



# MEDIA STATEMENT

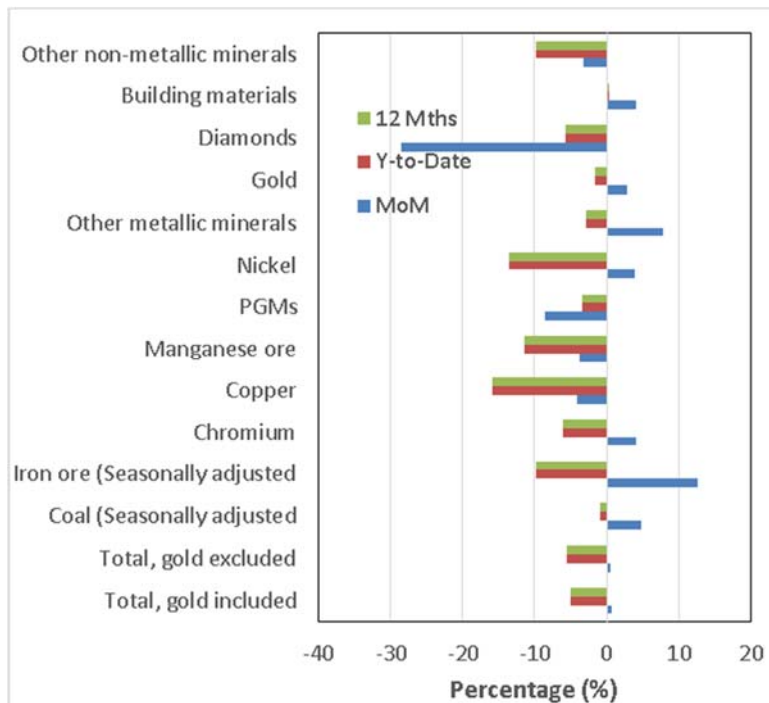
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## MINING PRODUCTION DECLINES BY 5% IN 2016 COMPARED TO 2015

*“Green shoots evident”*

**Johannesburg, 9 February 2017:** The December mining production data released by Statistics South Africa today confirmed the fear that the sector would contract by 5% during 2016. The only highlight was that the sector showed signs of recovery in December on the previous month (see graph below; ‘year to date’ = to 12 months).

### Total mining production rates of change: December 2016



When December production is compared with November 2016, total production improved, with gold included (and without gold) on order of best production performance to the least as follows:

Iron ore: + 13.0%

Other metals: + 8.0%

Coal: 4.8%

Building materials: +4.1%

Chrome: 4.1%

Nickel: 4.0%

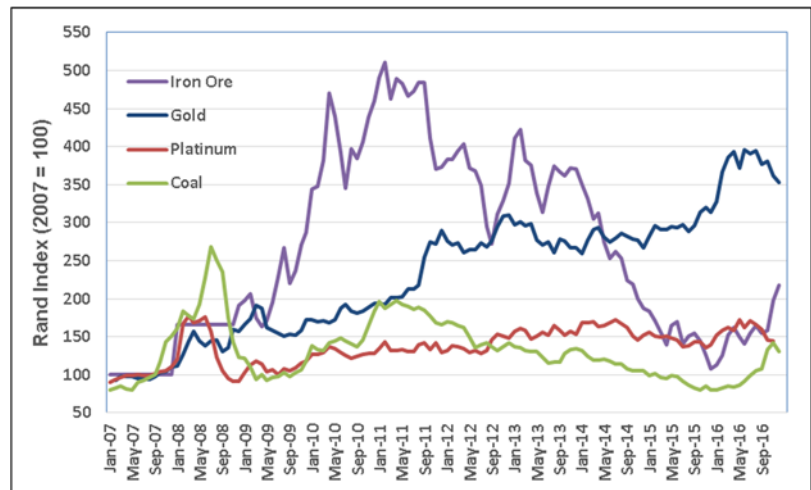
Gold: 2.7%



It is almost impossible to determine the links between commodity prices and production of the same commodities in South Africa.

#### Rand Commodity price trends: 2007 = 100

The graph shows the price patterns of the four most important commodities mined in SA in Rand terms with 2007 as the base. There seems to be some 'green shoots' evident in the performance of the sector although the latest production data shows just how difficult the process of recovery will be.



In conclusion, the latest data confirms the disappointments of 2016, but similarly shows signs of a better 2017, albeit diverse.

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