



# Western Cape Quarterly Trade Report: 2022Q4

29 March 2023

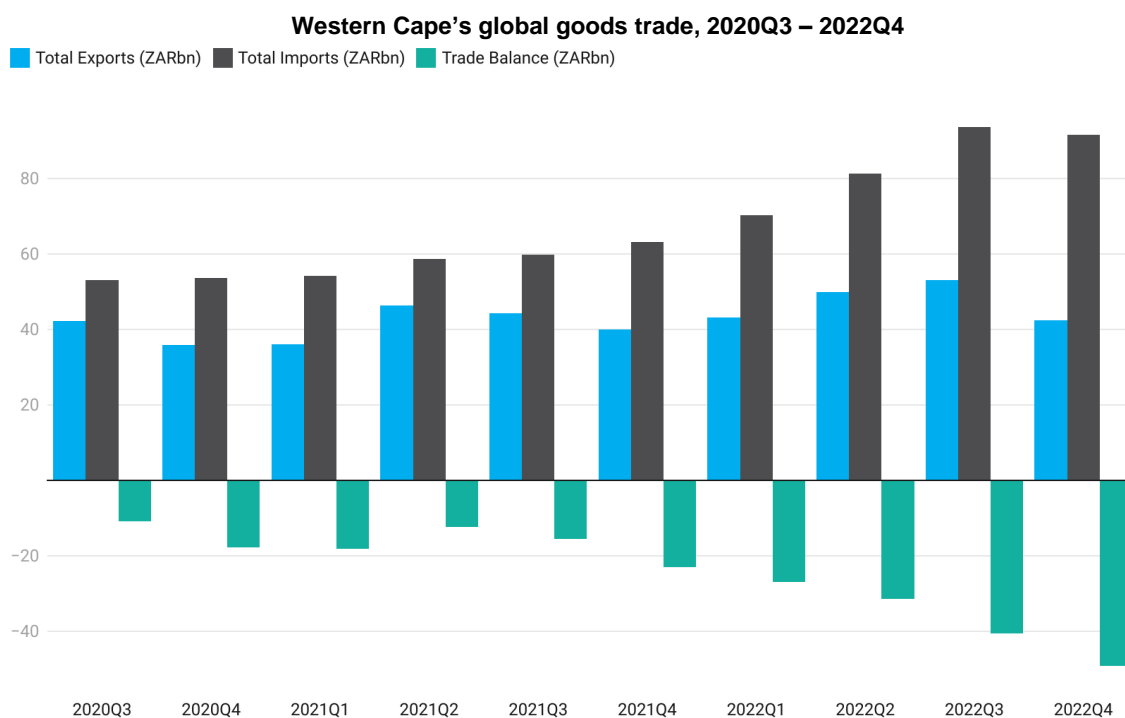
## INTRODUCTION

The global economy continues to be shaped by high inflation and weak economic growth underpinned in part by the ongoing Ukraine-Russia conflict. Domestically, South Africa's gross domestic product (GDP) declined by 1.3% in the fourth quarter of 2022, having increased in the third quarter of the year. Statistics South Africa (StatsSA) reports that the sectors which dragged the country's growth included finance, mining, agriculture, manufacturing and general government services.

Agriculture is key for the Western Cape's exports. However, the province's agricultural exports declined in 2022Q4, with major declines recorded in citrus fruit exports (-88.54% q-o-q), and apples, pears, and quinces (-50.82% q-o-q). The province's exports of agricultural products to Europe and Asia also declined. The Agricultural Business Chamber of South Africa (Agbiz) attributes the challenges with logistics in the Port of Cape Town as one of the causes for the disruption in the exports of agricultural products, in particular table grapes and other deciduous fruits. On the imports front, the Western Cape resumed imports of crude oil in 2022Q4, to a value of ZAR4.85bn, having halted the importing of this product at the beginning of the fourth quarter of 2021. Nigeria and Congo were the only source markets for the province's imports of crude oil in 2022Q4.

## WESTERN CAPE'S TRADE WITH THE REST OF THE WORLD

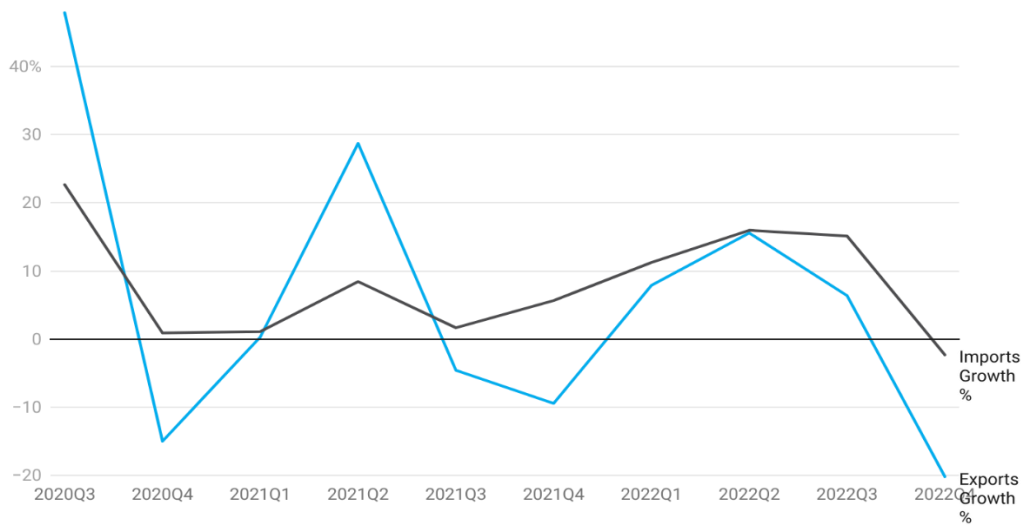
The Western Cape was a net importer of goods for the period 2020Q3 to 2022Q4. In the fourth quarter of 2022, the province's total exports stood at ZAR42.38bn, a decline of 20.24% from the 2022Q3 value of ZAR53.14bn. The decline in the province's total exports can be attributed to the decrease in key exported products such as citrus fruit (88.54%), apples (50.82%) and wine (2.89%). There was a slight decline (2.34%) in the value of imports, from ZAR93.82bn in 2022Q3 to ZAR91.63bn in 2022Q4.



Source: Quantec, 2023

The graph below reflects the growth in quarterly trade for the Western Cape between the third quarter of 2020 and the fourth quarter of 2022. The province's quarterly exports growth averaged 5.4% during this period. Imports growth, in turn, averaged 8.03% for the said period.

### Growth rates of the Western Cape's global trade (%), 2020Q3 – 2022Q4



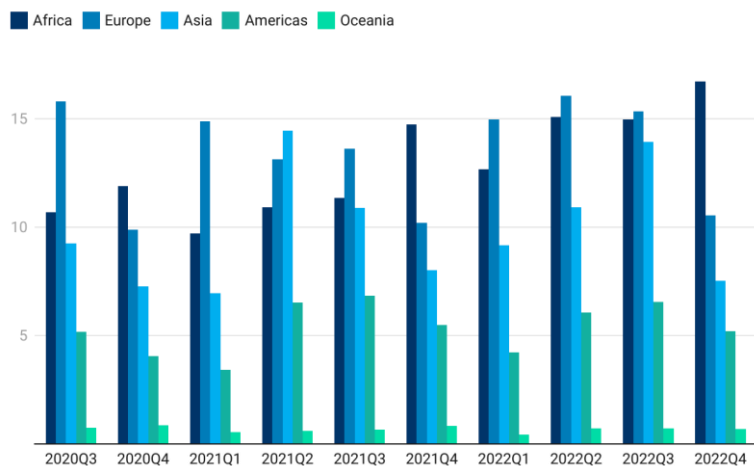
Source: Quantec, 2023

### WESTERN CAPE'S TRADE BY WORLD REGIONS

Africa was the top export region for Western Cape exports in 2022Q4. The province's exports to the region were valued at ZAR16.67bn in 2022Q4, increasing by 11.72% q-o-q from ZAR14.96 in 2022Q3. Europe came second, with ZAR10.54bn worth of exports, a decline of 31.23% q-o-q compared to the previous quarter. Asia was third with ZAR7.52bn worth of exports, a decline of 45.99% q-o-q compared to 2022Q3.

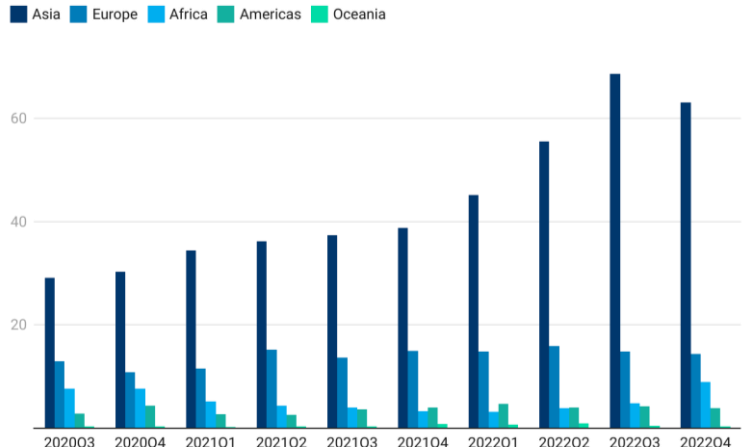
In terms of imports, Asia was the leading source region for imports into the Western Cape in the fourth quarter of 2022, with imports valued at ZAR63.09bn, a decline of 8.18% q-o-q compared to the previous quarter. Europe (ZAR14.41bn) and Africa (ZAR8.97bn) followed in second and third place respectively.

#### Western Cape's exports by world regions (ZARbn), 2020Q3-2022Q4



Source: Quantec, 2023

#### Western Cape's imports by world regions (ZARbn), 2020Q3-2022Q4



Source: Quantec, 2023

## KEY TRADE MARKETS

With a total exports value of ZAR3.45bn, Botswana was the Western Cape's leading destination market for exports in 2022Q4, followed by Namibia (ZAR3.36bn) and the United States (ZAR3.35bn). Mauritius saw the highest growth (28.13%) in exports between the third and fourth quarter of 2022.

### Western Cape's top 10 export markets, 2022Q4

	VALUE 2022Q4 (ZARbn)	% SHARE, 2022Q4	GROWTH (%), 2022Q3-2022Q4
Botswana	3.45	8.14%	18.1%
Namibia	3.36	7.93%	17.4%
United States	3.35	7.92%	-32.71%
Netherlands	2.87	6.78%	-31.73%
United Kingdom	2.55	6.03%	-15.96%
China	1.72	4.06%	-55.06%
Mozambique	1.41	3.32%	10.87%
Mauritius	1.23	2.9%	28.13%
Lesotho	1.15	2.72%	13.54%
Germany	1.15	2.71%	-19.72%

Source: Quantec, 2023

Over the same period, China was the leading source market for the Western Cape's imports, with an import value of ZAR13.9bn. Nigeria saw the highest increase in imports into the province between 2022Q3 and 2022Q4, of 88043.33%. This was mainly the imports of crude petroleum oils from the country.

### Western Cape's top 10 import markets, 2022Q4

	VALUE 2022Q4 (ZARbn)	% SHARE, 2022Q4	GROWTH (%), 2022Q3-2022Q4
China	13.9	15.17%	-16.68%
India	11.83	12.91%	29.02%
United Arab Emirates	10.81	11.8%	-0.61%
Saudi Arabia	6.52	7.12%	23.05%
Oman	4.34	4.74%	-56.47%
Nigeria	3.08	3.36%	88,043.33%
Turkey	2.59	2.83%	-38.94%
Netherlands	2.38	2.59%	203.14%
Bahrain	2.28	2.49%	77.23%
United States	2.27	2.48%	-11.45%

Source: Quantec, 2023

## TOP TRADED PRODUCTS

The Western Cape's top exported product in 2022Q4 was non-crude petroleum oils, with an export value of ZAR3.60bn (equivalent to 8.50% of the province's total export receipts). Wine (ZAR2.74bn) and coal (ZAR2.18bn) placed second and third respectively. The highest growth rate in exports (27864.64%) was recorded for apricots, cherries, peaches.

### Western Cape's top 10 exported products, 2022Q4

	EXPORTED VALUE (ZARm), 2022Q4	% SHARE 2022Q4	GROWTH (%), 2022Q3-2022Q4
Petroleum oils, other than crude	3601.52	8.50%	6.87%
Wine	2735.63	6.45%	-2.89%
Coal	2183.62	5.15%	-19.84%
Grapes	1657.77	3.91%	921.14%
Citrus fruit	1459.21	3.44%	-88.54%
Apples, pears and quinces	1292.52	3.05%	-50.82%
Other fruit	1244.68	2.94%	137.67%
Fruit juices	827.26	1.95%	12.35%
Antiques of an age exceeding one hundred years	722.49	1.70%	-18.80%
Apricots, cherries, peaches	717.61	1.69%	27864.64%

Source: Quantec, 2023

Non-crude petroleum oils was the top imported product by the Western Cape in 2022Q4, valued at ZAR44.75bn (equivalent to 48.84% of the province's total global imports). Crude petroleum oils (ZAR4.85bn) and rice (ZAR1.06bn) followed in second and third places respectively.

### Western Cape's top 10 imported products, 2022Q4

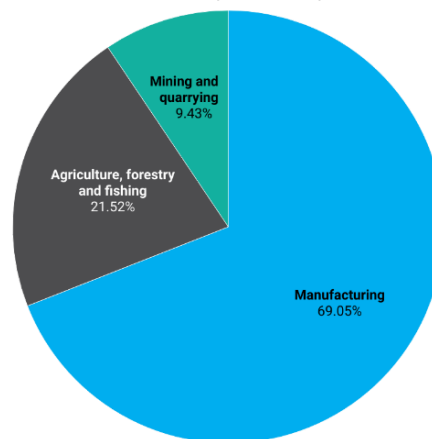
	IMPORTED VALUE (ZARm), 2022Q4	% SHARE, 2022Q4	GROWTH (%), 2022Q3-2022Q4
Petroleum oils, other than crude	44747.63	48.84%	-0.87%
Petroleum oils, crude	4849.71	5.29%	
Rice	1057.01	1.15%	-2.81%
Fish, frozen	936.93	1.02%	19.08%
Men's or boys' suits, ensembles, jackets	810.31	0.88%	-17.55%
Electric accumulators	730.42	0.80%	57.23%
Women's or girls' suits, ensembles, jackets, blazers, dresses	665.93	0.73%	-14.16%
T-shirts, singlets and other vests	585.14	0.64%	-14.35%
Other footwear with outer soles	540.80	0.59%	-43.02%
Mineral or chemical fertilisers	519.09	0.57%	-57.34%

Source: Quantec, 2023

## TRADE BY INDUSTRY

By broad sectors, the manufacturing sector is the Western Cape's top exporting sector. This sector accounted for 69.05% of the Western Cape's total export receipts in the fourth quarter of 2022. The agriculture, forestry, and fishing sector (21.52%) and the mining and quarrying sectors (9.43%) were the second and third largest sectors in terms of exports in the said quarter.

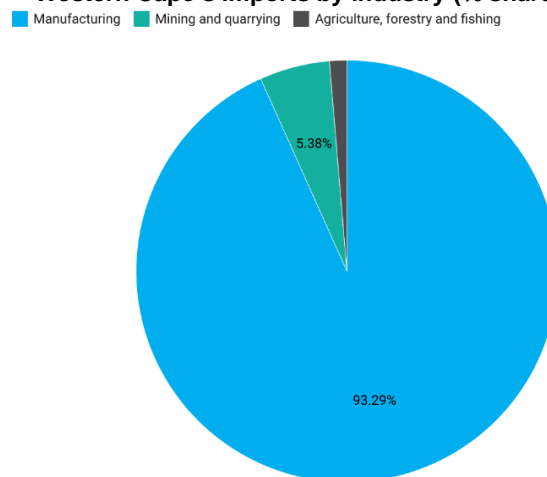
### Western Cape's exports by industry (% share), 2022Q4



Source: Quantec, 2023

The Manufacturing sector is also the Western Cape's top importing sector. In the final quarter of 2022, the sector accounted for 93.29% of the province's total imports. This was followed by mining and quarrying (5.38%) and agriculture, forestry, and fishing (1.33%).

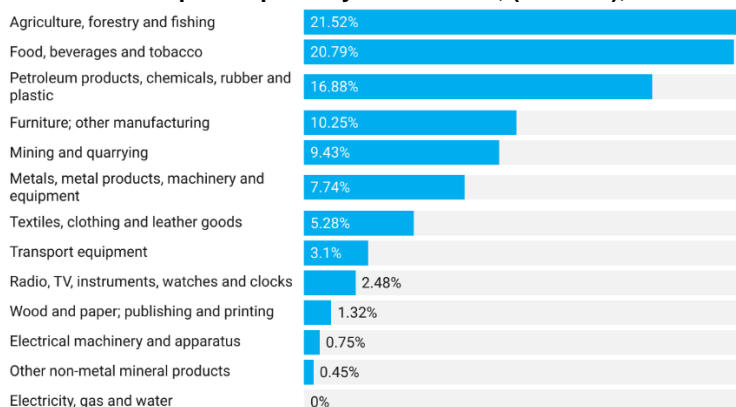
### Western Cape's imports by industry (% share), 2022Q4



Source: Quantec, 2023

Agriculture is the Western Cape's top exporting sub-sector, with a share of 21.52% of the province's total export receipts in 2022Q4. Food, beverages, and tobacco (20.79%) and petroleum products, chemicals and rubber and plastic sector (16.88%) followed in second and third places respectively.

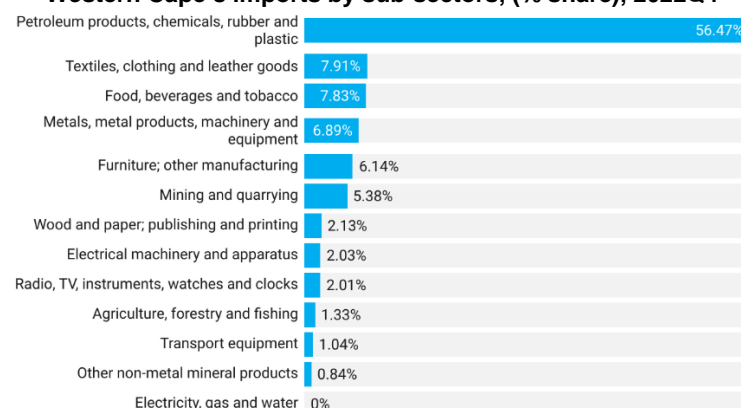
### Western Cape's exports by sub-sectors, (% share), 2022Q4



Source: Quantec, 2023

The petroleum products, chemicals, rubber and plastic sub-sector dominated the Western Cape's imports in 2022Q4, accounting for 56.47% of total imports. The textiles, clothing and leather goods sector (7.91%) and food, beverages and tobacco (7.83%) followed in second and third place respectively.

### Western Cape's imports by sub-sectors, (% share), 2022Q4

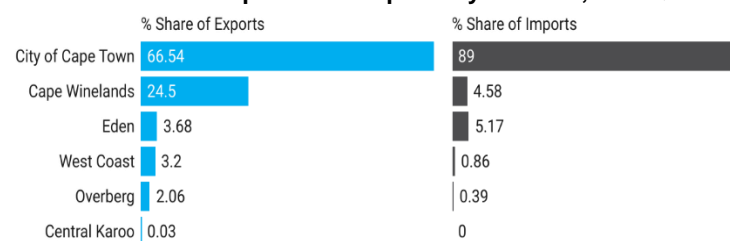


Source: Quantec, 2023

## TRADE PER DISTRICTS

The Western Cape's international trade is largely concentrated in the City of Cape Town. In 2022Q4, the city held a 66.54% share of the Western Cape's total exports and 89.00% share of total imports.

### % Share of exports and imports by districts, 2022Q4

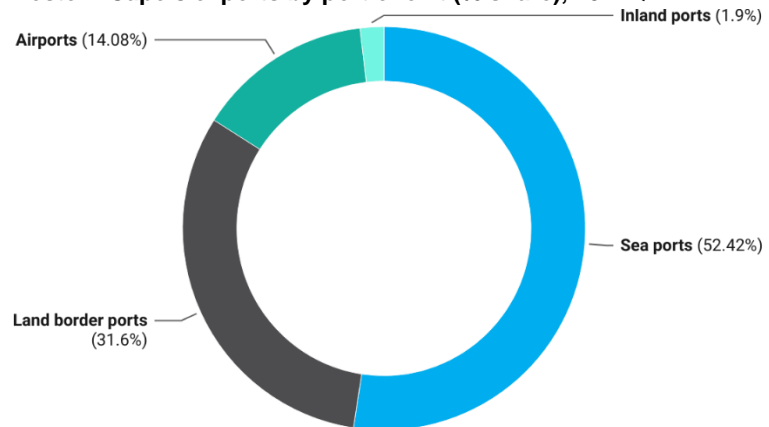


Source: Quantec, 2023

## TRADE BY PORT TYPE

Sea ports are the main exit point for the Western Cape's exports to the rest of the world. An estimated 52,42% of the province's exports in 2022Q4 passed through the seaports, followed by land border posts (31.6%) and airports (14.08%). The main seaport for Western Cape's exports is the Port of Cape Town.

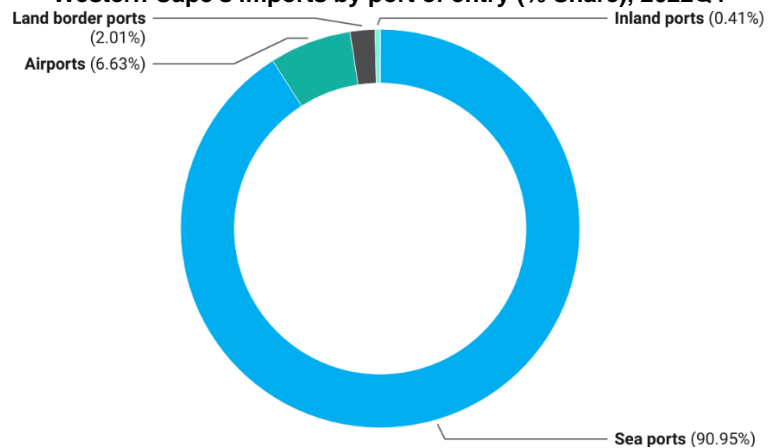
**Western Cape's exports by port of exit (% share), 2022Q4**



Source: Quantec, 2023

Sea ports are also the main entry point for imports into the Western Cape. Sea ports accounted for 90.95% of all import activity of the province in the final quarter of 2022. Airports (6.63%) and land border ports (2.01%) were, respectively, the second and third entry points for imports into the province.

**Western Cape's imports by port of entry (% Share), 2022Q4**

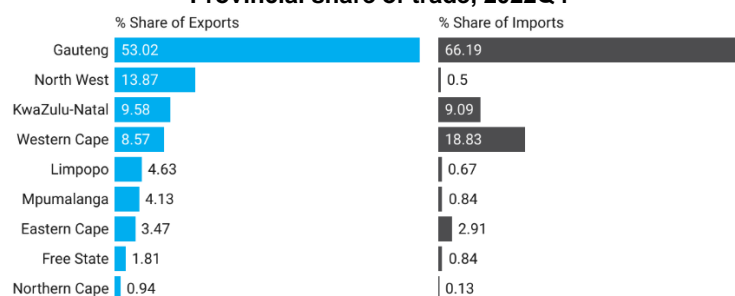


Source: Quantec, 2023

## TRADE PER PROVINCE

The Western Cape was South Africa's fourth largest exporting province and second largest importing province in 2022Q4. The province accounted for 8.57% of South Africa's exports in and 18.83% of imports during this period.

**Provincial share of trade, 2022Q4**



Source: Quantec, 2023

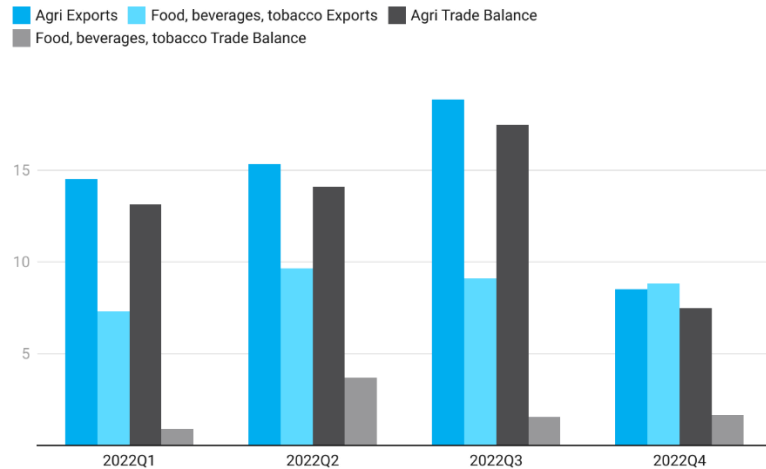
## WESTERN CAPE AGRI-BUSINESS TRADE

The Western Cape was a net exporter of primary agricultural products to the world over the four quarters of 2022, although the trade surplus narrowed to ZAR7.48bn in 2022Q4 from ZAR13.13bn in 2022Q1. The Western Cape was also a net exporter of food, beverage, and tobacco trade throughout the period under review. The trade surplus expanded from ZAR0.88bn in 2022Q1 to ZAR1.64bn in 2022Q4.

The Western Cape holds the majority share of South Africa's agribusiness exports to the rest of the world. In 2022Q4, the province accounted for a share of 37.93% of primary agricultural exports and 35.63% of food, beverage and tobacco exports. The Western Cape's national share of agriculture exports declined from 46.31% in 2021Q4 to 37.93% in 2022Q4.

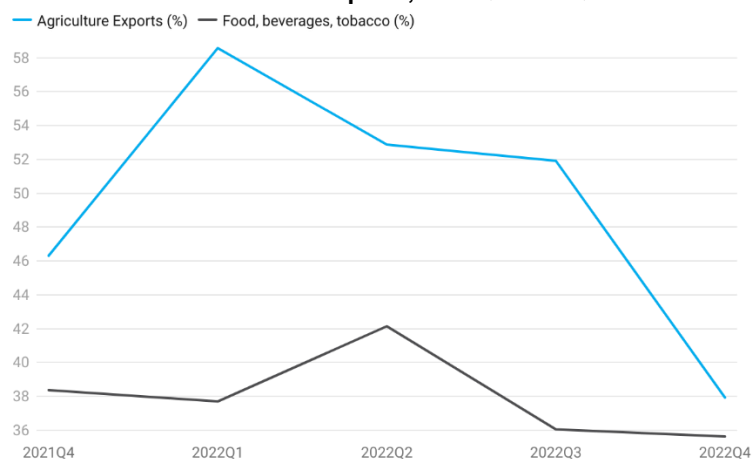
Wine was the Western Cape's largest agricultural export in 2022Q4, valued at ZAR2.74bn. This product grew at an average rate of 2.33% between 2021Q4 and 2022Q4. Grapes followed in second place, with a value of ZAR1.66bn and citrus fruit came third, reaching a value of ZAR1.46bn.

### Western Cape's agriculture and food, beverages, tobacco trade, (ZARbn), 2021Q1-2022Q4



Source: Quantec, 2023

### Western Cape's share of national agriculture & food, beverages and tobacco exports, 2021Q4-2022Q4



Source: Quantec, 2023

### Top agricultural exports from the Western Cape, (ZARm), 2021Q4-2022Q4

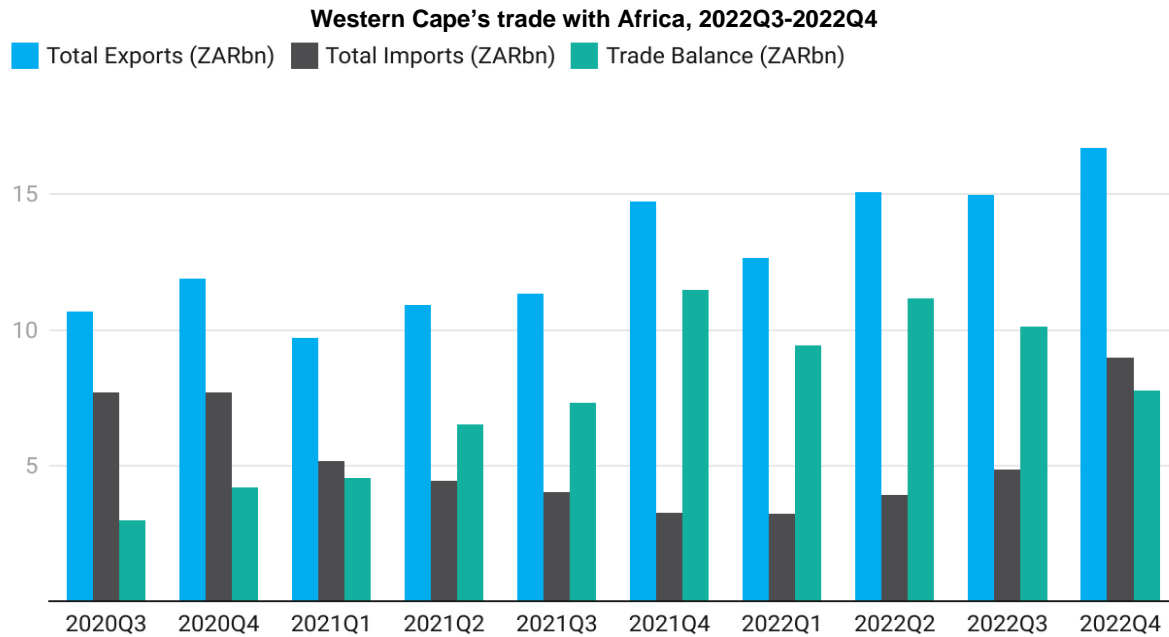
Product	Exported Value (ZARm), 2022Q4	% Share, 2022Q4	Ave Growth, 2021Q4-2022Q4
Wine	2735.63	6.45%	2.33%
Grapes	1657.77	3.91%	371.81%
Citrus fruit	1459.21	3.44%	295.13%
Apples, pears and quinces	1292.52	3.05%	11.80%
Other fruit	1244.68	2.94%	72.58%
Fruit juices	827.26	1.95%	8.24%
Apricots, cherries, peaches	717.61	1.69%	10357.37%
Fish fillets and other fish meat	598.67	1.41%	10.58%
Fish, frozen	550.04	1.30%	3.90%
Molluscs	516.45	1.22%	18.17%

Source: Quantec, 2023



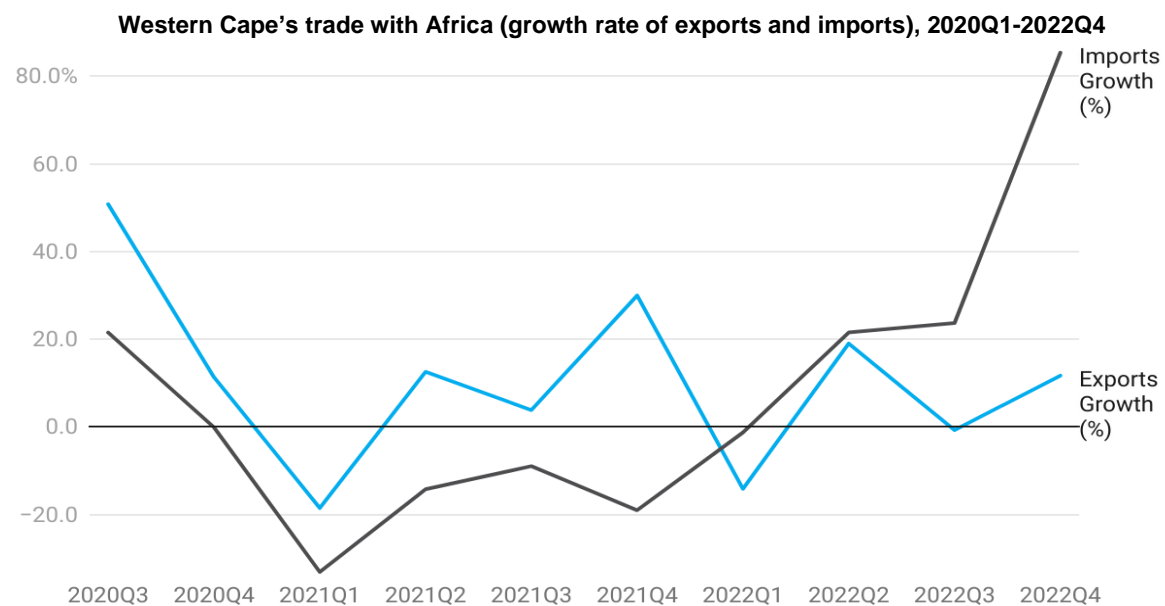
## WESTERN CAPE'S TRADE WITH AFRICA

The Western Cape remained a net exporter of goods trade with the African continent in 2022Q4. The Western Cape's exports to the continent increased by 11.72% q-o-q from ZAR14.96bn in 2022Q3 to ZAR16.72bn in 2022Q4. Imports expanded by 95.36% q-o-q from ZAR4.84bn in 2022Q3 to ZAR7.75bn in 2022Q4, with crude petroleum oil imports contributing significantly to this increase in imports. This product held a 54.09% share of the Western Cape's total import basket from Africa in 2022Q4. By country, Nigeria was the key source market for crude oil into the province, accounting for 63.48%.



Source: Quantec, 2023

The following graph reflects the growth in quarterly trade between the Western Cape and Africa for the period, 2020Q3-2022Q4. The province's export growth averaged 10.61% for the period given. Import growth in turn averaged 7.56% over the same period.

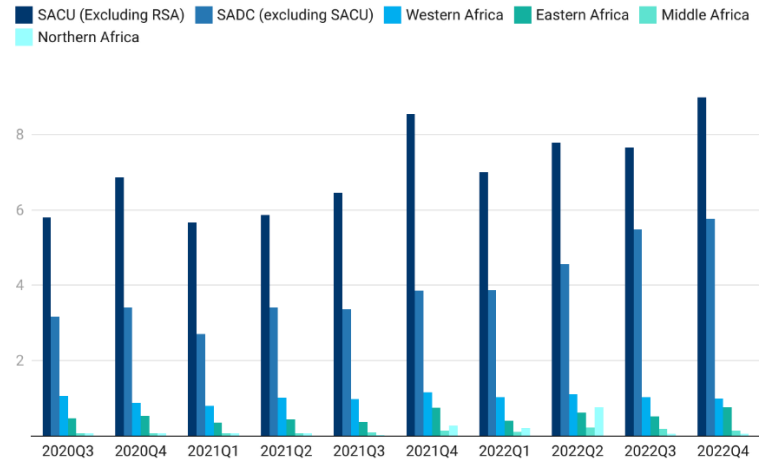


Source: Quantec, 2023

## WESTERN CAPE TRADE WITH AFRICA BY SUB-REGION

Southern African Customs Union (SACU) is the top destination sub-region for Western Cape's exports on the African continent. In 2022Q4 the Western Cape exported ZAR8.98bn worth of goods to the sub-region, an increase of 17.29% compared to 2022Q3. This was followed by the Southern African Development Community (SADC) and Western Africa.

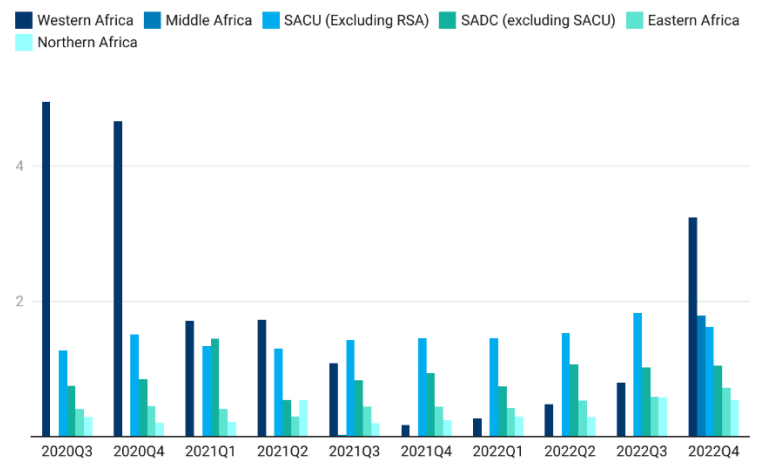
**Western Cape's exports to Africa by sub-regions, ZARbn, 2020Q3-2022Q4**



Source: Quantec, 2023

Western Africa was the leading source market for Western Cape imports in 2022Q4, surpassing SACU which held the position in 2022Q3. The Western Cape imported ZAR3.24bn worth of goods from Western Africa in 2022Q, an increase of 305.36% compared to previous quarter. This was followed by Central Africa, with ZAR1.79bn worth of goods.

**Western Cape's imports from Africa by regions, ZARbn, 2020Q3-2022Q4**



Source: Quantec, 2023

## KEY AFRICAN MARKETS

At a country level, Botswana was the leading destination market for the Western Cape's exports in 2022Q4, at a value of ZAR3.45bn, followed by Namibia (ZAR3.36bn) and Mozambique (ZAR1.41bn). The highest growth in exports between 2022Q3 and 2022Q4 was by Kenya, with a 57.07% q-o-q increase.

In terms of import source markets on the African continent, Nigeria was the province's top import source market in 2022Q4. The Western Cape imported ZAR3.08bn worth of goods from Nigeria in 2022Q4, an increase of 88043.33% compared to the previous quarter.

### Top 10 African markets for Western Cape exports, 2022Q3-2022Q4

	VALUE 2022Q4 (ZARbn)	% SHARE, 2022Q4	GROWTH (%), 2022Q3-2022Q4
Botswana	3.45	20.62%	18.5%
Namibia	3.36	20.11%	17.48%
Mozambique	1.41	8.42%	10.87%
Mauritius	1.23	7.36%	28.13%
Lesotho	1.15	6.9%	13.54%
Swaziland	1.02	6.09%	16.98%
Zambia	1.01	6.03%	-6.31%
Zimbabwe	0.91	5.47%	-0.12%
Kenya	0.48	2.88%	57.02%
Angola	0.45	2.72%	13.18%

Source: Quantec, 2023

### Top 10 African markets for Western Cape imports, 2022Q3-2022Q4

	VALUE 2022Q4, (ZARm)	% SHARE, 2022Q4	GROWTH (%), 2022Q3-2022Q4
Nigeria	3,079.69	34.35%	88,043.33%
Congo	1,773.07	19.78%	148,934.04%
Swaziland	846.49	9.44%	1.2%
Mauritius	698.21	7.79%	-11.24%
Madagascar	679.16	7.57%	21.88%
Morocco	486.74	5.43%	13.2%
Namibia	483.53	5.39%	-30.65%
Lesotho	222.84	2.49%	-3.67%
Togo	106.71	1.19%	-85.51%
Angola	106.53	1.19%	2,686.48%

Source: Quantec, 2023

## TRADE WITH AFRICA: TOP PRODUCTS

The Western Cape's top exported product to Africa in 2022Q4 was non-crude petroleum oils, valued at ZAR2.66bn (equivalent to 15.89% of total exports to Africa). The export of coal (ZAR1.19bn) and apples (ZAR625.04m) followed in second and third respectively.

### Top 10 Western Cape exports to Africa, 2022Q3-2022Q4

	EXPORTED VALUE (ZARm), 2022Q4	% SHARE, 2022Q4	GROWTH (%), 2022Q3-2022Q4
Petroleum oils, other than crude	2657.17	15.89%	5.01%
Coal	1192.16	7.13%	19.09%
Apples, pears and quinces	625.04	3.74%	6.11%
Wine	496.51	2.97%	13.32%
Other fermented beverages	480.79	2.88%	53.22%
Fruit juices	465.91	2.79%	38.35%
Cigars, cheroots, cigarillos and cigarettes	311.47	1.86%	13.74%
Petroleum gases and other gaseous hydrocarbons	246.36	1.47%	-10.39%
Undenatured ethyl alcohol	245.33	1.47%	60.92%
Chromium ores and concentrates	237.32	1.42%	-31.58%

Source: Quantec, 2023

Crude petroleum oils, valued at ZAR4.85bn, was the Western Cape's top imported product from Africa in 2022Q4, representing 54.09% of the province's total imports from the continent. This was followed by fish (ZAR557.65m) and men's or boys' suits, ensembles, jackets (ZAR512.65m).

#### Top 10 Western Cape imports to Africa, 2022Q3-2022Q4

	IMPORTED VALUE (ZARm), 2022Q4	% SHARE 2022Q4	GROWTH (%), 2022Q3-2022Q4
Petroleum oils, crude	4849.70	54.09%	
Fish, frozen	557.65	6.22%	2.7
Men's or boys' suits, ensembles, jackets	512.65	5.72%	-6.05%
T-shirts, singlets and other vests	398.77	4.45%	-0.28%
Women's or girls' suits, ensembles, jackets, blazers, dresses	271.98	3.03%	-1.42%
Mixtures of odoriferous substances and mixtures	222.04	2.48%	
Men's or boys' shirts	177.23	1.98%	
Women's or girls' suits, ensembles, jackets, blazers, dresses	106.93	1.19%	-14.80%
Petroleum gases and other gaseous hydrocarbons	106.71	1.19%	-83.16%
Petroleum oils, other than crude	105.31	1.17%	2.5

Source: Quantec, 2023

## CONCLUSION

In the last quarter of 2022, the Western Cape made the fourth largest contribution to South African exports to the rest of the world, accounting for 8.57% of the country's total export receipts. The province was also the second largest contributor to the country's imports (18.83%) behind Gauteng. The Western Cape's export receipts from its trade with the world decreased in the fourth quarter of 2022. Petroleum oils, other than crude was both the Western Cape's leading exported and imported product to world in 2022Q4. Furthermore, the agriculture, forestry and fishing sector had the largest share of exports, accounting for 21.52% of total provincial exports receipts.

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