Economic Outlook

-July 2018-

Table of Content:

1. Overview
2. Global Outlook
3. Regional Outlook
4. Domestic Outlook
4.1 Primary Industries
4.2 Secondary Industries
4.3 Tertiary Industries
5. Conclusions
Appendices

Overview

GLOBAL ECONOMY

- According to the International Monetary Fund in its World Economic Outlook (WEO) for April 2018, the global economic growth strengthened to 3.8 percent in 2017 and is expected to continue its upward momentum to reach 3.9 percent in both 2018 and 2019. Global growth will be supported by favourable market sentiment, accommodative financial conditions together with international spin-offs resulting from expansionary fiscal policy in the United States.

- **The expansion in global output for 2017 was underpinned by improved performances in both the advanced economies and the emerging market and developing economies**. The 2017 global growth was on the back of recovery in global trade coupled with an investment recovery in advanced economies, continued strong growth in emerging Asia and improvement in emerging Europe. A partial recovery in commodity prices also supported conditions for commodity exporters.

- **According to the WEO for April 2018, the balance of risks to the near-term forecasts remains two-sided and broadly balanced**. The continuing recovery in investment could nurture a rebound in productivity, implying higher potential growth in the period ahead. In turn, a spurt in potential output would expand the scope for demand to rise before it hits capacity constraints and generates inflationary pressures. Risks to growth include a worsening of trade tensions and the imposition of barriers to cross-border trade, which not only have a direct negative impact on economic activity but also weakens confidence. Furthermore, a possible accumulation of financial vulnerabilities and erosion of support for global economic integration that could spur an inward shift in policies remain as risks, together with a host of noneconomic risks, including geopolitical worries and climate shocks. Subsequent to the release of the April 2018 WEO, some of the risks in the trade war area have started to materialize, and may present a drag on longer-run global economic growth.

REGIONAL ECONOMY

- Economic growth in the Sub-Saharan African region amounted to 2.8 percent in 2017 and is projected to rise gradually during 2018 and 2019 to 3.4 percent and 3.7 percent, respectively, as the outlook for commodity exporting economies improves.

- South Africa's growth rate is expected to strengthen from 1.3 percent in 2017 to 1.5 percent in 2018 and 1.7 percent in 2019 (IMF, April 2018). Business and consumer confidence is expected to gradually improve with the change in the political leadership but growth prospects remain weighed down by structural hold-ups and uncertainty about property rights. The latest projection by the South African Reserve Bank (SARB) is for the South African economy to grow by 1.7 percent in 2018.

- Growth in Angola is expected to increase to 2.2 percent and 2.4 percent in 2018 and 2019, respectively, from an estimated 0.7 percent in 2017. The expected improvement is due to firming oil prices, a projected expansion in the non-oil sectors and more favourable terms of trade. Meanwhile, Angola's banking sector continues to recover on the back of an improving economic environment and regulatory reforms.

DOMESTIC ECONOMY

- Namibia's real GDP growth is projected to improve from -0.8 percent in 2017 to 0.6 percent and 1.9 percent in 2018 and 2019, respectively. The growth projections are weaker than the 1.4 percent and 2.1 percent forecasted during February 2018, reflecting the disappointing growth rate for 2017 that was published in the Preliminary National Accounts for 2017. Earlier expectations about growth in the uranium sub-sector have also been lowered, given the sustained weakness in the international uranium prices and domestic producers' response to it.

- Namibia's consumer price inflation rate that averaged 6.2 percent in 2017 is projected to moderate to around 4.0 percent and 4.5 percent in 2018 and 2019, respectively.

- Risks to domestic growth include a meagre recovery in the country's trading partners, slow recovery in international commodity prices particularly for uranium, undue exchange rate volatility and uncertainty about weather conditions. Should the economic recovery in Angola stall, it would also continue to reverberate in sectors such as wholesale and retail trade, education and real estate and business services, worsening growth prospects in these sectors. Furthermore, a slowdown in demand for minerals from China will also increase the risk to projected growth for primary industries. International trade wars may also inhibit Namibia's exports, while uncertainty regarding property rights in South Africa may weigh on the country's economic prospects.

2. Global Outlook

Global growth is expected to strengthen during 2018 and 2019. Based on the IMF WEO for April 2018, global growth is projected to increase slightly from 3.8 percent in 2017 to 3.9 percent in both 2018 and 2019 (Appendix I). Global output is expected to be supported by strong growth in some advanced economies, emerging market and developing economies, as well as an expected recovery in Sub-Saharan Africa. An investment recovery in advanced economies, together with a rebound in commodity prices which supports recovery in several commodity exporters, has been driving the expansion in global output. The positive momentum is also reinforced by aggregate growth in emerging market and developing economies, with continued robust growth in emerging Asia.

2.1 Advanced Economies

In Advanced Economies, growth is projected to improve in 2018 before moderating slightly in 2019. Growth in advanced economies is expected to increase to 2.5 percent during 2018 and to moderate thereafter to 2.2 percent in 2019. The United States is expected to register robust growth in 2018 and 2019 (Appendix I). The medium term growth for major advanced economies such as Germany and the United Kingdom is expected to moderate gradually whereas Japan's medium-term projections remain weak.

United States growth is expected to pick up moderately during 2018 and 2019. The US economy is projected to grow by 2.9 percent and 2.7 percent in 2018 and 2019, respectively, compared to a lower growth rate of 2.3 percent in 2017. The higher growth rates reflect the stronger-than-expected activity in 2017, firmer external demand, and the expected macroeconomic impact of the December 2017 tax reforms, particularly in the form of lower corporate tax rates and the temporary allowance for full expensing of investment, which is anticipated to stimulate activity in the short term.

The Euro Area economy showed improved growth in 2017 and is expected to remain solid in the medium term. The Euro area is projected to grow by 2.4 percent in 2018, a slight improvement from 2.3 percent in 2017, before moderating to 2.0 percent in 2019. The 2018 growth forecast is higher by 0.5 percentage point, when compared to the corresponding forecast published in the October 2017 WEO. The improvement reflects stronger-than-expected domestic demand across the currency area, supportive monetary policy and improved external demand prospects.

In the United Kingdom, growth is projected to decrease, due to uncertainty from Brexit negotiations. Economic growth is projected to decrease to 1.6 percent and 1.5 percent in 2018 and 2019, respectively, from 1.8 percent in 2017. The slightly bearish projections are due to reduced confidence in the UK, the depreciating pound, increased uncertainty around private investment and frictions expected from trade barriers and a reduction in financial activity.

Growth is expected to moderate in Japan during 2018 and 2019. The GDP growth in Japan is projected to moderate to 1.2 percent in 2018, from an outturn of 1.7 percent in 2017, before slowing further to 0.9 percent in 2019. The latest projections reflect an upward revision of 0.5 percentage point in 2018 and 0.1 percentage point in 2019 relative to the October 2017 WEO due to more favourable external demand prospects, rising private investment and the supplementary budget for 2018. Japan's medium-term prospects, however, remain lustreless, owing largely to an aging population which is shrinking the labour force.

2.2. Emerging Market and Developing Economies

Emerging markets and developing economies are expected to support global growth during 2018 and 2019 with continued strong economic performances in emerging Asia. Growth in emerging markets and developing economies is expected to increase from 4.8 percent in 2017 to 4.9 percent in 2018 and 5.1 percent in 2019, although the high growth rate largely reflects continued strong economic performances in emerging Asia. Meanwhile, the projected growth reflects improved prospects for commodity exporters after three years of weak economic activity.

Economic growth in China is expected to moderate in 2018 and 2019 due to nonfinancial sector debt, which is expected to continue rising relative to GDP, and the accumulation of vulnerabilities that dominates the medium-term outlook. Growth is projected to moderate slightly from 6.9 percent in 2017 to 6.6 percent in 2018 and further to 6.4 percent in 2019. The latest forecast is higher by 0.1 percentage point in both 2018 and 2019 relative to the October 2017 WEO, reflecting an improved external demand outlook. Over the medium term, the economy is projected to continue rebalancing away from investment-based to private consumption-based growth and also from industry to services. Nonfinancial sector debt is, however, expected to continue rising as a share of GDP, and the accumulation of vulnerabilities clouds the medium-term outlook.

India's economic growth rate is projected to increase in 2018 and 2019 supported by strong private consumption. Growth in India is projected to accelerate from 6.7 percent in

2017 to 7.4 percent in 2018 and 7.8 percent in 2019 (unchanged from the October 2017 WEO), boosted by strong private consumption, coupled with diminishing transitory effects of the currency exchange initiative and implementation of the national goods and services tax. Over the medium term, growth is anticipated to gradually rise with continued implementation of structural reforms that raise productivity and incentivise private investment.

Russia's economy is expected to grow in 2018 and 2019 due to improved oil export revenue, stronger business confidence, and looser monetary policy. Real GDP is projected to increase by 1.7 percent in 2018 from 1.5 percent in 2017, before moderating slightly to 1.5 percent in 2019. The projected uptick will be supported by improved oil export revenue, stronger business confidence, and looser monetary policy. The subsequent slight moderation to 1.5 percent growth reflects structural headwinds and the effect of economic sanctions on investment.

After a deep recession in 2015-16, Brazil's economy returned to growth in 2017 buoyed by stronger private consumption and investment. The economy reverted back to positive growth in 2017 (1.0 percent) and growth is expected to improve to 2.3 percent in 2018 and to 2.5 percent in 2019, supported by stronger private consumption and investment. The medium-term growth is projected to moderate to 2.2 percent, weighed down by an aging population and stagnant productivity.

According to the WEO for April 2018, the risks to the near-term global growth forecast remains broadly balanced. The continuing recovery in investment could nurture a rebound in productivity, implying higher potential growth in the period ahead. In turn, a spurt in potential output would expand the scope for demand to rise before it hits capacity constraints and generates inflationary pressure. Downside risks include a worsening of trade tensions and the imposition of broader barriers to cross-border trade which not only have a direct negative impact on economic activity but also weaken confidence, with further negative consequences. Furthermore, the risk of a possible accumulation of financial vulnerabilities and erosion of support for global economic integration that could spur an inward shift in policies remain, together with a host of noneconomic risks, including geopolitical worries, political discord, and climate shocks.

3. Regional Outlook

The Sub-Saharan African (SSA) region is expected to expand in 2018 and 2019 as commodity exporting economies improve. Economic growth in the Sub-Saharan African region is projected to rise gradually from 2.8 percent in 2017 to 3.4 percent and 3.7 percent respectively in 2018 and 2019, as the outlook for commodity exporting economies improves**.**

South Africa's growth is expected to recover in 2018 and 2019. The GDP growth rate for South Africa is expected to strengthen from 1.3 percent in 2017 to 1.5 percent in 2018 and 1.7 percent in 2019 (stronger than in the October 2017 WEO by 0.4 and 0.1 percentage point, respectively). Business confidence is likely to gradually improve with the change in the political leadership, but growth prospects remain weighed down by unresolved issues such as land redistribution and structural impediments.

Similarly, Angola is projected to recover modestly in 2018 and 2019 supported by both the oil and non-oil sectors. Growth in Angola is expected to increase to 2.2 percent and 2.4 percent in 2018 and 2019, respectively, from 0.7 percent in 2017. This expected improvement is due to a projected expansion in non-oil sectors, firming oil prices and a more favourable terms of trade. Meanwhile, Angola's banking sector continues to recover on the back of an improving economic environment and regulatory reforms.

Overall, growth in the SSA region is projected to improve during 2018 and 2019. Nevertheless, ordinary risks to the regional outlook remain, apart from the normal uncertainty regarding the global economy. Firstly, a faster-than-expected pace of normalisation of US monetary policy may result in contractionary monetary policy stances in order to stem the outflow of capital and domestic currency depreciations in the region. Further, the lack of fiscal space and high levels of debt in the region make it risky for fiscal policy to support much-needed growth, including in large economies such as Angola, Nigeria and South Africa.

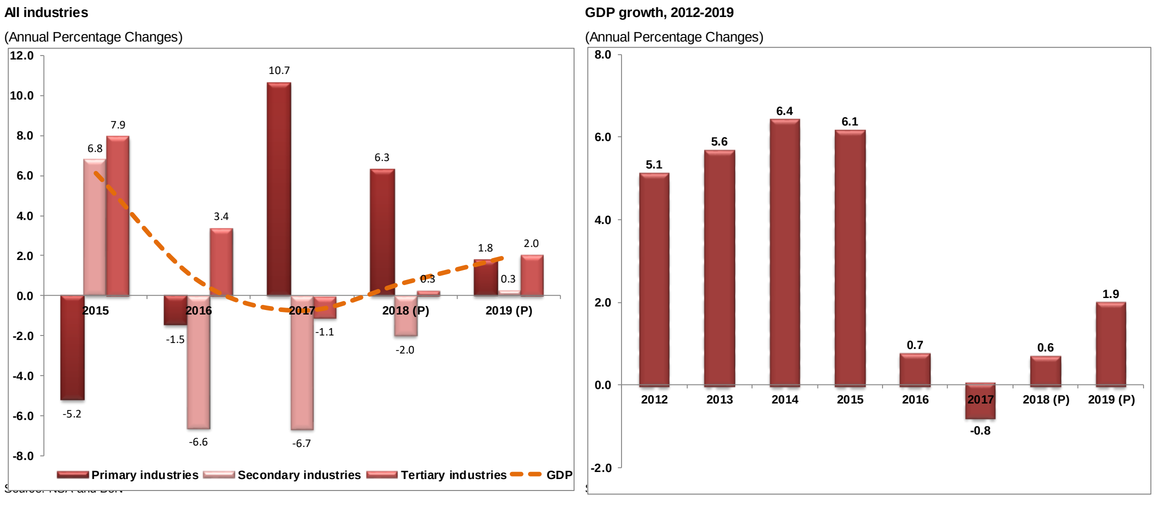
4. Domestic Outlook

Developments since the last Economic Outlook update

The Namibian economy is expected to recover from a contraction in 2017, largely supported by improved performances for transport and telecommunications, electricity and water and manufacturing. The domestic economy is projected to grow by 0.6 percent and 1.9 percent during 2018 and 2019, respectively (Figure 1). The projected growth for 2018 remains far below potential growth, which is estimated at 4.0 percent. Nevertheless, it represents an improvement from a contraction in real GDP of 0.8 percent for 2017. Better overall growth projected for 2018 is attributed to an improved performance for transport and telecommunications, electricity and water, and manufacturing, coupled with slower contractions for the construction and the wholesale and retail trade sectors. The mining sector is also set to continue supporting the domestic economy, albeit with a less vigorous contribution than in the previous year.

Since the Economic Outlook update in February 2018, the Namibia Statistics Agency (NSA) published the Preliminary National Accounts for 2017 with a slightly sharper contraction for 2017 compared to the Bank's earlier estimate. The Bank's estimate for 2017 was a contraction of 0.6 percent, which turned out to be slightly less severe than the 0.8 percent contraction published by NSA in March 2018. The negative GDP growth in 2017 was mainly due to deeper contractions in construction and wholesale and retail trade.

Figure 1: Overall growth and growth by industries



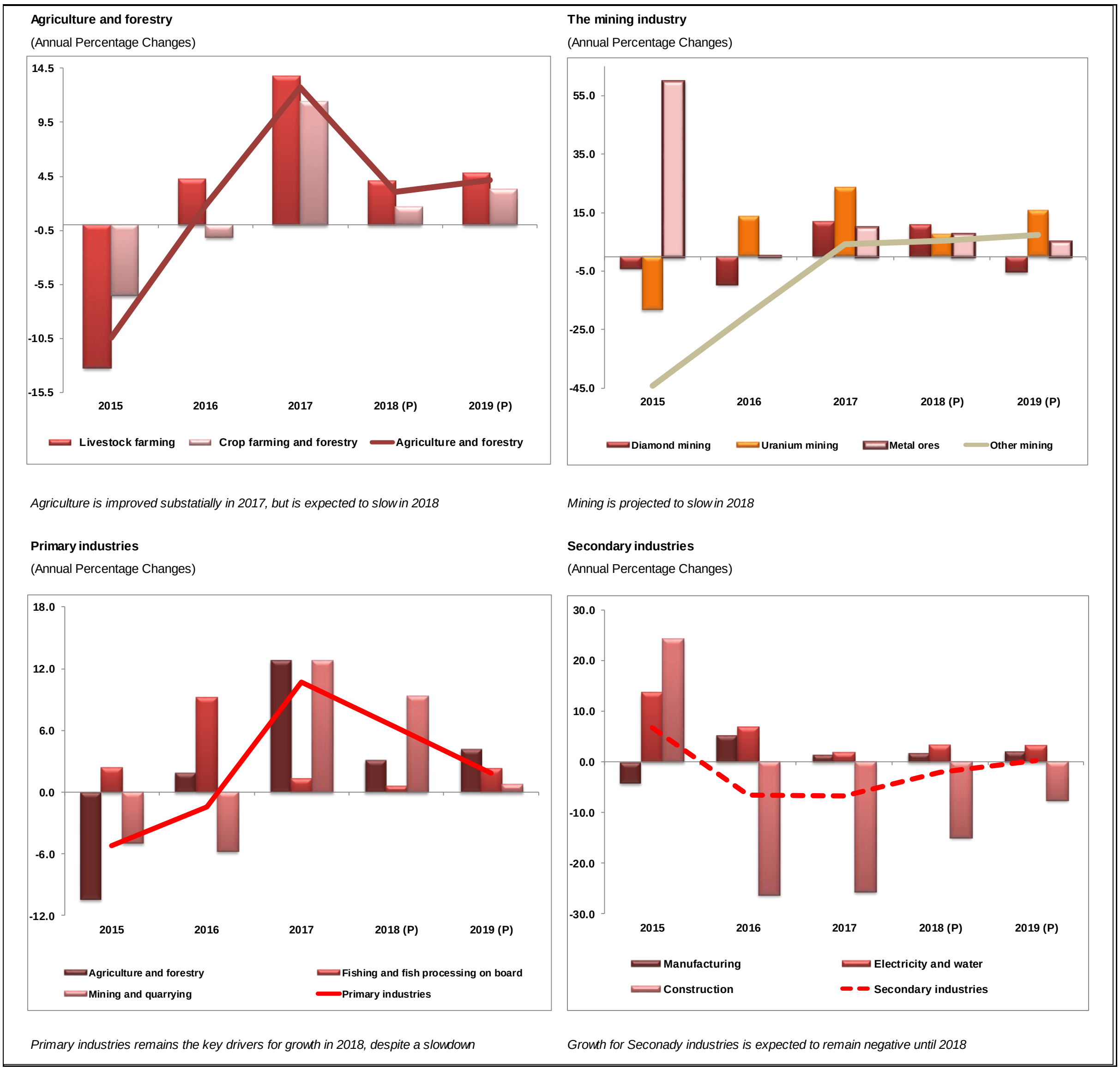
Growth for primary industries is expected to remain strong over the forecast period

Overall growth is expected to recover gradually from 2018 onwards

4.1 Primary Industries

Growth for primary industries is projected to slow down during 2018, due to the expected lower growth rates across all major primary sectors. After a robust performance in 2017, growth for primary industries is projected to slow down to 6.3 percent in 2018, from 10.7 percent in 2017, before declining further to 1.8 percent in 2019. The expected slowdown during 2018 is reflected in reduced growth rates for most primary sectors, including agriculture, diamond mining and metal ores (Figure 2).

Figure 2: Growth for primary and secondary industries



Agriculture is improved substatially in 2017, but is expected to slow in 2018

Mining is projected to slow in 2018

Primary industries remains the key drivers for growth in 2018, despite a slowdown

Growth for Seconady industries is expected to remain negative until 2018

Growth for the agricultural sector is projected to normalise in 2018 following high growth in the previous year. The agriculture and forestry sector is projected to grow by 3.1 percent and 4.1 percent in 2018 and 2019, respectively, representing a marked slowdown from a 12.7 percent growth rate in 2017. The moderation in these growth rates can be considered as normalisation, given the exceptionally high growth in 2017 that was boosted by low base effects after poor performances during 2015 and 2016 (Appendix II).

Diamond mining is projected to maintain a high growth level during 2018 before contracting in 2019 due to depletion of onshore diamond deposits. Diamond mining is projected to grow by 10.9 percent in 2018, which is a reasonably high growth rate, albeit a slowdown from 12.0 percent in 2017. This sector is then expected to contract by 5.3 percent in 2019 due to lower production from onshore mines during that year. In this regard, the Elizabeth Bay mine near Lüderitz is expected to close down because it has not generated any profits in recent years. DebMarine Namibia is expected to increase output significantly in the medium term, keeping the growth outlook for diamond mining positive from 2021 going forward.

Growth in uranium mining is projected to moderate during 2018 before accelerating in 2019 as output from Husab mine increases. Uranium mining is projected to grow by 7.5 percent and by 15.6 percent in 2018 and 2019, respectively, down from 23.4 percent in 2017. The estimated slowdown during 2018 is attributed to the halting of production at Langer Heinrich uranium mine, which has been put under care and maintenance. Going forward, the uranium sector is expected to yield robust growth, largely as Husab mine increases production to reach its production capacity in the medium term.

Growth in the metal ores sector is expected to moderate during 2018 and 2019 and to turn negative in the medium term. Growth for the metal ores sector is projected at 7.6 percent and 5.2 percent in 2018 and 2019, respectively, which is a slowdown from 9.9 percent recorded in 2017. Slower growth rates are based on the fact that various subsectors such as gold and copper are currently operating around their design capacities, leaving the zinc & lead subsector to drive this growth during 2018 and 2019.

4.2 Secondary Industries

The rate of contraction for the secondary industries is expected to improve in 2018 compared to the previous year. Secondary industries are expected to contract by 2.0 percent in 2018 before recovering to a positive growth rate of 0.3 percent in 2019. All these growth projections represent an improvement from the sharp contraction of 6.7 percent recorded in 2017 (Figure 2). Growth for the secondary industries is weighed down by continued contraction in the construction sector as well as slow growth rates in manufacturing subsectors such as diamond processing, beverages and other food products. The construction sector is expected to decline by 14.9 percent in 2018, which is a slower pace of contraction compared to the previous two years (Appendix II).

The manufacturing sector is projected to improve slightly in both 2018 and 2019, partly supported by a slower contraction in construction and reversal to positive growth in overall economic activity. Growth in the manufacturing sector is expected to increase to 1.8 percent and 3.6 percent in 2018 and 2019, respectively, from 1.4 percent in 2017. Growth in the diamond processing subsector is expected to slow down during 2018 given the high base set in the last two years. This subsector is projected to grow by 4.6 percent and 3.2 percent in 2018 and 2019, respectively. Other major subsectors of manufacturing such as beverages, meat processing and other food products are expected to maintain low growth rates during the forecast period.

Growth in the electricity and water sector is expected to improve slightly, but to remain weak during 2018 and 2019. The electricity and water sector is projected to grow by 3.3 percent and 3.2 percent in 2018 and 2019, respectively. The projected growth for 2018 represents an improvement from 1.8 percent in 2017, although still being low when compared to the recent growth trends for the sector. The slower growth for 2018 is largely from reduced local generation of electricity, which is substituted with more continuously available imports. Meanwhile, growth for the water sector is expected to remain flat during 2018.

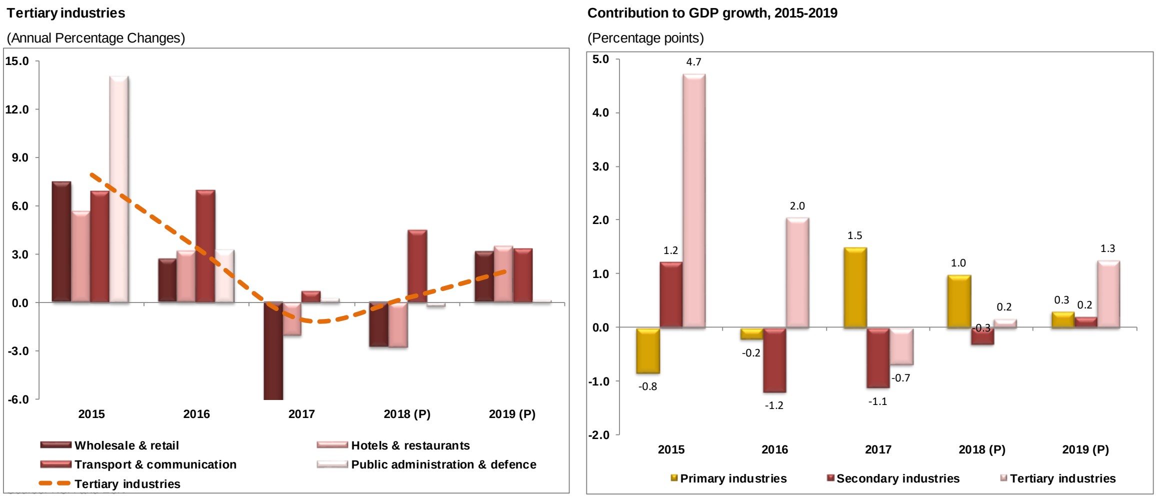
Growth in construction is expected to remain negative during 2018 and 2019, but to start bottoming out. The construction sector is projected to contract by 14.9 percent and 7.6 percent in 2018 and 2019, respectively. The past growth rates in the construction sector were largely driven by high volumes of construction activities at various mines, most of which had been completed in 2016. Furthermore, with ongoing fiscal consolidation by Government, it means that growth in government spending on construction will remain low.

4.3 Tertiary Industries

During 2018, growth in the tertiary industries is expected to resume from a mild contraction in 2017. The tertiary industries are projected to grow by 1.0 percent in 2018 and by 1.9 percent in 2019, following a contraction of 1.1 percent in 2017 (Figure 3). The expected recovery during 2018 will come from an improved performance in the transport and communication sector, coupled with a slower contraction in the wholesale and retail trade sector.

The transport and communication sector is projected to grow faster during 2018, supported by an improvement in the post and telecommunication subsector. Growth in transport and communication is projected to increase to 4.5 percent in 2018 from 0.8 percent in 2017. Growth in this sector is expected to emanate from the post and telecommunication subsector, which is projected to expand by 6.3 percent during 2018. Going forward, growth for transport and communication is projected to moderate to 3.4 percent in 2019 and to remain stable over the remainder of the forecast period (Appendix II).

Figure 3: Growth in tertiary industries and contribution to growth



Tertiary industries contracted in 2017

Tertiary industries to remain the leading contributor to overall growth, except in 2017

The rate of contraction in the wholesale and retail trade sector is expected to improve in 2018. The wholesale and retail trade sector, having contracted by 7.1 percent in 2017, is projected to decline by a further 2.8 percent during 2018 before recovering to positive growth of 3.1 percent in 2019. The low growth in this sector reflects the general weakness in the economy that is associated with job losses in sectors such as construction and mining and hence, low spending power amongst the households. Further, the Government is consolidating and is therefore not expected to support high consumption spending in the economy anytime soon.

The hotels & restaurants sector is projected to remain in contraction during 2018 before recovering in 2019. The hotels and restaurants sub-sector is projected to contract by 2.7 percent in 2018, which is a deterioration from a similar contraction of 2.0 percent in the previous year. The 2018 projection is informed by weak tourist activities during the first quarter of the year, since both the number of rooms sold and room occupancy rates have declined, when compared to the corresponding quarter of 2017.

Growth in the financial intermediation sector is expected to decline during 2018 and to remain moderate over the medium term. Financial intermediation is projected to grow by 2.0 percent in 2018 and by 2.6 percent in 2019. The 2018 growth forecast represents a slight deterioration from a 2.8 percent growth rate for 2017. Over the remainder of the forecast period, growth in this sector is expected to gravitate below 3.0 percent on average with sustained increased earnings from interest-bearing activities[1]. However, there are indications that domestic demand for financial intermediation is slowing, and this is reflected in slower growth in private sector credit extension. In this regard, annual growth in private sector credit declined to 5.7 percent during the first four months of 2018, compared to 7.8 percent in the corresponding period of 2017.

Risks to domestic growth include a slow recovery in international commodity prices, and expected slow demand from Namibia's key trading partners. Risks to domestic growth are dominated by the persistently low international price of uranium, which may cause uranium mines to either reduce or to cease production completely as their operations remain unprofitable. The slow recovery amongst Namibia's trading partners, undue volatility of the Namibia Dollar effective exchange rate and uncertainty about weather conditions beyond 2018 are other key risks. Low growth in Angola, especially since 2016, has continued to reverberate in sectors such as wholesale and retail trade, education and real estate and business services. Thus, a delay in the actual recovery in Angola extends the period of low growth in these sectors. Furthermore, a slowdown in demand for minerals from China will also increase the risk to projected growth for primary industries.

[1] Growth in Financial intermediation depends on performance of financial institutions such as Bank of Namibia, the Development Bank of Namibia, Agribank, commercial banks and insurance companies. Within the banking industry, high interest rates are associated with high interest margins and hence, higher earnings.

5. Conclusions

Global output is expected to strengthen during 2018 and to remain strong in 2019. World growth is expected to keep its upward momentum to reach 3.9 percent in both 2018 and 2019, underpinned by improved performances in advanced economies, emerging market and developing economies.

In Sub-Saharan Africa, growth is projected to rise gradually during 2018 and 2019 as the outlook for commodity exporting economies improves. Economic growth in Sub-Sahara Africa is expected to rise to 3.4 percent and 3.7 percent in 2018 and 2019, respectively, up from 2.8 percent in 2017. There are notable improvements in growth prospects for Namibia's trading partners, particularly South Africa and Angola. It is, however, expected to take some time before the positive impact of such improvements filters through to the Namibian economy.

Namibia's growth outlook is somewhat weaker than earlier anticipated in the February 2018 Economic Outlook update. The domestic economy is anticipated to grow by 0.6 percent in 2018, which is lower than the earlier projection of 1.4 percent for the same year. The downward revision in 2018 growth was largely based on realisation that growth in sectors such as uranium mining, hotels and restaurants, government sectors and in taxes on products are likely to be significantly lower than earlier anticipated. In the uranium subsector, one of the mines ceased production as the international uranium price remained persistently low.

Risks to domestic growth include a meagre recovery in the country's trading partners, and a slow recovery in international commodity prices. Weak global demand and slow recovery of international commodity prices, if persisting longer, may slow production or even lead to further mine closures, especially uranium mines. Furthermore, undue volatility of the Namibia Dollar and uncertainty about weather conditions could have adverse effects on growth going forward.

Appendices

Appendix I: Forecasting Assumptions

Real Sector

- Growth in the agricultural industry is expected to slow in 2018 following a robust performance in the previous year. The slowdown is expected from both livestock farming and crop farming sub-sectors.

- Growth for diamond mining is expected to be lower during 2018, compared to 2017 as onshore production volumes are declining. Offshore-based production is, however, expected to increase in the medium term offsetting the decline in onshore production and keeping the growth outlook for the sector positive.

- The uranium mining industry is expected to remain under pressure due to low international prices for uranium. Uranium production is, however, expected to increase slightly during 2018 based on the Husab mine ramping up production. On the other hand, Langer Heinrich decided to put its mine under care & maintenance, meaning that there will be no production from the mine from June 2018 onwards.

- Growth in metal ores is expected to remain strong during 2018 and 2019, largely driven by zinc production. In this regard, both existing mines are planning to increase output during 2018, while a new zinc mine called Namib Lead & Zinc is planning to start production during 2019.

- The performance of the fishing industry is expected to remain subdued, in line with depressed fish stocks and hence, total allowable catches (TACs) and fish landings are expected to be similar to those of previous years.

- Construction is expected to contract in 2018 but at a lower rate when compared to 2017. The successive contractions for the construction sector is expected as a normalisation from a high base set in recent years especially by high value construction in the mining sector and Government supported construction activities.

Appendix II: World Economic Growth (percent)

	Actual		Projections		Differences from January 2018 WEO Update	
Regions	**2016**	**2017**	**2018**	**2019**	**2018**	**2019**
World Output	**3.2**	**3.8**	**3.9**	**3.9**	**0.0**	**0.0**
Advanced Economies	**1.7**	**2.3**	**2.5**	**2.2**	**0.2**	**0.0**
United States	1.5	2.3	2.9	2.7	0.2	0.2
Euro Area	1.8	2.3	2.4	2.0	0.2	0.0
Germany	1.9	2.5	2.5	2.0	0.2	0.0
France	1.2	1.8	2.1	2.0	0.2	0.1
Spain	3.3	3.1	2.8	2.2	0.4	0.1
United Kingdom	1.9	1.8	1.6	1.5	0.1	0.0
Japan	0.9	1.7	1.2	0.9	0.0	0.0
Emerging Market and Developing Economies	**4.4**	**4.8**	**4.9**	**5.1**	**0.0**	**0.1**
China	6.7	6.9	6.6	6.4	0.0	0.0
India	7.1	6.7	7.4	7.8	0.0	0.0
Russia	-0.2	1.5	1.7	1.5	0.0	0.0
Brazil	-3.5	1.0	2.3	2.5	0.4	0.4
Sub-Saharan Africa	**1.4**	**2.8**	**3.4**	**3.7**	**0.1**	**0.2**
South Africa	0.6	1.3	1.5	1.7	0.6	0.8
Angola	-0.8	0.7	2.2	2.4	0.6	1.0
Nigeria	-1.6	0.8	2.1	1.9	0.0	0.0
Middle East and North Africa	**4.9**	**2.2**	**3.2**	**3.6**	**-0.2**	**0.3**

Source: IMF World Economic Outlook, April 2018

Appendix III: Real GDP Growth (percent)

Industry	2014	2015	2016	2017	2018	2019	2020
Agriculture and forestry	11.1	-10.4	1.8	12.7	3.1	4.1	3.3
Livestock farming	13.9	-13.3	4.2	13.7	4.1	4.8	3.5
Crop farming and forestry	7.6	-6.6	-1.2	11.4	1.6	3.3	2.9
Fishing and fish processing on board	-2.5	2.3	9.1	1.3	0.6	2.3	1.2
Mining and quarrying	-6.0	-4.9	-5.8	12.8	9.4	0.7	-3.4
Diamond mining	4.9	-4.1	-9.6	12.0	10.9	-5.3	-8.1
Uranium	-9.9	-18.1	13.6	23.4	7.5	15.6	20.1
Metal ores	0.6	60.0	0.1	9.9	7.6	5.2	-16.4
Other mining and quarrying	-36.4	-44.1	-19.8	4.3	5.4	7.4	5.7
Primary industries	**-1.6**	**-5.2**	**-1.5**	**10.7**	**6.3**	**1.8**	**-1.0**
Manufacturing	-0.1	-4.3	5.2	1.4	1.8	2.2	2.6
Meat processing	-17.2	-3.0	-2.1	-14.4	3.0	4.2	4.4
Grain mill products	13.7	13.0	3.5	16.3	3.9	4.1	4.2
Other food products	11.7	-12.3	4.8	-4.6	-0.7	1.7	2.8
Beverages	-16.5	-2.1	-1.6	-0.8	3.3	2.6	3.0
Textile and wearing apparel	-2.9	-8.9	3.7	-3.2	-0.6	1.0	1.1
Leather and related products	10.7	-1.8	-6.2	10.3	2.0	3.0	2.5
Wood and wood products	1.7	-2.6	3.5	1.6	2.5	2.5	2.2
Publishing and printing	10.6	6.3	-1.9	-2.4	0.7	0.3	0.8
Chemical and related products	1.2	-3.3	-2.6	-5.9	-1.0	-0.2	0.7
Rubber and plastics products	5.4	26.9	2.6	-9.1	-2.8	2.0	0.6
Non-metallic minerals products	5.6	8.1	5.8	0.8	1.9	2.8	1.8
Basic non-ferrous metals	-3.2	-8.3	1.0	4.8	2.2	2.7	3.2
Fabricated metals	3.7	-6.4	-1.3	-6.4	0.1	-2.5	0.7
Diamond processing	24.4	-19.0	86.0	14.6	4.6	3.2	3.2
Other manufacturing	-2.9	-8.1	-13.2	-2.4	1.1	-0.7	0.2
Electricity and water	1.5	13.6	6.8	1.8	3.3	3.2	3.6
Construction	42.6	24.3	-26.3	-25.6	-14.9	-7.6	1.6
Secondary industries	**10.9**	**6.8**	**-6.6**	**-6.7**	**-2.0**	**0.3**	**2.5**
Wholesale and retail trade, repairs	13.9	7.4	2.7	-7.1	-2.8	3.1	4.0
Hotels and restaurants	10.8	5.6	3.2	-2.0	-2.7	3.5	3.6
Transport, and communication	5.7	6.9	7.0	0.8	4.5	3.4	3.1
Transport	3.3	7.9	6.9	1.4	3.8	2.6	2.6
Storage	5.7	-0.6	2.0	-4.7	1.3	1.5	2.1
Post and telecommunications	8.6	8.9	8.9	2.1	6.3	4.8	4.0
Financial intermediation	10.9	5.0	2.8	2.8	2.0	2.6	2.9
Real estate and business services	2.8	4.7	2.7	2.4	1.8	2.2	2.2
Real estate activities	3.0	3.6	2.6	2.7	1.7	2.3	2.2
Other business services	2.4	7.8	3.0	1.5	2.3	1.9	2.1
Community, social and personal service activities	3.0	11.9	-0.3	-0.1	0.8	1.4	2.1
Public administration and defence	1.4	14.0	3.3	0.3	-0.2	0.2	0.7
Education	10.3	4.1	2.8	-1.2	-0.1	1.5	1.8
Health	10.2	17.5	7.2	-1.3	-0.4	1.1	1.5
Private households with employed persons	5.5	1.7	1.4	1.0	1.4	1.3	1.5
Tertiary industries	**7.7**	**7.9**	**3.4**	**-1.1**	**0.3**	**2.0**	**2.4**
Less: FISIM	5.3	0.1	2.1	-0.2	1.6	1.2	0.9
All industries at basic prices	**6.6**	**5.6**	**0.7**	**-0.3**	**1.0**	**1.9**	**2.0**
Taxes less subsidies on products	4.1	12.5	0.9	-5.5	-3.5	2.6	3.0
GDP at market prices	**6.4**	**6.1**	**0.7**	**-0.8**	**0.6**	**1.9**	**2.1**

Source: NSA (2014-2017), BoN (2018-2020)

Appendix III: GDP at Constant 2010 Prices (N$ millions)

Industry	2014	2015	2016	2017	2018	2019	2020
Agriculture and forestry	4,126	3,696	3,763	4,242	4,372	4,553	4,702
Livestock farming	2,379	2,063	2,150	2,445	2,545	2,666	2,760
Crop farming and forestry	1,747	1,633	1,613	1,797	1,827	1,887	1,942
Fishing and fish processing on board	2,537	2,596	2,833	2,871	2,889	2,956	2,990
Mining and quarrying	9,725	9,246	8,713	9,828	10,750	10,828	10,455
Diamond mining	5,976	5,728	5,180	5,800	6,431	6,088	5,596
Uranium	1,424	1,167	1,326	1,635	1,759	2,033	2,442
Metal ores	1,010	1,616	1,618	1,779	1,913	2,012	1,682
Other mining and quarrying	1,315	735	589	615	648	696	735
Primary industries	**16,388**	**15,538**	**15,310**	**16,942**	**18,011**	**18,337**	**18,147**
Manufacturing	10,585	10,134	10,659	10,809	11,002	11,240	11,531
Meat processing	382	371	363	311	320	333	348
Grain mill products	766	866	897	1,043	1,083	1,127	1,174
Other food products	1,317	1,155	1,210	1,154	1,146	1,166	1,199
Beverages	1,483	1,453	1,430	1,418	1,465	1,503	1,547
Textile and wearing apparel	528	481	498	483	480	484	489
Leather and related products	105	103	96	106	108	112	114
Wood and wood products	268	261	270	274	281	288	294
Publishing and printing	186	198	194	190	191	191	193
Chemical and related products	945	914	890	837	829	828	833
Rubber and plastics products	295	375	384	349	340	347	349
Non-metallic minerals products	438	473	500	504	514	529	538
Basic non-ferrous metals	2,258	2,070	2,091	2,192	2,239	2,299	2,374
Fabricated metals	503	470	464	435	436	425	428
Diamond processing	684	554	1,031	1,181	1,235	1,275	1,316
Other manufacturing	427	392	341	332	336	334	334
Electricity and water	1,751	1,990	2,125	2,164	2,236	2,308	2,392
Construction	5,983	7,436	5,484	4,078	3,471	3,206	3,258
Secondary industries	**18,319**	**19,560**	**18,268**	**17,051**	**16,709**	**16,753**	**17,180**
Wholesale and retail trade, repairs	13,388	14,383	14,770	13,715	13,336	13,754	14,311
Hotels and restaurants	2,030	2,145	2,214	2,169	2,110	2,184	2,262
Transport, and communication	5,399	5,769	6,170	6,217	6,497	6,715	6,927
Transport	2,375	2,562	2,738	2,775	2,882	2,956	3,033
Storage	903	897	915	872	883	897	916
Post and telecommunications	2,121	2,310	2,517	2,571	2,732	2,862	2,978
Financial intermediation	6,788	7,124	7,327	7,530	7,683	7,879	8,104
Real estate and business services	8,483	8,881	9,124	9,340	9,510	9,721	9,933
Real estate activities	6,322	6,551	6,724	6,903	7,019	7,182	7,341
Other business services	2,161	2,330	2,400	2,437	2,492	2,539	2,592
Community, social and personal service activities	1,926	2,154	2,149	2,146	2,164	2,195	2,242
Public administration and defence	10,346	11,795	12,183	12,224	12,201	12,227	12,314
Education	8,202	8,538	8,776	8,672	8,666	8,798	8,961
Health	3,393	3,987	4,275	4,220	4,204	4,252	4,317
Private households with employed persons	990	1,007	1,021	1,031	1,046	1,059	1,075
Tertiary industries	**60,945**	**65,782**	**68,008**	**67,266**	**67,444**	**68,812**	**70,473**
Less: FISIM	1,463	1,464	1,495	1,492	1,516	1,534	1,548
All industries at basic prices	**94,188**	**99,416**	**100,092**	**99,767**	**100,768**	**102,661**	**104,764**
Taxes less subsidies on products	8,248	9,276	9,361	8,843	8,533	8,755	9,018
GDP at market prices	**102,437**	**108,692**	**109,453**	**108,610**	**109,301**	**111,416**	**113,782**

Source: NSA (2014-2017), BoN (2018-2020)

Appendix IV: GDP at Current Prices (N$ millions)

Industry	2014	2015	2016	2017	2018	2019	2020
Agriculture and forestry	5,445	4,946	5,607	7,736	8,454	9,475	10,456
Livestock farming	3,262	2,859	3,281	5,150	5,736	6,623	7,446
Crop farming and forestry	2,183	2,087	2,325	2,586	2,718	2,852	3,010
Fishing and fish processing on board	3,837	3,888	4,539	4,472	4,638	4,754	4,887
Mining and quarrying	16,939	17,627	19,894	21,460	24,572	24,922	23,727
Diamond mining	12,434	12,171	12,196	13,615	15,530	14,892	13,972
Uranium	1,459	1,693	1,763	1,236	1,348	1,480	1,806
Metal ores	1,529	2,826	5,104	5,637	6,609	7,279	6,505
Other mining and quarrying	1,517	936	831	972	1,085	1,271	1,444
Primary industries	**26,221**	**26,461**	**30,040**	**33,667**	**37,665**	**39,151**	**39,069**
Manufacturing	13,911	14,603	18,483	19,042	20,488	21,518	23,031
Meat processing	563	629	646	396	418	440	467
Grain mill products	1,212	1,266	1,538	1,501	1,603	1,558	1,591
Other food products	2,234	2,479	3,230	3,432	3,700	4,005	4,427
Beverages	2,374	2,598	2,580	3,044	3,383	3,662	3,996
Textile and wearing apparel	237	139	175	116	118	121	124
Leather and related products	154	98	90	105	113	123	134
Wood and wood products	350	361	389	412	438	468	497
Publishing and printing	235	290	300	312	333	354	379
Chemical and related products	1,281	1,294	1,330	1,357	1,434	1,522	1,632
Rubber and plastics products	424	533	575	605	628	695	753
Non-metallic minerals products	604	664	1,105	1,198	1,284	1,405	1,513
Basic non-ferrous metals	1,982	2,144	3,416	3,219	3,496	3,522	3,715
Fabricated metals	693	666	686	679	715	736	781
Diamond processing	987	907	1,918	2,149	2,262	2,316	2,388
Other manufacturing	580	535	505	516	561	591	633
Electricity and water	2,691	2,305	3,871	4,512	5,049	5,566	6,204
Construction	6,999	8,318	6,495	5,141	4,616	4,518	4,854
Secondary industries	**23,601**	**25,227**	**28,849**	**28,696**	**30,153**	**31,601**	**34,089**
Wholesale and retail trade, repairs	17,263	17,283	18,792	20,021	21,006	23,724	26,831
Hotels and restaurants	2,504	3,032	3,747	4,451	4,612	5,435	6,203
Transport, and communication	6,717	7,039	8,110	8,597	9,506	10,406	11,373
Transport	2,730	3,071	3,555	3,788	4,153	4,489	4,857
Storage	934	828	1,160	985	1,008	972	973
Post and telecommunications	3,054	3,141	3,394	3,825	4,345	4,945	5,543
Financial intermediation	7,964	10,326	11,040	10,967	11,847	12,302	13,105
Real estate and business services	10,019	10,796	11,629	12,700	13,542	14,467	15,476
Real estate activities	7,396	7,785	8,551	9,624	10,348	11,214	12,131
Other business services	2,623	3,011	3,078	3,076	3,193	3,253	3,345
Community, social and personal service activities	2,498	2,886	2,999	3,246	3,502	3,773	4,108
Public administration and defence	15,440	17,381	18,278	18,962	19,532	20,219	21,024
Education	12,757	14,212	15,771	17,228	18,163	19,918	21,658
Health	3,957	4,507	4,848	5,328	5,763	6,302	6,932
Private households with employed persons	1,234	1,298	1,405	1,506	1,615	1,734	1,864
Tertiary industries	**80,354**	**88,759**	**96,619**	**103,006**	**109,142**	**118,339**	**128,639**
Less: FISIM	1,774	1,931	1,937	2,001	2,171	2,309	2,467
All industries at basic prices	**128,402**	**138,516**	**153,571**	**163,368**	**174,975**	**187,224**	**200,110**
Taxes less subsidies on products	10,361	11,644	12,775	12,956	13,290	14,568	15,991
GDP at market prices	**138,763**	**150,160**	**166,345**	**176,324**	**188,265**	**201,792**	**216,100**

Source: NSA (2014-2017), BoN (2018-2020)