

United States

June 2021

Executive summary

This country fact sheet provides key trade, investment and tourism related statistics for the United States. Specifically, it shows global trade and investment flows including an analysis of top markets and products for the United States in relation to South Africa and the Western Cape, highlighting the largest and fastest growing products and sub-sectors. It also analyses tourism trends between the United States and South Africa. The key highlights in the United States fact sheet are provided below:

ECONOMY

- The United States is an economic powerhouse, ranked number one in the world on the basis of nominal GDP and number five in terms of nominal GDP per capita in 2020.
- The US economic shrank by -3.5% in 2020 due to the severe impact of the coronavirus pandemic. The US economy, however, showed signs of recovery during the first quarter of 2021.
- Finance, insurance, real estate, rental, and leasing (19.8%); professional and business services (13.4%); government services (11.8%); and Manufacturing (11.7%) were the top contributing sectors to the US economy in 2020.
- The United States is currently ranked 6th overall in the World Bank's Doing Business Index, the country's relative strengths lie in getting credit (4nd) and resolving insolvencies (2nd).

TRADE

- The US is a world leader in services trade, with services accounting for 35% of the country's total exports in 2019.
- There was a 22.5% y-o-y decline in services exports in the fourth quarter of 2020.
- The US is the world's largest importer of goods and the second largest exporters of goods. The country's goods exports in 2020 were valued at US\$1.43 trillion, while its imports amounted to US\$2.4 trillion.
- South Africa's exports to the US increased by 15.3% in 2020, with platinum accounting for 46.2%.
- In 2020, the US was the third largest purchaser of goods from the Western Cape. The province's exports to the US increased by 5.2% in 2020, with articles of jewellery and citrus fruit as the top exported products.

FDI

- As a top destination for inward FDI, the US recorded a capital inflow of US\$546.59 billion from 13 573 greenfield projects between 2013 and 2020.
- Between 2013 and 2020, about 200 FDI projects originated from the US to South Africa, which brought in an estimated capex of US\$4.68 billion and created of about 24 701 jobs.
- The Western Cape received a capital inflow of US\$1.07 billion from the US during the 2013-2020 period, 37.5% of which were invested in the software and IT industry.

TOURISM

- The US is one of the most popular travel destinations in the world, with New York and Miami as the country's top cities for inbound tourism.
- About 373 694 American visited South Africa in 2019, and more than half of them were in the country for holiday.
- There was a significant decline in the number of Americans arriving in Cape Town during the second and third quarters of 2020.

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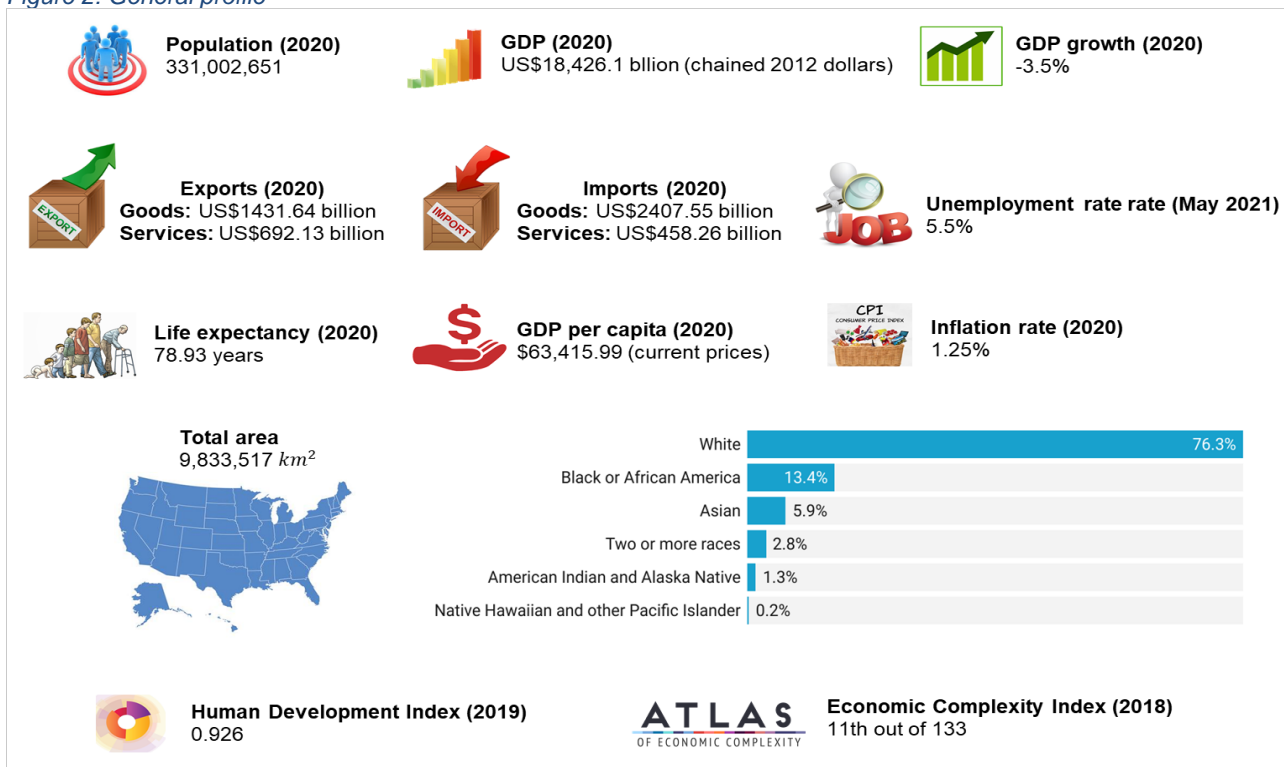
1. Country Overview

The United States (US) is a high-income country and is currently the largest economy in the world on the basis of nominal gross domestic product (GDP). The country was ranked as the 11th most complex nation according to the 2018 Economic Complexity Index. Additionally, the US economy has a high per capital GDP and lower inflation rate. The US is world's third largest country by total area, after Russia and Canada. The country is bordered by both the North Atlantic Ocean and the North Pacific Ocean to the west and east respectively, as well as Canada to the north and Mexico to the South. With a population of about 331 million people (equivalent to 4.25% of the total world population) in 2020, the US is ranked as the third most populous nation in the world, behind China and India.

Figure 1: Map of the United States



Figure 2: General profile



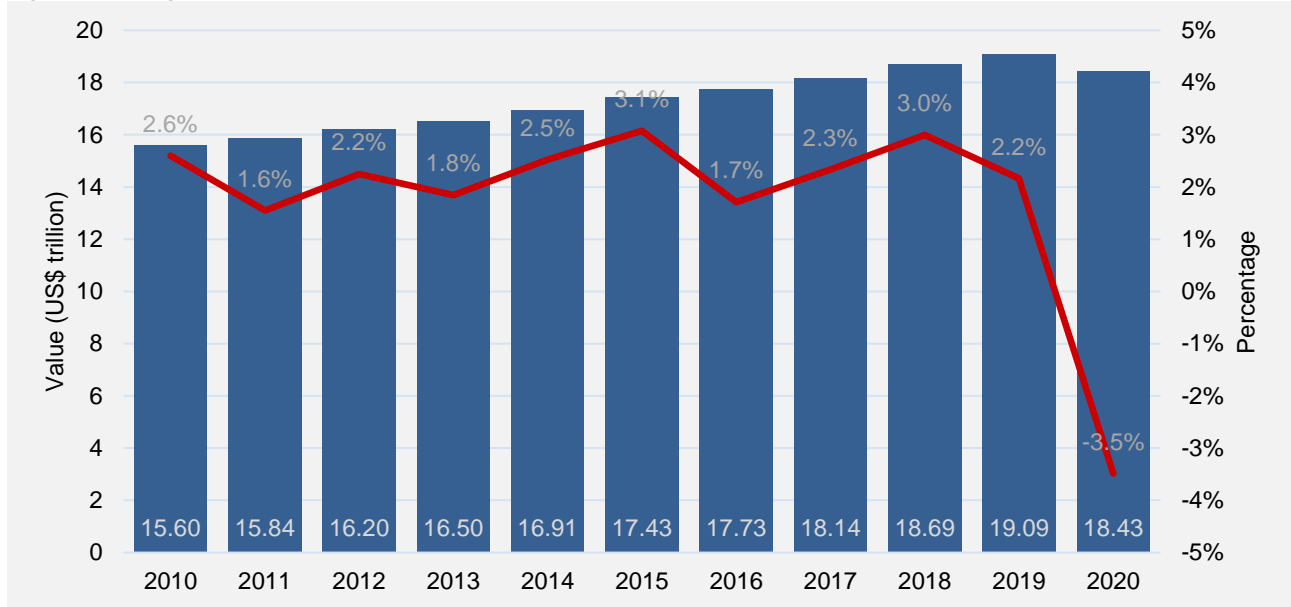
Source: United Nations (2021); UNCTAD (2021); World Bank (2021); BEA (2021); Statista (2021)

2. Economic Overview

The United States is currently the world's largest economy based on nominal GDP. Additionally, the US had the 5th highest nominal GDP per capital in 2020. The country's status as an economic powerhouse is propelled by its advancement in research and innovation; diversified workforce; and a strong manufacturing sector. The US economy was adversely affected by Covid-19 in 2020. As government entities tried to control the health crisis by shutting down non-essential businesses and sectors, economic activities slowed down leading to

negative growth in GDP during the first and second quarter of 2020. Although the economy showed signs of recovery during the last two quarters of 2020, real GDP decreased from US\$19.09 trillion in 2019 to US\$18.43 trillion in the following year as shown in Figure 3. As a result, the economy shrank by -3.5% during 2020, which is the worst economic growth rate recorded since the Great Recession in 2009. Given government's rapid policy response to the pandemic through the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act, economic growth increased at an annual rate of 6.4% in the first quarter of 2021 (BEA, 2021). This was bolstered by strong contribution from growth mining (24%), followed by utilities (9%); Agriculture (7%); arts, entertainment, recreation, accommodation, and food services (5%); retail trade (4%); and manufacturing (4%)

Figure 3: Real gross domestic product, chained 2012 dollars



Source: BEA (2021)

The United States' real GDP per capita growth has averaged 1.72% over the past decade. As shown in Figure 4, real GDP per capita increased by 1.68% in 2019 to US\$55 753.14, which was the 10th highest in the world. This was slightly higher than that of the entire North America, which was US\$55 331.41.

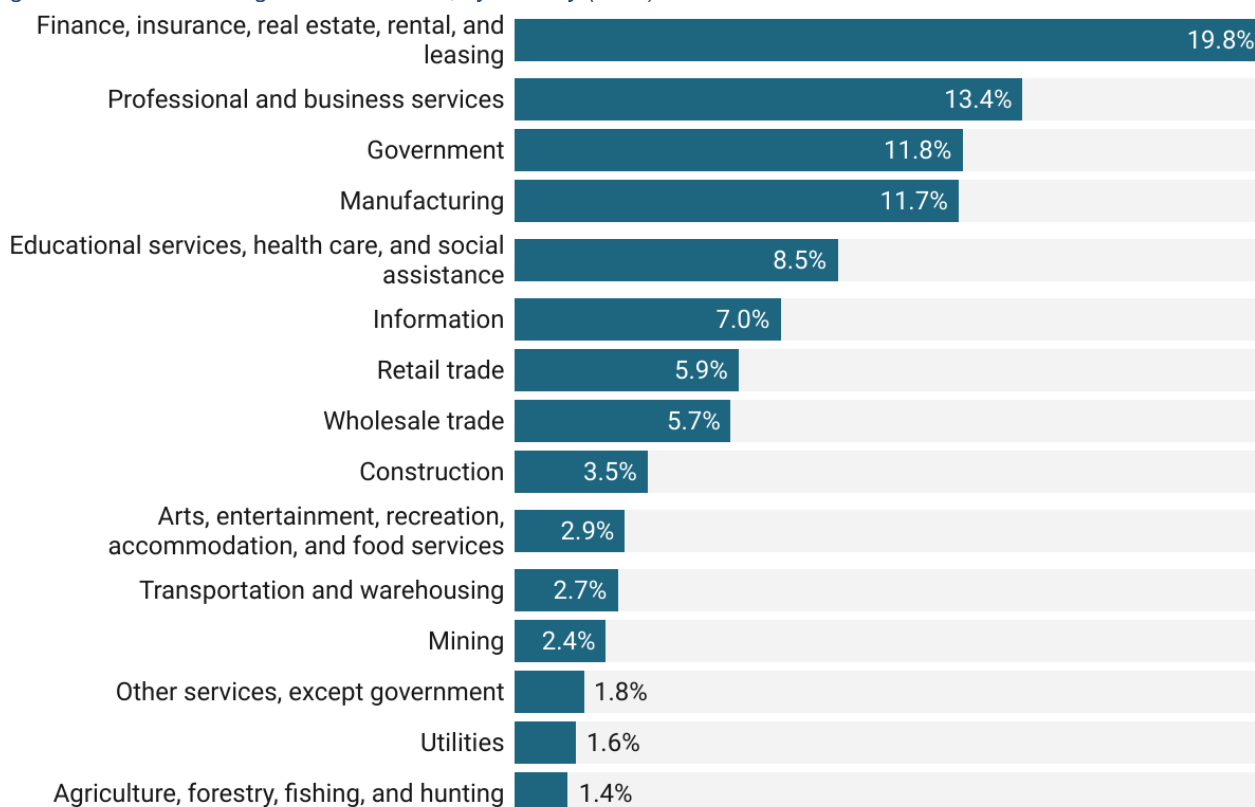
Figure 4: Real GDP per capita (Constant 2010 prices), 2010-2019



Source: World Bank (2021)

The contributions of United States' economic sectors to GDP in 2020 are shown in Figure 5. The services sector, in general, is the largest component of the US economy, accounting for approximately 69% of GDP in 2020. The finance, insurance, real estate, rental, and leasing industry (19.8%) was the largest contributor to GDP, followed by professional and business services (13.4%). Manufacturing, on the other hand, accounted for 11.7% of GDP, while mining and agriculture respectively contributed 2.4% and 1.4% to GDP. The construction industry recorded the highest average annual growth rate (5.3%) over the past 5 years, followed by information (5.1%) and finance, insurance, real estate, rental, and leasing (4.5%). On the contrary, the mining industry had the lowest average annual growth rate (-2.9%) between 2016 and 2020.

Figure 5: Contribution to gross value added, by industry (2020)



Source: BEA (2021)

2.1 Top Companies in the United States

Table 1 contains a list of the top 10 largest private companies in the US based on the amount of revenue generated in 2020.

Table 1: Top 10 largest private companies in the United States, 2020

Rank	Company	State	Industry	Revenue (\$ B)	Employees
1	Koch Industries	Kansas	Multicompany	115.0 ^e	120 000
2	Cargill	Minnesota	Food, Drink & Tobacco	114.6	155 000
3	Deloitte	New York	Business Services & Supplies	47.6	330 000
4	PricewaterhouseCoopers	New York	Business Services & Supplies	43.0	276 000
5	Publix Super Markets	Florida	Food Markets	38.1	207 000
6	Ernst & Young	New York	Business Services & Supplies	37.2	289 965
7	Mars	Virginia	Food, Drink & Tobacco	37.0 ^e	130 000
8	Reyes Holdings	Illinois	Food, Drink & Tobacco	35.0 ^e	29 000
9	H-E-B	Texas	Food Markets	31.2 ^e	135 500
10	Pilot Flying J	Tennessee	Convenience Stores & Gas Stations	29.5	26 696

Source: Forbes (2021)

2.2 Doing Business in the United States

According to the World Bank's *Doing Business 2020* report, the US was ranked 6 out of 190 countries in the ease of doing business (moving 2 places up compared to the previous year). The US was ranked 2nd on resolving insolvency and 4th on getting credit.

Figure 6: Ease of doing business ranking - United States, 2019



Source: World Bank (2020)

2.3 United States' Risk Ratings

Table 2 contains the government debt credit rating for the US as evaluated by major credit rating agencies. In July 2020, Fitch affirmed the United States debt grade at AAA and adjusted the country's sovereign rating outlook from stable to negative. Moody's and S&P credit for the US were last set at Aaa and AA⁺ respectively in 2013.

Table 2: United States credit rating

Rating Agency	Rating	Outlook	Last Update	Action
Fitch	AAA	Negative	1 Aug 2020	Outlook downgrade
Moody's	Aaa	Stable	18 Jul 2013	Outlook upgrade
Standard & Poor	AA ⁺	Stable	10 June 2013	Outlook upgrade

Source: Trading Economics (2021)

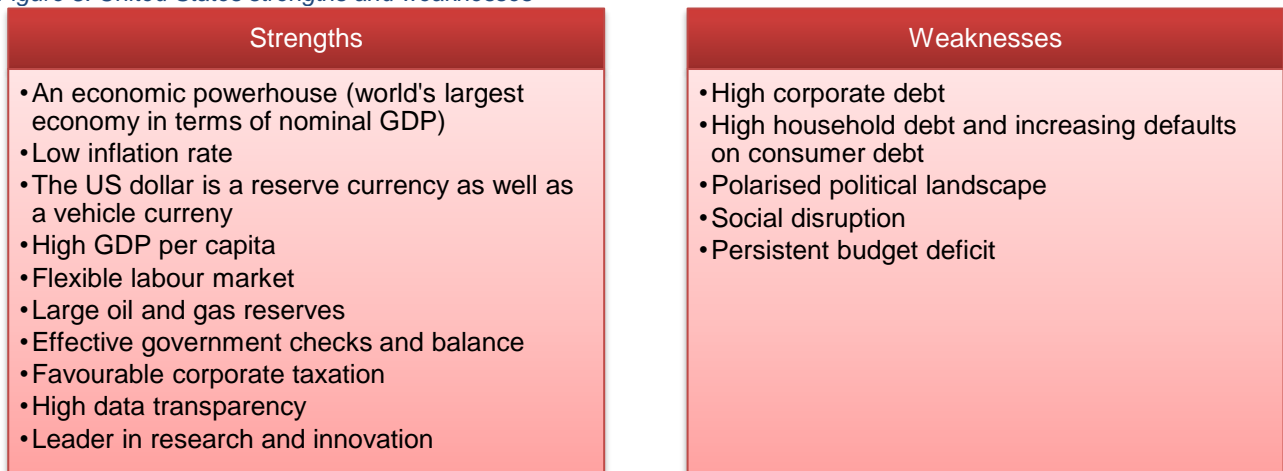
The Figure 7 shows the United States' risk assessment in terms of export transactions and direct investments as reported by Credendo (2021). The ratings are between 1 and 7, and between A and G. 1 and A indicate the lowest risk whereas 7 and G demonstrate the highest likelihood of risk. The political risk in the US is low in both the short and medium/long term. The country also scored low risk in all three components under direct investments. Furthermore, the country had a score of C under business environment risk. Figure 8 contains some of United States' strengths and weaknesses.

Figure 7: Risk assessment of the United States



Source: Credendo (2021)

Figure 8: United States strengths and weaknesses



Source: Euler Hermes (2021) and Coface (2021)

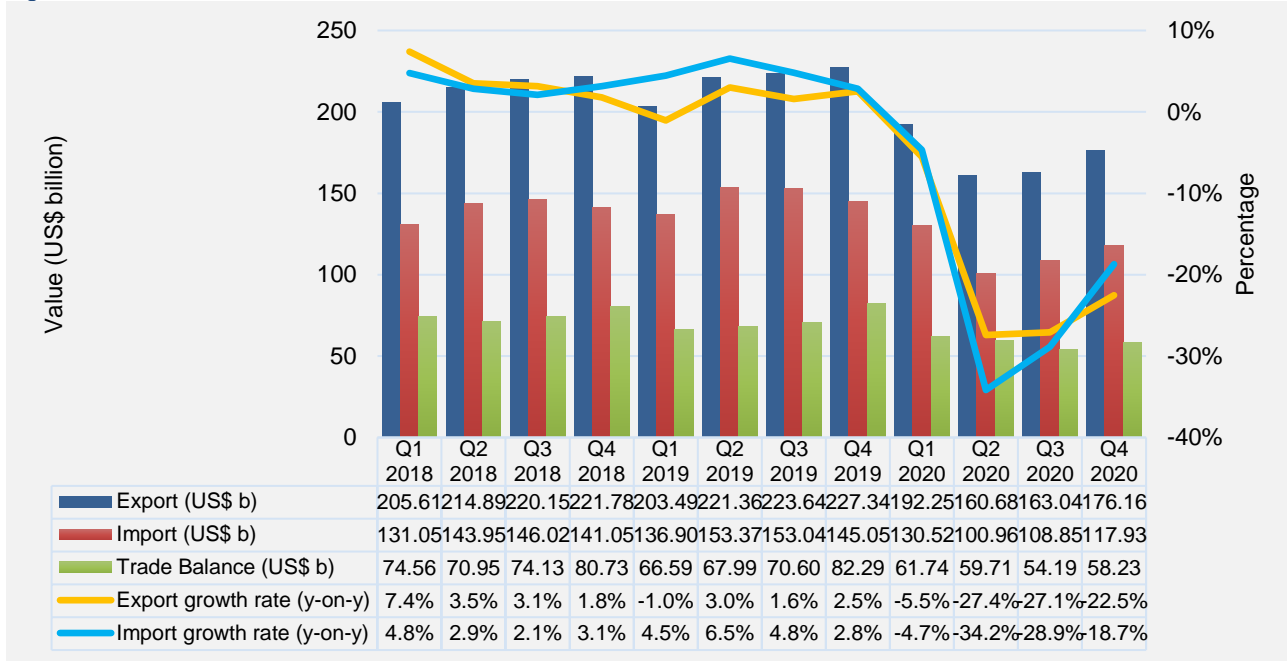
3. Trade

The United States was ranked 39th in 'trading across borders' according to the 2020 Doing Business Report. This section analyses the United States' global trade trends as well as the country's trade with South Africa and the Western Cape.

3.1 Trade in Services

The US was the world's largest exporter and importer of services in 2019. The country's services exports accounted for 35% of its total exports in 2019. Figure 9 shows the United States' global trade in service from the first quarter of 2018 to the last quarter of 2020. The figure depicts that the US is a net exporter of services. Services exports and imports both declined in the first and second quarter of 2020 due to the impact of the Coronavirus pandemic. Although, the United States' services trade rebounded in the last two quarters of 2020, the export of services declined by 22.5% in the fourth quarter of 2020 compared to the same period the year before. Likewise, the year-on-year services import growth rate was -18.7% in the fourth quarter of 2020. The United Kingdom was the largest purchaser and supplier of US services in 2019.

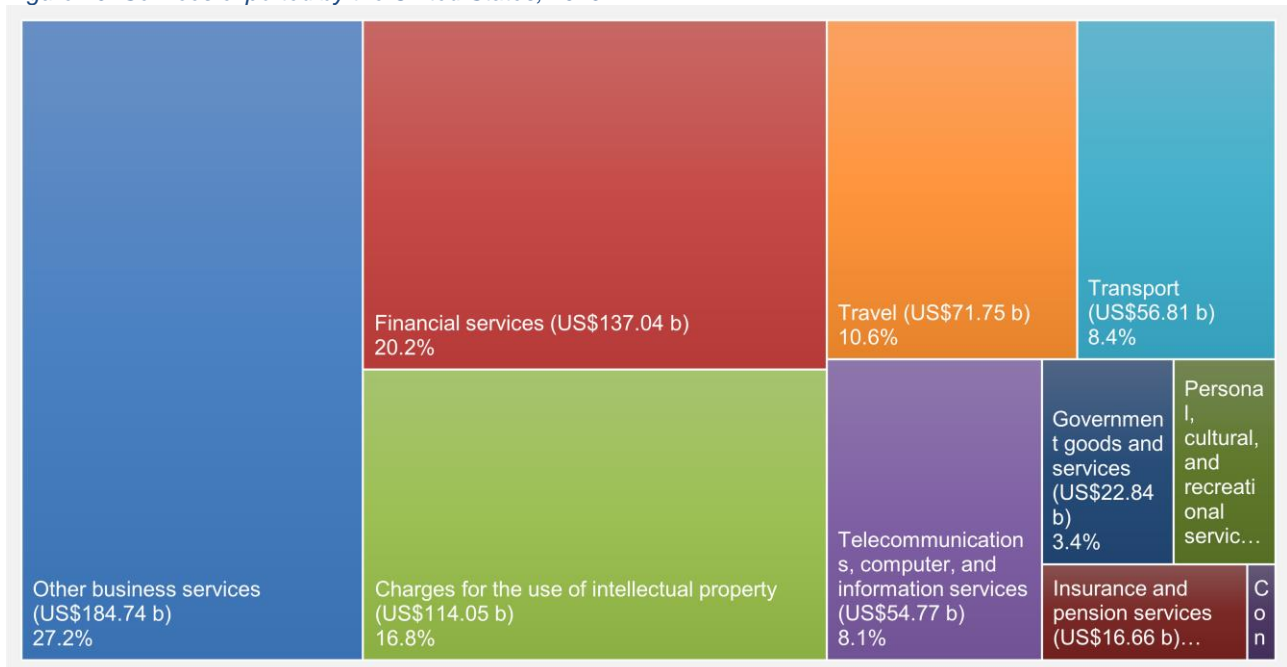
Figure 9: United States' Trade in services, 2018Q1-2020Q4



Source: UNCTAD 2021)

As shown in Figure 10, other business services, which include professional and management consulting services; research and development; and technical and trade-related services were the United States' top exported services in 2020, accounting for 27.2% of total services exports. Financial services (20.2%) and charges for the use of intellectual property (16.8%) were respectively the second and third largest components of services exports.

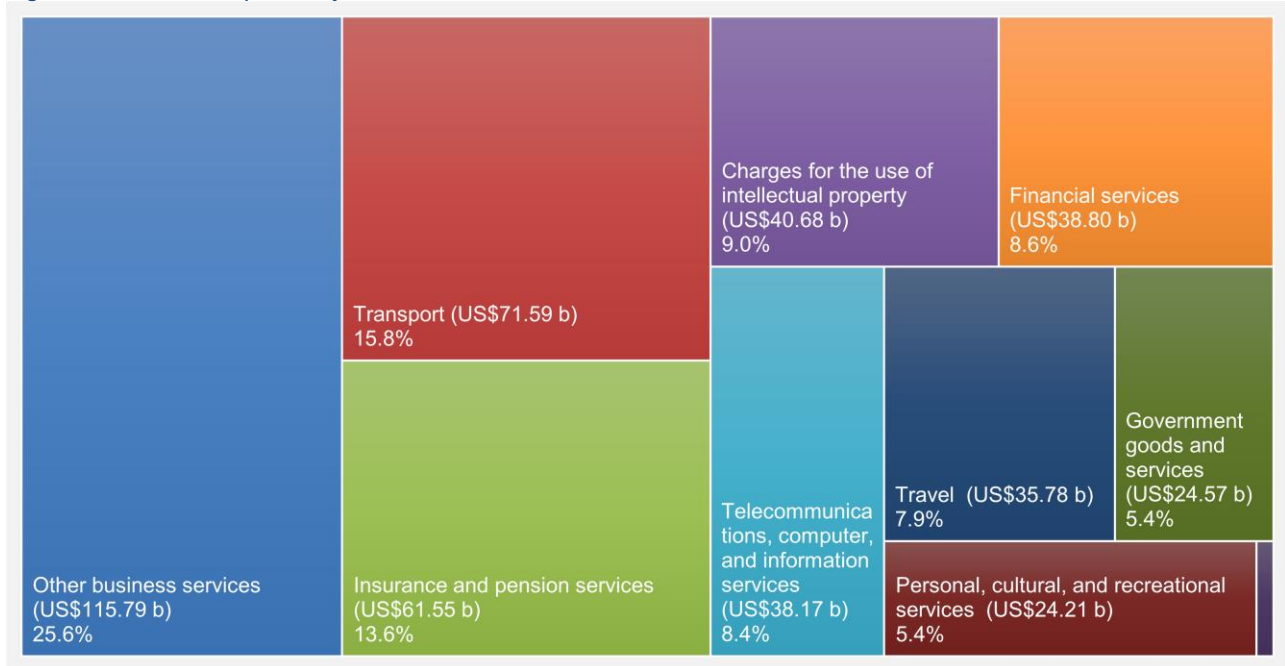
Figure 10: Services exported by the United States, 2020



Source: Trade Map (2021)

Just like in the case of services exports, professional and management consulting services; research and development; and technical and trade-related services together constituted the largest category of services imported by the US in 2020 as shown in Figure 11. With a share of 15.8%, transport was the second most imported services by the US over the same period, followed by insurance and pension services (13.6%).

Figure 11: Services imported by the United States, 2020

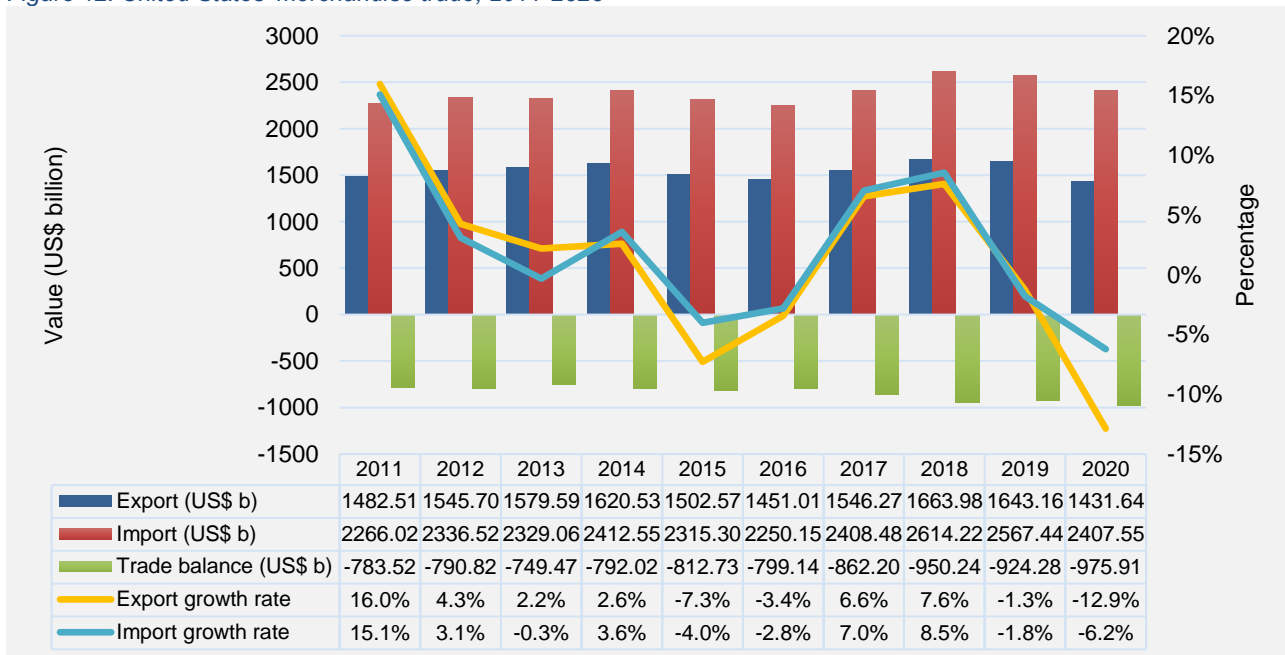


Source: Trade Map (2021)

3.2 Trade in goods

The US is the world's largest importer of goods and the second largest exporters of goods, behind China. As evident in Figure 12, the US has consistently had a trade (goods only) deficit from 2011 to 2020. As the world battled with the coronavirus pandemic and the associated disruption of global supply chains, the United States' goods exports to the rest of the world declined from US\$1.64 trillion in 2019 to US\$1.43 trillion in 2020, representing a -12.9% growth rate. Likewise, US goods imports from the world totalled US\$2.4 trillion in 2020, down 6.2% (159.89 billion) from the previous year.

Figure 12: United States' merchandise trade, 2011-2020

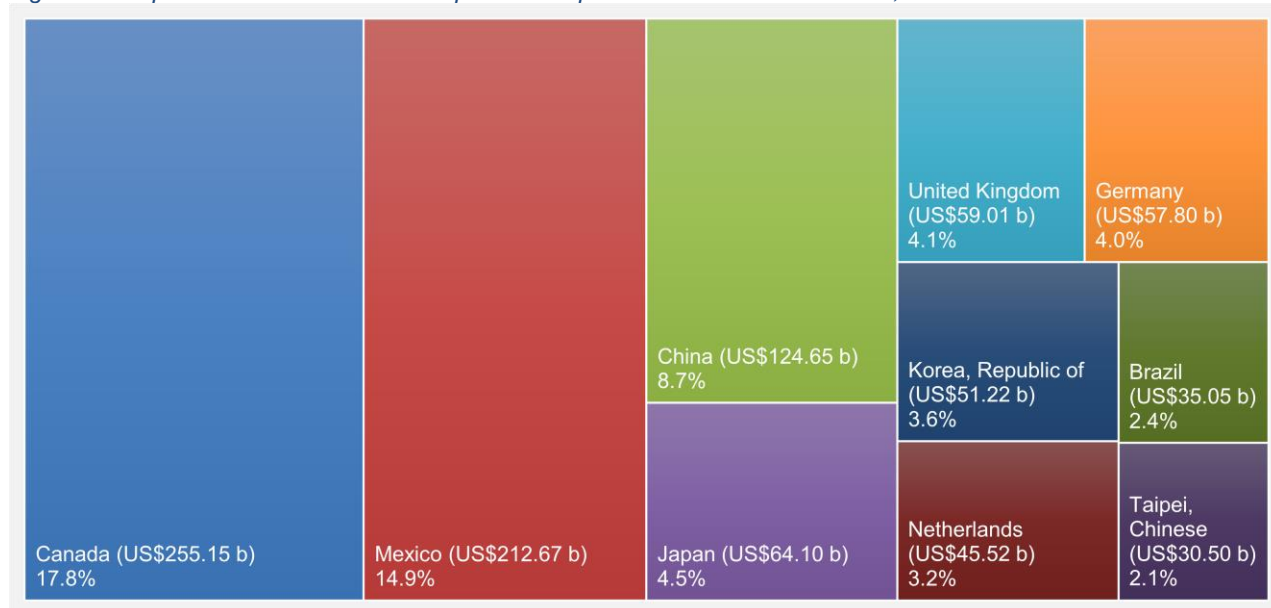


Source: UNCTAD (2021)

In 2020, the United States' major trading partner countries for exports were Canada, Mexico and China. The top two destination markets for US goods exports, Canada and Mexico, share a border

with the US and are members of the North American Free Trade Agreement (NAFTA). Canada was the largest purchaser of US goods in 2020, accounting for 17.8% of total US goods exports.

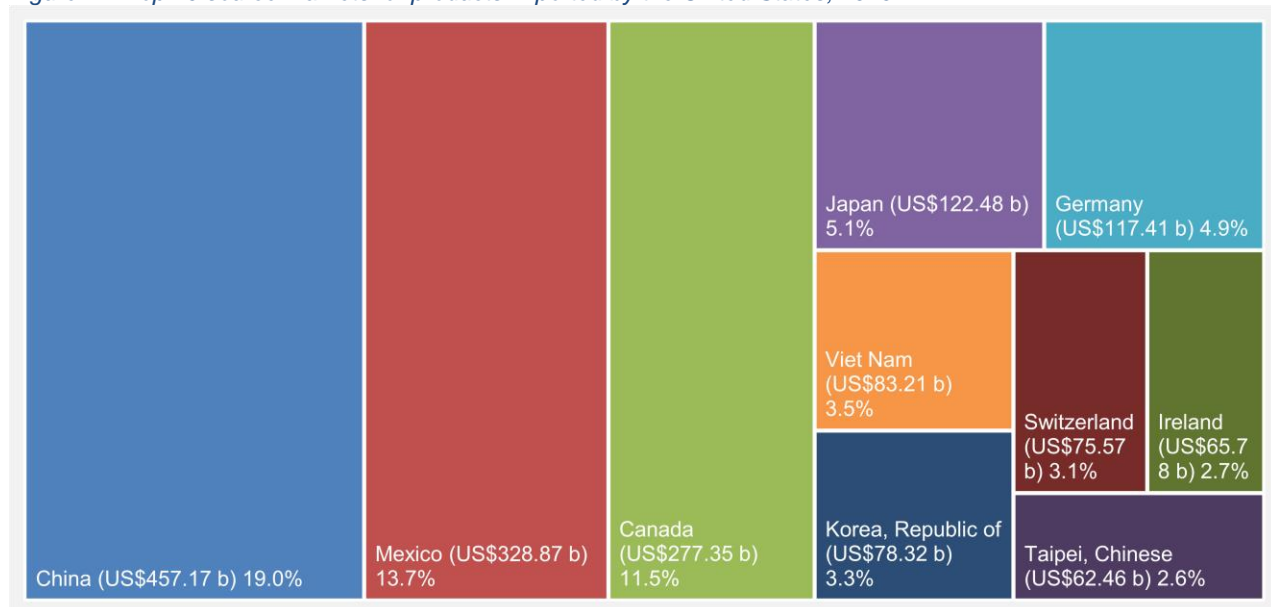
Figure 13: Top 10 destination markets for products exported from the United States, 2020



Source: Trade Map (2021)

China was the top supplier of goods to the US in 2020, accounting for 19% of total goods imports. Automatic data-processing machines and telephone sets top the list of products imported from China to the US. Mexico (US\$328.78 b), Canada (US\$277.35 b), Japan (US\$122.48 b) and Germany (US\$117.41 b) rounded out the top five countries exporting goods to the US.

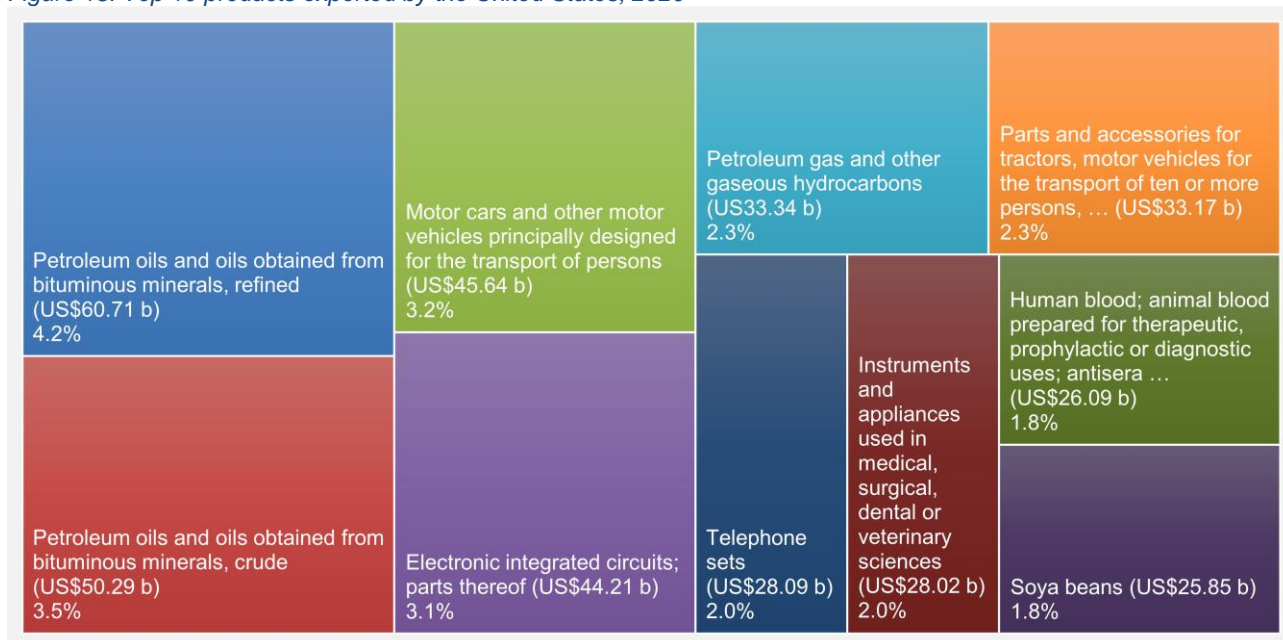
Figure 14: Top 10 source markets for products imported by the United States, 2020



Source: Trade Map (2021)

The US exports a diversified range of products, with machinery; electrical machinery and equipment; mineral fuels; and vehicles being the top categories of exported goods. Refined petroleum oils (4.2%), crude petroleum oils (3.5%) and motor cars (3.2%) were the United States' top three exported products in 2020.

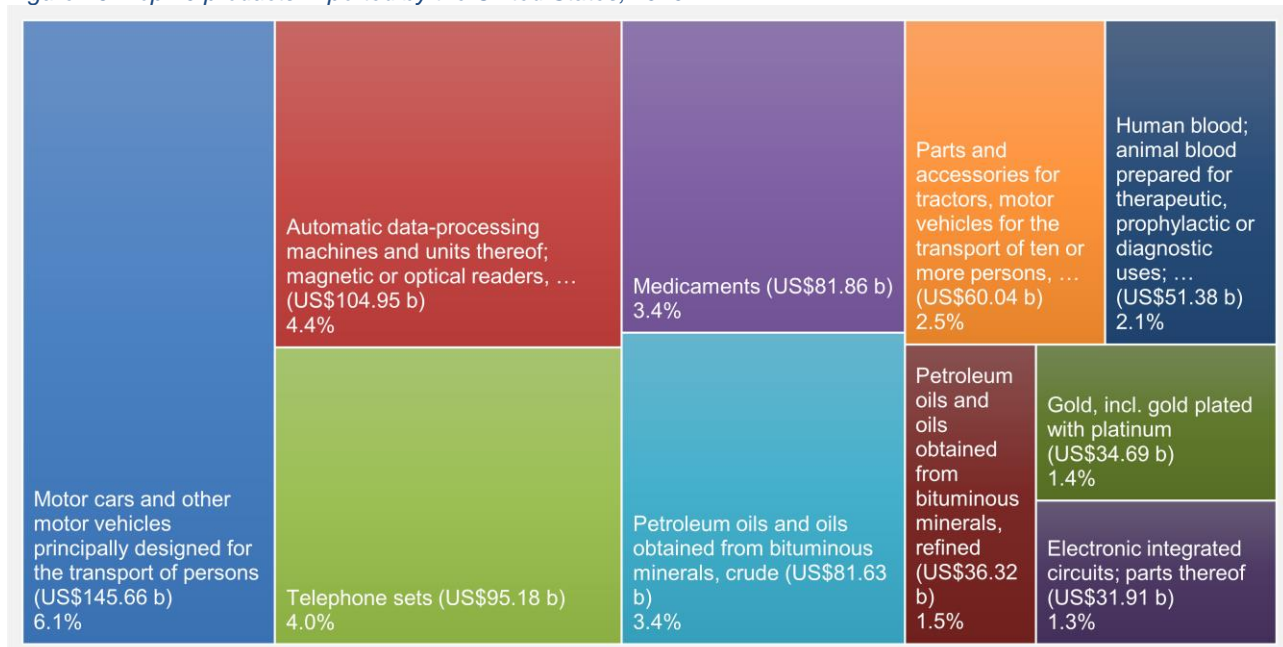
Figure 15: Top 10 products exported by the United States, 2020



Source: Trade Map (2021)

Approximately 40% of all products imported by the US in 2020 belong to three categories, namely, machinery; electrical machinery and equipment; and vehicles. The top three imported products by the US in 2020 were motor vehicles (6.1%); automatic data-processing machines (4.4%); and telephone sets (4%). Among the top three imported products, automatic data processing witnessed the highest growth rate in 2020 relative to the previous year.

Figure 16: Top 10 products imported by the United States, 2020



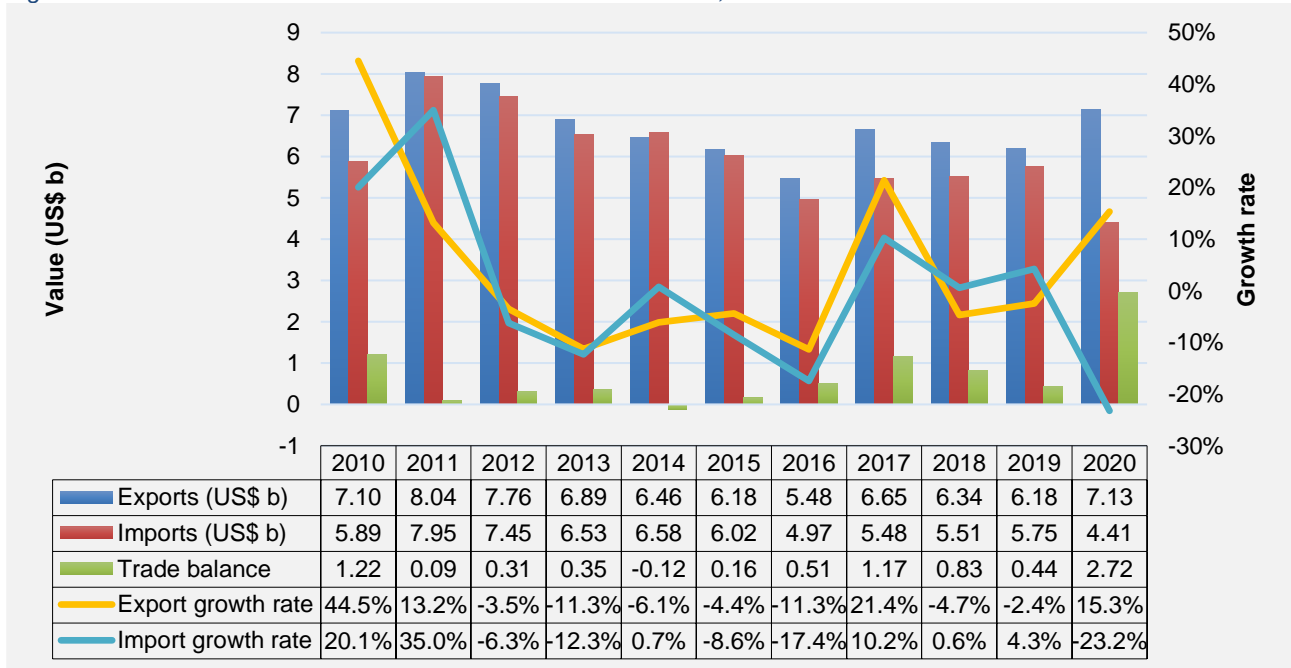
Source: Trade Map (2021)

3.3 Trade between South Africa and the United States

South Africa is the United States' largest trade partner in Africa in terms of both exports and imports. Figure 17 shows South Africa's trade with the US between 2010 and 2020. Despite the adverse impact of the coronavirus pandemic on global commerce, South Africa's exports to the US increased by 15.3% in 2020. This was due to the

huge increase in the exports of products such as platinum, motor cars, reaction initiators and citrus fruit. On the contrary, South Africa's imports from the US decreased from US\$5.75 billion in 2019 to US\$4.41 billion in 2020, which represents a 23.2% decline.

Figure 17: Trade flows between South Africa and the United States, 2010-2020



Source: Quantec (2021)

Platinum, which was South Africa's largest exported product to the US in 2020, accounted for over two-fifth of the country's total exports to the North American nation. Over the past 5 years, the exports of platinum from South Africa to the US has grown at an average rate of 25.43%. Motor cars; Ferro-alloys; centrifuges; and unwrought aluminium completed the list of the top five South African products which were exported to the US.

Figure 18: Top 10 products exported from South Africa to the United States, 2020

	Value (US\$ b)	Share (%)	% growth (2016-2020)
Platinum, unwrought or in semi-manufactured forms, or in powder form	3.3	46.23	25.43
Motor cars and other motor vehicles principally designed for the transport of persons	0.56	7.9	-3.58
Ferro-alloys	0.23	3.24	-6.29
Centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases	0.22	3.05	-5.27
Unwrought aluminium	0.21	2.89	34.62
Granulated slag (slag sand) from the manufacture of iron or steel	0.17	2.44	2.23
Titanium ores and concentrates	0.14	1.92	2.06
Reaction initiators, reaction accelerators and catalytic preparations	0.13	1.88	305.22
Articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal	0.11	1.56	14.46
Acyclic hydrocarbons	0.09	1.24	-9.13

Source: Quantec (2021)

The top three US products that were imported to South Africa in 2020 were original equipment components (US\$301.72 m); colloidal precious metals (US\$187.26 m); and diagnostic or laboratory reagents ((US\$169.15 m). Colloidal precious metals recorded the highest average annual growth rate among the top 10 South African imports from the US during the past five years.

Figure 19: Top 10 products imported from the United States to South Africa, 2020

	Value (US\$ m)	Share (%)	% growth (2016-2020)
Original equipment components	301.72	6.84	22.37
Colloidal precious metals; inorganic or organic compounds of precious metals; amalgams of precious metals	187.26	4.24	20,064.3
Diagnostic or laboratory reagents on a backing, prepared diagnostic or laboratory reagents whether or not on a backing	169.15	3.83	13.34
Parts and accessories of the motor vehicles of headings 87.01 to 87.05	142.47	3.23	7.83
Instruments and appliances used in medical, surgical, dental or veterinary sciences, including scintigraphic apparatus	137.54	3.12	-3.2
Other aircraft (for example, helicopters, aeroplanes); spacecraft (including satellites) and suborbital and spacecraft launch vehicles	105.9	2.4	1.11
Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers	102.87	2.33	28.86
Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses	102.11	2.31	-9.14
Parts suitable for use solely or principally with the machinery of headings 84.25 to 84.30	95.8	2.17	-7.33
Parts of goods of heading 88.01 or 88.02	81.83	1.85	-5

Source: Quantec (2021)

3.4 Trade Agreements between South Africa and the United States

South Africa is eligible for preferential trade benefits under the African Growth and Opportunity Act (AGOA), which was enacted in 2000 by the US congress. In 2012, the United States and South Africa signed an amended Trade and Investment Framework Agreement (TIFA), which replaced the original agreement signed in 1999. The two countries have a bilateral tax treaty that helps to eliminate double taxation. Moreover, the Southern African Customs Union, which South Africa is part of, signed a Trade, Investment, and Development Cooperative Agreement (TIDCA) with the United States in 2008. Tariffs imposed on South African exports to the United States in 2020 are contained in Table 3 below.

Table 3: Equivalent ad valorem tariff applied by the United States on imports from South Africa, 2020

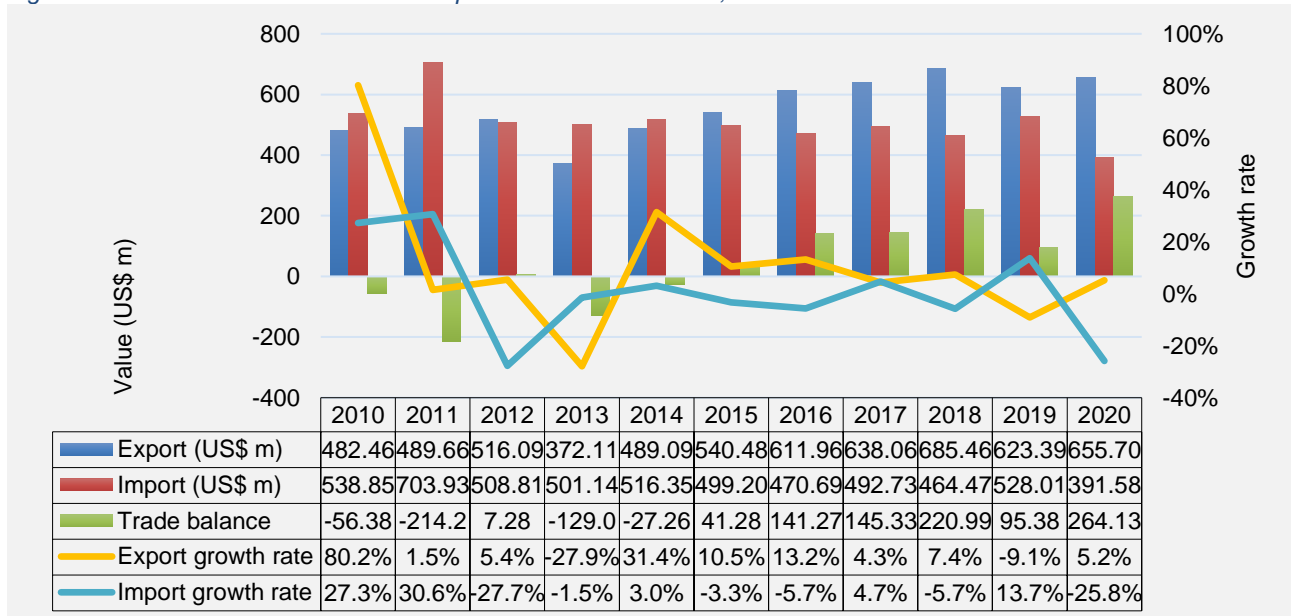
Product	Tariff (%)	Product	Tariff (%)
Live animals	0	Printed books, newspapers, pictures ...	0
Meat and edible meat offal	2	Silk	0
Fish and crustaceans, molluscs and other aquatic invertebrates	0	Wool, fine or coarse animal hair; horsehair yarn ...	6
Dairy produce; birds' eggs; natural honey; ...	14	Cotton	8
Products of animal origin, not elsewhere specified or included	0	Other vegetable textile fibres; paper yarn ...	1
Live trees and other plants; bulbs, roots and the like; cut flowers and ...	0	Man-made filaments; strip and the like of man-made textile ...	10
Edible vegetables and certain roots and tubers	0	Man-made staple fibres	8
Edible fruit and nuts; peel of citrus fruit or melons	0	Wadding, felt and nonwovens; special yarns; twine, cordage, ...	2
Coffee, tea, maté and spices	0	Carpets and other textile floor coverings	2
Cereals	0	Special woven fabrics; tufted textile fabrics; lace; tapestries; ...	8
Products of the milling industry; malt; starches; inulin; wheat gluten	0	Impregnated, coated, covered or laminated textile fabrics; ...	3
Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; ..	1	Knitted or crocheted fabrics	11
Lac; gums, resins and other vegetable saps and extracts	0	Articles of apparel and clothing accessories, knitted ...	0
Vegetable plaiting materials; vegetable products	0	Articles of apparel and clothing accessories, not knitted ...	0
Animal or vegetable fats and oils and their cleavage products; ...	0	Other made-up textile articles; sets; worn clothing ...	8
Preparations of meat, of fish or of crustaceans, molluscs ...	0	Footwear, gaiters and the like; parts of such articles	0
Sugars and sugar confectionery	11	Headgear and parts thereof	4
Cocoa and cocoa preparations	4	Umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, ...	0
Preparations of cereals, flour, starch or milk; pastrycooks' products	2	Prepared feathers and down and articles made of feathers ...	0
Preparations of vegetables, fruit, nuts or other parts of plants	1	Articles of stone, plaster, cement, asbestos, mica ...	0
Miscellaneous edible preparations	5	Ceramic products	0
Beverages, spirits and vinegar	0	Glass and glassware	0
Residues and waste from the food industries; prepared animal fodder	2	Natural or cultured pearls, precious or semi-precious stones, ...	0
Tobacco and manufactured tobacco substitutes	23	Iron and steel	0
Salt; sulphur; earths and stone; plastering materials, lime and cement	0	Articles of iron or steel	0
Ores, slag and ash	0	Copper and articles thereof	0
Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	0	Nickel and articles thereof	0
Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	0	Aluminium and articles thereof	0
Organic chemicals	0	Lead and articles thereof	0
Pharmaceutical products	0	Zinc and articles thereof	0
Fertilisers	0	Tin and articles thereof	0
Tanning or dyeing extracts; tannins and their derivatives; dyes, ...	0	Other base metals; cermets; articles thereof	0
Essential oils and resinoids; perfumery, cosmetic or toilet preparations	0	Tools, implements, cutlery, spoons and forks, of base metal; ...	0
Soap, organic surface-active agents, washing preparations, ...	0	Miscellaneous articles of base metal	0
Albuminoidal substances; modified starches; glues; enzymes	0	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	0
Explosives; pyrotechnic products; matches; pyrophoric alloys; ...	0	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and ...	0
Photographic or cinematographic goods	0	Railway or tramway locomotives, rolling stock ...	0
Miscellaneous chemical products	0	Vehicles other than railway or tramway rolling stock, ...	0
Plastics and articles thereof	0	Aircraft, spacecraft, and parts thereof	0
Rubber and articles thereof	0	Ships, boats and floating structures	0
Raw hides and skins (other than furskins) and leather	0	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments ...	0
Articles of leather; saddlery and harness; travel goods, handbags ...	2	Clocks and watches and parts thereof	0
Furskins and artificial fur; manufactures thereof	0	Musical instruments; parts and accessories of such articles	0
Wood and articles of wood; wood charcoal	0	Furniture; bedding, mattresses, mattress supports, cushions ...	0
Cork and articles of cork	0	Toys, games and sports requisites; ...	0
Manufactures of straw, of esparto or of other plaiting materials; ...	0	Miscellaneous manufactured articles	2
Pulp of wood or of other fibrous cellulosic material; ...	0	Works of art, collectors' pieces and antiques	0
Paper and paperboard; articles of paper pulp, of paper or of paperboard	0		

Source: Trade Map (2021)

3.5 Trade with the Western Cape

The US was the third largest destination market for the Western Cape's exports in 2020. In February 2021, the Western Cape government and the US Consulate General in Cape Town launched a joint trade and investment promotion partnership. This partnership is intended to strengthen economic ties between the two groups and increase bilateral trade and investment flows among them. After a 9.1% decline in 2019, the Western Cape's exports to the US increased by 5.2% in 2020, in spite of the general slowdown in the level of economic activities globally due to the impact of the Covid-19 pandemic. Conversely, the Western Cape's imports from the US decreased from US\$528.01 million in 2019 to US\$391.58 million in 2020, representing a 25.8% decline.

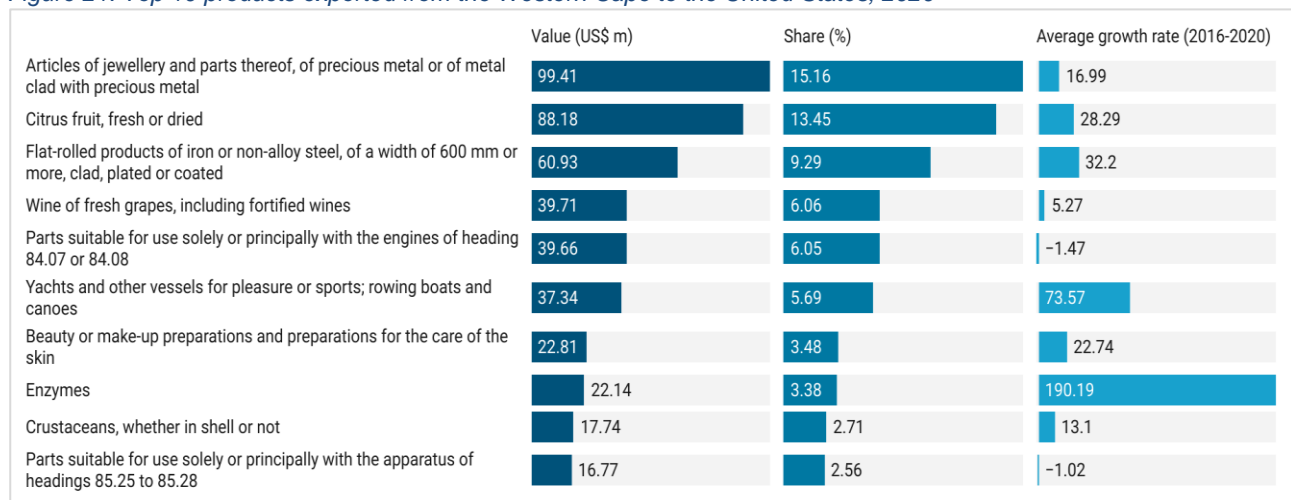
Figure 20: Trade between the Western Cape and the United States, 2010-2020



Source: Quantec (2021)

The Western Cape exported US\$655.70 million worth of goods to the US in 2020, 15.16% of which were articles of jewellery. Citrus fruit (13.45%) and flat-rolled products of iron or non-alloy steel (9.29%) completed the list of the top three products exported from the Western Cape to the US in 2020 as shown in Figure 21. Among the top ten products the US purchased from the Western Cape, enzymes (190.19%); yachts, rowing boats and canoes (73.57%); flat-rolled products of iron or non-alloy steel (32.2%); and citrus fruit (28.29%) recorded the highest average annual growth rate between 2016 and 2020.

Figure 21: Top 10 products exported from the Western Cape to the United States, 2020



Source: Quantec (2021)

Over one fifth of products imported from the US to the Western Cape in 2020 were mineral fuels, mineral oils and bituminous substances. As shown in Figure 22, refined petroleum oils (US\$22.25 m); petroleum gases (US\$20.56 m); and crude petroleum oils (US\$18.42 m) were the top three Western Cape imports from the US in 2020.

Figure 22: Top 10 products imported from the United States to the Western Cape, 2020

	Value (US\$ m)	Share (%)	% growth (2016-2020)
Petroleum oils and oils obtained from bituminous minerals, other than crude	22.25	5.68	-14.96
Petroleum gases and other gaseous hydrocarbons	20.56	5.25	1,278.82
Petroleum oils and oils obtained from bituminous minerals, crude	18.42	4.7	92,645,606.93
Instruments and appliances used in medical, surgical, dental or veterinary sciences	15.33	3.91	0.35
Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products and plant-growth regulators, disinfectants and similar products	10.42	2.66	31.25
Orthopaedic appliances, including crutches, surgical belts and trusses; splints and other fracture appliances; artificial parts of the body, hearing aids and other appliances which are worn or carried, or implanted in the body, to compensate for a defect	10.2	2.61	-0.8
Other aircraft (for example, helicopters, aeroplanes); spacecraft (including satellites) and suborbital and spacecraft launch vehicles	9.7	2.48	68.28
Centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases	9.41	2.4	3.6
Wheat and meslin	9.32	2.38	-39.93
Meat and edible offal, of the poultry of heading 01.05, fresh, chilled or frozen	9.06	2.31	7,056.69

Source: Quantec (2021)

3.6 Travel distance and time from Cape Town to the major ports in the United States

Port of Los Angeles, Port of Long Beach, and Port of New York and New Jersey are the busiest as well as the largest ports in the US. The table below shows the transit times for shipping from Cape Town to the top ten ports in the United States.

Table 4: Transit time from Cape Town port to the top 10 ports in the United States

Rank	Port	Distance	Transit Time
1	Port of Los Angeles	11 578 nm	48.2 days
2	Port of Long Beach	11 578 nm	48.2 days
3	Port of New York and New Jersey	9 039 nm	37.7 days
4	Georgia Ports (Savannah and Brunswick)	Savannah: 8 846 / Brunswick: 8 797 nm	36.9 days / 36.7 days
5	Port of Seattle-Tacoma	12 852 nm	53.6 days
6	Port of Virginia	8 866 nm	36.9 days
7	Port of Houston	9 548 nm	39.8 days
8	South Carolina ports (George Town and Charleston)	George Town: 8 283 nm / Charleston: 8 853 nm	34.5 days / 36.9 days
9	Port of Oakland	12 045 nm	50.2 days
10	Port of Miami	8 482 nm	35.3 days

Source: Ports.com (2021)

4. Foreign Direct Investment

This section analyses inward and outward Greenfield Foreign Direct Investment (FDI) flows to and from the US between 2013 and 2020.

4.1 Inward FDI from the rest of the world to the United States

The US is a top destination for inward FDI due to its highly development infrastructure, productive workforce, huge consumer base, and highly innovative business environment. Between 2013 and 2020, the US recorded a total number of 13 573 projects, which generated a total capital expenditure of US\$546.59 billion and created

over a million jobs. FDI inflows to the US was US\$52.13 billion in 2020, down 57% compared to the previous year. Similarly, the number of FDI projects declined from 2 371 in 2019 to 1 491 in 2020.

Figure 23: Inward FDI into the United States, 2013-2020

	Number of projects	Capital expenditure (US\$ b)	Jobs created
2013	1736	61.5	124763
2014	1766	58.62	116101
2015	1932	61.23	125474
2016	810	35.57	47717
2017	1438	91.29	133066
2018	2029	64.26	170368
2019	2371	121.98	189932
2020	1491	52.13	112001
Total	13573	546.59	1019422

Source: BVD (2021)

Table 5 contains a list of the top ten investor countries in the US in terms of both the number of FDI projects and the amount of capital expenditure from 2013 to 2020. Japan (11.8%) and Germany (11%) were the top two countries with the largest amount of capex in the US, while Germany (14.4%) and the United Kingdom (13.4%) had the highest number of FDI projects in the US.

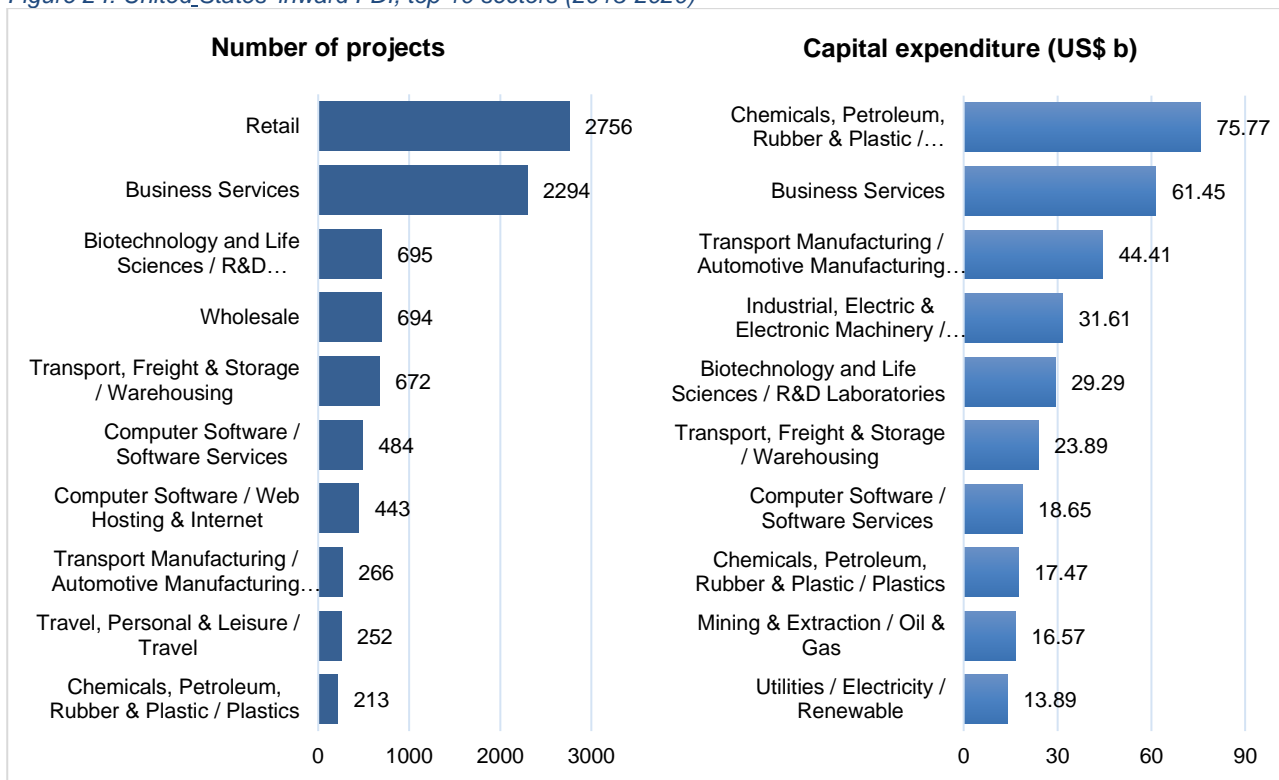
Table 5: Top 10 source markets for inward FDI into the United States, 2013-2020

Rank	By Project			Rank	By Capex		
	Country	Number of projects	Share		Country	Capex (US\$ b)	Share
1	Germany	1958	14.4%	1	Japan	64.40	11.8%
2	United Kingdom	1823	13.4%	2	Germany	60.34	11.0%
3	Japan	1077	7.9%	3	Taiwan, China	52.47	9.6%
4	France	1053	7.8%	4	United Kingdom	49.13	9.0%
5	Canada	834	6.1%	5	China	36.43	6.7%
6	China	560	4.1%	6	Canada	34.18	6.3%
7	Switzerland	518	3.8%	7	France	18.75	3.4%
8	Italy	505	3.7%	8	Qatar	18.15	3.3%
9	Spain	400	2.9%	9	Korea, Republic of	16.90	3.1%
10	Sweden	398	2.9%	10	Switzerland	14.72	2.7%
	Other	4447	32.8%		Other	181.11	33.1%
	Total	13573	100%		Total	546.59	100%

Source: BVD (2021)

As shown in Figure 24, Most of the capital inflows to the US were destined for the following industries: chemicals, petroleum, rubber and plastic (US\$75.77 b); business services (US\$61.45 b); transport manufacturing (US\$44.41 b). Similarly, the retail industry and business services recorded the highest number of inward FDI projects in the US between 2013 and 2020.

Figure 24: United_States' inward FDI, top 10 sectors (2013-2020)



Source: BVD (2021)

Table 5 shows the top ten global ultimate owners (GUOs) with the highest number of FDI projects in the US from 2013 to 2020. Aldi International Services top the list with 358 projects, followed by Porsche automobile with 115 projects.

Table 6: Top ten GUOs for inward FDI into the United States, by project (2013-2020)

Rank	Company name	Country	Number of projects	Capex (US\$ m)
1	Aldi International Services GmbH & Co. oHG	Germany	358	2620.55
2	Porsche Automobile Holding SE	Germany	115	1550.51
3	Groupe Arnault SE	France	113	354.18
4	Stefan Persson Placering AB	Sweden	79	112.97
5	Financiere Pinault SCA	France	75	274.37
6	Groupe Arnault SAS	France	68	329.39
7	Deutsche Post AG	Germany	58	1695.74
8	Hennes & Mauritz AB	Sweden	49	70.83
9	Compagnie Financiere Rupert	Switzerland	47	191.14
10	InterContinental Hotels Group plc	United Kingdom	46	1090.26

Source: BVD (2021)

4.2 Outward FDI from the United States to the rest of the world

Multinational enterprises (MNEs) from the US have investments in nearly every country in the world. Capital outflows from the US to the rest of the world totalled US\$917.90 billion over the 2013-2020 period. These investments created about 2.4 million jobs. FDI outflows in 2020 amounted to US\$89.72 billion, down from US\$146.24 billion in 2019 (-38.6%). The number of outward FDI projects also declined by approximately 43% in 2020. It can be assumed that MNEs from the US held back on some of their outward investment decision due to uncertainties arising from the global pandemic.

Figure 25: United States' FDI outflows, 2013-2020

	Number of projects	Capital expenditure (US\$ b)	Jobs created (thousand)
2013	2995	98.38	249
2014	3180	104.6	266
2015	3301	107.24	322
2016	2036	57.87	151
2017	2963	126.58	273
2018	4560	187.26	402
2019	4901	146.24	497
2020	2803	89.72	281
Total	26739	917.9	2440

Source: BVD (2021)

Outward FDI from the US was the largest in China (11.3%), followed by India (6.2%) and the United Kingdom (6.1%) during the 2013-2020 period. Mozambique, in 10th position, was the only African country that made the list for the top ten destination markets for capital outflow from the US. The top three countries that received the highest number of FDI projects from the US during the period under consideration were the United Kingdom (10.9%), China (8.3%) and Germany (7.7%).

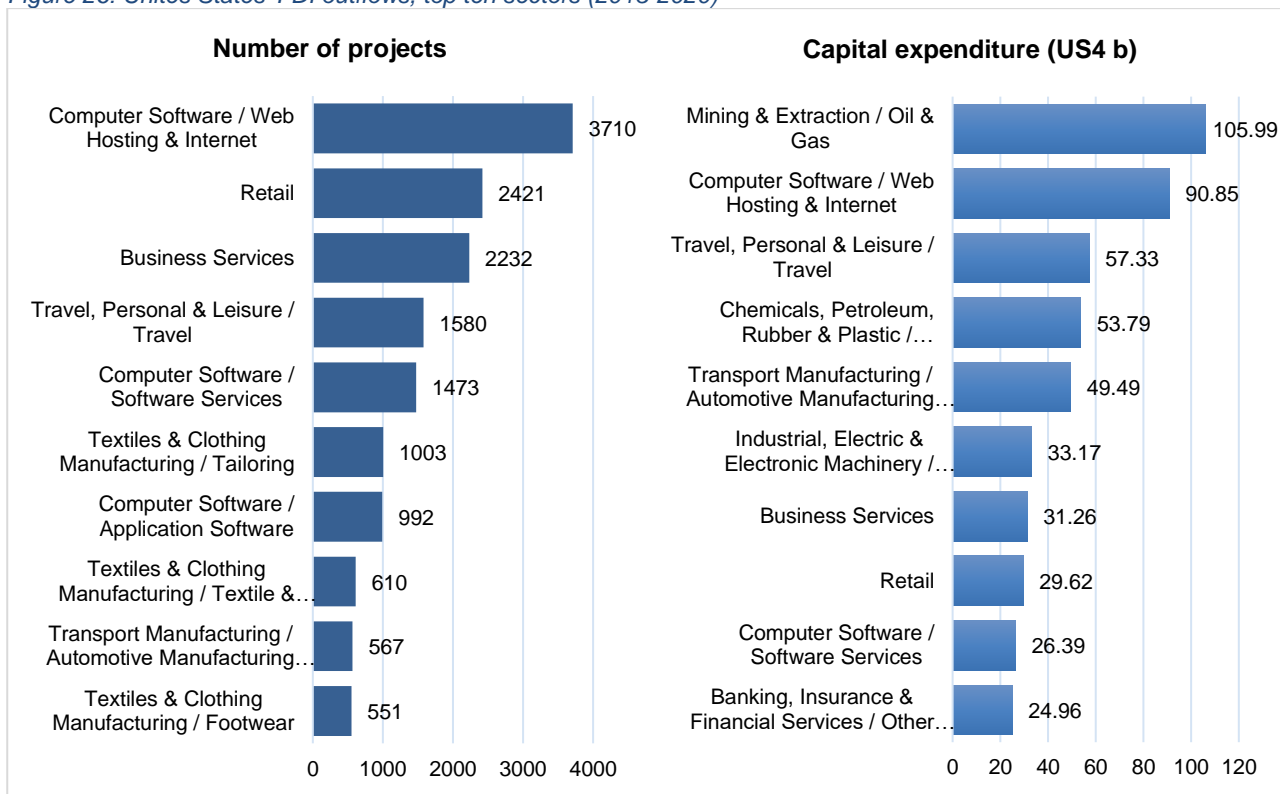
Table 7: Top ten destination markets for outward FDI from the United States, 2013-2020

By project				By Capex			
Rank	Country	Number of projects	Share	Rank	Country	Capex (US\$ b)	Share
1	United Kingdom	2918	10.9%	1	China	103.37	11.3%
2	China	2206	8.3%	2	India	57.03	6.2%
3	Germany	2071	7.7%	3	United Kingdom	56.22	6.1%
4	India	1695	6.3%	4	Germany	38.19	4.2%
5	Canada	1492	5.6%	5	Canada	37.69	4.1%
6	Mexico	1126	4.2%	6	Japan	37.54	4.1%
7	France	960	3.6%	7	Mexico	35.33	3.8%
8	Australia	940	3.5%	8	Spain	30.92	3.4%
9	Spain	874	3.3%	9	Singapore	26.12	2.8%
10	Singapore	833	3.1%	10	Mozambique	26.03	2.8%
	Other	11624	43.5%		Other	469.46	51.1%
	Total	26739	100%		Total	917.90	100%

Source: BVD (2021)

About 12% of capex that emanated from the US to the rest of the world during the 2013-2020 period were made in the mining and extraction as well as the oil and gas industry, whereas computer software, web hosting and internet accounted for approximately 10%. In terms of the number of outward FDI project, computer software, web hosting and internet was the leading industry, followed by retail and business services.

Figure 26: Unites States' FDI outflows, top ten sectors (2013-2020)



Source: BVD (2021)

With 501 FDI projects, Marriott International tops the list of the leading ten GUOs from the US that invested in the rest of the world between 2013 and 2020. Amazon (460 projects), Tesla (416 projects), Walmart (306 projects) and PVH Corporation (283 project) completed the list of the top five United States GUOs with the highest number of FDI projects across the globe during the period under review.

Table 8: Top ten GUOs for outward FDI from the United States, by project (2013-2020)

Rank	Company name	Number of projects	Capital expenditure (US\$ b)
1	Marriott International Inc.	501	12.29
2	Amazon.com Inc.	460	22.93
3	Tesla Inc.	416	20.14
4	Walmart Inc.	306	8.67
5	PVH Corporation	283	0.55
6	SWOOSH LLC	274	2.31
7	VF Corporation	240	0.68
8	United Parcel Service Inc.	186	8.47
9	TJX Companies Inc., The	177	0.30
10	Apple Inc.	165	6.17

Source: BVD (2021)

4.3 FDI flows between South Africa and the United States

This sub-section focuses on FDI flows between the US and South Africa from 2013 to 2020.

4.3.1 FDI flows from the United States to South Africa

Between 2013 and 2020, American MNEs undertook a total of 200 FDI projects in South Africa. These projects generated an estimated capital investment of US\$4.68 billion, leading to the creation of about 24 701 jobs. FDI

inflows from the US to South Africa in 2020 amounted to US\$413 million, a 53% decline compared to the previous year's value.

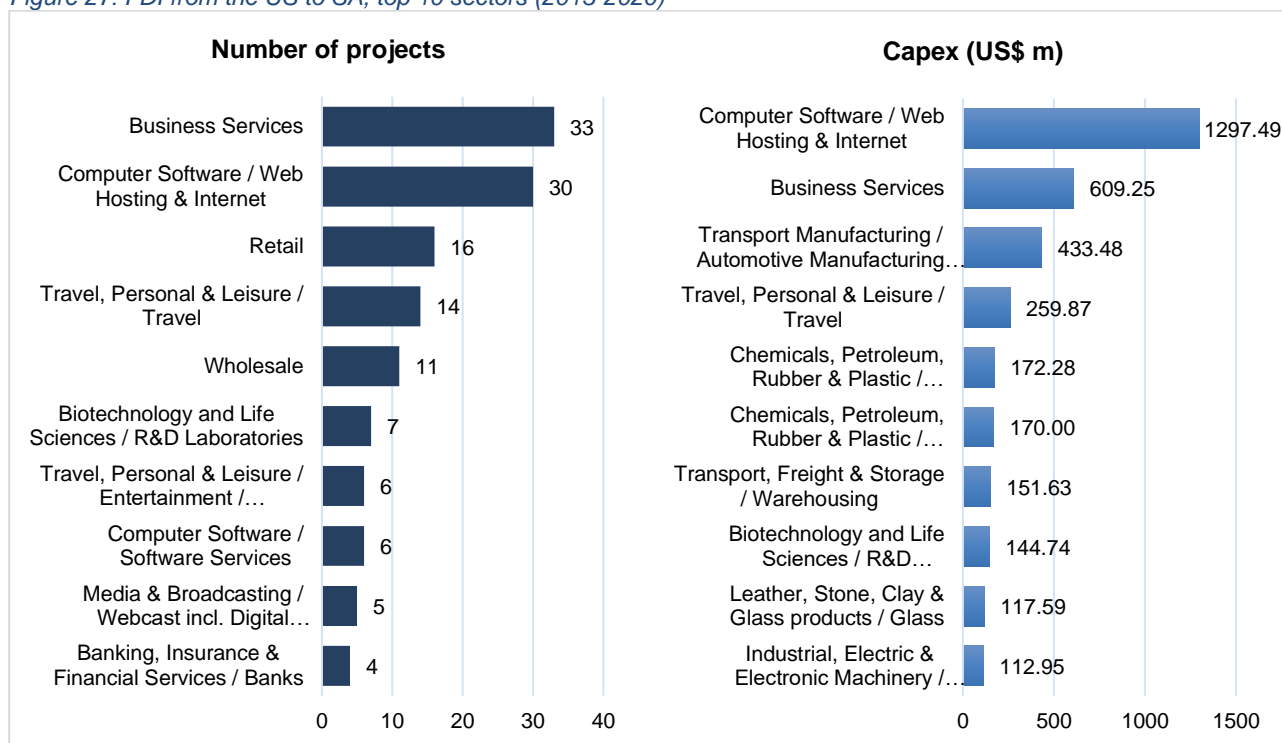
Table 9: FDI from the United States to South Africa, 2013-2020

Year	Number of projects	Capex (US\$ m)	Jobs created
2013	23	367	2,123
2014	23	766	1,861
2015	39	571	4,070
2016	9	82	995
2017	23	747	3,476
2018	33	859	2,371
2019	27	877	5,233
2020	23	413	4,572
Total	200	4,683	24,701

Source: BVD (2021)

The South African industry that received the largest amount of capex from the US during the 2013-2020 period was software and information technology (US\$1.30 b), followed by business services (US\$609.25 m). Moreover, the industries that benefitted from the highest number of FDI projects from the US were business services; software and information technology; and retail.

Figure 27: FDI from the US to SA, top 10 sectors (2013-2020)



Source: BVD (2021)

As shown in Table 10, Amazon; Starbucks; and Timken were the top three American companies with the highest number of FDI projects from 2013 to 2020

Table 10: Top 10 Companies from the United States investing in South Africa, by project (2013-2020)

Rank	Company name	Number of projects	Capex (US\$ m)
1	Amazon.com Inc.	9	188.62
2	Starbucks Corporation	6	18.62
3	Timken Company, The	6	271.60
4	Marriott International Inc.	5	115.04
5	Oracle Corporation	5	105.92
6	Carlson Inc.	4	90.40
7	Ford Motor Company	4	538.71
8	TCG Carlyle Global Partners LLC	4	26.63
9	Goldman Sachs Group Inc.	3	163.85
10	Varian Medical Systems Inc.	3	49.47

Source: BVD (2021)

4.3.2 FDI flows from South Africa to the United States

There was a total of 31 FDI projects by companies of South African origin in the US market between 2013 and 2020. These projects were accompanied by a total capital expenditure of US\$12.18 billion, 85% of which was by Sasol in 2014. Capital outflows from South Africa to the US declined by 96% to US\$44.76 million in 2020.

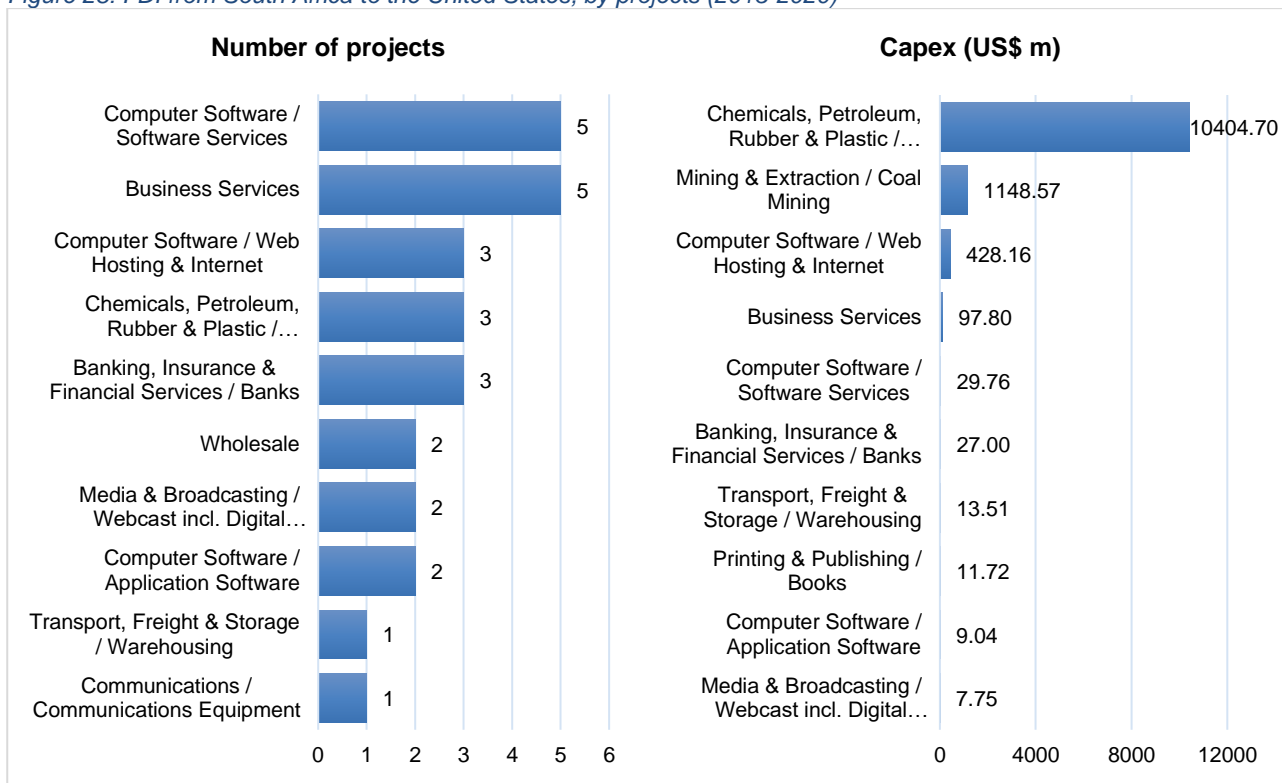
Table 11: FDI from South Africa to the United States, 2013-2020

Year	Number of projects	Capex (US\$ m)	Jobs created
2013	5	27.59	56
2014	3	10434.83	230
2015	4	18.76	476
2016	2	9.10	247
2017	3	147.85	26
2018	7	322.74	170
2019	4	1191.85	580
2020	3	44.76	84
Total	31	12197.48	1869

Source: BVD (2021)

Approximately 85% of capex that originated from South Africa to the US during the 2013-2020 period was from the chemicals, petroleum, rubber and plastic industry. Furthermore, software and business services were the top two industries in terms of the number of FDI projects.

Figure 28: FDI from South Africa to the United States, by projects (2013-2020)



Source: BVD (2021)

Naspers, with 11 projects, was the South African company with the highest number of FDI projects in the US during the period under consideration, followed by Absa (3 projects) and Sasol (2 projects).

Table 12: South African companies investing in the United States, by projects (2013-2020)

Rank	Company name	Number of projects	Capital expenditure (US\$ m)
1	Naspers Ltd	11	469.09
2	Absa Group Ltd	3	27.00
3	Sasol Ltd	2	10400.00
4	Cartrack Holdings Ltd	1	4.55
5	Datatec Ltd	1	8.20
6	MiX Telematics Ltd	1	4.51
7	Omnia Holdings Ltd	1	4.70
8	Petmin Ltd	1	1148.57
9	Standard Bank Group Ltd	1	11.72
10	Verityhurst (Pty) Ltd	1	3.49

Source: BVD (2021)

4.4 FDI flows between the Western Cape and the United States

About half of South Africa's outward FDI to the US originated from the Western Cape between 2013 and 2020. The province also received the second highest number of FDI projects and the second largest amount of capex from the US.

4.4.1 FDI from the United States to the Western Cape

During the period under review, a total of 52 FDI projects were undertaken by American MNEs in the Western Cape, generating a capital inflow of US\$1.07 billion and creating 4 460 jobs in the process.

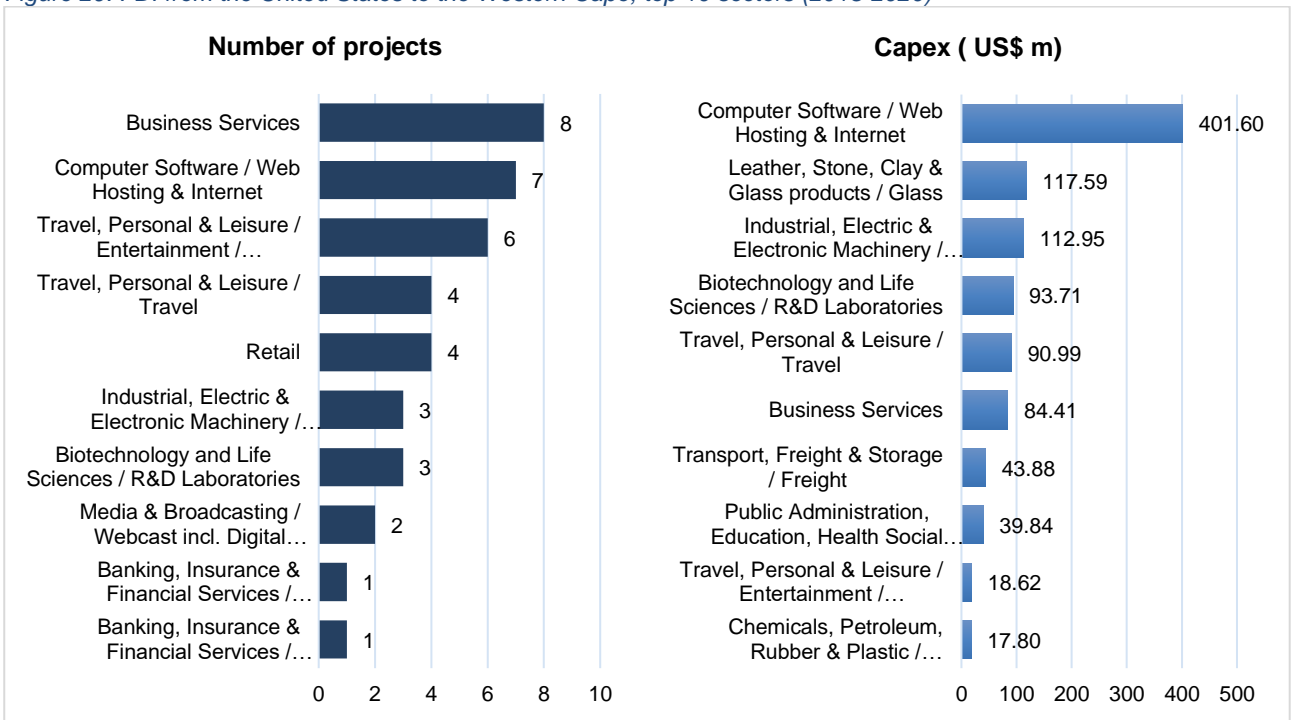
Table 13: FDI from the United States to the Western Cape, 2013-2020

	Number of projects	Capex (US\$ m)	Jobs created
2013	6	42.6	419
2014	7	103.73	415
2015	11	113.42	306
2016	3	60.99	917
2017	3	155.86	301
2018	6	134.29	297
2019	7	283.5	1050
2020	9	177.15	755
Total	52	1071.54	4460

Source: BVD (2021)

In terms of the amount of capex, FDI from the US to the Western Cape during the 2013-2020 period was concentrated in the software and information technology industry, which accounted for 37.5% of total capex. On the basis of the number of FDI projects, business services (15.4%); software and information technology (13.5%); and personal and leisure travel, entertainment and restaurants (11.5%) were the top three industries.

Figure 29: FDI from the United States to the Western Cape, top 10 sectors (2013-2020)



Source: BVD (2021)

Starbucks (6 projects), Amazon (4 projects), and Marriott International (3 projects) were the top three American companies with the highest number of FDI projects in the Western Cape as shown in Table 14.

Table 14: Companies from the United States investing in the Western Cape, 2013-2020

Rank	Company name	Number of projects	Capital expenditure (US\$ m)
1	Starbucks Corporation	6	18.62
2	Amazon.com Inc.	4	167.57
3	Marriott International Inc.	3	69.83
4	Airmar Technology Corporation	2	28.66
5	Johnson & Johnson	2	57.64
6	Carlson Inc.	1	21.16
7	DAVACO Inc.	1	5.23
8	Hurricane Electric LLC	1	n.a.
9	Morningstar Inc.	1	11.20
10	Newell Brands Inc.	1	73.55

Source: BVD (2021)

4.4.2 FDI from the Western Cape to the United States

Between 2013 and 2020, the US was largest destination market for outward FDI from the Western Cape based on the amount of capital expenditure, and the second largest in terms of the number of projects. Overall, 15 FDI projects, with a total capex of US\$564 million, were recorded from the Western Cape to the US during this period.

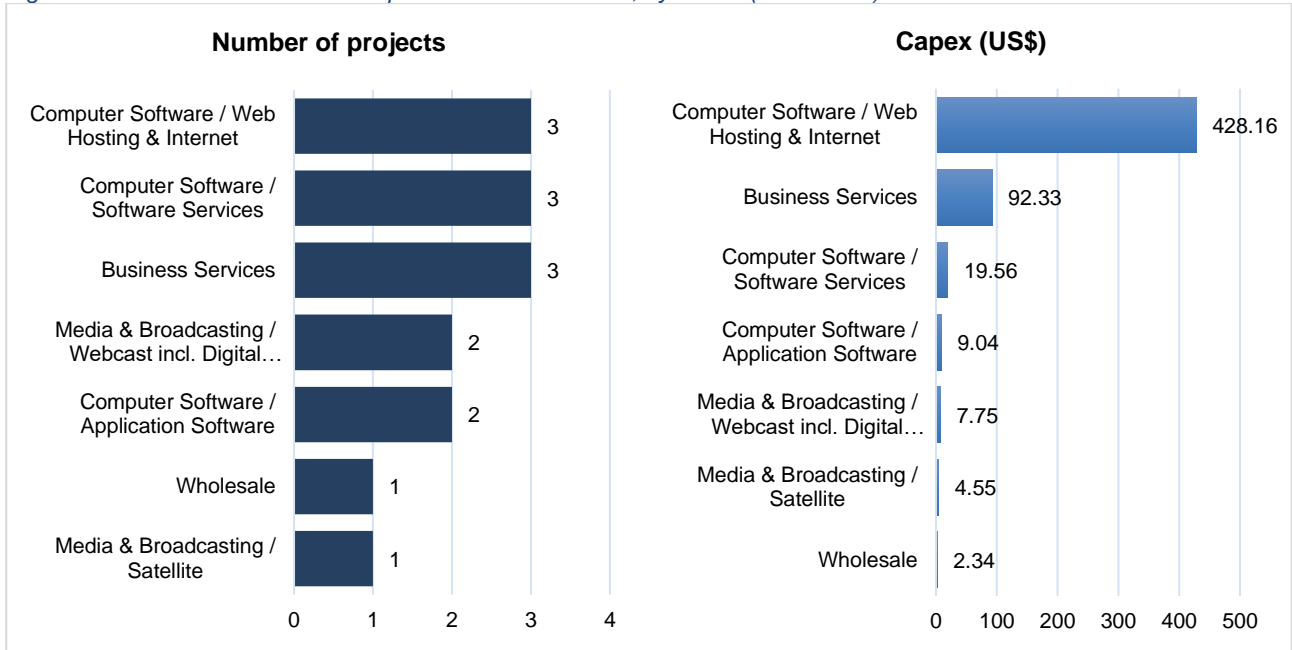
Table 15: FDI from the Western Cape to the United States, 2013-2020

Year	Number of projects	Capex (US\$ m)	Jobs created
2013	3	10	37
2014	1	35	80
2016	2	9	26
2017	3	148	247
2018	4	304	425
2019	1	28	80
2020	1	30	30
Total	15	564	925

Source: BVD (2021)

As evident in Figure 30, more than three-quarters of all capital outflows from the Western Cape to the US during the 2013-2020 period were within the software and information technology industry. Moreover, business services; computer software / software services; and information technology services accounted for 60% of the total number of FDI project, during this period.

Figure 30: FDI from the Western Cape to the United States, by sector (2013-2020)



Source: BVD (2021)

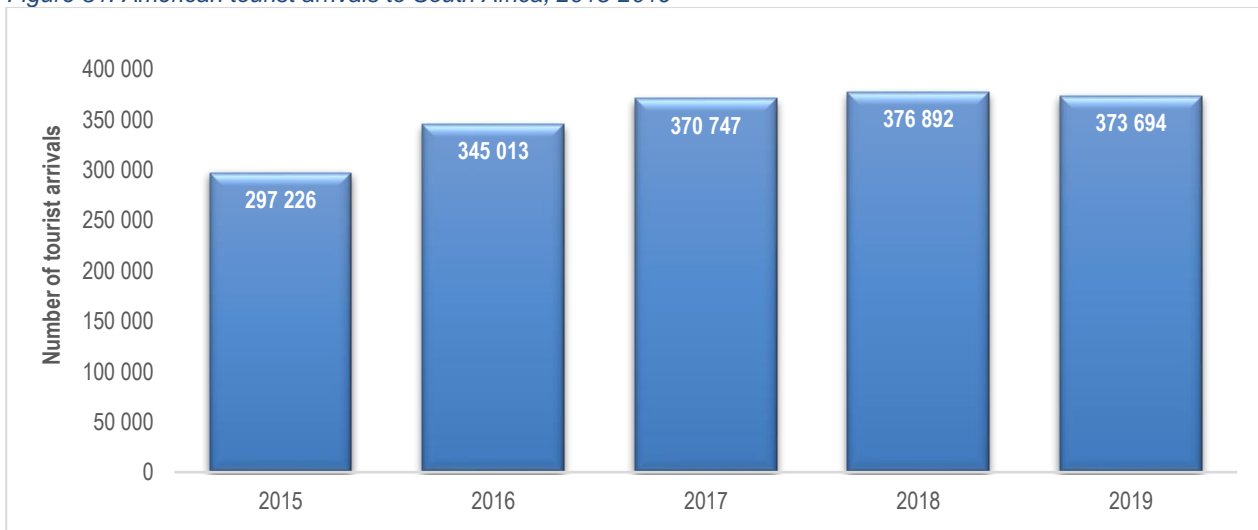
5. Tourism

The US is one of the most popular travel destinations in the world, with New York and Miami topping the list of US cities that are patronised by international travellers to the country. The US has a variety of attractions, ranging from UNESCO heritage sites to Walt Disney World. Most international visitors to the US are from the Americas, specifically from Mexico and Canada. The number of international tourist arrivals to the US was approximately 80 million in 2019 (Statista, 2021). The travel and tourism industry is a major contributor to the country's GDP and employment. The industry contributed over 1.1 trillion to GDP and assisted in creating millions of jobs in 2019 (Statista, 2021). However, the industry was severely impaired in 2020 due to the adverse impact of the Covid-19 pandemic.

5.1 United States tourist arrivals to South Africa & the Western Cape

The number of American visitors to South Africa was 373 694, down by 0.9% compared to the previous year. The relatively strong US dollar serves as an incentive to Americans who visit South Africa. About 58% of Americans visit South Africa for holiday, whereas 15% come to visit friends and family.

Figure 31: American tourist arrivals to South Africa, 2015-2019

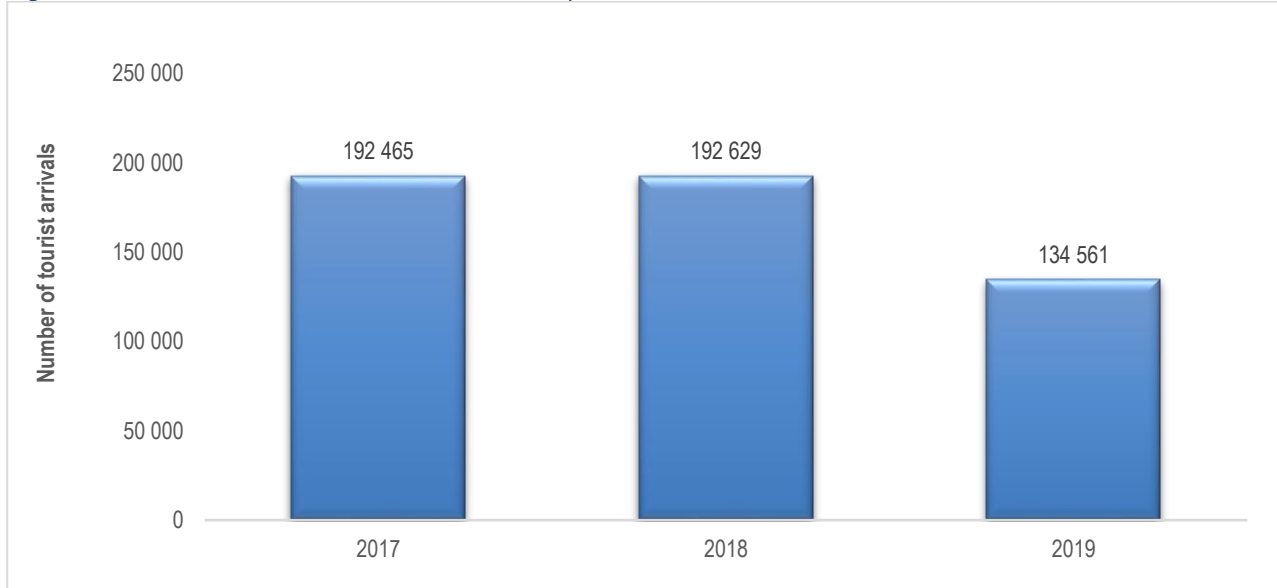


Source: SATourism, 2020

5.2 United States tourist arrivals to the Western Cape

The United States is one of the major source countries for international tourist arrivals to the Western Cape. The number of American visitors to the Western Cape decreased by 30% (to 134 561) in 2019 as shown in Figure 32.

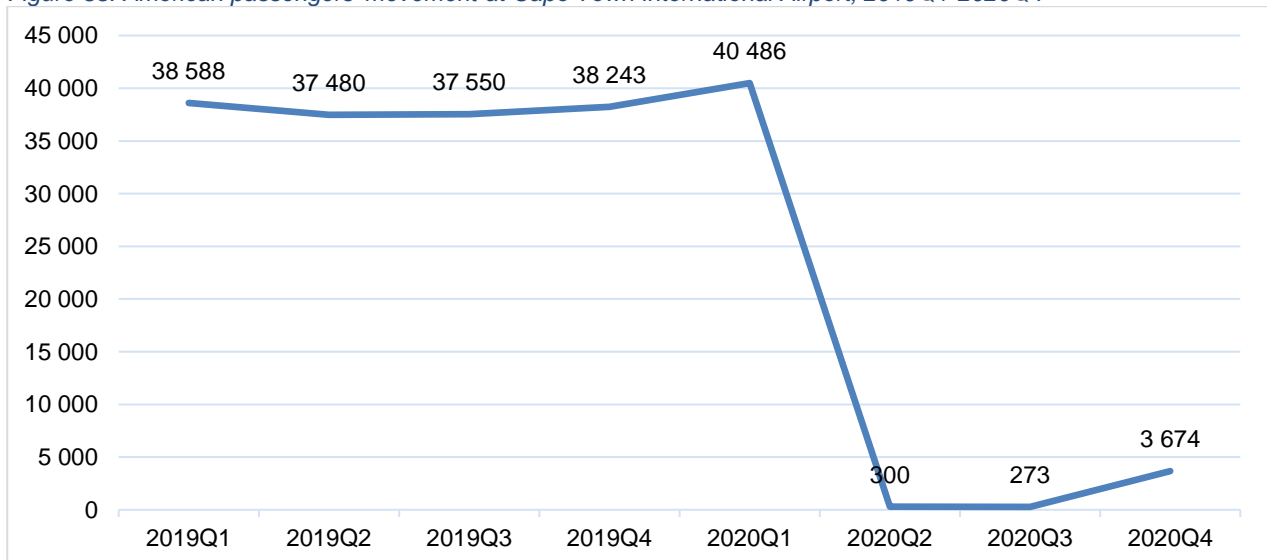
Figure 32: American tourist arrivals to the western cape, 2017-2019



Source: SATourism, 2020

Figure 33 shows the movement of American passengers through Cape Town International Airport between the first quarter of 2019 and the last quarter of 2020. As expected, there was a significant decline in the number of Americans arriving in Cape Town in the second and third quarters of 2020, in particular between April and September, due to the implementation of nationwide lockdown regulations aimed at reducing the spread of Covid-19.

Figure 33: American passengers' movement at Cape Town International Airport, 2019Q1-2020Q4



Source: Airports Company South Africa, 2021

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