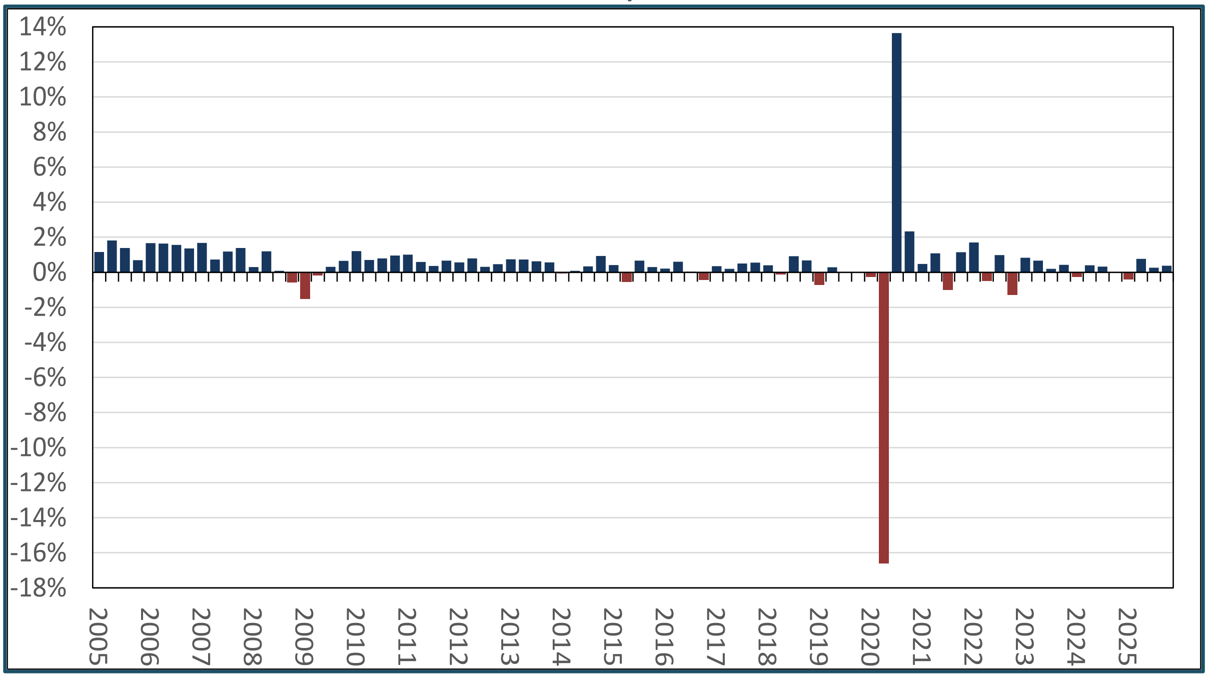
GDP

The non-agricultural GDP climbed only 0.7% in 2025, with a 4% decline in construction and utilities and a 1% fall in manufacturing. Business services and trade each grew around 2%. The data on agriculture are still plagued by extraordinary swings. The crisis in ferroalloys production depressed figures for manufacturing and depressed outcomes in both electricity and exports.

At 0.4%, growth for the quarter in the non-agricultural GDP was only slightly behind population growth. For the year as a whole, however, the non-agricultural GDP climbed only 0.7%. (Graph 1) The figures reported for agriculture continue to seem unreliable, with growth of 17% recorded for the full year. Including agriculture, the GDP reportedly expanded by 1.1% in 2025 as a whole, more slowly than the population. Including agriculture, GDP growth has more than doubled compared to 2024.

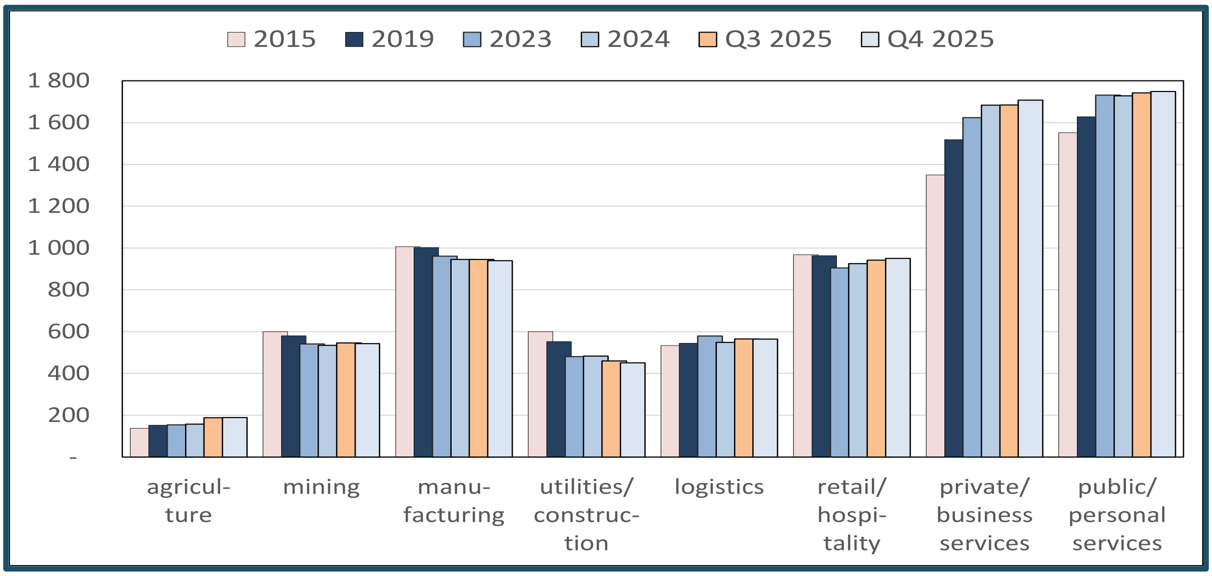
Growth rates diverged sharply by sector, as shown in Graph 2. Business and financial services continued to drive non-agricultural growth. In contrast, non-agricultural goods production shrank in the fourth quarter of 2025, continuing a long-term decline. Gross value added in manufacturing for all of 2025 was 7% lower than in 2019, before the pandemic downturn. It was down by 6% in mining and an astonishing 17% in construction and utilities.

Graph 1. Quarterly change in non-agricultural GDP, seasonally adjusted, 2000 to fourth quarter 2025



Source: Calculated from Statistics South Africa. Gross Domestic Product (GDP), 4th Quarter 2025. GDP P0441 – 2025Q4. Excel spreadsheet. Downloaded from www.statssa.gov.za in March 2026.

Graph 2. Value added by sector, fourth quarter 2015 and 2019 to 2024, and third and fourth quarter 2025, in billions of constant (2025) rand (a)

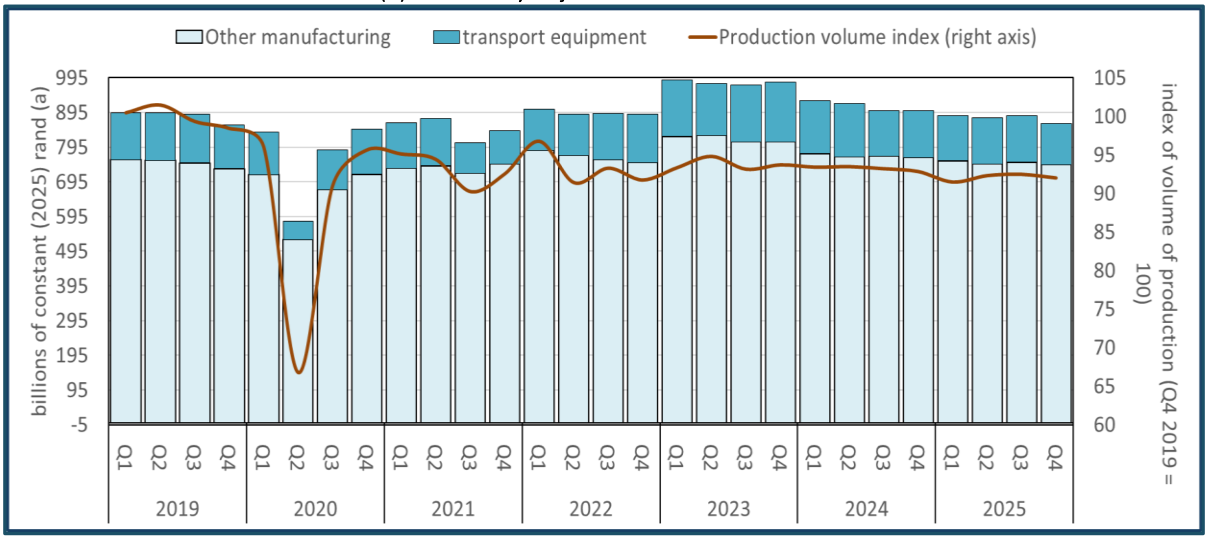


Note: (a) Reflated with implicit deflator per sector. Source: Calculated from Statistics South Africa. Gross Domestic Product (GDP), 4thQuarter 2025. GDP P0441 – 2025Q4. Excel *spreadsheet. Downloaded from www.statssa.gov.za in March 2026.*

Manufacturing sales dipped by 4% in the fourth quarter of 2025, in constant, seasonally adjusted terms. By volume, the change was much smaller, at 0.5%. (Graph 3) The decline was largely driven by a sharp fall in auto sales, reversing modest gains in the previous quarter. Auto output fell 12% in value terms and 10% by volume in the final quarter of 2025. Although the contraction was undoubtedly aggravated by the high US auto tariffs from April 2025, it started in 2023, suggesting broader difficulties. At R118 billion, auto production was 30% lower than two years ago in constant rand terms, and 20% lower by volume. Sales by the rest of manufacturing in 2025 were 2% lower than two years earlier, with a 3% drop in the final quarter of 2025 alone.

Graph 3. Quarterly manufacturing sales in billions of constant 2025 rand (a) and volume index, seasonally adjusted, first quarter 2019 to fourth quarter 2025

Note: (a) Seasonally adjusted. Sales in billions of const

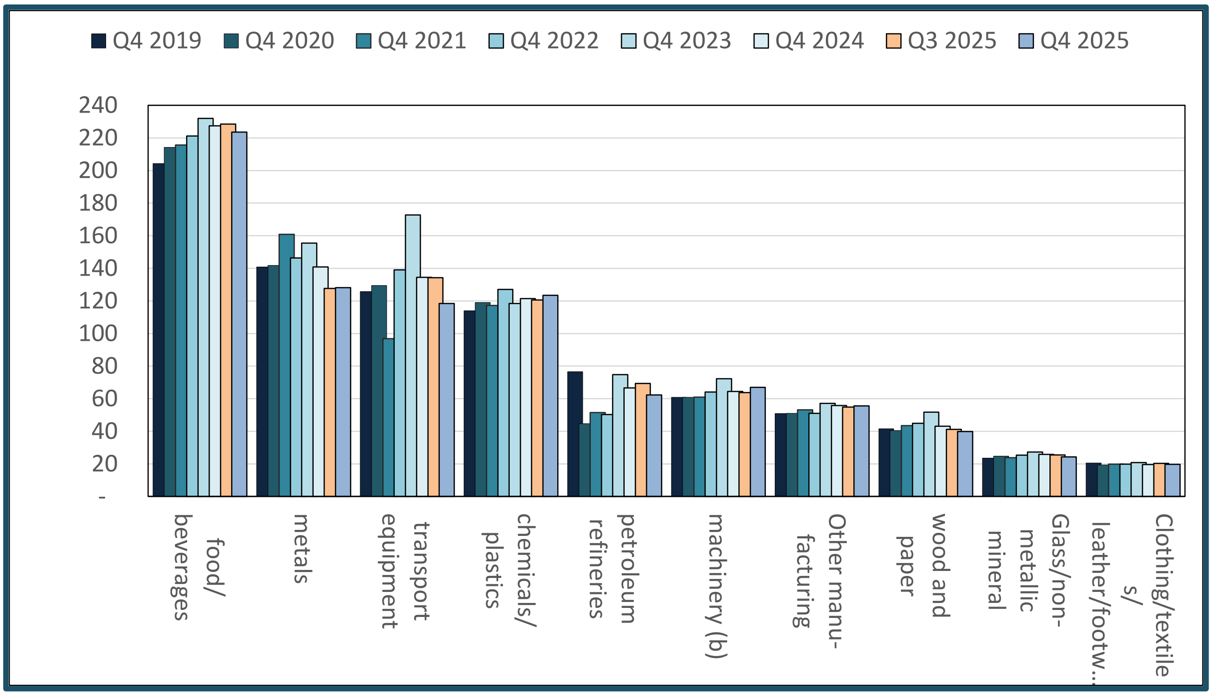


ant rand reflated using CPI rebased to Q4 2025. Monthly data summed for sales and averaged for index. *Source*: Calculated from Statistics South Africa. Manufacturing Production and Sales. Excel Spreadsheet. Downloaded from www.statssa.gov.za in February 2026.

Most manufacturing industries posted falling sales and production volumes in the fourth quarter of 2025, and for the year as a whole. (Graph 4) The exceptions were machinery, which expanded by 4% in constant rand terms, and chemicals, which grew 2%. Auto fell most sharply in the final quarter, with a 12% decline in both sales and volume. Petroleum refineries saw a 10% fall in sales, while the volume of production dropped 7%. Metals as a whole contracted some 9% in sales although its output was reported as flat. The other manufacturing industries generally lost a few percentage points in both sales and production volumes.

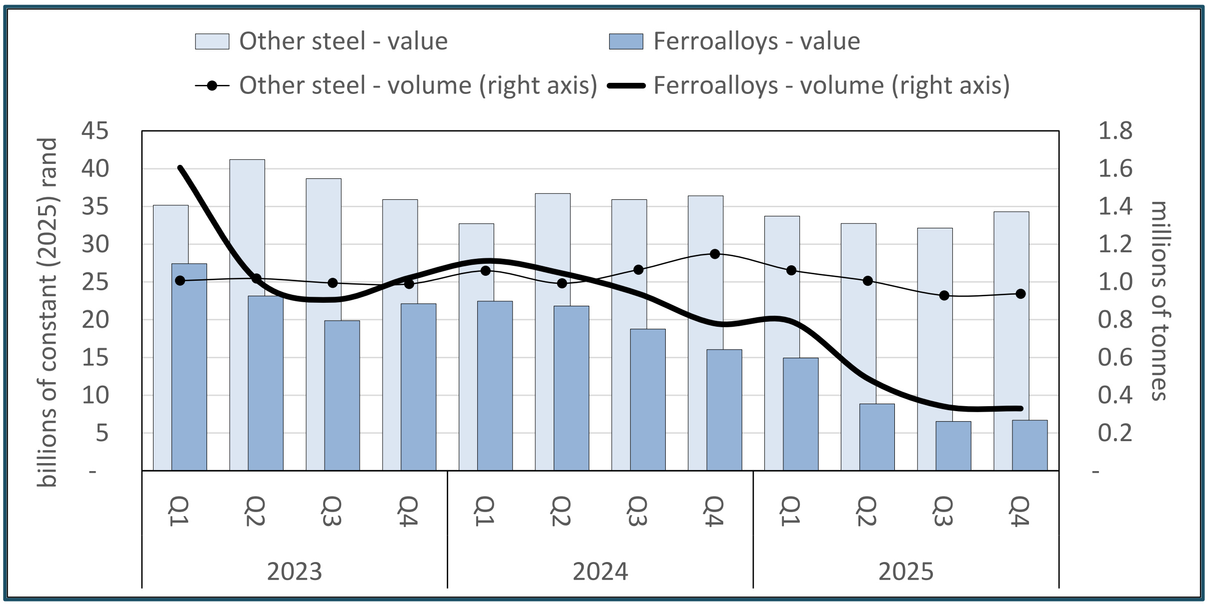
The extraordinarily steep decline in ferroalloys over the past year proved a significant drag on overall growth in manufacturing. Production figures are not reported separately for these metals. Still, they show up in the broader category of basic metals, where output plummeted by a third in value terms and a quarter by volume over the year. In this period, ferroalloys exports dropped over half by weight, losing almost R9 billion in value terms. (Graph 5) The main causes were persistently high ore prices combined with soaring electricity costs. Energy accounts for around a third of input costs for ferroalloys, so the collapse of the industry has also affected Eskom sales (as discussed in more detail in the section on infrastructure). Current proposals to restore the industry seek either to put the cost on government, in the form of subsidies for their electricity use, or on coal suppliers, which could provide coal at cost for energy-intensive users.

Graph 4. Sales by manufacturing industry, fourth quarter 2019 to 2024, and third quarter and fourth quarter 2025, in billions of constant 2025 (a) rand



Notes: (a) Values are seasonally adjusted. Reflated using CPI rebased to Q4 2025. (b) Includes electrical machinery. *Source:* Calculated from Statistics South Africa. Manufacturing Production and Sales. Excel Spreadsheet. Downloaded from www.statssa.gov.za in February 2026.

Graph 5. Quarterly exports of ferroalloys by volume and in billions of constant rand (a), 2023 to 2025



Note: (a) Reflated with CPI rebased to 2025. *Source:* Calculated from Quantec. EasyData. Series on South African national trade at 8-digit HS level. Downloaded from www.quantec.co.za in March 2026.