

DATA REVIEW | NUMBER 12 | 27 MARCH 2026

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This report summarises the key domestic and international data releases over the past week. In the full BER Weekly Review, we go beyond the data with our Week in Perspective commentary, unpacking how fragile Middle East diplomacy and ongoing disruptions to energy supply are shaping market sentiment, inflation risks, and the policy outlook. We also cover important domestic political developments, including renewed instability in the police service, declining confidence in democratic institutions, and the evolving political landscape ahead of the 2026 local elections. The full Weekly is available to BER Essential Insights subscribers (sign up [here](#) – only R210/month) and Premium Insights clients.

The BER published **three scenarios** for the SA economy up to 2030 - a comprehensive report can be found [here](#), and an accompanying slide deck is available [here](#). The key takeaway is that SA trajectory remains firmly in its own hands: faster, credible implementation of reforms could lift growth to around 3%, while delays risk entrenching sub-2% growth – or worse. Outcomes will hinge on execution – particularly the pace and credibility of reform delivery.

Note that the next Data Review will be published on 10 April 2026.

DOMESTIC DATA

Nomvelo Moima

RECOVERY IN SA CONSUMER CONFIDENCE OVERSHADOWED BY IMPENDING FUEL PRICE HIKES

After recovering from -13 to -9 index points in the fourth quarter of 2025, the FNB/BER Consumer Confidence Index (CCI) extended its gains to reach -7 in the first quarter of 2026. This marks the CCI's highest level since 2024Q4, a period when two-pot withdrawals significantly boosted household disposable income. However, importantly, the fieldwork was completed before the US launched its military operation against Iran on 28 February. The fallout from this development, including skyrocketing oil prices, plunging stock exchanges and travel disruptions, may well knock consumer confidence in the coming months. This introduces a clear downside risk to what had been a broadly improving trajectory of consumer confidence.

That said, the positive momentum in consumers' willingness to spend at the start of the year was largely supported by buoyant sentiment among high-income consumers, which is good news for South African retailers. However, low-income households' sentiment was under pressure, and with substantial fuel price increases on the horizon, poorer households look set to experience even more strain in the coming months.

LEADING BUSINESS CYCLE INDICATOR CLOSE TO HIGHEST LEVEL SINCE JULY 2022

The SARB's Composite Leading Business Cycle Indicator (LEI) rose by 4.8% y-o-y and gained 0.4% m-o-m in January, fully reversing December's monthly decline. Of the ten metrics that make up the leading business cycle indicator, five recorded increases. The main positive contributors were a rise in South Africa's USD-denominated export commodity price index (more specifically, strong precious metal prices) and an improvement in the RMB/BER Business Confidence Index. Conversely, the main negative contributors were a slowdown in the six-month smoothed growth rate of new passenger vehicle sales and a decline in domestic manufacturing orders.

PPI EDGES LOWER IN FEBRUARY

According to Stats SA, headline producer price inflation (PPI) for final manufactured goods declined for a second consecutive month from 2.2% y-o-y in January to 1.8% y-o-y in February. The largest positive contributors to final manufactured goods inflation were the food products and furniture categories, adding 0.7%pts and 0.5%pts to the headline print, respectively. However, this was partially offset by a faster rate of deceleration in the coal and petroleum products category (shaving off 0.7% pts), led by declines in petrol and diesel costs, a trend that is set to reverse in the March release. On a monthly basis, PPI was unchanged in February, following a 0.2% drop in January.

INTERNATIONAL DATA

Katrien Smuts

US PMI SIGNALS SLOWING GROWTH AND RISING PRICES

The flash PMI results for the US point to slowing growth alongside rising inflation. The composite PMI edged down from 51.9 to 51.4 in March, driven largely by a decline in the services index, which fell from 51.7 to 51.1, an 11-month low. While still above the neutral 50-mark, this signals a moderation in business activity, further weighed down by a deteriorating outlook among service providers for the year ahead. In contrast, the manufacturing PMI increased, with respondents citing less drag from the tariff shock, alongside improved output and new orders. Sentiment among manufacturers regarding the year ahead also improved.

Across the board, rising energy costs are a key concern. Input cost pressures intensified, while firms also passed these increases on to consumers, with selling prices rising at the fastest pace in over three years. Beyond the direct impact of higher energy prices, service providers are increasingly concerned about cost-of-living pressures and travel disruptions, which are expected to weigh on demand.

UK INFLATION STABLE FOR NOW, BUT ENERGY RISKS CLOUD DISINFLATION OUTLOOK

The latest CPI statistics from the UK's Office for National Statistics (ONS) reveal that CPI inflation ticked up by 0.4% m-o-m in February 2026, translating into a 3% y-o-y inflation rate, unchanged from January. Core inflation (which excludes food and energy costs) rose at a slightly higher pace: 3.2% in February vs 3.1% in January, particularly on the back of accelerated services inflation. This inflation print, however, reflects the story before the latest energy price shock. We may now expect not only still-elevated core inflation but also an uptick in energy inflation, making it less likely that the UK will experience continued disinflation this year, diminishing interest rate cut expectations.

Meanwhile, the UK's flash composite PMI declined to 51 in March. Although still above the neutral 50-mark, this represents the slowest pace of output growth since September 2025. Activity weakened across both services and manufacturing, while new business inflows declined for the first time in four months. Respondents attributed the decline to rising inflation concerns, weakening confidence, and expectations of higher borrowing costs amid the ongoing Middle East conflict.

WAR FEARS WEIGH ON BUSINESS AND CONSUMER SENTIMENT IN GERMANY

The German Ifo Business Climate index dropped substantially, from 88.4 in February to 86.4 in March. Not only is this a decline, but it marks a turnaround in the upward trend seen over the last few months. Weighing on the overall index was a huge drop in future expectations, from 92 to 86, driven especially by fears of a continued Middle East war.

The GfK consumer climate index also deteriorated slightly to -28, weighed down by weaker income expectations amid renewed inflation concerns. The war could set the German economy back from a modest recovery following several years of slow growth.

EUROZONE PMI SIGNALS SLOWING GROWTH

The Eurozone's flash composite PMI remains expansionary at 50.9, but indicates a slowdown in overall growth. Firm costs rose, and supply chains are being disrupted because of the war. This has substantially lengthened supplier delivery times. As longer delivery times typically signal stronger demand, this component is inverted in PMI calculations. In this case, however, delays are likely driven by supply-side constraints rather than stronger orders, which may artificially lift the Manufacturing PMI and mask underlying weakness. Meanwhile, the services PMI weakened because of a slowdown in new demand.

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