

Press release: “2016: An Outlook on the Namibian Economy”



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THE SAVING TEAM ... Suta Kavari of the Economic Association of Namibia, Baronice Hans, Bank Windhoek MD- designate, Minister in Charge of the National Planning Commission, Tom Alweendo, Floris Bergh of Capricorn Asset Management, Rowland Brown of IJG Securities and Thinus Prinsloo, MD of Bank Windhoek Holdings, at the EAN/Bank Windhoek Holdings breakfast meeting under the theme: 'An Outlook on the Namibian Economy', that took place last Friday in Windhoek. Photo: Contributed

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Bank Windhoek Holdings' MD calls for saving culture

by Staff Reporter

IN UNCERTAIN economic times consumers are urged to curb their spending and to nourish a culture of saving, the managing director of Bank Windhoek Holdings, Thinus Prinsloo, has said.

Speaking last Friday, at the closing of the 2016 Economic Outlook on the Namibian Economy breakfast meeting - organised by the Economics Association of Namibia (EAN) and sponsored by Bank Windhoek Holdings - Prinsloo said the turbulent start to the year has seen increased volatility in global financial markets.

“Economic debates regarding inflation and the exchange rate have become recurring themes of late. And yesterday [last Thursday], the SARB boldly met expectations with the first 50 basis point move in a long time,” Prinsloo said.

“The uncertainty in the global financial markets has led to a lot of anxieties, with many people uncertain about the full impact of these developments on their business as well as on their personal investments and financial well-being.”

“In these uncertain times, consumers should be encouraged to be vigilant of the broad-based financial pressures emanating from expected higher interest rates, increases in electricity and water tariffs, and rising inflation.”

“In such an environment, it is imperative to curb negligent spending and encourage a culture of savings and investment,” Prinsloo said.

According to Prinsloo, the Namibian economy has enjoyed strong support from both monetary and fiscal policy in recent years.

“The government has committed itself to promoting a robust and fast-growing economy capable of creating employment. In last year's budget, the government prioritised an inclusive growth agenda for the economy with targeted budgetary allocations to sectors with high growth and job creation potential. Namibia's fiscal position appears very healthy and government's commitment to reigning in spending growth over the next few years, is very encouraging,” Prinsloo said.

“The Namibian economy, with our small population base, is relatively small in the global context, making the banking industry in our market fairly competitive. The rise in diversified financial services providers, such as asset managers, micro-lenders and investment advisers, has made the local banking environment even more competitive. The world's interconnectivity and technological advances have made real-time data and information easily accessible, meaning that movements in global markets have an impact on the local economy, and thus the banking sector. The continued drought conditions, the fall in commodity prices and government's challenging fiscal position have made the local operating environment ever more challenging, but also brought opportunities.”

Prinsloo said that the business breakfast achieved its objective of providing insight into the key challenges and opportunities facing the Namibian economy, as well as the global macro themes moving markets this year.

“Bank Windhoek Holdings, as proud partner of the Economic Association of Namibia, believes that the Economic Association of Namibia plays a vital role in bridging the apparent gap between the various stakeholders in the local market, while also opening up channels for improved dialogue and cooperation, particularly between the public and private sectors,” Prinsloo said.

“Bank Windhoek Holdings is a remarkable Namibian story about a successful business built on the spirit of integrity, entrepreneurship, relationship building, and, above all, the commitment and the hard work of our people. Our organisational culture is one that encourages exceptional performance, supported by a strong sense of responsible behaviour. As a group we remain committed to responsible economic growth of Namibia,” Prinsloo said.