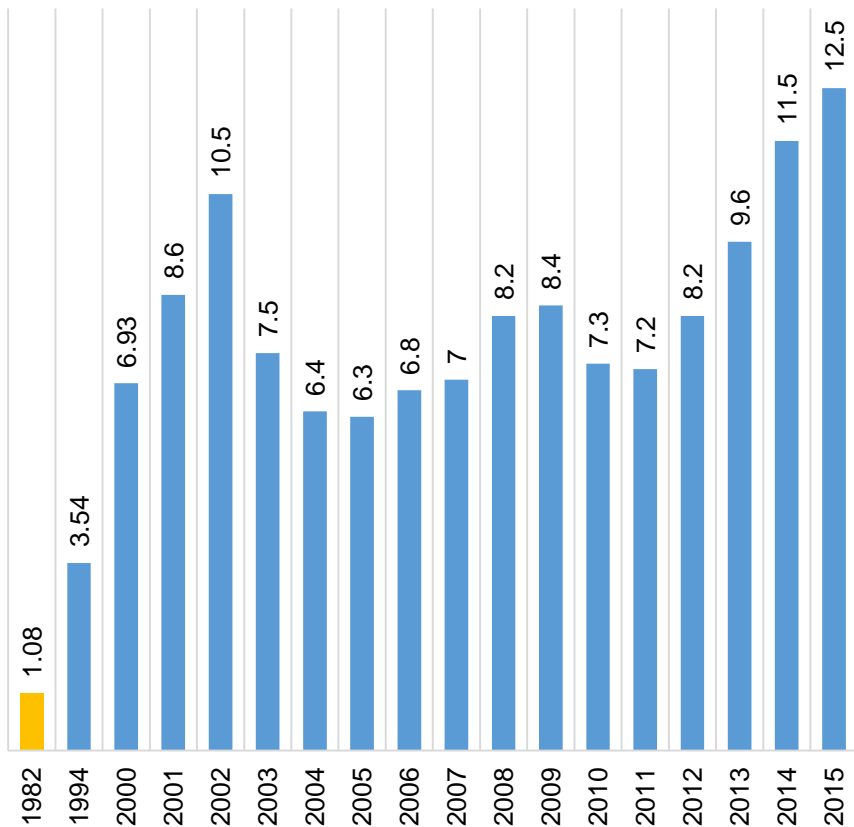
Growth rates key economies



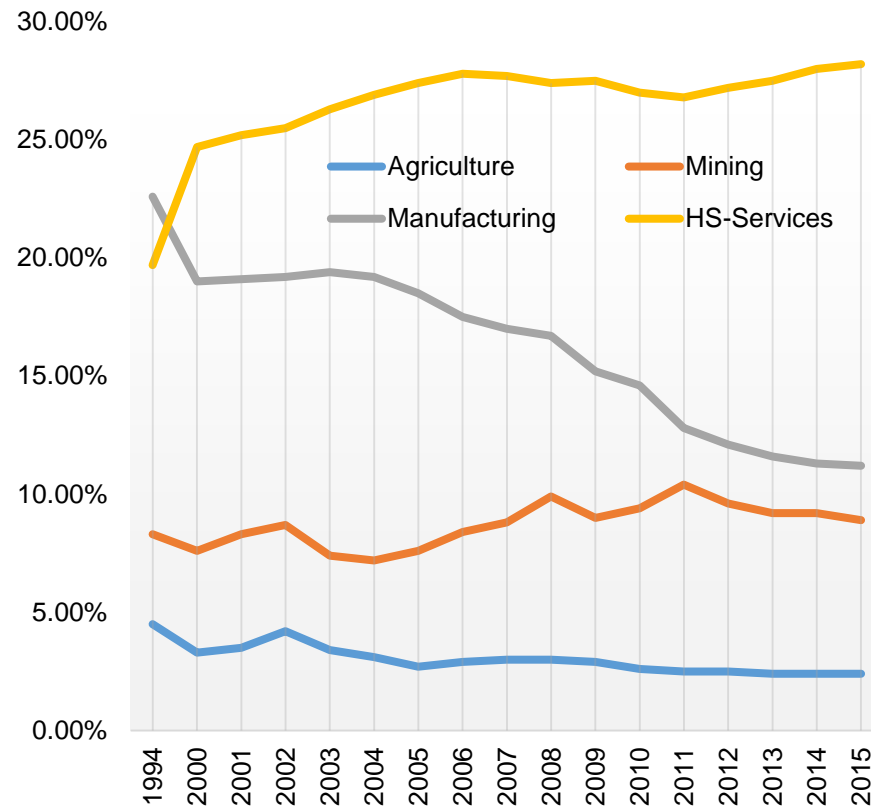
South Africa's export partners (Rbn)



The RAND

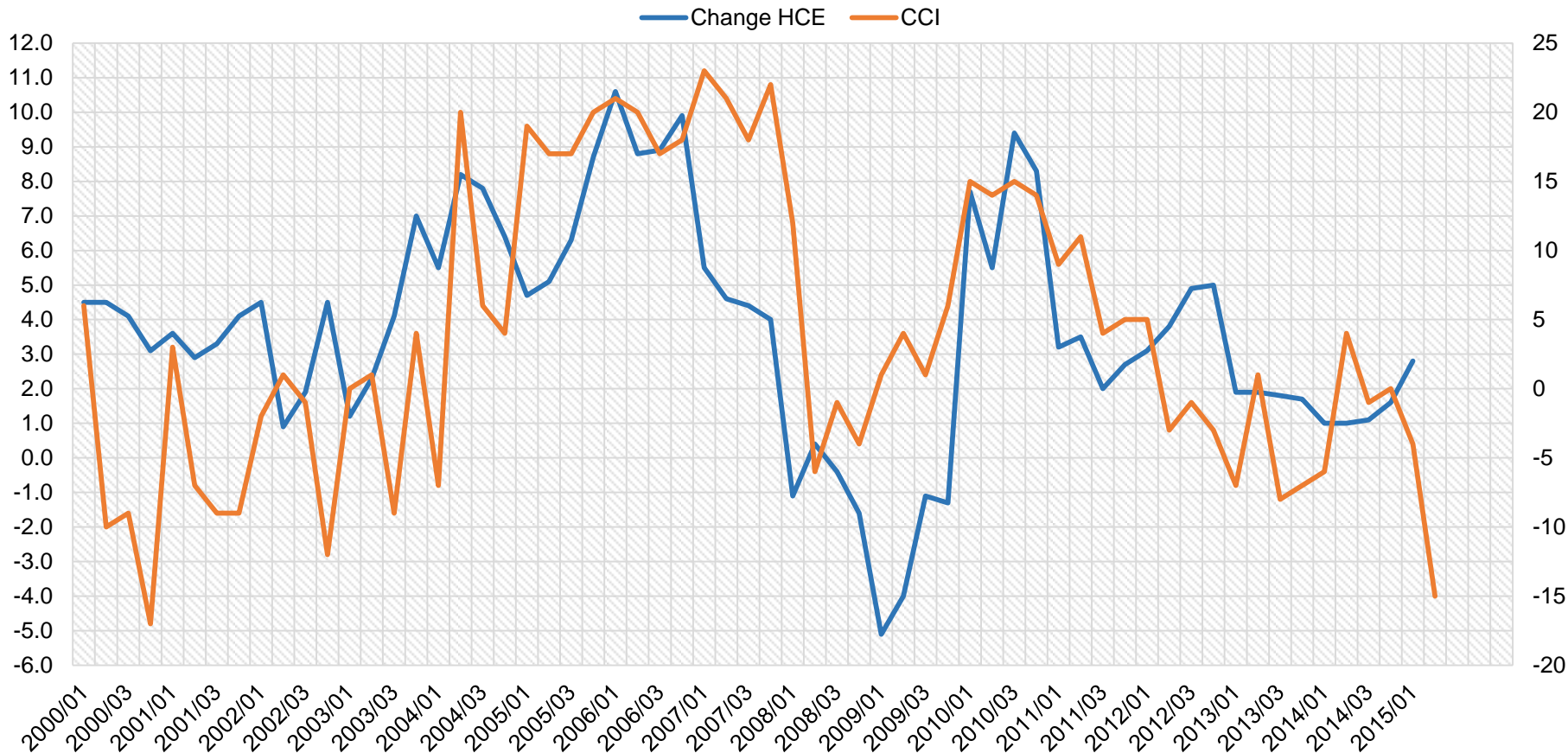


Structure of GDP



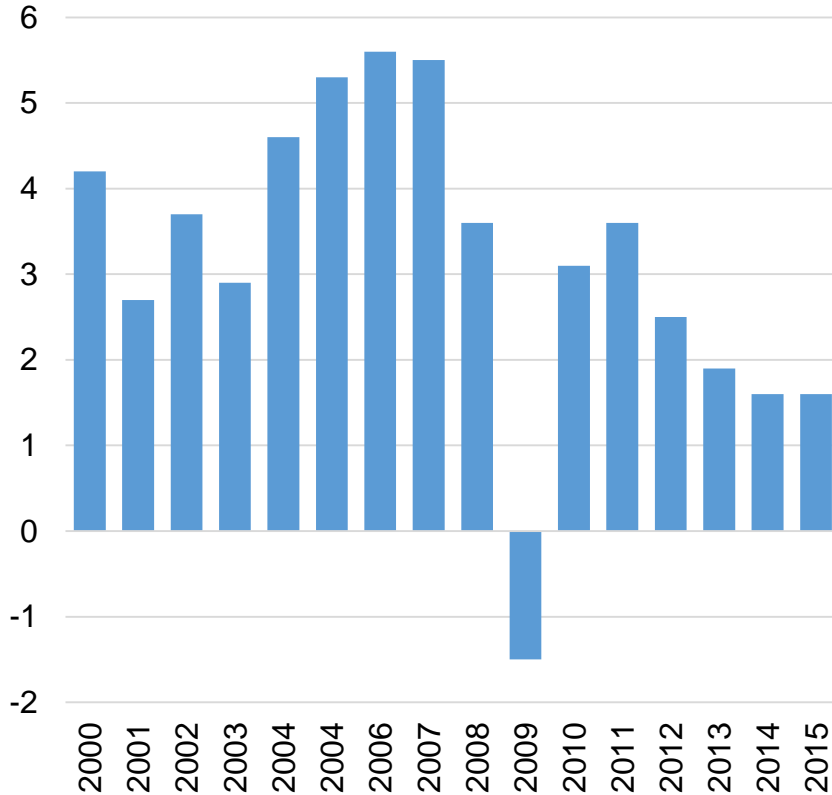
Consumer spending and consumer confidence

Confidence has reached near record lows and will pull spend down pinning GDP growth to sub-2%

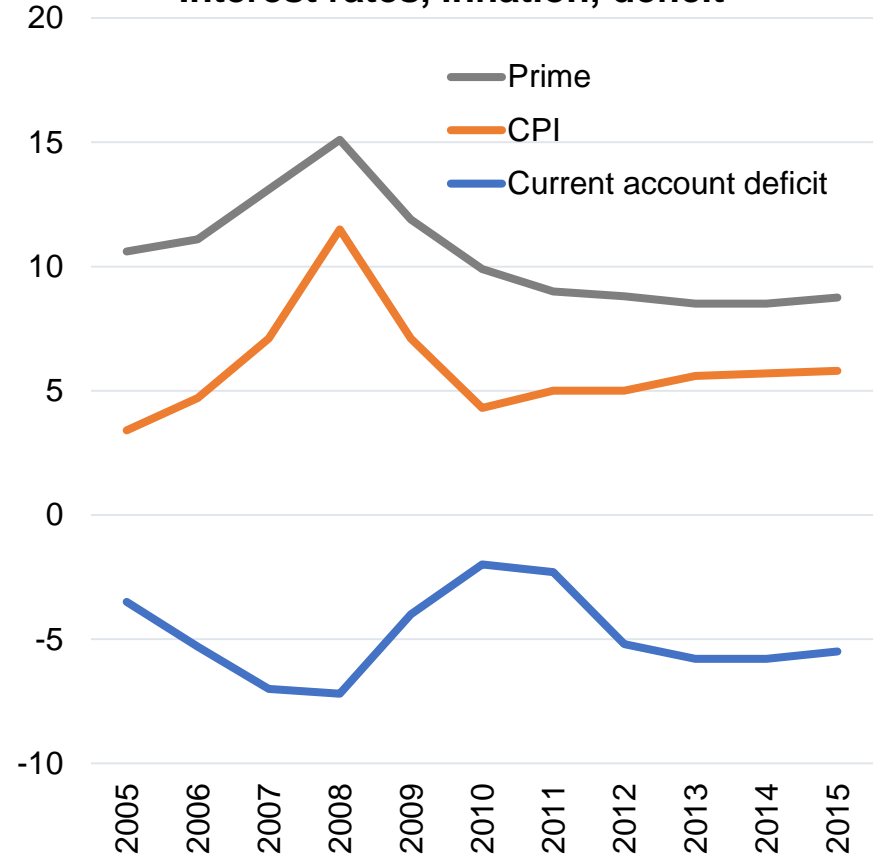


Expect low growth levels which will dampen inflation and exclude rate hikes as debt and deficit levels rise.

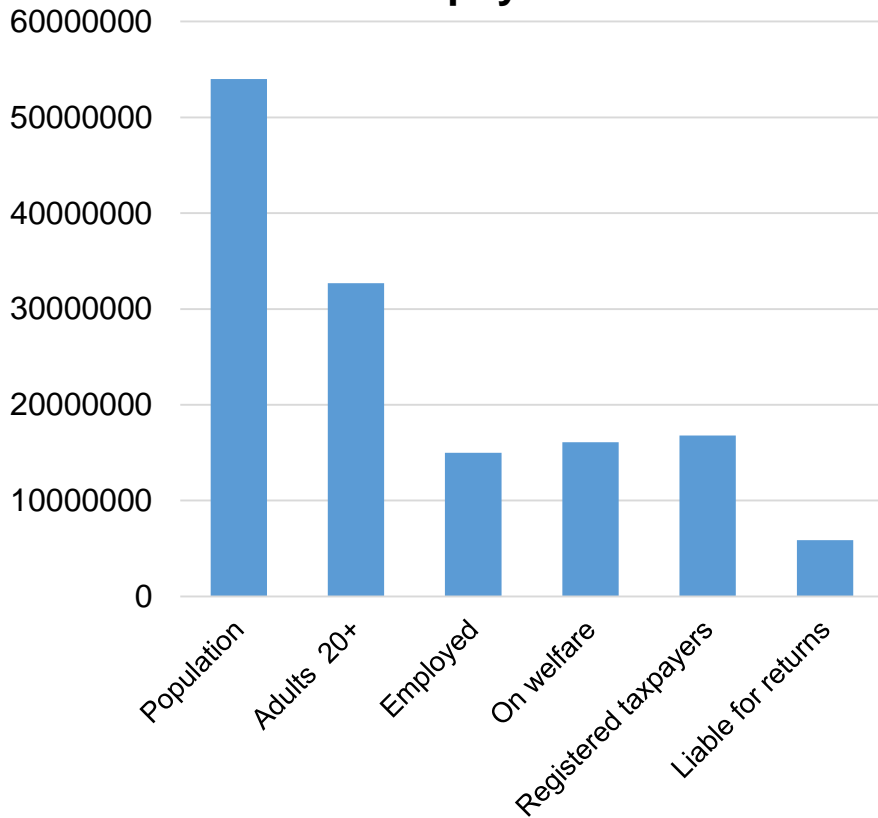
South Africa growth



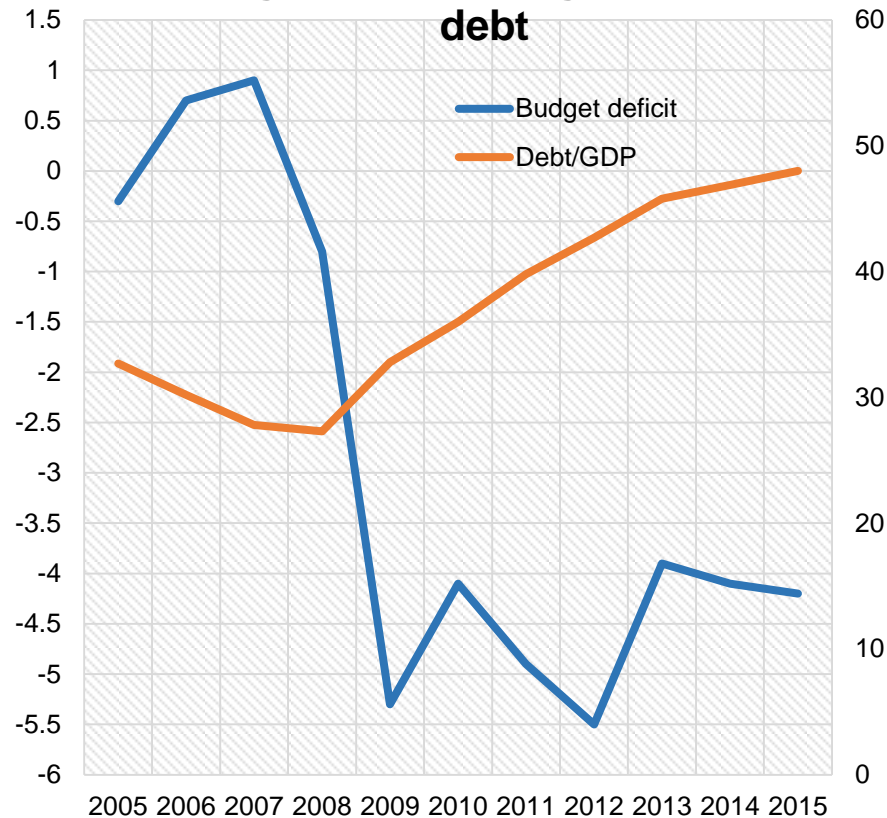
Interest rates, inflation, deficit



Taxpayers


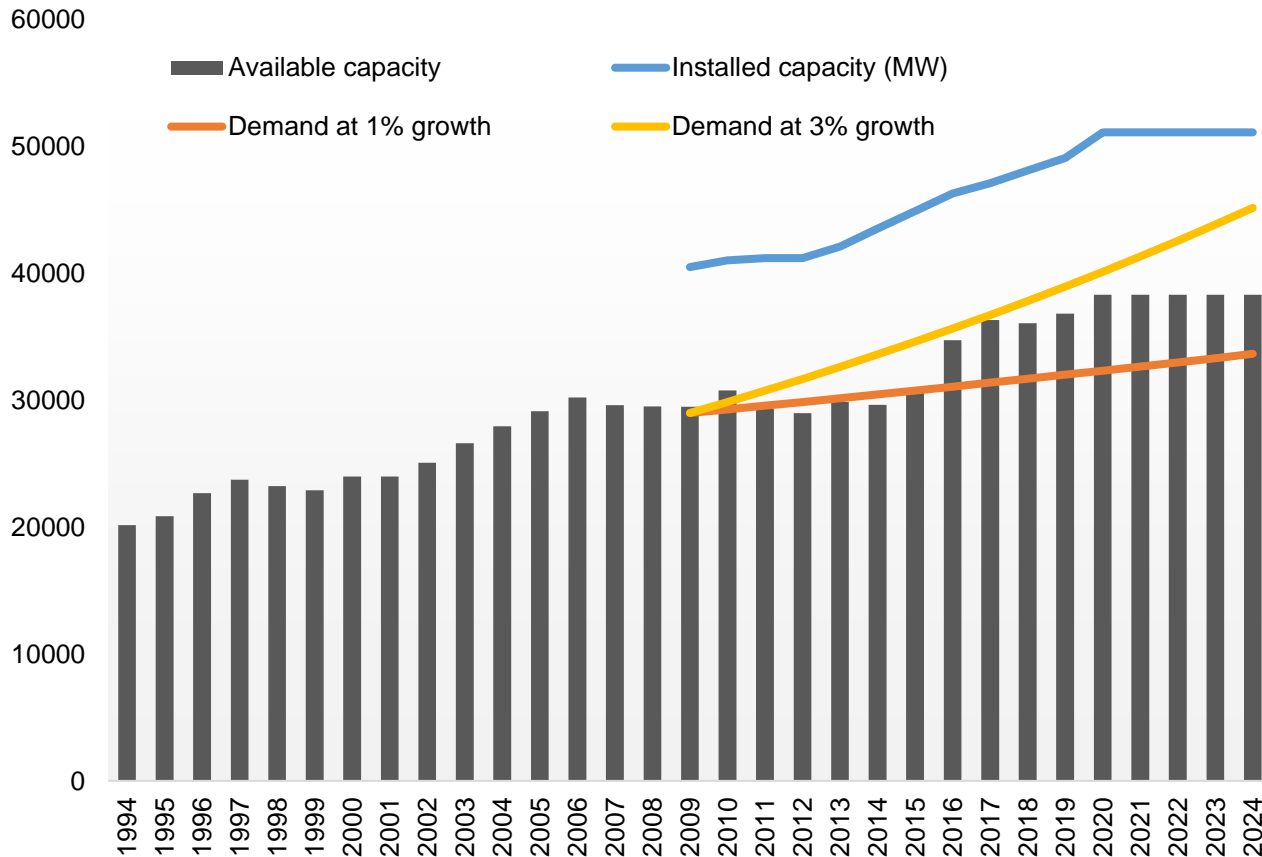


Budget deficit and government debt



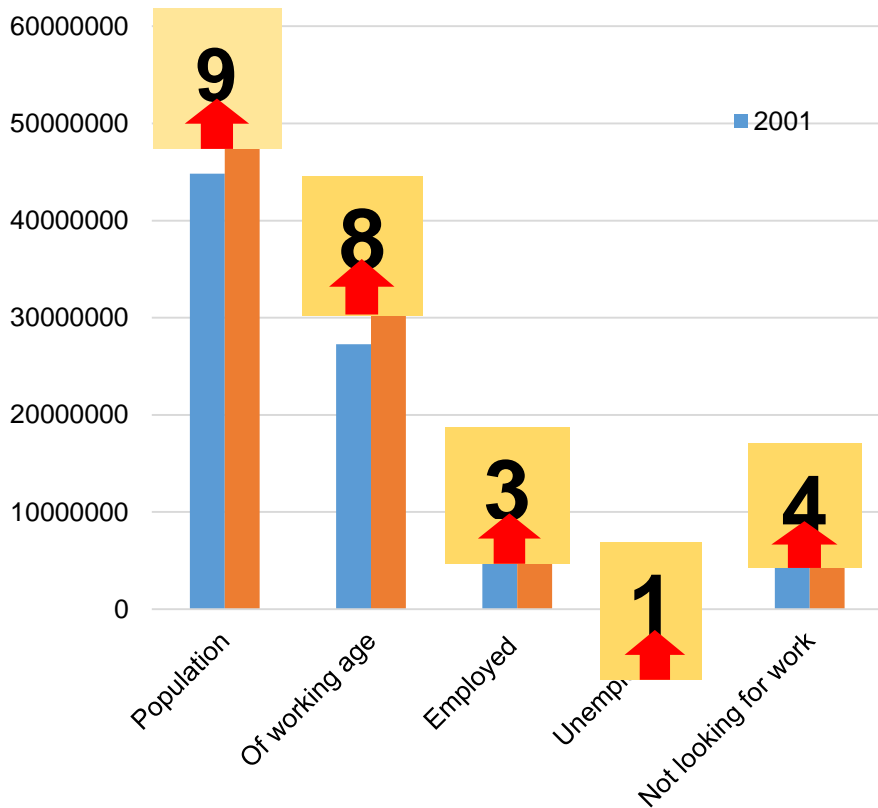
ELECTRICITY SUPPLY AND INFRASTRUCTURE

Electricity supply constraints are placing growth estimates of 3% of GDP in doubt

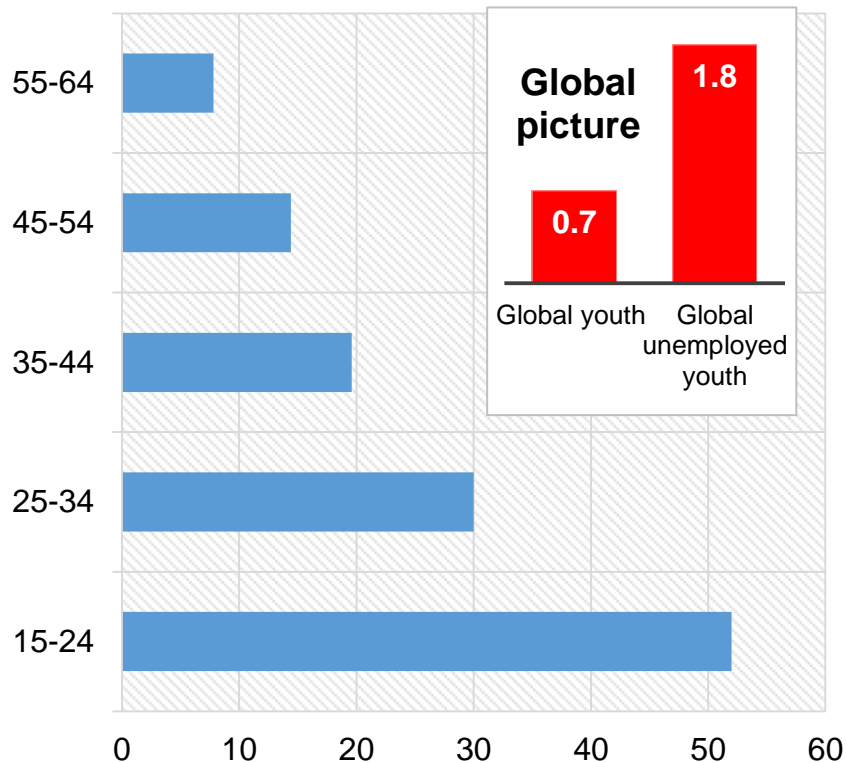


and...
any significant
further breakdown
in existing power
infrastructure will
force growth
forecasts to be
revised
downwards

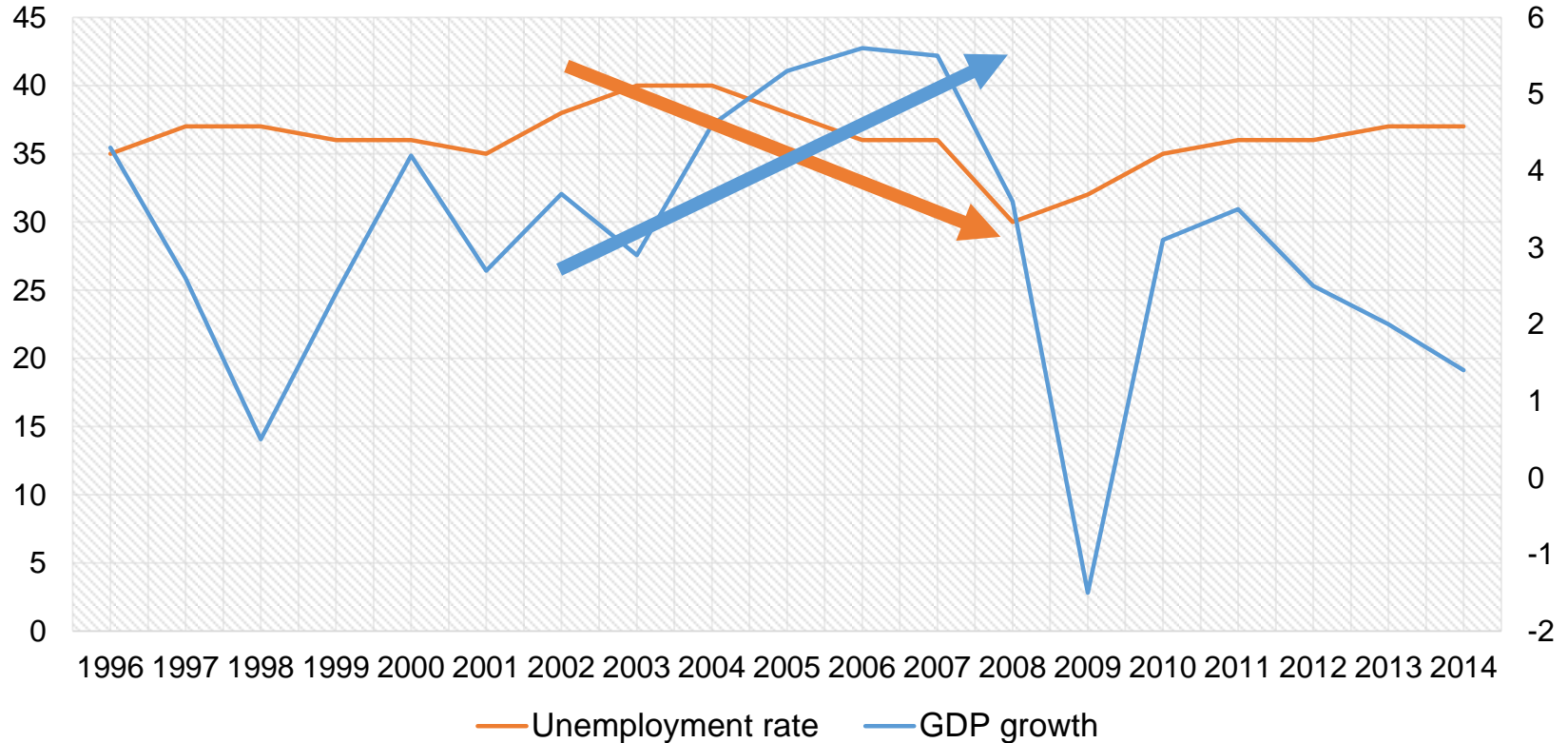
Jobs and unemployment



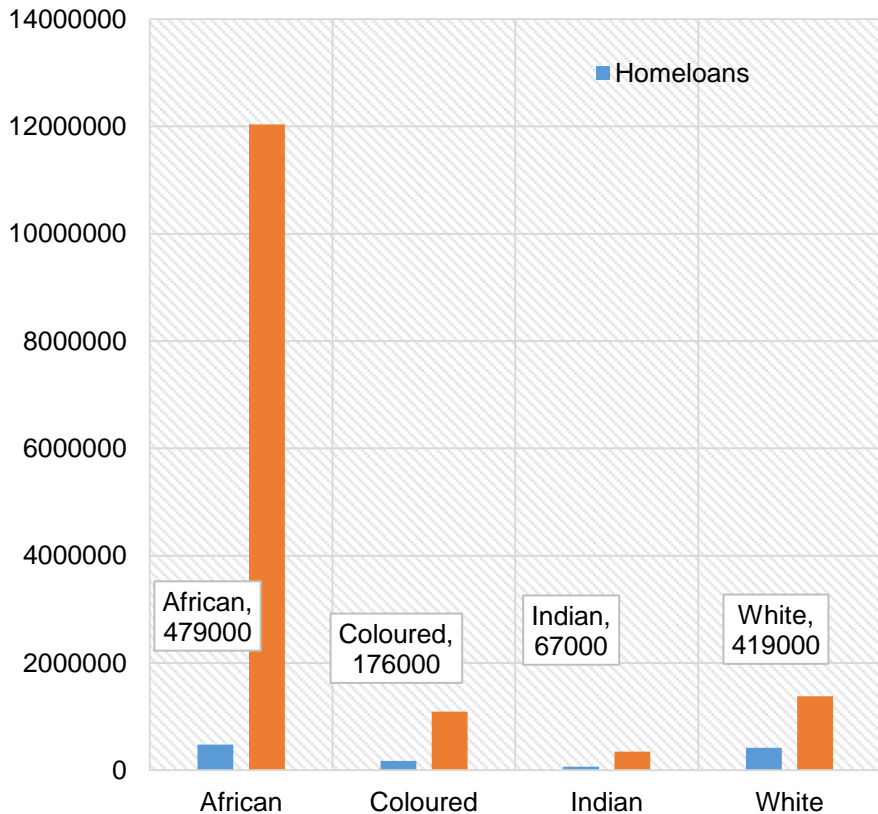
Official unemployment rate by age group



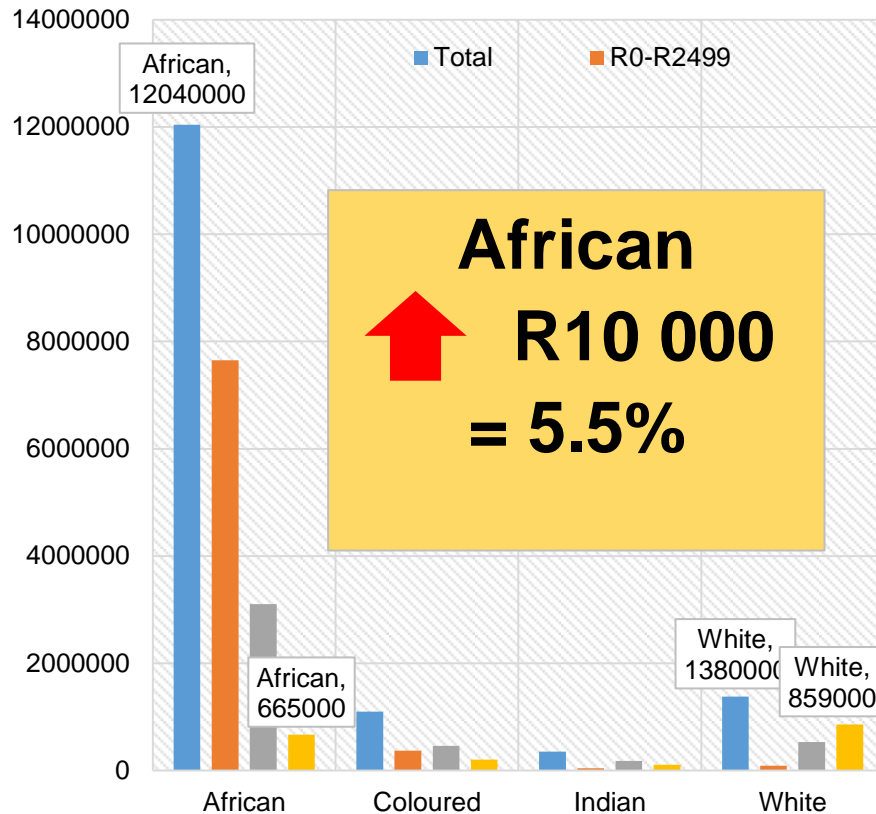
Growth and unemployment



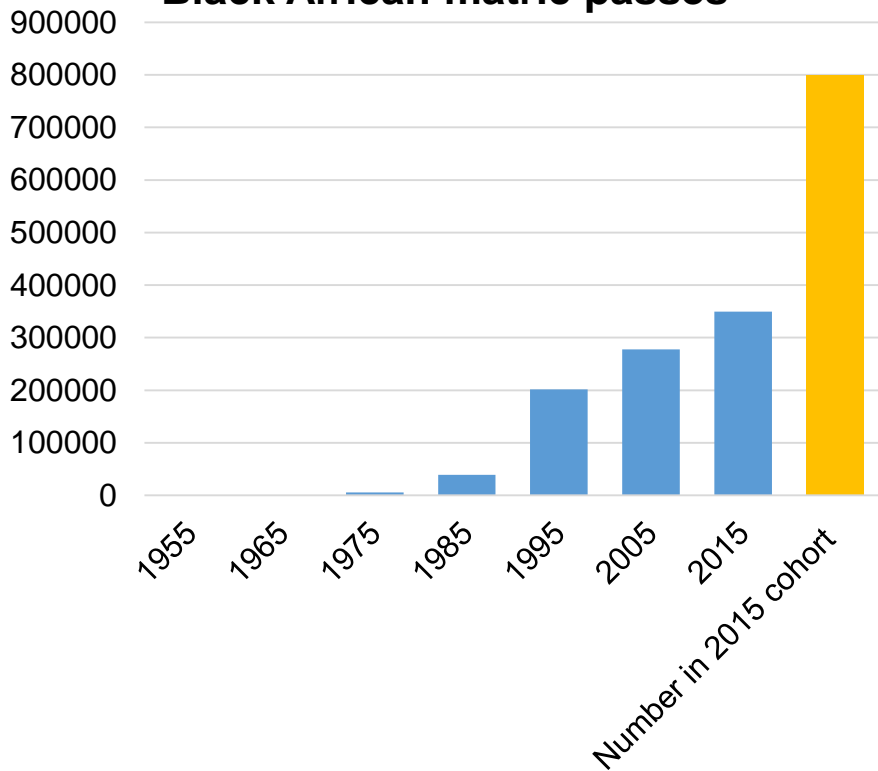
Households and home loans



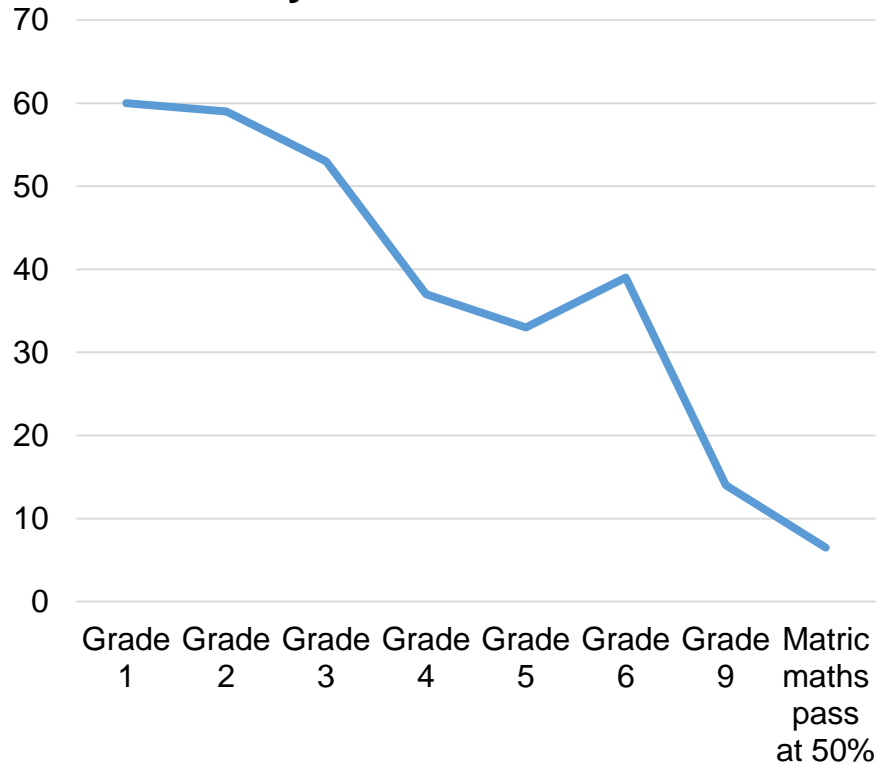
Household monthly expenditure



Black African matric passes

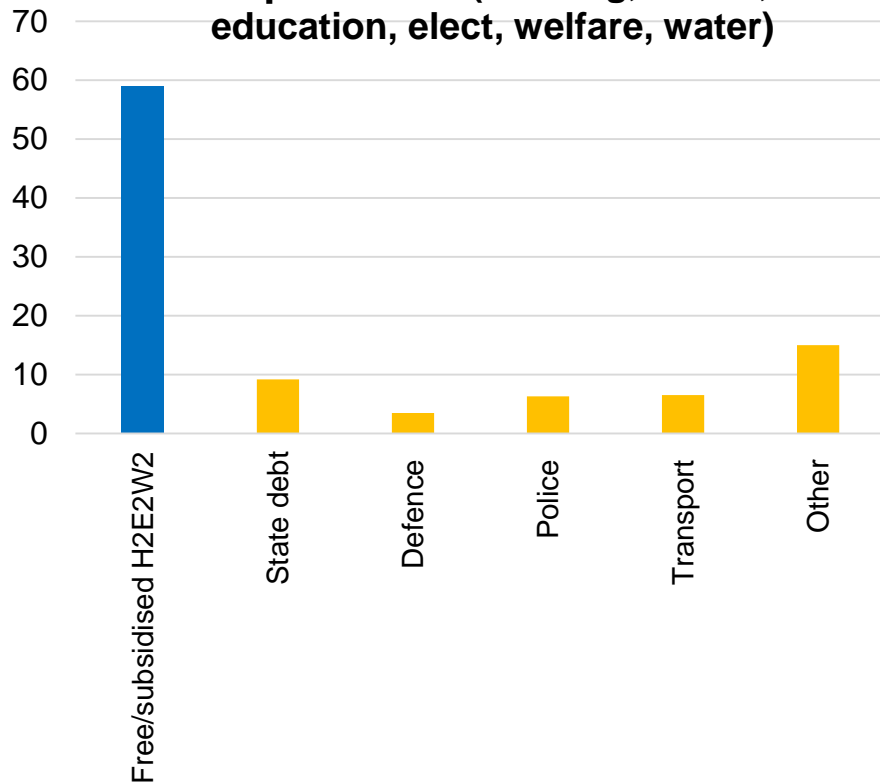


Numeracy rates and matric maths

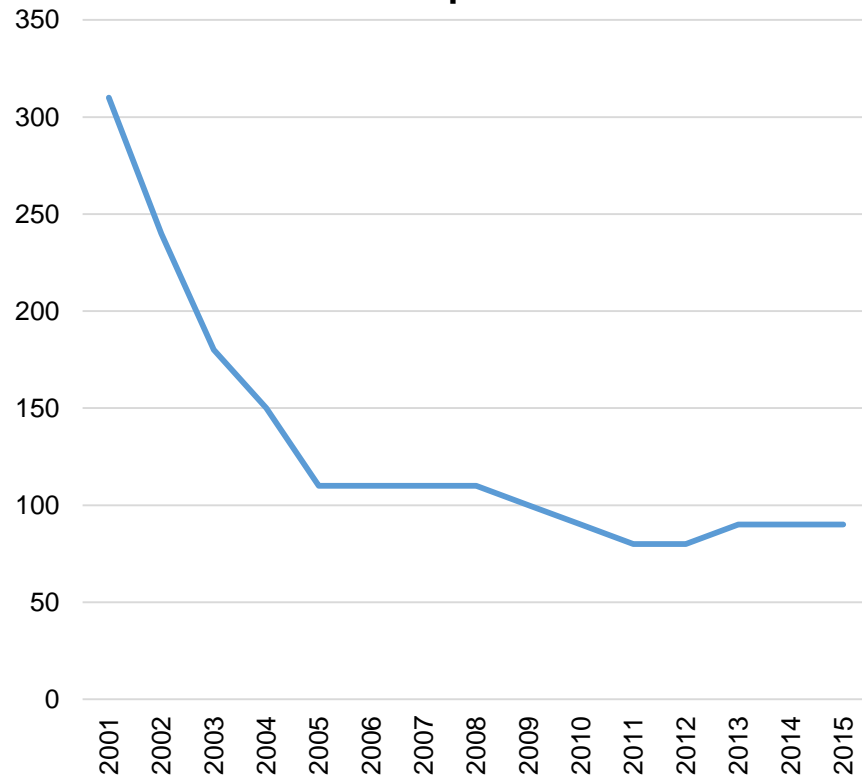


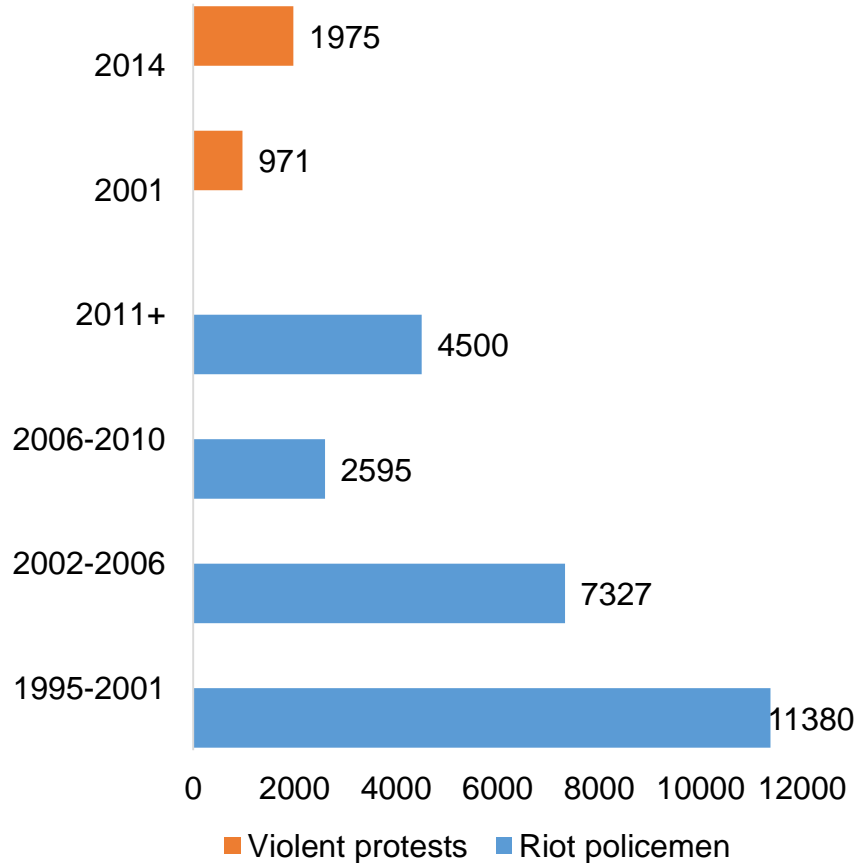
Almost 60% of government expenditure takes the form of income redistribution to poor people

Social wage and government expenditure (housing, health, education, elect, welfare, water)



Employed people/100 welfare recipients

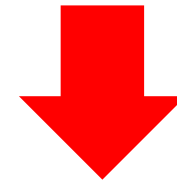




Government performs well?

72% | YES

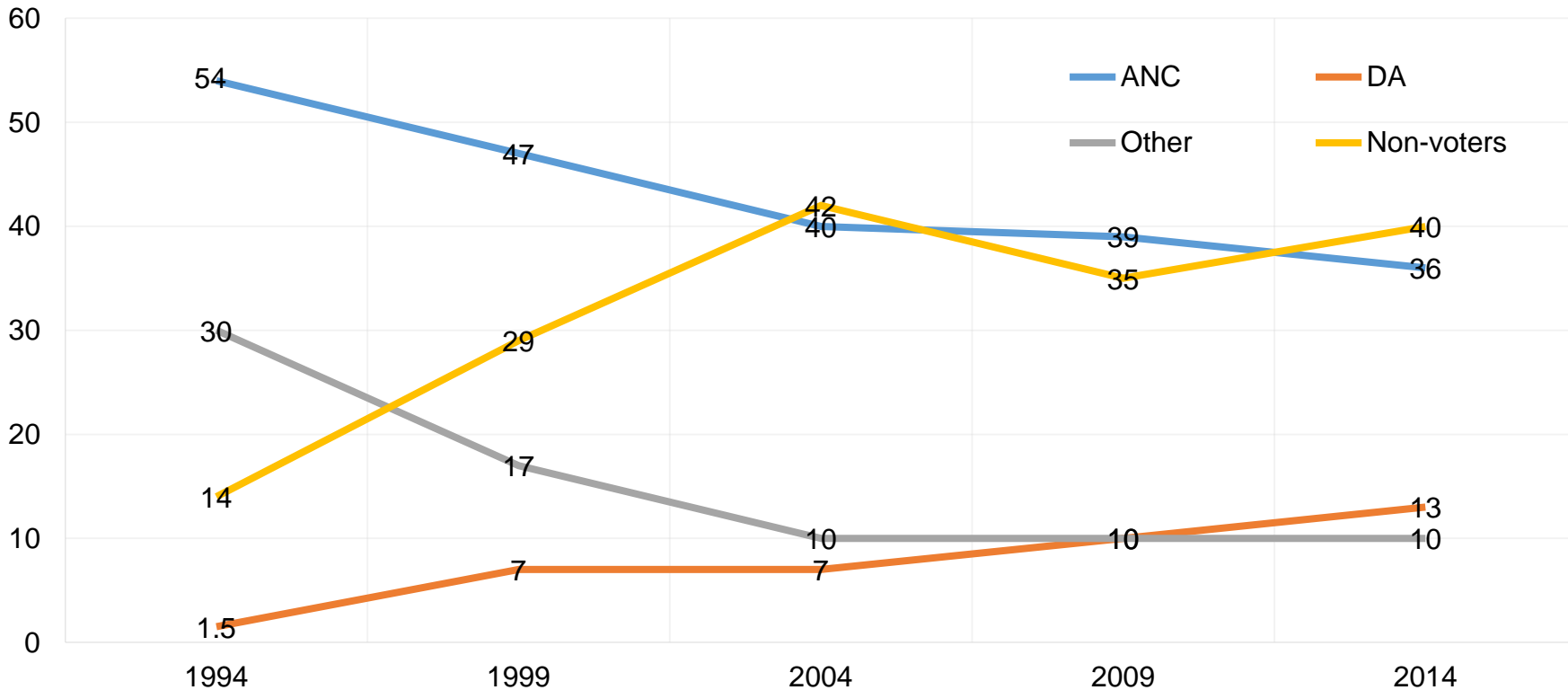
2000



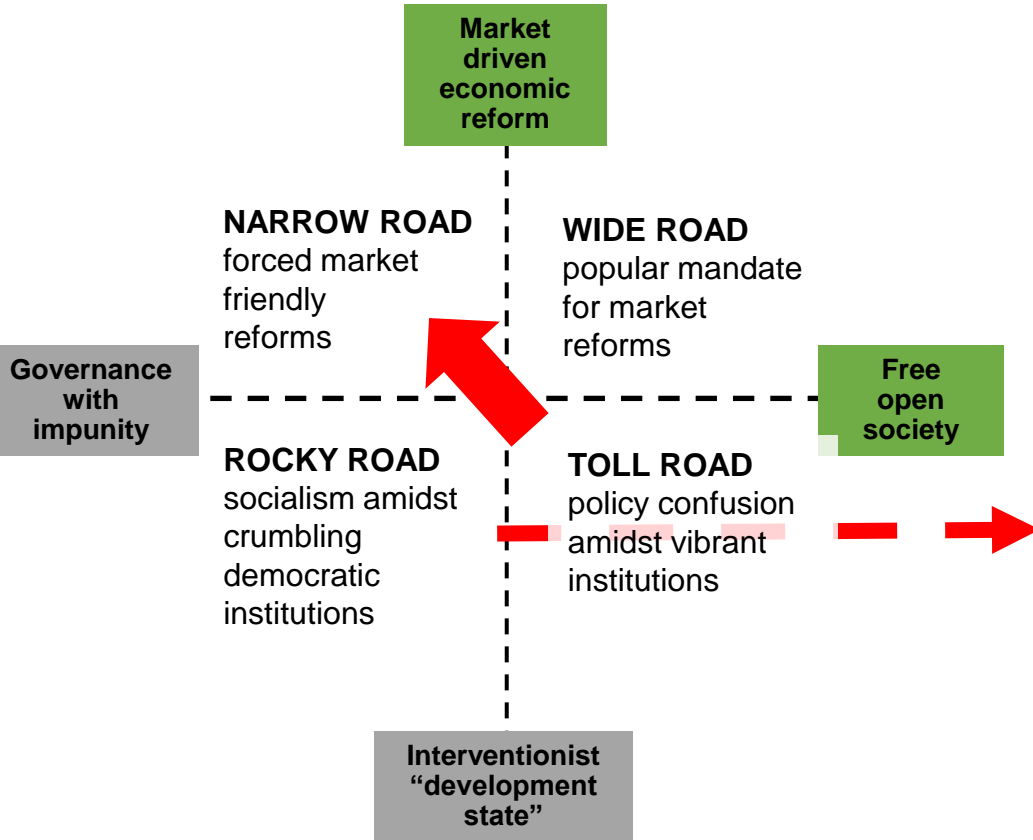
54%

2014

Votes cast as % of voting age population



On current trends a Toll Road/Rocky Road hybrid is the scenario of greatest probability



- AGOA negotiations, BIT cancellations
- The Employment Equity Amendment Act of 2013
- The Broad-Based Black Economic Empowerment Amendment
- New generic codes of good BEE conduct
- Mineral and Petroleum Resources Development Amendment Bill
- laws have been amended to restrict the use of casual or atypical jobs
- Restitution of Land Rights Amendment Act of 2014 + Expropriation Bill + Property Valuation Act of 2014 + 50/50 + 12.5k hectares + foreigners + land use bill
- Private Security Industry Regulation Amendment Bill of 2013
- Promotion and Protection of Investment Bill of 2013
- Immigration restrictions
- Recent comments in Iran, Asia summit
- Undermining SARS, Hawks, Public Protector, SIU, SABC, Parliament



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