

National Accounts Estimates (2004 – 2007)

June 2007 issue

1. MAIN AGGREGATES

	2006 ¹	2007 ²
(i) GDP at basic prices (R billion)	181.5	201.0
(ii) GDP growth rate (%)	+5.0	+5.3
(iii) Investment growth rate (%)	+19.2	+1.7
<i>Exclusive of aircraft and marine vessel</i>	+5.6	+8.4
(iv) Investment as a % of GDP	24.4	24.1
<i>Exclusive of aircraft and marine vessel</i>	21.6	22.8
(v) Public sector investment as a % of GDP	7.7	6.6
<i>Exclusive of aircraft and marine vessel</i>	5.0	5.3
(vi) Public sector investment as a % of total investment	31.6	27.2
<i>Exclusive of aircraft and marine vessel</i>	23.2	23.1
(vii) Growth rate of final consumption expenditure (%)	+5.5	+4.3
(viii) Gross National Saving as a % of GNDI	16.6	16.2
(ix) Gross National Saving as a % of GDP at market prices	16.9	16.6
(x) Net exports of goods and services as a % of GDP	-11.4	-9.2

¹ Revised ² Forecast

2. HIGHLIGHTS

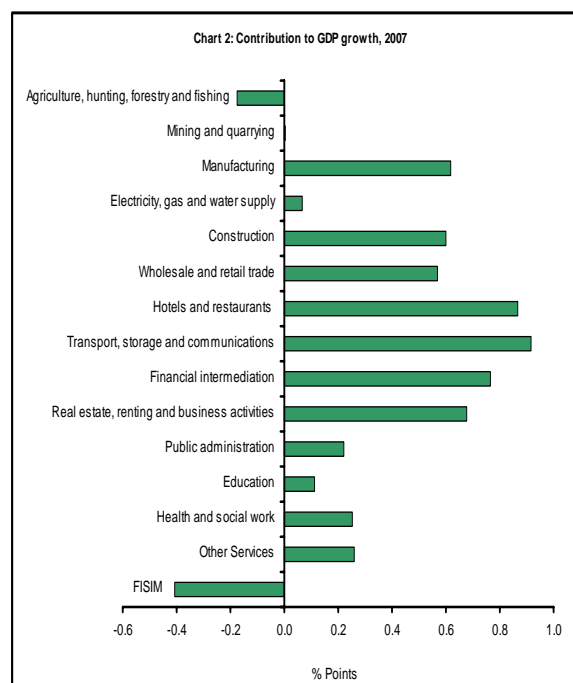
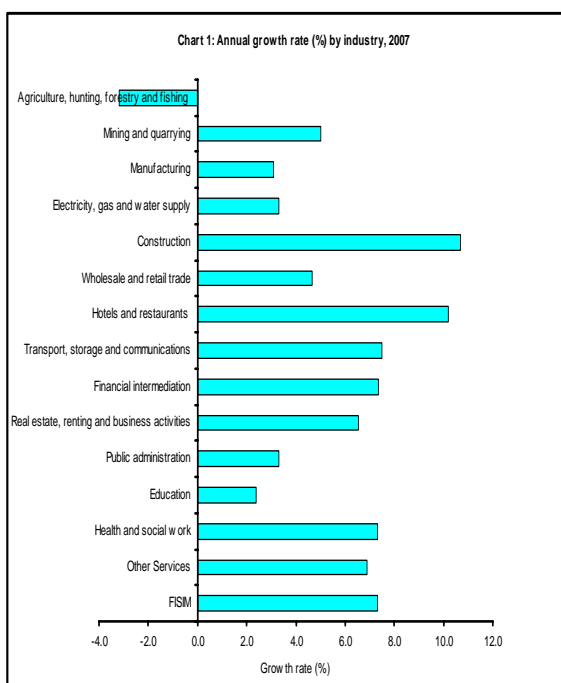
2.1 Gross Domestic Product (GDP)

(i) Year 2006

- **GDP growth rate for 2006 was 5.0%, higher than the 2.3% growth registered in 2005.** Exclusive of sugar, the growth rate worked out to 5.3% compared to 2.8% in 2005.

(ii) Year 2007

- **In 2007, GDP at basic prices would reach R 201,019 million compared to R 181,467 million in 2006.**
- **GDP growth rate would be 5.3%, higher than the 5.0% growth registered in 2006.** Exclusive of sugar, the rate would be 5.8% against 5.3% in 2006.
- **The economy would continue to be driven by the tertiary sector comprising services industries,** led by activities in “Transport, storage and communications”, “Hotel and Restaurants” and “Financial Intermediation”. A good performance of the secondary sector would also be noted, namely in “Manufacturing” and “Construction” (See Section 5.4 for definitions).



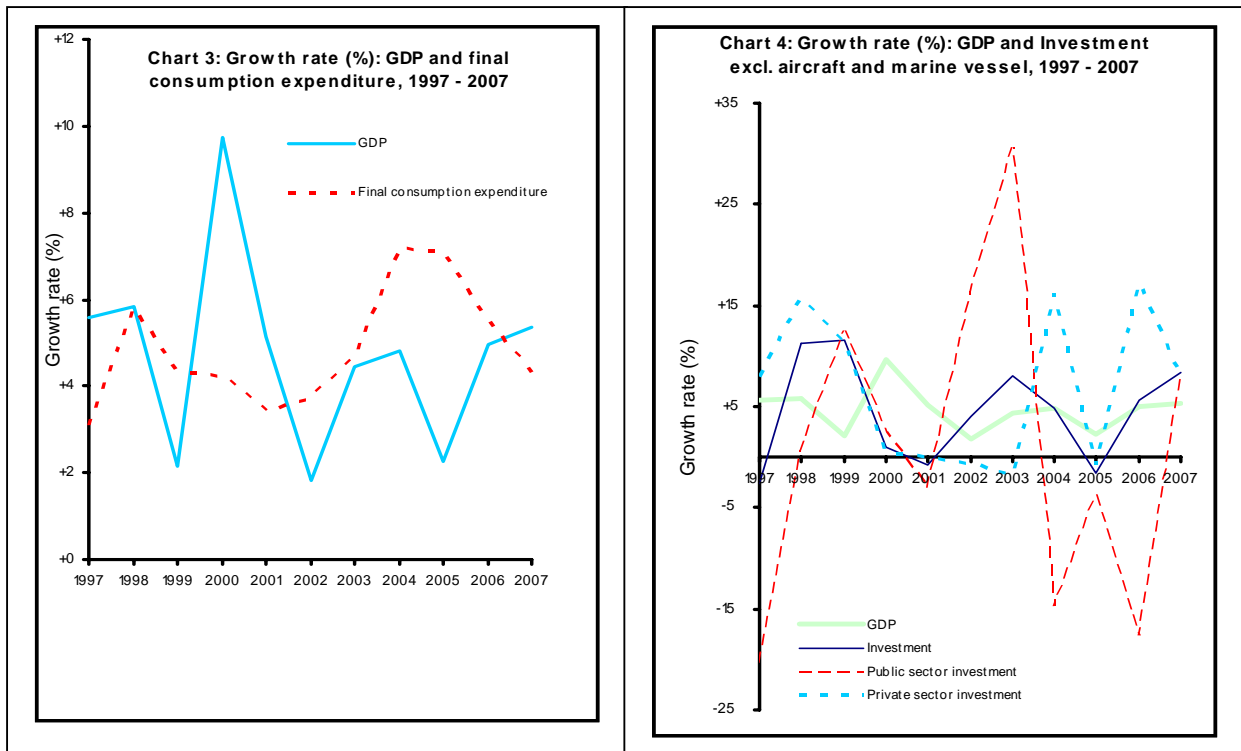
2.2 Prospects of the main industry groups, 2007

The expected performances of the main industry groups in 2007 and the assumptions on which they are based are as follows:

- Sugarcane/sugar milling **A contraction of 7.9%**, based on a sugar production forecasted at 465,000 tonnes compared to a production of 504,857 tonnes in 2006.
- EPZ manufacturing Based on export figures for the first five months of the year, a **growth of 6.0%** is expected compared to 4.6% in 2006.
- Non-EPZ manufacturing Based on available data for the first quarter of 2007, the industry would **grow by 2.0%** compared to 4.1% in 2006.
- Hotels and restaurants Based on a forecast of 875,000 tourist arrivals made in the light of available data for the first five months of the year, the industry would **rebound by 10.2%**, after a low growth of 3.5% in 2006.
- Construction Construction would **grow by 10.7%** higher than the 5.2% growth registered in 2006, mainly due to the construction and renovation of hotels, projects under the Integrated Resort Scheme (IRS) and expansion of textile and wearing apparel industries.
- Wholesale and retail trade Distribution activities would **grow at a lower rate of 4.5%** compared to 5.1% in 2006.
- Financial intermediation **A growth of 7.3%** is expected as a result of growths of 5.5%, 7.5% and 11.0% in insurance, banks and other financial intermediation activities respectively.

2.3 Final consumption expenditure, 2007

- Final consumption expenditure would **grow at a lower rate of 4.3%** compared to 5.5% in 2006. It is to be noted that final consumption expenditure would grow at a lower rate than GDP in 2007 after five consecutive years of higher growths (Chart 3).

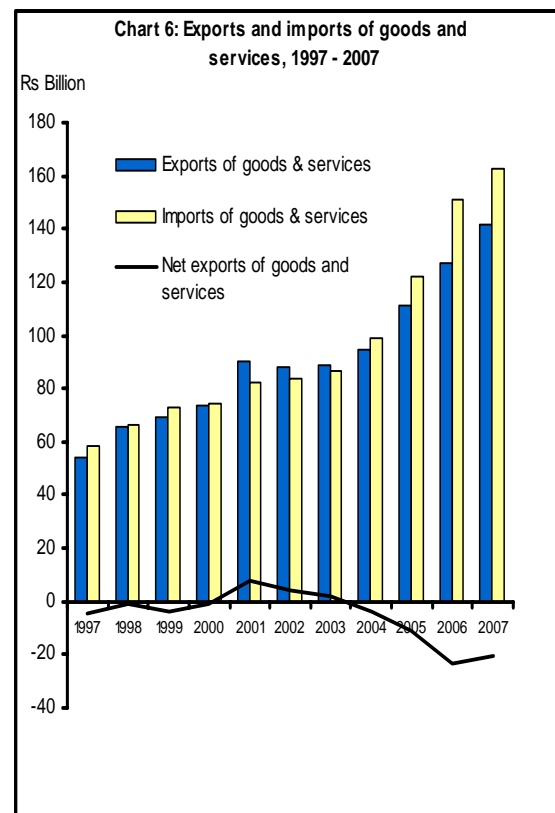
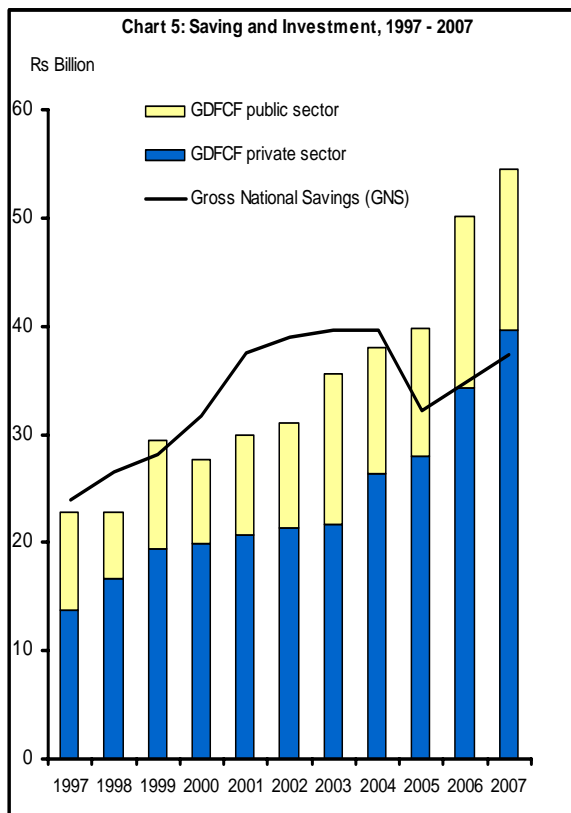


2.4 Saving, 2007

- **Gross National Saving as a % of GNDI would decline to 16.2% in 2007**, slightly lower than the 2006 figure of 16.6%. **Saving Rate defined as the ratio of GNS to GDP at market prices would fall to 16.6% from 16.9% in 2006.**

2.5 Investment, 2007

- **Investment would grow by 1.7% in 2007 after a high growth of 19.2% in 2006.** However, exclusive of aircraft, investment would grow by 8.4% compared to 5.6% in 2006.
- **Private sector investment would grow by 8.1% after a high growth of 15.4% in 2006**, mostly attributable to high investment in hotels and IRS projects.
- **Public sector investment would decline by 12.1%** compared to a high growth of 28.1% in 2006, mostly explained by lower net investment in aircraft in 2007 than in 2006 partly offset by investment in machinery and equipment by some parastatal bodies. **Exclusive of aircraft, the real growth of public sector investment would be 8.0%** compared to -17.7% in 2006.
- **Investment rate, defined as the ratio of investment to GDP at market prices, would decrease to 24.1% from 24.4% in 2006.** However, exclusive of aircraft, the rate would be 22.8% compared to 21.6% in 2006.
- **Private investment rate would be 17.5% and public investment rate 6.6%**, compared to 16.7% and 7.7% respectively in 2006. Exclusively of aircraft, the public investment rate would be 5.3% compared to 5.0% in 2006.
- **The share of private sector investment would increase to 72.8% in 2007 from 68.4% in 2006 while that of the public sector would decrease to 27.2% from 31.6%.** Exclusive of aircraft, the share of private sector investment in 2007 would be 76.9% and that of the public sector 23.1% compared to 76.8% and 23.2% respectively in 2006.



2.6 Net exports of goods and services, 2007

- **Imports of goods and services would grow by 2.6% in real terms in 2007** compared to 9.6% in 2006 while **exports of goods and services would grow by 6.1%** compared to 8.5% in 2006.
- **Net exports of goods and services would result in a lower deficit representing 9.2% of GDP at market prices in 2007 compared to 11.4% in 2006.** Exclusive of aircraft, the percentage would be 7.9% compared to 8.7% in 2006.

3. REVISIONS IN THIS ISSUE

3.1 Year 2006

Latest information gathered on the various sectors of the economy indicates that GDP growth rate for 2006 was 5.0%, same as in March 2007. Exclusive of sugar, the growth rate worked out to 5.3% same as the earlier estimate.

However, minor changes were noted at the industry group level.

3.2 Year 2007

On the basis of information gathered from key sectors and available data, the economy is now forecasted to grow by around 5.3%, higher than the forecast of 5.0% made in March 2007, mainly due to higher growths in "EPZ manufacturing industries", "Construction" and "Hotels and restaurants", partly offset by a decline in "Sugarcane and Sugar milling". Exclusive of sugar, the growth rate works out to 5.8% compared to the previous figure of 5.2%, forecasted in March 2007.

At industry group level, the main changes compared to the forecast made in March 2007 are:

- (i) "Sugarcane" and "Sugar milling" are expected to register a more severe contraction of 7.9% instead of 1.0%, based on a lower forecast of around 465,000 tonnes of sugar compared to 500,000 tonnes forecasted earlier. The lower forecast is attributable to unfavourable climatic conditions that prevailed after the passage of tropical cyclone Gamede in February 2007.
- (ii) Based on export data for the first five months of 2007, "EPZ manufacturing" is expected to grow at a higher rate of around 6.0% instead of 2.5%.
- (iii) "Non-EPZ manufacturing" (excluding sugar) to grow at a lower rate of 2.0% instead of 2.5%, based on data on industrial production for the first quarter of 2007.
- (iv) "Construction" is expected to grow at a higher rate of 10.7%, instead of 7.5%.
- (v) "Hotels and restaurants" is expected to grow by a higher rate of around 10.2% based on a forecast of 875,000 tourist arrivals for the year, instead of 7.3%.
- (vi) "Financial intermediation" is expected to grow by 7.3%, instead of 7.0%.

4. DETAILED ANALYSIS AND COMMENTS

4.1 Year 2006

4.1.1 Gross Domestic Product (GDP)

In 2006, GDP at basic prices increased by 11.9% in nominal terms to reach R 181,467 million from R 162,171 million in 2005. After removing the price effect of 6.6% (the GDP deflator), the economy grew by 5.0%, higher than the 2.3% recorded in 2005. Exclusive of sugar, the rate works out to 5.3% compared to 2.8% in 2005 (Tables 3 and 6).

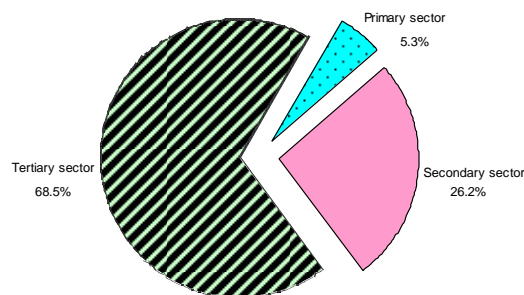
GDP at market prices, which includes R 24,319 million as taxes (net of subsidies) on products, increased by 11.0% to R 205,786 million from R 185,348 million in 2005. Per capita GDP at current market prices increased by 10.2% to R 164,236 from R 149,049 in 2005 (Table 1).

4.1.2 Growth rate by industry

In 2006, more than two thirds (68.5%) of GDP was generated by the tertiary sector comprising the services industries compared to slightly over a quarter (26.2%) by the secondary sector. The remainder, or 5.3%, was attributable to the primary sector which consists mainly of agricultural activities.

In 2006, GDP growth was positively influenced by the secondary and tertiary sectors which contributed 1.2 and 4.2 percentage points respectively to the overall GDP growth. The contribution of the primary sector was marginal (Table 7).

Chart 7: Share of the primary, secondary and tertiary sectors in the economy, 2006



Primary sector

Activities in the primary sector which are mainly related to "Agriculture" grew by 0.6% in 2006 after a contraction of 5.4% in 2005. Within the sector,

- "Agriculture" grew by 0.6%, as a result of a growth of 4.5% in "Other agricultural activities" including activities related to hunting, forestry and fishing, partly offset by a decline in sugarcane (-2.9%).
- **Mining and quarrying** grew significantly by 9.1%.

Secondary sector

Activities in the secondary sector rebounded by 4.2% in 2006 after a negative growth of 4.6% in 2005. Within the sector,

- **Manufacturing** grew by 3.9% in 2006 after a contraction of 5.5% in 2005. The performances of its sub-sectors are as follows:

Sugar milling a decline of 2.9% based on a sugar production of 504,857 tonnes compared to 519,816 tonnes in 2005.

EPZ a growth of 4.6% after four years of negative growths (2002: -6.0%, 2003: -6.0%, 2004: -6.8% and 2005: -12.3%). The total output in 2006 is estimated at around R 37,500 million compared to R 32,000 million in 2005.

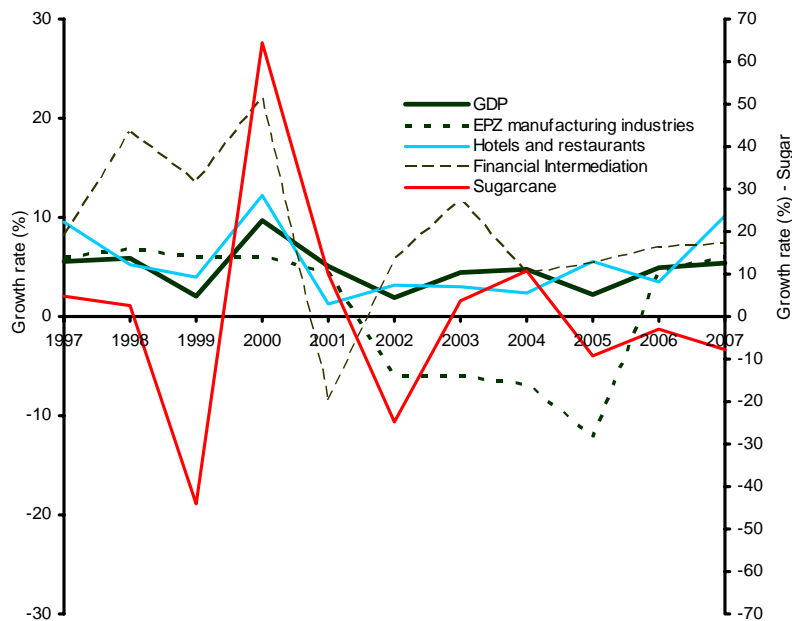
Other manufacturing a growth of 4.1% after stabilisation in 2005, partly attributable to the introduction of duties on some imported items to protect local manufacturers against duty-free imports as well as measures taken to boost up the small and medium enterprises.

- **Electricity, gas and water supply** grew by 4.1% compared to 3.8% in 2005.
- After a contraction of 4.4% in 2005, **Construction** rebounded by 5.2%, mainly attributable to the construction and renovation of hotels and the implementation of projects under the Integrated Resort Scheme.

Tertiary sector

The tertiary sector went up by 5.8% in 2006, compared to 6.3% in 2005. All the service industries recorded increases in activity during the year.

Chart 8: Growth rate (%) - GDP and selected industries, 1997 - 2007



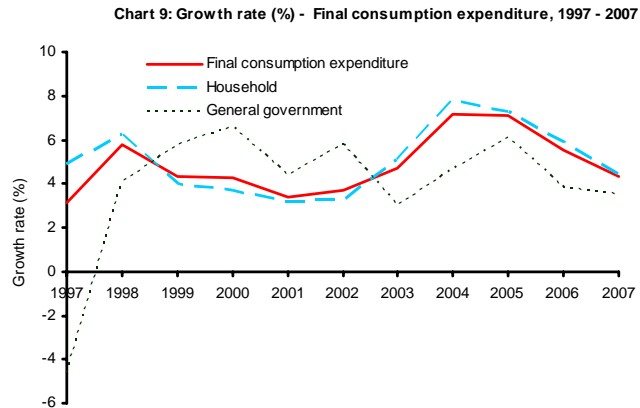
- **Wholesale and retail trade; repair of motor vehicles, motor cycles, personal and household goods** grew by 5.2%, lower than the 5.6% growth recorded in 2005, as a result of reduced growths in final consumption due to price increases of consumer goods, and in trade activities of the Freeport.
- **Hotels and restaurants** grew by 3.5%, lower than the 5.6% growth in 2005 explained by the cancellation of hotel reservations by tourists following the spread of the "Chikungunya" disease. In 2006, 788,276 tourists visited the country compared to 761,063 in 2005, generating tourist earnings of R 31,942 million compared to R 25,704 million in 2005.
- **Transport, storage and communications** grew by 7.3%, lower than the 7.7% growth in 2005.

- **Financial intermediation** grew by 7.0% higher than the 5.4% growth registered in 2005. The 7.0% growth was the result of growths of 5.0%, 7.1% and 11.0% in insurance, banks and other financial intermediation activities respectively.
- **Real estate, renting and business activities** grew by 6.3 % lower than the 6.5% growth registered in 2005.
- Activities of **Public administration and defence; compulsory social security** grew by 4.0% lower than the 5.3% growth registered in 2005.
- **Education**, which includes services provided by both public and private operators, grew by 3.7% in 2006, lower than the 6.1% growth in 2005.
- **Health and social work** grew by 7.9% in 2006, higher than the 6.2% growth in 2005.
- **Other community, social and personal service activities and private households with employed persons** grew by 6.5% in 2006, lower than the 7.2% growth in 2005.
- **Financial Intermediation Services Indirectly Measured (FISIM)** grew by 6.9% compared to 7.3% in 2005.

4.1.3 Expenditure on Gross Domestic Product

4.1.3.1 Final consumption expenditure

Total final consumption expenditure increased by 13.0% to reach R 174,846 million in 2006 from R 154,717 million in 2005. The real growth rate works out to 5.5% compared to 7.1% in 2005 as a result of lower growths in both final consumption expenditure of households and General Government (Tables 9 and 10). Final consumption expenditure of households which represents more than 80% of the total, grew at a lower rate of 5.9% after high growths of 7.3% and 7.8% in 2005 and 2004 respectively. Similarly, that of General Government rose by 3.8% in 2006 compared to 6.1% and 4.6% in 2005 and 2004 respectively.

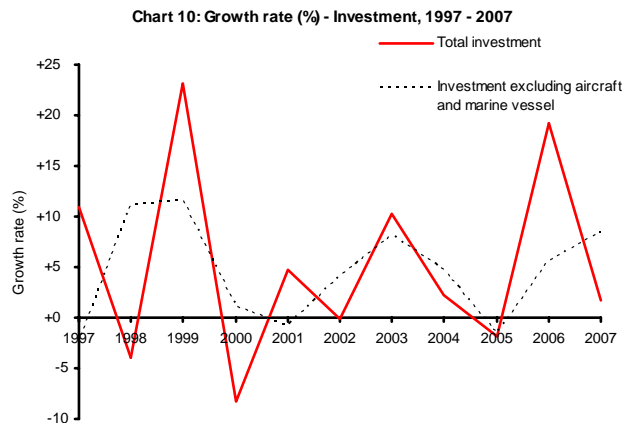


4.1.3.2 Investment (GDFCF)

Investment in 2006 reached R 50,118 million compared to R 39,731 million in 2005, representing a nominal increase of 26.1% (Table 9). After removing the price effect of 5.8%, investment in real terms increased by 19.2% in 2006 after a contraction of 1.9% in 2005. Exclusive of the acquisition of aircraft, the growth works out to 5.6% compared to -1.6% in 2005 (Table 13).

Investment rate, as measured by the ratio of investment to GDP at market prices works out to 24.4% in 2006, higher than the 2005 figure of 21.4% (Table 2).

Exclusive of aircraft, the rates for 2005 and 2006 work out to 21.4% and 21.6% respectively.



Investment by type (Table 13)

After a contraction of 5.3% in 2005, "Building and construction work" rebounded by 6.7% in 2006. This was the result of growths of 10.3%, 3.9% and 6.3% in "Residential building", "Non-residential building" and "Other construction work" respectively.

"Residential building" rebounded by 10.3% after two consecutive drops in 2004 (-2.3%) and in 2005 (-10.5%) while "Non-residential building" expanded by 3.9% after a contraction of 12.1% in 2005, mainly explained by construction and renovation of hotels and implementation of IRS projects. "Other construction work" grew by 6.3% in 2006 after a growth of 16.8% in 2005.

Investment in "Machinery and equipment" grew substantially by 37.3% compared to a growth of 3.4% in 2005, mostly attributable to high investment in aircraft. Excluding the acquisition of aircraft, the growth worked out to 4.2% same as in 2005.

Investment by sector (Tables 9 and 10)

Private sector investment in 2006 is estimated at R 34,273 million representing a nominal increase of 22.5% over the 2005 figure of R 27,973 million. In real terms, it grew by 15.4% after a decline of 0.3% in 2005. The 15.4% growth was mostly attributable to high investment in hotels and IRS projects.

Public sector investment increased by 34.8% in nominal terms to R 15,845 million in 2006 from R 11,758 million in 2005. In real terms, the growth rate worked out to 28.1% compared to -5.4% in 2005. The 28.1% growth was mostly due to the high investment in aircraft offset to some extent by lower investment in machinery and equipment by some parastatal bodies. Excluding the acquisition and sale of aircraft, the real growth rate of public sector investment declined by 17.7% compared to -3.6% in 2005.

The share of private sector investment declined to 68.4% in 2006 from 70.4% in 2005 and that of the public sector increased to 31.6% from 29.6%. Excluding the acquisition and sale of aircraft, the share of

private sector investment was 76.8% and that of the public sector 23.2% compared to 70.3% and 29.7% respectively in 2005 (Table 2).

4.1.3.3 Imports and exports of goods and services

In 2006, imports of goods and services are estimated at R 150,762 million compared to R 122,067 million in 2005, representing an increase of 23.5% in nominal terms (Table 9). This increase is mainly due to the acquisition of aircraft, high import bill of petroleum products and more activities of the Freeport during the year.

In real terms, imports of goods and services grew by 9.6% in 2006 compared to 6.4% in 2005. Imports of goods measured on an f.o.b. basis rose by 11.2% whilst imports of services, which include insurance and freight paid in respect of imported goods, increased by 5.7% (Table 10).

Exports of goods and services increased by 14.7% to R 127,253 million in 2006 from R 110,940 million in 2005, mostly explained by higher exports by EPZ enterprises and Freeport operators, and the sale of aircraft. In real terms, this represents a growth of 8.5%. Exports of goods measured on an f.o.b. basis went up by 11.0% in 2006. It is worth noting that exports of goods posted a positive growth in 2005 and in 2006 after three consecutive years of negative growth. Positive growth in 2005 was mainly attributable to an increase in exports of the Freeport, and that in 2006 was explained by a growth in the EPZ exports. Exports of services, which include spending by tourists in the country, grew by 5.2% (Tables 9 and 10).

Net exports of goods and services resulted in a deficit of R 23,509 million in 2006 compared to R 11,127 million in 2005. This represents 11.4% of GDP at market prices in 2006 compared to 6.0% in 2005 (Tables 1 and 2).

Exclusive of aircraft, net exports of goods and services in 2006 resulted in a deficit of R 17,834 million, representing 8.7% of GDP at market prices.

4.1.4 GDP at market prices by category of income

In 2006, the relative share of the three components of GDP at market prices was as follows:

Compensation of employees	36.1%
Taxes net of subsidies on production and imports	12.7%
Gross operating surplus	51.2%

Compensation of employees reached R 74,396 million in 2006, representing a nominal increase of 8.0% over the R 68,877 million recorded in 2005. Gross operating surplus which accounted for about half of GDP at market prices increased by 14.9% to R 105,329 million in 2006 from R 91,690 million in 2005 while taxes (net of subsidies) on production and imports increased by 5.2% to R 26,061 million from R 24,781 million (Table 11).

Chart 11: Growth rate (%), exports and imports of goods and services, 1997 - 2007

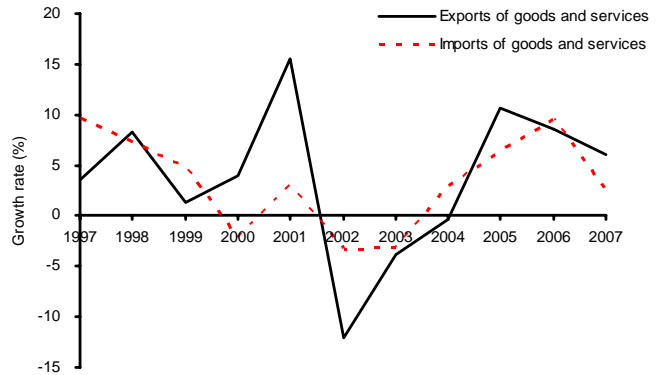
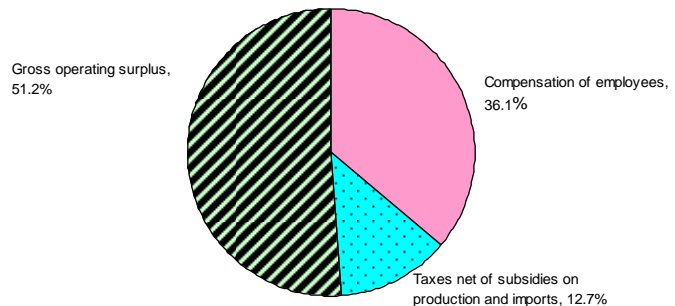


Chart 12: GDP at market prices by income category, 2006



4.1.5 Gross National Disposable Income and Saving

Gross National Disposable Income (GNDI), which in addition to GDP at market prices takes into account flows of primary income comprising mostly interests and dividends (+ R 1,636 million) and transfers (+ R 2,265 million) from and to the rest of the world, increased by 12.2% to reach R 209,687 million in 2006 from R 186,906 million in 2005 (Table 11).

Out of the R 209,687 million available in 2006 as GNDI, R 174,846 million or 83.4% were spent as final consumption of households and General Government. The remaining R 34,841 million or 16.6% constituted the Gross National Saving (GNS). In 2005, GNS was R 32,189 million representing 17.2% of GNDI (Table 11).

The saving rate as measured by the ratio of Gross National Saving to GDP at market prices declined to 16.9% in 2006 from 17.4% in 2005.

4.2 Year 2007 (forecast)

4.2.1 Gross Domestic Product

Based on latest available information, GDP in 2007 is now expected to grow by around 5.3%, higher than the 5.0% growth forecasted in March 2007. This is mostly explained by higher growths expected in the "EPZ manufacturing industries", "Construction" and "Hotels and restaurants". Exclusive of sugar, the growth rate would be around 5.8% as opposed to 5.3% in 2006 (Tables 3 and 6). The assumptions used are at paragraph 4.2.2.

GDP at basic prices in 2007 would reach R 201,019 million, representing a nominal increase of 10.8% over the 2006 figure of R 181,467 million while GDP at market prices would increase by 9.9% to R 226,183 million from R 205,786 million. Taxes on products (net of subsidies) would amount to R 25,164 million compared to R 24,319 million in 2006, that is, 3.5% higher.

4.2.2 Growth rate by industry

The main assumptions used for the forecast of 5.3% in the GDP growth in 2007 are:

- **Sugarcane/sugar milling:** Following the passage of tropical storm Gamede in February 2007 and the unfavourable climatic conditions that prevailed thereafter, a sugar production of around 465,000 tonnes is now forecasted for 2007. This would result in a growth of -7.9% compared to -2.9% in 2006 when sugar production was 504,857 tonnes.
- **EPZ manufacturing industries:** Based on information gathered from the main stakeholders of the industry and exports data for the first five months of the year, the output of the EPZ sector, including export and sales to the Freeport, is now forecasted at around R 42,000 million compared to R 37,500 million in 2006. After removing the price effect estimated at 5.5%, the real growth of the sector works out to 6.0% against 4.6% in 2006.
- **Non-EPZ manufacturing industries (excluding sugar):** Based on data available for the first quarter of the year, the sector is expected to grow by around 2.0% after a growth of 4.1% in 2006.
- **Construction:** The sector is expected to grow by around 10.7%, mainly attributable to construction and renovation of hotels, projects under the Integrated Resort Scheme, and expansion of textile and wearing apparel industries.
- **Hotels and restaurants:** Based on information gathered from the main stakeholders of this sector and the number of tourist arrivals for the first five months of the year, tourist arrivals for 2007 is now forecasted at 875,000, higher than the forecast of 850,000 made earlier. The sector is now expected to expand by 10.2%, higher than the growth of 3.5% registered in 2006. Tourist receipts for 2007 are forecasted at around R 36,400 million, compared to R 31,942 million for 2006.
- **Wholesale and retail trade; repair of motor vehicles, motor cycles, personal and household goods:** The sector is expected to grow at the rate of 4.6%, lower than the 2006 figure of 5.2%.
- **Financial intermediation** is expected to grow by 7.3% as a result of growths of 5.5%, 7.5% and 11.0% for insurance, banks and other financial intermediation activities respectively.

4.2.3 Consumption and Saving

Gross National Disposable Income (GNDI) is expected to reach R 231,040 million in 2007 compared to R 209,687 million in 2006, representing an increase of 10.2%.

Final consumption expenditure of households and General Government is expected to increase by around 10.7% to attain R 193,602 million in 2007 from R 174,846 million in 2006. The real growth rate would be 4.3% in 2007 lower than the 5.5% growth in 2006 (Tables 9 and 10).

Gross National Saving (GNS) would reach R 37,438 million in 2007, higher than the figure of R 34,841 million in 2006. GNS as a percentage of GNDI would be 16.2% in 2007, compared to 16.6% in 2006. The saving rate measured as the percentage of GNS to GDP at market prices would reach 16.6 in 2007 compared to 16.9 in 2006 (Table 11).

4.2.4 Investment

Latest available information on ongoing and new projects indicates that investment in 2007 would reach around R 54,480 million, representing an increase of 8.7% in nominal terms over the 2006 figure of R 50,118 million (Tables 9 and 12). In real terms, it would grow by around 1.7% in 2007 after a high growth of 19.2% in 2006. Exclusive of net investment on aircraft in 2006 (R 5,675 million) and 2007 (R 2,925 million), the growth works out to 8.4% in 2007 compared to 5.6% in 2006 (Table 13).

Investment rate would reach 24.1% in 2007 compared to 24.4% in 2006. Exclusive of net investment on aircraft, the rate would be around 22.8%, higher than the figure of 21.6% of 2006 (Table 2).

Investment by type (Table 13)

“Building and construction work” is expected to expand by around 11.7% in 2007. Within this category, “Residential building” is expected to grow by 7.8% and “Non-residential building” by 26.5%. “Other construction work” on the other hand would decline by 5.8%.

Investment in “Machinery and equipment” would decline by around 9.7% after a high growth of 37.3% in 2006. However, excluding investment on aircraft, a positive growth of around 3.4% is expected in 2007.

Investment by sector

Private sector investment would probably increase by 15.7% to reach R 39,658 million in 2007 from R 34,273 million in 2006. In real terms, it is expected to grow by around 8.1% after a high growth of 15.4% in 2006. The 8.1% growth would be mostly attributable to high investment in hotels and IRS projects, and to a lesser extent to investment in the textile and wearing apparel industries (Tables 9 and 10).

Public sector investment is forecasted at R 14,822 million, that is, 6.5% lower than the 2006 figure of R 15,845 million. After removing the price effect, public sector investment is expected to decline by around 12.1% compared to a high growth of 28.1% in 2006. The negative growth in 2007 would be explained by lower net investment in aircraft in 2007 than in 2006, partly offset by investment in machinery and equipment by some parastatal bodies. Excluding the acquisition and sale of aircraft, the real growth of public sector investment would be 8.0% compared to -17.7% in 2006.

The share of private sector investment is expected to increase to 72.8% in 2007 from 68.4% in 2006 and that of the public sector to decrease to 27.2% from 31.6%. Excluding the acquisition of aircraft in 2007, the share of private sector investment would be 76.9% and that of the public sector 23.1% (Table 2).

4.2.5 Imports and exports of goods and services

Imports of goods and services are forecasted to be around R 162,435 million in 2007 compared to R 150,762 million in 2006, representing a nominal increase of 7.7% (Table 9). In real terms, it would grow by 2.6% compared to 9.6% in 2006. Imports of goods measured on an f.o.b. basis would grow by 3.3% whilst imports of services, which include insurance and freight paid in respect of imported goods, would grow by 0.8% (Table 10).

Exports of goods and services would increase by 11.4% to R 141,732 million in 2007 from R 127,253 million in 2006, mostly explained by higher exports by EPZ enterprises, partly offset by lower sugar exports. In real terms, this would represent a growth of 6.1%. Exports of goods measured on an f.o.b. basis are forecasted to increase by 6.0% and that of services to grow by 6.2% (Tables 9 and 10).

Net exports of goods and services would result in a deficit of R 20,703 million in 2007 compared to R 23,509 million in 2006. This represents 9.2% of GDP at market prices in 2007 compared to 11.4% in 2006 (Tables 1 and 2).

Exclusive of the aircraft, net exports of goods and services in 2007 would result in a deficit of R 17,778 million, representing 7.9% of GDP at market prices, compared to 8.7% in 2006.

5. NOTES

5.1 Release of National Accounts data

Annual National Accounts aggregates are compiled and published in the "Economic and Social Indicators" in January, April, July and October according to an advance calendar posted on the website of the Central Statistics Office (<http://statsmauritius.gov.mu>). This issue covers the period 2004 to 2007. The next issues covering the same period will be released as follows:

Issue	Date posted on Website	Date hard copy available
September 2007	28 September 2007	4 October 2007
December 2007	28 December 2007	8 January 2008

More detailed statistics on National Accounts are available in the annual Digest of National Accounts published in July. All publications of the CSO, including historical series, can be downloaded from the office website.

5.2 Revisions policy

(i) Benchmark data for the compilation of annual National Accounts estimates are obtained from the Census of Economic Activities (CEA) which is conducted every five years. For non-census years, the estimates are worked out based on results of quarterly and annual surveys as well as data from administrative sources. These are updated as and when additional information becomes available. Revisions to published series may therefore be made in subsequent issues of the publication.

There will also be occasional major revisions, such as rebasing on results of the quinquennial CEA, methodological changes, and adoption of latest international recommendations. Users will be informed in advance of these major changes while comparable series will be worked out as far back as possible and published.

(ii) It is to be noted that following the promulgation of the Finance Act 2006, no distinction is being made between the EPZ and other manufacturing enterprises. The office has, during a transitional period, continued to publish separate figures for the EPZ sector. As from the next issue, separate estimates for the sector will no longer be published.

5.3 Inquiries

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5.4 Definitions

Gross Domestic Product (GDP)

GDP is the aggregate money value of all goods and services produced within a country out of economic activity during a specified period, usually a year, before provision for the consumption of fixed capital.

GDP at basic prices

GDP at basic prices is obtained as the difference between output and intermediate consumption whereby output is valued at basic prices and intermediate consumption at purchasers' prices.

The basic price is the amount receivable by the producer exclusive of taxes on products and inclusive of subsidies on products. The equivalent for imported products is the c.i.f. value, i.e. the value at the border of the importing country.

The purchasers' price is the amount payable by the purchaser exclusive of deductible taxes on products (e.g. deductible value added tax).

GDP at market prices

GDP at market prices is equal to the GDP at basic prices plus taxes (net of subsidies) on products.

Gross National Income (GNI)

GDP plus net primary income from abroad gives Gross National Income (GNI).

Gross National Disposable Income (GNDI)

Gross National Income (GNI) net of transfers from the rest of the world gives Gross National Disposable Income (GNDI).

Consumption expenditure

Consumption expenditure is made up of final consumption expenditure of households and of government.

Government final consumption expenditure is further disaggregated into *collective* and *individual* consumption expenditure. *Collective* expenditure consists of the services which government provides to the community as a whole, for example, security and defence whereas *individual* expenditure is made up of expenses incurred in providing services which are mostly beneficial to individuals, mainly in respect of health and education.

Actual government final consumption expenditure

Actual government final consumption expenditure refers to expenditure incurred for the provision of collective services.

Final consumption expenditure incurred by households comprises the value of goods and services purchased by households including the value of imputed rent of owner occupied dwellings. For a better measure of standard of living, actual private final consumption expenditure is used.

Actual final consumption expenditure of households

Actual final consumption expenditure of households covers goods and services supplied to households, irrespective of whether these goods and services are actually paid by government or households themselves. Consequently, it consists of expenditure incurred by households and government on the provision of individual services.

Gross National Saving (GNS)

Gross National Disposable Income (GNDI) less total consumption gives Gross National Saving.

Saving rate

Saving rate is the ratio of GNS to GDP at market prices.

Gross Domestic Fixed Capital Formation (GDFCF)

GDFCF is the net additions to the physical assets of the country in a year. These consist mainly of investment in buildings, plants, machinery and transport equipment, all valued at market prices.

Investment rate

Investment rate is the ratio of GDFCF to GDP at market prices.

Exports and Imports of goods and services

In this publication both exports and imports of goods are measured on an f.o.b. basis. Insurance and freight, which represent the difference between the c.i.f. and f.o.b. values of imports of goods, are recorded as import of services.

Exports and imports of goods are compiled according to the General Trade System, using the national boundary as the statistical frontier. All goods entering the country are recorded in imports and goods leaving the country in exports.

Change in inventories

Change in inventories includes the value of the physical change in inventories of raw materials, work in progress, and finished goods held by producers.

Financial intermediation services indirectly measured (FISIM)

FISIM is obtained as the difference between interest received and interest paid by banks excluding those received on own funds. As it is difficult to allocate FISIM to the intermediate consumption of different industries, the total value of FISIM is imputed to a nominal industry with negative value added.

Primary sector

The primary sector comprises "Agriculture, hunting, forestry and fishing" and "Mining and quarrying".

Secondary sector

The secondary sector includes "Manufacturing", "Electricity, gas and water supply" and "Construction".

Tertiary sector

The tertiary sector includes "Wholesale and retail trade; repair of motor vehicles, motorcycles, personal and household goods", "Hotels and restaurants", "Transport, storage and communications", "Financial intermediation", "Real estate, renting and business services", "Public administration and defence; compulsory social security", "Education", "Health and social work", "Other community, social and personal service activities and private households with employed persons".

Contribution to GDP growth

The contribution of an industry group to the annual GDP growth is calculated by multiplying the annual growth rate of the group by its relative share of GDP in the previous year.

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Table 1 - Main National Accounts aggregates, 2004 - 2007

	Unit	2004 ¹	2005 ¹	2006 ¹	2007 ²
1. Gross Domestic Product (GDP) at basic prices	R M	152,425	162,171	181,467	201,019
2. Taxes on products (net of subsidies)	R M	23,172	23,177	24,319	25,164
3. Gross Domestic Product (GDP) at market prices	R M	175,597	185,348	205,786	226,183
4. Net primary income from the rest of the world	R M	-390	-239	+1,636	+1,682
5. Gross National Income (GNI)					
at basic prices	R M	152,035	161,932	183,103	202,701
at market prices	R M	175,207	185,109	207,422	227,865
6. Net transfer from the rest of the world	R M	+1,374	+1,797	+2,265	+3,175
7. Gross National Disposable Income (GNDI)	R M	176,581	186,906	209,687	231,040
8. Per capita GNI					
at basic prices	R	123,238	130,219	146,133	160,619
at market prices	R	142,020	148,857	165,542	180,559
9. Per capita GDP					
at basic prices	R	123,554	130,411	144,827	159,286
at market prices	R	142,337	149,049	164,236	179,226
10. Compensation of employees	R M	64,378	68,877	74,396	82,379
11. Final consumption expenditure	R M	136,880	154,717	174,846	193,602
Households	R M	111,837	127,349	145,491	162,050
General Government	R M	25,043	27,368	29,355	31,552
Actual final consumption expenditure	R M	136,880	154,717	174,846	193,602
Households	R M	122,180	138,495	157,616	174,899
General Government	R M	14,700	16,222	17,230	18,703
12. Gross Domestic Fixed Capital Formation (GDFCF)	R M	38,003	39,731	50,118	54,480
Private sector	R M	26,345	27,973	34,273	39,658
Public sector	R M	11,658	11,758	15,845	14,822
13. Gross National Saving (GNS)	R M	39,701	32,189	34,841	37,438
14. Net exports of goods & services	R M	-4,165	-11,127	-23,509	-20,703
<i>exclusive of aircraft and marine vessel</i>	<i>R M</i>	<i>-3,946</i>	<i>-11,007</i>	<i>-17,834</i>	<i>-17,778</i>
Exports of goods & services	R M	94,859	110,940	127,253	141,732
<i>exclusive of aircraft and marine vessel</i>	<i>R M</i>	<i>94,859</i>	<i>110,940</i>	<i>126,103</i>	<i>141,732</i>
Imports of goods & services	R M	99,024	122,067	150,762	162,435
<i>exclusive of aircraft and marine vessel</i>	<i>R M</i>	<i>98,805</i>	<i>121,947</i>	<i>143,937</i>	<i>159,510</i>

1/ Revised 2/ Forecast

Table 2 - Growth rates and ratios, 2004 - 2007

	2004 ¹	2005 ¹	2006 ¹	2007 ²
	(%)	(%)	(%)	(%)
1. Annual real growth rate of:				
(i) Gross Domestic Product (GDP) at basic prices	+4.8	+2.3	+5.0	+5.3
(ii) Final consumption expenditure	+7.2	+7.1	+5.5	+4.3
<i>Households</i>	+7.8	+7.3	+5.9	+4.5
<i>General Government</i>	+4.6	+6.1	+3.8	+3.5
(iii) Gross Domestic Fixed Capital Formation (GDFCF)	+2.2	-1.9	+19.2	+1.7
<i>exclusive of aircraft and marine vessel</i>	+4.8	-1.6	+5.6	+8.4
(iv) Private sector investment	+16.3	-0.3	+15.4	+8.1
<i>exclusive of aircraft and marine vessel</i>	+16.3	-0.8	+17.2	+8.0
(v) Public sector investment	-19.8	-5.4	+28.1	-12.1
<i>exclusive of aircraft and marine vessel</i>	-14.8	-3.6	-17.7	+8.0
2. Ratios				
(i) Compensation of employees as a % of GDP at basic prices	42.2	42.5	41.0	41.0
(ii) Final consumption expenditure as a % of GDP at market prices	78.0	83.5	85.0	85.6
<i>Households</i>	63.7	68.7	70.7	71.6
<i>General Government</i>	14.3	14.8	14.3	13.9
(iii) Investment (GDFCF) as a % of GDP at market prices	21.6	21.4	24.4	24.1
<i>exclusive of aircraft and marine vessel</i>	21.5	21.4	21.6	22.8
(iv) Private sector investment as a % of GDP at market prices	15.0	15.1	16.7	17.5
<i>exclusive of aircraft and marine vessel</i>	15.0	15.0	16.6	17.5
(v) Public sector investment as a % of GDP at market prices	6.6	6.3	7.7	6.6
<i>exclusive of aircraft and marine vessel</i>	6.5	6.3	5.0	5.3
(vi) Private sector investment as a % of GDFCF	69.3	70.4	68.4	72.8
<i>exclusive of aircraft and marine vessel</i>	69.7	70.3	76.8	76.9
(vii) Public sector investment as a % of GDFCF	30.7	29.6	31.6	27.2
<i>exclusive of aircraft and marine vessel</i>	30.3	29.7	23.2	23.1
(viii) Gross National Savings (GNS) as a % of GNDI	22.5	17.2	16.6	16.2
(ix) Gross National Savings (GNS) as a % of GDP at market prices	22.6	17.4	16.9	16.6
(x) Net exports of goods & services as a % of GDP at market prices	-2.4	-6.0	-11.4	-9.2
<i>exclusive of aircraft and marine vessel</i>	-2.2	-5.9	-8.7	-7.9
(+ surplus / (-) deficit				

1/ Revised 2/ Forecast

Table 3 - Gross Domestic Product by industry group at current basic prices, 2004 - 2007

	(R Million)			
	2004 ¹	2005 ¹	2006 ¹	2007 ²
Agriculture, hunting, forestry and fishing	9,830	9,790	10,033	10,021
Sugarcane	5,261	5,212	5,040	4,781
Other	4,569	4,578	4,993	5,240
Mining and quarrying	87	88	101	109
Manufacturing	31,942	32,187	36,327	39,476
Sugar	1,624	1,609	1,556	1,476
EPZ products	13,140	12,108	13,694	15,320
Other	17,178	18,470	21,077	22,680
Electricity, gas and water supply	3,546	3,355	3,587	3,829
Construction	8,835	9,099	10,205	12,202
Wholesale & retail trade; repair of motor vehicles, motorcycles, personal and household goods	17,327	19,571	22,247	24,901
Wholesale and retail trade	16,350	18,446	20,959	23,436
Repair of motor vehicles, motorcycles, personal and household goods	977	1,125	1,288	1,465
Hotels and restaurants	11,296	12,423	15,431	17,629
Transport, storage and communications	19,682	20,447	22,121	24,083
Financial intermediation	14,875	16,766	18,850	21,546
Insurance	4,200	4,675	5,154	5,709
Banks	8,990	10,141	11,477	13,251
Other	1,685	1,950	2,219	2,586
Real estate, renting and business activities	14,679	16,609	19,026	21,917
Owner occupied dwellings	7,247	8,177	9,102	10,244
Other	7,432	8,432	9,924	11,673
Public administration and defence; compulsory social security	10,580	11,460	12,199	13,014
Education	7,087	7,780	8,407	9,084
Health and social work	5,087	5,580	6,266	7,030
Other community, social and personal service activities and private households with employed persons	5,390	6,007	6,784	7,685
FISIM	-7,818	-8,991	-10,117	-11,507
Gross Domestic Product at basic prices	152,425	162,171	181,467	201,019
Taxes on products (net of subsidies)	23,172	23,177	24,319	25,164
Gross Domestic Product at market prices	175,597	185,348	205,786	226,183

1/ Revised 2/ Forecast

Table 4 - Value added by industry group at current basic prices for General Government, 2004 - 2007

	(R Million)			
	2004	2005 ¹	2006 ¹	2007 ²
Agriculture, hunting, forestry and fishing	1,033	1,071	1,088	1,112
Sugarcane	0	0	0	0
Other	1,033	1,071	1,088	1,112
Manufacturing	46	47	48	50
Sugar	0	0	0	0
EPZ products	0	0	0	0
Other	46	47	48	50
Construction	415	415	387	362
Transport, storage and communications	182	192	198	207
Real estate, renting and business activities	57	62	64	67
Owner occupied dwellings	0	0	0	0
Other	57	62	64	67
Public administration and defence; compulsory social security	10,580	11,460	12,199	13,014
Education	3,653	3,905	4,137	4,418
Health and social work	3,097	3,314	3,606	3,940
Other community, social and personal service activities and private households with employed persons	50	50	44	40
General Government	19,113	20,516	21,771	23,210

1/ Revised 2/ Forecast

Table 5 - Percentage Distribution of Gross Domestic Product by industry group at current basic prices, 2004 - 2007

	2004 ¹	2005 ¹	2006 ¹	2007 ²
Agriculture, hunting, forestry and fishing	6.5	6.0	5.5	5.0
Sugarcane	3.5	3.2	2.8	2.4
Other	3.0	2.8	2.7	2.6
Mining and quarrying	0.1	0.1	0.1	0.1
Manufacturing	21.0	19.8	20.0	19.6
Sugar	1.1	1.0	0.9	0.7
EPZ products	8.6	7.4	7.5	7.6
Other	11.3	11.4	11.6	11.3
Electricity, gas and water supply	2.3	2.1	2.0	1.9
Construction	5.8	5.6	5.6	6.0
Wholesale & retail trade; repair of motor vehicles, motor cycles, personal and household goods	11.3	12.1	12.3	12.4
Wholesale and retail trade	10.7	11.4	11.6	11.7
Repair of motor vehicles, motorcycles, personal and household goods	0.6	0.7	0.7	0.7
Hotels and restaurants	7.4	7.7	8.5	8.8
Transport, storage and communications	12.9	12.6	12.1	12.0
Financial intermediation	9.8	10.3	10.4	10.7
Insurance	2.8	2.9	2.8	2.8
Banks	5.9	6.2	6.4	6.6
Other	1.1	1.2	1.2	1.3
Real estate, renting and business activities	9.7	10.2	10.5	10.9
Owner occupied dwellings	4.8	5.0	5.0	5.1
Other	4.9	5.2	5.5	5.8
Public administration and defence; compulsory social security	6.9	7.1	6.7	6.5
Education	4.6	4.8	4.6	4.5
Health and social work	3.3	3.4	3.5	3.5
Other community, social and personal service activities and private households with employed persons	3.5	3.7	3.8	3.8
FISIM	-5.1	-5.5	-5.6	-5.7
Gross Domestic Product at basic prices	100.0	100.0	100.0	100.0

Table 6 - Gross Domestic Product - sectoral real growth rates (% over previous year), 2004 - 2007

	2004	2005 ¹	2006 ¹	2007 ²
Agriculture, hunting, forestry and fishing	+8.1	-5.4	+0.6	-3.2
Sugarcane	+10.6	-9.2	-2.9	-7.9
Other	+5.4	-1.1	+4.5	+1.6
Mining and quarrying	+0.4	-3.6	+9.1	+5.0
Manufacturing	+0.5	-5.5	+3.9	+3.1
Sugar	+10.6	-9.2	-2.9	-7.9
EPZ products	-6.8	-12.3	+4.6	+6.0
Other	+6.0	0.0	+4.1	+2.0
Electricity, gas and water supply	+4.0	+3.8	+4.1	+3.3
Construction	+0.5	-4.4	+5.2	+10.7
Wholesale & retail trade; repair of motor vehicles, motor cycles, personal and household goods	+5.7	+5.6	+5.2	+4.6
Wholesale and retail trade	+5.5	+5.5	+5.1	+4.5
Repair of motor vehicles, motorcycles, personal and household goods	+8.5	+8.0	+7.0	+7.0
Hotels and restaurants	+2.4	+5.6	+3.5	+10.2
Transport, storage and communications	+8.1	+7.7	+7.3	+7.5
Financial intermediation	+4.3	+5.4	+7.0	+7.3
Insurance	+5.0	+5.0	+5.0	+5.5
Banks	+2.0	+4.8	+7.1	+7.5
Other	+15.9	+9.5	+11.0	+11.0
Real estate, renting and business activities	+6.7	+6.5	+6.3	+6.5
Owner occupied dwellings	+5.3	+4.8	+4.4	+4.2
Other	+8.0	+8.1	+8.1	+8.7
Public administration and defence; compulsory social security	+4.3	+5.3	+4.0	+3.3
Education	+6.4	+6.1	+3.7	+2.4
Health and social work	+7.0	+6.2	+7.9	+7.3
Other community, social and personal service activities and private households with employed persons	+7.6	+7.2	+6.5	+6.9
FISIM	-0.4	+7.3	+6.9	+7.3
Gross Domestic Product at basic prices	+4.8	+2.3	+5.0	+5.3
Gross Domestic Product at basic prices exc. sugar	+4.5	+2.8	+5.3	+5.8
Taxes on products (net of subsidies)	+12.3	-5.5	-3.8	-4.6
Gross Domestic Product at market prices	+5.7	+1.2	+3.9	+4.2

Table 7 - Contribution of industry groups to GDP growth, 2004 - 2007

	2004 ¹	2005 ¹	2006 ¹	2007 ²
Agriculture, hunting, forestry and fishing	+0.5	-0.3	0.0	-0.2
Sugarcane	+0.3	-0.3	-0.1	-0.2
Other	+0.2	0.0	+0.1	0.0
Mining and quarrying	0.0	0.0	0.0	0.0
Manufacturing	+0.1	-1.2	+0.8	+0.6
Sugar	+0.1	-0.1	0.0	-0.1
EPZ products	-0.7	-1.1	+0.3	+0.5
Other	+0.7	0.0	+0.5	+0.2
Electricity, gas and water supply	+0.1	+0.1	+0.1	+0.1
Construction	0.0	-0.3	+0.3	+0.6
Wholesale & retail trade; repair of motor vehicles, motorcycles, personal and household goods	+0.7	+0.7	+0.7	+0.5
Wholesale and retail trade	+0.6	+0.6	+0.6	+0.5
Repair of motor vehicles, motorcycles, personal and household goods	+0.1	+0.1	+0.1	0.0
Hotels and restaurants	+0.2	+0.4	+0.3	+0.9
Transport, storage and communications	+1.1	+1.0	+0.9	+0.9
Financial intermediation	+0.4	+0.5	+0.7	+0.7
Insurance	+0.1	+0.1	+0.1	+0.1
Banks	+0.1	+0.3	+0.5	+0.5
Other	+0.2	+0.1	+0.1	+0.1
Real estate, renting and business activities	+0.6	+0.6	+0.6	+0.7
Owner occupied dwellings	+0.2	+0.2	+0.2	+0.2
Other	+0.4	+0.4	+0.4	+0.5
Public administration and defence; compulsory social security	+0.3	+0.4	+0.3	+0.2
Education	+0.3	+0.3	+0.2	+0.1
Health and social work	+0.2	+0.2	+0.3	+0.3
Other community, social and personal service activities and private households with employed persons	+0.3	+0.3	+0.2	+0.3
FISIM	0.0	-0.4	-0.4	-0.4
Gross Domestic Product at basic prices	+4.8	+2.3	+5.0	+5.3

1/ Revised 2/ Forecast

Table 8 - Gross Domestic Product-sectoral deflators (% over previous year), 2004 - 2007

	2004 ¹	2005 ¹	2006 ¹	2007 ²
Agriculture, hunting, forestry and fishing	+4.2	+5.3	+1.9	+3.2
Sugarcane	+5.5	+9.1	-0.4	+3.0
Other	+2.8	+1.3	+4.4	+3.3
Mining and quarrying	+3.0	+4.7	+5.5	+3.0
Manufacturing	+7.4	+6.7	+8.6	+5.4
Sugar	+8.0	+9.1	-0.4	+3.0
EPZ products	+7.0	+5.1	+8.1	+5.5
Other	+7.7	+7.5	+9.6	+5.5
Electricity, gas and water supply	0.0	-8.9	+2.7	+3.3
Construction	+6.3	+7.7	+6.6	+8.0
Wholesale & retail trade; repair of motor vehicles, motorcycles, personal and household goods	+6.0	+6.9	+8.0	+7.0
Wholesale and retail trade	+6.0	+6.9	+8.1	+7.0
Repair of motor vehicles, motorcycles, personal and household goods	+6.6	+6.6	+7.0	+6.3
Hotels and restaurants	+16.9	+4.1	+20.0	+3.7
Transport, storage and communications	-1.6	-3.5	+0.8	1.3
Financial intermediation	+3.2	+6.9	+5.1	+6.5
Insurance	+6.8	+6.0	+5.0	+5.0
Banks	+2.1	+7.6	+5.7	+7.4
Other	+0.2	+5.7	+2.5	+5.0
Real estate, renting and business activities	+5.7	+6.3	+7.8	+8.1
Owner occupied dwellings	+6.3	+7.7	+6.6	+8.0
Other	+5.0	+5.0	+8.9	+8.2
Public administration and defence; compulsory social security	+7.8	+2.9	+2.3	+3.3
Education	+6.1	+3.5	+4.2	+5.5
Health and social work	+7.5	+3.3	+4.1	+4.6
Other community, social and personal service activities and private households with employed persons	+3.5	+4.0	+6.0	+6.0
FISIM	+2.2	+7.2	+5.3	+6.0
Gross Domestic Product at basic prices	+5.7	+4.0	+6.6	+5.2
Taxes on products (net of subsidies)	+4.2	+5.8	+9.1	+8.5
Gross Domestic Product at market prices	+5.5	+4.3	+6.9	+5.5

1/ Revised 2/ Forecast

Table 9 - Expenditure on Gross Domestic Product at current prices, 2004 - 2007

	(R Million)			
	2004 ¹	2005 ¹	2006 ¹	2007 ²
Final consumption expenditure	136,880	154,717	174,846	193,602
Households	111,837	127,349	145,491	162,050
General government	25,043	27,368	29,355	31,552
<i>Individual</i>	(10,343)	(11,146)	(12,125)	(12,849)
<i>Collective</i>	(14,700)	(16,222)	(17,230)	(18,703)
Gross domestic fixed capital formation	38,003	39,731	50,118	54,480
Private sector	26,345	27,973	34,273	39,658
Public sector	11,658	11,758	15,845	14,822
Increase in inventories ³	4,879	2,027	4,331	-1,196
Exports of goods & services	94,859	110,940	127,253	141,732
Goods (f.o.b)	54,905	63,219	74,171	82,567
Services	39,954	47,721	53,082	59,165
Less Imports of goods & services	99,024	122,067	150,762	162,435
Goods (f.o.b)	70,911	86,734	108,665	117,872
Services	28,113	35,333	42,097	44,563
Gross Domestic Product at market prices	175,597	185,348	205,786	226,183

Table 10 - Expenditure on GDP-Growth rates (% over previous year), 2004 - 2007

	2004 ¹	2005 ¹	2006 ¹	2007 ²
Final consumption expenditure	+7.2	+7.1	+5.5	+4.3
Households	+7.8	+7.3	+5.9	+4.5
General government	+4.6	+6.1	+3.8	+3.5
<i>Individual</i>	+5.0	+4.8	+6.0	+2.9
<i>Collective</i>	+4.4	+7.0	+2.3	+3.9
Gross domestic fixed capital formation	+2.2	-1.9	+19.2	+1.7
Private sector	+16.3	-0.3	+15.4	+8.1
Public sector	-19.8	-5.4	+28.1	-12.1
Exports of goods & services	-0.3	+10.6	+8.5	+6.1
Goods (f.o.b)	-3.5	+8.9	+11.0	+6.0
Services	+4.3	+13.0	+5.2	+6.2
Less Imports of goods & services	+2.8	+6.4	+9.6	+2.6
Goods (f.o.b)	+3.9	+5.5	+11.2	+3.3
Services	+0.1	+8.4	+5.7	+0.8

1/ Revised 2/ Forecast

3/ includes all statistical discrepancies

Table 11 - National Disposable Income and its appropriation at current prices, 2004 - 2007

	(R Million)			
	2004 ¹	2005 ¹	2006 ¹	2007 ²
Compensation of employees	64,378	68,877	74,396	82,379
of which paid by General Government	16,660	17,826	18,819	19,952
Taxes (net of subsidies) on production and imports	24,733	24,781	26,061	26,989
Taxes on products ³	23,785	24,060	25,255	25,960
Subsidies on products	(613)	(883)	(936)	(795)
Other taxes on production ⁴	1,561	1,604	1,742	1,825
Gross operating surplus	86,486	91,690	105,329	116,815
Gross Domestic Product at market prices	175,597	185,348	205,786	226,183
Net primary income from the rest of the world	-390	-239	+1,636	+1,682
Gross National Income at market prices (GNI)	175,207	185,109	207,422	227,865
Net transfer from the rest of the world	+1,374	+1,797	+2,265	+3,175
Gross National Disposable Income (GNDI)	176,581	186,906	209,687	231,040
Less: Final consumption expenditure	136,880	154,717	174,846	193,602
Households	111,837	127,349	145,491	162,050
General Government	25,043	27,368	29,355	31,552
Gross National Saving (GNS)	39,701	32,189	34,841	37,438
GNS as a % of GNDI	22.5	17.2	16.6	16.2
GNS as a % of GDP at market prices	22.6	17.4	16.9	16.6

1/ Revised 2/ Forecast

3/ include excise duties, import duties and value added tax

4/ include road tax, municipal rates, trading licences, etc.

Table 12 - Gross Domestic Fixed Capital Formation at current prices by type and use, 2004 - 2007

	(R Million)			
	2004	2005 ¹	2006 ¹	2007 ²
I - By type of capital goods				
A. Building & construction work	23,042	23,489	26,705	32,212
Residential building	7,911	7,628	8,972	10,449
Non-residential building	10,174	9,627	10,666	14,571
Other construction work	4,957	6,234	7,067	7,192
B. Machinery and equipment	14,961	16,242	23,413	22,268
Aircraft	219	120	5,675	2,925
Marine vessel	0	0	0	0
Passenger car	2,580	2,327	2,497	2,734
Other transport equipment	1,510	1,746	1,953	2,245
Other machinery and equipment	10,652	12,049	13,288	14,364
Gross Domestic Fixed Capital Formation	38,003	39,731	50,118	54,480
II - By Industrial use				
Agriculture, hunting, forestry and fishing	1,328	2,225	2,765	2,508
Mining and quarrying	2	0	1	1
Manufacturing	5,346	5,548	4,820	6,482
<i>of which EPZ</i>	<i>(2,508)</i>	<i>(2,376)</i>	<i>(2,245)</i>	<i>(3,586)</i>
Electricity, gas and water supply	1,783	2,750	3,290	2,435
Construction	744	699	953	1,429
Wholesale & retail trade and repairs	2,489	2,736	2,989	3,679
<i>of which Wholesale and retail trade</i>	<i>(2,406)</i>	<i>(2,657)</i>	<i>(2,912)</i>	<i>(3,596)</i>
Restaurants and hotels	5,185	4,193	6,564	8,263
Transport, storage and communications	4,067	4,542	10,575	8,859
Financial intermediation	945	1,336	1,664	1,333
Real estate, renting and business activities	10,005	9,509	10,534	12,776
<i>Owner occupied dwellings</i>	<i>7,911</i>	<i>7,628</i>	<i>8,972</i>	<i>10,449</i>
<i>Other</i>	<i>2,094</i>	<i>1,881</i>	<i>1,562</i>	<i>2,327</i>
Public administration and defence; compulsory social security	2,495	1,975	2,077	2,317
Education	1,167	1,326	1,003	1,105
Health and social work	693	543	592	841
Other community, social and personal service activities and private households with employed persons	1,754	2,349	2,291	2,452
Gross Domestic Fixed Capital Formation	38,003	39,731	50,118	54,480
GDFCF as a % of GDP at market prices	21.6	21.4	24.4	24.1

1/ Revised 2/ Forecast

Table 13 - Gross Domestic Fixed Capital Formation - Annual real growth rates (%) by type and use, 2004 - 2007

	2004	2005 ¹	2006 ¹	2007 ²
I - By type of capital goods				
A. Building & construction work	-0.3	-5.3	+6.7	+11.7
Residential building	-2.3	-10.5	+10.3	+7.8
Non-residential building	+20.1	-12.1	+3.9	+26.5
Other construction work	-24.2	+16.8	+6.3	-5.8
B. Machinery and equipment	+6.2	+3.4	+37.3	-9.7
<i>Machinery and equipment (excluding aircraft & marine vessel)</i>	+13.4	+4.2	+4.2	+3.4
Passenger car	+39.5	-14.1	+4.2	+5.3
Other transport equipment	-40.3	+2.8	+296.9	-34.8
<i>Other transport equipment (excluding aircraft & marine vessel)</i>	-16.3	+10.1	+8.6	+10.5
Other machinery and equipment	+14.0	+7.7	+3.6	+2.0
Gross Domestic Fixed Capital Formation	+2.2	-1.9	+19.2	+1.7
GDFCF (excluding aircraft & marine vessel)	+4.8	-1.6	+5.6	+8.4
II - By Industrial use				
Agriculture, hunting, forestry and fishing	+33.8	+56.9	+16.9	-15.3
Mining and quarrying	+150.8	-100.0	-	-23.6
Manufacturing	+26.5	-1.8	-18.1	+26.5
<i>of which EPZ</i>	+71.6	-10.5	-11.1	+49.7
Electricity , gas and water supply	-4.8	+45.8	+12.3	-30.6
Construction	+19.5	-10.6	+29.1	+41.2
Wholesale & retail trade and repairs	-3.7	+3.4	+3.7	+15.5
<i>of which Wholesale and retail trade</i>	-4.3	+3.9	+4.1	+15.9
Restaurants and hotels	+52.2	-24.5	+46.9	+16.9
Transport , storage and communications	-30.3	+5.6	+123.3	-20.6
Financial intermediation	+15.8	+32.8	+17.4	-24.8
Real estate , renting and business activities	+0.6	-11.5	+4.1	+12.6
<i>Owner occupied dwellings</i>	-2.3	-10.5	+10.3	+7.8
<i>Other</i>	+13.2	-15.5	-21.0	+39.8
Public administration and defence; compulsory social security	+9.5	-26.0	-1.0	+4.2
Education	-10.6	+6.1	-29.0	+2.8
Health and social work	+15.2	-25.9	+2.4	+33.2
Other community, social and personal service activities and private households with employed persons	-34.6	+25.2	-8.2	0.0
Gross Domestic Fixed Capital Formation	+2.2	-1.9	+19.2	+1.7

1/ Revised 2/ Forecast

Table 14 - Gross Domestic Fixed Capital Formation - Deflators (% over previous year), 2004 - 2007

	2004	2005 ¹	2006 ¹	2007 ²
By type of capital goods				
A. Building & construction work	+6.3	+7.7	+6.6	+8.0
Residential building	+6.3	+7.7	+6.6	+8.0
Non-residential building	+6.3	+7.7	+6.6	+8.0
Other construction work	+6.3	+7.7	+6.6	+8.0
B. Machinery and equipment	+2.0	+5.0	+5.0	+5.3
Passenger car	+2.0	+5.0	+3.0	+4.0
Other transport equipment	+2.0	+5.0	+3.0	+4.0
Other machinery and equipment	+2.0	+5.0	+6.5	+6.0
Gross Domestic Fixed Capital Formation	+4.6	+6.6	+5.8	+6.9

1/ Revised 2/ Forecast