

WEEKLY REVIEW | NUMBER 44

**14 November 2025**

This report covers the key domestic and international data releases over the past week. The more comprehensive **BER Weekly Review (Enhanced Version)** includes a detailed discussion on the main economic events and developments over the past week, a summary of upcoming data (the week ahead) and the BER's forecast for key economic indicators. The full Weekly is only available to BER Essential Insights subscribers (**sign up here** – it's only R210/month and you get more benefits) and BER Premium Insights clients.

## DOMESTIC SECTION

Damian Maart

### UNEMPLOYMENT DIPS LOWER IN Q3

The official unemployment rate decreased to 31.9% in Q3, an improvement from 33.2% in Q2, as reported in Stats SA's latest QLFS report. This positive development was driven by an increase of 248 000 (1.5% q-o-q) in employed individuals and a decrease of 360 000 (4.3% q-o-q) in unemployed individuals.

In order to keep up with international best practice, Stats SA made significant changes to its methodology and standards – more **here**. While the definition of employed and unemployed remains unchanged, the way it distinguishes formal from informal employment has changed. The concept of not economically active has been changed to 'outside the labour force', with more measures of unemployment (including underutilised). This makes comparisons difficult (or impossible) and it will take some time to understand shifts in the labour market.

Concurrently, the number of people classified as outside the labour force, akin to "not economically active" population, rose by 239 000. This rise was primarily attributed to a rise in the potential labour force, a new metric introduced by Stats SA that encompasses discouraged workers and those seeking employment but unavailable for work during the survey period. The combined rate of unemployment and the potential labour force, which now replaces the former expanded definition of unemployment, declined to 42.4% in Q3 from 43% in Q2. This trend reflects a reduction in unemployment that offset the growth in the potential labour force.

## **MANUFACTURING PRODUCTION CONTRACTS IN SEPTEMBER**

Following an upwardly revised 0.7% m-o-m (sa) increase in August, manufacturing production reversed course in September, contracting by 0.5%. This confirms a 0.1% q-o-q (sa) increase in production in Q3, significantly lower than 1.3% recorded in Q2. Food and beverages (up 1.9%; contributing 0.5%pts), and the furniture & other manufacturing category (8.4%; 0.3%pts) were the largest positive contributors to the output. Conversely, the wood and paper division represented the largest drag to manufacturing output (-5.4%; -0.6%pts). On an annual basis, manufacturing production rose by 0.3% , exceeding market expectations of 0.1% growth.

## **MINING PRODUCTION SURPRISE TO THE UPSIDE**

In September, mining production rebounded from -0.9% m-o-m (sa) in August to 2.2%. On a quarterly basis, this means mining production grew by 2.5% (sa) in Q3, down from 3.8% in Q2, confirming a positive contribution to GDP in Q3. This expansion was supported by PGMs (up 6.7%; contributing 1.7%pts), manganese ore (6.8%; 0.5%pts) and coal (1%; 0.3%pts). Iron ore production declined by 1.1% q-o-q (sa), exerting downward influence on overall mining output in Q3. Compared to September 2024, mining production grew by 1.2%.

*Note that the Medium Term Budget Policy Statement (MTBPS) is discussed in the enhanced Weekly ([here](#)) and in a separate client comment ([here](#)).*

## **INTERNATIONAL SECTION**

Katrien Smuts

### **EUROZONE ECONOMIC SENTIMENT ROUGHLY FLAT IN 2025H2 SO FAR**

Germany's ZEW indicator of economic sentiment slipped to 38.5 in November from 39.3 the prior month – slightly lower than the expected 41. The 0.8-point drop is not a good sign, although this index has been hovering roughly flat for the second half of 2025. There were significant increases in May and June following the government's acceptance of major fiscal policy stimulus. Yet, the implementation of these policy shifts is slow, reflecting ongoing issues with the structure of the German economy. Berlin is struggling to get their metaphorical economic machine going amidst increased competition from China and uncertainty-inducing tariff policies from the US. This has led the sentiment indicator not to show much further improvement in recent months, and it will likely take a substantial event for sentiment to soar and translate into a meaningful uptick in economic activity.

For the Eurozone as a whole, the ZEW's economic sentiment indicator currently sits at 25 points, up 2.3 points from the previous month, and higher than expected. The Eurozone's sentiment indicator has also been hovering at a relatively stable level over the past four months, reflecting a generally optimistic outlook for the Eurozone economy.

In step with the above result, Eurostat's industrial production numbers for the Eurozone increased by 0.2% m-o-m in September. On an annual basis, industrial production also

increased by 1.2% relative to September 2024. The most significant annual increases were recorded for non-durable consumer goods (2.2%) and energy (2.1%). Meanwhile, durable goods experienced a 3% decline.

#### **CHINESE INFLATION TICKS UP EVER SO SLIGHTLY IN OCTOBER**

China's consumer prices rose 0.2% y-o-y in October 2025, marking a return to positive inflation for the first time since June and the fastest pace since January. At this point, it is unclear whether this marks a turnaround in China's inflation (i.e. deflation) dynamics. Yet, the slightly higher inflation print, driven by stronger consumer demand, is a win for the economy. The uptick in inflation reflects increased demand for non-food goods, as both government trade-in incentives and the Golden Week holiday boosted consumer expenditure. On the other hand, producer prices fell by 2.1% y-o-y in October 2025, though it was the softest decrease since August 2024.

Another sign of a somewhat more optimistic consumer in China is the strong vehicle sales recorded in October. Vehicle sales were up by 8.8% y-o-y, reaching a ten-month high of 3.3 million units.

#### **UK LABOUR MARKET SHOWS SIGNS OF DETERIORATION**

The UK's Office for National Statistics (ONS) provided an overview of the labour market for September earlier this week. They report a weakening labour market, with employment numbers declining by roughly 32 000 between August and September 2025. On an annual basis, there were 117 000 fewer employed individuals in September 2025 compared to the same month the previous year. Furthermore, the unemployment rate notched up from 4.8% in Q2 to 5% in Q3. All this may encourage the Bank of England to cut interest rates in December in an effort to boost the economy. There will be an even stronger case for rate cuts if inflation continues to ease.

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