

**Update on Economic Statistics
15 December 2016, Windhoek
For immediate release**

Third Quarter GDP 2016

1. The Namibia Statistics Agency hereby releases the GDP estimates for the Third Quarter of 2016 and the Monthly CPI Bulletin for November 2016.
2. The domestic economy contracted by 1.0 percent in the third quarter of 2016 compared to a growth of 5.0 percent recorded in the corresponding quarter of 2015. The poor performance can mainly attributed to the mining, construction and public administration and defence sectors that registered a reduction in real value added.
3. The decline of 5.6 percent in real value added of mining is mostly owed to the diamond subsector that registered a reduction in real value added of 13.0 percent. The production of diamond has reduced during the period under review.
4. Construction sector recorded a decline of 12.3 percent compared to an outstanding growth of 36.0 percent registered in the third quarter of 2015. The performance in the sector is mainly due to government construction has declined in real value by 19.4 percent.
5. The public administration and defence sector declined by 5.3 percent in real value added in the third quarter of 2016 compared to an increase of 13.2 percent estimated in the corresponding quarter of 2015. The decline is attributed to “tightening the belt” or “the austerity measures” on government expenditure.
6. In addition, over the year, wholesale and retail trade, electricity and water and health sectors recorded slower growth rates in real value added of 3.6 percent (4.9 percent in Quarter 3 of 2015), 5.3 percent (7.5 percent in Quarter 3 of 2015) and 4.1 percent (6.6 percent in Quarter 2 of 2015), respectively.
7. Despite the poor performance of the economy, other sectors such as agriculture, hotels and restaurants, financial intermediation and transport and communication sectors recorded stronger growth of 1.6 percent, 10.3 percent, 3.4 percent and 1.8 percent in real value added in the third quarter of 2016, accordingly.

Monthly CPI Bulletin, November 2016

8. The annual inflation rate for November 2016 increased to 7.3 percent from 3.3 percent recorded in November 2015.
9. The increase in the general price levels over the year emanated mainly from Food and non-alcoholic beverages (11.6 percent), Hotels, cafes and restaurant (9.2 percent), Housing, water, electricity and other fuels (7.9 percent), Furnishings, household equipment and routine maintenance of the house (7.7 percent), Education (7.6 percent), Health (6.9 percent), Alcohol beverages and tobacco (6.5 percent), Recreation and culture (6.3 percent) and Communications (6.0 percent).
10. On a monthly basis, the inflation rate slowed down to 0.2 percent from 0.5 percent registered a month earlier.
11. The annual inflation for Food and non-alcoholic beverages stood at 11.6 percent compared to 6.5 percent recorded in November 2015, an increase of 5.1 percentage points. The significant increase in this group resulted from annual price increases recorded in all the sub-groups comprising the Food and non-alcoholic beverages component except for the meat sub-group which declined by 1.9 percent.
12. The monthly and annual inflation rates for Goods were estimated at 0.4 and 7.9 percent respectively, while those for Services stood at 0.02 and 6.6 percent respectively. This indicates that on a monthly and annual basis, average prices for Goods accelerated faster than those of Services.
13. I would also like to emphasize the importance of accurate and timely delivery of data from our stakeholders in private and public sectors to the Namibia Statistics Agency (NSA), on which compilation of quarterly GDP depends. Finally, I wish to express my appreciation to all the data providers; both institutions and individuals, without whose assistance the publication would not have been possible.



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