



# Economies at a glance

December 2025

## February

- 1 Costa Rica presidential election
- 5 European Central Bank interest rate decision
- 5 Bank of England interest rate decision
- 12 SA State of the Nation Address
- 18 SA January 2026 inflation release
- \* SA National Budget

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## April

- 12 Benin presidential election
- 12 Peru presidential election
- 22 SA March 2026 inflation release
- 28 Bank of Japan interest rate decision
- 29 United States Federal Reserve interest rate decision
- 30 European Central Bank interest rate decision
- 30 Bank of England interest rate decision
- \* SA Democratic Alliance Federal Congress

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## June

- 9 SA gross domestic product (Q1 2026)
- 11 European Central Bank interest rate decision
- 16 Bank of Japan interest rate decision
- 17 United States Federal Reserve interest rate decision
- 17 SA May 2026 inflation release
- 18 Bank of England interest rate decision

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## January

- 8 SA African National Congress January 8th statement
- 15 Uganda presidential election
- 18 Portugal presidential election
- 19-23 World Economic Forum Annual Meeting (Davos)
- 21 SA December 2025 inflation release
- 23 Bank of Japan interest rate decision
- 28 United States Federal Reserve interest rate decision
- 29 SA Reserve Bank interest rate decision

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## March

- 10 SA gross domestic product (Q4 2025)
- 18 United States Federal Reserve interest rate decision
- 18 SA February 2026 inflation release
- 19 Bank of England interest rate decision
- 19 European Central Bank interest rate decision
- 19 Bank of Japan interest rate decision
- 22 Congo presidential election
- 26 SA Reserve Bank interest rate decision
- \* China's five-year growth target announcement

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## May

- 1 Bank of Japan interest rate decision
- 8 Bank of England interest rate decision
- 20 SA April 2026 inflation release
- 28 SA Reserve Bank interest rate decision
- 31 Colombian presidential election
- \* S&P Global's rating decision on SA

Key: \*preliminary date - not yet confirmed. \*\* Earliest = Nov 2026, latest Jan 2027  
Red font focuses on SA dates

# Economies at a glance

December 2025

## August

- 7 Bank of England interest rate decision
- 13 Zambia general election
- 19 SA July 2026 inflation release
- 20 Jackson Hole
- 30 Haiti's general election

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## October

- 4 Bosnia and Herzegovina general election
- 4 Brazilian presidential election
- 21 SA September 2026 inflation release
- \* SA medium-term budget
- 28 United States Federal Reserve interest rate decision
- 29 European Central Bank interest rate decision
- 30 Bank of Japan interest rate decision

## December

- 1 SA gross domestic product (Q3 2026)
- 5 Gambia presidential election
- 9 United States Federal Reserve interest rate decision
- 15 SA November 2026 inflation release
- 17 Bank of England interest rate decision
- 17 European Central Bank interest rate decision
- 18 Bank of Japan interest rate decision
- 22 South Sudan general election

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July

- 22 SA June 2026 inflation release
- 23 European Central Bank interest rate decision
- 23 SA Reserve Bank interest rate decision
- 29 United States Federal Reserve interest rate decision
- 30 Bank of England interest rate decision
- 31 Bank of Japan interest rate decision

September

- 8 SA gross domestic product (Q2 2026)
- 10 European Central Bank interest rate decision
- 16 United States Federal Reserve interest rate decision
- 17 Bank of England interest rate decision
- 18 Bank of Japan interest rate decision
- 23 SA August 2026 inflation release
- 23 SA Reserve Bank interest rate decision

November

- 3 United States midterm election
- 5 Bank of England interest rate decision
- 9-20 COP31
- 18 SA October 2026 inflation release
- 19 SA Reserve Bank interest rate decision
- 8-11 SA African National Congress 5th National General Council
- \*\* SA Local government elections
- \* S&P Global's rating decision on SA

Key: \*preliminary date - not yet confirmed. \*\* Earliest = Nov 2026, latest Jan 2027  
Red font focuses on SA dates

## December 2025

### Forecast 2026:

GDP: 2.0%

Core PCE Inflation: 2.9%

### Forecast 2027:

GDP: 2.0%

Core PCE Inflation: 2.3%

## UNITED STATES

The economy proved resilient through 2025, supported by strong AI-driven investment, solid household consumption and fiscal stimulus. The Bloomberg median consensus expects growth to stabilise at 2% in 2026, reflecting slower job growth, cooling immigration and the continued pass-through of higher tariffs to prices. Headline inflation is expected to remain slightly above the Federal Reserve's (Fed) 2% target through mid-2026, before gradually normalising as tariff effects fade. The Fed is likely to continue a measured easing cycle, with the federal funds rate ending the year modestly above prior terminal projections, provided labour market conditions remain stable. Fiscal policy remains a concern, with high structural deficits and a rising debt ratio. Downside risks include a potential equity market correction, persistent inflation and tighter credit conditions, while AI innovation, stronger tech investment or a rebound in household consumption could boost growth. Structural reforms, particularly in housing, infrastructure and labour mobility, will nevertheless be critical to sustaining long-term expansion.

## EUROZONE

The Bloomberg consensus expects growth to moderate from around 1.4% in 2025 to 1.1% in 2026. Domestic demand will remain firm while trade should slowly rebound into 2027.

Household spending should strengthen on the back of resilient labour markets, rising real incomes and a modest decline in precautionary savings. Private investment will remain constrained by elevated uncertainty, though easing financial conditions and continued disbursements under the Recovery and Resilience Facility will offer support. Inflation is likely to settle near the European Central Bank's 2% target as wage pressures ease and the euro's recent appreciation dampens import prices. Monetary policy is expected to remain broadly neutral, with the deposit rate steady at 2%. Fiscal policy will also be neutral on aggregate, though rising defence spending and ageing-related pressures underscore the need for fiscal discipline. Key risks stem from heightened global trade tensions, potential financial instability and lingering geopolitical uncertainty.

### Forecast 2026:

GDP: 1.1%

Inflation: 2.3%

### Forecast 2027:

GDP: 1.4%

Inflation: 2.1%

## JAPAN

Japan's strong 1.3% expansion in 2025 is set to halve, with the Bloomberg consensus expecting GDP growth to ease to 0.7% in 2026 as US tariffs weigh on exports and external demand softens. Domestic demand nevertheless remains the engine of activity. Wage gains, resilient profits and government subsidies will support consumption and investment, while tourism should remain robust. Inflation is expected to gradually move toward the 2% target, helped by moderating food prices. Japan's policy rate is expected to rise gradually toward 1% by the end of 2026 as the Bank of Japan trims bond holdings and begins selling exchange-traded funds and real estate investment trusts. Government will likely undergo expansionary fiscal policy temporarily in 2026 due to a large stimulus package before consolidation resumes. Downside risks stem from weaker global trade and financial volatility, while medium-term priorities include rebuilding fiscal buffers, boosting labour supply and accelerating productivity reforms.

### Forecast 2026:

GDP: 1.1%

HICP Inflation: 1.8%

### Forecast 2027:

GDP: 1.4%

HICP Inflation: 1.9%

## UNITED KINGDOM

Economic activity is set to remain subdued, with the Bloomberg consensus expecting GDP growth to fall from an expected 1.4% in 2025 to 1.1% in 2026 as fiscal consolidation continues to weigh on household incomes and global uncertainty restrains investment. A gradually easing monetary stance, likely settling close to a neutral 3.5% policy rate, should offer modest support, while softer energy and food prices are expected to aid a fall in inflation, according to the Bloomberg consensus, from 3.4% in 2025 to 2.5% in 2026. Labour market slack is emerging, with vacancies declining and hiring slowing. Meanwhile, productivity gains remain elusive. Exports and business investment should improve slightly as global trade recovers, offsetting some domestic weakness. However, high borrowing costs, rising defence spending and persistent deficits mean fiscal policy will stay tight. Key risks stem from renewed price pressures, limited fiscal space for shocks and sluggish supply growth unless planning, infrastructure and regulatory reforms gather pace.

### Forecast 2026:

GDP: 0.8%

Inflation: 1.8%

### Forecast 2027:

GDP: 0.9%

Inflation: 2.0%



**Forecast 2026:**  
GDP: 4.5%  
Inflation: 0.6%  
**Forecast 2027:**  
GDP: 4.5%  
Inflation: 0.8%

## EMERGING MARKETS

The Bloomberg consensus expects growth to hold steady at 4.1% in 2026, with South Asia again the strongest performer, supported by India's resilient consumption and investment.

Sub-Saharan Africa should see a mild pickup as inflation eases and oil and gas output rises, while the Middle East and North Africa will benefit from expanding hydrocarbon activity and a more stable geopolitical backdrop. Europe and Central Asia will remain constrained by weak external demand, while Latin America will likely post the slowest regional growth rate due to structural constraints. East Asia and the Pacific face moderating momentum as higher tariffs and China's slowdown weigh on supply chains.

Inflation in aggregate is expected to ease to 2.7% in 2026 (Bloomberg consensus), helped by stable commodity prices and modest currency appreciation. This supports continued,

though slower, rate-cutting cycles in major markets. Key risks include persistent trade tensions, elevated public and corporate debt that heightens refinancing pressures, and the possibility that a stronger US economy triggers tighter global financial conditions and capital outflows from emerging markets.

**Forecast 2026:**  
GDP: 1.6%  
Inflation: 3.5%  
**Forecast 2027:**  
GDP: 2.1%  
Inflation: 3.3%

## CHINA

China's post-pandemic rebound is flattening out. Growth, which held close to 5% in 2025, is set to ease to 4.5% in 2026 (Bloomberg consensus) as the payback from this year's trade-in programme dampens consumption and the long real-estate correction continues to weigh on investment. Government's anti-involution drive, intended to curb excess capacity, adds further pressure on manufacturing capex, even as the new Five-Year Plan lifts infrastructure spending. US tariff hikes continue to divert exports away from traditional markets, though sales to emerging Asia act as an offset. Inflation is stabilising, with inflation returning to mildly positive territory as food prices firm. Monetary policy should stay supportive as inflation stabilises, while fiscal policy is expected to become more expansionary through local-government bond issuance and mega-infrastructure projects. Risks continue to stem from trade frictions and opaque local-government finances; while bolder market-access reforms could provide upside to private investment.

**Forecast 2026:**  
GDP: 4.1%  
Inflation: 3.0%

**Forecast 2027:**  
GDP: 4.1%  
Inflation: 2.7%

## SOUTH AFRICA

South Africa's economy is projected to grow moderately, with GDP expected to increase from an expected 1.2% in 2025 to 1.5% in 2026, as estimated by the Reuters Econometer for November. Easing monetary policy, progress in reforms to improve electricity availability and the reduction of logistics bottlenecks will support investment and consumption. Fiscal consolidation will limit increases in government spending from 2026, though 2025 benefited from some temporary support. Exports will grow only gradually, constrained by higher tariffs and a more protectionist global backdrop. The consensus view in the Reuters Econometer is for headline inflation to rise from 3.3% in 2025 to 3.6% in 2026, partly due to base effects, before easing to again to an expected 3.4% in 2027. Political risk is rising ahead of the 2026 local government elections, with voter sentiment sensitive to poor service delivery outcomes and economic conditions. Potential shifts in municipal control could affect policy continuity, particularly in areas responsible for utilities and infrastructure, adding uncertainty for investment and local governance. While reforms are underway to restructure state-owned enterprises and ease regulatory constraints, election-related pressures could slow implementation and limit fiscal flexibility. Continued strengthening of fiscal rules, coupled with swifter implementation of structural reforms, will be critical to supporting a further recovery in credit ratings, higher growth, job creation and strengthened investor confidence in spite of prevailing political uncertainties.

# The economics research desk

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**Sanisha Packirisamy**  
Chief Economist



**Tshiamo Masike**  
Economist



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# Indices summary for December 2025

|  | One month | Three months | One year | Three years | Four years | Five years | Six years | Seven years | Ten years |
|--|-----------|--------------|----------|-------------|------------|------------|-----------|-------------|-----------|
| <b>Equity indices</b>  |           |              |          |             |            |            |           |             |           |
| FTSE/JSE All-Share Index (Alsi)                                  | 4.57%     | 8.10%        | 42.40%   | 20.85%      | 16.28%     | 18.76%     | 16.71%    | 16.03%      | 12.39%    |
| FTSE/JSE Shareholder Weighted Index (Swix)                       | 4.57%     | 8.10%        | 42.40%   | 20.36%      | 15.93%     | 16.94%     | 14.42%    | 13.68%      | 10.58%    |
| FTSE/JSE Capped Swix All Share index                             | 4.57%     | 8.92%        | 42.61%   | 20.38%      | 16.17%     | 18.28%     | 15.12%    | 13.89%      | 10.49%    |
| FTSE/JSE All Share Top 40 Index                                  | 4.71%     | 7.60%        | 47.66%   | 21.20%      | 16.71%     | 18.96%     | 17.41%    | 16.68%      | 12.58%    |
| FTSE/JSE Mid Cap Index   | 4.53%     | 11.07%       | 30.96%   | 18.36%      | 13.93%     | 16.77%     | 10.89%    | 11.55%      | 10.21%    |
| FTSE/JSE Small Cap Index   | 2.38%     | 12.62%       | 21.46%   | 22.33%      | 18.46%     | 25.65%     | 20.90%    | 16.97%      | 12.28%    |
| FTSE/JSE Resources Index   | 5.72%     | 10.29%       | 126.03%  | 22.10%      | 18.58%     | 21.21%     | 21.21%    | 22.23%      | 22.24%    |
| FTSE/JSE Financials Index  | 6.51%     | 18.44%       | 27.39%   | 23.44%      | 19.10%     | 21.17%     | 13.14%    | 11.26%      | 9.37%     |
| FTSE/JSE Industrials Index                                       | 1.94%     | -1.21%       | 18.10%   | 17.73%      | 11.96%     | 14.72%     | 14.26%    | 13.48%      | 8.63%     |
| FTSE/JSE Research Affiliates Fundamental Indices 40 Index (Rafi) | 5.95%     | 10.14%       | 55.18%   | 20.63%      | 17.88%     | 22.31%     | 17.87%    | 16.55%      | 14.82%    |
| FTSE/JSE Research Affiliates Fundamental Indices All Share Index | 5.69%     | 10.24%       | 48.16%   | 20.18%      | 17.23%     | 21.67%     | 17.27%    | 16.06%      | 14.37%    |
| FTSE/JSE SA Listed Property Index (Sapy)                         | 0.09%     | 16.27%       | 30.56%   | 22.86%      | 16.84%     | 20.61%     | 8.94%     | 7.91%       | 5.10%     |
| FTSE/JSE All Property Index (ALPI)                               | 0.12%     | 16.73%       | 30.56%   | 23.34%      | 16.48%     | 20.60%     | 8.65%     | 7.31%       | 3.45%     |
| <b>Interest-bearing indices</b>                                  |           |              |          |             |            |            |           |             |           |
| FTSE/JSE All Bond Index (Albi)                                   | 2.70%     | 8.96%        | 24.24%   | 16.89%      | 13.59%     | 12.54%     | 11.88%    | 11.66%      | 11.48%    |
| FTSE/JSE All Bond Index 1-3 years (Albi)                         | 0.94%     | 2.48%        | 10.01%   | 9.63%       | 8.64%      | 7.73%      | 8.35%     | 8.23%       | 8.64%     |
| FTSE/JSE Inflation-linked Index (Ili)                            | 2.83%     | 8.33%        | 15.63%   | 10.05%      | 8.57%      | 9.95%      | 8.93%     | 7.97%       | 6.42%     |
| Short-term Fixed Interest Composite Index (Stefi)                | 0.58%     | 1.75%        | 7.52%    | 8.01%       | 7.31%      | 6.60%      | 6.40%     | 6.52%       | 6.79%     |
| <b>Commodities</b>   |           |              |          |             |            |            |           |             |           |
| NewGold Exchange-Traded Fund                                     | 0.14%     | 8.06%        | 46.30%   | 32.19%      | 25.26%     | 20.55%     | 22.06%    | 21.06%      | 15.42%    |
| Gold price (in rands)  | -0.56%    | 8.15%        | 45.47%   | 32.00%      | 25.11%     | 20.87%     | 22.26%    | 21.34%      | 15.82%    |
| Platinum Exchange-Traded Fund                                    | 15.89%    | 22.28%       | 94.11%   | 22.48%      | 21.17%     | 15.70%     | 15.75%    | 16.14%      | 9.01%     |
| Platinum price (in rands)  | 16.07%    | 20.57%       | 93.03%   | 22.12%      | 20.22%     | 15.47%     | 15.49%    | 16.05%      | 8.89%     |
| <b>Currency movements</b>  |           |              |          |             |            |            |           |             |           |
| Rand/euro movements  | -1.73%    | -4.03%       | -0.62%   | 2.43%       | 1.79%      | 1.60%      | 3.63%     | 2.44%       | 1.47%     |
| Rand/dollar movements  | -2.93%    | -3.85%       | -12.07%  | -0.71%      | 0.94%      | 2.53%      | 2.86%     | 2.08%       | 0.70%     |
| <b>Inflation index</b>   |           |              |          |             |            |            |           |             |           |
| Consumer Price Index (CPI)                                       |           |              |          | 3.49%       | 3.97%      | 4.83%      | 4.95%     | 4.65%       | 4.49%     |
|  |           |              |          |             |            |            |           |             | 4.78%     |

## Important notes

1. Sources: Momentum Investments, IRESS, [www.msci.com](http://www.msci.com), [www.yieldbook.com](http://www.yieldbook.com), [www.ft.com](http://www.ft.com).
2. Returns for periods exceeding one year are annualised.
3. The return for Consumer Price Index (CPI) is to the end of the previous month. Due to the reweighting of the CPI from January 2009, this number reflects a compound of month-on-month CPI returns. The historical numbers used are the official month-on-month numbers based on a composite of the previous inflation series (calculations before January 2009) and the revised inflation series (calculations after January 2009).
4. The MSCI World Index (All Countries) returns are adjusted to correspond with global investment prices received.
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