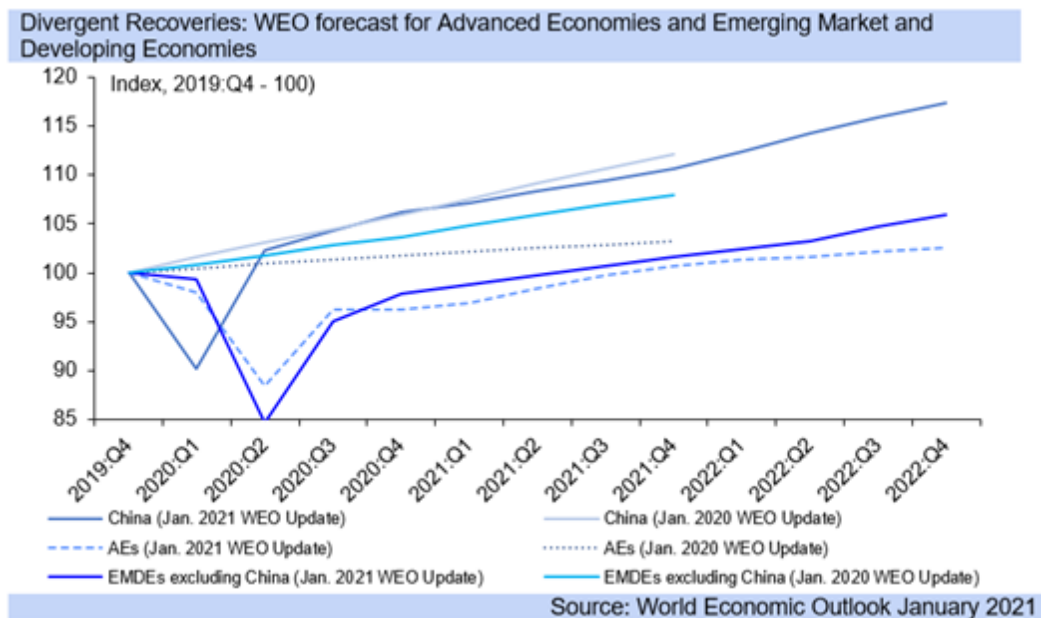


# SA Economics



Tuesday 2 February 2021

Economic growth note: SA's month of amended level 3 lockdown restrictions in January should not harm the 2021 growth outlook, unless further, and harsher restrictions are applied, which is not the expected case



## GDP projections

(real GDP, annual percent change)

	2020	2021	2022
<b>World Output</b>	<b>-3.5</b>	<b>5.5</b>	<b>4.2</b>
<b>Advanced Economies</b>	<b>-4.9</b>	<b>4.3</b>	<b>3.1</b>
United States	-3.4	5.1	2.5
Euro Area	-7.2	4.2	3.6
Germany	-5.4	3.5	3.1
France	-9.0	5.5	4.1
Italy	-9.2	3.0	3.6
Spain	-11.1	5.9	4.7
Japan	-5.1	3.1	2.4
United Kingdom	-10.0	4.5	5.0
Canada	-5.5	3.6	4.1
Other Advanced Economies	-2.5	3.6	3.1
<b>Emerging Markets and Developing Economies</b>	<b>-2.4</b>	<b>6.3</b>	<b>5.0</b>

Source: IMF, WEO January 2021

# SA Economics



Summary, % real growth rates	2020	2021	2022	2023	2024	2025	2026
GDP (real, %)	-7.3	2.9	1.0	2.2	2.5	2.7	3.0
HCE (real, %)	-5.9	2.0	1.8	2.1	2.3	2.6	2.9
GCE (real, %)	1.0	-2.5	-2.4	-3.6	-1.5	1.2	1.2
GFCF (real, %)	-17.6	4.6	1.9	3.0	3.5	4.1	4.4
GDE (real, %)	-10.1	3.1	1.2	2.1	2.4	2.6	3.0
Export (goods & non-factor services) - (real, %)	-10.8	5.5	3.7	4.2	4.2	4.3	4.2
Imports (goods & non-factor services) - (real, %)	-18.7	4.4	4.3	4.2	4.0	3.7	4.2
Balance: Current Account - (% of GDP)	1.1	-1.8	-2.5	-2.5	-2.5	-2.4	-2.6
Imports as % of GDP	26.8	27.2	28.1	28.6	29.1	29.3	29.7
Exports as % of GDP	27.6	28.4	29.2	29.8	30.3	30.7	31.0

Consumption Expenditure	2020	2021	2022	2023	2024	2025	2026
HCE, total (real, %)	-5.9	2.0	1.8	2.1	2.3	2.6	2.9
HCE as % of GDP	63.0	62.5	63.0	63.0	62.9	62.8	62.7
Unemployment rate (%)	29.2	33.4	31.9	31.2	30.8	30.3	29.9
Population (million)	59.3	60.0	60.8	61.5	62.1	62.8	63.5
Employment growth rate (%)	-7.7	-5.0	2.9	1.9	1.8	2.4	2.0
Compensation of employees (%)	-1.6	3.5	4.5	4.3	5.1	5.7	5.9
GCE as % of GDP	22.6	21.4	20.6	19.5	18.7	18.4	18.1

Gross Fixed Capital Formation	2020	2021	2022	2023	2024	2025	2026
GFCF, total (real, %)	-17.6	4.6	1.9	3.0	3.5	4.1	4.4
GFCF as % of GDP	17.0	17.3	17.5	17.6	17.8	18.0	18.3
Private sector (real, %)	-18.3	6.0	2.3	3.6	4.2	5.0	5.4
Government (real, %)	-16.0	1.2	1.1	1.4	1.6	1.6	1.7
Non-residential GFCF (real, %)	-18.0	6.0	2.0	3.5	4.2	5.0	5.5
Residential buildings (real, %)	-20.0	6.0	4.0	4.5	4.6	4.9	5.1

# SA Economics



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	-6.1	-5.2	-4.5	14.9	1.6	1.3	1.1	1.0	0.9	0.9
HCE (real, y/y %)	1.1	-16.6	-4.9	-3.3	-3.5	14.9	0.4	-1.8	-0.6	1.4	2.6	3.8
GCE (real, y/y %)	1.4	0.2	0.0	2.6	0.6	-1.0	-3.0	-6.5	-5.2	-3.0	-1.3	-0.2
GFCF (real, y/y %)	-5.2	-25.6	-21.9	-17.4	-12.1	13.0	10.2	10.5	8.2	4.5	-0.1	-4.2
GDE (real, y/y %)	-1.7	-17.1	-11.6	-9.8	-6.1	10.1	4.9	4.9	2.3	1.2	0.9	0.3
Export (goods & non-factor services) - (real, y/y %)	0.2	-29.6	-8.0	-5.8	-6.0	33.2	2.2	0.3	2.5	4.3	4.1	3.9
Imports (goods & non-factor services) - (real, y/y %)	-4.8	-24.8	-23.4	-21.5	-12.0	8.2	10.9	14.0	6.8	5.0	3.8	1.6
Current Account – (% GDP)	1.2	-2.9	5.9	0.2	-0.5	-1.4	-2.4	-3.0	-2.9	-2.6	-2.3	-2.1
Imports as % of GDP	28.9	28.5	25.0	24.9	26.6	26.9	27.3	28.0	28.1	27.9	28.1	28.3
Exports as % of GDP	28.9	24.3	28.2	28.9	28.5	28.2	28.4	28.6	28.9	29.1	29.3	29.5

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 %)	1.5	1.9	2.4	2.9	2.6	2.5	2.4	2.2	2.5	2.7	2.8	3.0
HCE (real, y/y %)	3.1	2.4	1.8	1.3	1.7	2.1	2.5	2.9	2.8	2.6	2.5	2.4
GCE (real, y/y %)	-1.2	-2.8	-4.6	-6.0	-4.4	-2.7	-0.3	1.5	1.2	1.1	1.1	1.2
GFCF (real, y/y %)	-1.2	1.7	4.5	7.2	5.6	4.1	2.8	1.5	2.5	3.6	4.6	5.6
GDE (real, y/y %)	1.2	1.9	2.2	2.8	2.5	2.5	2.4	2.2	2.3	2.5	2.7	2.8
Export (goods & non-factor services) - (real, y/y %)	3.9	4.1	4.3	4.6	4.5	4.3	4.1	3.9	4.0	4.2	4.5	4.4
Imports (goods & non-factor services) - (real, y/y %)	3.1	4.5	4.2	4.7	3.9	4.0	4.2	4.0	3.6	3.7	3.9	3.6
Current Account – (% of GDP)	-2.4	-2.5	-2.6	-2.6	-2.6	-2.6	-2.5	-2.3	-2.3	-2.5	-2.4	-2.4
Imports as % of GDP	28.6	28.6	28.6	28.8	28.9	29.0	29.1	29.3	29.2	29.3	29.4	29.4
Exports as % of GDP	29.6	29.7	29.8	29.9	30.1	30.2	30.3	30.4	30.6	30.6	30.8	30.8

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	3.0	3.0	3.0
HCE (real, y/y %)	2.6	2.8	3.0	3.2
GCE (real, y/y %)	1.3	1.3	1.2	1.1
GFCF (real, y/y %)	5.3	4.6	4.1	3.7
GDE (real, y/y %)	3.0	2.9	3.0	3.0
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	4.1	4.2	4.2
Current Account – (% of GDP)	-2.5	-2.6	-2.6	-2.6
Imports as % of GDP	29.6	29.6	29.7	29.8
Exports as % of GDP	30.9	31.0	31.1	31.1

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

# SA Economics



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 %)	-1.7	-51.7	66.1	2.5	1.1	1.4	1.4	1.5	0.3	0.9	1.1	1.2
HCE (real, qqsaa %)	0.2	-52.4	69.5	8.2	-0.9	-4.4	-0.9	-0.9	3.8	3.8	3.7	3.8
GCE (real, qqsaa %)	1.8	-2.1	0.7	10.4	-5.7	-8.3	-7.0	-4.7	-0.4	0.4	-0.4	-0.4
GFCF (real, qqsaa %)	-18.6	-59.8	26.5	12.6	4.1	9.7	14.8	13.8	-4.5	-4.5	-4.1	-3.7
GDE (real, qqsaa %)	-6.4	-45.1	24.4	3.3	10.2	3.7	2.4	3.5	-0.6	-0.5	1.3	0.8
Export (goods & non-factor services) - (real, qqsaa %)	-3.3	-76.0	201	12.7	-4.2	-3.3	4.5	4.6	4.4	3.7	3.8	3.8
Imports (goods & non-factor services) - (real, qqsaa %)	-16.9	-54.0	-1.6	0.8	31.4	5.0	8.7	12.4	1.4	-2.0	3.8	3.5

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 %)	2.7	2.7	3.0	3.1	1.8	2.3	2.4	2.4	2.7	3.0	3.1	3.1
HCE (real, qqsaa %)	1.0	1.2	1.4	1.5	2.7	2.9	2.9	2.9	2.3	2.4	2.4	2.4
GCE (real, qqsaa %)	-4.3	-5.9	-7.8	-5.9	2.1	1.2	1.5	1.2	0.8	1.0	1.6	1.5
GFCF (real, qqsaa %)	7.8	7.4	6.8	6.9	1.6	1.3	1.7	1.6	5.3	5.9	5.6	5.5
GDE (real, qqsaa %)	3.2	2.5	2.4	3.2	1.7	2.4	2.3	2.5	2.2	3.2	2.9	3.0
Export (goods & non-factor services) - (real, qqsaa %)	4.5	4.4	4.5	4.9	4.0	3.6	3.7	4.2	4.5	4.4	4.7	4.1
Imports (goods & non-factor services) - (real, qqsaa %)	7.3	3.6	2.6	5.4	4.0	4.1	3.4	4.4	2.5	4.4	4.1	3.5

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	3.0	3.1	3.2
HCE (real, qqsaa %)	3.1	3.2	3.2	3.3
GCE (real, qqsaa %)	1.2	1.0	1.0	1.0
GFCF (real, qqsaa %)	4.1	3.3	3.6	3.8
GDE (real, qqsaa %)	2.8	3.0	3.2	3.1
Export (goods & non-factor services) - (real, qqsaa %)	4.0	4.0	4.0	4.0
Imports (goods & non-factor services) - (real, qqsaa %)	4.7	4.1	4.4	3.7

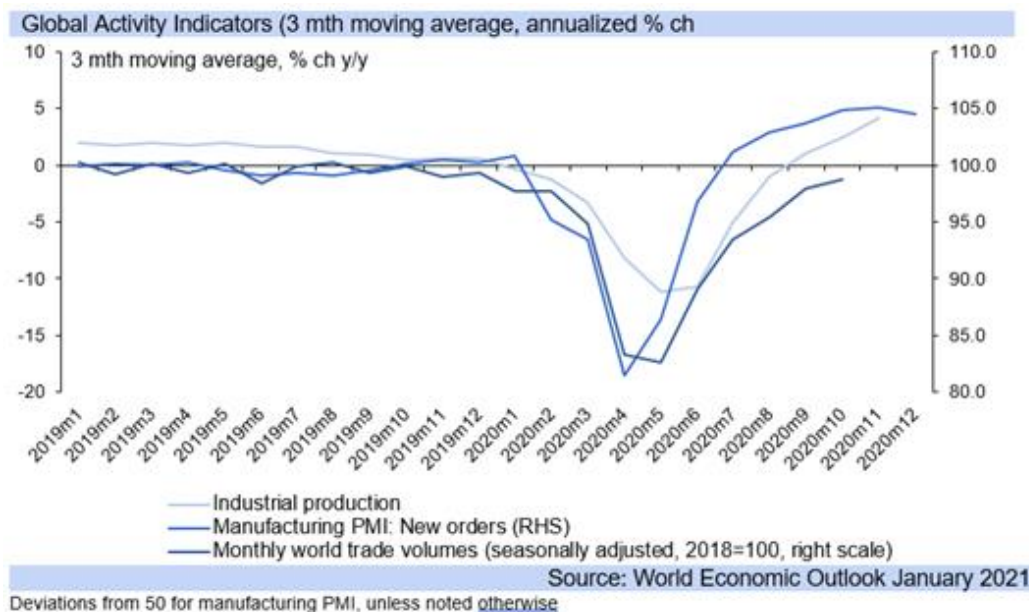
Note: The GDP figures are from the expenditure side and so include the residual. Source: SARB, Investec

- The seven-day rolling average of new cases of COVID-19 infections in South Africa has slowed to 5 539 individuals, from its peak in the current wave of 19 042. A downward trend has been maintained, now well below the peak of the first wave, with 2 548 new cases a day.
- New daily COVID-19 infections at the origin of the second (current) wave have declined noticeably (Nelson Mandela Bay), and further afield, with SA's fatality rate moderate due to its youthful population. The rand reached R14.89/USD today as new daily cases moderated.
- Level 3 restrictions have been eased somewhat, with alcohol sales allowed Monday to Thursday 10am to 6pm, onsite consumption of alcohol at licenced venues from 10am to 10pm and the sale of alcohol from wine farms, micro-breweries during normal operating hours.

# SA Economics



- Furthermore, all beaches, dams, rivers, parks and swimming pools are now open, with social distancing and health protocols, and gatherings remain limited to 50 indoors, 100 outdoors, not exceeding 50% of capacity. However, SA remains at risk of a third, and even fourth wave.
- While South Africa is expected to begin administering vaccines this month, if in limited quantities, it will still be many months before the entire two thirds proportion of the population is covered, and so before social distancing and economic restrictions can fully ease.
- The progress towards herd immunity (two thirds of populations fully vaccinated, including likely all the elderly, vulnerable and health care workers/other essential services) generally is slow, with the US only vaccinating 10% of its population so far, and the UK 14%.
- In South Africa 1.5 million doses of Oxford-AstraZeneca for health workers have arrived and it is reported that SA is securing another 20 million from Pfizer, 12 million from COVAX, 9 million from Johnson & Johnson, reaching 40 million in total.
- Domestic economic growth will depend heavily on the degree of the regulated lockdowns on economic activity, and the necessity to substantially ease the regulatory burden on private sector businesses, while lifting civil servants' productivity.
- Economic activity is expected to rise by 2.9% y/y this year, but the deep scarring the domestic economy has already experienced from the harsh regulated shutdown of economic activity last year is likely to be persistent until 2024 in real terms.



# SA Economics





# SA Economics



Monetary Sector	2020	2021	2022	2023	2024	2025	2026
Repo Rate (year-end: %)	3.50	4.00	4.50	5.00	5.00	5.50	5.50
Prime Overdraft Rate (year-end: %)	7.00	7.50	8.00	8.50	8.50	9.00	9.00
SA rand bond (year-end: %)	10.50	10.70	10.90	11.00	11.20	11.50	11.50

Inflation	2020	2021	2022	2023	2024	2025	2026
Consumer Inflation (Av: %)	3.3	4.2	4.8	5.0	5.0	5.0	5.1
(year-end: %)	3.1	4.6	5.0	5.0	4.8	4.9	5.2
Producer Inflation (Av: %)	2.5	4.3	5.0	5.0	5.1	5.1	5.2
(year-end: %)	3.1	4.3	5.6	4.3	5.3	4.9	5.4
Salary & wage increases (%)	2.0	4.3	5.0	5.2	6.1	6.5	6.6

Exchange Rates: averages	2020	2021	2022	2023	2024	2025	2026
USD/ZAR	16.46	15.28	15.63	15.78	16.00	16.23	16.15
GBP/ZAR	21.10	20.84	21.62	21.97	22.40	22.72	22.61
EUR/ZAR	18.77	18.47	18.82	18.85	19.76	20.28	20.19
ZAR/JPY	6.52	6.93	6.70	6.72	6.67	6.60	6.63
GBP/USD	1.28	1.36	1.38	1.39	1.40	1.40	1.40
EUR/USD	1.14	1.21	1.21	1.20	1.24	1.25	1.25
USD/JPY	107	106	105	106	107	107	107

# SA Economics



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	3.3	4.7	4.2	4.5	4.6	4.7	4.8	5.0
Producer Inflation (Av: y/y %)	4.1	0.7	2.3	2.9	3.4	5.2	4.3	4.2	4.3	4.8	5.2	5.5
Salary & wage increases (y/y %)	4.4	-2.6	3.0	3.1	9.0	4.3	1.2	2.7	4.1	7.1	4.7	4.4

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 %)	5.5	5.2	4.9	4.5	4.9	5.1	5.1	5.2	5.3	5.0	5.0	4.9
Salary & wage increases (y/y %)	4.7	5.5	5.5	5.3	5.5	5.9	6.3	6.9	6.8	6.8	6.6	6.0

Source: Statistics SA, SARB, Investec

Inflation forecasts	2026 Q1	2026 Q2	2026 Q3	2026 Q4
Consumer Inflation (Av: y/y %)	5.0	5.3	5.0	5.2
Producer Inflation (Av: y/y %)	5.0	5.4	5.2	5.4
Salary & wage increases (y/y %)	6.5	6.8	6.6	6.6

Source: Statistics SA, SARB, Investec

Monetary Sector % year-end	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Repo Rate (year-end: %)	5.25	3.75	3.50	3.50	3.50	3.75	3.75	4.00	4.00	4.25	4.50	4.50
Prime Overdraft Rate (year-end: %)	8.75	7.25	7.00	7.00	7.00	7.25	7.25	7.50	7.50	7.75	8.00	8.00
SA rand bond (Av: %)	9.73	10.46	10.20	10.50	10.40	10.30	10.60	10.70	10.50	10.60	10.80	10.90

Note: % quarter-end. Source: 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: %)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.25	5.25	5.50	5.50
Prime Overdraft Rate (year-end: %)	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.75	8.75	9.00	9.00
SA rand bond (Av: %)	10.60	10.60	10.80	11.00	10.80	10.70	11.10	11.20	11.00	11.00	11.40	11.50

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

Monetary Sector % year-end	2026 Q1	2026 Q2	2026 Q3	2026 Q4
Repo Rate (year-end: %)	5.50	5.50	5.50	5.50
Prime Overdraft Rate (year-end: %)	9.00	9.00	9.00	9.00
SA rand bond (Av: %)	11.50	11.50	11.50	11.50

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



# SA Economics



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 %)	1.1	-16.6	-4.9	-3.3	-3.5	14.9	0.4	-1.8	-0.6	1.4	2.6	3.8
HCE as % of GDP	62.9	62.6	62.9	63.8	63.5	62.6	62.2	61.8	62.4	62.8	63.2	63.6
Unemployment rate (%)	30.1	23.3	30.8	32.9	34.2	33.5	32.9	32.9	32.8	32.2	31.7	31.1
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	-13.3	-10.3	-4.5	-6.4	-12.5	-2.2	1.0	3.1	2.7	2.6	3.4
Compensation employees (y/y %)	4.2	-7.2	-1.7	-1.7	-1.4	9.4	3.3	3.4	4.0	4.9	4.7	4.3
GCE as % of GDP	21.0	25.0	22.1	22.5	22.1	21.5	21.1	20.7	20.7	20.7	20.6	20.5

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 %)	3.1	2.4	1.8	1.3	1.7	2.1	2.5	2.9	2.8	2.6	2.5	2.4
HCE as % of GDP	63.4	63.1	62.9	62.6	62.8	62.9	62.9	63.0	63.0	62.9	62.7	62.6
Unemployment rate (%)	31.2	31.2	31.2	31.3	31.3	30.8	30.7	30.6	30.5	30.3	30.2	30.1
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 %)	3.2	2.3	1.5	0.6	0.8	1.8	2.1	2.6	2.8	2.3	2.4	2.3
Compensation employees (y/y %)	4.2	4.2	4.2	4.5	4.8	5.1	5.3	5.4	5.5	5.6	5.7	5.9
GCE as % of GDP	20.2	19.7	19.2	18.8	18.8	18.7	18.7	18.6	18.5	18.4	18.4	18.3

Source: SARB, Investec

Consumption Expenditure, % real growth rates	2026 Q1	2026 Q2	2026 Q3	2026 Q4
HCE, total (real, y/y %)	2.6	2.8	3.0	3.2
HCE as % of GDP	62.7	62.7	62.7	62.7
Unemployment rate (%)	30.0	29.9	29.9	29.8
Population (million)	63.2	63.4	63.5	63.7
Employment growth rate (y/y %)	2.2	2.0	1.8	1.8
Compensation employees (y/y %)	5.8	5.5	5.9	6.2
GCE as % of GDP	18.2	18.1	18.0	18.0

Source: SARB, Investec

- South Africa depends on global trade conditions for economic growth as well as domestic conditions. Global economic activity collapsed in the second quarter of 2020, but now is showing noticeable, if uneven, recovery between and within economies.
- The expected improvement in global economic growth will support SA's lift in GDP, with the IMF expecting the global economy will grow by 5.5% in 2021 and 4.2% in 2022, revising up its 2021 forecast by 0.3% versus its previous view.
- This upwards revision relative to its previous forecast for 2021, reflects "expectations of a vaccine-powered strengthening of activity later in the year and additional policy support in a few large economies."

# SA Economics

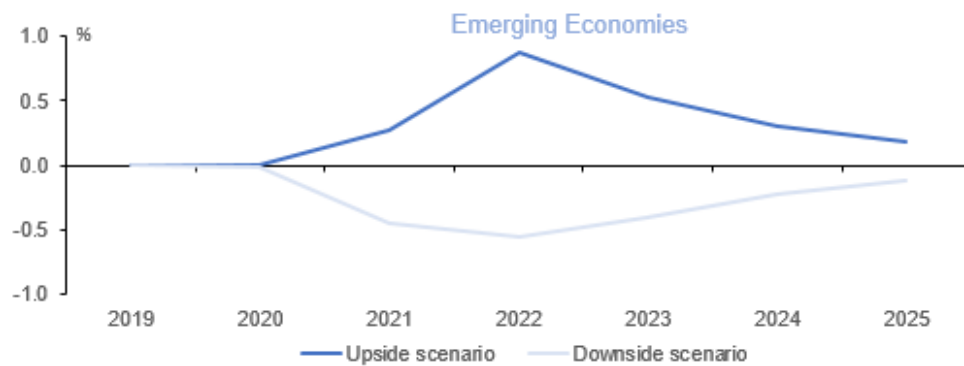
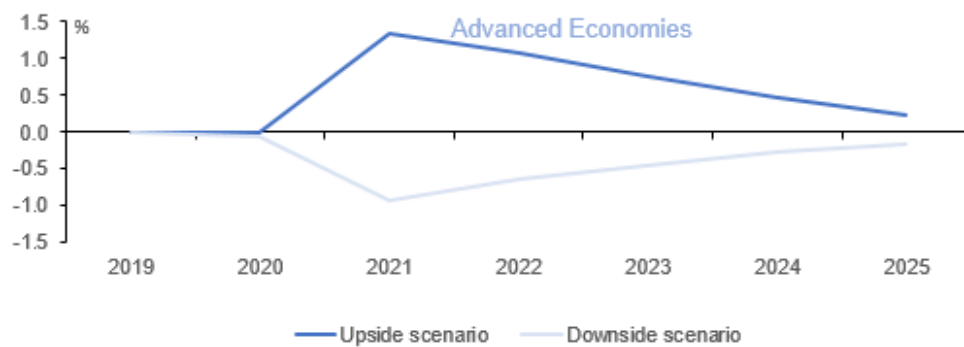
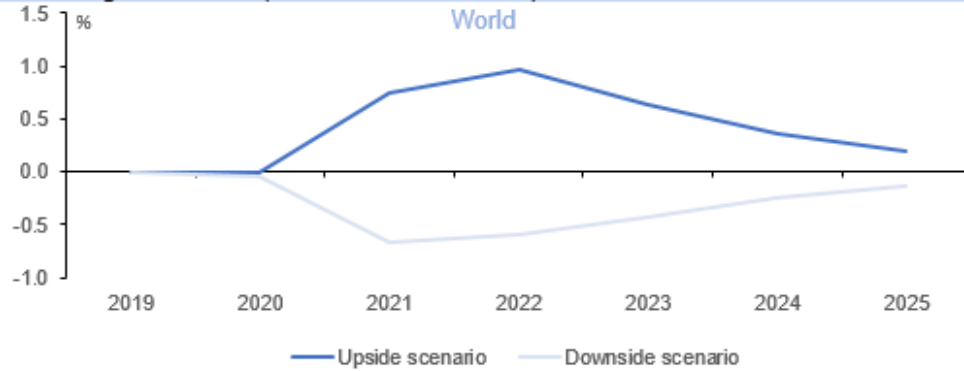


- The IMF adds, “(s)trong multilateral cooperation is required to bring the pandemic under control everywhere. Such efforts include bolstering funding for the COVAX facility to accelerate access to vaccines for all countries, ensuring universal distribution of vaccines”.
- And additionally, “facilitating access to therapeutics at affordable prices for all. Many countries, particularly low-income developing economies, entered the crisis with high debt that is set to rise further during the pandemic.”
- “The global community will need to continue working closely to ensure adequate access to international liquidity for these countries. Where sovereign debt is unsustainable, eligible countries should work with creditors to restructure their debt under the Common Framework agreed by the G20.”
- South Africa has seen the precarious nature of its government finances increase, and its borrowings swell. However, over 70% of its debt is held by domestic investors, and less than 30% is held by foreigners, an amount which continues to dwindle.
- South Africa has limited space even if it could use the G20’s Common Framework should it begin to devolve into a debt default crisis, a risk that has risen substantially with its planned borrowings out to 95.3% of GDP by 2025/26, and above this including contingent liabilities.
- If South Africa is quick with its vaccination programme a better GDP growth outcome could be reaped this year than the 2.9% y/y expected, but could risk recession if it is particularly slow with its vaccination programme, and sees third and fourth waves with tighter restrictions.

# SA Economics



Scenario figure: real GDP (% deviation from baseline)



Source: World Economic Outlook January 2021

# SA Economics



Overview of the World Economic Outlook Projections									
	Estimate		Projections		Difference from October 2020 WEO Projections <sup>1</sup>		Q4 over Q4 <sup>2</sup>		
	2019	2020	2021	2022	2021	2022	Estimate	Projections	
<b>World</b>	<b>2.8</b>	<b>-3.5</b>	<b>5.5</b>	<b>4.2</b>	<b>0.3</b>	<b>0.0</b>	<b>-1.4</b>	<b>4.2</b>	<b>3.7</b>
<b>Advanced Economies</b>	<b>1.6</b>	<b>-4.9</b>	<b>4.3</b>	<b>3.1</b>	<b>0.4</b>	<b>0.2</b>	<b>-3.9</b>	<b>4.6</b>	<b>1.9</b>
United States	2.2	-3.4	5.1	2.5	2.0	-0.4	-2.1	4.0	2.0
Euro Area	2.2	-3.4	5.1	2.5	-1.0	0.5	-6.8	5.8	2.0
Germany	0.6	-5.4	3.5	3.1	-0.7	0.0	-5.3	5.2	1.7
France	1.5	-9.0	5.5	4.1	-0.5	1.2	-8.2	7.4	2.0
Italy	0.3	-9.2	3.0	3.6	-2.2	1.0	-8.3	4.2	2.3
Spain	2.0	-11.1	5.9	4.7	-1.3	0.2	-9.8	7.1	2.0
Japan	0.3	-5.1	3.1	2.4	0.8	0.7	-2.3	2.7	1.6
United Kingdom	0.3	-5.1	3.1	2.4	-1.4	1.8	-8.3	6.0	1.9
Canada	1.9	-5.5	3.6	4.1	-1.6	0.7	-4.0	3.7	2.7
Other Advanced Economies <sup>3</sup>	1.8	-2.5	3.6	3.1	0.0	0.0	-2.2	4.5	1.9
<b>Emerging market and developing economies</b>	<b>3.6</b>	<b>-2.4</b>	<b>6.3</b>	<b>5.0</b>	<b>0.3</b>	<b>-0.1</b>	<b>0.9</b>	<b>3.7</b>	<b>5.4</b>
Emerging and Developing									
Asia	5.4	-1.1	8.3	5.9	0.3	-0.4	3.2	3.8	6.4
China	6.0	2.3	8.1	5.8	-0.1	-0.2	6.2	4.2	6.0
India <sup>4/</sup>	4.2	-8.0	11.5	6.8	2.7	-1.2	0.6	1.7	7.8
ASEAN-5 <sup>5/</sup>	4.9	-3.7	5.2	6.0	-1.0	0.3	-3.2	5.2	6.1
Emerging and Developing									
Europe	2.2	-2.8	4.0	3.9	0.1	0.5	-2.7	4.8	3.0
Russia	1.3	-3.6	3.0	3.9	0.2	1.6	-4.6	5.3	2.6
Latin America and the Caribbean	0.2	-7.4	4.1	2.9	0.5	0.2	-4.8	2.3	2.8
Brazil	1.4	-4.5	3.6	2.6	0.8	0.3	-1.9	1.6	2.6
Mexico	-0.1	-8.5	4.3	2.5	0.8	0.2	-5.4	2.2	2.4
Middle East and Central Asia	1.4	-3.2	3.0	4.2	0.0	0.2	...	...	...
Saudi Arabia	0.3	-3.9	2.6	4.0	-0.5	0.6	-3.1	3.5	4.0
Sub-Saharan Africa	3.2	-2.6	3.2	3.9	0.1	-0.1	...	...	...
Nigeria	2.2	-3.2	1.5	2.5	-0.2	0.0	...	...	...
South Africa	0.2	-7.5	2.8	1.4	-0.2	-0.1	-6.2	2.8	0.6
Memorandum									
Low-Income developing countries	5.3	-0.8	5.1	5.5	0.2	0.0	...	...	...
World Growth based on Market Exchange Rates	2.4	-3.8	5.1	3.8	0.3	0.0	-2.0	4.3	3.1

Source: IMF, WEO January 2021

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during October 23–November 20, 2020. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

1/ Difference based on rounded figures for the current and October 2020 WEO forecasts. Countries whose forecasts have been updated relative to October 2020 WEO forecasts account for 90 percent of world GDP measured at purchasing-power-parity weights.

2/ For World Output, the quarterly estimates and projections account for approximately 90 percent of annual world output at purchasing-power-parity weights. For Emerging Market and Developing Economies, the quarterly estimates and projections account for approximately 80 percent of annual emerging market and developing economies' output at purchasing-power-parity weights.

3/ Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

4/ For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

5/ Indonesia, Malaysia, Philippines, Thailand, Vietnam.

# SA Economics



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	-25.6	-21.9	-17.4	-12.1	13.0	10.2	10.5	8.2	4.5	-0.1	-4.2
GFCF as % of GDP	18.1	17.3	16.2	16.5	16.7	17.0	17.5	18.0	17.8	17.6	17.4	17.1
Private sector (real, y/y %)	-3.1	-27.3	-23.7	-18.2	-11.9	16.0	12.2	11.6	9.1	5.1	0.1	-4.4
Government (real, y/y %)	-9.9	-21.5	-17.4	-15.3	-12.7	6.2	5.7	7.9	5.9	2.9	-0.5	-3.6
Non-residential GFCF (real, y/y %)	-2.8	-26.1	-23.7	-18.7	-11.9	14.7	12.1	12.7	10.0	5.2	-0.4	-5.6
Residential buildings (real, y/y %)	-5.2	-35.6	-23.5	-15.1	-11.7	26.1	13.2	3.9	3.3	4.7	3.5	4.5

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 %)	-1.2	1.7	4.5	7.2	5.6	4.1	2.8	1.5	2.5	3.6	4.6	5.6
GFCF as % of GDP	17.4	17.6	17.7	17.9	17.9	17.8	17.8	17.8	17.9	18.0	18.1	18.2
Private sector (real, y/y %)	-1.2	2.0	5.4	8.5	6.9	5.1	3.4	1.8	2.9	4.4	5.7	7.0
Government (real, y/y %)	-1.4	0.8	2.2	4.0	2.6	1.6	1.4	0.9	1.4	1.5	1.7	1.8
Non-residential GFCF (real, y/y %)	-2.1	1.6	5.5	9.3	7.3	5.2	3.1	1.3	2.7	4.3	5.8	7.2
Residential buildings (real, y/y %)	5.3	5.1	4.4	3.1	4.0	4.2	5.0	5.2	4.0	5.1	4.9	5.5

Source: SARB, Investec

Gross Fixed Capital Formation, % real growth rates	2026 Q1	2026 Q2	2026 Q3	2026 Q4
GFCF, total (real, y/y %)	5.3	4.6	4.1	3.7
GFCF as % of GDP	18.2	18.3	18.3	18.3
Private sector (real, y/y %)	6.6	5.7	5.1	4.5
Government (real, y/y %)	1.8	1.7	1.6	1.5
Non-residential GFCF (real, y/y %)	6.7	5.8	5.1	4.5
Residential buildings (real, y/y %)	5.8	5.1	4.8	4.6

Source: SARB, Investec

# SA Economics



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 %)	-18.6	-59.8	26.5	12.6	4.1	9.7	14.8	13.8	-4.5	-4.5	-4.1	-3.7
Private sector (real, qqsaa %)	-22.7	-63.3	33.2	18.3	4.2	10.4	16.6	15.7	-4.8	-4.9	-4.3	-3.7
Government (real, qqsaa %)	-7.9	-50.6	12.4	0.4	4.1	8.2	10.4	9.1	-3.6	-3.6	-3.6	-3.6
Non-residential GFCF (real, qqsaa %)	-24.2	-60.9	28.9	14.7	4.1	12.6	17.4	17.4	-5.8	-5.7	-5.7	-5.4
Residential buildings (real, qqsaa %)	-10.7	-76.8	70.6	46.4	4.9	-3.7	10.9	4.1	2.6	1.6	5.8	8.3

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 %)	7.8	7.4	6.8	6.9	1.6	1.3	1.7	1.6	5.3	5.9	5.6	5.5
Private sector (real, qqsaa %)	8.7	8.2	8.8	8.4	2.2	1.3	1.8	1.8	6.7	7.4	7.0	6.9
Government (real, qqsaa %)	5.6	5.2	2.0	3.2	0.1	1.2	1.2	1.3	1.8	1.8	1.8	1.8
Non-residential GFCF (real, qqsaa %)	9.2	9.3	9.6	9.2	1.2	1.2	1.2	1.5	7.1	7.7	7.2	7.0
Residential buildings (real, qqsaa %)	5.4	1.2	3.0	3.0	9.1	1.9	6.2	4.0	4.2	5.9	5.6	6.2

Source: SARB, Investec

Gross Fixed Capital Formation	2026 Q1	2026 Q2	2026 Q3	2026 Q4
GFCF, total (real, qqsaa %)	4.1	3.3	3.6	3.8
Private sector (real, qqsaa %)	4.9	4.0	4.5	4.6
Government (real, qqsaa %)	1.7	1.5	1.4	1.4
Non-residential GFCF (real, qqsaa %)	4.9	4.1	4.5	4.5
Residential buildings (real, qqsaa %)	5.3	3.4	4.4	5.5

Source: SARB, Investec



# SA Economics



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	15.00	15.40	15.50	15.20	15.30	15.70	15.90	15.60
GBP/ZAR	19.64	22.28	21.84	20.63	20.20	20.79	21.24	21.13	21.65	21.51	21.78	21.53
EUR/ZAR	16.95	19.77	19.76	18.61	18.03	18.33	18.76	18.77	19.13	19.15	18.76	18.25
ZAR/JPY	7.12	5.99	6.28	6.70	7.04	6.98	6.84	6.88	6.80	6.69	6.60	6.73
GBP/USD	1.28	1.24	1.29	1.32	1.35	1.35	1.37	1.39	1.41	1.37	1.37	1.38
EUR/USD	1.10	1.10	1.17	1.19	1.20	1.19	1.21	1.24	1.25	1.22	1.18	1.17
USD/JPY	109	108	106	104	106	108	106	105	104	105	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	15.40	15.80	16.20	15.70	15.50	16.00	16.50	16.00	15.90	16.60	16.30	16.10
GBP/ZAR	21.25	21.96	22.68	21.98	21.70	22.40	23.10	22.40	22.26	23.24	22.82	22.54
EUR/ZAR	18.17	18.80	19.44	19.00	18.91	19.68	20.46	20.00	19.88	20.75	20.38	20.13
ZAR/JPY	6.88	6.71	6.54	6.75	6.84	6.69	6.48	6.69	6.73	6.45	6.56	6.65
GBP/USD	1.38	1.39	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
EUR/USD	1.18	1.19	1.20	1.21	1.22	1.23	1.24	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	16.00	16.10	16.20	16.30
GBP/ZAR	22.40	22.54	22.68	22.82
EUR/ZAR	20.00	20.13	20.25	20.38
ZAR/JPY	6.69	6.65	6.60	6.56
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