

# SA Economics



Tuesday 1 June 2021

Economic growth note: as previously indicated, 2021 is now likely to see an economic growth outcome of 3.9% y/y, as the quickening in global growth and the commodity boom see positive, knock on effects for SA

Summary, % real growth rates	2020	2021	2022	2023	2024	2025	2026
GDP (real, %)	-7.0	3.9	1.7	2.2	2.4	2.7	3.1
HCE (real, %)	-5.4	3.0	3.1	2.5	2.3	2.6	2.7
GCE (real, %)	0.5	-2.4	-1.6	-1.8	-1.4	1.2	1.1
GFCF (real, %)	-17.5	5.1	3.0	3.8	3.3	3.9	4.5
GDE (real, %)	-9.0	3.5	2.2	2.2	2.4	2.6	3.1
Export (goods & non-factor services) - (real, %)	-10.3	6.7	2.5	4.1	4.2	4.3	4.1
Imports (goods & non-factor services) - (real, %)	-16.6	4.6	4.2	4.5	4.1	3.7	4.3
Balance: Current Account - (% of GDP)	2.2	0.5	-1.9	-1.9	-1.9	-1.8	-2.0
Imports as % of GDP	27.4	27.6	28.3	28.9	29.4	29.7	30.0
Exports as % of GDP	27.6	28.5	28.7	29.3	29.7	30.2	30.5

Consumption Expenditure	2020	2021	2022	2023	2024	2025	2026
HCE, total (real, %)	-5.4	3.0	3.1	2.5	2.3	2.6	2.7
HCE as % of GDP	63.2	62.7	63.5	63.7	63.6	63.5	63.3
Unemployment rate (%)	29.2	33.2	31.6	30.9	30.4	30.0	29.4
Population (million)	59.3	60.0	60.8	61.5	62.1	62.8	63.5
Employment growth rate (%)	-7.9	0.1	2.9	2.6	2.2	2.2	2.0
Compensation of employees (%)	-1.2	3.4	4.7	4.6	5.3	5.9	6.5
GCE as % of GDP	22.4	21.0	20.3	19.5	18.8	18.5	18.1

Gross Fixed Capital Formation	2020	2021	2022	2023	2024	2025	2026
GFCF, total (real, %)	-17.5	5.1	3.0	3.8	3.3	3.9	4.5
GFCF as % of GDP	17.0	17.2	17.4	17.7	17.8	18.0	18.3
Private sector (real, %)	-19.3	6.4	2.8	3.7	4.0	4.9	5.6
Government (real, %)	-13.0	2.3	3.3	4.0	1.6	1.5	1.7
Non-residential GFCF (real, %)	-19.1	6.3	2.6	3.5	4.0	5.0	5.7
Residential buildings (real, %)	-20.9	6.8	4.6	4.8	4.6	4.8	4.9

Please note: all data may be subjected to historical [revisions](#)

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GDP summary, % real growth rates	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
GDP (real, y/y %)	-0.2	-17.5	-5.9	-4.2	-3.2	16.7	2.6	1.5	1.4	1.4	2.0	2.1
HCE (real, y/y %)	1.0	-16.4	-3.9	-2.5	-2.8	16.3	1.1	-0.6	0.7	2.7	3.9	4.9
GCE (real, y/y %)	1.4	0.2	0.1	0.4	-0.5	-1.3	-3.1	-4.7	-4.1	-2.5	-0.8	0.9
GFCF (real, y/y %)	-5.2	-25.4	-21.7	-17.2	-11.4	13.7	10.4	10.9	8.3	4.8	1.5	-2.2
GDE (real, y/y %)	-1.9	-16.4	-10.5	-7.0	-5.1	11.4	5.6	3.4	3.6	1.7	1.9	1.8
Export (goods & non-factor services) - (real, y/y %)	0.8	-29.7	-8.7	-3.7	-3.1	34.6	3.9	-0.7	-0.2	3.8	3.6	3.2
Imports (goods & non-factor services) - (real, y/y %)	-5.2	-24.7	-23.3	-12.8	-9.9	11.2	14.7	5.4	7.5	4.6	3.0	1.9
Current Account – (% of GDP)	1.4	-3.1	5.9	3.7	3.2	2.4	-1.3	-2.1	-1.7	-2.0	-2.1	-1.9
Imports as % of GDP	28.8	28.6	25.0	27.4	26.8	27.2	28.0	28.4	28.4	28.1	28.2	28.4
Exports as % of GDP	29.1	24.3	27.9	29.2	29.1	28.0	28.3	28.6	28.7	28.6	28.7	28.9

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

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 %)	2.0	2.0	2.2	2.5	2.5	2.5	2.4	2.3	2.5	2.6	2.8	2.9
HCE (real, y/y %)	3.9	2.8	2.0	1.3	1.8	2.2	2.5	2.9	2.7	2.6	2.5	2.4
GCE (real, y/y %)	0.2	-1.1	-2.6	-3.5	-2.9	-2.1	-0.8	-0.1	0.3	0.8	1.5	2.2
GFCF (real, y/y %)	0.4	2.8	5.1	6.7	5.3	3.9	2.4	1.8	2.5	3.5	4.3	5.2
GDE (real, y/y %)	2.1	2.2	2.2	2.5	2.3	2.5	2.4	2.3	2.4	2.5	2.6	2.7
Export (goods & non-factor services) - (real, y/y %)	3.3	4.1	4.3	4.6	4.5	4.3	4.1	3.9	4.0	4.2	4.4	4.4
Imports (goods & non-factor services) - (real, y/y %)	3.6	5.0	4.5	4.9	4.0	4.1	4.3	4.0	3.6	3.7	3.8	3.5
Current Account – (% of GDP)	-2.0	-2.0	-1.9	-1.9	-1.8	-1.9	-2.0	-1.9	-1.8	-1.9	-1.8	-1.8
Imports as % of GDP	28.8	28.9	28.9	29.1	29.2	29.4	29.4	29.5	29.6	29.7	29.7	29.7
Exports as % of GDP	29.1	29.2	29.3	29.5	29.6	29.7	29.8	29.9	30.0	30.1	30.3	30.3

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
GDP (real, y/y %)	3.0	3.1	3.2	3.1
HCE (real, y/y %)	2.5	2.6	2.8	3.0
GCE (real, y/y %)	1.6	1.4	1.0	0.5
GFCF (real, y/y %)	5.2	4.4	4.3	3.9
GDE (real, y/y %)	2.9	3.0	3.2	3.3
Export (goods & non-factor services) - (real, y/y %)	4.3	4.2	4.0	4.0
Imports (goods & non-factor services) - (real, y/y %)	4.2	4.0	4.3	4.7
Current Account – (% of GDP)	-1.8	-2.4	-2.1	-1.8
Imports as % of GDP	29.9	29.9	30.0	30.2
Exports as % of GDP	30.4	30.5	30.5	30.6

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

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## Adjusted Level 2 restrictions

- The hours of the curfew will now be from 11pm to 4am.
- Non-essential establishments like restaurants, bars and fitness centres will need to close by 10pm, to allow employees and patrons to travel home before the start of the curfew.
- All gatherings will be limited to a maximum of 100 people indoors or 250 people outdoors. Where the venue is too small to accommodate these numbers with appropriate social distancing, then no more than 50 per cent of the capacity of the venue may be used - these include religious services, political events and social gatherings, as well as restaurants, bars, taverns and similar places.
- Funerals remain restricted to no more than 100 people, and as before, night vigils or after-funeral gatherings and 'after-tears' gatherings are not allowed.
- The owners and managers of public buildings, centres, shops, restaurants, taxis and buses all have a responsibility to ensure that people on their premises or in their vehicles wear masks, and that the appropriate social distancing measures are in place.
- The sale of alcohol will be permitted, according to normal licence provisions. However, no alcohol may be sold during the hours of curfew.
- The wearing of masks in public places is still mandatory, and failure to wear a mask when required remains a criminal offence.
- The 33 land border posts that have been closed throughout this period will remain closed, while the other 20 will remain open.
- Only five airports will be open for international travel with standard infection control measures. These are OR Tambo, Cape Town, King Shaka, Kruger Mpumalanga and Lanseria airports.

Source: The Presidency

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GDP Summary, % real growth rates (incl. residual)	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
GDP (real, qqsaa %)	-1.8	-51.7	67.3	6.3	2.3	2.0	-0.1	1.7	2.0	2.2	2.2	2.0
HCE (real, qqsaa %)	0.0	-52.0	75.3	7.5	-0.5	-2.5	0.1	0.5	5.0	5.5	4.5	4.5
GCE (real, qqsaa %)	1.8	-2.1	0.8	1.1	-1.9	-4.9	-6.6	-5.2	0.8	1.7	0.8	0.4
GFCF (real, qqsaa %)	-18.7	-59.4	26.9	12.1	6.7	10.4	12.8	14.0	-3.2	-3.0	-0.8	-1.9
GDE (real, qqsaa %)	-7.0	-42.7	25.9	11.5	0.8	9.0	1.6	2.6	1.2	1.5	2.6	1.9
Export (goods & non-factor services) - (real, qqsaa %)	-0.9	-76.7	194.3	26.6	1.8	-13.4	4.5	5.4	3.8	1.3	3.8	3.8
Imports (goods & non-factor services) - (real, qqsaa %)	-18.2	-52.8	-1.9	52.4	-6.7	9.5	11.1	8.6	1.0	-1.8	4.3	4.4

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

GDP Summary, % real growth rates (incl. residual)	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, qqsaa %)	1.7	2.2	3.1	2.9	1.8	2.3	2.5	2.7	2.6	2.8	3.0	3.3
HCE (real, qqsaa %)	1.0	1.3	1.4	1.6	2.8	2.9	2.9	3.0	2.2	2.5	2.4	2.5
GCE (real, qqsaa %)	-2.1	-3.5	-5.2	-3.2	0.6	-0.3	-0.1	-0.4	1.8	2.0	2.6	2.6
GFCF (real, qqsaa %)	7.4	7.0	8.4	4.2	1.8	1.5	2.0	1.7	5.0	5.5	5.2	5.3
GDE (real, qqsaa %)	2.4	1.9	2.5	3.1	1.8	2.4	2.4	2.8	2.1	2.9	2.6	3.0
Export (goods & non-factor services) - (real, qqsaa %)	4.4	4.3	4.6	5.0	4.0	3.6	3.7	4.2	4.5	4.3	4.7	4.1
Imports (goods & non-factor services) - (real, qqsaa %)	7.8	3.4	2.6	5.7	4.1	4.0	3.3	4.5	2.7	4.3	3.9	3.0

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

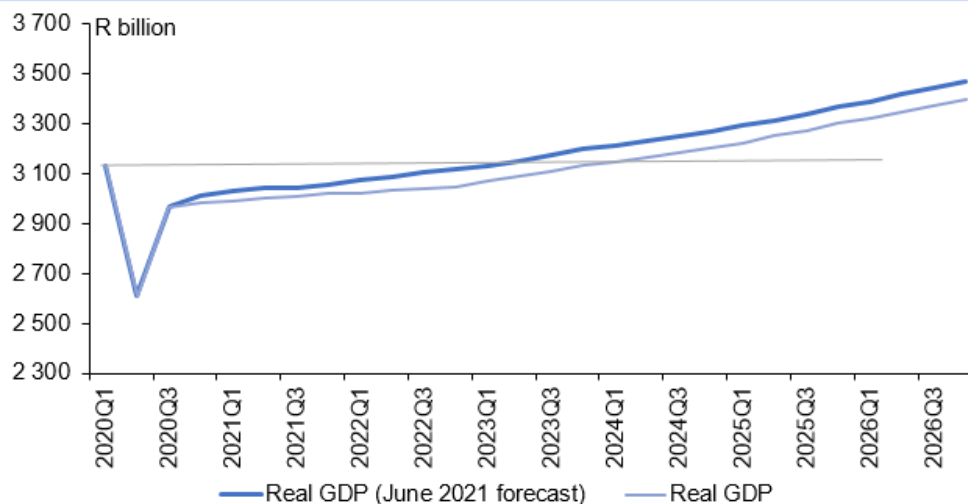
GDP Summary, % real growth rates (incl. residual)	2026 Q1	2026 Q2	2026 Q3	2026 Q4
GDP (real, qqsaa %)	2.8	3.3	3.4	3.0
HCE (real, qqsaa %)	2.7	2.9	3.1	3.2
GCE (real, qqsaa %)	-0.6	0.9	1.1	0.8
GFCF (real, qqsaa %)	4.8	2.4	4.9	3.8
GDE (real, qqsaa %)	3.1	3.1	3.7	3.1
Export (goods & non-factor services) - (real, qqsaa %)	4.0	4.0	4.0	4.0
Imports (goods & non-factor services) - (real, qqsaa %)	5.6	3.6	5.0	4.6

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

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South Africa GDP (R billion, constant prices) quarterly – SA GDP expected to reach pre-COVID levels earlier



Source: Investec

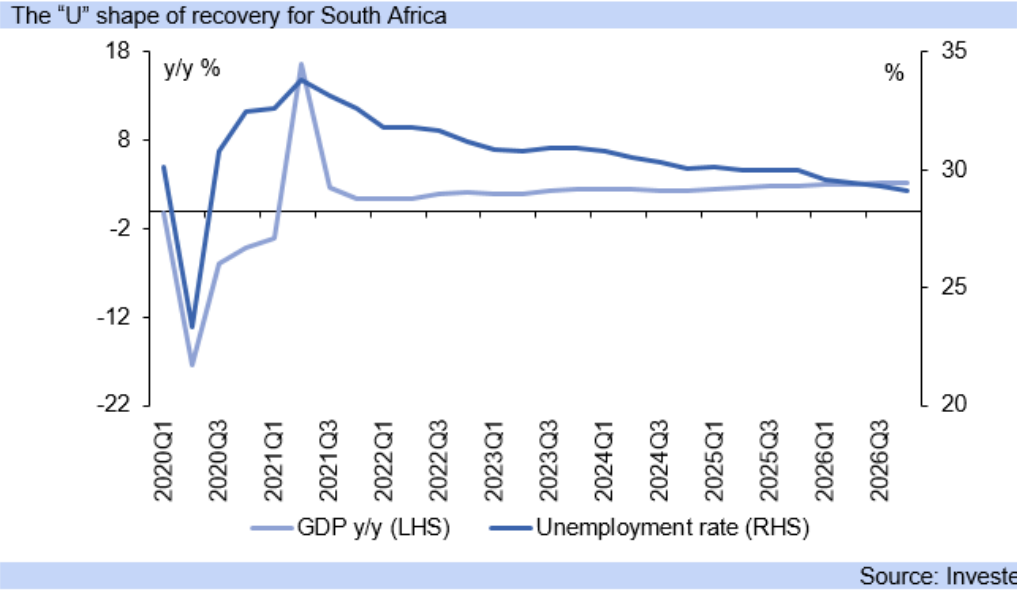
- Incoming data indicates 2021 will likely see an economic outcome somewhat higher, at 3.9% y/y, than the previously expected (3.2% y/y) as global recovery and the marked strength of commodity prices benefits SA's exports, with other areas in SA's GDP also gaining traction.
- The global recovery has spurred rapid growth in commodity prices, both on expectations of future demand, and on strengthening industrial activity, as many PMIs approach or exceed previous highs globally, although there is also significant evidence of stronger cost pressures.
- The Eurozone manufacturing PMI is at a high (data since 1997) with Italy, the Netherlands, Ireland and Austria specifically at highs, and Spain, Greece and Italy nearing their previous strongest performances, evidencing increasing demand, positive for commodities' prices.
- UK manufacturing PMI, also at a record high yesterday, saw the IHS Markit/CIPS highlight that "new orders rose at the quickest pace in the near three decade survey history" with "reports of stronger demand from the EU, the US and China".
- However, "backlogs of work ... (are) rising to the greatest extent in the survey history", while in Germany its manufacturing sector is being constrained by "worsening supply chain disruption" while "delays in the receipt of inputs reached a new record high".
- "Surveyed business continued to report increased demand both domestically and abroad, though at the same time there were several mentions of shortage-related downtime at customers weighing on intakes of new work" (IHS Markit/BME German manufacturing PMI).

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- Indeed, such has been the ascent in demand, evidenced by new orders, that supply chains have not been able to keep pace, but this does show continued support for commodity prices, positive for SA along with the severe strengthening in global demand.
- Australia's manufacturing PMI (from IHS Markit) also at a record level, again showed "(s)trong demand, supported by foreign customers" which also "encouraged firms to expand output further and sustain hiring at a record pace".
- While we revised up our 2021 SA GDP forecasts to 3.9% y/y (and the Bloomberg consensus is close at 3.8% y/y), there could be some further upside risk to our view, given the strength of the PMI figures flooding in today globally, and the improving pace of global vaccines.

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Consumption Expenditure, % real growth rates	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
HCE, total (real, y/y %)	1.0	-16.4	-3.9	-2.5	-2.6	16.3	1.1	-0.6	0.7	2.7	3.9	4.9
HCE as % of GDP	62.8	62.7	63.5	63.7	63.2	62.5	62.5	62.4	62.8	63.3	63.7	64.1
Unemployment rate (%)	30.4	23.5	30.4	32.4	33.4	33.8	33.1	32.6	31.8	31.8	31.7	31.2
Population (million)	59.0	59.2	59.4	59.6	59.8	60.0	60.1	60.3	60.5	60.7	60.8	61.0
Employment growth rate (y/y %)	0.6	-13.2	-10.2	-8.7	-9.1	4.7	2.5	3.5	3.5	3.1	2.7	2.4
Compensation employees (y/y %)	4.6	-7.1	-1.8	-0.3	0.6	9.4	3.7	0.5	3.6	5.5	5.1	4.8
GCE as % of GDP	21.0	25.0	22.0	21.8	21.5	21.2	20.8	20.4	20.4	20.3	20.3	20.2

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 %)	3.9	2.8	2.0	1.3	1.8	2.2	2.5	2.9	2.7	2.6	2.5	2.4
HCE as % of GDP	63.9	63.8	63.5	63.3	63.5	63.6	63.6	63.7	63.6	63.6	63.5	63.4
Unemployment rate (%)	30.8	30.8	30.9	30.9	30.8	30.5	30.3	30.1	30.1	30.0	30.0	30.0
Population (million)	61.2	61.4	61.5	61.7	61.9	62.1	62.2	62.4	62.6	62.7	62.9	63.1
Employment growth rate (y/y %)	2.9	3.0	2.6	2.0	1.7	2.0	2.4	2.8	2.6	2.3	2.1	1.7
Compensation employees (y/y %)	4.5	4.6	4.6	4.9	5.0	5.3	5.4	5.6	5.7	5.8	5.9	6.1
GCE as % of GDP	20.0	19.7	19.3	19.0	19.0	18.8	18.7	18.6	18.5	18.5	18.5	18.5

, Source: SARB, Investec

Consumption Expenditure, % real growth rates	2026 Q1	2026 Q2	2026 Q3	2026 Q4
HCE, total (real, y/y %)	2.5	2.6	2.8	3.0
HCE as % of GDP	63.4	63.3	63.3	63.3
Unemployment rate (%)	29.6	29.5	29.3	29.1
Population (million)	63.2	63.4	63.5	63.7
Employment growth rate (y/y %)	1.8	1.8	2.0	2.3
Compensation employees (y/y %)	6.3	6.5	6.6	6.7
GCE as % of GDP	18.3	18.2	18.1	18.0

Source: SARB, Investec

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Gross Fixed Capital Formation, % real growth rates	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
GFCF, total (real, y/y %)	-5.2	-25.4	-21.7	-17.2	-11.4	13.7	10.4	10.9	8.3	4.8	1.5	-2.2
GFCF as % of GDP	18.1	17.3	16.2	16.4	16.6	16.9	17.4	17.9	17.7	17.5	17.3	17.2
Private sector (real, y/y %)	-4.9	-28.4	-23.3	-20.0	-11.4	16.8	10.6	13.3	10.1	5.3	1.1	-4.3
Government (real, y/y %)	-6.0	-18.5	-17.7	-10.3	-11.4	7.4	10.1	5.6	4.1	3.7	2.6	2.8
Non-residential GFCF (real, y/y %)	-4.9	-27.3	-23.3	-20.1	-11.2	15.5	10.3	13.9	10.8	5.5	0.7	-5.6
Residential buildings (real, y/y %)	-5.0	-35.3	-23.1	-19.8	-13.4	26.7	12.4	9.3	4.9	4.0	3.9	5.4

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 %)	0.4	2.8	5.1	6.7	5.3	3.9	2.4	1.8	2.5	3.5	4.3	5.2
GFCF as % of GDP	17.4	17.6	17.8	17.9	17.9	17.9	17.8	17.8	17.9	18.0	18.1	18.2
Private sector (real, y/y %)	-1.3	2.1	5.4	8.5	6.8	5.1	2.7	1.8	2.9	4.3	5.6	7.0
Government (real, y/y %)	4.2	4.6	4.5	2.7	1.9	1.4	1.6	1.7	1.8	1.6	1.4	1.2
Non-residential GFCF (real, y/y %)	-2.2	1.6	5.5	9.3	7.2	5.2	2.4	1.3	2.7	4.3	5.7	7.2
Residential buildings (real, y/y %)	5.7	5.4	4.6	3.4	4.2	4.0	4.9	5.2	4.0	4.9	4.7	5.3

Source: SARB, Investec

Gross Fixed Capital Formation, % real growth rates	2026 Q1	2026 Q2	2026 Q3	2026 Q4
GFCF, total (real, y/y %)	5.2	4.4	4.3	3.9
GFCF as % of GDP	18.3	18.2	18.3	18.3
Private sector (real, y/y %)	6.8	5.5	5.4	4.7
Government (real, y/y %)	1.4	1.7	1.7	2.1
Non-residential GFCF (real, y/y %)	7.0	5.6	5.4	4.9
Residential buildings (real, y/y %)	5.4	5.4	5.2	3.6

Source: SARB, Investec

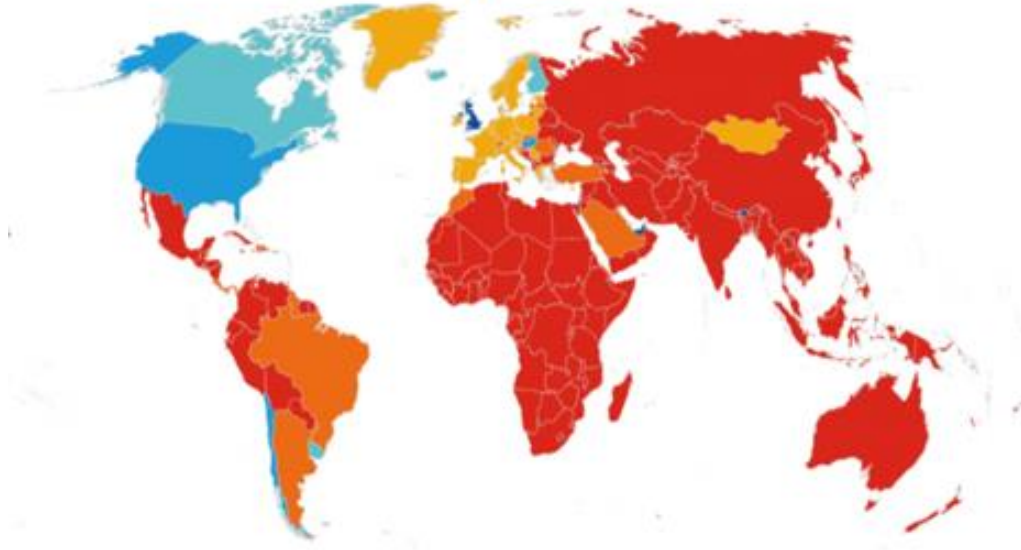


# SA Economics



## The vaccination gap

(share vaccinated as of end-April 2021, % of total population, at least one dose)



Source: IMF

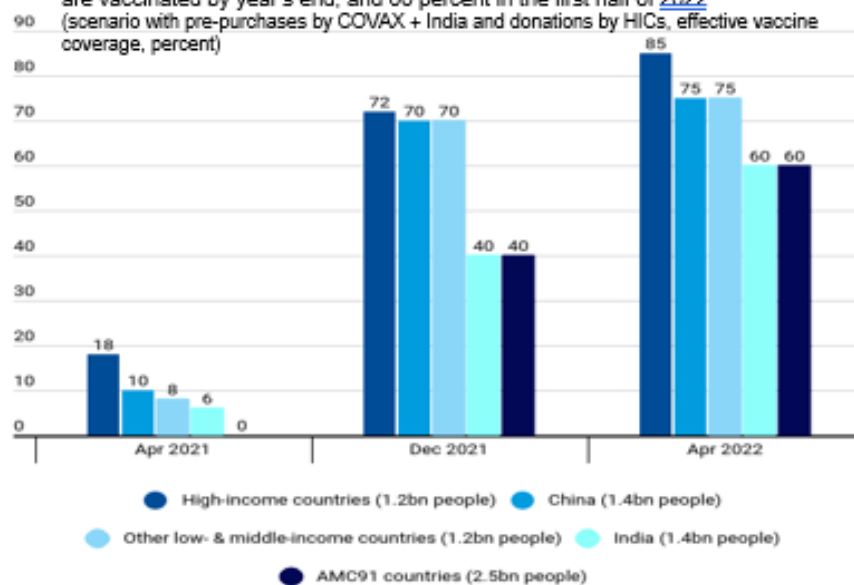
Note: Country borders or names do not necessarily reflect the IMF's official position.

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## Closing the gap

Grants and donations could ensure that at least 40 percent of people in all countries are vaccinated by year's end, and 80 percent in the first half of 2022 (scenario with pre-purchases by COVAX + India and donations by HICs, effective vaccine coverage, percent)



Source: IMF

Note: AMC91 stands for the group of 91 low- and middle income countries (excl. India) that are eligible to access the COVAX AMC facility. Other LMIC refers to the group of low- and middle-income countries excluding India, China and AMC91 countries. HIC refers to high-income countries as per World Bank income classifications. The bars report the fraction of population fully vaccinated within the country group, under different scenarios. The effective rate of vaccination coverage is depicted for April 2021, equivalent to total doses per 100 divided by 2.

- The recent Flash US Composite PMI, also at a high in May, shows “manufacturers registered the fastest rise in work-in hand on record amid raw material shortages”. These outcomes are all supportive of a continuation in the commodity boom.
- We continue to believe that the pace of increase in commodity prices in the remainder of this year will be well below the acceleration experienced in the second half of last year, but also that further modest increase could occur and that levels will remain supported.
- While China has attempted to talk prices down, this is unlikely to be enough to kill off the commodity boom, with the world’s second largest economy seeing price pressures negatively impacting profitability, and has seen a crack down on its own internal price speculation.
- However, with commodity prices determined in global markets this has not been an impediment. The supply chain disruptions from COVID-19 impeding activity, and contributing to sharp price increases, are expected to work out over the next twelve months.
- Adding to the slew of recent PMI data, SA saw the release of its ABSA/BER PMI index, which showed material expansion in the manufacturing industry in May, indicating the

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likelihood of a Q2.21 expansion in manufacturing production, and supportive of overall GDP 2021 growth.

- In particular, there was some evidence of a lift in domestic demand for locally manufactured goods, with new sales orders rising robustly, along with business activity and inventories. The PMI price index however was at very high levels, which will feed through to the PPI.
- The domestic PMI further showed “(w)hile current business conditions improved in May, purchasing managers turned slightly less optimistic about the trading environment going forward”, although expectations on future conditions deteriorated as the third wave grows.
- Domestic economic growth will continue to depend heavily on the degree of lockdowns on economic activity this year, as will global economic recovery, with vaccine rollout quickening in SA recently but still likely insufficient to cover two thirds of the population by year end.
- For the longer term, we continue to forecast a structural reform led recovery in SA’s economy that will improve exposure to global growth, including substantially increasing electricity supply, sharply reducing the regulatory burden and strengthening transport systems.

Global Environment: averages	2020	2021	2022	2023	2024	2025	2026
Oil price, Brent USD/barrel	43.3	65.4	58.7	59.7	60.7	61.4	61.7
World GDP (World Bank data) (real, %)	-3.9	5.0	4.1	2.9	3.0	2.9	2.8
US CPI (Av, %)	1.2	2.0	2.1	2.0	2.1	2.2	2.3
US GDP (Av, %)	-3.5	5.7	4.1	2.3	2.6	2.6	2.3
US Fed rate (year-end %)	0.25	0.25	0.25	0.25	0.25	0.50	0.50

Source: World Bank, IRESS, Investec

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Monetary Sector	2020	2021	2022	2023	2024	2025	2026
Repo Rate (year-end: %)	3.50	3.50	4.00	4.25	4.50	4.75	5.00
Prime Overdraft Rate (year-end: %)	7.00	7.00	7.50	7.75	8.00	8.25	8.50
SA rand bond (year-end: %)	10.20	10.41	10.35	10.08	10.39	10.57	10.76

Source: SARB, Investec

Inflation	2020	2021	2022	2023	2024	2025	2026
Consumer Inflation (Av: %)	3.3	4.4	5.0	5.0	5.0	5.0	5.2
(year-end: %)	3.1	5.1	5.0	5.0	4.8	5.0	5.4
Producer Inflation (Av: %)	2.5	5.1	4.7	4.7	4.6	4.8	5.0
(year-end: %)	3.0	5.1	4.9	4.6	4.7	4.5	5.2
Salary & wage increases (%)	0.9	4.7	5.3	5.3	5.6	6.3	6.5

Source: SARB, Investec

Exchange Rates: averages	2020	2021	2022	2023	2024	2025	2026
USD/ZAR	16.46	14.65	15.10	15.23	15.45	15.68	15.78
GBP/ZAR	21.10	20.18	21.63	21.43	21.63	21.95	22.09
EUR/ZAR	18.77	17.79	19.05	19.03	19.31	19.59	19.72
ZAR/JPY	6.52	7.18	6.92	6.96	6.91	6.83	6.78
GBP/USD	1.28	1.38	1.43	1.41	1.40	1.40	1.40
EUR/USD	1.14	1.21	1.26	1.25	1.25	1.25	1.25
USD/JPY	107	105	105	106	107	107	107

Source: SARB, Investec

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Inflation forecasts	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Consumer Inflation (Av: y/y %)	4.4	2.4	3.1	3.2	3.2	4.8	4.8	5.0	5.3	5.1	4.8	5.0
Producer Inflation (Av: y/y %)	4.2	0.7	2.3	2.9	4.2	6.0	5.1	5.1	4.7	4.4	4.8	4.9
Salary & wage increases (y/y %)	4.4	-2.6	1.0	1.0	2.8	6.3	5.6	4.4	5.1	5.5	5.0	5.5

Source: Statistics SA, 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 %)	5.0	4.9	5.2	5.1	5.0	5.2	5.0	4.7	5.2	5.0	5.0	4.9
Producer Inflation (Av: y/y %)	4.8	4.7	4.8	4.6	4.3	4.7	4.6	4.7	5.1	4.9	4.8	4.5
Salary & wage increases (y/y %)	5.4	5.7	5.2	5.1	5.1	5.4	5.7	6.1	6.3	6.4	6.2	6.2

Source: Statistics SA, SARB, Investec

Inflation forecasts	2026 Q1	2026 Q2	2026 Q3	2026 Q4
Consumer Inflation (Av: y/y %)	5.0	5.4	5.1	5.3
Producer Inflation (Av: y/y %)	4.7	5.0	4.9	5.2
Salary & wage increases (y/y %)	6.3	6.3	6.6	6.6

Source: Statistics SA, SARB, Investec

Monetary	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Sector % year-end												
Repo Rate (year-end: %)	5.25	3.75	3.50	3.50	3.50	3.50	3.50	3.50	3.75	3.75	4.00	4.00
Prime Overdraft Rate (year-end: %)	8.75	7.25	7.00	7.00	7.00	7.00	7.00	7.00	7.25	7.25	7.50	7.50
SA rand bond (Av: %)	9.73	10.47	10.20	10.07	10.00	10.22	10.13	10.41	10.33	9.99	10.16	10.35

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

Monetary	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
Sector % year-end												
Repo Rate (year-end: %)	4.00	4.25	4.25	4.25	4.50	4.50	4.50	4.50	4.75	4.75	4.75	4.75
Prime Overdraft Rate (year-end: %)	7.50	7.75	7.75	7.75	8.00	8.00	8.00	8.00	8.25	8.25	8.25	8.25
SA rand bond (Av: %)	10.39	10.20	9.89	10.08	10.40	10.50	10.58	10.39	10.70	10.58	10.38	10.57

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

Monetary	2026 Q1	2026 Q2	2026 Q3	2026 Q4
Sector % year-end				
Repo Rate (year-end: %)	5.00	5.00	5.00	5.00
Prime Overdraft Rate (year-end: %)	8.50	8.50	8.50	8.50
SA rand bond (Av: %)	10.76	10.77	10.75	10.76

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

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Exchange Rates, averages	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
USD/ZAR	15.38	17.95	16.91	15.60	14.96	14.25	14.75	14.65	14.75	15.15	15.45	15.05
GBP/ZAR	19.64	22.28	21.84	20.63	20.64	19.52	20.21	20.36	20.94	21.66	22.40	21.52
EUR/ZAR	16.95	19.77	19.76	18.61	18.13	17.10	17.85	18.09	18.51	19.09	19.62	18.96
ZAR/JPY	7.12	5.99	6.28	6.70	7.09	7.37	7.12	7.13	7.05	6.86	6.80	6.98
GBP/USD	1.28	1.24	1.29	1.32	1.37	1.37	1.37	1.39	1.42	1.43	1.45	1.43
EUR/USD	1.10	1.10	1.17	1.19	1.21	1.20	1.21	1.24	1.26	1.26	1.27	1.26
USD/JPY	109	108	106	104	104	105	105	105	104	104	105	105

Note: averages, Source: IRESS, Investec

Exchange Rates, averages	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	14.85	15.25	15.65	15.15	14.95	15.45	15.95	15.45	15.35	16.05	15.75	15.55
GBP/ZAR	21.09	21.50	21.91	21.21	20.93	21.63	22.33	21.63	21.49	22.47	22.05	21.77
EUR/ZAR	18.56	19.06	19.56	18.94	18.69	19.31	19.94	19.31	19.19	20.06	19.69	19.44
ZAR/JPY	7.14	6.95	6.77	7.00	7.09	6.93	6.71	6.93	6.97	6.67	6.79	6.88
GBP/USD	1.42	1.41	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
EUR/USD	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
USD/JPY	106	106	106	106	106	107	107	107	107	107	107	107

Note: averages, Source: IRESS, Investec

Exchange Rates, averages	2026 Q1	2026 Q2	2026 Q3	2026 Q4
USD/ZAR	15.45	16.15	15.85	15.65
GBP/ZAR	21.63	22.61	22.19	21.91
EUR/ZAR	19.31	20.19	19.81	19.56
ZAR/JPY	6.93	6.63	6.75	6.84
GBP/USD	1.40	1.40	1.40	1.40
EUR/USD	1.25	1.25	1.25	1.25
USD/JPY	107	107	107	107

Note: averages, Source: IRESS, Investec

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Gross Fixed Capital Formation	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
GFCF, total (real, qqsaa %)	-18.7	-59.4	26.9	12.1	6.7	10.4	12.8	14.0	-3.2	-3.0	-0.8	-1.9
Private sector (real, qqsaa %)	-28.3	-62.6	44.1	5.8	7.8	13.2	15.8	16.5	-3.9	-5.2	-1.7	-6.4
Government (real, qqsaa %)	9.2	-51.6	-4.3	27.9	4.1	4.2	6.0	8.3	-1.7	2.6	1.3	9.2
Non-residential GFCF (real, qqsaa %)	-30.6	-60.1	40.8	4.6	5.9	14.0	17.4	18.7	-4.9	-6.5	-2.6	-8.3
Residential buildings (real, qqsaa %)	-9.9	-76.5	70.8	14.2	22.5	7.8	5.7	2.2	4.1	4.1	5.3	8.0

Source: SARB, Investec

Gross Fixed Capital Formation	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, qqsaa %)	7.4	7.0	8.4	4.2	1.8	1.5	2.0	1.7	5.0	5.5	5.2	5.3
Private sector (real, qqsaa %)	9.0	8.3	11.7	5.2	2.2	1.4	2.0	1.6	6.6	7.3	7.0	7.0
Government (real, qqsaa %)	4.0	4.0	1.0	1.8	0.8	1.9	2.0	2.0	1.3	1.1	1.1	1.3
Non-residential GFCF (real, qqsaa %)	9.5	9.2	13.2	5.6	1.2	1.3	1.4	1.3	6.9	7.6	7.2	7.1
Residential buildings (real, qqsaa %)	5.5	2.9	2.2	2.9	8.8	2.1	6.1	3.9	4.1	5.6	5.5	6.1

Source: SARB, Investec

Gross Fixed Capital Formation	2026 Q1	2026 Q2	2026 Q3	2026 Q4
GFCF, total (real, qqsaa %)	4.8	2.4	4.9	3.8
Private sector (real, qqsaa %)	5.8	2.5	6.4	4.2
Government (real, qqsaa %)	2.3	2.3	1.0	2.6
Non-residential GFCF (real, qqsaa %)	6.0	2.0	6.6	4.9
Residential buildings (real, qqsaa %)	4.3	5.6	4.9	-0.1

Source: SARB, Investec