

SA Economics



Macro-economic outlook: 2024 growth at 1.0% y/y likely double that of 2023, but still weak overall

Wednesday 3 January 2024

GDP summary, % real growth rates	2023	2024	2025	2026	2027	2028
GDP (real, y/y %)	0.5	1.0	1.4	1.7	2.0	2.1
HCE (real, y/y %)	0.6	1.4	1.8	1.8	2.1	2.2
GCE (real, y/y %)	1.8	-3.2	-0.5	0.6	1.1	1.2
GFCF (real, y/y %)	4.5	4.6	4.8	4.9	5.2	5.2
GDE (real, y/y %)	0.6	1.2	1.7	2.0	2.4	2.5
Export (goods & non-factor services) - (real, y/y %)	3.6	3.3	3.1	3.0	3.2	3.4
Imports (goods & non-factor services) - (real, y/y %)	3.8	3.4	3.8	3.9	4.4	4.6
Current Account – (% GDP)	-1.6	-2.4	-2.5	-2.9	-3.2	-3.2
Imports as % of GDP	30.3	31.0	31.7	32.4	33.2	34.0
Exports as % of GDP	28.2	28.8	29.3	29.7	30.0	30.4

Consumption Expenditure	2023	2024	2025	2026	2027	2028
HCE, total (real, %)	0.6	1.4	1.8	1.8	2.1	2.2
HCE as % of GDP	66.7	67.1	67.3	67.4	67.5	67.6
Unemployment rate (%)	32.4	32.5	32.5	32.5	32.4	32.2
Population (million)	60.4	61.0	61.7	62.3	62.9	63.5
Employment growth rate (%)	5.2	1.2	1.6	1.5	1.8	1.9
Compensation of employees (%)	4.9	5.0	5.6	5.9	6.2	6.4
GCE as % of GDP	19.8	19.0	18.7	18.4	18.3	18.1

Gross Fixed Capital Formation	2023	2024	2025	2026	2027	2028
GFCF, total (real, %)	4.5	4.6	4.8	4.9	5.2	5.2
GFCF as % of GDP	15.1	15.7	16.2	16.7	17.2	17.7
Private sector (real, %)	4.7	4.7	4.8	5.0	5.2	5.2
Government (real, %)	4.0	4.2	4.7	4.8	5.1	5.1
Non-residential GFCF (real, %)	5.7	5.3	4.8	5.0	5.2	5.2
Residential buildings (real, %)	0.6	2.2	4.9	4.9	5.2	5.3

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	0.5	-0.2	0.0	0.3	0.4	0.4	0.4	0.2	0.4	0.4	0.4
HCE (real, qqsa %)	0.4	-0.2	-0.3	0.1	0.6	0.6	0.6	0.6	0.2	0.4	0.4	0.5
GCE (real, qqsa %)	1.3	1.8	0.3	-2.0	-1.2	-1.1	-0.5	0.0	0.0	0.0	0.0	0.0
GFCF (real, qqsa %)	1.8	3.8	-3.4	0.7	2.1	1.9	1.8	1.5	0.8	0.9	1.0	1.0
GDE (real, qqsa %)	0.5	1.5	-2.9	0.6	1.0	0.6	0.6	0.7	0.1	0.4	0.4	0.5
Export (goods & non-factor services) - (real, qqsa %)	4.3	0.6	0.6	0.0	1.1	1.2	1.1	1.1	0.6	0.6	0.5	0.5
Imports (goods & non-factor services) - (real, qqsa %)	4.8	3.2	-8.6	1.7	3.2	1.8	1.7	1.8	0.4	0.4	0.5	0.6

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 %)	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
HCE (real, qqsa %)	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6
GCE (real, qqsa %)	0.1	0.2	0.3	0.3	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3
GFCF (real, qqsa %)	1.4	1.4	1.4	1.4	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3
GDE (real, qqsa %)	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7
Export (goods & non-factor services, real qqsa%)	0.7	1.0	0.9	0.9	0.8	0.6	0.7	0.7	1.0	0.9	0.9	0.9
Imports (goods & non-factor services) - (real, qqsa %)	1.2	1.2	1.3	1.3	1.0	1.0	0.9	1.0	1.2	1.3	1.3	1.2

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

Global Environment: averages	2023	2024	2025	2026	2027	2028
Oil price, Brent USD/barrel	82.1	79.5	75.9	76.3	72.7	71.6
World GDP (real, %)	2.6	2.4	2.8	2.9	2.7	2.7
US CPI (Av, %)	4.1	2.5	2.4	2.4	2.2	2.2
US GDP (Av, %)	2.4	1.6	1.8	1.9	2.1	2.3
US Fed rate (year-end %)	5.50	5.00	3.75	3.50	3.50	3.50

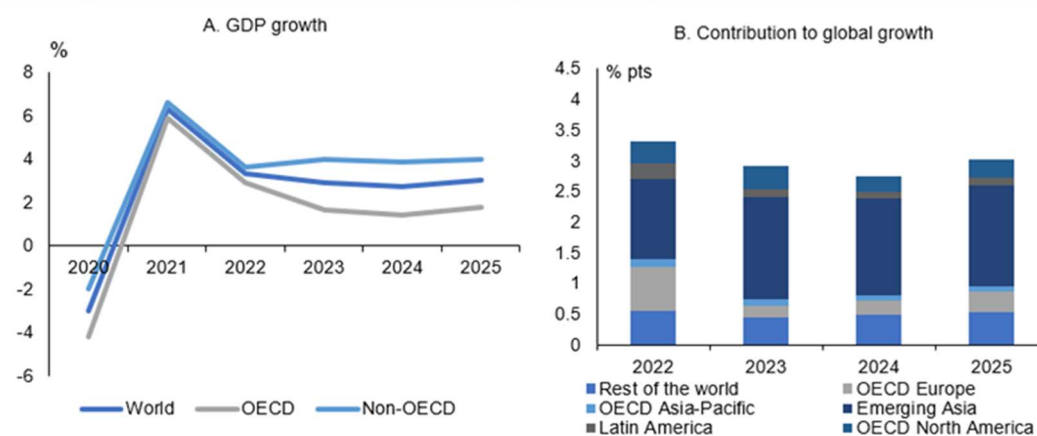
Projected global growth

	2023	2024	2025	2023 Q4	2024 Q4	2025 Q4
Real GDP growth¹						
World ²	2.9	2.7	3.0	3.0	2.9	3.0
G20 ²	3.1	2.8	3.0	3.2	2.9	3.0
OECD ²	1.7	1.4	1.8	1.7	1.5	1.9
United States	2.4	1.5	1.7	2.4	1.3	1.9
Euro area	0.6	0.9	1.5	0.5	1.1	1.6
Japan	1.7	1.0	1.2	1.6	1.4	1.1
Non-OECD ²	4.0	3.8	4.0	4.1	4.0	3.9
China	5.2	4.7	4.2	5.5	4.4	4.1
India ³	6.3	6.1	6.5			
Brazil	3.0	1.8	2.0			
OECD unemployment rate⁴	4.8	5.1	5.1	4.9	5.1	5.1
Inflation⁵						
G20 ^{2,5}	6.2	5.8	3.8	5.4	4.5	3.4
OECD ^{6,7}	7.4	5.3	3.9	6.4	4.3	3.6
United States ⁸	3.9	2.8	2.2	3.2	2.5	2.1
Euro area ⁸	5.5	2.9	2.3	3.2	2.6	2.1
Japan ⁹	3.2	2.6	2.0	3.0	2.1	2.1
OECD fiscal balance¹⁰	-4.8	-4.3	-4.0			
World real trade growth¹	1.1	2.7	3.3	2.0	3.0	3.4

Source: OECD Economic Outlook November 2023

1. Per cent, last three columns show the change over a year earlier. 2. Moving nominal GDP weights, using purchasing power parities. 3. Fiscal year. 4. Per cent of labour force. 5. Headline inflation. 6. Personal consumption expenditure deflator. 7. Moving nominal private consumption weights, using purchasing power parities. 8. Harmonised consumer price index. 9. National consumer price index. 10. Per cent of GDP.

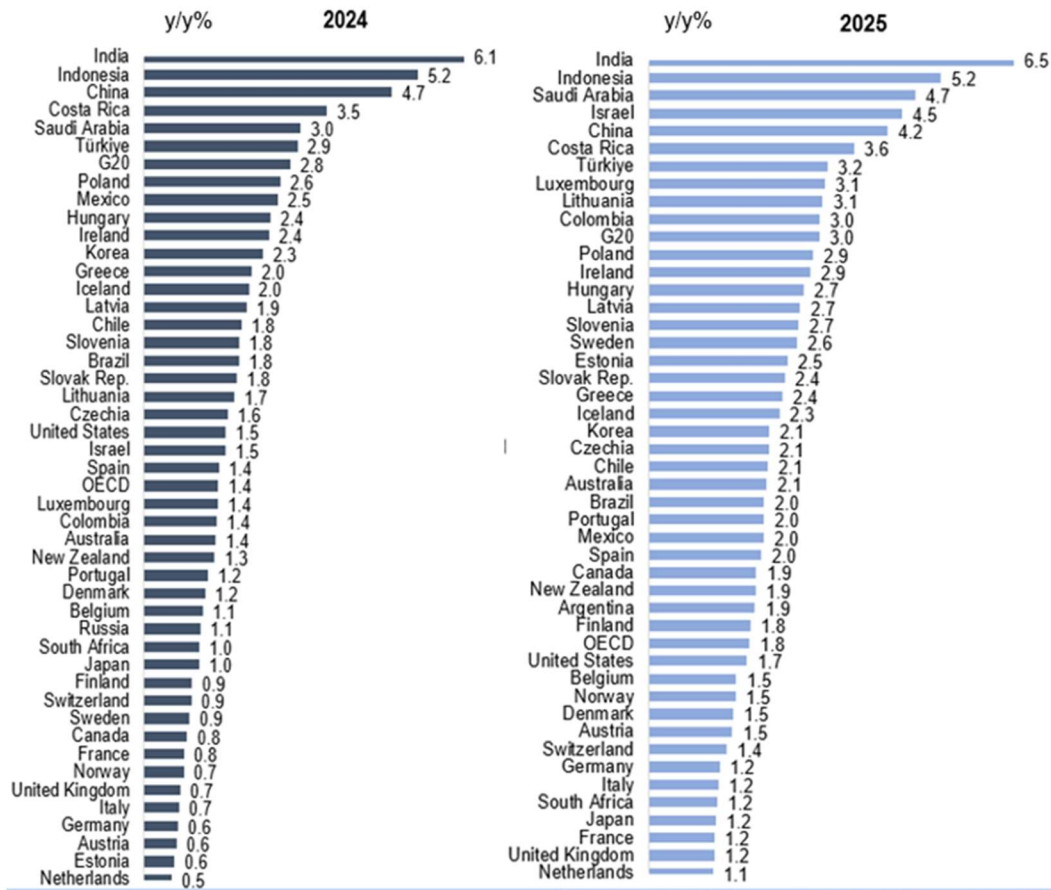
Global growth will remain modest and come mainly from the major Asian economies



Source: OECD Economic Outlook November 2023

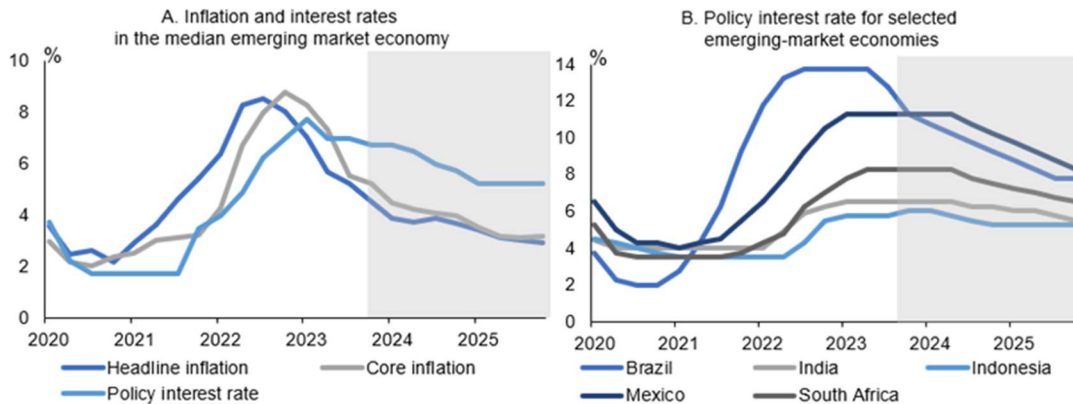
In Panel B, Emerging Asia comprises China, India, Indonesia and the Dynamic Asian Economies (Hong Kong (China), Malaysia, Chinese Taipei, the Philippines, Singapore, Thailand and Viet Nam). Latin America comprises Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico and Peru. Contributions calculated moving PPP shares of global GDP.

GDP by country - Projected growth rates for 2024 and 2025



Source: OECD Economic Outlook November 2023

Policy rates are projected to be gradually reduced in many emerging-market economies



Source: OECD Economic Outlook November 2023

Note: Latest available data up to 23 November 2023. Panel A: Real short-term interest rates are calculated using nominal one-year government bond yields and one year-ahead inflation expectations by consumers in the United States, the euro area and the United Kingdom, by corporates participating the Tankan Survey in Japan, and by market professionals participating the Focus Survey in Brazil. Panel B: Real long-term interest rates show 10-year inflation-linked bond yields.

- South Africa's economic growth outlook for 2024, at 1.0% y/y, is stronger than 2023's likely 0.5% y/y outcome, with 2024 expected to see the start of an interest rate cutting cycle, as well as lower inflation on average, and improvements to infrastructure.
- Economic growth will be lifted by a reduction, to planned eventual elimination, of congestion at the ports, although electricity supply is not expected to fully, and consistently, meet demand this year, and higher stages of load shedding are likely.
- That is, load shedding is likely to persist through 2024, at risk of worsening from stage 3/4 as insufficient capacity comes online, but 2025 should see more capacity from private sector generation, with further build-up over subsequent years.
- Global economic growth is expected to provide some support to the SA economy, with the OECD highlighting the likelihood of only a mild slowdown in growth in 2024, to 2.7% y/y (versus 2.9% y/y in 2023) and so not a recession and lifting to 3.0% y/y in 2025.
- For the US, the OECD forecasts growth at 1.5% y/y this year (after 2023's likely outcome of 2.4% y/y), lower on the effects of prior monetary tightening but monetary policy is expected to begin easing in 2024. In 2025 the OECD sees growth lift to 1.7% y/y.
- "In the euro area, which had been relatively hard hit by Russia's war of aggression against Ukraine and the energy price shock, GDP growth is projected at 0.6% in 2023, before rising to 0.9% in 2024 and 1.5% in 2025."
- "China is expected to grow at a 5.2% rate this year, before growth drops to 4.7% in 2024 and 4.2% in 2025 on the back of ongoing stresses in the real estate sector and continued high household saving rates."
- Financial markets' appetite for risk taking increased into the end of 2023, and the rand strengthened to R18.30/USD, with the JSE gaining close to 12% from early November, but both have since weakened somewhat on market jitters this year to date.
- Domestically sentiment concerns also centre around the nature of the coalition government after the national elections, likely in Q2.24, which is also dulling business confidence, while uncertainties over the global environment persist, adding to volatility.

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GDP summary, % 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
GDP (real, y/y %)	0.2	1.5	-0.5	0.6	0.6	0.5	1.2	1.6	1.4	1.4	1.4	1.5
HCE (real, y/y %)	1.0	0.8	0.5	0.0	0.3	1.0	2.0	2.5	2.1	2.0	1.8	1.6
GCE (real, y/y %)	0.2	2.9	2.8	1.4	-1.1	-3.9	-4.7	-2.8	-1.6	-0.5	0.0	0.1
GFCF (real, y/y %)	4.2	7.7	3.6	2.7	3.0	1.2	6.6	7.5	6.2	5.1	4.3	3.7
GDE (real, y/y %)	1.7	2.7	-1.4	-0.4	0.1	-0.8	2.8	2.8	2.0	1.8	1.6	1.4
Export (goods & non-factor services) - (real, y/y %)	3.2	3.5	2.2	5.6	2.3	3.0	3.4	4.5	4.1	3.4	2.9	2.3
Imports (goods & non-factor services) - (real, y/y %)	9.3	7.5	-1.9	0.6	-1.0	-2.3	8.7	8.8	5.8	4.4	3.2	1.9
Current Account – (% GDP)	-0.9	-2.7	-0.3	-2.5	-2.4	-2.2	-2.4	-2.5	-2.6	-2.4	-2.5	-2.6
Imports as % of GDP	30.8	31.7	29.0	29.5	30.4	30.8	31.2	31.6	31.7	31.7	31.7	31.8
Exports as % of GDP	28.0	28.1	28.3	28.3	28.5	28.7	28.9	29.1	29.2	29.3	29.3	29.3

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

GDP summary, % 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
GDP (real, y/y %)	1.6	1.7	1.7	1.8	2.0	2.0	2.0	2.1	2.1	2.1	2.1	2.1
HCE (real, y/y %)	1.7	1.8	1.8	1.9	2.1	2.1	2.2	2.2	2.2	2.2	2.2	2.2
GCE (real, y/y %)	0.2	0.4	0.7	1.0	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2
GFCF (real, y/y %)	4.2	4.7	5.1	5.6	5.4	5.2	5.1	5.0	5.2	5.2	5.2	5.2
GDE (real, y/y %)	1.7	1.9	2.1	2.3	2.4	2.5	2.4	2.4	2.5	2.4	2.5	2.5
Export (goods & non-factor services) - (real, y/y %)	2.4	2.8	3.2	3.7	3.7	3.3	3.0	2.8	3.0	3.3	3.6	3.8
Imports (goods & non-factor services) - (real, y/y %)	2.7	3.5	4.2	5.0	4.8	4.6	4.3	3.9	4.1	4.4	4.8	5.1
Current Account – (% GDP)	-2.6	-2.8	-3.1	-3.2	-3.1	-3.2	-3.2	-3.2	-3.2	-3.3	-3.1	-3.2
Imports as % of GDP	32.0	32.3	32.5	32.8	32.9	33.1	33.2	33.4	33.6	33.9	34.1	34.4
Exports as % of GDP	29.5	29.6	29.8	29.9	30.0	30.0	30.0	30.1	30.2	30.4	30.5	30.6

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

Consumption Expenditure, % 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
HCE, total (real, y/y %)	1.0	0.8	0.5	0.0	0.3	1.0	2.0	2.5	2.1	2.0	1.8	1.6
HCE as % of GDP	67.1	66.6	66.6	66.7	66.9	67.0	67.1	67.3	67.3	67.3	67.3	67.3
Unemployment rate (%)	32.9	32.6	31.9	32.0	32.5	32.4	32.5	32.4	32.4	32.4	32.4	32.5
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	6.2	1.1	0.4	0.2	2.7	1.6	1.4	1.6	1.8	1.6
Compensation employees (y/y %)	4.3	5.1	5.1	5.2	4.7	4.8	5.2	5.5	5.4	5.6	5.8	5.5
GCE as % of GDP	19.7	19.9	20.1	19.7	19.4	19.1	18.9	18.8	18.8	18.7	18.6	18.5

Source: SARB, Investec

Consumption Expenditure, % 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
HCE, total (real, y/y %)	1.7	1.8	1.8	1.9	2.1	2.1	2.2	2.2	2.2	2.2	2.2	2.2
HCE as % of GDP	67.4	67.4	67.4	67.4	67.4	67.5	67.5	67.5	67.5	67.5	67.6	67.6
Unemployment rate (%)	32.5	32.5	32.5	32.5	32.4	32.4	32.4	32.3	32.3	32.2	32.2	32.2
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 %)	1.5	1.5	1.4	1.6	1.7	1.8	1.7	1.9	1.8	2.0	2.0	1.8
Compensation employees (y/y %)	5.6	5.8	5.9	6.1	6.2	6.3	6.3	6.2	6.3	6.3	6.5	6.5
GCE as % of GDP	18.5	18.5	18.4	18.4	18.3	18.3	18.3	18.2	18.2	18.1	18.1	18.1

Source: SARB, Investec

Inflation forecasts	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
Consumer Inflation (Av: y/y %)	7.0	6.2	5.0	5.6	5.3	4.8	4.3	3.6	4.1	3.9	4.4	4.3
Producer Inflation (Av: y/y %)	11.9	6.9	4.0	4.8	5.0	5.0	5.2	4.2	5.3	5.1	5.0	4.9
Salary & wage increases (y/y %)	5.5	4.3	4.3	4.4	4.1	4.8	4.8	4.9	4.9	5.2	5.5	5.5

Source: Statistics SA, SARB, Investec

Inflation forecasts	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q1	2028 Q2	2028 Q3	2028 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	4.6
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 %)	5.4	5.4	5.5	5.6	5.5	5.6	5.6	5.6	5.6	5.6	5.5	5.6

Source: Statistics SA, SARB, Investec

Monetary Sector % year-end	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
Repo Rate (year-end: %)	7.75	8.25	8.25	8.25	8.25	8.25	8.00	7.75	7.25	7.00	6.75	6.75
Prime Overdraft Rate (year-end: %)	11.25	11.75	11.75	11.75	11.75	11.75	11.50	11.25	10.75	10.50	10.25	10.25
SA rand bond (Av: %)	11.1	11.73	11.83	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 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q1	2028 Q2	2028 Q3	2028 Q4
Repo Rate (year-end: %)	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75
Prime Overdraft Rate (year-end: %)	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25
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

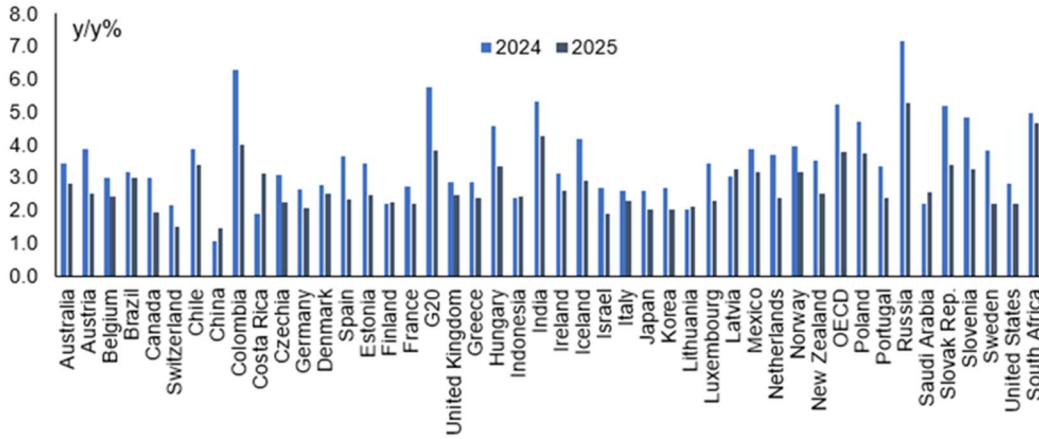
Note: % quarter-end. Source: SARB, Investec

Monetary Sector	2023	2024	2025	2026	2027	2028
Repo Rate (year-end: %)	8.25	7.75	6.75	6.75	6.75	6.75
Prime Overdraft Rate (year-end: %)	11.75	11.25	10.25	10.25	10.25	10.25
SA rand bond (year-end: %)	11.50	11.00	10.50	10.30	10.00	9.90

Inflation	2023	2024	2025	2026	2027	2028
Consumer Inflation (Av: %)	6.0	4.5	4.2	4.6	4.7	4.6
(year-end: %)	5.2	3.7	4.4	4.7	4.5	4.6
Producer Inflation (Av: %)	7.0	4.8	5.1	5.1	5.0	5.1
(year-end: %)	3.8	4.9	4.8	5.3	4.9	5.1
Salary & wage increases (%)	4.6	4.7	5.3	5.5	5.6	5.6

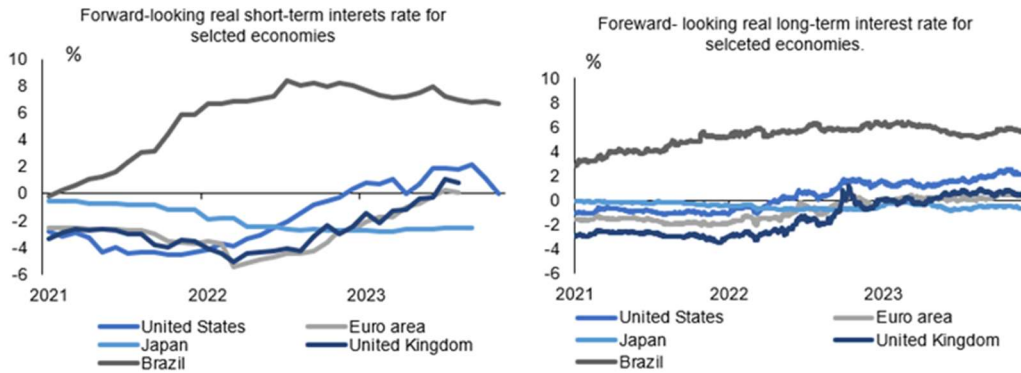
Exchange Rates: averages	2023	2024	2025	2026	2027	2028
USD/ZAR	18.46	17.81	17.73	17.98	18.15	18.73
GBP/ZAR	22.96	22.76	22.78	23.34	23.60	24.34
EUR/ZAR	19.97	19.84	20.30	20.81	21.06	21.91
ZAR/JPY	7.61	7.99	7.55	7.23	7.16	6.94
GBP/USD	1.24	1.28	1.29	1.30	1.30	1.30
EUR/USD	1.08	1.11	1.15	1.16	1.16	1.17
USD/JPY	141	142	134	130	130	130

Headline Inflation forecasts 2024-2025



Source: OECD Economic Outlook November 2023

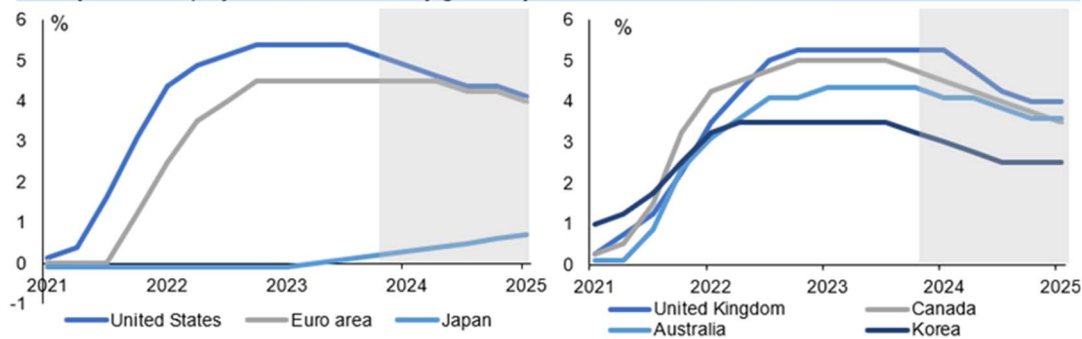
Forward-looking real interest rates continue to rise or remain high



Source: OECD Economic Outlook November 2023

Note: Latest available data up to 23 November 2023. Panel A: Real short-term interest rates are calculated using nominal one-year government bond yields and one year-ahead inflation expectations by consumers in the United States, the euro area and the United Kingdom, by corporates participating the Tankan Survey in Japan, and by market professionals participating the Focus Survey in Brazil. Panel B: Real long-term interest rates show 10-year inflation-linked bond yields.

Policy rates are projected to decline only gradually in most advanced economies



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Note: Latest available data up to 23 November 2023. Panel A: Real short-term interest rates are calculated using nominal one-year government bond yields and one year-ahead inflation expectations by consumers in the United States, the euro area and the United Kingdom, by corporates participating the Tankan Survey in Japan, and by market professionals participating the Focus Survey in Brazil. Panel B: Real long-term interest rates show 10-year inflation-linked bond yields.

- The elevation in South Africa's CPI inflation rate around the turn of Q3.23, into Q4.23, proved temporary as expected, dropping from 5.9% y/y in October, to 5.5% y/y in November, and will likely fall to near 5.2% y/y in December's outcome.
- Downward pressure from fuel price cuts aided South Africa's inflation lower towards the end of last year, as did rand strength for other commodities' prices, as well as base effects. January however will likely see a start of year kick up in inflationary pressure.
- However, January's temporary lift will not necessitate higher interest rates, and instead, interest rate cuts are expected this year, although the MPC will most likely wait until CPI inflation runs around or below, 4.5%, which currently is only likely in H2.24.
- That is, CPI inflation in South Africa is likely to reach 4.5% y/y in July this year, then drop below 4.0% y/y temporarily, which will most likely provide the environment which the SARB will look for to cut its repo rate. We expect three 25bp cuts in H2.24.
- However, the SARB may decide to cut interest rates ahead of time if it feels confident that its forecast has a high probability of CPI inflation averaging at, or below, 4.5% y/y in H2.24. It is too early to tell with 100% certainty if this will be the case yet.
- Interest rate cuts would bolster HCE (Household Consumption Expenditure) growth, with the latest Eighty20 Credit Stress Report (2023 Q3) showing "(t)he rate of new defaults (RND) is ... up 25% from 2.01% a year ago" in South Africa.
- No further interest rate hikes are expected in SA under the base case outlined in this report, but high interest rates, and consumer stress, have seen growth in bank lending slow, and lending conditions have seen a marked tightening.
- Downside risks to the economic outlook particularly come from an increased left leaning stance in government after the elections, with such municipal coalitions

already having seen deteriorating service delivery, and provide an anti-business, and so growth, stance.

- A dampening of economic growth this year would also come from higher taxation and failure to cut back wasteful, needless and inefficient expenditure and root out corruption. Left-wing governments are ranked as having higher corruption levels than centrist ones (Corruption Perception Index).

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	7.7	3.6	2.7	3.0	1.2	6.6	7.5	6.2	5.1	4.3	3.7
GFCF as % of GDP	15.0	15.5	15.0	15.1	15.3	15.6	15.8	16.0	16.0	16.1	16.2	16.3
Private sector (real, y/y %)	2.2	7.5	4.8	4.5	5.3	1.4	6.2	6.0	5.5	5.0	4.6	4.2
Government (real, y/y %)	9.2	8.2	0.6	-1.7	-2.4	0.7	7.8	11.4	7.8	5.3	3.5	2.5
Non-residential GFCF (real, y/y %)	1.5	8.2	6.9	6.2	7.2	1.4	6.5	6.2	5.6	5.0	4.5	4.1
Residential buildings (real, y/y %)	4.9	4.3	-4.1	-2.5	-2.4	1.3	4.6	5.5	5.2	5.0	4.8	4.6

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 %)	4.2	4.7	5.1	5.6	5.4	5.2	5.1	5.0	5.2	5.2	5.2	5.2
GFCF as % of GDP	16.5	16.6	16.8	16.9	17.0	17.1	17.3	17.4	17.5	17.7	17.8	17.9
Private sector (real, y/y %)	4.5	4.8	5.1	5.4	5.3	5.2	5.2	5.2	5.3	5.2	5.2	5.2
Government (real, y/y %)	3.5	4.4	5.2	6.1	5.6	5.3	5.0	4.7	4.9	5.0	5.1	5.2
Non-residential GFCF (real, y/y %)	4.5	4.9	5.2	5.4	5.3	5.2	5.2	5.1	5.3	5.2	5.2	5.2
Residential buildings (real, y/y %)	4.7	4.8	4.9	5.0	5.1	5.2	5.3	5.4	5.3	5.3	5.3	5.3

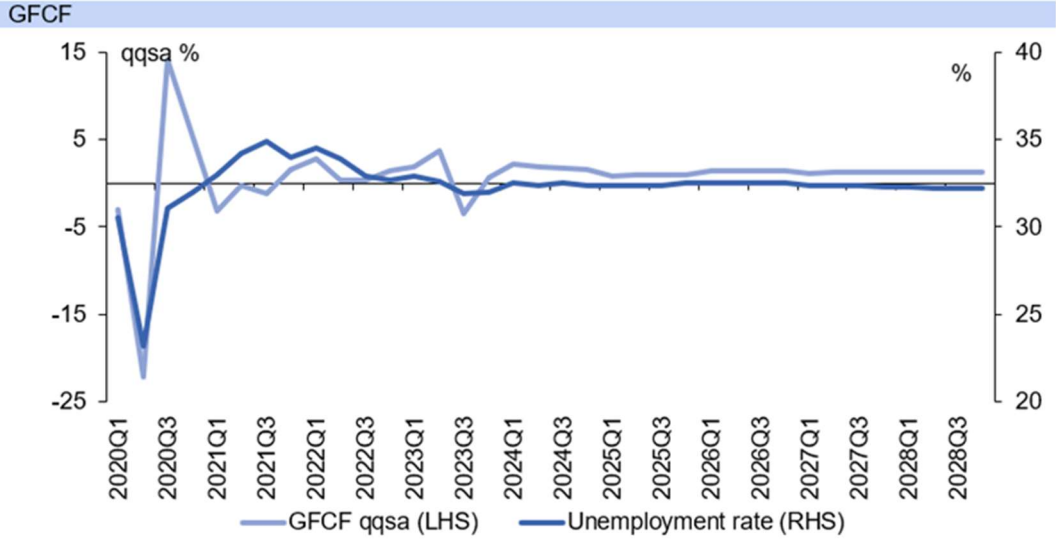
Source: SARB, Investec

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, qqsa %)	1.8	3.8	-3.4	0.7	2.1	1.9	1.8	1.5	0.8	0.9	1.0	1.0
Private sector (real, qqsa %)	0.7	5.4	-3.1	1.6	1.5	1.5	1.5	1.5	0.9	1.0	1.1	1.1
Government (real, qqsa %)	4.7	-0.2	-4.3	-1.6	3.9	3.0	2.4	1.7	0.5	0.6	0.7	0.6
Non-residential GFCF (real, qqsa %)	0.5	7.3	-3.3	1.8	1.5	1.5	1.5	1.5	0.9	1.0	1.1	1.1
Residential buildings (real, qqsa %)	1.2	-2.3	-1.9	0.5	1.3	1.4	1.4	1.3	1.1	1.1	1.1	1.1

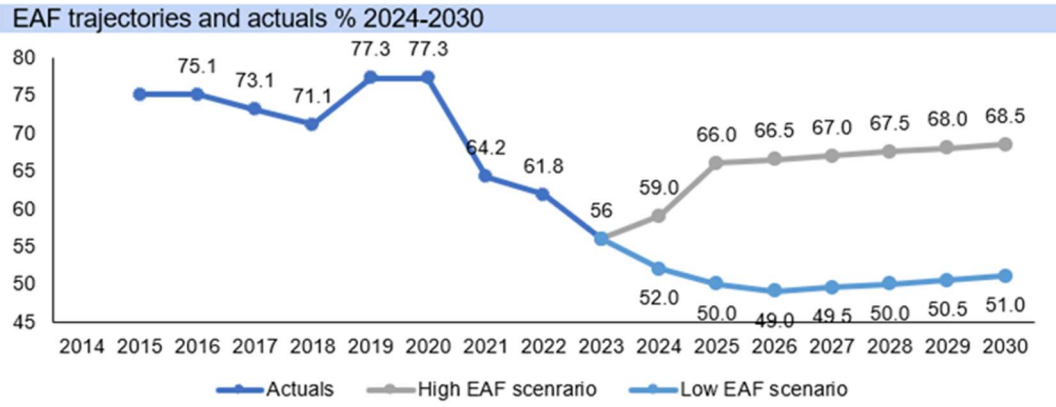
Note: The GDP figures are from the expenditure side and so include the residual. Source: SARB, Investec

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, qqsa %)	1.4	1.4	1.4	1.4	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Private sector (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
Government (real, qqsa %)	1.5	1.5	1.5	1.4	1.1	1.2	1.2	1.2	1.2	1.3	1.3	1.3
Non-residential GFCF (real, qqsa %)	1.3	1.3	1.4	1.3	1.2	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Residential buildings (real, qqsa %)	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.4	1.3	1.3	1.4	1.4

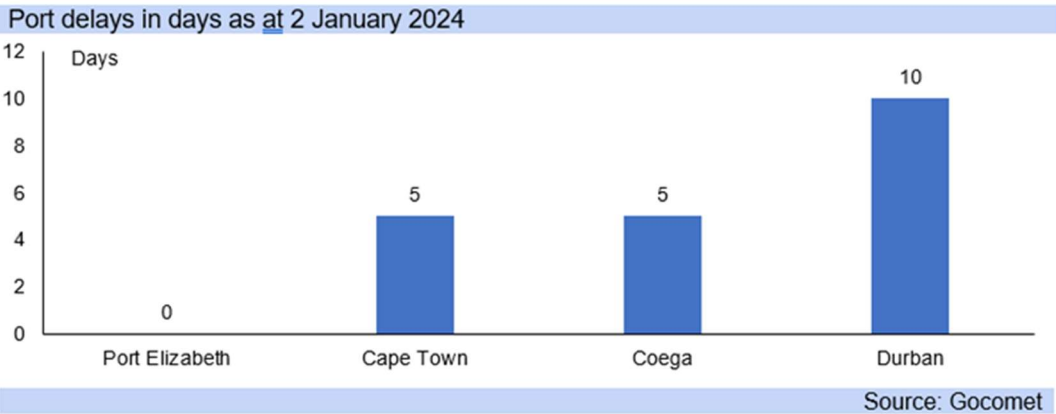
Source: SARB, Investec



Source: Investec



Source: Eskom - Medium-term system adequacy outlook 2024-2028



Source: Gocomet

Transnet Anchorage report – 2 Jan 2024

Name of Terminal	Number of vessels at outside	Average Berthing delays in Days
Durban container terminal Pier 1	4	20
Durban container terminal Pier 2	8	7

Source: Transnet Anchorage report 2 Jan 2024

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	18.65	18.73	17.95	17.70	17.90	17.50	17.80	17.90	17.70	17.50
GBP/ZAR	21.59	23.40	23.58	23.26	22.71	22.57	22.91	22.40	22.79	23.09	22.83	22.40
EUR/ZAR	19.06	20.34	20.30	20.16	19.66	19.65	20.05	19.95	20.29	20.59	20.36	19.95
ZAR/JPY	7.45	7.36	7.75	7.89	8.11	8.11	7.88	7.83	7.58	7.43	7.34	7.83
GBP/USD	1.22	1.25	1.26	1.24	1.27	1.28	1.28	1.29	1.28	1.28	1.29	1.29
EUR/USD	1.07	1.09	1.09	1.08	1.10	1.11	1.12	1.13	1.14	1.14	1.15	1.15
USD/JPY	132	138	145	148	146	144	141	139	137	135	133	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	18.10	18.20	18.00	17.90	18.20	18.40	18.10	18.10	18.45	18.75	19.05	18.65
GBP/ZAR	23.53	23.66	23.40	23.27	23.66	23.92	23.53	23.53	23.99	24.38	24.77	24.25
EUR/ZAR	21.00	21.11	20.88	20.77	21.11	21.35	21.00	21.00	21.59	21.94	22.29	21.82
ZAR/JPY	7.18	7.14	7.22	7.26	7.14	7.06	7.18	7.18	7.05	6.93	6.82	6.97
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	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16
USD/JPY	130	130	130	130	130	130	130	130	130	130	130	130

Note: averages, Source: IRESS, Investec