

# Printing Trends

A DECISION SUPPORT SERVICE FROM ECONOMETRIX (PTY) LTD

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## *Printing and Publishing grew less than Economy*

### **Inside this Newsletter:**

- \* Industry turnover vs. economy's turnover
- \* Industry volumes vs. economy's volumes
- \* Industry prices vs. economy's prices

### *Summary*

- \* Printing and publishing turnover grew less than that of the economy during the last three years.
- \* The main reason for the decline in market share, in terms of turnover, is the fact that printing and publishing volumes (units) grew less than that of the economy.
- \* Volume growth was less due to (a) a displacement of consumer spending from "traditional" markets to "new markets" (e.g. cell phones) and (b) the dramatic decline in the output of textbooks.
- \* The decline in the industry's market share in the economy's turnover was less than it would have been, had it not been for the fact that its prices rose slightly more than those of the economy over the last three years.
- \* If textbooks are excluded, the relative performance of the sector might have been much better.

### *Outlook*

- \* The industry will continue to grow less than the economy during this year.
- \* The factors that have played a role during the previous three years will continue to be important in 2001. The erosion by the "new" consumer markets will, however, become less important during the next few years.

### *Enquiries*

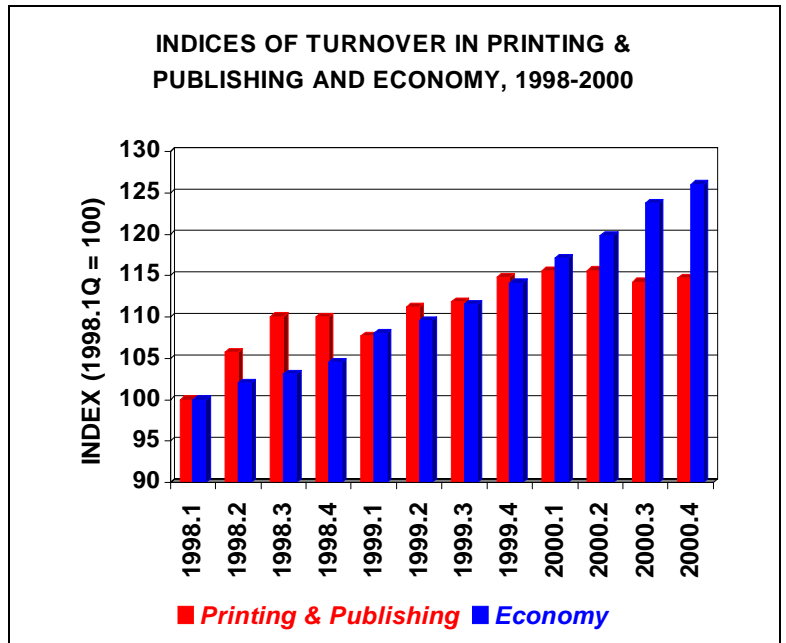
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**1. PRINTING AND PUBLISHING TURNOVER GREW MUCH SLOWER THAN THE ECONOMY IN 2000**

The graph shows indices of the turnover of printing and publishing and turnover in the economy (nominal GDP), with the base quarter being the first quarter of 1998.

While the industry turnover kept pace with the economy during 1998 and 1999, the industry did not keep pace with the economy last year. It seems probable that publishing grew more slowly than printing, but that neither of these two branches grew as rapidly as the economy.

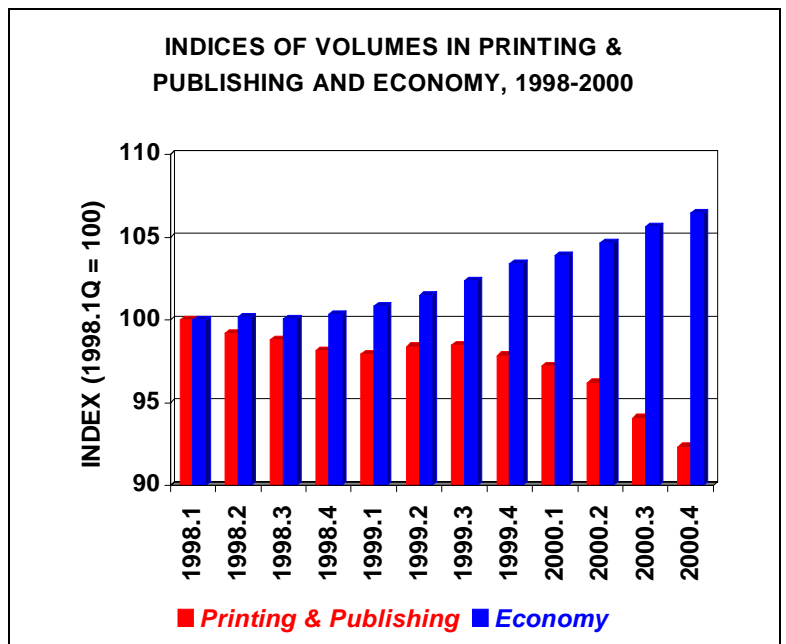


**2. PRINTING AND PUBLISHING WILL CONTINUE TO UNDERPERFORM**

The “new“ markets will continue to grow much more rapidly than “traditional” markets during 2001, although the difference in growth will be smaller than in 2000. For this reason printing and publishing will continue to grow less than the economy this year.

**3. INDUSTRY VOLUME GROWTH WAS LESS THAN THAT OF ECONOMY**

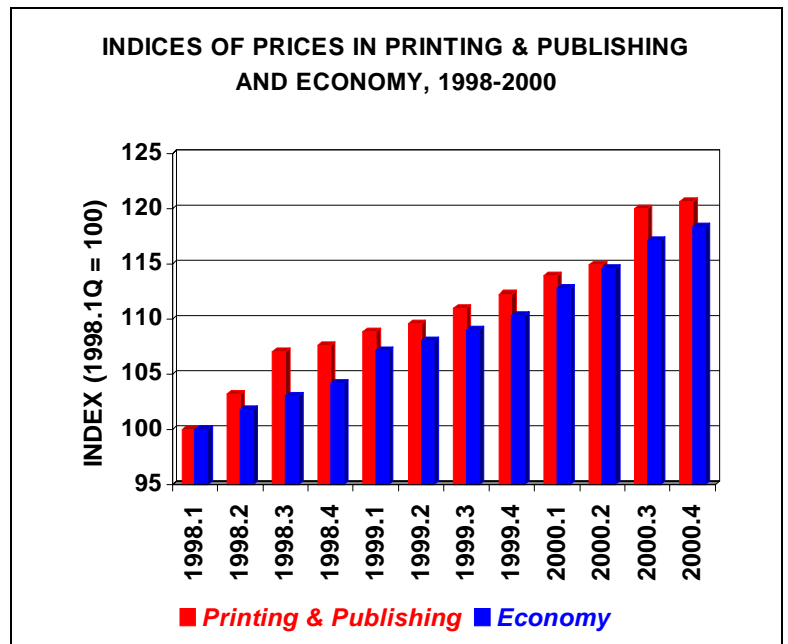
The graph shows indices of the volumes (= units) of printing and publishing and of the economy (real GDP), with the base quarter being the first quarter of 1998. The decline in industry volumes is mainly textbook related.



#### 4. PRICES IN INDUSTRY ROSE FASTER THAN THOSE IN ECONOMY

The graph shows indices of the prices of printing and publishing and of the economy (GDP price index), with the base quarter being the first quarter of 1998.

Since 1998 industry prices rose more than those in the economy. This was especially the case in 1998. In 1999-2000 prices increased more or less in line with those in the economy as a whole.



**END**