

LATEST ECONOMIC UPDATE

Windhoek – 1 July, 2015 – Release of latest economic statistics by the Namibia Statistics Agency (NSA)

First quarter GDP growth of 3.1 per cent compared to 5.6 per cent in the corresponding quarter of last year

The GDP for the first quarter of 2015 recorded a slow growth of 3.1 per cent compared to 5.6 per cent registered in the corresponding quarter of 2014. The slow performance during the quarter under review was mainly due to wholesale and retail trade that recorded a decline in the real value added of 2.4 per cent. Hotels and restaurants; and fishing sectors recorded slow growths of 7.1 per cent and 2.5 per cent, respectively.

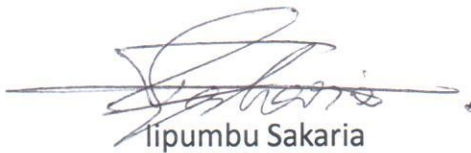
The decline in the wholesale and retail trade sector is attributed to the revenue of supermarket that declined by 2.8 percent in the first quarter of 2015 compared to an increase of 35.6 percent recorded in the same quarter of 2014. The slow growth in the hotels and restaurants sector is a result of the number of bed nights sold and room nights sold that increased by 1.1 percent and 0.5 percent respectively compared to an increase of 11.3 percent in bed nights sold and 13.3 percent in room nights sold registered in the corresponding quarter of 2014.

The 2.5 percent slow growth in fishing sector is attributable to mid-water trawling fisheries landings that registered a slow growth of 2.7 percent in the first quarter of 2015 compared to an increase of 59.4 percent in the corresponding quarter of 2014. Despite the poor performance in the sectors above, the economy showed improvements in agriculture, construction; and utility sectors that recorded growth in real value added of 7.4 per cent, 26.0 per cent and 7.5 per cent, respectively.

The agriculture and forestry sector expanded during the first quarter of 2015, estimating a growth of 7.4 percent in real value added compared to a contraction of 16.3 percent of the corresponding quarter of 2014. The improved performance of this sector is led by the subsector of the livestock farming which posted a strong growth of 26.7 percent in real value added when compared to a decline of 28.1 percent registered in the same quarter of 2014. The growth was due to the number of cattle exported on hoof that increased by 185.5 percent compared to a decline of 58.6 percent registered in the same quarter of 2014.

The real value added for the construction sector is estimated to have recorded a growth of 26.0 percent in the first quarter of 2015 compared to an increase of 19.4 percent registered in the corresponding quarter of 2014. The performance in the sector emanated from the value of buildings completed that registered a growth of 17.0 percent compared to a decline of 18.9 percent reported in the same period of 2014.

The utility sector is estimated to have recorded a strong growth of 7.5 percent in real value added in the first quarter of 2015 compared to a decline of 3.0 percent in real value added in the corresponding quarter of 2014. The strong growth was driven by a favourable increase in the water subsector, that increased by 11.6 percent in real value added. The increase in the water subsector was mainly driven by the high demand in agriculture, with water consumption by livestock increasing by 32.2 percent and irrigation which has increased by 27.2 percent. The electricity subsector is also estimated to have registered a growth of 6.3 percent in real value added. This was influenced by the increase in electricity generation and a decline in electricity import.



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