**13 March 2013, Windhoek**

**PRESS STATEMENT**

1. The Namibia Statistics Agency is pleased to release the following economic reports: 2012 fourth quarter Gross Domestic Product; 2012 annual trade flows and the Consumer Price Index for February 2013.

**2012 FOURTH QUARTER GROSS DOMESTICS PRODUCT**

1. Following a decline of 3.7 percent in the third quarter of 2012, the Namibian economy rebounded in the final quarter of the year posting a positive growth of 4.3 percent.
2. However, when compared to the same quarter of the preceding year, when the economy expanded by 10.4 percent, the 4.3 percent growth in the fourth quarter of 2012 represents a slowdown in economic activities.
3. The slow growth in the economy was mainly reflected in the fishing, manufacturing and hotels & restaurants sectors that declined in real value added by 10.0 percent, 8.0 percent and 16.4 percent, respectively.
	1. The poor performance of the fishing sector during the fourth quarter of 2012 is in part attributed to the fact that no landings were recorded in pelagic fisheries as most right holders have utilized their quotas in the first half of the year. Also contributing to the weak performance of the sector was demersal and mid-water fisheries landings that contracted by 9.2 percent and 19.7 percent, respectively.
	2. The weak performance of the manufacturing sector was mainly reflected in the category “other manufacturing not classified elsewhere”. This category which includes items such as rubber and chemical products, posted a massive decline of 47.7 percent. On the other hand, some of the traditional manufacturing items such as meat processing, mineral processing and basic metals posted positive growth during the review period, although not sufficient to offset the overall decline of the sector.
	3. The hotels and restaurant sector, a proxy for tourism, which is a NDP4 priority sector, is estimated to have contracted by 16.4 percent in the fourth quarter of 2012. The weak performance was mainly due to a decline in the number of bed nights and room nights sold that declined by 19.8 percent and 19.3 percent, respectively.
4. On the other hand, the agriculture, mining and electricity & water sectors performed exceptionally well by recording strong growths in real value added of 21.1 percent, 47.7 percent and 17.2 percent, respectively. Also contributing to growth was the wholesale and retail trade sector that expanded by 11.8 percent during the quarter under review.
	1. The growth of the agricultural sectors was mainly reflected in a substantial increase in the number of cattle marketed, while the number of small stock marketed declined during the review period. Also contributing to the stellar performance of the agricultural sector during the quarter under consideration was an increase in crop production due to the grape harvesting season.
	2. The increase in mining and quarrying was mainly reflected in a strong rebound in diamond output and uranium output that increased by 51.4 percent and 26.5 percent, respectively during the period under review. Other mining and quarrying with a growth rate of 23.7 percent also contributed to the positive performance of the mining sector in the fourth quarter of 2012.
	3. The strong performance of the electricity and water sector mainly emanated from intermediate consumption in electricity that declined by 22.8 percent during the period under consideration.
	4. The growth in the wholesale and retail trade sector was reflected in increased revenues by clothing stores and supermarkets that increased by 38.0 percent and 17.7 percent. Credit extended to households and business also rose at a healthy rate of 19.4 percent.
5. The construction sector that has been propelling economic growth in the recent past, registered a slow growth of only 3.7 percent during the quarter under review. The slower growth mainly emanated from the value of construction works for the general government sector that recorded a decline of 5.0 percent. On the other hand, the value of building completed in municipalities around the country increased significantly by 108.6 percent.
6. The transport and communication sector, another NDP4 priority sector, recorded a slow growth of only 1.3 percent in real value added during the fourth quarter of 2012.

**2012 TRADE STATISTICS**

1. The year 2012 recorded a trade deficit of N$ 17 billion compared to N$11 billion in the preceding year.
2. The widening in the trade deficit was reflected in a 24 percent increase in the import bill to N$59 billion from N$48 billion in the previous year.
	1. Some of the major items that fuelled the important bill were “mineral fuels, mineral oils and products of their distillation” and “vehicles.
	2. The import bill of the former amounted to N$7.8 billion or an increase of 80 percent over the previous year, while the latter amounted to $6.8 billion and increase of 15 percent over the previous year.
3. On the other hand, total exports increased only moderately to N$42 billion from N$37 billion one year earlier.
	1. Mineral exports, mainly diamond, uranium and ores, continue to be the Namibia’s main export items with a combined export value of N $19.8 billion or close to 50 percent of all exports in 2012.
	2. Fish, with an export value of N$5.7 billion in 2012 also continue to be one of the main supporters of Namibia’s balance of payments in 2012.
	3. On the other hand, manufactured exports such as beverages although posting a healthy increase of 19.2 percent remain minimal with an export value of around N$2 billion in 2012.
4. South Africa remained Namibia’s most important trade partner in 2012, with combined trade between the two countries amounting to N$48.6 billion in 2012. However, the direction of trade between the two countries remain skewed with Namibia importing N$41.6 billion worth of goods from South Africa, while only exporting N$7 billion worth of Namibian goods to South Africa.

**FEBRUARY 2013 CONSUMER PRICE INDEX**

1. The annual inflation rate slowed to 6.2 percent in February 2013 from to 6.6 percent one month earlier and 7.4 percent recorded during the same period last year.
2. Among the 12 groups comprising the Namibian CPI, the category *“hotels, cafes and restaurants”* registered the highest annual inflation rate of 9.7 percent followed by the category *“housing, water, electricity, gas and other fuels”* with 8.5 percent.
3. The categories *“alcoholic beverages and tobacco”* and *“food and non-alcoholic beverages”* recoded annual inflation rates of 8.1 percent and 7.5 percent, respectively.
4. The lowest annual inflation rates estimated at 2.0 percent and 2.3 percent were recorded in the categories *“clothing and footwear”* and *“communications”*, respectively.
5. The monthly inflation rate declined to 0.4 percent from 1.6 percent in the previous month.