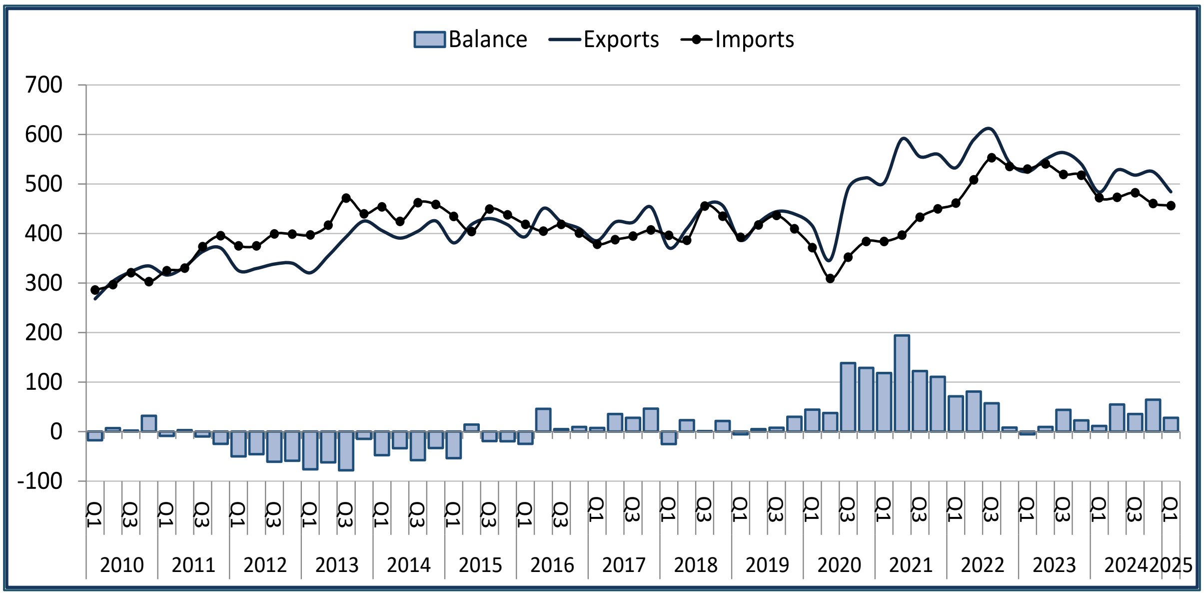
International trade

South Africa ran a trade surplus in the first quarter of 2025, despite the normal seasonal downturn in mining exports. In manufacturing, auto exports grew by more than 10% in constant rand terms. Metals exports fell by a similar amount, mostly because ferrochrome production shrank thanks to lower world prices and escalating grid electricity costs.

South Africa ran a surplus on goods trade in the first quarter, despite the normal seasonal downturn in the volume of mining exports around the December holidays. Goods trade has now been in surplus for 19 of the past 20 quarters. In the previous 15 years, South Africa had a surplus in goods trade in only just over half of all quarters. The recent trend reflects a combination of historically high world mining prices, despite some decline in the past two years with the notable exception of gold; falling petroleum prices through 2024; and relatively slow overall growth and low investment rates. Slow economic growth depresses demand for imports of machinery and equipment as well as consumer luxuries.

The trade data are not seasonally adjusted, so the first quarter of the year invariably sees a decline in the volume of mining exports due to December shutdowns. In real terms, both exports and imports have declined in the two years to March 2025. In constant 2025 rand, exports fell by 8% and imports by 14% compared to the first quarter of 2023. Still, compared to the pre-pandemic level in the first quarter of 2019, exports remain elevated by around 25%, and imports by 16%. (Graph 12)

Graph 12. Quarterly goods exports, imports and balance of trade in billions of constant (2025) rand (a), first quarter of 2010 to first quarter of 2025.



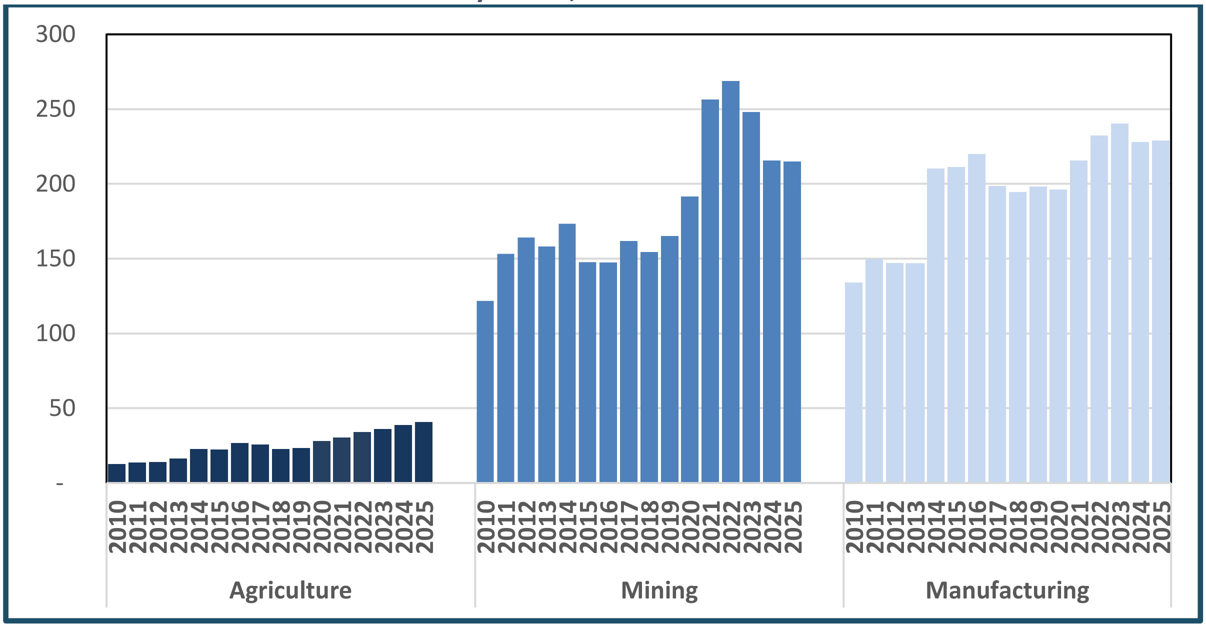
Note: (a) Reflated with CPI rebased to first quarter of 2025. Source: Calculated from South African Revenue Service data.

Figures for trade through March do not reflect the impact of new and proposed US tariffs directly on South Africa or indirectly through the effects on major trading partners. The US has imposed a 10% tariff on all imports except ores, as well as higher rates on autos, steel and aluminium. Auto and metals rank high among South African exports to the US. Clothing and textiles plus some (relatively niche) horticultural products will be significantly affected by the broader tariffs. Almost a third of South African exports to the US comprise iron and other ores, however, and are therefore exempt.

The indirect effect of new tariffs, or even threats of tariffs, could be even more important. The resulting global slowdown would affect virtually all South Africa's exports as well as international capital flows. It could also lead to lower prices on imports such as petroleum and electronics, however, which could offset some of the pain.

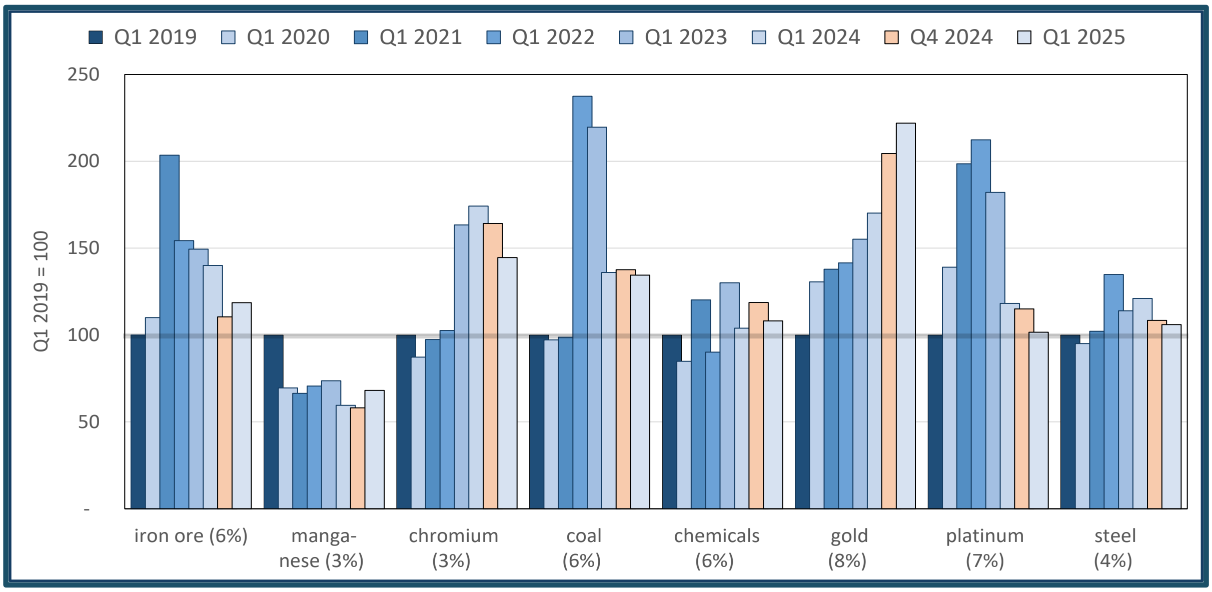
In constant rand terms, agricultural exports increased by 5% in the year to March 2025 from R39 billion in the last quarter of 2024 to R41 billion, continuing an upward trend since 2019. Export revenues for both mining and manufacturing were flat in the year to the first quarter of 2025, and remained well below 2023 levels. (Graph 13)

Graph 13. First quarter goods exports in billions of constant (2025) rand (a), by sector, 2010 to 2025.



Note: (a) Reflated with CPI rebased to first quarter of 2025. Source: Calculated from South African Revenue Service data.

Graph 14. Indices of first quarter unit export prices for South African mineral exports in constant (2025) rand (a), (first quarter 2019 = 100), 2019 to 2025

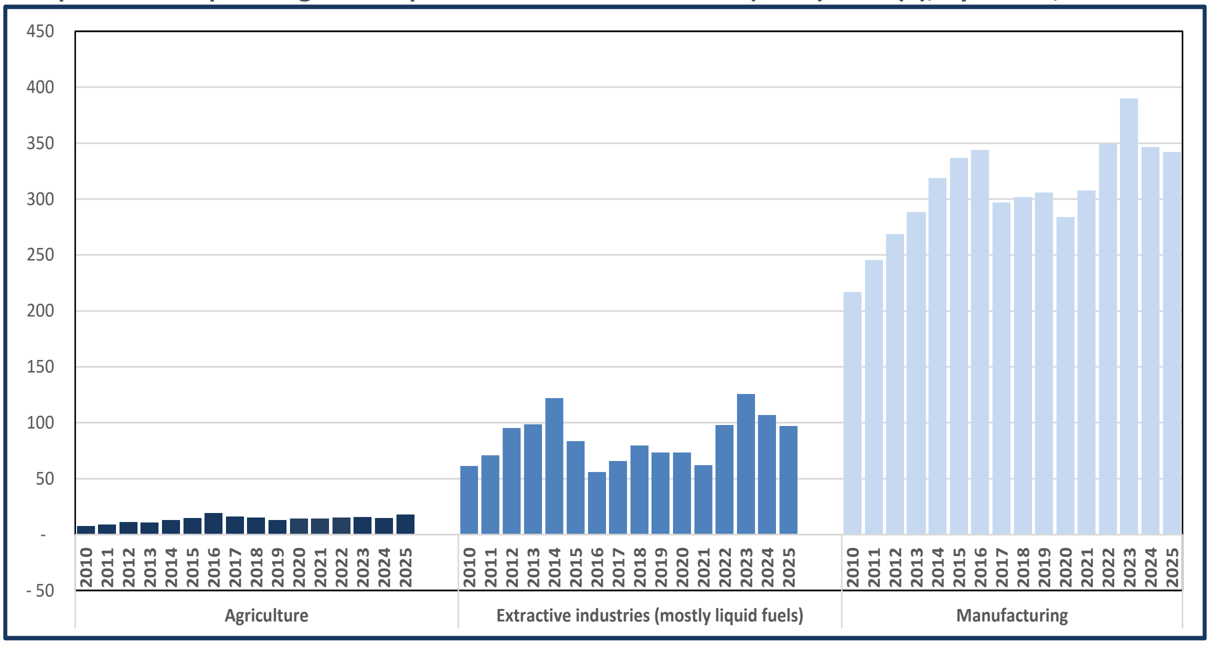


Note: (a) Reflated with CPI rebased to first quarter 2025. Figures in parentheses represent the share in total export revenues. Source: Calculated from Quantec EasyData. National trade series at HS-8 level. Accessed at www.quantec.co.za in May 2025.

Although mining exports increased around 3.5% by weight[1] from the first quarter of 2024, prices for most of South Africa's major exports were down. The big exception was gold, where the unit export price jumped 30% over the past year. (Graph 14) That incentivised higher export volumes. As a result, gold exports climbed from 11% of South African foreign mineral sales in 2022 to 23% in the first quarter of 2025. As a percentage of total exports, they rose from 4% to 8%.

Falling prices for liquid fuels drove the drop in the value of imports. In constant rand terms, the unit price of crude and refined petroleum fell 10%, resulting in a 9% fall in total imports. Liquid fuels fell from 21% of imports in 2022 to 17% in the year to March 2025. Agriculture imports climbed 20% in the year to the first quarter of 2025, but remained small. Manufactured imports were flat. That left them 12% below their peak of R389 billion in the first quarter of 2023. (Graph 15)

Graph 15. First quarter goods imports in billions of constant (2025) rand (a), by sector, 2010-2025



Note: (a) Reflated with CPI rebased to first quarter of 2025. Source: Calculated from South African Revenue Service data.

In constant rand, auto sales were R8 billion up from the first quarter of 2024. That increase was, however, offset by a similar decline in exports of basic metal products. The decline resulted almost exclusively from a 30% fall in ferrochrome exports, which accounted for over 90% of the fall in exports of basic metal products. It resulted principally from the mothballing of capacity as a result of a 7% drop in unit prices in constant rand terms combined with the soaring cost of electricity. Electricity makes up at least half of the unit cost of ferrochrome alloys. Chromium ore – which South Africa has in abundance – contributes around 40%. These realities mean Eskom's price increases have hit the industry very hard, especially given more constrained world prices. As a result, exports of ferrochrome declined from over 4.0% of total export sales in the first quarter of 2024 to 2.8% a year later. Exports of chromium ore dropped from 4.4% to 3.2% in the same period, mostly due to an 18% fall in the unit price.

Auto exports increased 14% in the past year, while imports went up only 6%. The effective elimination of duty-free exports of cars to the US will only appear in the data for the second quarter of 2025.

[1] Calculated using an average of actual increases weighted by share in mining export revenues in the first quarter of 2025.

Around 20% of fully assembled personal car exports from South Africa went to the US in 2024. That equalled 10% of South Africa's total auto exports, which include other kinds of vehicles plus components.

Table 1. Trade by manufacturing subsector

INDUSTRY	VALUE (BILLIONS)		% CHANGE FROM Q1 2024		CHANGE IN BILLIONS	
	USD	Rand	USD	Rand	USD	Rand
EXPORTS						
Food and beverages	1.17	21.56	8%	2%	0.08	0.47
Clothing and footwear	0.44	8.19	11%	5%	0.04	0.42
Wood products	0.17	3.06	29%	22%	0.04	0.55
Paper and publishing	0.40	7.43	-7%	-12%	-0.03	-0.99
Chemicals, rubber, plastic	1.95	36.12	6%	1%	0.11	0.29
Glass and non-metallic mineral products	0.11	2.12	14%	8%	0.01	0.16
Metals and metal products	2.51	46.45	-10%	-14%	-0.28	-7.87
Machinery and appliances	1.97	36.35	6%	1%	0.11	0.21
Transport equipment	3.42	63.16	20%	14%	0.57	7.65
IMPORTS						
Food and beverages	1.00	18.59	14%	8%	0.12	1.37
Clothing and footwear	1.21	22.50	6%	1%	0.07	0.19
Wood products	0.10	1.83	1%	-4%	0.00	-0.08
Paper and publishing	0.31	5.69	-46%	-49%	-0.26	-5.41
Chemicals, rubber, plastic	3.62	66.95	1%	-4%	0.05	-2.50
Glass and non-metallic mineral products	0.21	3.95	4%	-1%	0.01	-0.03
Metals and metal products	1.26	23.27	-2%	-7%	-0.02	-1.64
Machinery and appliances	6.26	115.96	4%	-1%	0.25	-0.95
Transport equipment	4.15	76.75	11%	6%	0.43	4.39

Source: SARS monthly data.