

Attracting Investment and Fostering Business Confidence

SACCI Convention-Evan Andreou

15 October 2010



do great things



OLD MUTUAL

Licensed Financial Services Provider

Which holiday would you prefer?



What made the 2010 Soccer World Cup a success?

- Clear goals
- Strong and decisive leadership
- Clear and enforced deadlines
- Quality, competent people
- Government partnering with private industry
- Accountability



What makes an attractive investment?

- Pleasant investment environment
- Returns
- Sustainability of returns
- Confidence that returns
- No nasty surprises



WE'VE SHOWN THE WORLD
OUR TRUE COLOURS.
AND WE'VE SHOWN OUR GUESTS TRUE AFRICAN HOSPITALITY.
BUT MOST IMPORTANTLY,

WE'VE SHOWN OURSELVES.
WE'VE SHOWN OURSELVES THAT WITH ONE SPIRIT,

WE CAN DO ANYTHING.
SO FROM THE 12TH OF JULY LET'S FLY THE FLAG FOR 30 DAYS MORE TO SHOW OUR UNITY AND PRIDE. BECAUSE FOR SOUTH AFRICA, THE END OF THE GREATEST TOURNAMENT MEANS...

WE'RE JUST BEGINNING!

This idea belongs to all of us. Download this icon and use it everywhere. Print it on a T-shirt. Use it on your email. Use it as a way of saying, "I'm gonna keep my flag for 30 days, because with one spirit, this nation can achieve anything. And we've only just begun."
www.keepflying.co.za keepflying@rallfcb.co.za



SA Economy

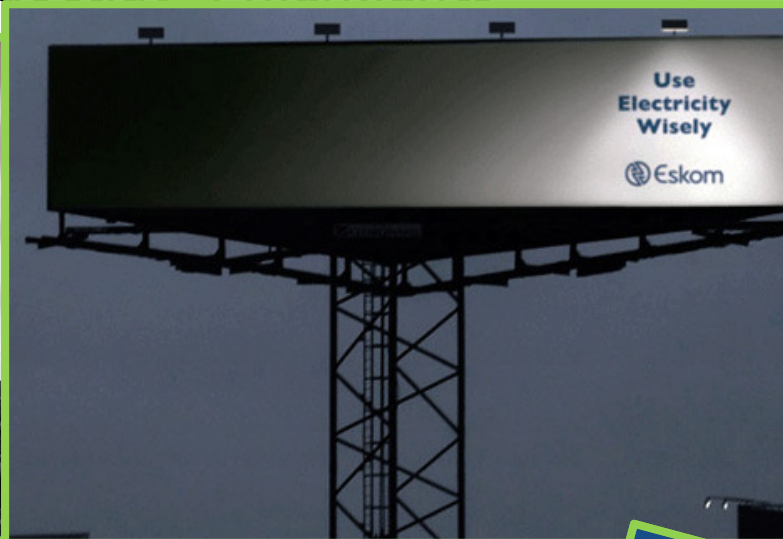


SOUTH AFRICA



South Africa: Past decade's highlights

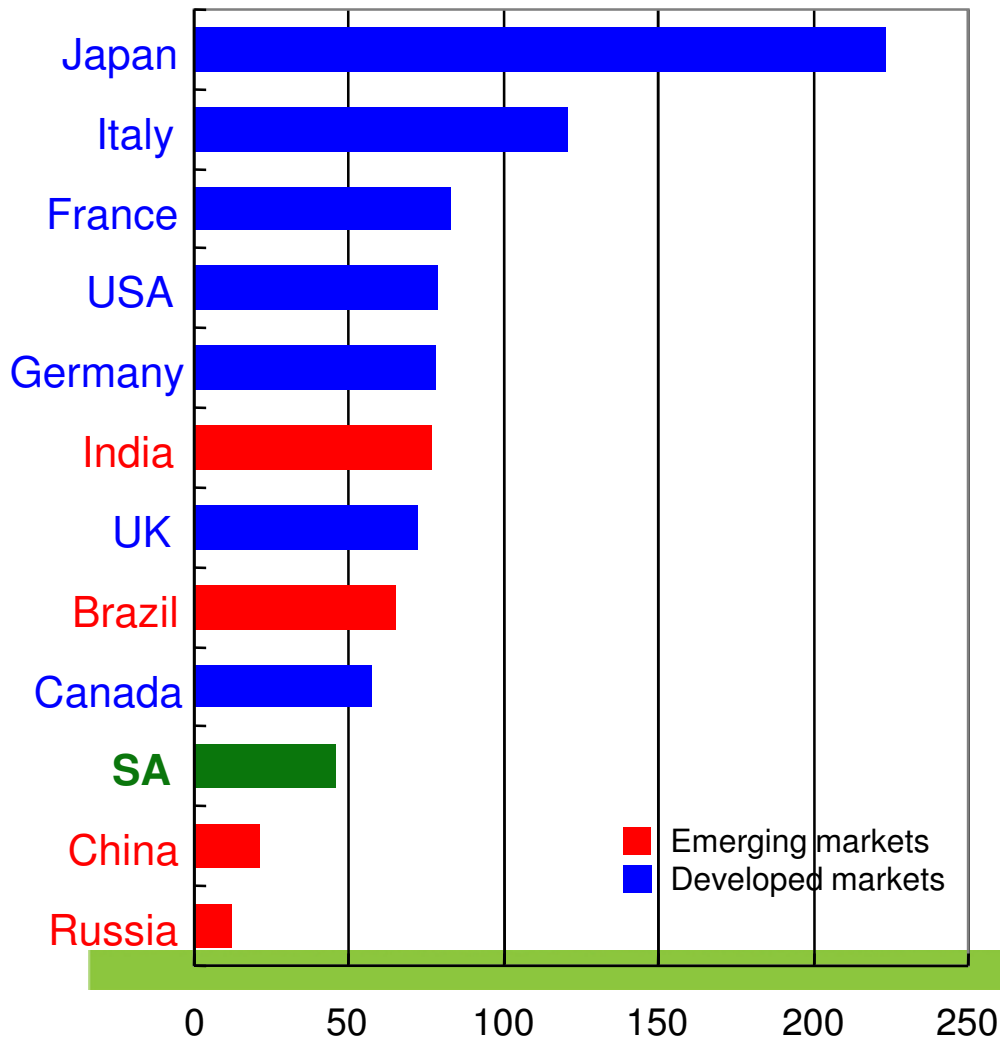
Pretty mixed picture



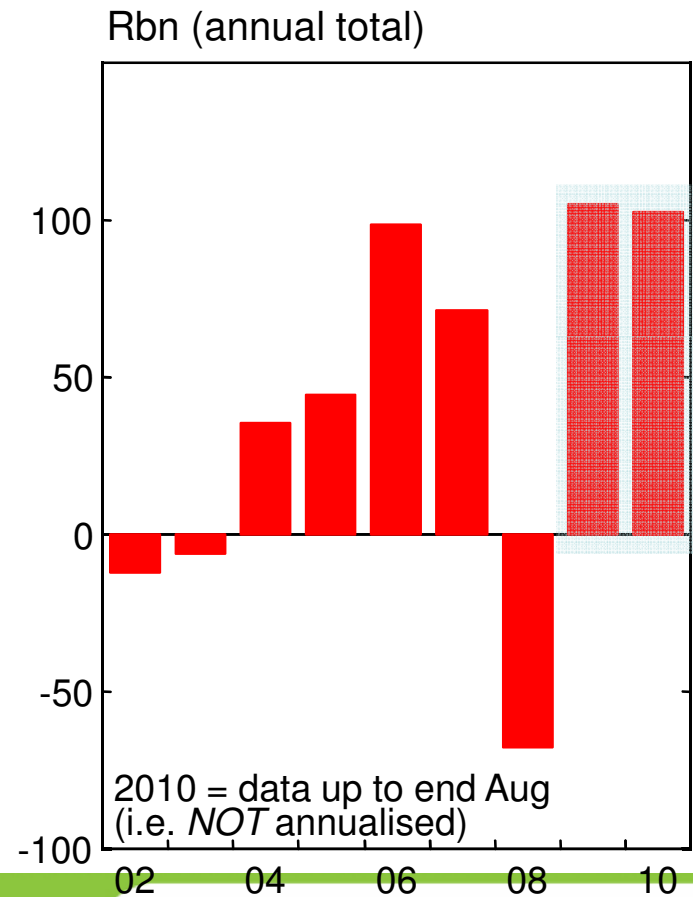
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SA Economy benefiting from this “search for return” & OK fundamentals

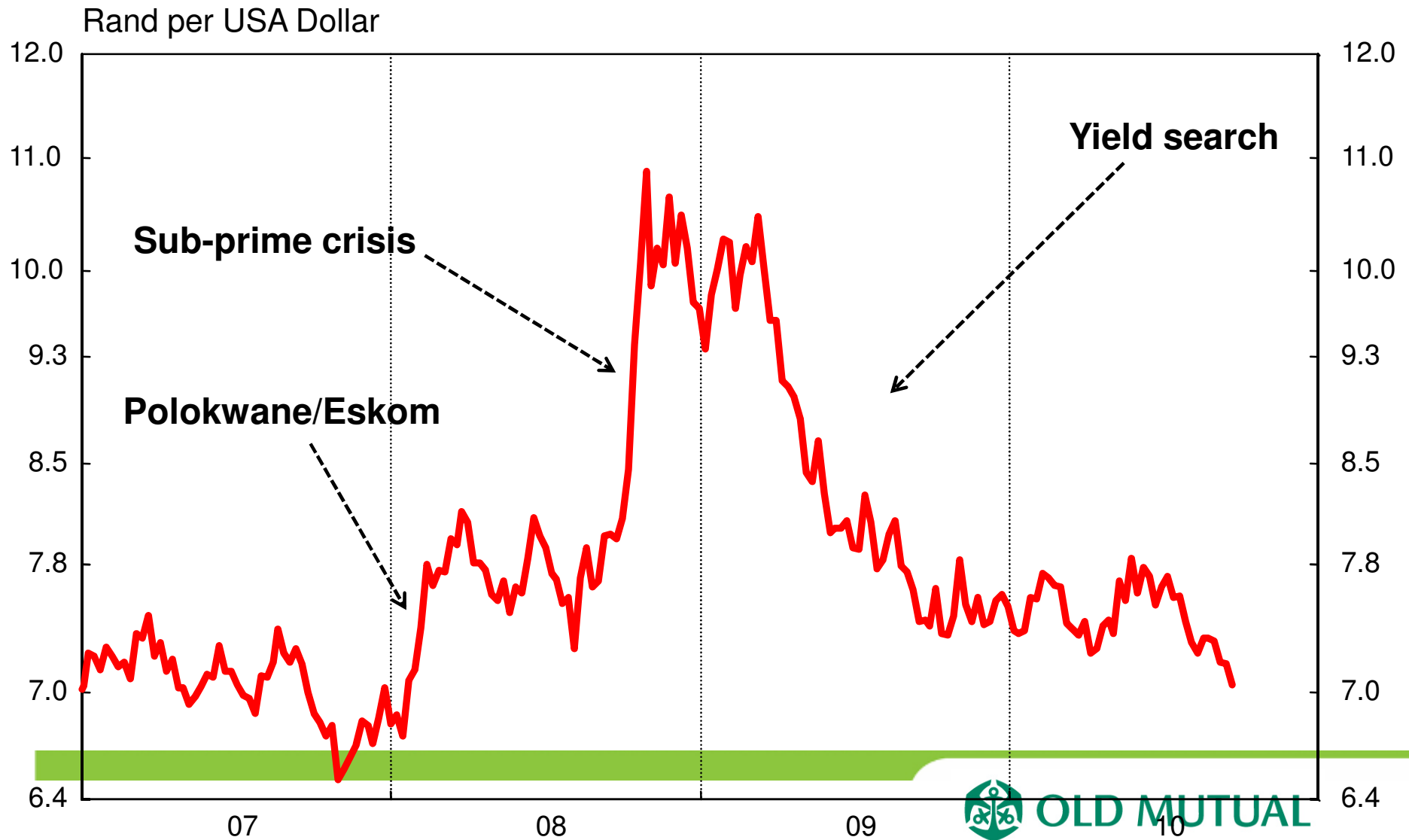
Government debt as % of GDP



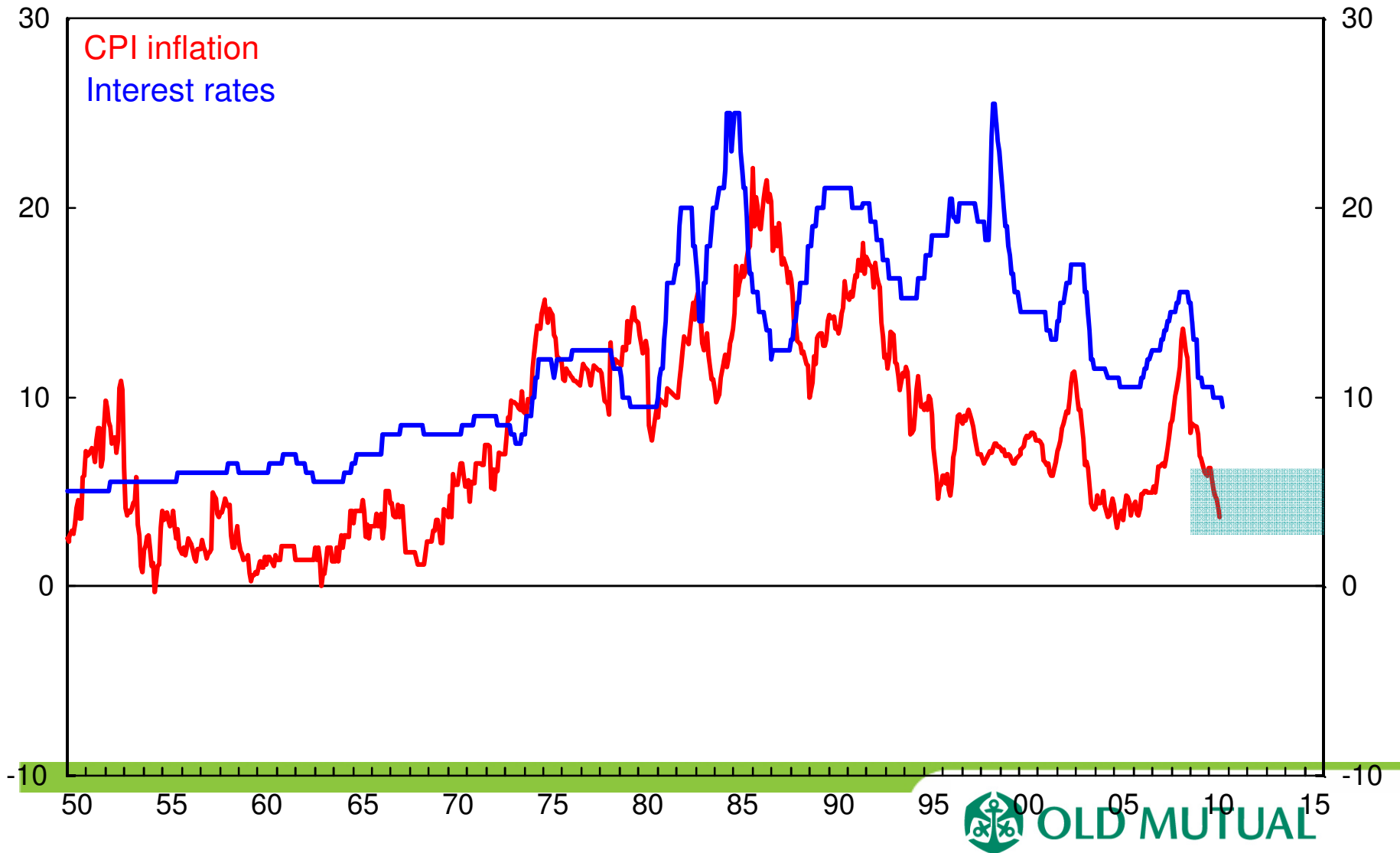
Net foreign purchases of equities & bonds



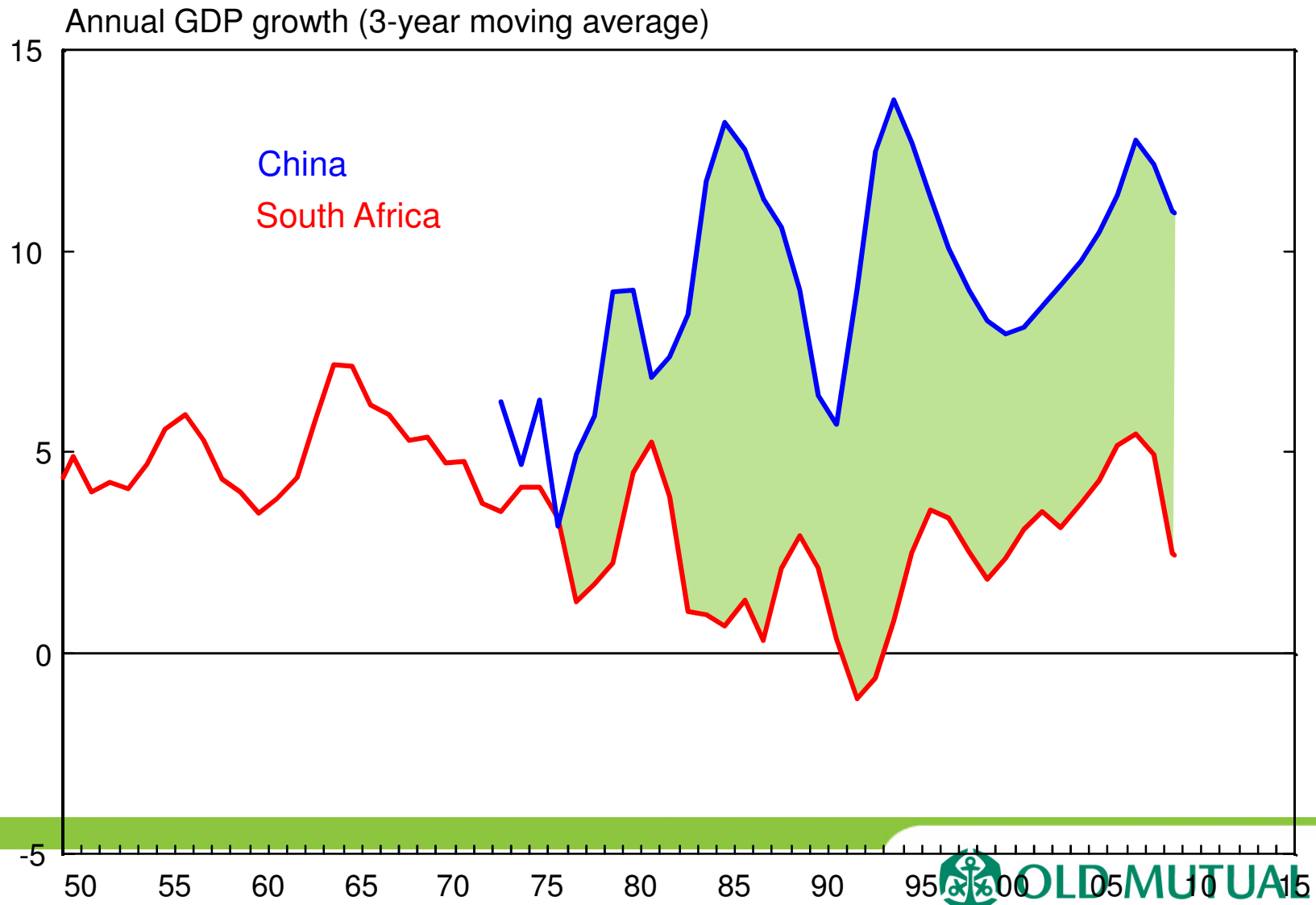
Rand and its influences



Creating more room for lower rates



But we need further structural reform if we are to close the gap with China



South Africa: The next decade

Serious challenges ahead

▲ Growth & job cre

- But not at expense
- There are no 'quick
- Without further ref
- 4% range

▲ What need

- Convince
- Drastic ac

▲ SA's succe

determined

- Global eco
- Govt's will
- Failure to



priority:

be stuck in the 3% to

ility & continuity

cade will be

oblem areas
consequences

South Africa: Investment implications from a macro perspective

- ▲ Global environment 'SA friendly'
 - ▲ Macro Economic building blocks are in place and likely to remain:
 - Floating currency
 - Inflation targeting/price stability
 - Fiscal discipline
 - ▲ Aces up government's sleeve
 - "New growth path" – within a week or so
 - Infrastructure investment
 - Expanded public works – 4 million job opportunities
 - Investment program of R845 billion. Energy, transport, water, hospitals, housing

- To fully benefit, address structural growth obstacles
 - **The next 2 years till 2012 policy conference will be crucial:**
Uncertainty regarding nationalisation, land reforms, retirement fund reform, NHI and the media tribunal will not be conducive to economic growth
 - These issues will have to be strenuously debated in order to achieve a solution that will be beneficial to South Africa in a local and global context
 - A reminder of what was possibly one of our greatest success stories of recent times can be crucial in guiding us on the way forward

Let the public and private sectors
work hand in hand to ensure South
Africa benefits from the good
impression we made in June and
July

Ke Nako!!





Thank You