

02 APRIL 2026

ECONOMIC UPDATES

SOUTH AFRICAN RESERVE BANK'S QUARTERLY BULLETIN



- On 31 March, the South African Reserve Bank (SARB) published its Quarterly Bulletin for March 2026, offering households, businesses and policymakers a detailed review of economic developments through the fourth quarter of 2025 and the full year, at a time when global events were already beginning to cast shadows over hard-won stability;
- The bulletin highlighted that real gross domestic product grew by 0.4% quarter-on-quarter in Q4 2025 up from a revised 0.3% in Q3, bringing annual growth for 2025 to 1.1%, more than double the 0.5% recorded in 2024;
- The SARB described the 1.1% annual growth as “a steady, if modest, foundation for South Africa’s economic landscape”, even as the outbreak of the war in the Middle East interrupted growing financial markets, pushed Brent crude prices up and caused the rand to depreciate;
- Key supporting developments included headline consumer price inflation averaging 3.2% for the year of 2025. The Monetary Policy Committee kept the repo rate unchanged at 6.75%. Household consumption increased to 1.2% in Q4, providing the biggest contribution to growth;
- The current account moved into a surplus of 0.6% of GDP in Q4, supported by a widened trade surplus, and the unemployment rate fell to 31.4%, its lowest since Q3 2020, though total employment growth slowed;
- The bulletin noted that the performance of financial markets in 2025 was interrupted by the war, resulting in the rand weakening. The broader economy showed signs of slow and uneven recovery amid persistent domestic and global headwinds. Also noting pressures on inflation from external factors, while emphasising the importance of structural reforms to improve productivity, energy security, and fiscal sustainability.

QUARTERLY FINANCIAL STATISTICS (QFS)



- On 31 March, Statistics South Africa (StatsSA) released the Quarterly Financial Statistics (QFS) for the quarter ended December 2025. The report showed that total turnover for the surveyed industries reached R3,48 trillion in the Q4, reflecting a decrease of 4,7% compared with R3,65 trillion in the previous quarter, yet an increase of 6,0% year-on-year from R3,281,410 million a year earlier;
- There was a mix of increases and decreases amongst the different industries;
- Mining and quarrying turnover fell 7,5% quarter-on-quarter to R254,525 million from R275,282 million, though it was almost flat year-on-year (+0,1%);
 - Manufacturing declined 4,9% to R1,006,019 million from R1,057,640 million, yet rose 6,7% compared with the same quarter a year earlier;
 - Trade, the largest contributor at 36,3% of total turnover, dropped 5,1% to R1,263,180 million;
- Transport, storage and communication decreased 5,4% to R252,130 million;
- Electricity, gas and water supply eased marginally by 0,5% to R127,067 million, but showed strong 30,5% year-on-year growth;
- Construction recorded a small gain of 0,3% to R90,054 million;
- Real estate and other business services fell 4,1% to R386,867 million;
- Community, social and personal services rose 1,4% to R97,121 million;
- Closing inventories across all industries increased by only 0,4% to R1,422,749 million, with mixed results: manufacturing inventories increased 1,8%, while trade inventories and transport inventories declined 1,3% and by 10,5%, respectively;
- Stakeholders within the negatively affected industries have raised concerns that continued declines could negatively impact livelihoods, deter new investment and reduce South Africa’s competitiveness as an investment destination.

QUARTERLY EMPLOYMENT STATISTICS (QES)



- On 31 March, Statistics South Africa (StatsSA) released the Quarterly Employment Statistics (QES) for December 2025. The data revealed total formal employment increased by 18,000 quarter-on-quarter from 10.533 million in Q3 to 10.551 million in Q4;
- The increase in employment was influenced by growth in the Trade sector with +37,000 jobs, Business Services with +17,000 jobs, and Community Services with +4,000 jobs;
- Declines were recorded in Construction with -13,000 jobs, Manufacturing with -11,000 jobs, Transport with -4,000 jobs, and Mining with -3,000 jobs;
- Full-time employment increased by 14,000 to 9.434 million, and part-time employment rose by 4,000 to 1.117 million;
- Overall year-on-year total employment decreased by 102,000 between December 2024 to December 2025;
- The Q4 2025 QES underscores a fragile labour market, with the modest 18,000 job gains signalling tentative resilience amid persistent structural weaknesses, even as the economy showed a 1.1% growth for the full year of 2025.
- The figures reflect growing concerns about the labour market’s impact on households, such as persistent unemployment, income insecurity and service-delivery strains, particularly in metropolitan areas where formal job creation has lagged behind population growth.

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GOVERNMENT UPDATES

SAIC SECURES NEARLY R900 BILLION IN NEW COMMITMENTS

- On 31 March 2026, President Cyril Ramaphosa officially opened the sixth South Africa Investment Conference in Sandton, Johannesburg, framing the event as the moment to move from investment pledges to actual “shovels in the ground”;
- Ramaphosa highlighted the role of Operation Vulindlela, the joint Presidency and National Treasury reform programme, in reducing the cost and risk of doing business and laying the foundation for accelerated economic growth;
- At the conference, government announced R415 billion in confirmed fixed investment together with R474.8 billion in foreign direct investment, bringing the total new commitments to R889.8 billion;

SOUTH AFRICA INVESTMENT CONFERENCE

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- These commitments cover 81 projects spread across all nine provinces and 22 source markets and are projected to create more than 230 000 permanent jobs;
- The announcements include 16 landmark investments, each valued at R10 billion or more, spanning key sectors such as energy, manufacturing, digital infrastructure, tourism, agriculture and green industrialisation;
- The investments are aligned with the conference’s “3 D’s” framework, Decarbonisation, Digitisation and Diversification, with ease of doing business as a cross-cutting priority;
- This second investment cycle builds on the first iteration, which exceeded its R1.2 trillion target by securing R1.5 trillion in pledges, and forms part of the government’s broader goal of mobilising R2 trillion in new investment over the next five years;
- The strong showing at SAIC 2026 demonstrates growing private-sector confidence in South Africa’s reform momentum, yet sustained delivery on these projects and continued structural reforms will be decisive in translating today’s pledges into measurable job creation and inclusive growth.



GAUTENG PREMIER RESHUFFLES EXECUTIVE COUNCIL

- On 1 April 2026, Gauteng Premier Panyaza Lesufi announced a major executive council reshuffle, appointing Economic Freedom Fighters (EFF) provincial leader Nkululeko Dunga as the new Finance MEC;
- Dunga, who previously served as Finance MMC in Ekurhuleni before being removed, replaces African National Congress’s (ANC) Lebogang Maile, who has been shifted to the Education portfolio;
- Former Education MEC Matome Chiloane was dropped from the executive entirely, with Lesufi describing the decision as personally painful and noting the decision was necessitated by numbers in the legislature;

- Additional changes include Bonginkosi Dlamini (IFP) to e-Government, Ewan Botha (Patriotic Alliance) to Environment, and several ANC members reassigned to health, human settlements, social development and infrastructure portfolios;
- Lesufi stated the reshuffle was necessary to stabilise governance and secure legislative support, following national ANC leadership’s approval to broaden engagement with other parties;
- The move also comes after the EFF and MKP threatened to withdraw budget vote support and block key votes, triggered by earlier tensions in Ekurhuleni where Dunga was removed without consultation;
- The reshuffle highlights how a minority government arrangement has always proven more precarious than a formal coalition, repeatedly compelling the ANC to make concessions to secure stability and avoid legislative deadlock.

POLITICAL UPDATES

ACTIONS SA MAKES STRATEGIC APPOINTMENTS

- On 28 March, ActionSA announced the appointment of Member of Parliament Dereleen James as its new Western Cape Provincial Chairperson following a three-day national senate strategic planning meeting that brought together party leaders from across the country;
- James, recognised for her forceful contributions in the Parliamentary Ad Hoc Committee to Investigate Allegations made by Lieutenant General Nhlanhla Mkhwanazi, has been mandated to drive party expansion and coordinate provincial campaign activities;
- Party leader Herman Mashaba also confirmed that former uMkhonto weSizwe Party (MKP) Mpumalanga leader Mary Phadi has joined ActionSA as the new provincial campaign manager in Mpumalanga;
- Phadi’s defection follows a High Court ruling several months ago that nullified her MKP membership and her position in the Mpumalanga Provincial Legislature.

- This development represents ActionSA’s first substantive organisational push outside Gauteng ahead of the 2026 local government elections, indicating a deliberate strategy to extend its national presence through high-profile recruitment.



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DA JOHANNESBURG REFRESHES REGIONAL LEADERSHIP

- On 29 March, the Democratic Alliance (DA) in Johannesburg wrapped up its regional elective congress, electing MP and former DA Youth leader Luyolo Mphithi as the new Regional Chairperson after defeating incumbent Wendy Alexander;
- Mphithi campaigned on his track record across varied constituencies and pledged to expand support in townships while regaining ground in marginal wards, stating that stronger performance in these areas would position the party to reach 50 % in Johannesburg;
- The conference was held in advance of the DA's national federal congress next month, at which a new federal leader will be elected following John Steenhuisen's decision not to seek another term;
- The party stressed that the newly elected regional executive will concentrate on executing a local election strategy and that regional positions do not automatically confer mayoral candidacy, with Helen Zille already confirmed as the Johannesburg mayoral candidate.
- The outcome underscores the DA's efforts to inject fresh energy into its Johannesburg structures and intensify township-level mobilisation as competition for the 2026 local vote intensifies.



ANC PROVINCIAL CONFERENCES DELIVER MIXED RESULTS

- On 27 March, the ANC held provincial elective conferences in the Eastern Cape, Limpopo and Mpumalanga, yet only two proceeded after the Eastern Cape event was blocked by a High Court interdict;
- In Mpumalanga, incumbent chairperson and Premier Mandla Ndlovu was returned unopposed for a second term at the party's 14th provincial conference;
- In Limpopo, Premier Dr Phophi Ramathuba was elected provincial chairperson, becoming the first woman to lead the province's ANC structures, despite an unsuccessful court challenge by dissatisfied members over the use of a digital delegate verification system;
- The Eastern Cape conference was postponed indefinitely after disgruntled members secured an urgent interdict from the High Court citing unresolved branch legitimacy disputes.
- President Ramaphosa, who addressed the successful Limpopo and Mpumalanga gatherings, called on the new leadership to secure a decisive victory in the forthcoming local government elections, even as persistent internal divisions continue to hinder the party's organisational timetable.

LEGISLATIVE/REGULATORY UPDATES



ORAL SUBMISSIONS ON THE IMSI BILL

- On 31 March, the Portfolio Committee on Cooperative Governance and Traditional Affairs (COGTA) listened to oral submissions on the Intergovernmental Monitoring, Support and Interventions (IMSI) Bill, a legislative effort to strengthen how national and provincial governments support and intervene in struggling municipalities;
- The bill seeks to remedy challenges faced during municipal interventions by providing clear rules for monitoring performance, defining "executive obligations", setting out pre- and during-intervention support and corrective steps, and introducing early warning indicators to prevent crises. It promotes responsible conduct and accountability across government spheres through clearer procedures, resource allocation and transparent intergovernmental relations to address municipal failures;
- The committee heard oral submissions from stakeholders, including the South African Local Government Association, Kwenzokuhle Community Organisation, the Commission for Gender Equality, Afriforum, the Public Affairs Research Institute and political parties such as the Economic Freedom Fighters;
- Committee Chairperson Dr Zweli Mkhize emphasised that the committee would carefully consider all inputs to produce legislation that makes interventions easier to implement, ensures municipalities receive adequate support and allows interventions to occur when genuinely needed, with less controversy and greater cooperation;
- The process is intended to balance the need for effective oversight and intervention with concerns around community participation, resource availability, gender and disability considerations, political interference and practical implementation on the ground;
- Concerns have been raised that without sufficient resources, clear timelines and avoidance of overly technical details, the Bill could face implementation challenges or disputes, which might negatively impact service delivery, deter effective governance improvements and reduce public trust in local government. All submissions will now be analysed as the committee moves to the next stage of refining the Bill.

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AFRICA WATCH



ZIMBABWE BEGINS PUBLIC CONSULTATIONS ON ELECTORAL REFORMS

- On 31 March, Zimbabwe launched nationwide public hearings on a constitutional amendment bill drafted by the ruling ZANU-PF that proposes extending both presidential and parliamentary terms from the current five years to seven years;
- The changes would push the next general election from 2028 to 2030 and could also amend the method of presidential selection, moving it away from direct popular vote;
- The consultations, which run from 30 March to 2 April, are framed by the government as the mandatory public participation phase required before any amendments can be introduced in parliament;
- Critics from opposition parties and civil society groups have strongly condemned the process, citing widespread reports of intimidation at hearings, the systematic exclusion of dissenting voices, and organised disruptions designed to limit genuine debate;
- Supporters within ZANU-PF argue that the longer terms will bring greater political stability, allow for more sustained national development planning, and enable the current administration to complete key infrastructure and economic programmes;
- The sharply polarised reactions during the hearings reveal the high stakes attached to reshaping Zimbabwe's constitutional order, raising fresh questions about the credibility and inclusivity of the reform process ahead of the delayed electoral cycle.

INTERNATIONAL AFFAIRS UPDATES



G7 MINISTERS MEETING IN FRANCE

- On 26-27 March, G7 Foreign Ministers met in France, convening amid the deepening economic fallout from ongoing wars in the Middle East and Ukraine, at a time when global energy markets, supply chains are strained;
- The gathering brought together ministers from the United States, Canada, France, Germany, Italy, Japan, the United Kingdom and the European Union, joined by counterparts from Brazil, India, South Korea, Saudi Arabia and Ukraine. Discussions focused on driving de-escalation in the Middle East;
- Ministers called for the immediate cessation of attacks on civilians and civilian infrastructure, the reopening of maritime and trade routes including the Strait of Hormuz, and an end to Iran's nuclear and missile programmes, while promoting the safety of all;
- On the other hand, G7 energy, finance ministers and central bank governors held virtual talks on 30 March 2026, stating they stood ready to take "all necessary measures" in coordination with partners to stabilise global energy markets;
- Considerations included possible further releases from strategic oil reserves, while European agriculture ministers in Brussels addressed fertiliser shortages and called for measures such as suspending parts of the Carbon Border Adjustment Mechanism or compensating farmers;
- The G7 Ministers meetings in preparation for the G7 Summit in June, where leaders are expected to make decisions on balancing geopolitical imperatives with concerns around civilian protection, energy security, consumer costs and coordinated oversight.

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