# Economic Snapshot | SEP 2025

## Contents



*Note: Shaded area in graphs denotes the downward phase of the business cycle.*

Compiled by Nicolaas vd Wath
Email: wnwath@sun.ac.za
Phone: 021 808 9779

# Highlights

## CONSUMER INFLATION UP IN JULY

Annual headline consumer price inflation accelerated to 3.5% in July, from 3.0% in June. The main drivers were food & non-alcoholic beverages (+5.7%) and housing & utilities (+4.3%), with the latter boosted by annual municipal tariff hikes for electricity and water. Transport prices fell again (-1.7%), though the decline was much shallower than June's -3.3%, as the drag from fuel prices eased. Annual core inflation, which excludes food and energy prices, ticked up marginally to 3.0% in July, underscoring still-muted underlying price pressures despite the headline lift. On a monthly basis, headline inflation jumped 0.9% (from 0.3% in June), reflecting both administered price adjustments and firmer food inflation.

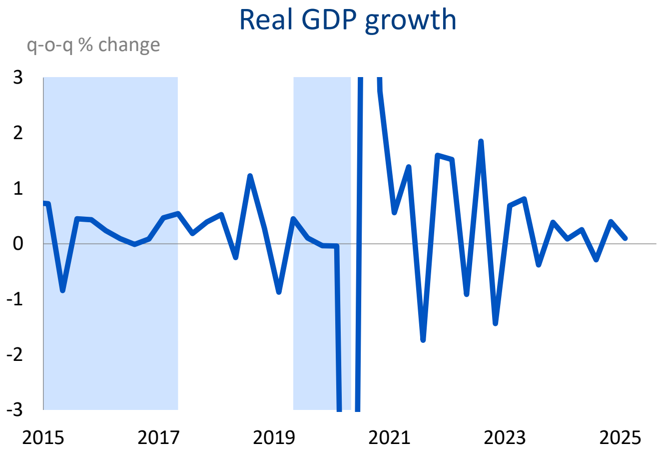
## MANUFACTURING & MINING PRODUCTION RISE IN Q2

**Manufacturing** production grew by 1.5% (seasonally adjusted; sa) during the second quarter, following a 1.9% contraction in the first quarter. On an annual basis, manufacturing production grew by 1.9% in June. This uptick was mainly driven by a 6% increase in the food and beverages category and a 1.9% rise in petrochemicals. Similar to factory output, **mining** production showed a notable improvement with an annual increase of 2.4% - its second month of growth. The biggest boost to the annual number came from PGMs (growing by 3%) and coal (3.7%). Monthly production growth slowed to 0.2% in June compared to 3.9% in May. Nonetheless, overall mining production is set to make a positive contribution to GDP growth in the second quarter, recording a 3.9% quarterly (sa) increase.

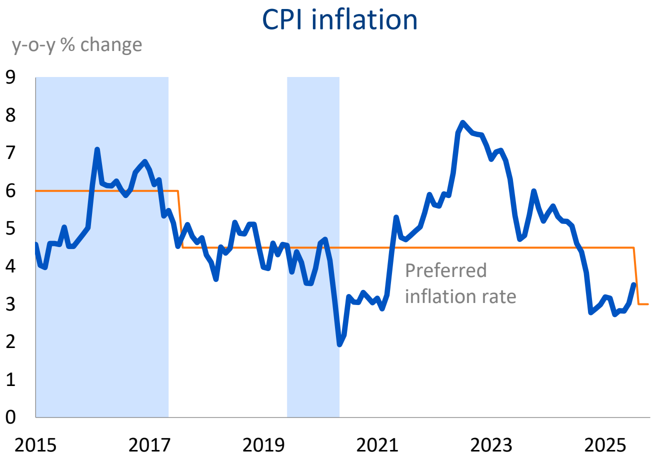
## UNEMPLOYMENT RATE EDGES UP IN Q2

According to Stats SA's Quarterly Labour Force Survey (QLFS), the unemployment rate rose to 33.2% in the second quarter of 2025, up from 32.9% in the first quarter. While the total number of employed rose by 19 000 during the quarter, the number of unemployed increased by more (140 000), resulting in the bump in the unemployment rate. Employment expanded in four of the ten key sectors. Trade (+88 000) saw the biggest increase, and community and social services (-42 000) recorded the biggest decline. Of concern is that formal employment increased by a mere 2000 positions compared to a year before, while the working age population did so by 526 000. The implication is that most young adults are destined to make a living in the low paying informal sector.

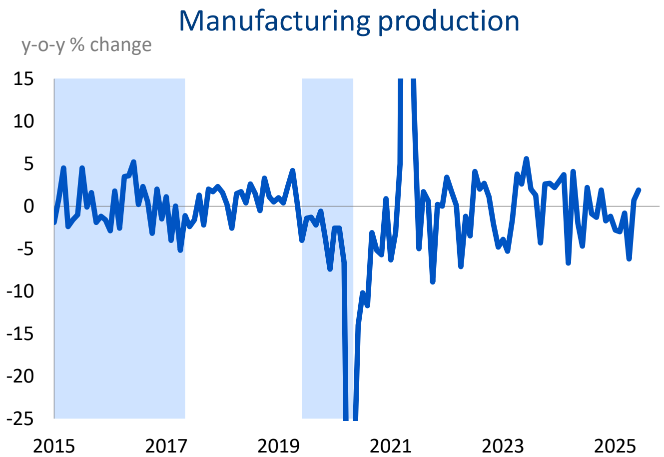
# Core indicators



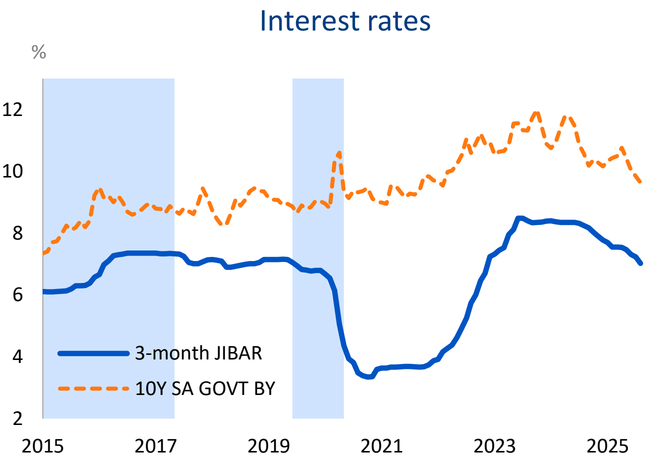

*Source: Stats SA*




*Source: Stats SA*




*Source: Stats SA*



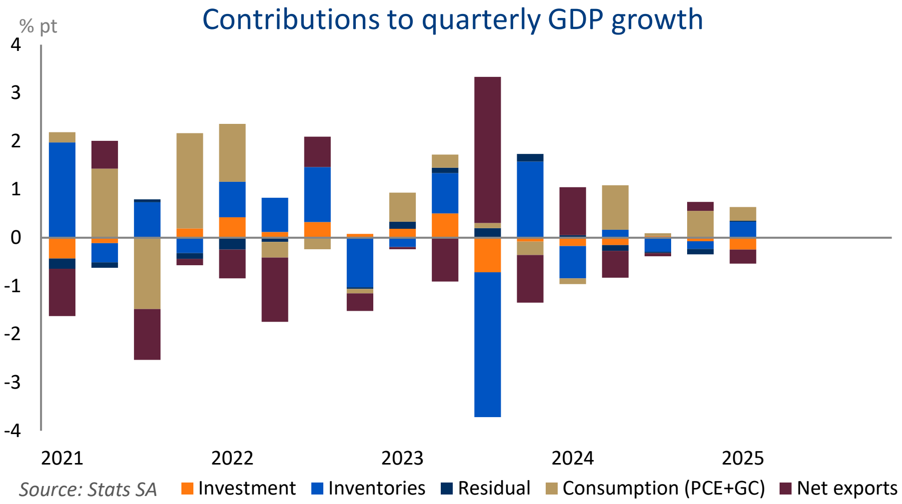

*Source: DataStream*

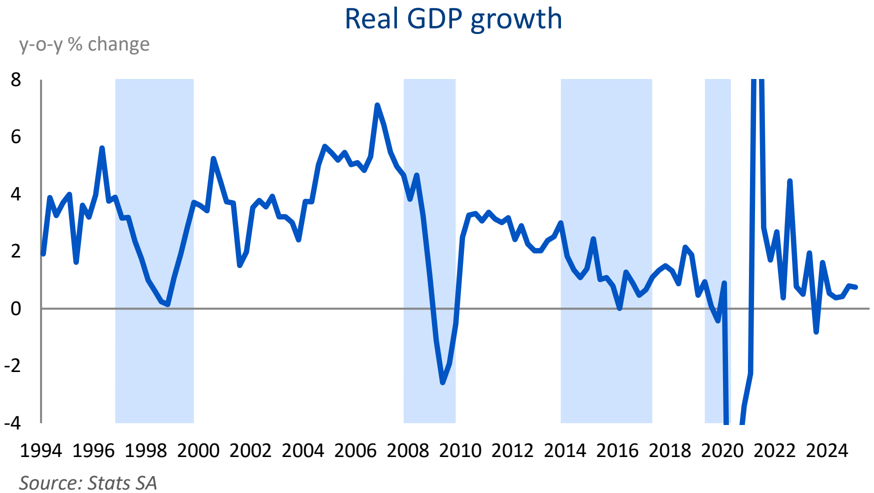
Please refer to the glossary on the BER's website for explanations of technical terms.
Click here for more information about the BER's services.



BER BUREAU *for* ECONOMIC RESEARCH

# GDP growth

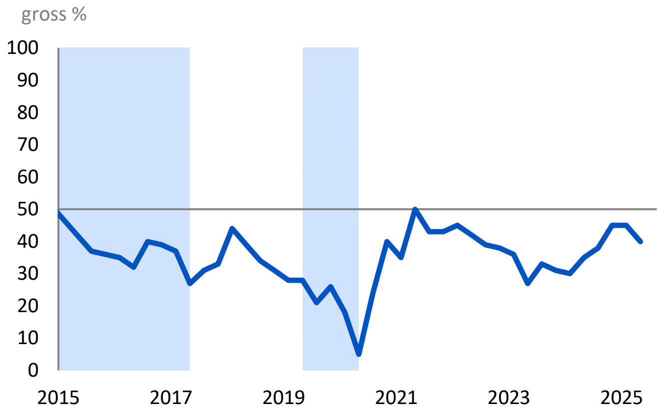



Please refer to the glossary on the BER's website for explanations of technical terms.
Click here for more information about the BER's services.

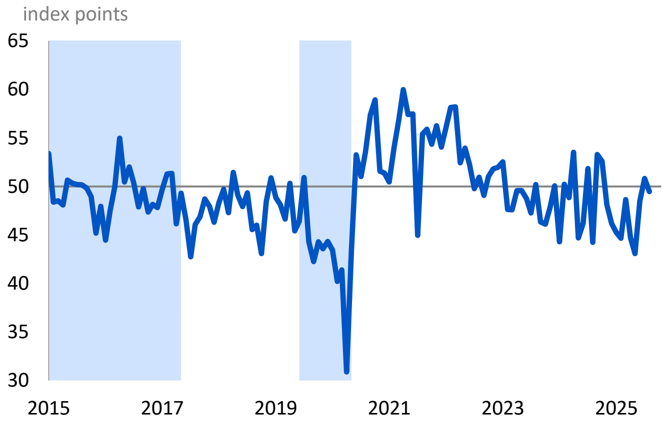
# Business environment

RMB/BER Business Confidence Index



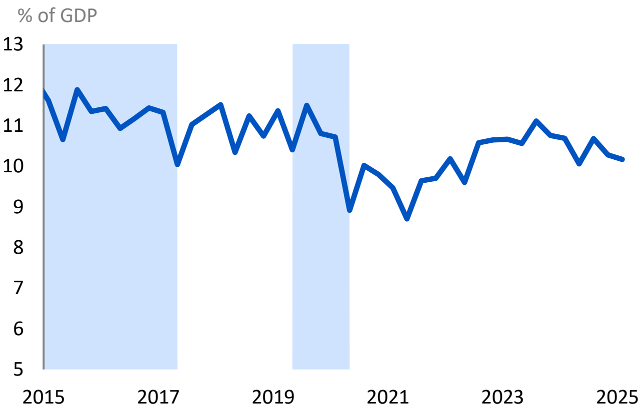

*Source: BER*

Absa Purchasing Managers' Index



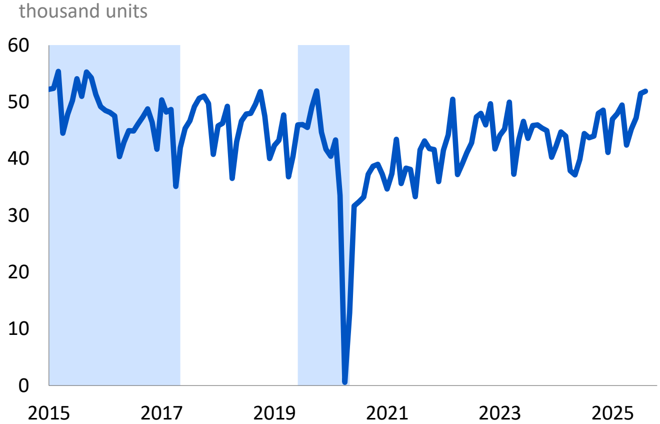

*Source: BER*

Private fixed investment




*Source: SARB, Stats SA*

Total domestic vehicle sales




*Source: Naamsa*

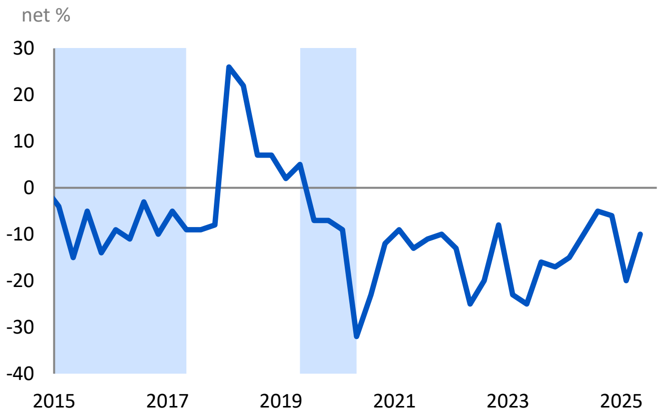
Please refer to the **glossary on the BER's website** for explanations of technical terms.
**Click here for more information about the BER's services.**



BER BUREAU *for* ECONOMIC RESEARCH

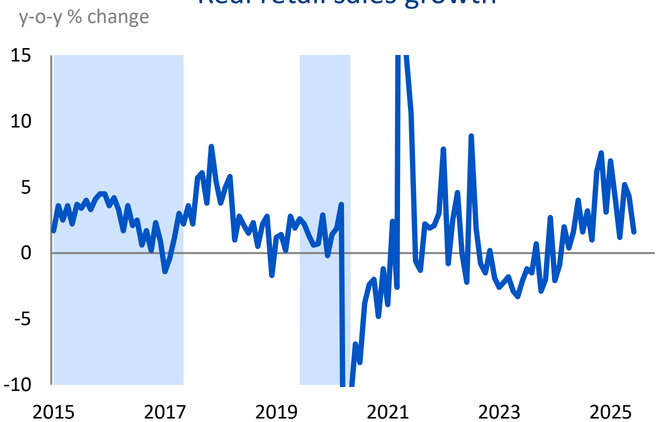
# Household consumption

## FNB/BER Consumer Confidence Index



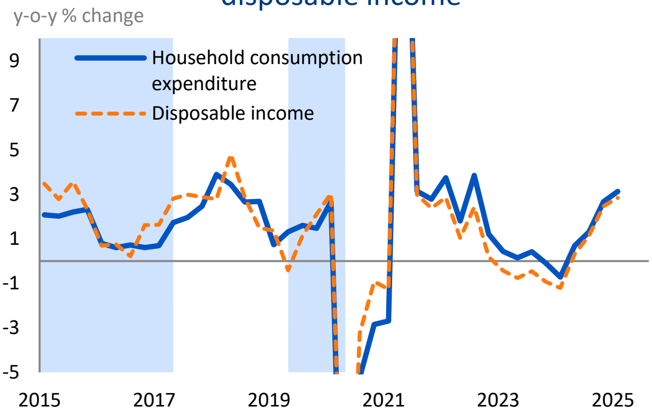

*Source: BER*

## Real retail sales growth



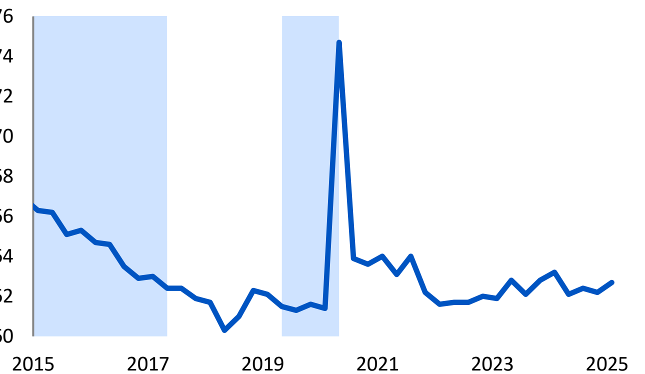

*Source: Stats SA*

## Household consumption and real disposable income




*Source: SARB, Stats SA*

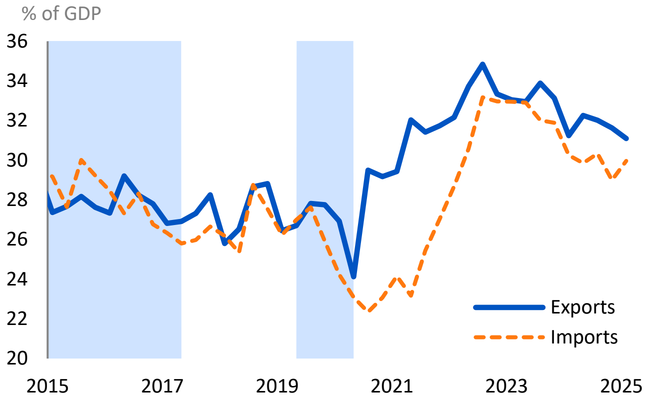
## Ratio of household debt to disposable income




*Source: SARB*

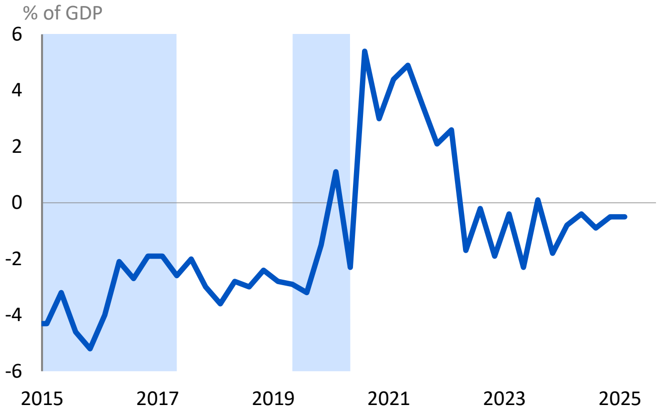
# International trade

## Imports and exports



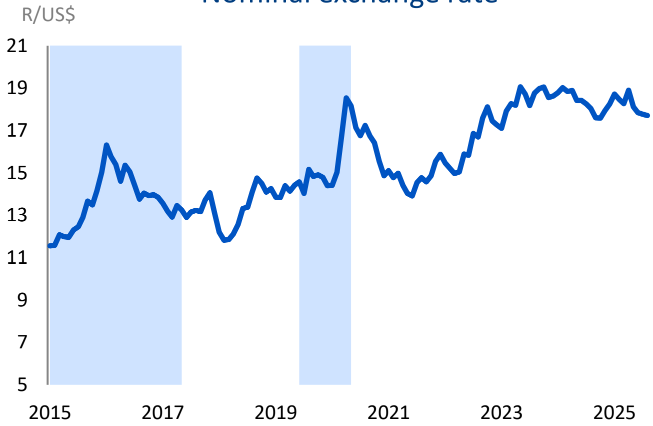

*Source: SARB*

## Current account balance



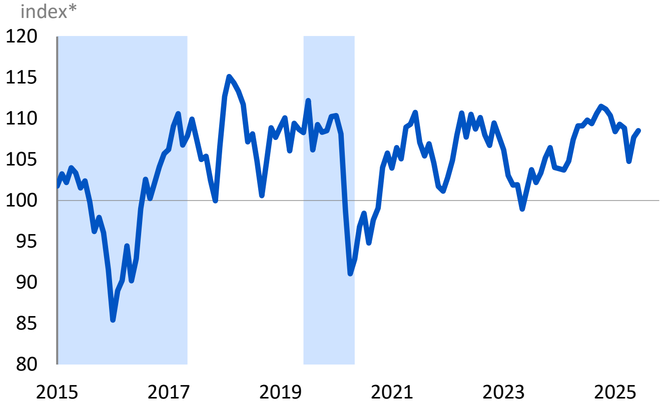

*Source: SARB*

## Nominal exchange rate




*Source: DataStream*

## Real effective exchange rate of the Rand




*Source: SARB* **higher values denote a stronger rand*

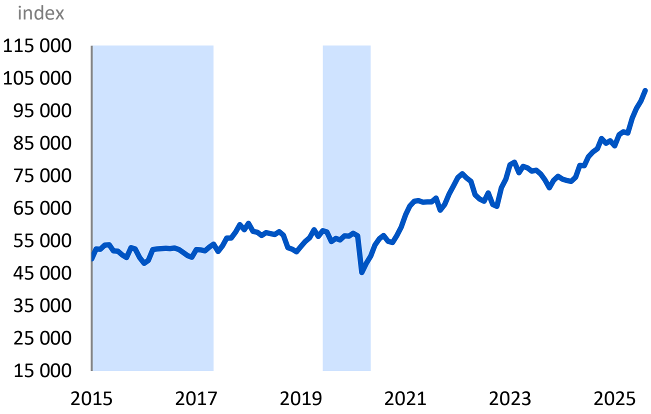
Please refer to the **glossary on the BER's website** for explanations of technical terms.
**Click here for more information about the BER's services.**



BER BUREAU *for* ECONOMIC RESEARCH

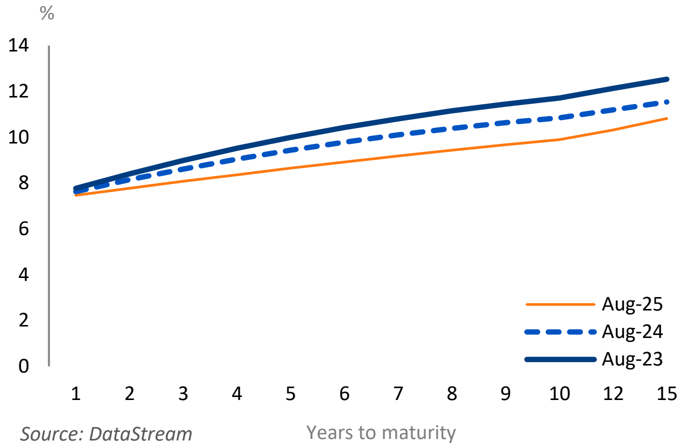
# Financial markets

JSE all share index




*Source: DataStream*

Yield curve comparisons

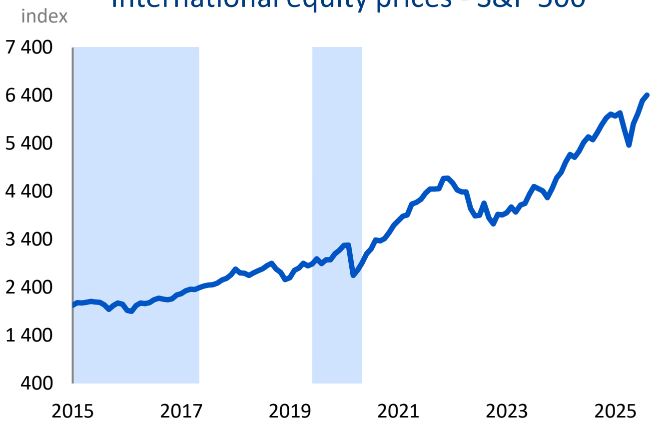



*Source: DataStream*

Economist all commodities index


*Source: Economist*

International equity prices - S&P 500




*Source: DataStream*

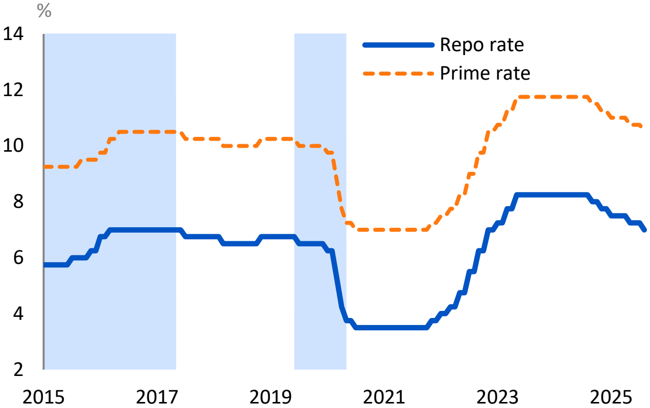
Please refer to the glossary on the BER's website for explanations of technical terms.
**Click here for more information about the BER's services.**



BUREAU for ECONOMIC RESEARCH

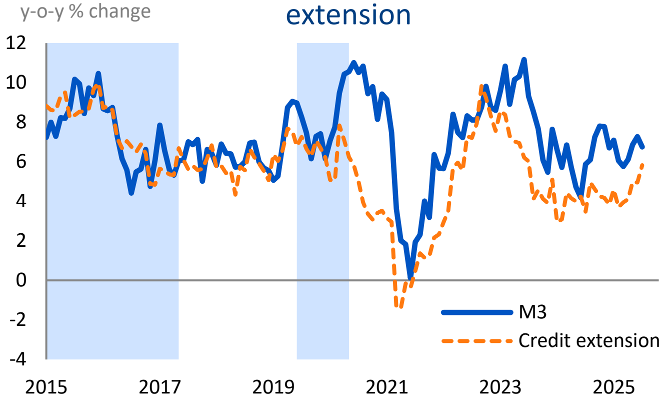
# Money and prices

## Repo and prime interest rate



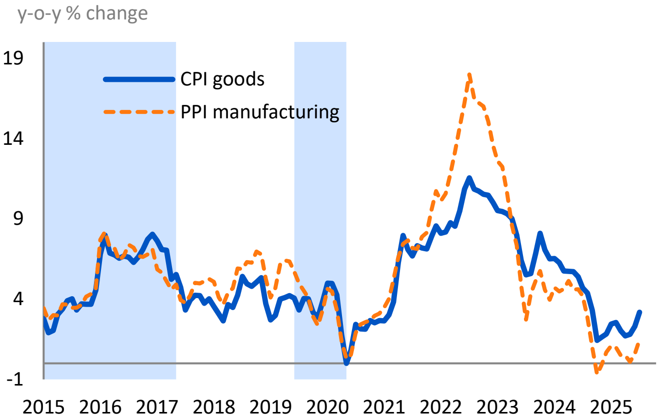

*Source: SARB*

## M3 monetary aggregates and credit extension



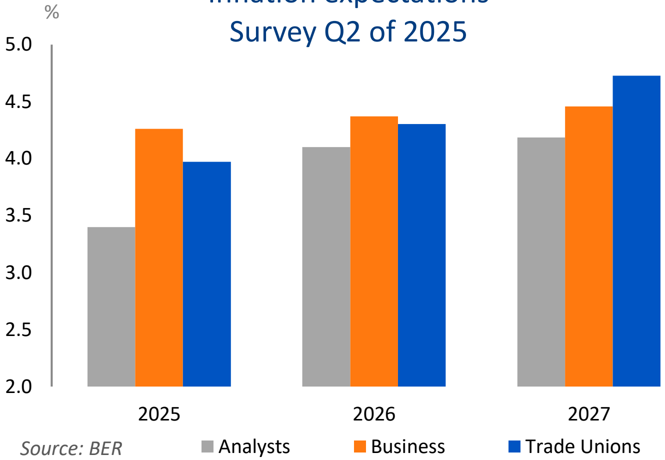

*Source: SARB*

## Consumer and producer prices




*Source: Stats SA*

## Inflation expectations Survey Q2 of 2025

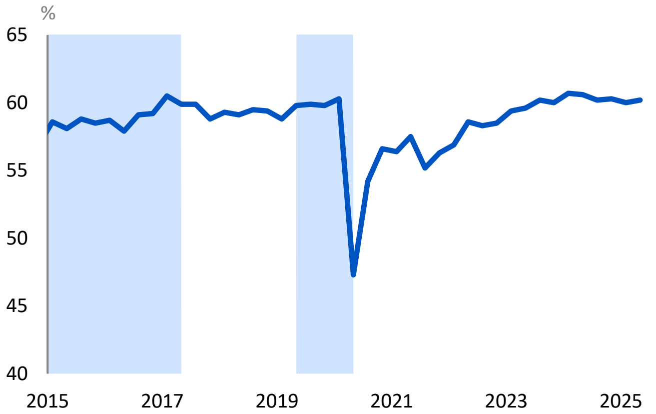



*Source: BER*

Please refer to the glossary on the BER's website for explanations of technical terms.
Click here for more information about the BER's services.

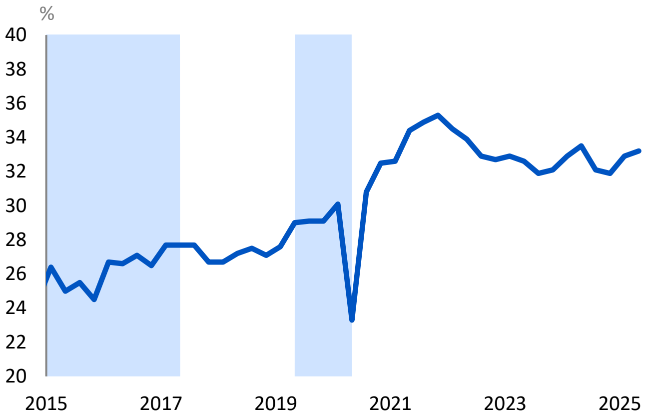
# Labour

## Labour force participation



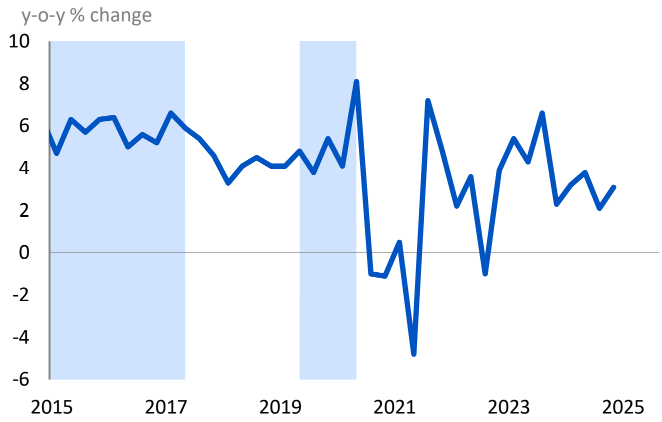

*Source: Stats SA*

## Unemployment rate



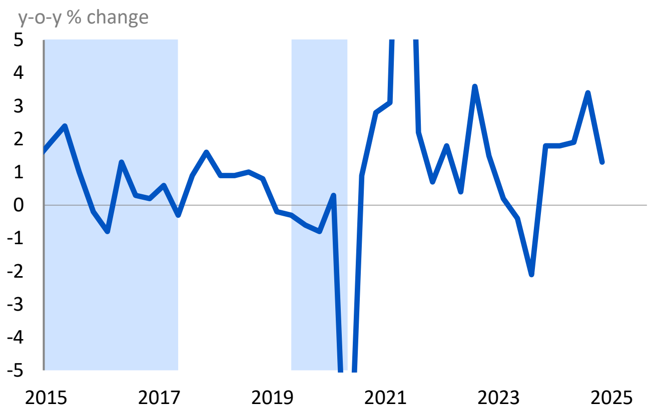

*Source: Stats SA*

## Unit labour cost




*Source: SARB*

## Labour productivity



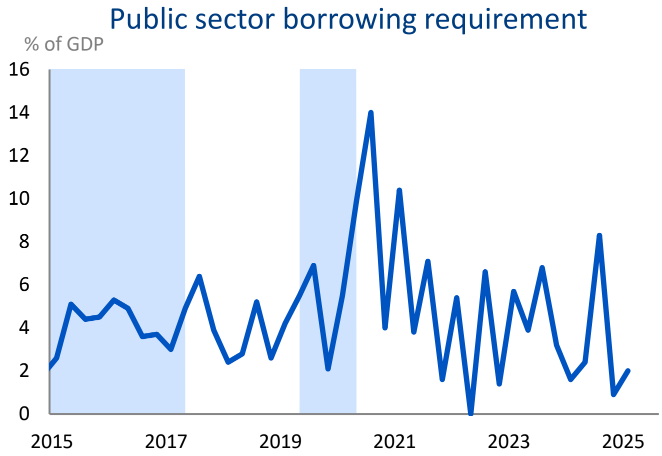

*Source: SARB*

Please refer to the **glossary on the BER's website** for explanations of technical terms.
**Click here for more information about the BER's services.**

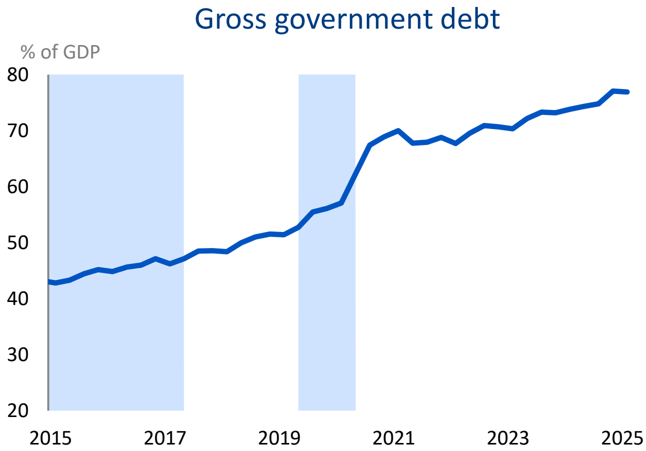


BER BUREAU *for* ECONOMIC RESEARCH

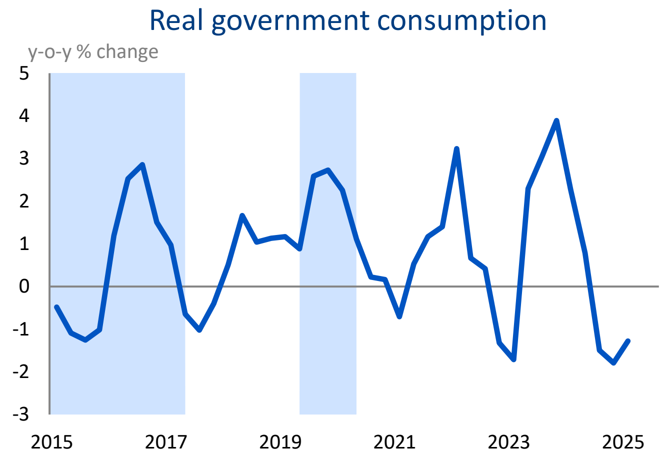
# Government



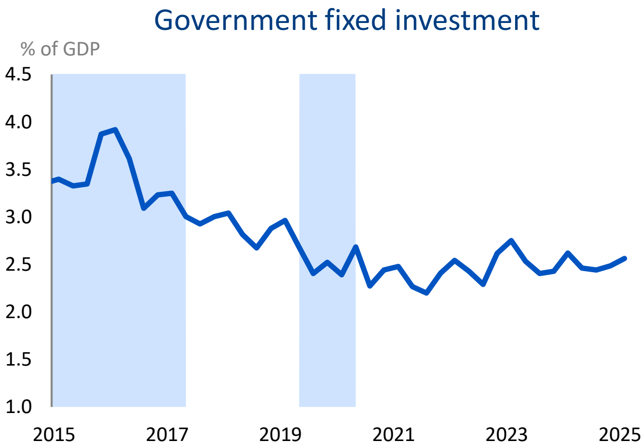

Source: SARB




Source: SARB




Source: SARB, Stats SA




Source: SARB, Stats SA

Please refer to the **glossary on the BER's website** for explanations of technical terms.
**Click here for more information about the BER's services.**



BUREAU for ECONOMIC RESEARCH

# CONTACT US

Nicolaas vd Wath
**Tel:** +27 (21) 808 9779
**Email:** wnwath@sun.ac.za

Click **here** for previous editions of this publication.
Please refer to the glossary on the **BER website** for explanations of technical terms.