

US Tariffs Hit South African Exports Harder Than Rivals

July 27, 2025

— Categories: *Economics*



[Download IPFS](#)

South African exports to the United States are facing a significant blow after the U.S. imposed new 30% tariffs, placing South Africa at a disadvantage compared to competing exporters. According to analysts, the sharp increase in duties could weaken South Africa's position in the U.S. market and reduce American demand for its goods.

Earlier this week, U.S. President Donald Trump announced the tariffs, which exclude precious metals but affect a wide range of other South African products. The new trade policy is expected to impact roughly R2.3 billion in South African exports.

Lawrence Edwards, an economics professor at the University of Cape Town, warned that the scale of the tariffs, when compared to lower rates imposed on competitor countries, could lead U.S. buyers to switch suppliers. Aiste Bijune, a trade consultant with Euromonitor International, said the tariffs would increase costs for U.S. consumers, likely lowering demand and reducing South Africa's export volumes. Bijune noted that the United States accounts for 7.7% of South Africa's total exports, marking the tariffs as a "meaningful headwind."

Donald MacKay, CEO of XA Global Trade Advisors, said the affected trade accounts for about 1.3% of South Africa's GDP, though not all of that may be lost. He added that existing National Security duties on metals, such as a 50% tariff on steel and aluminum, are already affecting trade flows and could be extended to copper from August.

In addition, the automotive sector faces a 25% tariff, placing further pressure on key South African industries. According to Duane Newman, partner at EY South Africa, the impact will likely be concentrated in a small number of companies focused on metals, minerals, and food exports.

Old Mutual chief economist Johann Els noted that protectionist policies tend to be temporary. "Market forces will push back," he said, pointing to U.S. consumer demand for affordable goods. He cited McKinsey data predicting a rebound in trade by 2027 as global supply chains adjust and digital trade platforms expand.

President Cyril Ramaphosa criticized the tariffs, arguing that they misrepresent actual trade balances. However, the U.S. has not issued a formal response to South Africa's concerns.