

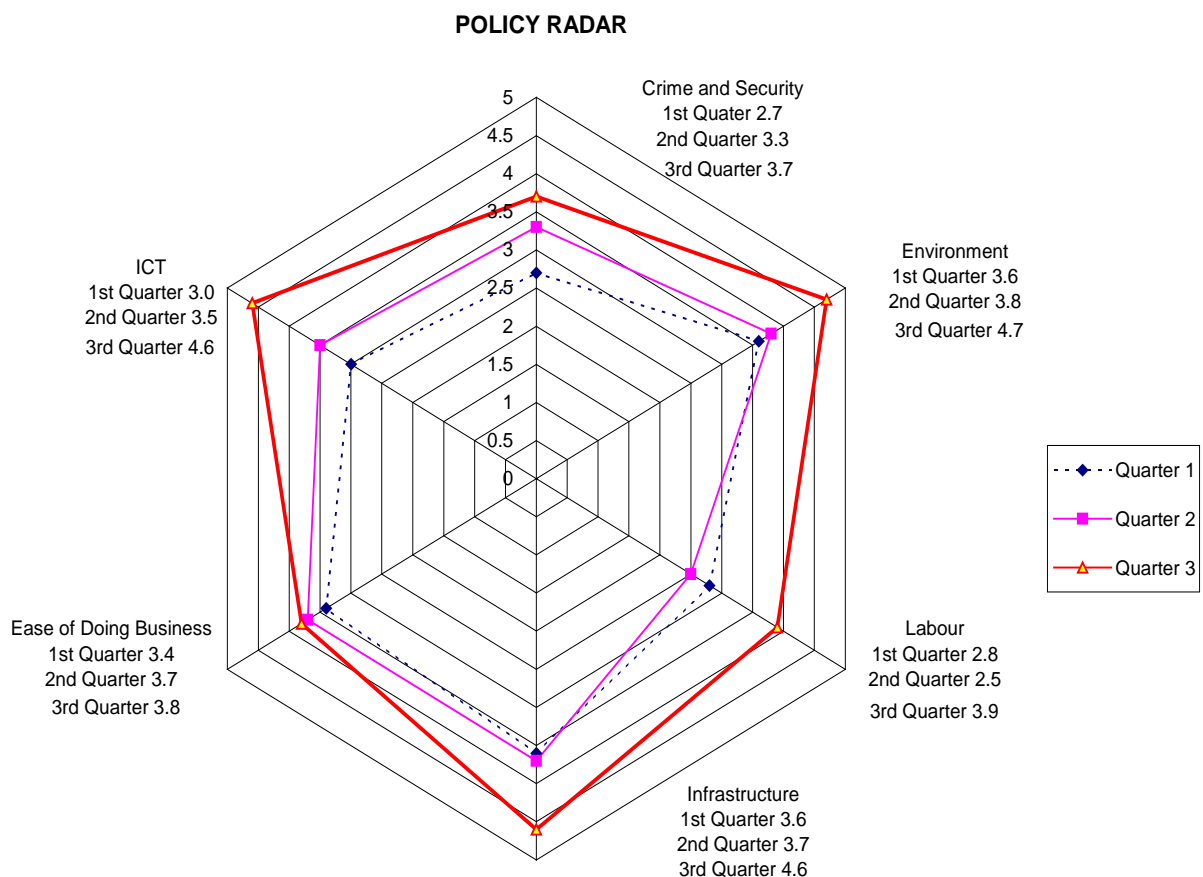
**SACCI Media Release**  
 Thursday  
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**SACCI QUARTERLY REVIEW**  
**THIRD QUARTER 2009**

As attention turns to addressing the disparities in bonuses for bankers and investment professionals globally, domestically we continue to pursue an elusive economic recovery. The SACCI Business Confidence Index remains tentative around levels last seen in 2003 while the SACCI Trade indices point to an emerging recovery. The performance of various sectors remains volatile as industries regroup to position for new opportunities. We anticipate that this will be followed, within months, by a recovery in employment levels.

The SACCI Policy Radar moves from strength to strength showing strong recovery in all focus areas. Attention to the ease-of-doing business, investment attractiveness and speedier implementation of supportive policies and strategies to assist ailing enterprises will further drive improvements in the radar in its next assessment.



As previously anticipated by SACCI, the economic “bleeding” has slowed down as negative trends start to subside and pave the way for a recovery in economic trends and financial indicators. But before rejoicing, we must continue to bear in mind the burden that taxpayers, both locally and internationally, will carry as we emerge from the crisis.

It is hoped that the positive sentiments that continue to drive the policy radar outward will be sustained into 2010. The policy radar assessment for the third quarter clearly identifies Ease of Doing Business as a focus area in need of urgent attention. The global Doing Business Report bears testimony to African neighbours like Mauritius and Rwanda rapidly gaining on South Africa in this regard. There will no doubt be a dramatic improvement in this focus area once government turns stronger attention to the current plight of SMEs and, in particular, aggressively moves towards easing the regulatory and bureaucratic burdens that saddle emerging enterprises.

Although signs of a meaningful recovery elude the South African economy, the possibility of stability, albeit at a low level, is realisable in the near term. Economic activity may improve in the fourth quarter 2009, albeit at a sluggish pace. To maintain or raise the tempo of fixed investment and to provoke a stronger path to economic recovery, it is imperative that business and investor confidence are prioritised in new policy proposals and policy implementation.

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**Contact person:**

Neren Rau

SACCI CEO

(011) 446 3800/ 083 701 2827