

## SA manufacturing growth stalled, rand depreciates on global uncertainties

South Africa's economic outlook has "deteriorated" and inflation will probably remain within the bank's target range through 2014 "mainly due to the global uncertainties", Reserve Bank Governor Gill Marcus told reporters, adding that that inflation, which probably peaked in the first quarter, is on a declining trend, *Moneyweb* reports.

Finance minister Pravin Gordhan has warned that the outlook for Africa's biggest economy is worsening as manufacturing and consumer spending growth slows more than forecast. The debt crisis in Europe - a region that buys about a third of South Africa's manufactured goods - is eroding export demand, according to *Moneyweb*

"Whereas previously oil was seen as the main upside risk to the inflation outlook," Marcus said, "more recently the depreciation of the rand in response to global risk aversion became the main upside risk", *Moneyweb* reports.

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