



**BER** BUREAU for  
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## **PRESS RELEASE**

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# **THE STATE OF THE CIVIL CONSTRUCTION INDUSTRY**

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## Markedly better construction activity sees civil contractor sentiment jump to a multi-year high in Q4

- The **FNB/BER Civil Confidence Index** gained nine points to reach 52 in 4Q2025.
  - The underlying data measuring activity and overall profitability improved noticeably, supporting the rise in sentiment.
  - In terms of the short-term outlook for work, the survey results are mixed, with firms' own expectations for a further uptick while order books were only marginally better.
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Following a two-index-point rise in 3Q2025, the **FNB/BER Civil Confidence Index** gained nine index points in 4Q2025 to reach a level of 52. This marks the joint best level (along with 3Q2016) in 11 years.

The current reading means that more than 50% of respondents were satisfied with prevailing business conditions.

Supporting the higher sentiment reading was a sharp improvement in activity growth. According to Stats SA, the real value of construction works contracted by 3% year-on-year (y-o-y) in 3Q2025. *"The survey results point to a much less pronounced decline in activity in 4Q2025 off the back of renewable energy and mining projects,"* noted Siphamandla Mkhwanazi, Senior Economist at FNB.

In addition to more work, overall profitability was also higher. Indeed, the index measuring the growth in overall profitability registered its best level since the end of 2007. *"It is a stretch to claim that profit margins are as generous as they were in the run-up to the 2010 FIFA World Cup final - when work was much more abundant - but it is clear that civil contractors are enjoying better margins. This undoubtedly contributed to the better business mood,"* remarked Mkhwanazi.

Looking ahead, respondents expect activity to continue on this upward trajectory in 1Q2026. However, order books, as proxied by the rating of new construction demand as a business constraint, were only slightly better compared to 3Q2025.

In conclusion: The **FNB/BER Civil Confidence Index** rose to an 11-year high of 52 in 4Q2025, from 43 in 3Q2025.

The higher sentiment was in step with better activity and overall profitability which suggests a potential rebound in the sector. The forward-looking indicators, while mixed, suggest that the momentum will likely be maintained over the near-term.

*“The civil construction survey is the best non-official gauge for infrastructure investment. On that score, the survey results are quite positive. However, the spread of activity seems to be clustered in renewable energy generation and mining, which is not bad – or even surprising – but does suggest that key reforms in other areas of the economy are still lacking,”* noted Mkhwanazi

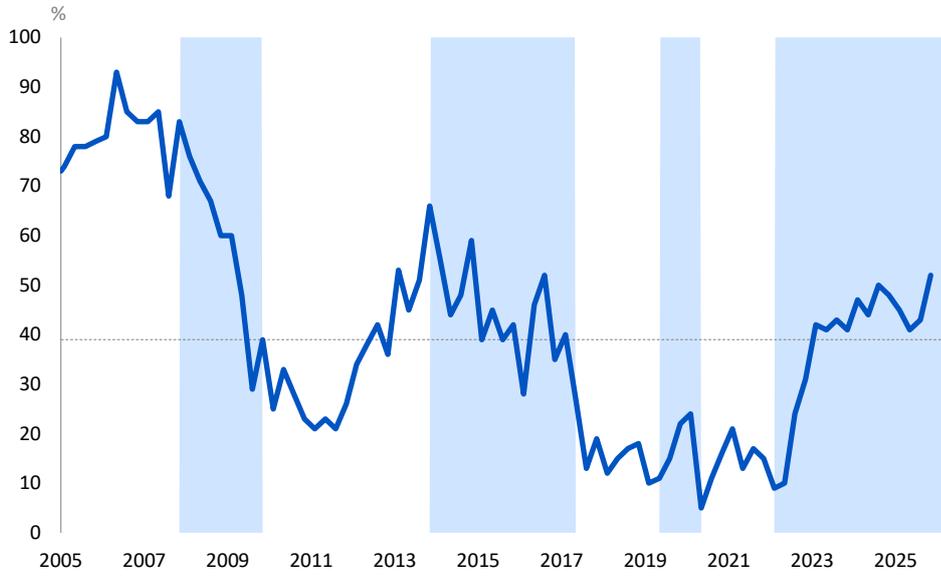
About the survey:

The FNB/BER civil confidence index can vary between a maximum of 100 (which indicates that all respondents were satisfied with prevailing business conditions) and a minimum of zero (indicating that all respondents were dissatisfied). A level of 50 indicates that the respondents are equally divided between those satisfied and dissatisfied.

The fieldwork for the fourth quarter survey was conducted between 10 and 24 November 2025.

### FNB/BER Civil Confidence Index

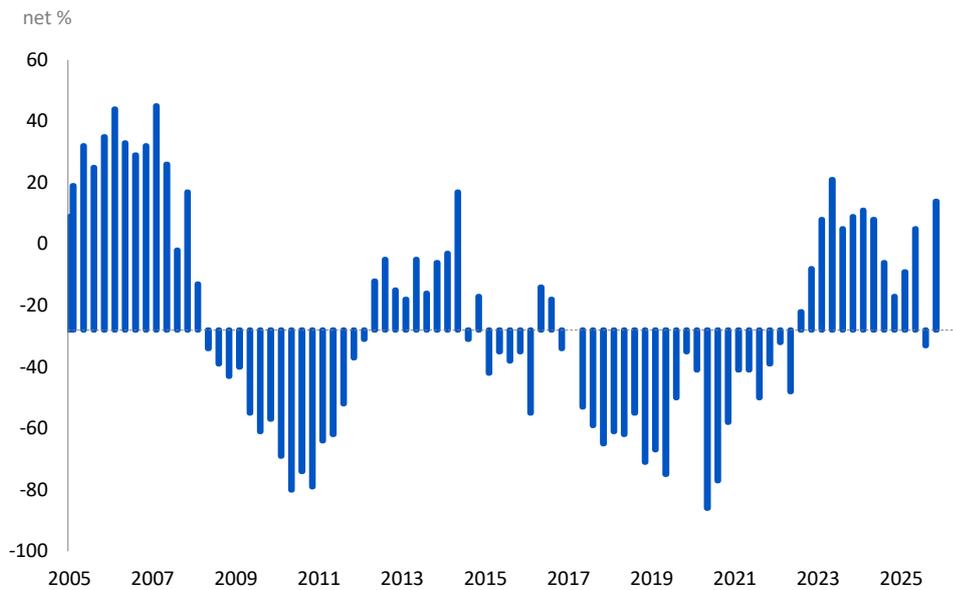
Percentage satisfied



Source: BER, Stellenbosch University

### Civil construction

Growth in construction activity



Source: BER, Stellenbosch University