

Weekly Political and Economic Highlights

21 November 2025

ECONOMIC UPDATES

South Africa's S&P Global Rating Upgrade

- On 14 November, S&P Global Ratings raised South Africa's long-term foreign currency sovereign credit rating from 'BB-' to 'BB', marking the first such upgrade since 2005;
- The upgrade from 'BB' to 'BB+', indicates strengthened fiscal stability and domestic debt-servicing capability;
- S&P affirmed the positive outlook, signalling potential for further upgrades if fiscal consolidation continues, with projections for GDP growth averaging 1.5% over 2026-2028 and debt stabilising at 77% of GDP by fiscal year 2028;
- The upgrade indicates reduced risk perceptions, particularly around governance, fiscal management, and debt sustainability, strengthened macroeconomic indicators, including improved revenue performance;
- The positive outlook and dual rating upgrades (South Africa's removal from The Financial Action Task Force (FATF) grey list) suggest that South Africa's fiscal and structural reforms are gaining credibility, potentially lowering borrowing costs and improving investor sentiment.



Consumer Price Index (CPI)



- On 19 November, Statistics South Africa (StatsSA) announced that headline annual inflation rate increased to 3.6% year-on-year in October 2025, up from 3.4% in September 2025 marking the highest level since September 2024 at 3.8%;
- Month-on-month CPI increased by 0.1% from September to October;
- Main contributors to the annual rate:
 - Housing and utilities: 4.5% annual inflation which contributed 1.1 percentage points).
 - Food and non-alcoholic beverages: 3.9% annual inflation in October and contributed 0.7 percentage points, this decreased from 4.5% in September;
- Inflation for goods increased to 3.1% in October from 2.9% in September. Services have slightly risen from 3.9% to 4.0% in October;
- Food sub-categories showed mixed trends with vegetables, fruit & nuts, and sugar showing a modest reduction and others such as cereals, fish, and maize meal increased;
- Meat inflation remains high, though experiencing a slight drop at 11.4% from 11.7%. Some items still in double digits includes stewing beef at 30.9%, beef steak at 27.9%, beef mince at 27.1%, sausages at 17.3%, boerewors at 15.6%, and mutton at 13.4%;

Weekly Political and Economic Highlights

21 November 2025

- Transport inflation annual rate is currently 1.5%, up from -0.1% in September after 13 months of deflation. Fuel annual inflation 3.3%, with petrol up 0.2% month-on-month and diesel down 0.7%;
- Inflation remains within the SARB's 3–6% target range and close to the preferred midpoint (recently adjusted to 3%), supporting a low-inflation environment that aids real income growth and consumer purchasing power. With inflation rising, even modestly, there is less room for aggressive interest-rate cuts in the near term than if inflation was still declining.

SARB Cuts Repo Rate

- On 20 November, The South African Reserve Bank (SARB) announced that the repo rate would be cut by 25 bps to 6.75%, based on improved inflation outlook and room to ease stance;
- Quarterly Projection Model still points to gradual future cuts, however, decisions remain data-dependent;
- AI infrastructure investment boom is fueling high tech valuations, raising concerns of a possible financial bubble and spillovers to emerging markets (EMS);
- South Africa's 2025 GDP forecast rose to 1.3% with growth expected to approach 2% over medium term and Q3, indicating a positive employment rise;
- October headline inflation sits at 3.6%, driven by temporary food and fuel increases but is expected to fall again from early 2026;
- New inflation target announced from 3–6% range to a point target of 3%;
- Recent progress has seen South Africa's grey-list exit and S&P upgrade, however, sustained reforms are critical for higher potential growth and durable low inflation;
- The combination of another 25 bps cut, an upgraded growth forecast, and a lower inflation target, boosts the probability of a multi-year easing cycle and a gradual return to an approximate 2% growth, provided global financial risks do not trigger sharp rand depreciation or capital-flow reversal. [click here](#)



GOVERNMENT UPDATES

DP Mashatile Addresses G20 Social Summit



- On 18 November, Deputy President Paul Mashatile delivered the keynote address at the opening of the G20 Social Summit in Ekurhuleni;
- The summit provides a formal platform for civil society to influence G20 decision-making and to produce a declaration reflecting citizens lived realities;
- South Africa is building on Brazil's 2024 innovation of institutionalising civil society engagement within the G20 process, as previously committed by President Cyril Ramaphosa;

Weekly Political and Economic Highlights

21 November 2025

- Mashatile used his opening address to emphasise that Africa's development depends critically on achieving peace and political stability;
- He noted that the continent's persistent volatility and failure to reach lasting political settlements severely limit trade opportunities and deter investment;
- These remarks come amid global trade disruptions as South Africa and other African countries seek to diversify trade;
- This highlights South Africa's continued push to ensure African priorities, especially peace, stability, and fair-trade opportunities are reflected in the global stage;
- The Social Summit's final declaration was presented to President Ramaphosa on 19 November before being fed into the G20 Leaders' Summit starting this weekend.

POLITICAL UPDATES

ANC Confirms Gigaba Step Aside

- On 19 November, the African National Congress (ANC) announced that National Executive Committee (NEC) Member and former minister Malusi Gigaba has voluntarily stepped aside from all party responsibilities;
- The decision follows his court appearance on charges of corruption and contravention of the Public Finance Management Act related to Transnet tenders during his tenure as Minister of Public Enterprises;
- Gigaba appeared alongside former Eskom CEO and current MK Party member Brian Molefe, who faces similar fraud and corruption charges;
- ANC Secretary-General Fikile Mbalula praised Gigaba's action as unsolicited and a demonstration of political discipline and maturity;
- It remains unclear whether Gigaba will also relinquish his position as co-chairperson of Parliament's Joint Standing Committee on Defence;
- The move aligns with the ANC's step-aside rule, adopted at the 2022 Nasrec conference, which requires members facing serious criminal charges to temporarily withdraw from party activities to protect the organisation's integrity and renewal process;
- This latest application of the rule continues the ANC's broader efforts to distance itself from members facing criminal accusations to salvage its public image and regain voter trust ahead of the 2026 local government elections and future elections.



ANC NEC Hails GNU Success

- On 18 November, The African National Congress (ANC) National Executive Committee (NEC) welcomed positive economic indicators, following the recent upgrade in South Africa's sovereign credit outlook by Standard & Poor's (S&P);
- The ANC explicitly attributed the improvements to the sustained efforts of the ANC-led Government of National Unity (GNU) in driving post-State Capture recovery;

Weekly Political and Economic Highlights

21 November 2025



- Key successes highlighted by the ANC include the ongoing turnaround of state-owned enterprises, made possible through the ANC's Energy Action Plan and Operation Vulindlela, which the party says is rebuilding the developmental state;
 - Additional achievements noted by the NEC include rising employment numbers, falling borrowing costs, South Africa's removal from the FATF grey list, and growing investor confidence – all credited directly to government policies and reforms.
- These successes will likely serve as tangible indicators that government policies and interventions are working, necessitating their acceleration.

LEGISLATIVE/REGULATORY UPDATES

SA Post Office Market Research on Innovation Opportunities

- On 14 November, the Department of Communications and Digital Technologies issued a Request for Information (RFI) inviting public and private sector stakeholders to explore strategic partnerships and innovation opportunities with the South African Post Office (SAPO);
- SAPO, a state-owned Schedule 2 entity and the country's legally designated provider of reserved postal services, is implementing a turnaround strategy aimed at transforming it into a financially sustainable, efficient and digitally enabled organisation;
- The RFI seeks non-binding submissions that propose innovative solutions, investment models, or partnership structures to optimise SAPO's extensive infrastructure, which comprises 657 branches, logistics networks, and digital assets, and expand its service offerings, including postal and courier services, e-commerce, financial inclusion, government service delivery, and digital platforms;
- Partnership models could include revenue-sharing agreements, joint ventures, managed service contracts, infrastructure leasing, or build-operate-transfer arrangements;
- SAPO aims to modernise operations, enhance last-mile logistics, improve digital and financial platforms, repurpose real estate, commercialise infrastructure, and expand access to government and business services, especially in underserved areas;
- Respondents may propose uses such as parcel hubs, retail counters, digital kiosks, automated teller machines (ATMs), platform integrations, mobile virtual network operations, and technology-enabled service points;
- The RFI is a preliminary engagement process and not a procurement or bidding opportunity. It will help shape future Requests for Proposals (RFPs) and may lead to the establishment of data rooms, site visits, and information sessions.



Weekly Political and Economic Highlights

21 November 2025

Business Development: Draft Incubation Services Policy

- On 14 November, the draft Incubation Business Development Services (IBDS) Policy was published for public comments by the Department of Small Business Development;
- The IBDS Policy seeks to transform support for micro, small and medium enterprises (SMMEs) by building a coordinated, high-quality, inclusive incubation and business development ecosystem;
- It directly addresses long-standing failures such as fragmented and inconsistent services, poor rural and township reach, inadequate funding and market access, weak post-incubation support, low adoption of innovation and the fourth industrial revolution technologies, in tandem with excessive regulatory costs that disproportionately hurt small businesses;
- The policy prioritises historically disadvantaged groups, namely women, youth, persons with disabilities, and military veterans, while embedding green-economy principles and digital delivery models;
- Support will be lifecycle-specific, accommodating start-up, growth, business maturity and sector-tailored, covering agriculture, manufacturing, technology, health, creative industries and the green economy;
- Core deliverables include a single national digital IBDS platform offering online training, mentoring, funding linkages and compliance tools; a network of physical and mobile incubation hubs; sector-specific centres of excellence; blended public-private funding with subsidies and tax incentives; post-incubation alumni networks for ongoing mentorship and market access; and shared regulatory compliance hubs to reduce red tape;
- By professionalising service providers through accreditation, leveraging private-sector expertise, universities and Sector Education and Training Authorities (SETAs), and merging existing agencies into the new Small Enterprise Development Finance Agency (SEDFA), the policy aims to sharply raise enterprise survival and growth rates, boost formal job creation, increase innovation uptake, and position MSMEs as the primary engine of inclusive, job-rich economic transformation and poverty reduction.



AFRICA WATCH

DRC - M23 Sign a Peace Deal Framework



- On 15 November, the Democratic Republic of Congo (DRC) and the M23 rebel group formalised a framework agreement in Doha, Qatar, designed to halt the ongoing conflict in the country's eastern provinces;
- Representatives from both parties participated in the signing ceremony, marking another step in a sequence of accords supported by the United States (US) and Qatar to address the protracted violence that has plagued the region for decades, posing a persistent risk to broader stability;

Weekly Political and Economic Highlights

21 November 2025

- The pact encompasses eight protocols for execution, with two already in place, one focusing on overseeing ceasefires and another on swapping prisoners;
- Discussions on the remaining protocols are slated for the near future, covering aspects like timelines, mechanisms for delivering humanitarian assistance to suffering communities, facilitating the repatriation of refugees and displaced persons, reestablishing governmental control, enacting economic changes, incorporating former combatants into state structures, and dismantling external armed factions;
- To oversee the process, the parties committed to forming an impartial committee tasked with enforcement and proposing measures for reparations as part of constitutional national reconciliation efforts;
- The event drew attendees from the conflicting sides, alongside U.S and Qatari dignitaries, underscoring international involvement in the Doha Framework for a Comprehensive Peace Agreement;
- However, Benjamin Mbonimpa, speaking for the M23 delegation, emphasised that the deal lacks enforceable provisions and is unlikely to alter the current battlefield dynamics;
- Politically, this framework could bolster the DRC's central authority by integrating rebel elements and curbing insurgencies, though its non-binding nature raises doubts about sustained commitment, predominantly within the context of entrenched distrust;

Benin Extends Presidential and Legislative Term Limits

- On 15 November, Benin's National Assembly endorsed a constitutional overhaul that extends presidential and legislative limits from five to seven years, with the adjustment slated to begin following the April 2026 presidential election;
- Passed by a decisive 90-19 margin, the reform preserves the existing two-term cap for presidents, rendering it inapplicable to incumbent Patrice Talon, whose second term concludes in seven months;
- In addition to the term extension, the changes introduce a bicameral legislature by establishing a Senate comprising 25 to 30 members, incorporating ex officio figures such as former presidents, assembly heads, constitutional court justices, and security chiefs, alongside appointees selected by the president and assembly president, capped at one-fifth of the total;
- This upper chamber will oversee political conduct, protect national cohesion, public order, and stability, possessing the power to demand re-examination of National Assembly legislation and to mediate in threats to state equilibrium, though the package awaits validation from the Constitutional Court;
- This reform could enhance institutional longevity and legislative scrutiny in Benin, fostering greater stability, yet it risks entrenching elite influence through appointed senators and longer terms, potentially straining democratic renewal by diminishing electoral frequency and amplifying executive sway over representation.



Tanzania to Investigate Unrest During Election Week

- On 14 November, Tanzania's President Samia Suluhu Hassan declared an official probe into the disturbances that flared up during election week, responding to claims that her administration resorted to brutal suppression of widespread demonstrations;
- Addressing parliament at the convening of the 13th legislative session, she extended sympathies to bereaved families, admitting the post-October election turmoil had profoundly shaken her, and emphasised the pain inflicted by the violence while pledging prayers for the wounded and urging restraint for those suffering material losses amid national hardships;

Weekly Political and Economic Highlights

21 November 2025



- She advocated for elections as the rightful channel for voicing discontent and ousting unpopular leaders, and instructed prosecutors to exercise mercy toward arrested youths, particularly those facing treason charges, who may have acted without grasping the gravity of their involvement, framing her directive as maternal oversight of the nation's welfare;
- To delve into the underlying issues, the president established a dedicated commission to scrutinise fatalities, damages, and triggers of the post-vote clashes, stressing that pinpointing root causes is essential for fostering dialogue, reconciliation, and enduring stability;
- She summoned political factions to convene on practising politics devoid of national detriment and reiterated her resolve to pursue a fresh constitutional drafting initiative;
- This commission marks the regime's inaugural structured response to the episode, which has ignited domestic and global scrutiny;
- By launching impartial inquiries and advocating prosecutorial clemency, this move could advance social justice through accountability for excesses and redress for victims, while fortifying a responsive state by modelling governmental introspection, dialogue-driven reforms, and constitutional evolution to mitigate grievances and prevent future escalations.

INTERNATIONAL AFFAIRS

Russia-Ukraine War Latest

- On 14 November, Russia launched a large drone-and-missile attack on Ukraine with the use of hundreds of drones and missiles hitting Kyiv and other regions. At least 7 people were killed, multiple injured, and infrastructure was damaged;
- Ukraine responded with long-range strikes into Russian territory, including targeting an oil terminal in Novorossiysk;
- Despite the damage, by 16 November oil loading resumed at Novorossiysk. This resumption helped ease concerns in global oil markets, with oil prices settling lower after the restart;
- On 17 November, Ukraine and France signed a letter of intent for Ukraine to acquire up to 100 French Rafale fighter jets, along with drones, guided bombs, and SAMP/T air-defence systems. The deal is spread over a 10-year period;
- A U.S. bill (the Sanctioning Russia Act of 2025) is being proposed, which would impose new sanctions on not just Russia, but also countries doing business with Russian energy exports. If passed, the bill could impose very high tariffs, reportedly up to 500% on imports from nations importing Russian oil, gas, petroleum products, or uranium;

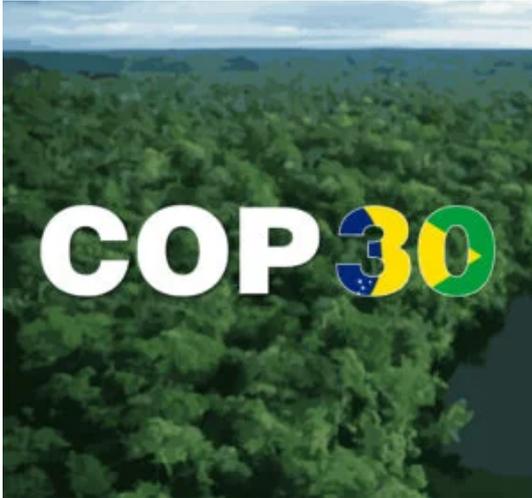


Weekly Political and Economic Highlights

21 November 2025

- Ukraine's intensified strategy of energy infrastructure strikes is beginning to pay off disrupting a key Russian export route (Novorossiysk) while Western sanctions tighten. At the same time, Kyiv is locking in long-term strategic support through high value defence purchases, signalling confidence in both its combat resilience and its diplomatic backing.

30th UN Climate Change Conference (COP30)



- On 14 November, COP30 continued with key outcomes being new coalitions and commitments on mangroves, peatlands, salt-marshes, and sustainable wood construction were launched, including a “Building for Forests Acceleration Plan”;
- The “NAP Implementation Alliance” was launched by governments, multilateral development banks, and investors to turn national adaptation plans (NAPs) into concrete investment;
- 17 countries joined a “Blue NDC Challenge” to integrate ocean-based actions into their climate commitments with more than 250 companies pledging to help suppliers reduce scope-3 emissions via supply chain programmes;
- The “Global Ethical Stocktake” (GES) was launched, emphasising that climate action must embed justice, cultural listening, and accountability not just technical measures;
- Process & institutional reform: The UNFCCC announced a redevelopment of the NAZCA portal to better track stakeholder action and engage non-Party actors such as businesses, cities, and regions in the formal process;
- Mid-way reports flagged that while ambition and solutions are rising, the implementation gap remains large, especially in finance for adaptation and just transition;
- With COP30 emphasizing "implementation over new pledges" and aiming for an early "Belém Political Package" on key issues like mitigation, adaptation, finance, and loss & damage, a successful shift could mark a turning point from decade-long goal-setting to tangible delivery, accelerating Paris Agreement progress.

END