

LATEST QUARTERLY TRADE STATISTICS & MONTHLY INFLATION UPDATE

Windhoek – 12 November, 2015 – Release of latest economic statistics by the Namibia Statistics Agency (NSA)

Trade deficits increases from N\$ 5.2 billion to N\$ 10.5 billion in third Quarter

Foreign trade statistics play an important role in Namibia's economy. This is so because it measure values and quantities of goods that, by moving into or out of a country, adds or subtracts from a nation's material stock of goods. Since independence it has been a policy to develop, promote and diversify the country's exports. It has also been the aim to expand and consolidate market shares of existing markets and penetrate new markets.

As per our latest figures, shown in the 3rd Quarter Trade Statistics Bulletin we are releasing today, a trade deficit amounting to N\$10.5 billion was recorded. This is an upward trend when compared to the N\$5.2 billion that was recorded in the preceding quarter a year earlier. The widening deficit is attributed to an increase in the import bill and a contraction in export earnings. The import bill rose by 22 percent to account for N\$24.5 billion, upward from N\$19.9 billion in the same period a year ago. On the other hand, export revenue fell by 6 percent to account for N\$13.9 billion as compared to N\$14.8 billion reported in the same quarter last year.

During the quarter under review, the key export markets were Botswana (N\$3.2 billion), RSA (N\$3 billion), Switzerland (N\$1.8 billion), China (N\$0.856 billion) and Spain (N\$0.830 billion). The top commodities exported during this time period were diamonds, fish, copper cathodes, copper ores and zinc. These were hence the top export revenue earners for Namibia during the period under review.

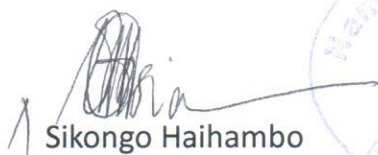
Our imports, on the other hand, were mainly sourced from RSA (N\$15.6 billion), followed by China (N\$1.5 billion), the DRC (N\$0.835 billion), Zambia (N\$0.728 billion) and then Mozambique (N\$653 billion). The commodities imported were dominated by mineral fuels and oils; vehicles, boilers, copper cathodes, electrical machinery and equipment. These hence dominated our import bill for the third quarter. In terms of economic blocs, SACU remains the main source of imports as well as export destination for Namibia. Other key economic blocs include the EU, SADC-NON-SACU, BRIC, COMESA and EFTA. Most of the exports were transported by sea whilst the imports were predominantly transported by road.

Annual inflation increases moderately from 3.3 to 3.4 percent

For the month of October 2015 the inflation rate increased from 3.3 percent to 3.4 percent on an annual basis. On a monthly basis inflation increased to 0.2 percent from 0.1 percent. This monthly inflation was caused by increases in the prices of goods and services in the categories of Food and Non – Alcoholic beverages (from 0.4 to 0.8 percent), Housing, Water, Electricity and Gas and Other fuels (from 0.0 to 0.5 percent), Health (from -0.2 to 0.5 percent) and Hotels, Cafés and Restaurants (from -0.2 to 0.6 percent).

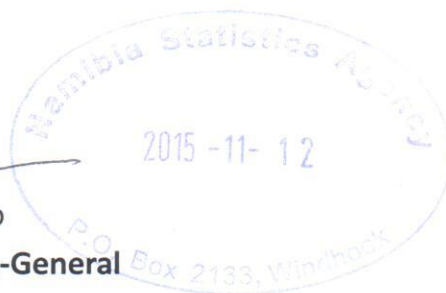
On an annual basis, the upsurge in the inflation rate emanated mainly from increases in the price levels of the categories food and non-alcoholic beverages; housing, water, electricity, gas and other fuels; as well as the categories of health, Hotels, cafés and restaurants as recorded in September 2015.

The major drivers of the annual inflation were food and on – alcoholic beverages (6.4 percent); housing, water, electricity, gas and other fuels (2.8 percent). Further relative smaller contributions to inflation were recorded from the minor categories such as hotels, cafés and restaurants (6.4 percent), health and miscellaneous goods and services (5.8 percent respectively), as well as education (4.3 percent) and recreation and culture (3.4 percent).



Sikongo Haihambo

Acting Statistician-General



•