



Cement Import Monitor

May 23

Key message: Imports seem to be stabilizing after falling 31% in CY22. The weak ZAR does not seem to be having an impact.

- January to May 2023 saw imports of 323kt, down 1% from the same period in 2022. Cement imports fell 31% to 730kt for CY22. Cement imports to May 2023 are down 14% on a 12-month rolling basis.
- Supply chain disruptions have largely eased, but cement imports do not seem to be accelerating after the decline in CY22. A weak ZAR should be discouraging imports, although this is not evident.
- Recent data from the cement producers reveals weak demand and attempts to catch up with the significant cost inflation of recent years:
 - **PPC:** cement price increases for the year to March 2023 of 8% and volumes down 6%.
 - **Sephaku Cement:** cement price increases for the year to December 2022 of 8% and volumes down 12%.
- Small amounts of cement are being imported from Mozambique and Namibia (<5% of total), with Vietnam remaining the main import source.

Date: 17 July 2023

Analyst

Rowan Goeller
082 801 2071

rowan@chronuxresearch.com

Associate Analyst

Karabo Langa
081 793 6841

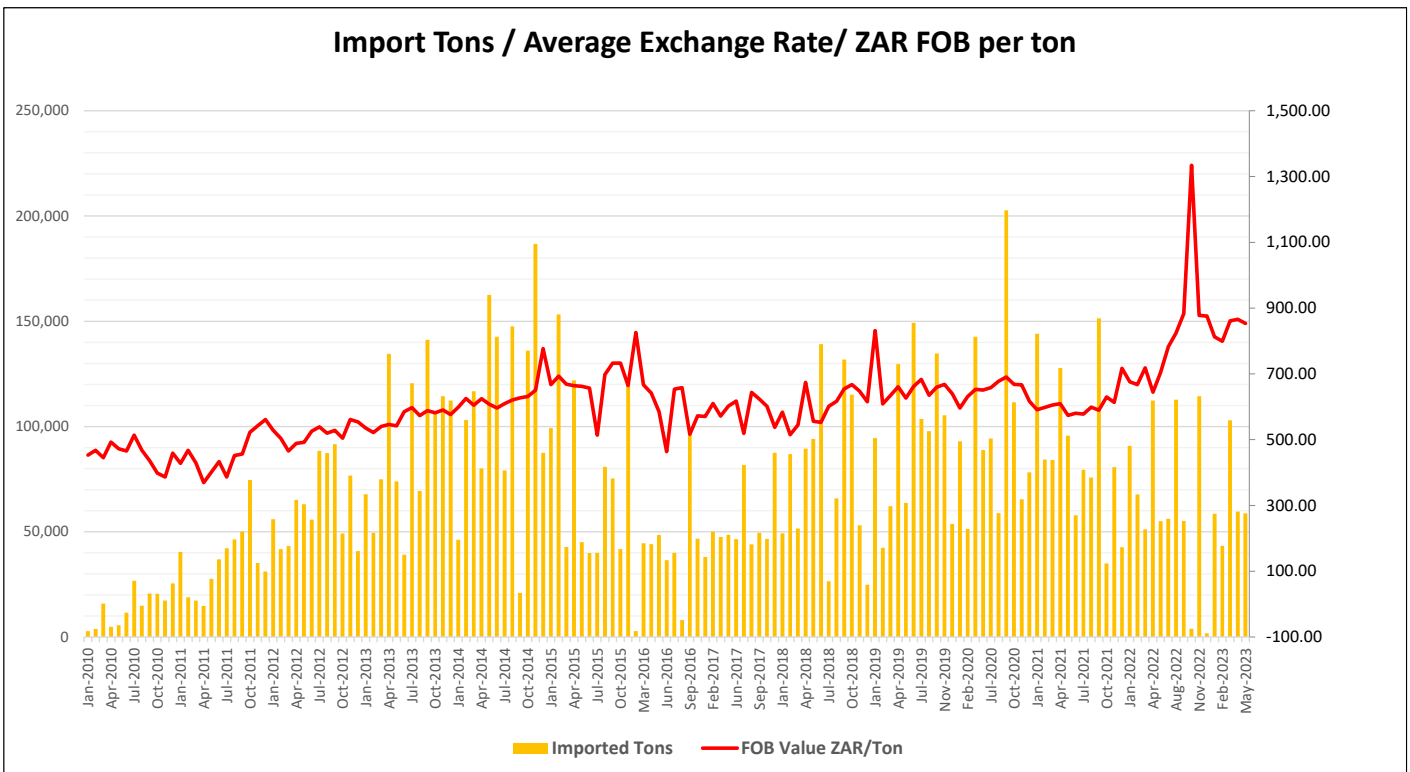
karabo@chronuxresearch.com

Cement Imports (Monthly)

MMM-YY	Imported Tons	Customs Value (ZA FOB Value ZAR/Ton	FOB Value USD/t
Jan-2021	144,478	85,794,048	593.82
Feb-2021	84,502	50,837,435	601.61
Mar-2021	84,254	51,826,235	615.12
Apr-2021	127,877	78,246,675	611.89
May-2021	95,678	55,090,266	575.79
Jun-2021	57,958	35,186,345	607.10
Jul-2021	79,516	46,069,192	579.37
Aug-2021	75,944	46,517,141	612.52
Sep-2021	151,535	90,908,750	599.92
Oct-2021	34,984	22,257,455	636.22
Nov-2021	80,930	50,542,164	624.51
Dec-2021	42,977	31,426,014	731.23
Jan-2022	91,174	63,158,577	692.73
Feb-2022	68,419	46,430,023	678.61
Mar-2022	51,577	37,826,417	733.40
Apr-2022	113,509	74,464,753	656.02
May-2022	1,511	2,173,231	1,438.12
Jun-2022	56,084	40,175,180	716.34
Jul-2022	56,871	45,131,267	793.57
Aug-2022	113,629	94,402,059	830.79
Sep-2022	55,921	50,255,121	898.68
Oct-2022	3,993	5,811,241	1,455.38
Nov-2022	114,843	103,839,798	904.19
Dec-2022	2,519	3,456,727	1,372.37
Jan-2023	58,507	47,810,001	817.17
Feb-2023	43,501	35,851,475	824.16
Mar-2023	102,934	88,915,307	863.81
Apr-2023	59,917	52,234,922	871.78
May-2023	58,892	50,726,515	861.35

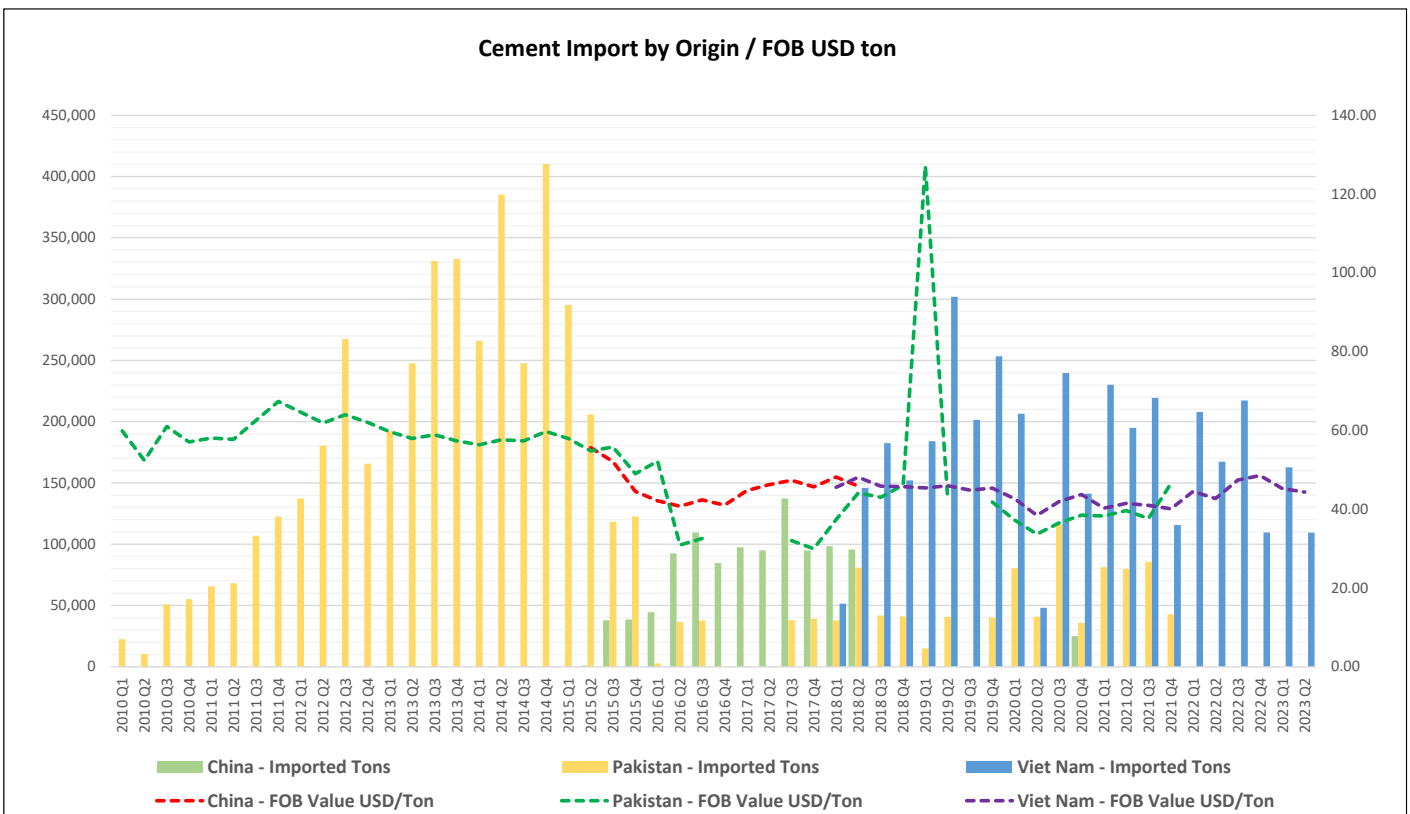
Source: SARS, Chronux Research

Figure 1 Cement Imports (Monthly)



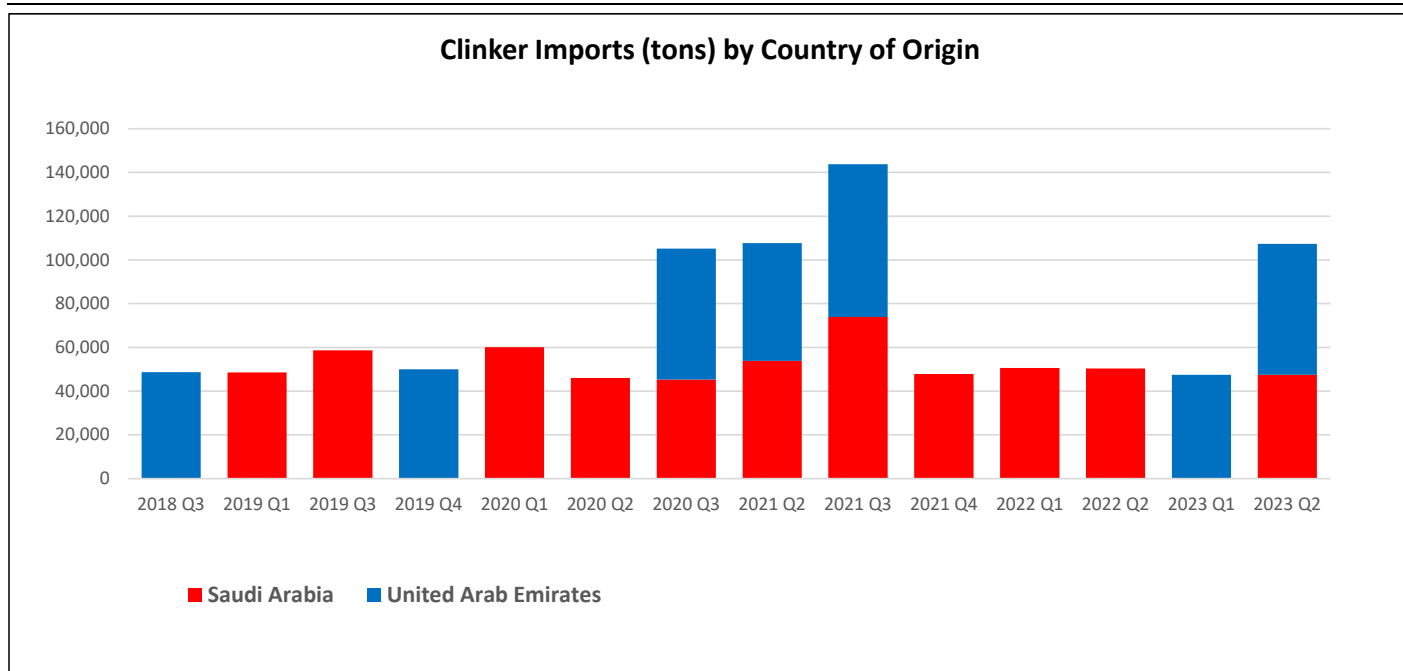
Source: SARS, Chronux Research

Figure 2 Cement Imports by Origin



Source: SARS, Chronux Research

Figure 3 Clinker Imports by Origin



Source: SARS, Chronux Research

Disclaimer:

This report is not investment, financial, accounting or tax advice and is provided for information purposes only. In preparing this report we did not take your specific needs and investment objectives into account. Any prices or quotations provided are indicative only and June not be used or relied on for any purposes, including valuation purposes. Opinions expressed in this communication June change without any notice. This communication is not a solicitation to buy or sell any product. To the extent permitted by the law, Chronux Research Pty. Ltd. and/or the author(s) accept no responsibility or liability (in negligence or otherwise) for loss or damage resulting from the use of or relating to any error in the information provided. This information has been prepared in good faith and is based on information obtained from third party sources. Any modelling, scenario analysis past or simulated past performance (including back-testing) contained in this information is no indication of future performance. Analysts at Chronux Research might own direct exposure to companies they cover. This product June not be eligible for distribution in all jurisdictions and is directed at institutional investors who have professional experience as defined by the applicable law and/or regulation in the relevant jurisdiction. It is not for retail investors and June not be distributed into any jurisdiction where the information is not permitted. This communication is for the intended recipient only and if you have received this communication in error or in an unlawful manner the report must be destroyed, and the author notified immediately. These disclaimers and exclusions shall be governed and construed in accordance with South African law. If any provisions of these disclaimers and exclusions shall be unlawful, void or for any reason unenforceable then that provision shall be deemed severable and shall not affect the validity and enforceability of the remaining provisions. © Chronux Research Pty. Ltd. All rights of Chronux Research Pty. Ltd are reserved.