

WEEKLY REVIEW | NUMBER 46

**28 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

Tshepiso Maroga

### PPI COMES IN LOWER THAN EXPECTED

Producer price inflation (PPI) for final manufactured goods rose by 2.9% y-o-y in October. While up from 2.3% in September, this was below the expected 3.1% increase. The main drivers were food products, beverages and tobacco products (grew by 3.1%; contributed 0.9% pts), coke, petroleum, chemical, rubber and plastic products (+ 2.5%; 0.5% pts), as well as furniture and other manufacturing (+11.2%; 0.5% pts). On a monthly basis, PPI declined by 0.1%.

The SARB's composite leading business cycle indicator declined by 1.2% in September, partially reversing the 1.6% increase recorded in August. This reading marks the steepest decline this year. Four of the seven components decreased, with the largest detractors being the drop in the number of residential building plans passed and the decline in new passenger vehicles sold. On the other hand, the US-dollar-denominated export commodity price index and the six-month smoothed growth rate in the real M1 money supply were the largest positive contributors.

## SA REFORM MONITOR

Roy Havemann

### ELECTRICITY

There was a series of significant announcements by the National Energy Regulator of SA (NERSA) on Thursday, including:

- Market Operator licence approved for the National Transmission Company SA (NTCSA). However, there is concern that NTCSA may not become a “full market operator,” as current indications suggest transmission assets will remain outside NTCSA. If so, the reform could prove largely inconsequential. A further unresolved issue is the Market Operator’s independence and the risk of conflicts of interest. NERSA is expected to provide additional guidance in due course.
- Grid Access Allocation Rules approved. This is a meaningful step toward a transparent, rules-based process for allocating scarce grid capacity. It should enhance investor certainty and facilitate a faster, more orderly connection of new generation projects.
- Electricity Market Advisory Forum (EMAF) operationalised. Although EMAF was established in March 2025, it is now being activated through the appointment of members. EMAF will serve as an independent advisor to NERSA and the Minister, with membership to be announced shortly.

## INTERNATIONAL SECTION

Katrien Smuts

### **UNDERWHELMING RETAIL SALES FOR SEPTEMBER; US CONSUMER CONFIDENCE DECLINES**

Due to the US government shutdown between 1 October and 12 November, the September retail sales data was only released this week. Retail sales edged up by 0.2% m-o-m in September, but the performance was underwhelming and marked a slowdown from the relatively strong gains recorded between June and August 2025. Since then, consumer confidence has trended downward, which does not bode well for retail activity heading into the holiday season, especially when compared to the same period last year. The Conference Board’s Consumer Confidence Index fell to 88.7 in November, significantly below the 112.8 recorded in November 2024. This marks the second-lowest reading in over four years. The extended federal government shutdown likely contributed to the downbeat sentiment. In addition, concerns about a stalling labour market have further weighed on consumers' outlook and willingness to spend.

### **CONSUMER AND BUSINESS CONFIDENCE IN GERMANY MOVE IN OPPOSITE DIRECTIONS**

The Ifo Business Climate index slipped to 88.1 in November, from 88.4 in October, coming in below expectations of 88.5. The results paint a particularly bleak picture of the German economy. Respondents were very woeful about expected business conditions, which weighed on overall sentiment. A decline in the business climate index was noted in three of the four sectors: manufacturing, trade and construction. There is a particular concern among retailers (trade) that sales around the holiday period will be poor this year. This comes on the back of weak demand.

Germany’s GfK Consumer Climate Indicator rose to -23.2 in December, in line with expectations. Consumers are more willing to spend and less inclined to save relative to earlier this year. In fact, consumer sentiment is almost identical to what it was a year

ago, suggesting stable Christmas sales. This is, however, somewhat at odds with retailers' expectations of more muted sales this year.

#### **BUSINESS AND CONSUMER CONFIDENCE STABLE IN THE EUROZONE**

The Eurozone's Economic Sentiment Indicator (ESI) remained roughly stable in November. A decline in confidence among industry (manufacturing) respondents almost entirely offset higher confidence in services, retail and construction. Industry confidence is weighed down by lower demand, as reflected in weak order books. Downbeat sentiment in the industry also reflects rising competition from China, which is placing further strain on already-challenged European producers.

Meanwhile, consumer confidence in the Eurozone remained steady at -14.2 in November. While still well below the long-run average, the stability in the indicator suggests a neutral sentiment among consumers, reflecting neither a marked deterioration nor improvement in their financial outlook.

#### **NOTE FROM THE BER**

We would like to take a moment to remember one of the BER's dearest friends. As many will now know, Rudolf Gouws passed away last week, and his **celebration of life** was held yesterday.

When the news reached the BER, almost every team member shared at least one fond memory of Rudolf. He was not only a valued colleague and collaborator, but also a close friend to many at the BER. From tea on his stoep to packed guest lectures where first-year students filled the room and even sat on the floor, his presence left a lasting impression on so many of us.

Rudolf served as a long-standing member of the BER governance committee and remained closely connected to the Bureau even after his retirement from RMB. Throughout his time at RMB, he was also a committed supporter of the BER. He played a pivotal role in developing the sponsorship model that continues to support the publication of some of the BER's most important data releases. And, as the king of PowerPoint, his near-annual presentation of the national accounts was always a highlight on our calendar.

We extend our sincere condolences to Rudolf's family, friends, and all who had the privilege of working with him. He will be deeply missed.

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