

# KWAZULU-NATAL PROVINCIAL TREASURY IMES UNIT

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## MONTHLY ECONOMIC NEWS LETTER October 2014

Botswana has maintained one of the world's highest economic growth rates since independence in 1966. Through fiscal discipline and sound management, Botswana transformed itself from one of the poorest countries in the world to a middle-income country with a per capita GDP of \$16,400 in 2013. Two major investment services rank Botswana as the best credit risk in Africa.

Standard & Poors credit rating for Botswana stands at A-. Moodys rating for Botswana sovereign debt is A2. The highest in Africa

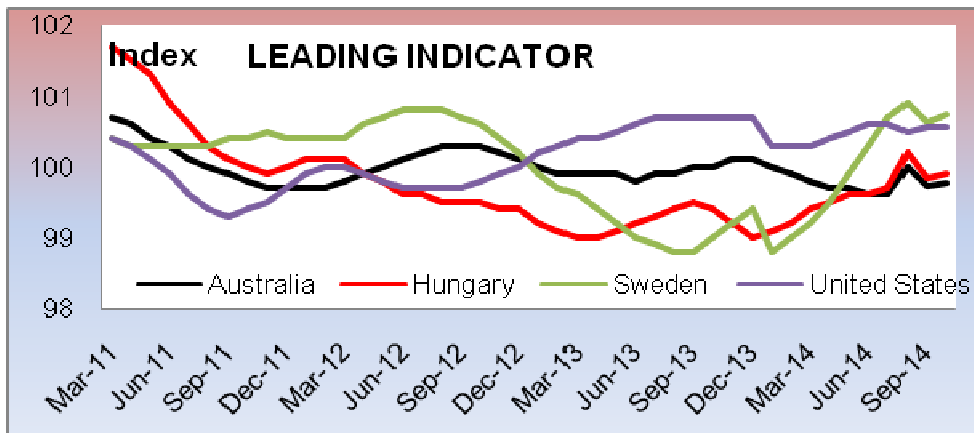
GDP Country Rank 117/192 (2013)

Botswana Corporate Tax Rate = 22% compared to SA at 28%

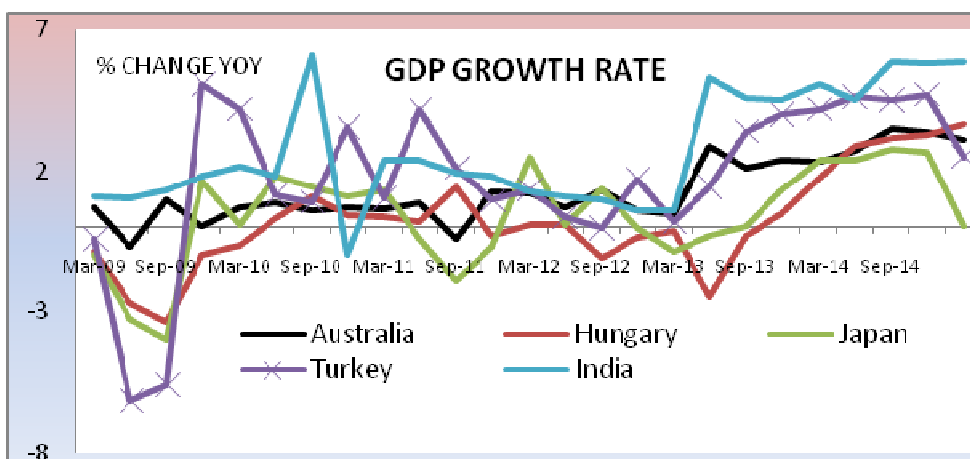
GDP - composition, by end use

household consumption: 51.6%  
government consumption: 18.3%  
investment in fixed capital: 34.1%  
investment in inventories: -1.2%  
exports of goods and services: 47%  
imports of goods and services: -49.8%

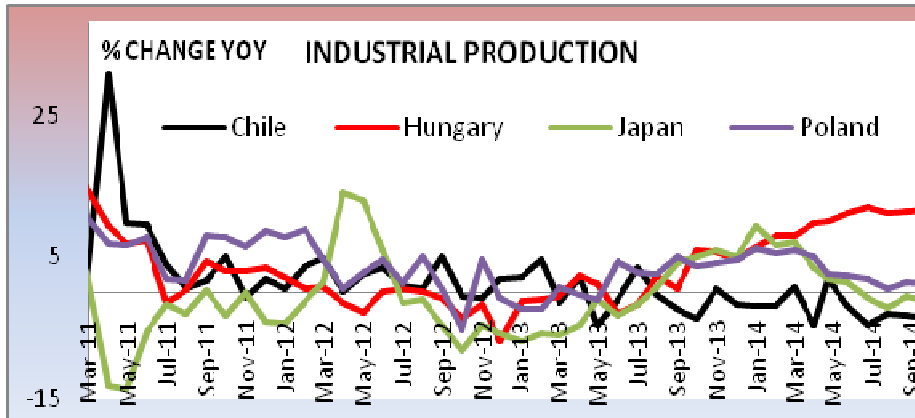
### MACROECONOMIC INDICATORS



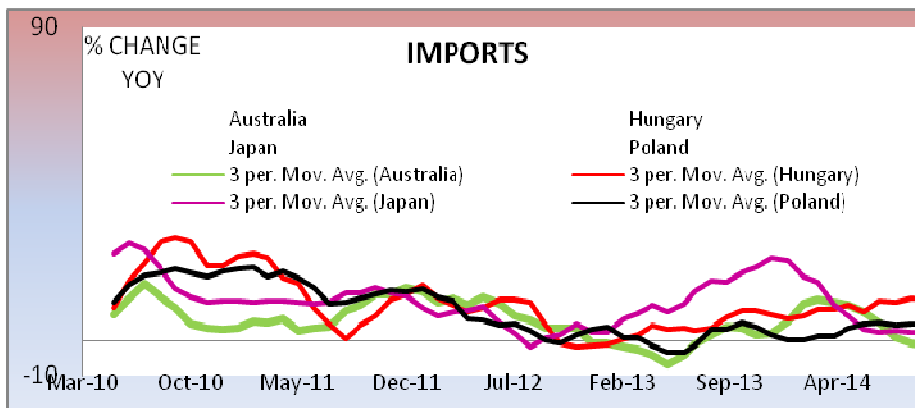
	Sep-14	Oct-14
Russia	100.3	100.3
Sweden	100.6	100.7
India	99.0	99.0
Turkey	99.1	99.1
Hungary	99.8	99.9
Indonesia	98.8	98.9
Australia	99.7	99.8
Korea	100.9	100.9
China	99.0	99.0



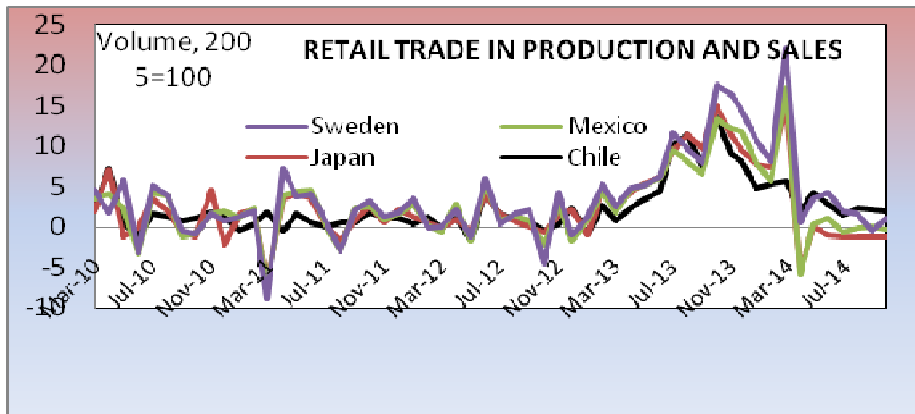
	Jun-14	Sep-14
Russia	0.70	1.20
Sweden	1.70	2.60
Brazil	1.80	-0.80
India	5.80	5.90
Turkey	4.70	2.50
Hungary	3.30	3.70
Australia	3.40	3.10
Korea	4.00	3.50



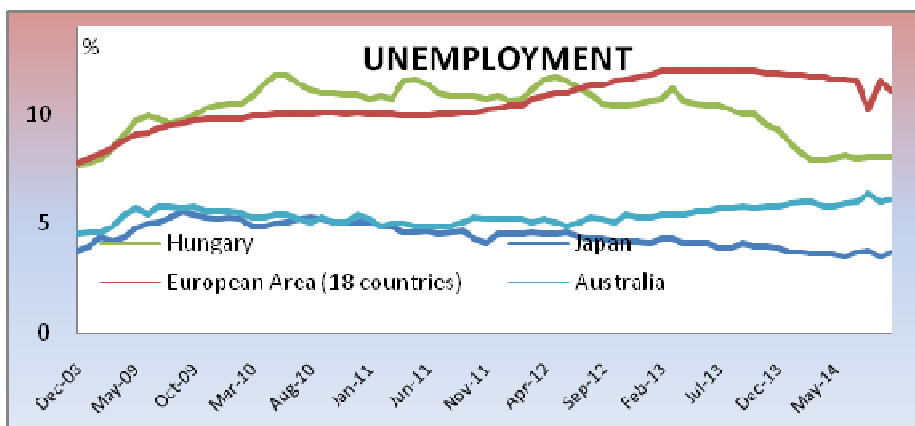
	Sep-14	Oct-14
Russia	-0.43	-1.11
Europe	1.60	2.10
Sweden	-2.40	-3.10
Russia	0.80	0.90
Poland	1.60	1.37
Hungary	11.43	11.54
Korea	0.70	0.87



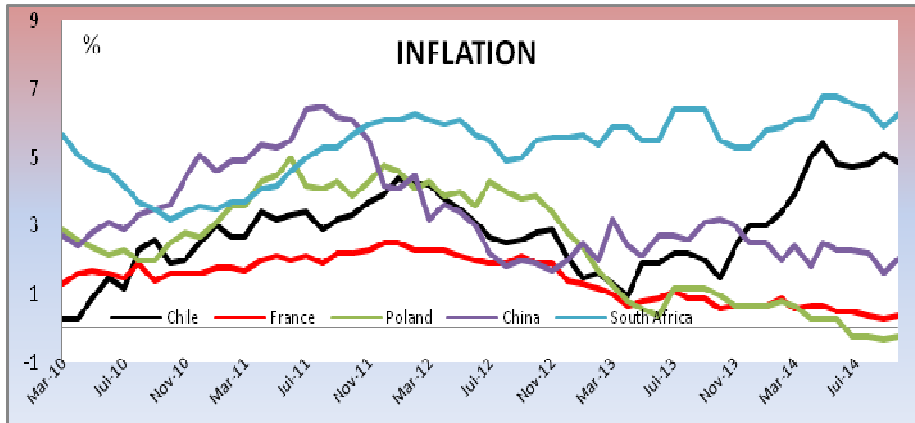
	Sep-14	Oct-14
Europe	0.67	0.89
Sweden	10.90	7.67
China	6.00	1.10
Poland	4.43	4.94
Hungary	11.07	12.22
New Zealand	-2.80	-5.43
Australia	0.67	-0.88



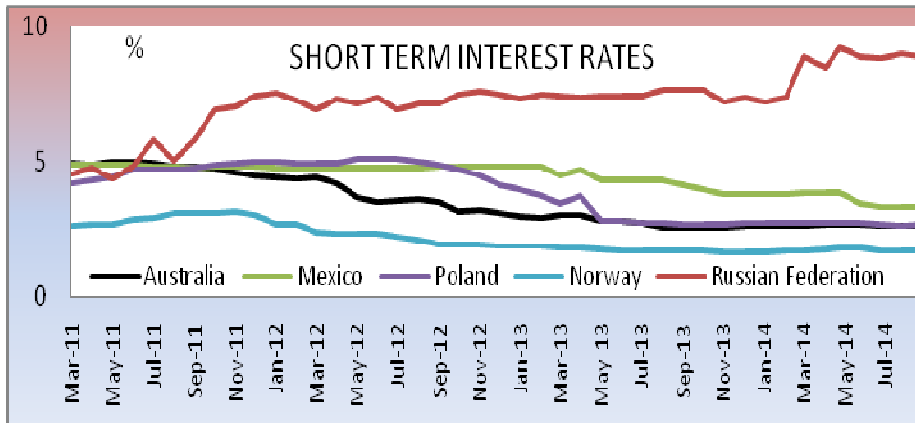
	Sep-14	Oct-14
USA	1.57	1.42
Europe	1.27	1.06
Japan	-3.40	-3.23
Sweden	-0.60	1.23
Hungary	3.91	3.75
Russia	0.10	0.50
Korea	3.20	2.17



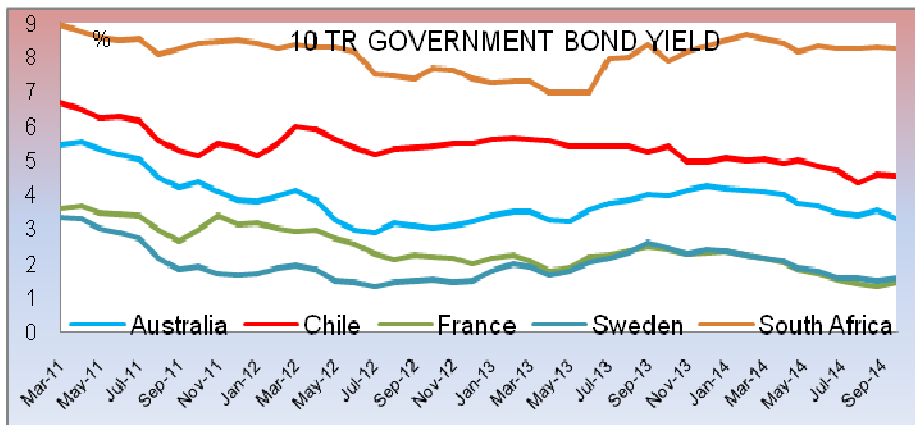
	Sep-14	Oct-14
Turkey	9.08	9.08
Europe	11.07	10.92
Sweden	7.90	7.87
Japan	3.67	3.66
Australia	6.10	6.17
Hungary	8.03	8.03
Korea	3.50	3.47



	Sep-14	Oct-14
Japan	3.20	3.30
Russia	8.00	7.67
Europe	0.40	0.52
Sweden	-0.40	-0.20
Chile	5.10	4.87
Poland	-0.30	-0.23
South Africa	5.90	6.30
Indonesia	4.50	4.80
France	0.30	0.40
China	1.60	2.03



	Sep-14	Oct-14
Japan	0.21	0.21
Russia	8.70	8.72
Sweden	0.19	0.14
Poland	2.28	1.96
Korea	2.35	2.21
China	4.44	4.49



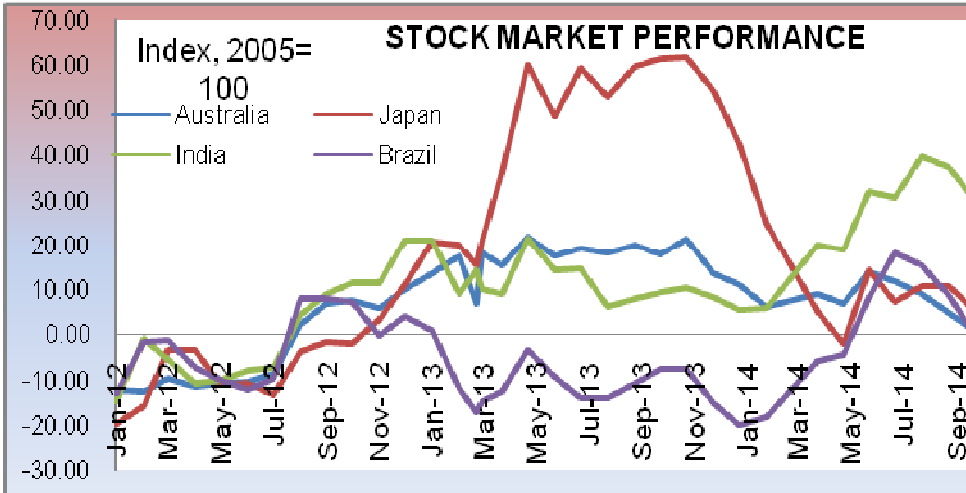
	Sep-14	Oct-14
Russia	8.73	8.51
Sweden	1.51	1.56
Mexico	5.82	6.06
Chile	4.59	4.54
Hungary	4.59	4.55
Australia	3.55	3.32

NB: Figures in red are estimates, calculated using a 3 month moving average

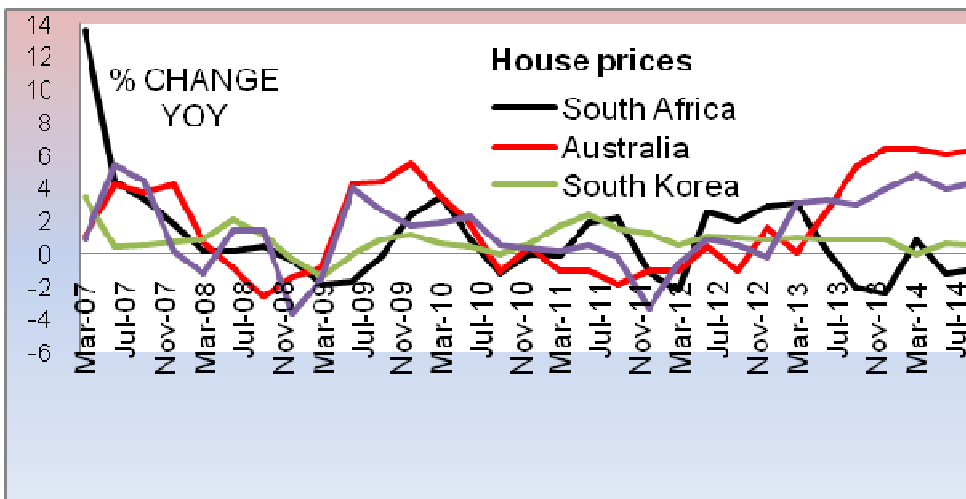
## FINANCIAL INDICATORS

EXCHANGE RATES (PER 1 USD END OF THE MONTH)										
	14-Jan	14-Feb	14-Mar	14-Apr	14-May	14-Jun	14-Jul	14-Aug	14-Sep	14-Oct
Chile	537.03	554.41	563.65	555.19	554.92	553.06	559.21	579.82	594.29	577.77
Hungary	221.69	227.04	225.46	222.51	221.74	225.06	228.71	235.60	242.62	235.64
Japan	104.17	102.02	102.30	102.52	101.83	102.04	101.71	102.95	107.23	103.96
Korea	1065.58	1071.06	1070.82	1043.01	1025.35	1019.35	1020.54	1024.63	1033.87	1026.35
Mexico	13.21	13.28	13.20	13.06	12.93	12.99	12.97	13.14	13.24	13.12
Poland	3.07	3.06	3.04	3.03	3.04	3.04	3.06	3.15	3.25	3.15
Sweden	6.49	6.50	6.41	6.54	6.57	6.68	6.82	6.90	7.12	6.95
Euro area (17 countries)	0.73			0.72	0.73	0.74	0.74	0.75	0.78	0.76

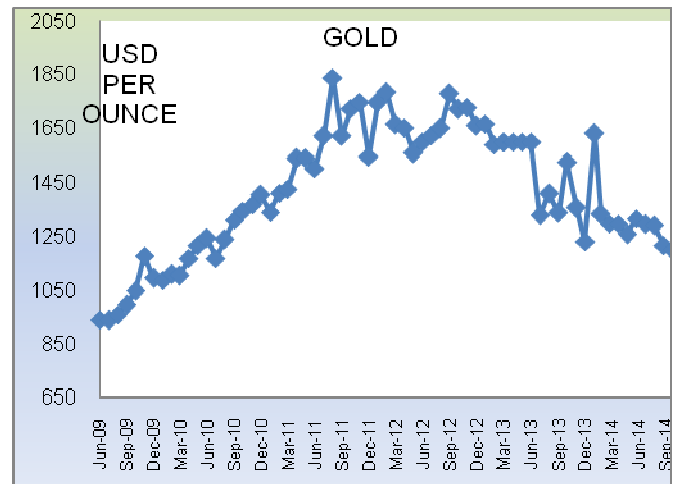
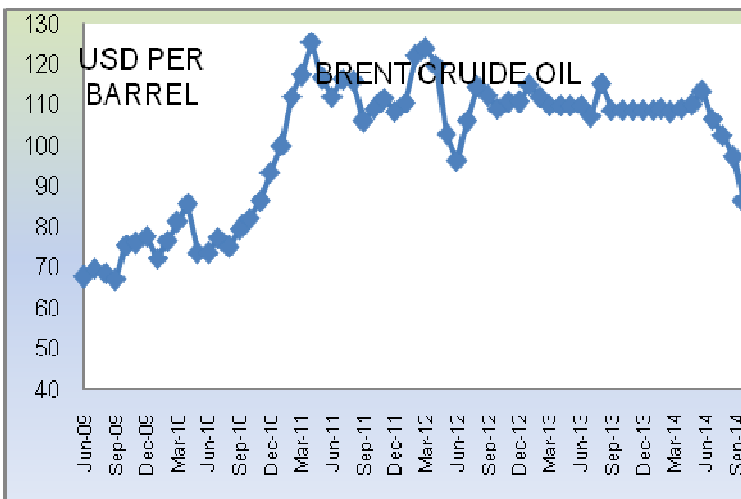
China	6.10	6.11	6.14	6.16	6.20	6.16	6.17	6.16	6.15	6.16
Indonesia	12179.60	11935.10	11427.05	11435.75	11525.90	11892.62	11689.61	11706.05	11849.86	11748.51
Russian Federation	33.46	35.22	36.21	35.66	34.90	34.41	34.64	36.11	37870.00	12646.92
South Africa	10894.00	10.98	10.75	10.55	10.40	10.67	10.70	10.66	10.98	10.78



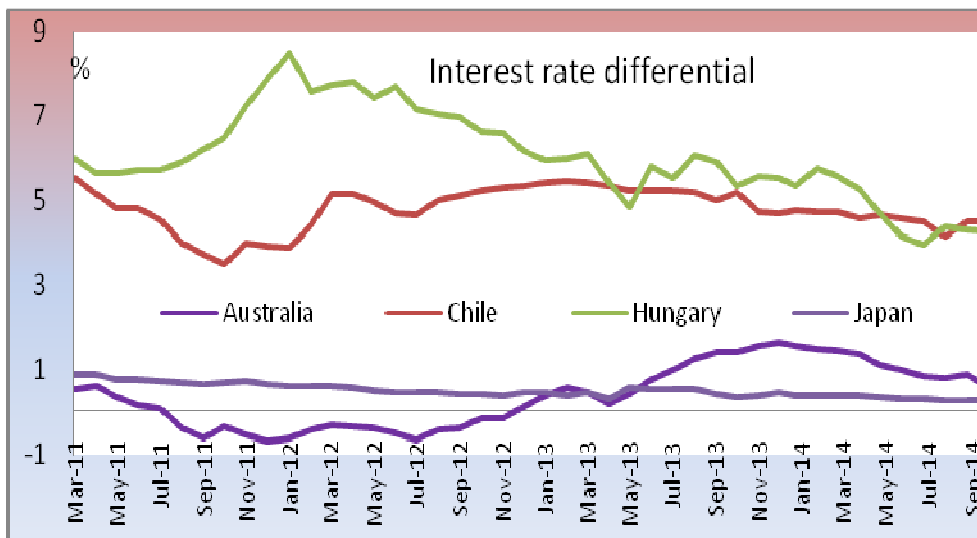
	Sep-14	Oct-14
Russia	100.6	97.4
Australia	118.20	114.90
Sweden	137.50	131.70
India	148.00	146.40
Brazil	86.60	80.80
Hungary	81.70	77.90
Japan	148.20	141.40
Turkey	131.70	128.50
China	81.90	83.30



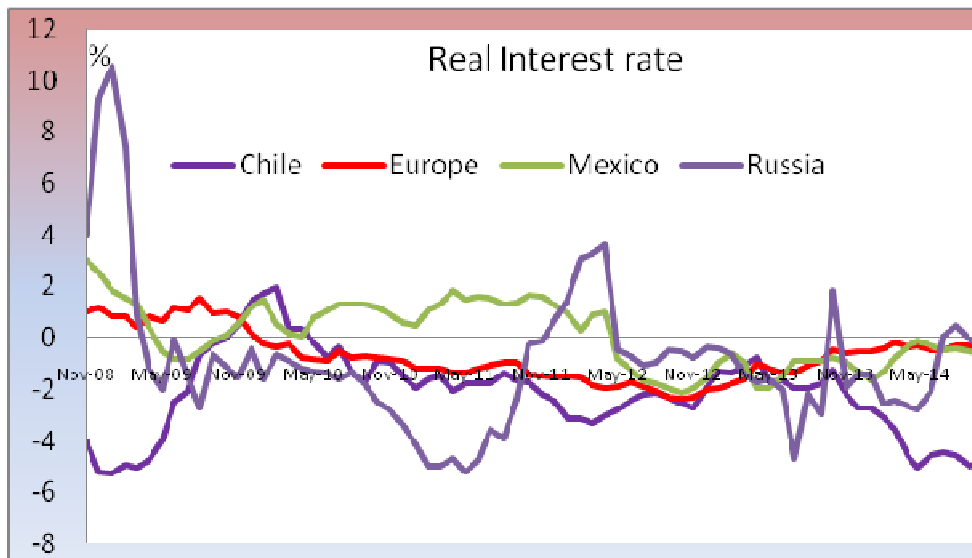
	Jun-13	Sep-14
Hong Kong	4.44	3.34
Portugal	1.28	1.19
Colombia	2.34	2.35



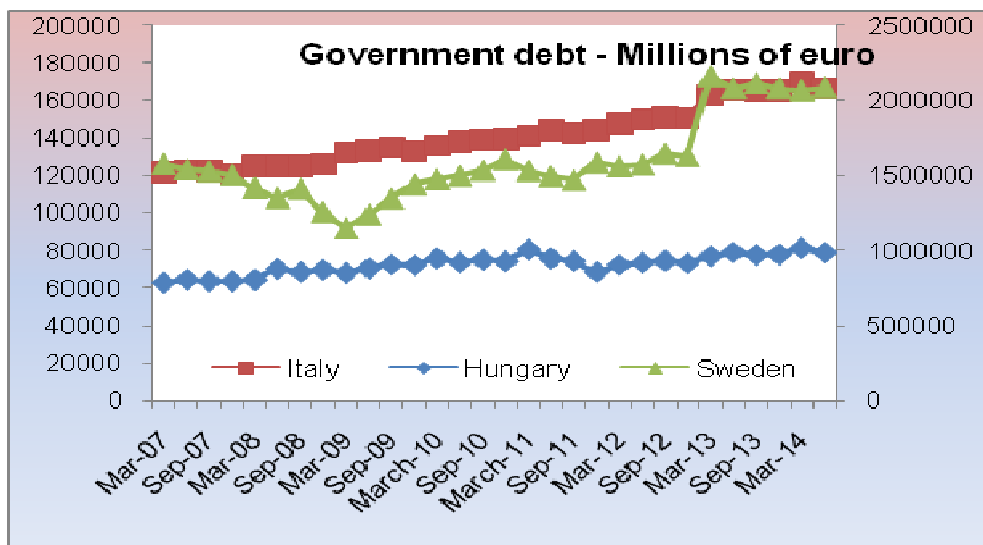
## MONETARY AND FISCAL ANALYSIS



	Sep-14	Oct-14
Japan	0.29	0.30
Mexico	2.52	2.76
Chile	4.49	4.48
Poland	3.22	3.23
Hungary	4.31	4.25
Australia	0.89	0.60
New Zealand	0.48	0.51
Korea	0.66	0.84



	Sep-14	Oct-14
Europe	-0.30	-0.46
Sweden	0.59	0.34
Chile	-5.00	-4.81
Poland	0.49	0.37
Hungary	0.61	0.28
France	-0.02	-0.10
Russia	-0.06	-0.31



	Jun-13	Sep-14
European Union (27 countries)	11 400 992	11 433 395
France	1 941 041	1 950 750
Italy	2 085 995	2 091 785
Hungary	78 726	79 153
Portugal	215 100	216 476
Slovenia	24 849	25 825
Sweden	166 961	166 283
United Kingdom	1 227 578	1 066 044