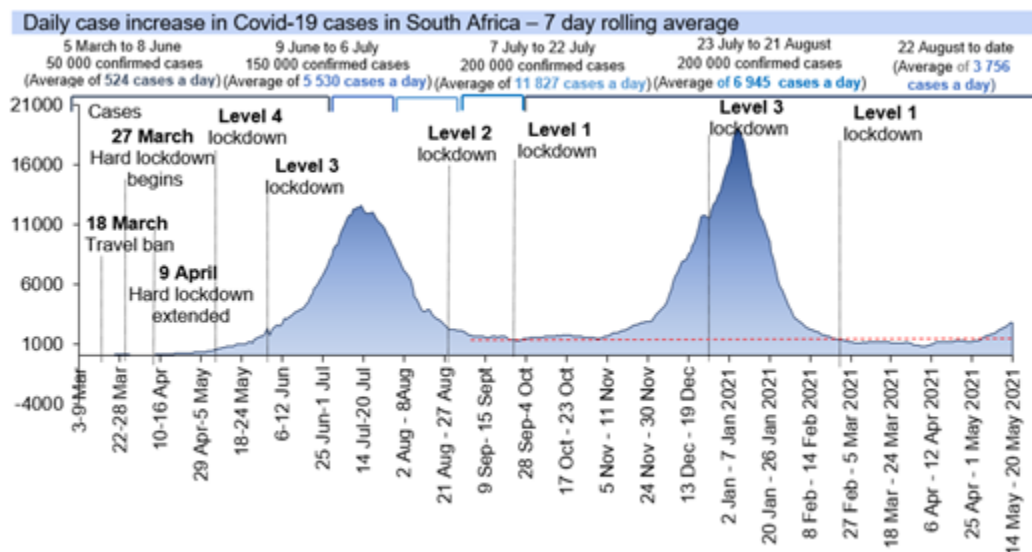


SA Economics

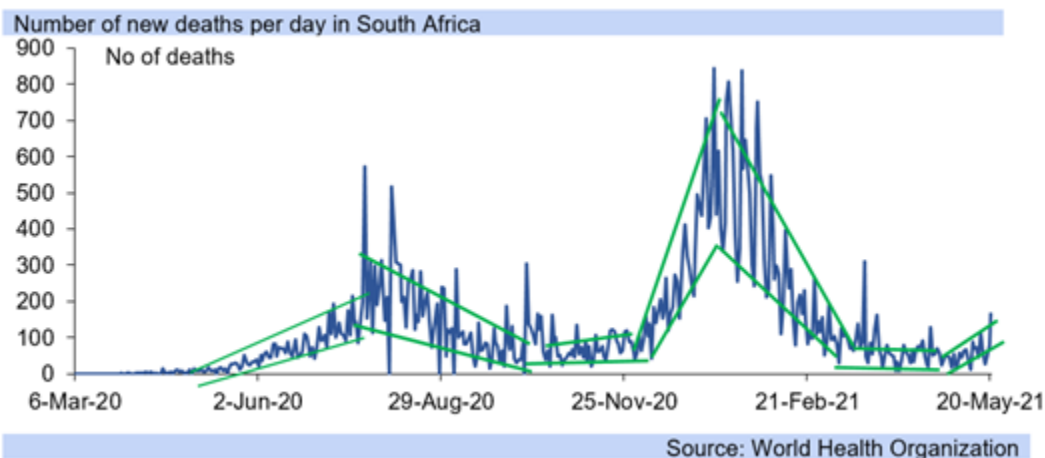


Friday 21 May 2021

COVID-19: South Africa sees the third wave building, while its economy remains highly sensitive to lockdown restrictions – likely seeing faster than anticipated Q1.21 GDP growth, as it did in H2.20, as restriction proved lighter than anticipated



Source: National Department of Health



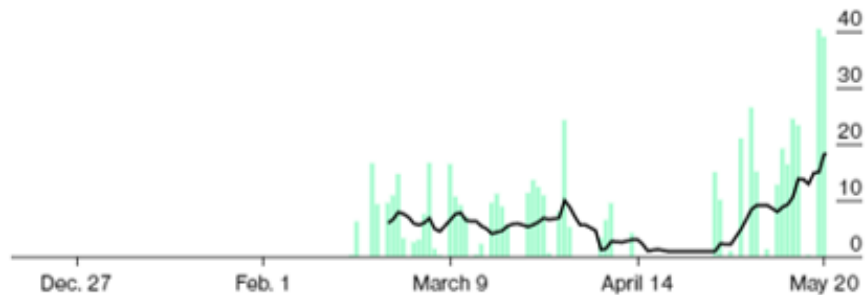
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South Africa vaccination rate

/ Average daily rate estimate

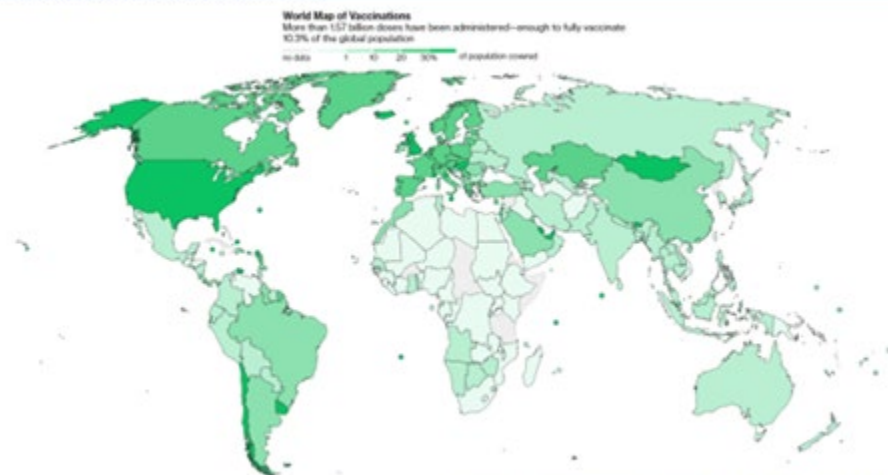
Doses administered: 50K



Source: Bloomberg Vaccine Tracker, 20 May 2021

Note: Immunity calculations take into account the number of doses required and the current rate of administration for each vaccine type. The "daily rate estimate" is a seven-day trailing average; interpolation is used for countries with infrequent updates. Data from Bloomberg's Covid-19 Vaccine Tracker.

World Map of administered vaccines



Source: Bloomberg Vaccine Tracker, 20 May 2021

Note: "Population covered" divides the doses administered by each vaccine type by the number of doses required for full vaccination. Data gathered from government websites, press conferences, public statements and Bloomberg interviews.

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Covid-19 situation in numbers (total and new cases in past 24 hours for the 20 May 2021)

Reporting regions	Confirmed	Total confirmed new cases	Total Deaths	Total new deaths	Ratio of deaths to infections
South Africa	1 621 362	3 522	55507	167	3.4
Region of the Americas	65 368 315	189 463	1 599 569	5 629	2.4
Globally	164 523 894	638 247	3 412 032	13 247	2.1
Eastern Mediterranean Region	9 771 027	33 313	196 331	582	2.0
European Region	53 901 375	92 307	1 129 738	2 102	2.1
African Region	3 425 102	6 705	85 498	232	2.5
Western Pacific Region	2 798 651	181 33	42 093	281	1.5
South-East Asia Region	29 258 662	298 324	358 790	4 421	1.2

Source: World Health Organization

- South Africa's seven-day rolling average in new COVID-19 cases has doubled, to 2 822, from close to 2 149 a week ago, as the third wave gains hold in SA, leading to concerns on tighter lockdown restrictions with economic activity highly sensitive to changing lockdowns levels.
- The economy contracted by an unprecedented -17.8% y/y, or by -16.6% q/q (seasonally adjusted or sa) on the largely unexpected extent and severity of the lockdown restrictions in Q2.20. In early March 2020 the full year was only expected to contract by -0.5% y/y.
- However, by April 2020 a harsher collapse in GDP was expected for the year after a month had been assessed on the severity of the lockdown restrictions to economic activity. However, in April only a light lift, of 6.1% q/q for Q3.20, was expected versus the actual of 13.7% y/y.
- The very high sensitivity of businesses, and consumers, to lockdown restrictions has exceeded expectations in both directions, with a GDP contraction of around -9.0% y/y for 2020 expected by consensus even as late as October last year, with many forecasting worse.
- Imposing further, harsh lockdown restrictions now would severely exacerbate the high fragility of the recovery, and we do not expect anything radical and so destructive. That is, levels 4 and 5 are likely to be avoided in future, and even level 3 is likely only in a light version.
- In the second wave, SA moved to level 3 around 12 000 cases a day on a 7 day rolling average, and as this was much later than anticipated, it contributed to a less severe Q4.20 GDP outcome than anticipated, and a lessor contraction of -7.0% y/y for 2020.
- SA is below 3 000 cases a day on a 7-day rolling average currently, at 2 822, and is not showing a steep climb either in this average. Increasing restrictions severely in the near future would be very pre-emptive, choking off promising economic and employment recovery.

SA Economics



- SA has administered 597 406 vaccinations so far and has not completed its phase 1 of covering 1.25 million frontline healthcare workers, but has embarked on a portion of phase 2, beginning vaccination of those over 60 (5 million) and of healthcare workers more broadly.
- South Africa has almost vaccinated 1% of its population, which is still a very slow outcome, exceeded by most EM countries and many African countries, and so is a threat to economic and employment recovery, as it exposes SA to further waves and lockdown restrictions.

Please scroll down to the second section below

SA Economics



Global Vaccination Campaign					
Country	No. of doses administered	Enough for % of people	Given 1+ dose	Fully vaccinated	Daily rate of doses administered
<i>Global Total</i>	1,578,874,254	—	—	—	26,832,310
Mainland China	449,511,000	16.1	—	—	13,605,571
U.S.	279,397,250	43.5	48.2	38.1	1,828,114
EU	211,373,171	23.8	33.5	14.0	3,576,909
India	191,810,604	7.0	10.9	3.1	1,804,796
Brazil	61,126,410	14.5	19.5	9.6	673,523
U.K.	58,489,834	43.8	55.8	31.8	527,456
Germany	42,611,604	25.6	38.8	12.6	816,935
France	31,655,384	24.4	34.0	14.5	516,968
Italy	29,243,413	24.4	33.3	15.5	494,259
Turkey	27,297,173	16.4	18.8	14.0	256,548
Mexico	24,223,297	9.5	12.7	8.7	376,289
Indonesia	24,033,424	4.5	5.4	3.6	202,317
Russia	24,000,000	8.2	9.5	6.8	200,000
Spain	23,503,085	25.3	34.5	16.6	347,307
Canada	19,745,503	26.3	39.4	3.3	365,515
Chile	16,918,269	44.3	48.8	39.7	122,078
Poland	16,812,136	22.1	31.3	12.6	300,946
Saudi Arabia	12,396,979	18.2	—	—	171,688
Morocco	12,015,720	16.9	20.4	13.3	221,736
UAE	11,822,054	55.0	47.3	35.7	62,021
Argentina	10,549,521	11.7	18.7	4.8	144,001
Israel	10,546,954	58.3	60.1	56.4	8,052
Bangladesh	9,639,289	2.9	3.5	2.3	32,265
Kazakhstan	7,922,143	21.3	32.0	10.5	286,420
Netherlands	7,899,037	22.9	29.5	9.4	146,277
Colombia	7,862,802	7.8	9.7	6.0	144,520
Hungary	7,644,400	39.1	49.4	28.8	91,251
Japan	7,577,142	3.0	4.1	1.9	324,288
Romania	7,114,065	18.5	20.9	16.0	100,712
Belgium	5,600,132	24.6	36.2	13.1	103,239
South Korea	5,034,150	4.9	7.3	2.5	82,203
Pakistan	4,747,033	1.2	1.2	0.9	130,106
Greece	4,716,739	22.0	28.4	16.3	91,082
Portugal	4,673,916	22.7	31.7	13.8	81,944
Sweden	4,437,814	21.5	32.7	10.3	52,891
Czech Republic	4,388,590	20.7	30.7	10.7	69,656
Austria	4,284,584	24.2	35.4	13.1	63,225
Serbia	4,170,000	29.9	33.5	26.4	40,000
Switzerland	3,689,909	21.6	43.2	14.5	51,028
Singapore	3,407,068	29.9	34.5	25.3	38,534
Australia	3,371,728	6.6	—	—	68,137
Philippines	3,299,470	1.5	2.3	0.7	108,540
Cambodia	3,180,915	9.6	12.4	6.9	64,009
Myanmar	2,994,900	2.8	3.4	2.3	112,785
Denmark	2,878,240	24.8	30.2	19.4	47,840
Peru	2,854,115	4.3	6.0	2.6	77,987
Dominican Republic	2,801,356	13.5	19.2	7.9	67,134
Thailand	2,540,116	1.8	2.4	1.3	71,393
Finland	2,533,353	23.0	39.9	6.0	36,371
Nepal	2,528,984	4.4	7.6	1.3	9,434
Uruguay	2,474,362	35.2	42.7	27.5	46,263
Mongolia	2,388,063	36.2	53.1	19.3	84,428
Iran	2,329,379	1.4	2.4	0.4	62,423
Norway	2,271,224	21.2	29.7	12.7	23,177

Source: Bloomberg Vaccine Tracker, 20 May 2021

Note: Population coverage accounts for the number of doses required for each vaccine administered. The daily rate is a 7-day average; for countries that do not report daily, the last-known average rate is used.

SA Economics



Global Vaccination Campaign (continued)					
Country	No. of doses administered	Enough for % of people	Given 1+ dose	Fully vaccinated	Daily rate of doses administered
Qatar	2,190,807	39.2	45.1	33.2	35,168
Iran	2,329,379	1.4	2.4	0.4	62,423
Slovakia	2,186,738	20.1	27.2	12.9	61,488
Malaysia	2,156,092	3.3	4.1	2.5	34,522
Hong Kong	2,050,278	13.6	16.1	11.1	27,666
Ireland	1,923,463	19.4	28.5	10.4	550
Azerbaijan	1,891,703	9.5	10.7	8.2	20,454
Ecuador	1,583,399	4.6	7.0	2.2	39,758
Bahrain	1,519,373	51.2	58.0	44.3	12,193
Ethiopia	1,470,079	0.8	1.5	—	12,072
Uzbekistan	1,462,491	2.2	3.4	1.0	25,325
Nigeria	1,457,632	0.4	0.7	—	6,531
Croatia	1,450,169	17.8	27.3	8.4	31,453
Jordan	1,419,950	7.1	10.3	3.8	25,300
Lithuania	1,379,787	24.8	32.5	17.2	20,828
Egypt	1,371,976	0.7	1.1	0.2	23,921
El Salvador	1,266,764	9.8	15.6	4.0	21,333
Bulgaria	1,191,397	8.6	17.1	6.6	20,869
Sri Lanka	1,134,638	2.6	4.3	—	12,361
Kuwait	1,120,000	11.8	—	—	40,000
Costa Rica	1,093,931	10.8	13.0	8.6	15,964
Bolivia	1,083,190	4.7	6.9	2.5	12,260
Ukraine	1,060,885	1.3	2.4	0.1	21,732
Vietnam	1,011,395	0.5	1.0	<0.1	10,959
Kenya	934,526	1.0	2.0	—	1,415
Tunisia	901,451	3.8	5.8	1.8	25,761
Slovenia	880,033	21.6	28.4	14.8	13,655
Panama	850,738	10.1	13.0	7.3	14,509
Ghana	847,871	1.4	2.8	—	486
Zimbabwe	844,684	2.8	4.1	1.6	16,331
Angola	734,113	1.2	2.1	0.4	15,363
Albania	697,811	12.2	16.1	8.2	9,305
Lebanon	642,658	4.7	6.3	3.1	11,635
Estonia	603,164	22.8	31.6	14.2	7,141
Laos	582,747	4.1	6.9	1.2	21,394
South Africa	558,170	0.8	0.7	0.6	18,206
Latvia	552,553	14.5	21.6	7.4	15,698
Afghanistan	504,502	0.7	1.2	0.1	6,603
Iraq	502,720	0.6	0.5	<0.1	7,489
Senegal	500,150	1.5	2.7	0.4	385
Bhutan	482,308	32.4	64.7	—	47
New Zealand	474,435	4.8	6.5	3.1	12,223
Belarus	474,094	2.5	3.1	1.9	8,031
Uganda	466,823	0.6	10.5	—	8,839
Maldives	455,940	61.3	82.0	40.6	1,912
Malta	445,830	45.1	59.3	32.1	6,530
Cyprus	433,362	24.7	38.2	13.1	8,340
Rwanda	400,096	1.6	2.8	—	7,024
Mozambique	393,105	0.6	1.0	—	6,185
Malawi	334,682	0.8	1.6	—	1,726
Ivory Coast	332,895	0.6	1.1	0.2	12,037
Oman	323,269	3.9	6.0	1.7	1,511
Guatemala	308,299	0.9	1.7	<0.1	10,942
Malawi					

Note: Population coverage accounts for the number of doses required for each vaccine administered. The daily rate is a 7-day average; for countries that do not report daily, the last-known average rate is used.

SA Economics



Global Vaccination Campaign (continued)					
Country	No. of doses administered	Enough for % of people	Given 1+ dose	Fully vaccinated	Daily rate of doses administered
Luxembourg	304,062	24.8	34.1	14.3	5,897
Sudan	290,500	0.3	0.5	—	15,027
Moldova	275,627	5.1	8.9	1.4	8,412
Taiwan	264,589	0.6	—	—	19,274
Togo	254,466	1.6	3.1	—	1,813
Paraguay	240,584	1.7	2.9	0.5	14,719
Venezuela	230,000	0.4	0.8	—	11,000
Iceland	225,051	31.5	44.6	21.4	3,425
Guinea	224,683	0.8	1.2	0.5	3,650
Mauritius	220,646	8.7	16.7	—	1,045
Equatorial Guinea	175,770	6.5	9.6	3.3	4,774
Guyana	168,501	10.7	20.6	0.8	895
Nicaragua	166,350	1.3	2.5	—	2,807
Jamaica	153,146	2.8	5.4	—	876
Montenegro	151,522	12.2	18.7	5.6	2,997
Macau	140,121	10.3	13.1	7.6	1,997
North Macedonia	135,402	3.3	5.4	1.1	6,323
Seychelles	131,546	68.5	72.8	64.2	213
Somalia	124,471	—	—	—	64
Zambia	124,206	0.3	0.7	—	4,697
Niger	121,626	0.3	0.5	—	7,920
Curaçao	118,302	36.3	48.5	24.1	1,228
Barbados	112,242	19.6	26.4	12.8	1,657
Honduras	111,420	0.6	1.1	—	4,680
Libya	106,559	0.8	1.6	—	4,985
Georgia	101,415	1.4	2.3	0.4	3,439
Jersey	97,366	—	—	—	727
Mali	87,525	0.2	0.4	—	1,511
Aruba	84,428	37.7	50.6	24.8	611
Isle of Man	81,091	47.7	72.0	23.4	532
Gibraltar	75,961	111.7	114.6	108.8	219
Algeria	75,000	0.1	—	—	6,248
Cayman Islands	73,258	56.4	—	—	440
Tajikistan	70,517	0.4	0.8	—	966
Fiji	65,419	3.7	7.3	—	523
Bermuda	63,793	50.6	56.8	16.4	646
Trinidad and Tobago	62,947	2.3	4.4	—	397
Namibia	60,539	1.2	2.3	0.2	2,351
Sierra Leone	59,780	0.4	0.8	0.1	472
Guernsey	58,743	—	—	—	466
Belize	58,457	7.2	12.3	—	1,205
Botswana	54,620	1.1	2.3	—	48
Kosovo	51,000	1.4	2.8	—	2,530
Suriname	49,902	4.2	8.2	—	957
Cameroon	47,488	0.1	0.2	—	516
Liberia	45,651	0.5	1.0	—	1,541
Comoros	44,975	2.6	4.9	—	208
Turkmenistan	41,993	0.4	0.6	0.2	—
St. Lucia	41,491	11.5	14.3	8.8	1,128
San Marino	41,169	60.5	64.8	56.3	634
Bahamas	39,857	5.2	10.3	—	394

Source: Bloomberg Vaccine Tracker, 20 May 2021

Note: Population coverage accounts for the number of doses required for each vaccine administered. The daily rate is a 7-day average; for countries that do not report daily, the last-known average rate is used.

SA Economics



Global Vaccination Campaign (continued)					
Country	No. of doses administered	Enough for % of people	Given 1+ dose	Fully vaccinated	Daily rate of doses administered
Republic of the Congo	38,268	0.4	0.5	0.3	20
Micronesia	38,187	18.4	21.5	—	677
Lesotho	36,637	0.9	1.8	—	1,091
Eswatini	34,897	1.6	3.1	—	1,618
Dominica	33,037	23.3	26.9	19.6	444
Antigua and Barbuda	32,651	16.8	32.5	—	202
Andorra	32,317	21.0	35.9	6.1	98
Turks & Caicos	31,598	41.6	51.4	31.8	176
Timor-Leste	30,599	1.2	2.4	—	289
Monaco	28,663	36.7	40.2	33.3	331
Greenland	27,874	24.5	34.6	14.3	895
Faroe Islands	26,977	27.5	39.1	16.0	349
Sint Maarten	26,121	31.1	36.4	25.8	165
Gambia	25,779	0.5	1.1	—	56
Mauritania	25,741	0.3	0.5	0.2	429
Cape Verde	22,531	2.0	3.6	—	202
Tonga	21,632	10.8	21.6	—	875
Grenada	19,839	9.1	12.8	5.4	231
Armenia	19,249	0.3	0.3	<0.1	1,065
Yemen	18,555	<0.1	0.1	—	1,220
St. Vincent and the Grenadines	18,027	8.2	12.0	3.4	186
Saint Kitts and Nevis	16,156	14.2	24.4	—	289
Gabon	15,583	0.4	0.5	0.3	324
Brunei	14,876	1.6	3.2	0.1	189
Djibouti	13,042	0.6	1.2	—	267
Anguilla	12,795	42.7	56.7	18.9	291
Sao Tome and Principe	12,374	2.9	5.8	—	—
Papua New Guinea	11,537	0.1	0.1	—	385
Solomon Islands	11,536	0.9	1.8	—	554
DR Congo	11,155	<0.1	<0.1	—	452
Benin	10,683	<0.1	0.1	—	45
Nauru	7,438	28.6	57.2	—	233
Samoa	7,411	1.8	3.7	—	—
St. Helena	7,091	59.1	59.4	58.8	120
South Sudan	6,403	<0.1	<0.1	—	157
Guinea-Bissau	5,889	0.2	0.3	—	1
Falkland Islands	4,407	73.5	87.7	59.2	202
Madagascar	3,890	<0.1	<0.1	—	547
Montserrat	2,297	23.0	26.4	19.5	26
Kyrgyzstan	937	<0.1	<0.1	—	21
Bosnia and Herzegovina	—	—	—	—	—

Source: Bloomberg Vaccine Tracker, 20 May 2021

Note: Population coverage accounts for the number of doses required for each vaccine administered. The daily rate is a 7-day average; for countries that do not report daily, the last-known average rate is used.

SA Economics



Uneven access to vaccines

Uneven Access to Vaccines

Least wealthy Most wealthy



Source: Bloomberg, 20 May 2021

Note: Vaccine access calculations account for the number of doses needed for full protection; some vaccines require a two-dose regimen while others require just a single dose. Countries and regions are ordered by GDP per capita (PPP).

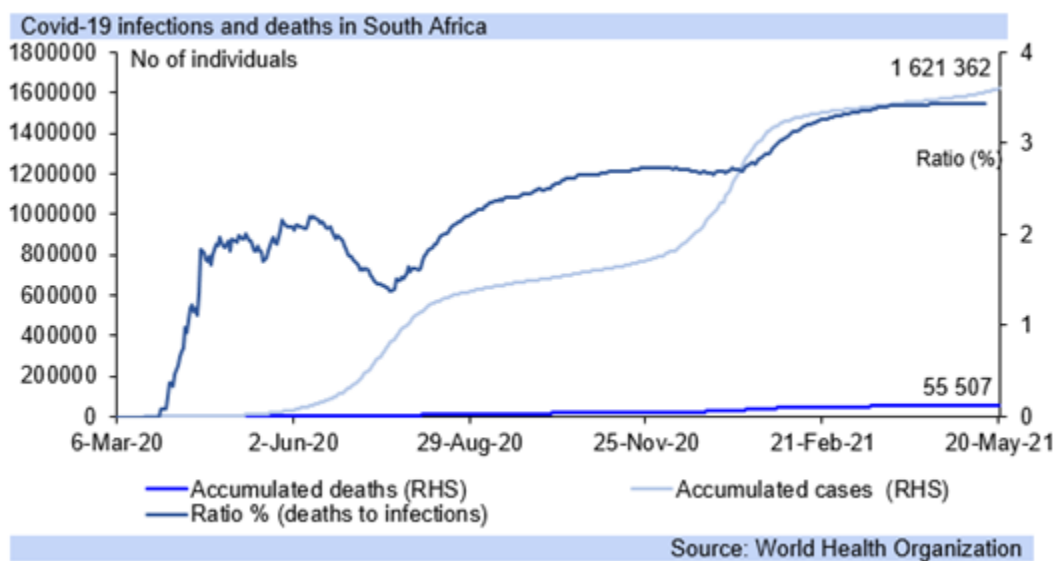
- The estimated number of months to immunise 75% of the global population is today seen at twelve, a three month improvement on last week, with 26.8 million vaccine doses being administered globally a day (all Bloomberg compiled data). The EU is seen at 4 months.
- Additionally, the UK is expected to have vaccinated 75% of its population in 3 months time, along with Chile, Hungary, Luxembourg and Canada, and the US by 4 months along with China, Poland and Singapore. The overall average is around 18 months.
- Immunity has been seen as requiring about a 75% vaccination rate, with “Anthony Fauci, the top infectious-disease official in the U.S., has said that vaccinating 70% to 85% of the U.S. population would enable a return to normalcy” - Bloomberg.
- Besides speeding up its vaccination programme substantially, SA can also benefit from quickening the implementation of structural reforms, particularly the IRP 2019 where self-generation of electricity should increase the cap from 10MW for example to 50MW.
- SA continues to seek growth via fixed investment, but inadequate supply of electricity is a constraint to this for infrastructure investors, and bolstering SA’s renewable energy sector through legislation supporting full private sector participation is key.
- Expectations of stronger economic growth, and so a pronounced lift in the demand for goods and services is a key stimulator of private sector fixed investment, and the state can aid its infrastructure drive by improving the ease of doing business, and so SA’s growth outlook.
- A holistic approach to achieving stronger economic growth in SA is needed, with the slowest structural reforms impeding economic growth and recovery, and the recovery in the labour market, and then erosion of SA’s already high unemployment rate pre Covid-19.
- While factionalism in the ruling party has translated through into factionalism in government and the impeding of necessary structural reforms to stimulate economic

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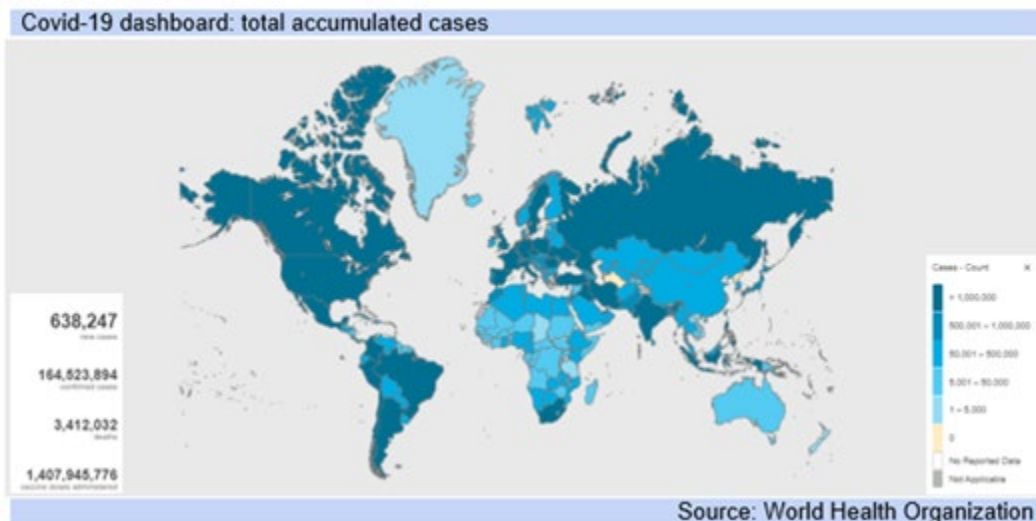
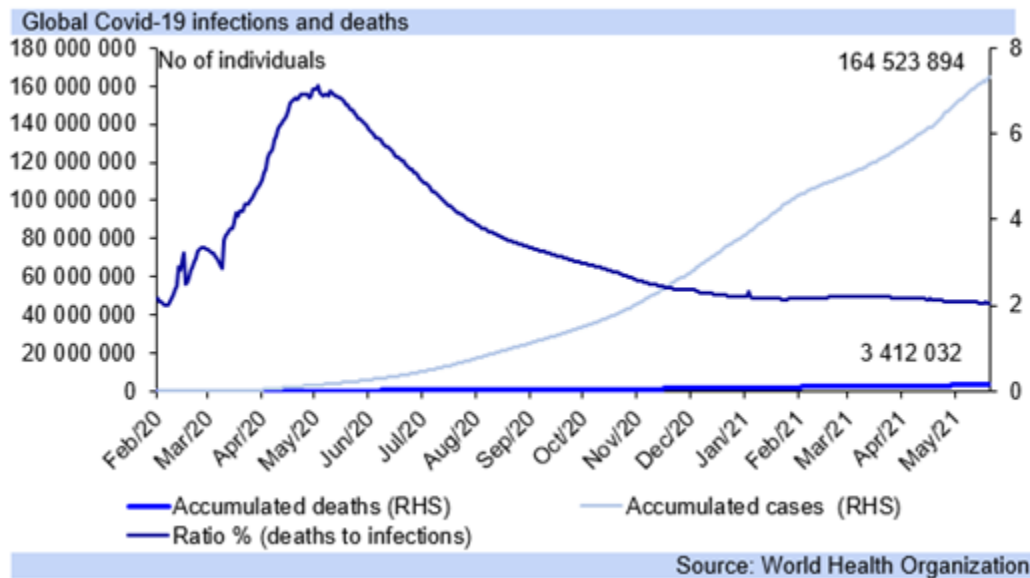


growth, this is being worked down, with strong attempts also being made to eradicate the corrupt.

- The rand has largely settled under R14.00/USD after the SARB took a sensible approach at its May MPC meeting, looking through the hike in inflation in April and keeping interest rates unchanged to support the economy, which is still fragile, although rebounding.



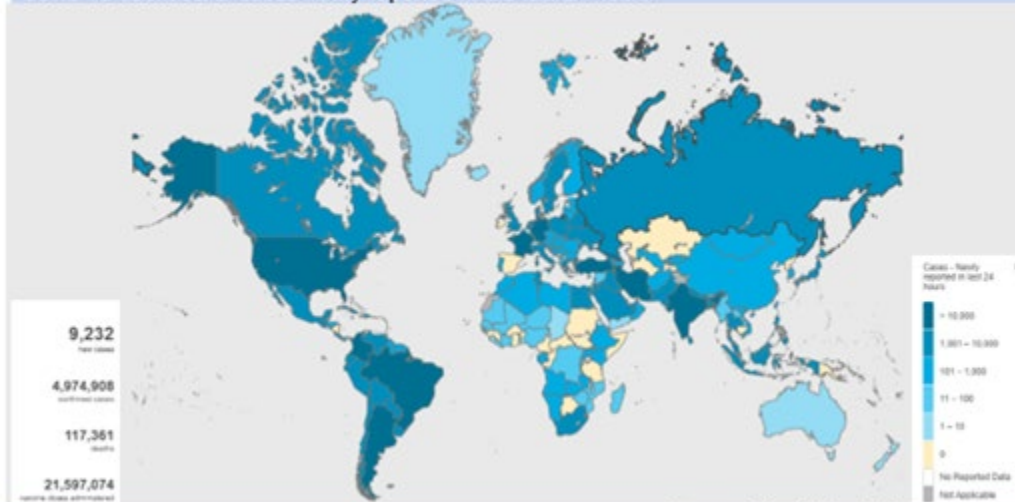
SA Economics



SA Economics

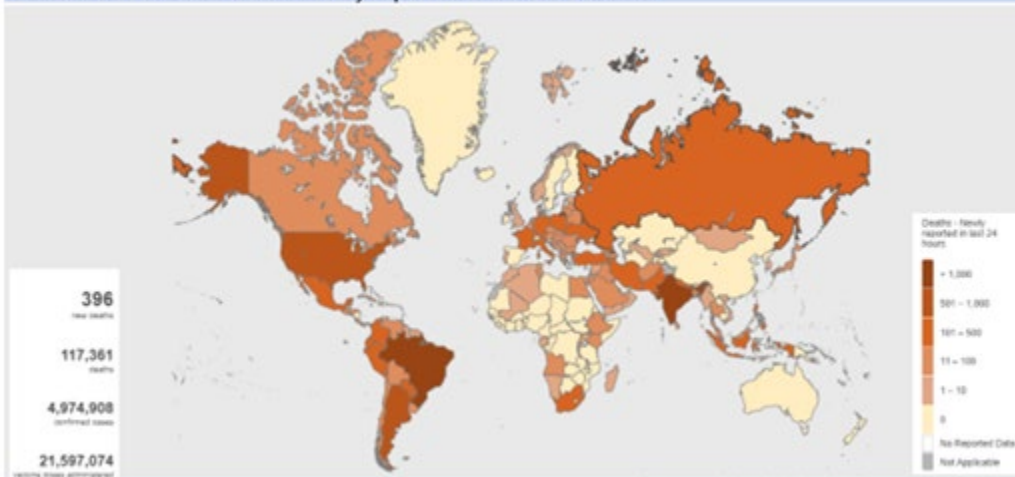


Covid-19 dashboard: cases newly reported in the last 24 hours



Source: World Health Organization

Covid-19 dashboard: deaths newly reported in the last 24 hours



Source: World Health Organization