



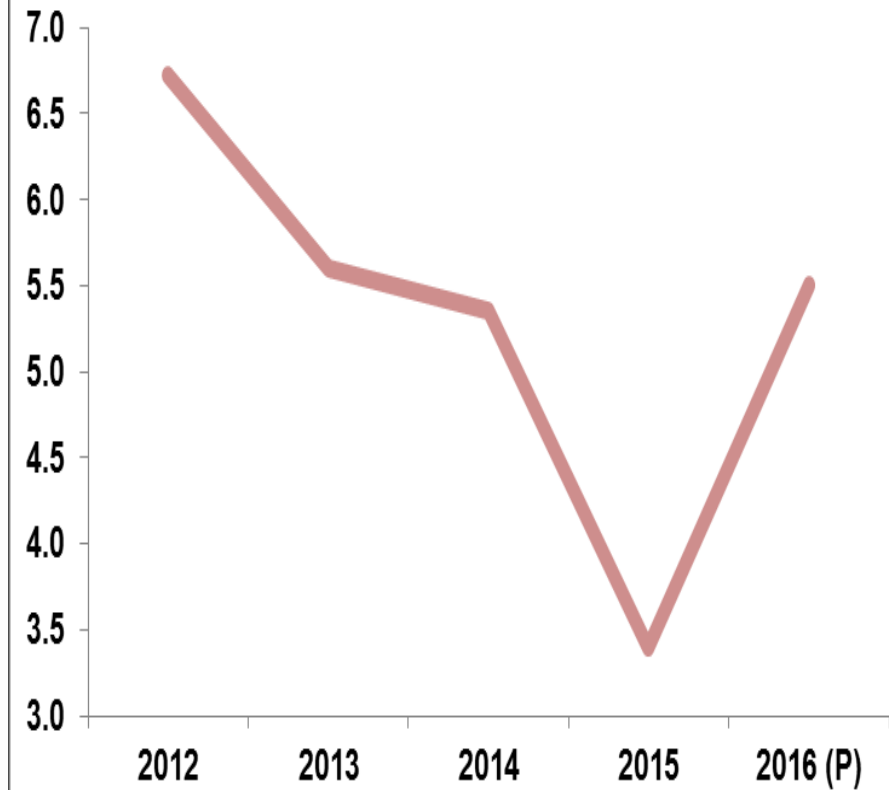
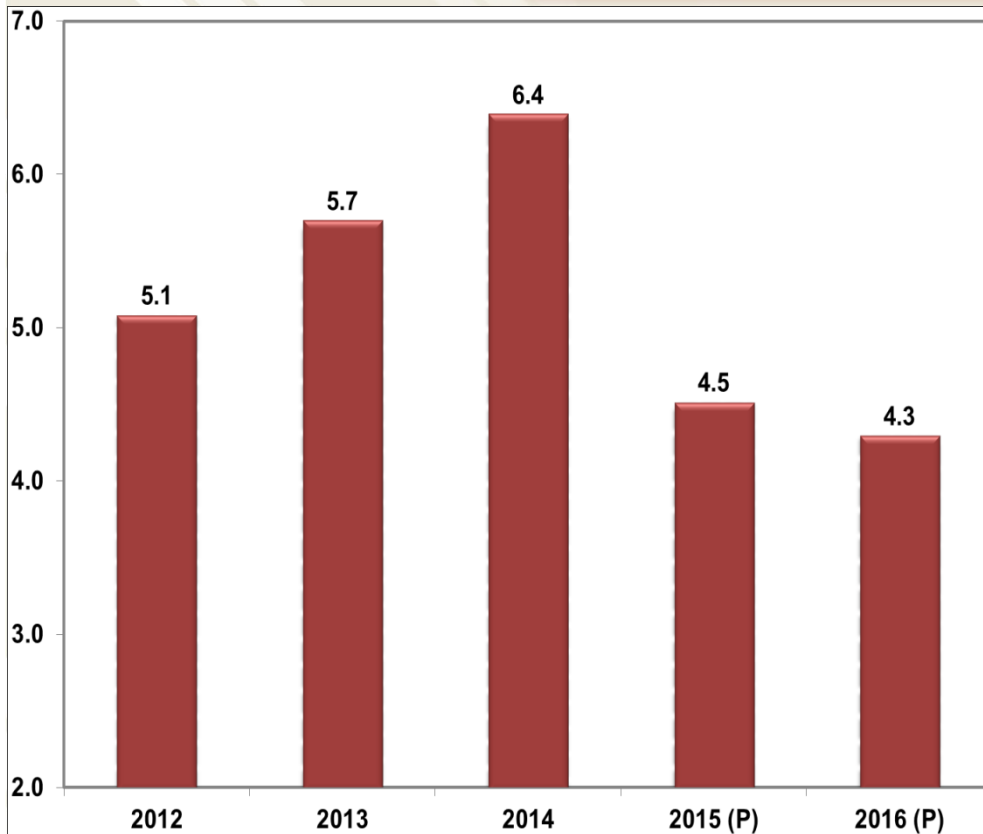
# **Sailing Through Stormy Waters**

January 2016



- Key Namibian Economic Indicators
- Notable External Developments
- Risks and Impact to Namibian Economy
- Policy Implications

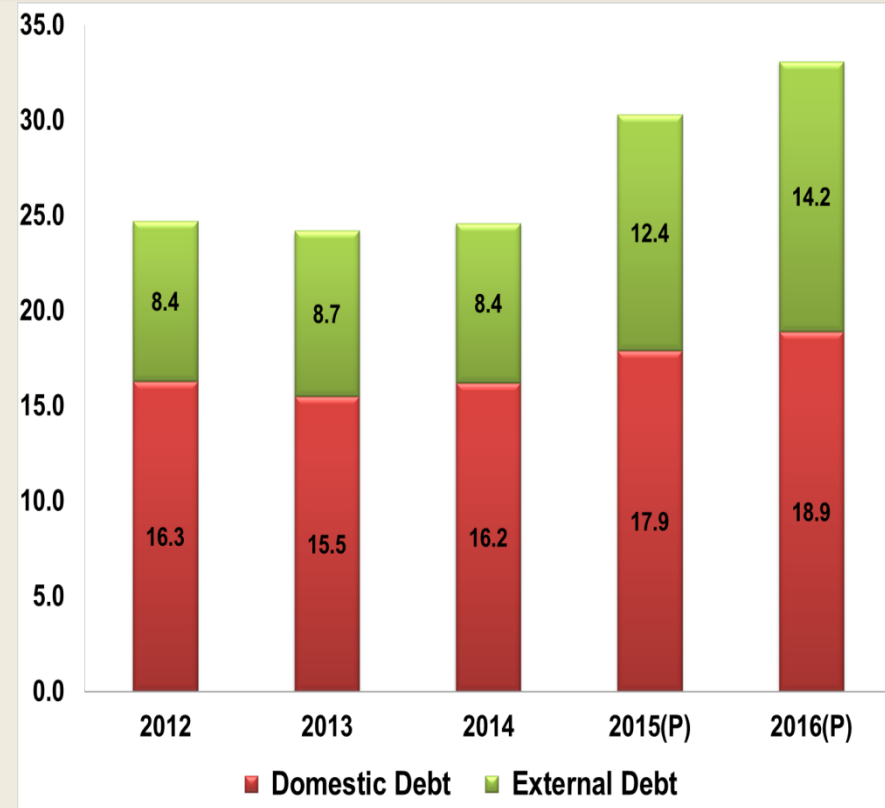
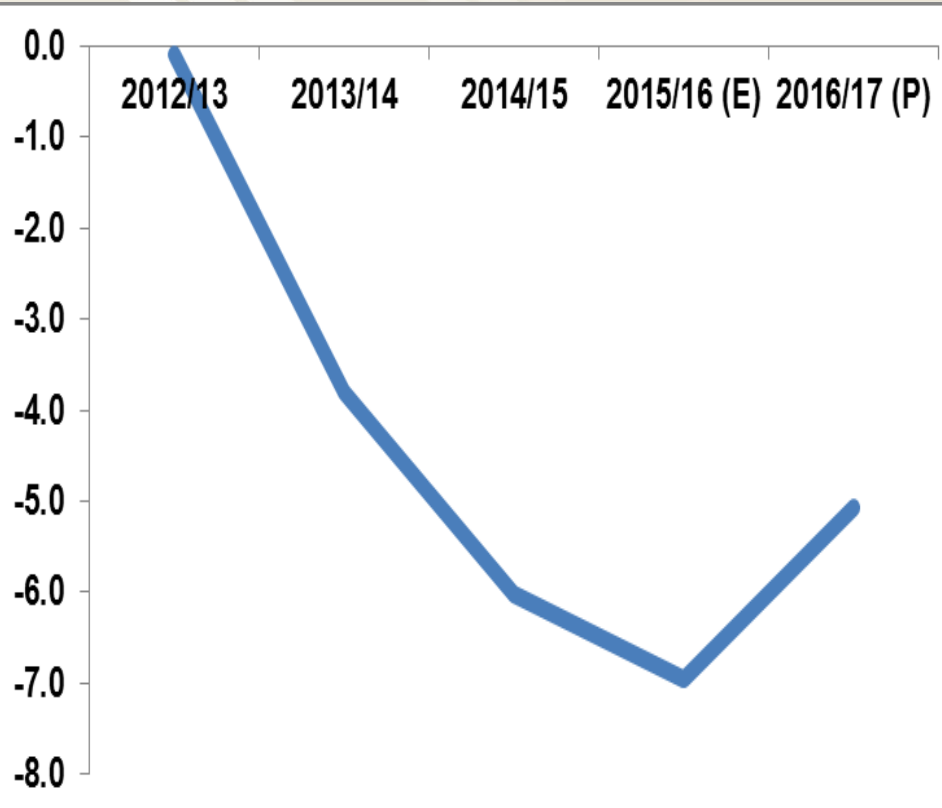
# Key Namibian Economic Indicators



**GDP to slow down**

**Inflation pressures mounting**

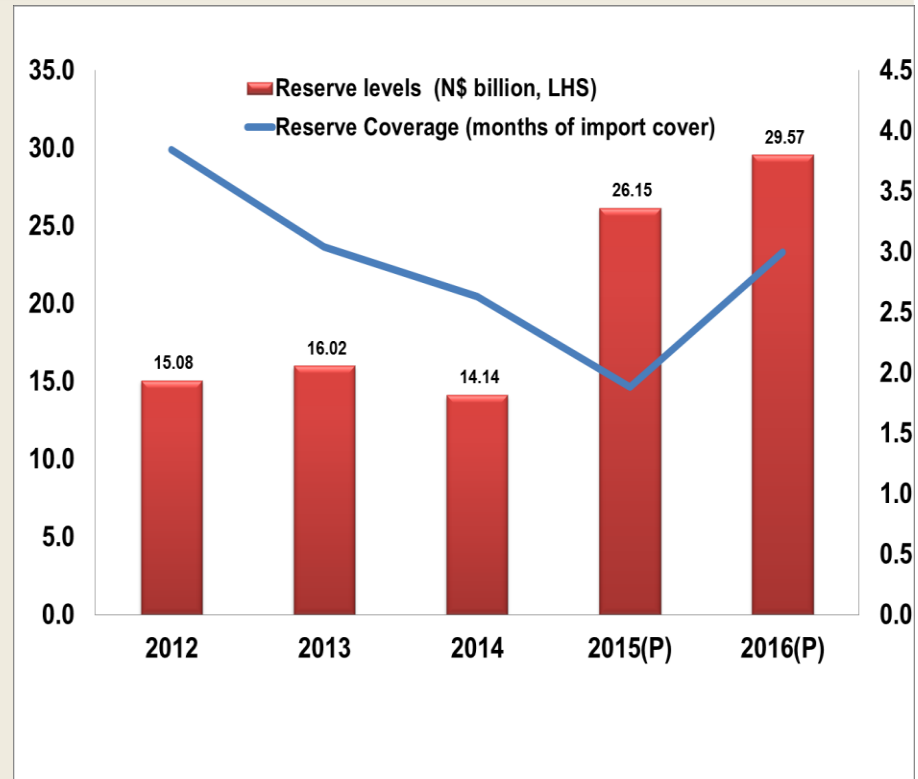
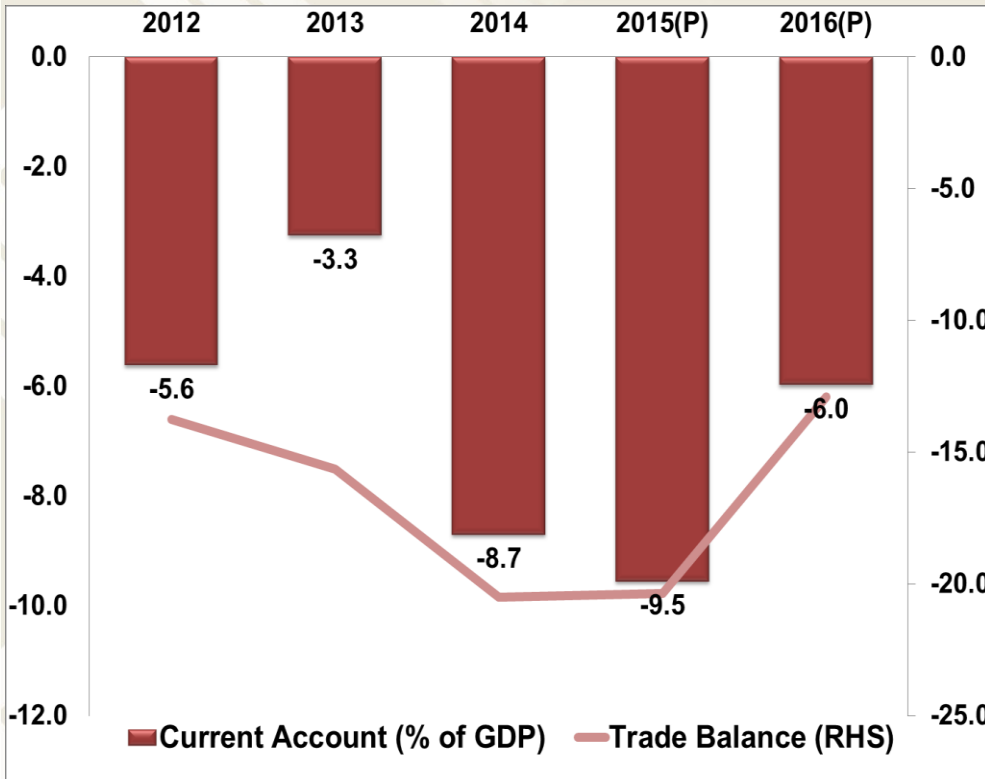
# Key Namibian Economic Indicators



**Fiscal deficit (as % of GDP)**

**Debt to GDP ratio to increase**

# Key Namibian Economic Indicators



**External position to improve**

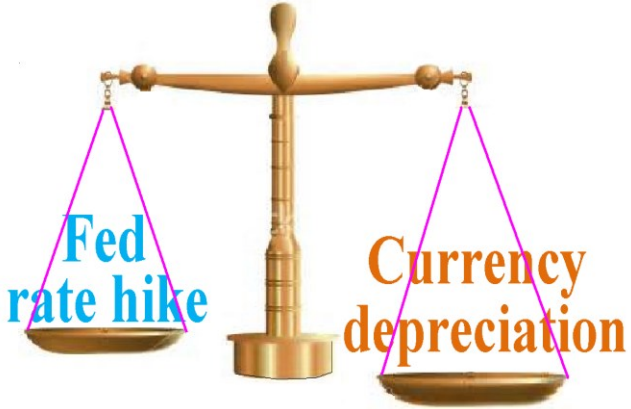
# External Developments – Key Transitional Factors



**Lower  
Commodity  
Prices**

**Normalisation of  
the US monetary  
policy**

**Global slowdown  
and China's  
economic  
rebalancing**



# Risks and Impacts to Namibian Economy



Weaker fiscal positions



Increased risks of downgraded by credit rating agencies



Liquidity strain



Reserves under pressure

- Fiscal consolidation
  - Minimize non-core expenditure
  - Ensure minimal impact on growth and social inclusion
  - Build fiscal buffers
- Strengthen financial sector system
- Build resilience to external shocks
  - Diversification of export products away from commodities
  - Maintain and build foreign reserves





Thank you.