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***Where to Invest in Africa 2014/15 — A Guide to Corporate Investment***

Rand Merchant Bank's (RMB) fourth annual *Where to Invest in Africa 2014/15 — A Guide to Corporate Investment* shows a less favourable year for Africa's investment attractiveness ratings. Not only did the continent's overall investment attractiveness deteriorate, but 22 countries received lower scores than the previous year.

A small part of the deterioration seems temporary due, for instance, to the political upheaval in North Africa. However, the outcome emphasises that the continent still has a long way to go in terms of reforms if the recent economic boom is to be sustained.

South Africa remains Africa's foremost investment destination and has, in fact, extended its lead despite a GDP revision that transformed Nigeria into Africa's largest economy.

The top 10 most attractive investment destinations in Africa are, in order: South Africa; Nigeria; Ghana; Morocco; Tunisia; Egypt; Ethiopia; Algeria; Rwanda; and Tanzania. Egypt has slipped three places while Libya has completely dropped out of the top 10. Algeria re-enters the top 10 after a three-year break, and Rwanda enters the fold for the first time.

Other notable improvements were seen in Niger, the DRC, Lesotho, and Swaziland's rankings, while the Congo, Mauritania, São Tomé and Príncipe, Egypt, and Libya fell several places lower.

Regionally, East Africa is by far the darling of Africa. Bursting with growth-laden economies, it is forecast to grow at an average of 6.3% between 2014 and 2019 but could surpass this if oil and gas activities come to fruition sooner than anticipated.

As far as the global rankings are concerned, the US has regained the top spot from China, a position it surrendered after the financial crisis. This represents an improvement in the US economic outlook and an expected slowdown in Chinese growth rates. While Africa has become a hot new destination for investment, many countries on the continent remain unreformed and unattractive; the bottom six countries in our world rankings are in Africa.

The rankings identify the most attractive investment destinations in Africa. These are updated on an annual basis to reflect changes in the macroeconomic and business environments of 54 distinctive economies. The methodology underpinning the scoring systems stems from academic evidence that suggests that GDP growth rates, economic size, and the general business landscape are fundamental investment considerations.

The latest edition focusses on cities. RMB's clients have become increasingly interested in urban areas as part of their investment strategies, especially the consumer-driven firms. Some findings include cities like Lagos, Johannesburg, Cairo, Algiers, Casablanca, Luanda and Tunis and earmark them as significant contributors to Africa's overall GDP.

Ends.