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This report summarises the key domestic and international data releases over the past week. The full **BER Weekly Review** goes further, unpacking how a fragile Iran ceasefire is influencing oil markets, global trade flows and financial market sentiment, and what this means for South Africa's outlook. It also includes in-depth analysis of key domestic political developments, including major public service reforms, evolving coalition dynamics and expectations around a Cabinet reshuffle. The full Weekly is available to BER Essential Insights subscribers (sign up [here](#) – only R210/month) and Premium Insights clients.

DOMESTIC DATA

Nkosinathi Nonkonyana

S&P GLOBAL PMI ENTERS EXPANSION FOR THE FIRST TIME IN SIX MONTHS

The S&P Global PMI rose from 50 in February to 50.8 in March 2026. Four out of the five sub-components had a positive effect on the PMI's direction. However, as was the case with the **Absa PMI** last week, the increase in the supplier deliveries index (16-month high) did not reflect its usual positive signal but rather supply chain disruptions that slowed deliveries.

Output growth accelerated largely because businesses were stockpiling inventory ahead of expected price increases. Total inventories increased for the first time since November 2025, and employment registered the steepest rise since May 2024.

Overall, while headline PMI has returned to expansionary territory, underlying demand conditions remain weak, suggesting the recovery is not yet on a firm footing. Furthermore, although survey data pointed to an improvement in overall business conditions in March, signs of heightened economic uncertainty and supply chain disruptions linked to the Middle East war have begun to emerge. New orders contracted, driven by an accelerated drop in export sales, the fastest decline in over two years.

Rising oil prices, a stronger US dollar (i.e. weaker rand) and increased wage pressures have elevated input costs. Therefore, firms have reacted by raising their output prices at the fastest pace since the end of 2024. Like the Absa PMI, the most noteworthy developments were an increase in prices and a notable downtick in expectations. Sentiment has been at its lowest since July 2021, which does not bode well for business activity.

MANUFACTURING OUTPUT REVERSES JANUARY GAIN

Manufacturing production contracted by 2.8% y-o-y in February 2026, following a 0.1% y-o-y decline in January. The reduction observed in output was broad-based and driven by contractions across several categories.

Food and beverages contracted by 4.5% y-o-y and contributed -1.1 percentage points (% pts) to the overall decline. Wood and wood products, paper, publishing and printing volumes decreased by 9.7% y-o-y and reduced overall output by 1% pts. Basic iron and steel, non-ferrous metal products, metal products, and machinery weakened by 3.6% y-o-y and weighed on output by 0.8% pts.

Meanwhile, production decreased by 2.2% m-o-m in February 2026, from a 1.9% m-o-m rise in January. This coincides with the subdued reading observed in February's Absa PMI release, which indicated weaker manufacturing activity. This suggests that manufacturing is likely to remain a drag on near-term growth, particularly in the absence of a sustained improvement in external demand and logistics.

INTERNATIONAL DATA

Katrien Smuts

MARCH NONFARM PAYROLLS FAR EXCEEDED EXPECTATIONS

According to the latest BLS nonfarm payrolls data, the US economy added 178 000 jobs in March 2026, marking the largest m-o-m increase since December 2024. This far exceeded the expected 60 000 job additions. Separately, the household survey showed the unemployment rate declined from 4.4% to 4.3% in March. Most of the jobs were added in the healthcare and construction sectors, while federal government employment continued its decline. The stronger-than-expected print reinforces the view that the US labour market remains resilient, potentially reducing the urgency for near-term monetary policy easing.

EUROZONE RETAIL SALES SOFTEN

Retail sales growth softened from 2.1% in January to 1.7% in February, mostly due to a decline in the sales of food, drinks and tobacco. This points to still-fragile consumer demand in the Eurozone, despite some earlier signs of stabilisation.

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