

SA will weather the economic storm - DG

By [Vivian Warby](#)

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The Director General of Trade and Industry Tshediso Matona on Thursday reiterated that he was confident that South Africa was not on a recessionary slide.

“One can't be absolutely certain how deep the current turbulence goes, but I am comfortable that we will come out okay,” said Mr Matona.

He was speaking at the 2nd Annual South African Trade and Investment Conference and Exhibition which aims to promote the country's image abroad and market its growing economy to the rest of the world.

He said the financial meltdown that had occurred in the financial markets had led to a fundamental change in the landscape.

“We are living in an era of unprecedented turmoil. What started out as a leverage crisis and a credit crunch has become a full blown insolvency problem as well.”

Despite the current turmoil, Mr Matona said, foreign investor interest in South Africa remained strong.

“Some analysts have indicated that the Rand's ‘blow-out’ may have ended. It was said that it has been oversold and it is probably ready for consolidation.”

The DG said that with the global recession increasing it was clear that developing economies could not avoid a slowdown even if they managed to avoid the recession.

“In the case of South Africa, the storm will pass but the damage will not be too severe as we had seen the signs early on and have taken the appropriate actions.”

Matona further said that Finance Minister Trevor Manuel had indicated in his recent Medium Term Budget Policy Statement that there was no avoiding the storm.

However, the South African economy was stronger and more resilient than ever before.

“It is important to emphasise that the South African economy will continue to grow albeit it at lower rates through this period of turbulence and in so doing address the development goals of namely halving levels of unemployment and poverty

alleviation,” the minister said at the time.

The conference, which targets the energy, tourism, financial services, and general manufacturing sectors of the economy, is an ideal networking opportunity for local and international key role players.

Delegates attending the conference included government ministers, delegates from the private sector/business community, investors, exporters, provincial investment agencies, academics, chambers of commerce and industry, foreign embassies, and consulates.

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