

## Bleak growth picture for Africa's largest economy

According to *Independent Online*, the rand fell over one percent against the dollar after weaker-than-expected mining and manufacturing data on Thursday painted a bleak growth picture for Africa's largest economy.

September data showed SA manufacturing output contracted 1.1%, against expectations for a 0.5% fall, and compared to a 2.8% expansion in August. Strikes that began in the mining sector in August were largely to blame, with mining output down 8.3% in September, its weakest performance in five months.

The rand extended the losses in late afternoon trade as the euro sank after downbeat European Central Bank comments on the euro zone economy. Thursday's move shifted the rand back into its three-week range, with dealers saying they were bracing for the next bad news that would push the currency out of the range towards weaker levels.

Christopher Shiells, emerging market analyst for Informa Global Markets said that, while the external environment is broadly risk-off, "the rand has underperformed its EMEA peers and this can only be due to the disappointing mining and manufacturing output releases," *Independent Online* reports.

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