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Macro-economic outlook: forecasts still held back by crime, logistics and power crises, but potential improves

Friday 29 September 2023

GDP summary, % real growth rates	2022	2023	2024	2025	2026	2027
GDP (real, y/y %)	1.9	0.5	1.1	1.4	1.7	2.0
HCE (real, y/y %)	2.5	0.8	1.6	1.8	1.9	2.1
GCE (real, y/y %)	1.0	1.7	0.4	0.0	0.6	1.1
GFCF (real, y/y %)	4.8	7.2	6.5	4.8	5.0	5.2
GDE (real, y/y %)	3.9	1.9	1.6	1.8	2.0	2.5
Export (goods & non-factor services) - (real, y/y %)	7.4	3.6	3.0	2.7	2.7	3.2
Imports (goods & non-factor services) - (real, y/y %)	14.9	7.9	3.7	3.8	3.8	4.5
Current Account – (% GDP)	-0.4	-2.3	-2.8	-2.6	-3.0	-3.4
Imports as % of GDP	29.3	31.5	32.3	33.0	33.7	34.5
Exports as % of GDP	27.3	28.2	28.7	29.0	29.3	29.7

Consumption Expenditure	2022	2023	2024	2025	2026	2027
HCE, total (real, %)	2.5	0.8	1.6	1.8	1.9	2.1
HCE as % of GDP	66.7	66.8	67.2	67.4	67.5	67.6
Unemployment rate (%)	33.5	32.8	32.8	32.8	32.9	32.8
Population (million)	59.9	60.4	61.0	61.7	62.3	62.9
Employment growth rate (%)	5.9	3.4	0.5	1.7	1.4	1.8
Compensation of employees (%)	4.6	5.4	5.9	6.0	6.0	6.4
GCE as % of GDP	19.6	19.8	19.7	19.4	19.2	19.0

Gross Fixed Capital Formation	2022	2023	2024	2025	2026	2027
GFCF, total (real, %)	4.8	7.2	6.5	4.8	5.0	5.2
GFCF as % of GDP	14.5	15.5	16.3	16.9	17.4	18.0
Private sector (real, %)	5.2	8.5	7.6	4.8	5.1	5.2
Government (real, %)	3.7	3.9	3.9	4.7	4.8	5.1
Non-residential GFCF (real, %)	5.7	10.5	8.8	4.8	5.1	5.2
Residential buildings (real, %)	3.3	0.2	1.9	4.9	4.8	5.2

Please note: all data may be subjected to historical revisions

GDP summary, % real growth rates	2023	2023	2023	2023	2024	2024	2024	2024	2025	2025	2025	2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (real, qqsa %)	0.4	0.6	-0.3	0.1	0.4	0.4	0.5	0.4	0.3	0.3	0.4	0.4
HCE (real, qqsa %)	0.4	-0.3	0.1	0.3	0.7	0.4	0.5	0.5	0.4	0.5	0.5	0.4
GCE (real, qqsa %)	1.3	1.7	-0.5	-0.4	0.3	0.2	0.1	0.0	-0.1	0.0	0.0	1.3
GFCF (real, qqsa %)	1.8	3.9	1.1	1.1	1.9	1.6	1.4	1.1	1.1	1.1	1.1	1.8
GDE (real, qqsa %)	0.5	1.4	-0.1	0.1	0.5	0.5	0.5	0.5	0.4	0.4	0.5	0.5
Export (goods & non-factor services) - (real, qqsa %)	4.3	0.9	0.2	0.1	1.1	1.0	0.9	0.9	0.5	0.5	0.5	4.3
Imports (goods & non-factor services) - (real, qqsa %)	4.8	3.3	-0.4	0.1	1.2	1.2	1.1	1.2	0.8	0.8	0.8	4.8

Note: The GDP figures are from the expenditure side and so include the residual. Source: SARB, Investec

GDP summary, % real growth rates	2026	2026	2026	2026	2027	2027	2027	2027	2028	2028	2028	2028
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (real, qqsa %)	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
HCE (real, qqsa %)	0.5	0.4	0.5	0.5	0.5	0.5	0.6	0.6	0.5	0.5	0.5	0.6
GCE (real, qqsa %)	0.0	0.1	0.2	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.3	0.3
GFCF (real, qqsa %)	1.2	1.2	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3
GDE (real, qqsa %)	0.5	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Export (goods & non-factor services) - (real, qqsa %)	0.4	0.8	0.8	0.8	0.9	0.8	0.7	0.8	0.8	0.9	0.9	0.9
Imports (goods & non-factor services) - (real, qqsa %)	0.8	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2

Note: The GDP figures are from the expenditure side and so include the residual. Source: SARB, Investec

Global Environment: averages	2022	2023	2024	2025	2026	2027
Oil price, Brent USD/barrel	98.9	80.9	76.6	85.6	89.4	91.6
World GDP (real, %)	3.0	2.5	2.4	2.9	2.9	2.7
US CPI (Av, %)	8.1	4.0	2.4	2.2	2.1	2.3
US GDP (Av, %)	2.1	1.8	0.5	2.0	1.8	2.0
US Fed rate (year-end %)	4.50	5.50	4.25	3.00	3.00	3.00

Global growth is projected to remain moderate

	2022	2023		2024	
		Interim EO projections	Difference from June EO	Interim EO projections	Difference from June EO
World	3.3	3.0	0.3	2.7	-0.2
G20 ¹	3.1	3.1	0.3	2.7	-0.2
Australia	3.7	1.8	0.0	1.3	-0.1
Canada	3.4	1.2	-0.2	1.4	0.0
Euro area	3.4	0.6	-0.3	1.1	-0.4
Germany	1.9	-0.2	-0.2	0.9	-0.4
France	2.5	1.0	0.2	1.2	-0.1
Italy	3.8	0.8	-0.4	0.8	-0.2
Spain ²	5.5	2.3	0.2	1.9	0.0
Japan	1.0	1.8	0.5	1.0	-0.1
Korea	2.6	1.5	0.0	2.1	0.0
Mexico	3.9	3.3	0.7	2.5	0.4
Türkiye	5.5	4.3	0.7	2.6	-1.1
United Kingdom	4.1	0.3	0.0	0.8	-0.2
United States	2.1	2.2	0.6	1.3	0.3
Argentina	5.0	-2.0	-0.4	-1.2	-2.3
Brazil	3.0	3.2	1.5	1.7	0.5
China	3.0	5.1	-0.3	4.6	-0.5
India ³	7.2	6.3	0.3	6.0	-1.0
Indonesia	5.3	4.9	0.2	5.2	0.1
Russia	-2.0	0.8	2.3	0.9	1.3
Saudi Arabia	8.8	1.9	-1.0	3.1	-0.5
South Africa	1.9	0.6	0.3	1.1	0.1

Source: OECD Economic Outlook September 2023

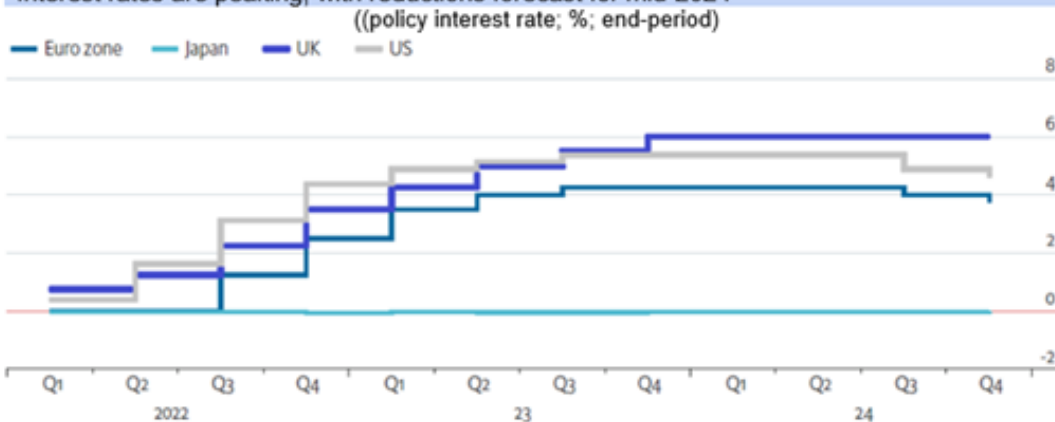
Note: Difference from June 2023 Economic Outlook in percentage points, based on rounded figures. World and G20 aggregates use moving nominal GDP weights at purchasing power parities (PPPs). Based on information available up to 15 September 2023.

1. The European Union is a full member of the G20, but the G20 aggregate only includes countries that are also members in their own right.

2. Spain is a permanent invitee to the G20.

3. Fiscal years, starting in April.

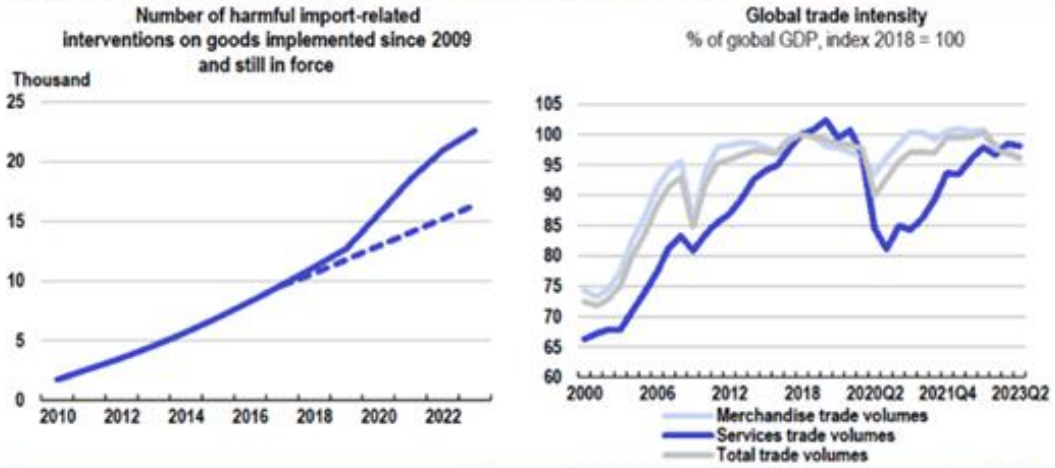
Interest rates are peaking, with reductions forecast for mid-2024



Source: EIU

Note: Data are from Q3 2023 are EIU forecasts

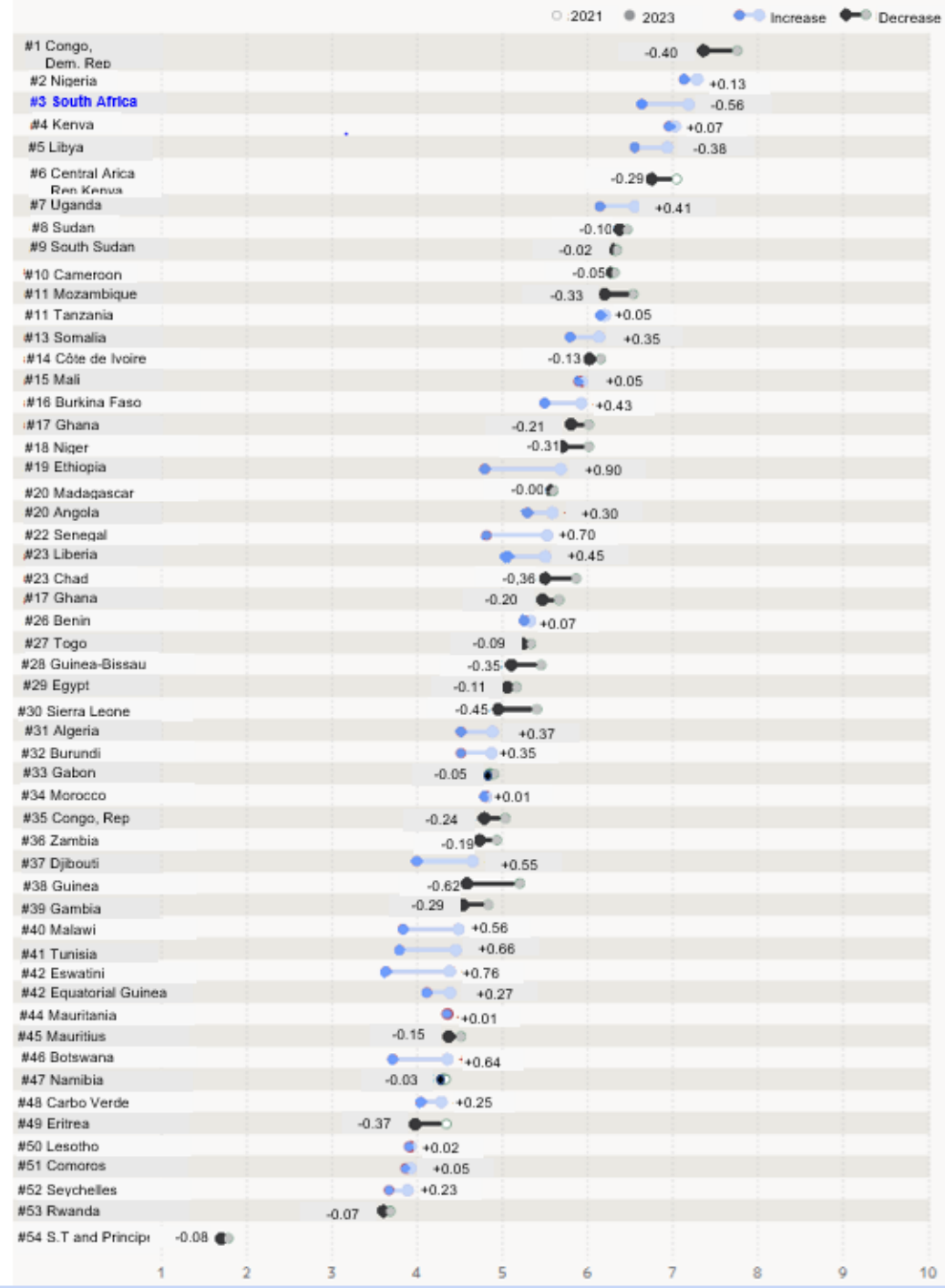
Trade restrictions have risen and global trade intensity has stalled



Source: OECD Economic Outlook September 2023

Note: In the left hand chart, the dashed line is the trend based on 2009-2018 developments. Estimates for 2023 are annualised and based on information up to August 2023. Data exclude the impact of sanctions related to the war in Ukraine. Right hand chart combines annual data from 2000-18 with quarterly data from 2019Q1.

Criminality trends by country, 2021-2023, Africa



Source: Global Initiative

- South Africa's economic growth outlook has lifted marginally for this year, to 0.5% y/y from 0.2% y/y, as globally economies around the world tended to see stronger economic activity than was initially anticipated, although 0.5% y/y is still very weak.
- Growth is generally proving to be below trend in OECD countries, while In SA severe crime hinders performance, as does insufficient electricity and freight capacity. The Global Organized Crime Index 2023 found SA "has a high criminality score".
- "South Africa boasts a number of pervasive criminal markets, heightened by the influence of criminal actors, especially state-embedded actors – responsible for years of state capture – and criminal networks that are highly interconnected."
- "South Africa also scores the highest in the Southern Africa region (on resilience), driven by the efforts of non-state actors to resist organized crime, robust national policies and laws, and strong economic regulatory capacity" – 2022 data.
- The index measures levels of organized crime in a country and assesses their resilience to organised-criminal activity, with SA showing falling ability to combat the criminal activity it faces that contributes to smothering its economic growth rate.
- The state consequently in 2023 enlisted the aid of the private sector in addressing the "key challenges of energy, logistics, and crime and corruption", and the traction to date raises the potential for stronger growth in SA, but not actual forecasts yet.
- Successful implementation of the many goals of the workstreams will be the only way to raise the economic growth forecasts, as economic growth depends on the actual availability of supportive factors such as a fully functioning transport network.
- Next year growth of around 1.0% y/y instead of 0.5% y/y is forecast, lifting to 2.0% y/y in the medium-term. Underbidding on cost hamstrings the rollout of renewable energy and government needs to reduce stringent requirements, and rapidly improve the running of Transnet.
- The temporary, mild elevation in CPI inflation to around 5.0% y/y until February 2024 does not necessitate higher interest rates in SA, but the MPC will likely follow the US interest rate decision, with domestic household consumption weak this year.

Please scroll down to the second section below

	2023	2023	2023	2023	2024	2024	2024	2024	2025	2025	2025	2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Consumption Expenditure, % real growth rates												
HCE, total (real, y/y %)	1.0	0.7	0.9	0.5	0.9	1.6	1.9	2.1	1.8	1.8	1.8	1.8
HCE as % of GDP	67.1	66.5	66.8	67.0	67.2	67.1	67.1	67.2	67.3	67.4	67.5	67.5
Unemployment rate (%)	32.9	32.6	32.9	33.0	32.9	32.8	32.8	32.7	32.8	32.8	32.8	32.9
Population (million)	60.2	60.3	60.5	60.6	60.8	60.9	61.1	61.3	61.4	61.6	61.8	61.9
Employment growth rate (y/y %)	8.6	5.0	0.2	-0.3	-1.0	-0.9	1.8	2.3	2.2	1.8	1.7	1.3
Compensation employees (y/y %)	4.3	5.1	5.7	6.7	6.3	5.0	5.9	6.3	6.1	6.0	5.9	5.9
GCE as % of GDP	19.7	19.9	19.9	19.8	19.7	19.7	19.6	19.5	19.5	19.4	19.4	19.3

Source: SARB, Investec

	2026	2026	2026	2026	2027	2027	2027	2027	2028	2028	2028	2028
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Consumption Expenditure, % real growth rates												
HCE, total (real, y/y %)	1.9	1.9	1.9	1.9	2.0	2.1	2.2	2.2	2.2	2.2	2.2	2.2
HCE as % of GDP	67.6	67.5	67.5	67.5	67.6	67.6	67.6	67.6	67.7	67.7	67.7	67.7
Unemployment rate (%)	32.9	32.9	32.9	32.9	32.8	32.8	32.9	32.7	32.7	32.6	32.6	32.6
Population (million)	62.1	62.2	62.4	62.5	62.7	62.8	63.0	63.1	63.3	63.4	63.6	63.7
Employment growth rate (y/y %)	1.3	1.4	1.4	1.6	1.7	1.8	1.7	1.9	1.8	1.9	2.0	1.8
Compensation employees (y/y %)	5.9	5.9	6.0	6.2	6.3	6.4	6.4	6.4	6.5	6.5	6.5	6.5
GCE as % of GDP	19.2	19.2	19.2	19.1	19.1	19.0	19.0	18.9	18.9	18.9	18.8	18.8

Source: SARB, Investec

Inflation forecasts	2023	2023	2023	2023	2024	2024	2024	2024	2025	2025	2025	2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Consumer Inflation (Av: y/y %)	7.0	6.2	5.0	5.2	5.2	4.7	4.4	4.4	4.0	4.0	4.4	4.3
Producer Inflation (Av: y/y %)	11.9	6.9	3.4	4.0	4.9	4.9	5.7	5.0	5.3	5.1	5.0	4.9
Salary & wage increases (y/y %)	6.4	6.0	5.2	5.0	4.7	5.1	5.3	5.4	5.3	5.4	5.5	5.5

Source: Statistics SA, SARB, Investec

Inflation forecasts	2026	2026	2026	2026	2027	2027	2027	2027	2028	2028	2028	2028
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Consumer Inflation (Av: y/y %)	4.3	4.7	4.6	4.7	4.8	4.7	4.6	4.6	4.4	4.6	4.7	4.7
Producer Inflation (Av: y/y %)	5.0	5.2	5.0	5.2	5.1	4.9	5.0	4.9	5.0	5.1	5.0	5.1
Salary & wage increases (y/y %)	5.5	5.4	5.2	5.1	5.3	5.3	5.4	5.5	5.5	5.5	5.6	5.7

Source: Statistics SA, SARB, Investec

Monetary Sector % year-end	2023	2023	2023	2023	2024	2024	2024	2024	2025	2025	2025	2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Repo Rate (year-end: %)	7.75	8.25	8.25	8.25	8.00	7.50	7.50	7.00	7.00	7.00	7.00	7.00
Prime Overdraft Rate (year-end: %)	11.25	11.75	11.75	11.75	11.50	11.00	11.00	10.50	10.50	10.50	10.50	10.50
SA rand bond (Av: %)	11.39	11.03	11.73	11.50	11.30	11.20	11.10	11.00	10.80	10.70	10.60	10.50

Note: % quarter-end. Source: SARB, Investec

Monetary Sector % year-end	2026	2026	2026	2026	2027	2027	2027	2027	2028	2028	2028	2028
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Repo Rate (year-end: %)	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Prime Overdraft Rate (year-end: %)	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
SA rand bond (Av: %)	10.50	10.40	10.40	10.30	10.30	10.20	10.00	10.00	10.00	9.90	9.90	9.90

Note: % quarter-end. Source: SARB, Investec

Monetary Sector	2022	2023	2024	2025	2026	2027
Repo Rate (year-end: %)	7.00	8.25	7.00	7.00	7.00	7.00
Prime Overdraft Rate (year-end: %)	10.50	11.75	10.50	10.50	10.50	10.50
SA rand bond (year-end: %)	11.75	11.50	11.00	10.50	10.30	10.00

Inflation	2022	2023	2024	2025	2026	2027
Consumer Inflation (Av: %)	6.9	5.8	4.6	4.2	4.6	4.7
(year-end: %)	7.2	5.1	3.9	4.4	4.7	4.5
Producer Inflation (Av: %)	14.4	6.4	5.2	5.1	5.1	5.0
(year-end: %)	13.5	4.2	4.9	4.8	5.3	4.9
Salary & wage increases (%)	3.8	5.6	5.1	5.4	5.3	5.4

Financial conditions have tightened

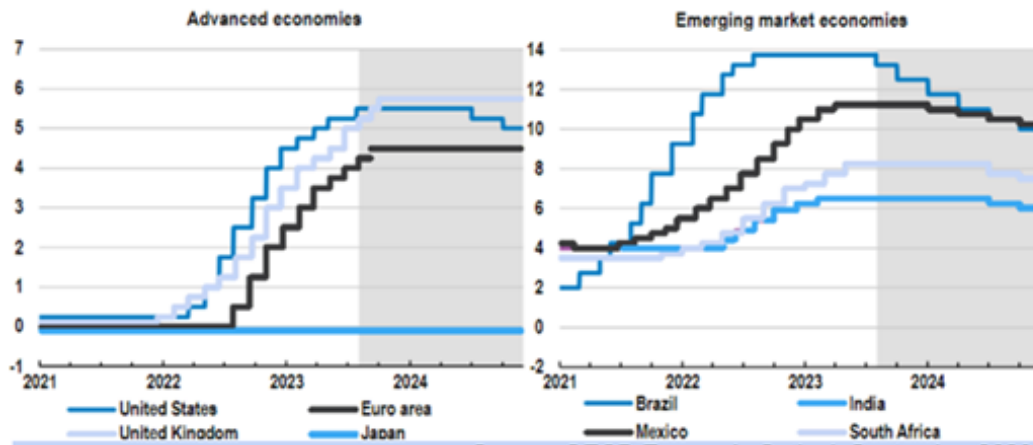


Source: OECD Economic Outlook September 2023

Note: Left hand chart: The advanced countries included are Australia, Canada, Denmark, France, Germany, Italy, Japan, New Zealand, Norway, Spain, Sweden, Switzerland, United Kingdom and United States. Right hand chart: the one-year real rate is calculated using the one-year Treasury Bill rate and median household inflation expectations over the coming year from the University of Michigan Survey of Consumers. The 10-year TIPS yield denotes the market yield on inflation-indexed US Treasury securities at 10-year constant maturity.

Monetary policy needs to remain restrictive

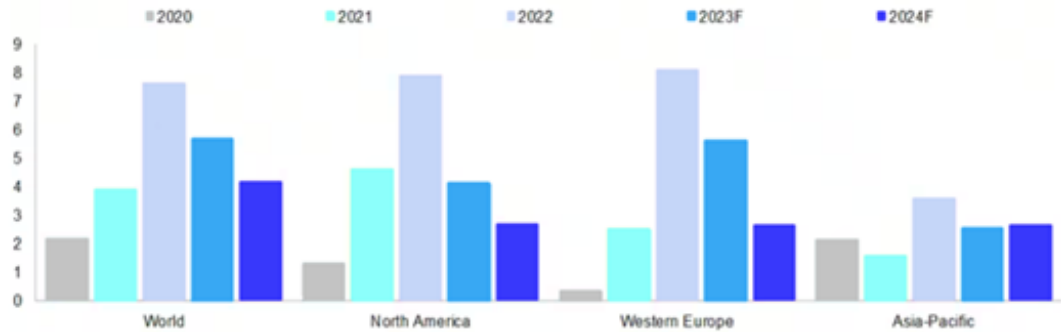
Policy interest rates, per cent



Source: OECD Economic Outlook September 2023

Note: For the United States, the policy rate refers to the upper limit of the Federal Funds target range. The main refinancing operations rate is used as the policy rate indicator for the euro area. Shaded areas denote OECD projections.

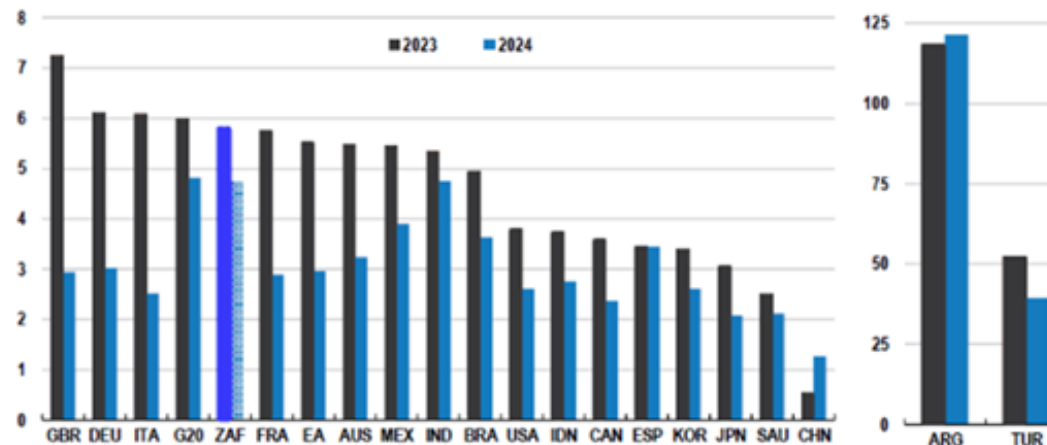
Consumer price inflation (% annual change)



Source: S&P Global

Headline inflation is projected to recede further

Per cent



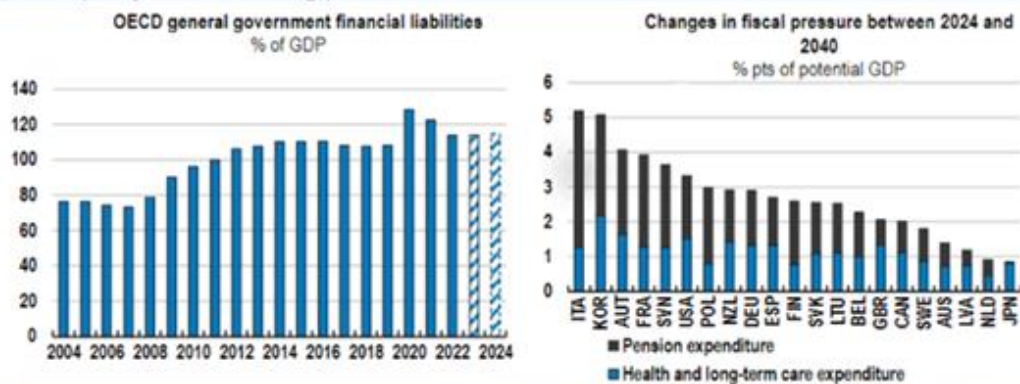
Source: OECD Economic Outlook September 2023

Note: Note: Personal consumption expenditure price index for the United States, harmonised index of consumer prices for the euro area, member states and the United Kingdom, and national consumer price indices for all other countries. India projections are based on fiscal years, starting in April. The G20 aggregate uses moving nominal GDP weights at purchasing power parities (PPPs).

- 2024 is expected to see lower interest rates and inflation overall, both globally and domestically, with interest rate cuts in the US sparking EM currencies strength. The higher for longer stance of the US on its rate cycle has undermined these currencies.
- Inflation globally is weakening, with disinflation also in core measures, and hawkish communication from Central Banks persist, aimed at curtailing inflation expectations and consumption led-inflation itself, to regain actual and implied inflation targets.
- Domestically, demand led inflation is already very subdued, with indebted consumers evidencing the severe effects of the upwards interest rate cycle over close on two years now, as rates of default rise rapidly, especially for higher income earners.
- The Reserve Bank's interest rate increases are already having a highly suppressing effect on demand led inflation, with higher interest rates of typically less direct relevance to low income earners in SA who account for most non-durable goods consumption.
- Indeed, the Eighty20 Credit Stress Report 2023 Q2 finds for South Africa that across most areas the defaults and overdue balances continued to escalate, and further interest rate hikes will cause even greater impact in an already high default environment.

- With lower interest rates anticipated over 2024., and lower inflation rates on average, this should support nominal and real expenditure, and so economic growth, with household consumption expenditure (HCE) accounting for two thirds of GDP.
- South Africa has also experienced declining fiscal revenue collection this year, and the OECD notes members’ “(g)overnments are faced with mounting fiscal pressures from rising debt burdens and additional spending on ageing populations, the climate transition and defence.”
- “Enhanced near-term efforts to rebuild fiscal space and credible medium-term fiscal plans are needed to better align near-term macroeconomic policies and help ensure debt sustainability.”
- South Africa faces a severe risk to its economic growth next year on higher taxation and failure to cut back on wasteful, needless and inefficient expenditure, as well as severely rooting out corruption, which leaches monies out the fiscal space.

Fiscal policy faces mounting pressures

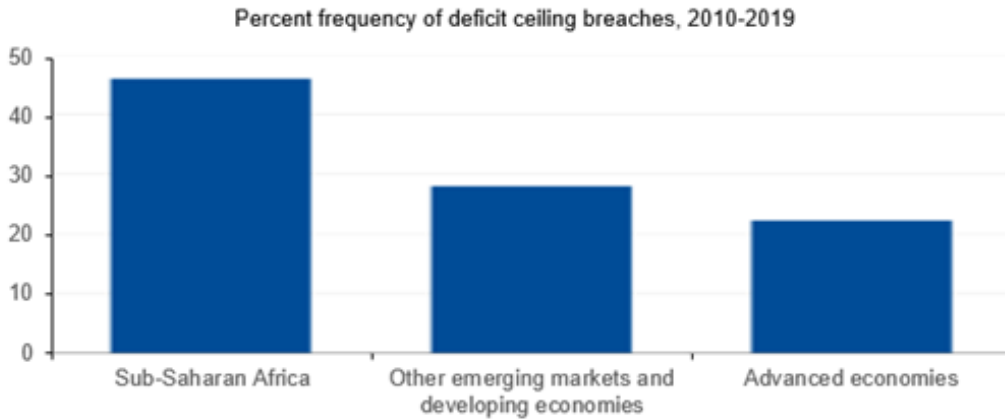


Source: OECD Economic Outlook September 2023

Note: Left hand chart: OECD aggregate calculated using general government gross debt on a Maastricht basis for EU countries and Norway, and general government gross financial liabilities for all other OECD countries with available data.

Frequent fiscal slippages

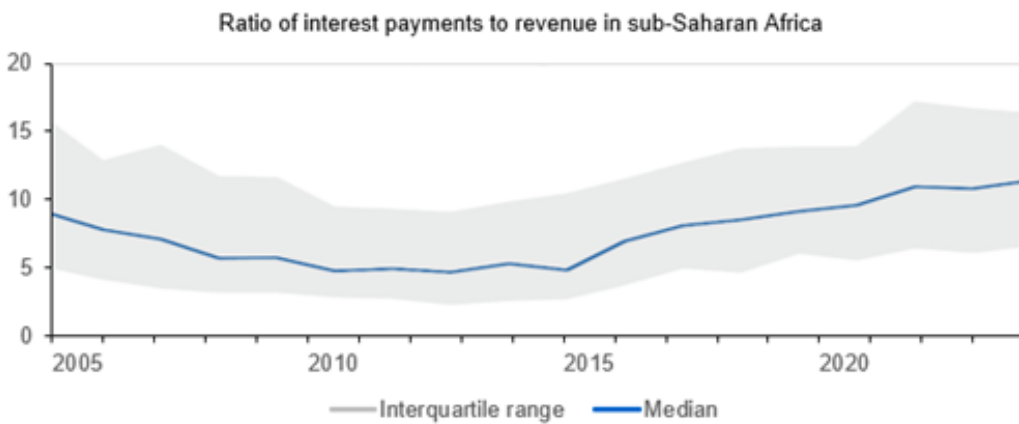
Before the pandemic, African countries breached the ceilings of their fiscal deficit rules half of the time



Source: IMF

Rising interest payments

The ratio of interest payments to revenue in sub-Saharan Africa has doubled since 2010

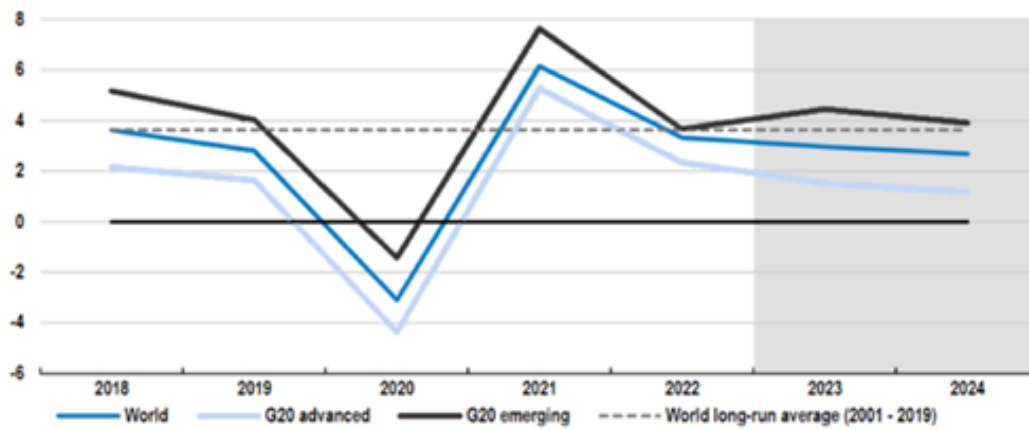


Source: IMF

Note: Exclusive grants. Interquartile range refers to the spread of the middle half of the data

Global growth is projected to remain subdued

Per cent, year-on-year



Source: OECD Economic Outlook September 2023

Note: Aggregates use moving nominal GDP weights at purchasing power parities (PPPs).

Gross Fixed Capital Formation, % real growth rates	2023	2023	2023	2023	2024	2024	2024	2024	2025	2025	2025	2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GFCF, total (real, qqsa %)	1.8	3.9	1.1	1.1	1.9	1.6	1.4	1.1	1.1	1.1	1.1	1.8
Private sector (real, qqsa %)	0.7	5.7	3.3	2.2	1.0	1.1	1.1	1.1	1.2	1.2	1.2	0.7
Government (real, qqsa %)	4.7	-0.1	-4.5	-1.9	4.2	3.0	2.1	0.9	0.8	0.8	0.8	4.7
Non-residential GFCF (real, qqsa %)	0.5	7.5	4.8	2.5	1.0	1.0	1.1	1.1	1.2	1.3	1.2	0.5
Residential buildings (real, qqsa %)	1.2	-2.0	-3.4	1.0	1.4	1.3	1.5	1.3	1.1	1.1	1.1	1.2

Source: SARB, Investec

Gross Fixed Capital Formation, % real growth rates	2026	2026	2026	2026	2027	2027	2027	2027	2028	2028	2028	2028
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GFCF, total (real, qqsa %)	1.2	1.2	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3
Private sector (real, qqsa %)	1.2	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Government (real, qqsa %)	1.1	1.2	1.4	1.4	1.3	1.2	1.2	1.2	1.2	1.3	1.3	1.3
Non-residential GFCF (real, qqsa %)	1.3	1.3	1.3	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Residential buildings (real, qqsa %)	1.1	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.4	1.3	1.3	1.4

Source: SARB, Investec

Gross Fixed Capital Formation, % real growth rates	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
GFCF, total (real, y/y %)	4.2	7.8	8.5	8.2	8.2	5.8	6.1	6.1	5.3	4.8	4.5	4.6
GFCF as % of GDP	15.0	15.5	15.7	15.8	16.1	16.3	16.4	16.5	16.7	16.8	16.9	17.1
Private sector (real, y/y %)	2.2	7.7	11.9	12.3	12.8	7.9	5.6	4.5	4.6	4.8	4.9	5.0
Government (real, y/y %)	9.2	8.2	0.5	-2.1	-2.5	0.5	7.5	10.6	7.0	4.7	3.4	3.7
Non-residential GFCF (real, y/y %)	1.5	8.4	16.1	16.0	16.6	9.6	5.7	4.3	4.5	4.7	4.9	5.1
Residential buildings (real, y/y %)	4.9	4.6	-5.3	-3.2	-3.1	0.2	5.2	5.5	5.3	5.1	4.8	4.5

Source: SARB, Investec

Gross Fixed Capital Formation, % real growth rates	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q1	2028 Q2	2028 Q3	2028 Q4
GFCF, total (real, y/y %)	4.8	4.9	5.1	5.2	5.2	5.2	5.2	5.2	5.3	5.2	5.2	5.2
GFCF as % of GDP	17.2	17.3	17.5	17.6	17.7	17.9	18.0	18.2	18.3	18.4	18.6	18.7
Private sector (real, y/y %)	5.0	5.0	5.1	5.1	5.1	5.2	5.3	5.4	5.4	5.3	5.3	5.2
Government (real, y/y %)	4.0	4.6	5.2	5.3	5.3	5.1	4.9	4.9	5.0	5.1	5.2	5.2
Non-residential GFCF (real, y/y %)	5.1	5.1	5.2	5.1	5.1	5.2	5.3	5.4	5.4	5.3	5.2	5.2
Residential buildings (real, y/y %)	4.6	4.7	4.9	5.0	5.1	5.2	5.3	5.4	5.3	5.3	5.3	5.3

Source: SARB, Investec

Exchange Rates,	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
USD/ZAR	17.76	18.68	18.50	17.95	17.60	17.70	17.90	17.60	17.30	17.30	17.40	17.20
GBP/ZAR	21.59	23.40	23.50	22.44	21.82	22.30	22.73	22.53	22.32	22.49	22.62	22.36
EUR/ZAR	19.06	20.34	20.35	20.10	19.89	20.18	20.59	20.24	20.07	20.24	20.36	20.12
ZAR/JPY	7.45	7.36	7.84	7.80	7.67	7.46	7.32	7.39	7.51	7.51	7.47	7.56
GBP/USD	1.22	1.25	1.27	1.25	1.24	1.26	1.27	1.28	1.29	1.30	1.30	1.30
EUR/USD	1.07	1.09	1.10	1.12	1.13	1.14	1.15	1.15	1.16	1.17	1.17	1.17
USD/JPY	132	138	145	140	135	132	131	130	130	130	130	130

Note: averages, Source: IRESS, Investec

Exchange Rates,	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q1	2028 Q2	2028 Q3	2028 Q4
USD/ZAR	16.90	17.20	17.10	16.90	17.00	17.10	17.20	16.90	17.25	17.55	17.85	17.45
GBP/ZAR	21.97	22.36	22.23	21.97	22.10	22.23	22.36	21.97	22.43	22.82	23.21	22.69
EUR/ZAR	19.77	20.12	20.01	19.77	19.89	20.01	20.12	19.77	20.18	20.53	20.88	20.42
ZAR/JPY	7.69	7.56	7.60	7.69	7.65	7.60	7.56	7.69	7.54	7.41	7.28	7.45
GBP/USD	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
EUR/USD	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17
USD/JPY	130	130	130	130	130	130	130	130	130	130	130	130

Note: averages, Source: IRESS, Investec

Regards

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