

SA current account deficit widens sharply in Q4

South Africa's current account deficit widened sharply in the fourth quarter of 2023 to 2.3% of gross domestic product (GDP) from a revised 0.5% of GDP in the third quarter, central bank data showed on Thursday, 7 March 2024.

By [Kopano Gumbi](#) 7 Mar 2024



Children walk past a vegetable stall in Soweto 23 July 2015. Reuters/Siphwe Sibeko/file photo

The South African Reserve Bank (SARB) said the current account deficit was 1.6% of GDP for 2023. The National Treasury had estimated the deficit at 1.8% of GDP.

In rand terms, the current account deficit widened to R165.5bn (\$8.78bn) in the October-December period, from a revised R34.4bn in the previous three months.

The trade surplus narrowed to R88.1bn in the fourth quarter from R181.1bn in the third quarter, while the annual trade surplus more than halved in 2023, to 1.5% of GDP from 3.4% in 2022.

The SARB said the fourth-quarter trade surplus narrowed because the value of imports grew more than that of exports.



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Imports that rose in value included crude oil and refined petroleum products. Exports of fruit and manufacturing products increased but exports of pearls, precious and semi-precious stones declined.

South Africa's economy grew by just 0.6% in 2023, weighed down by inefficiencies at state power and logistics companies Eskom and Transnet.

The rand depreciated more than 7% against the dollar over 2023, making imports more expensive.

(\$1 = R18.8446)

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