



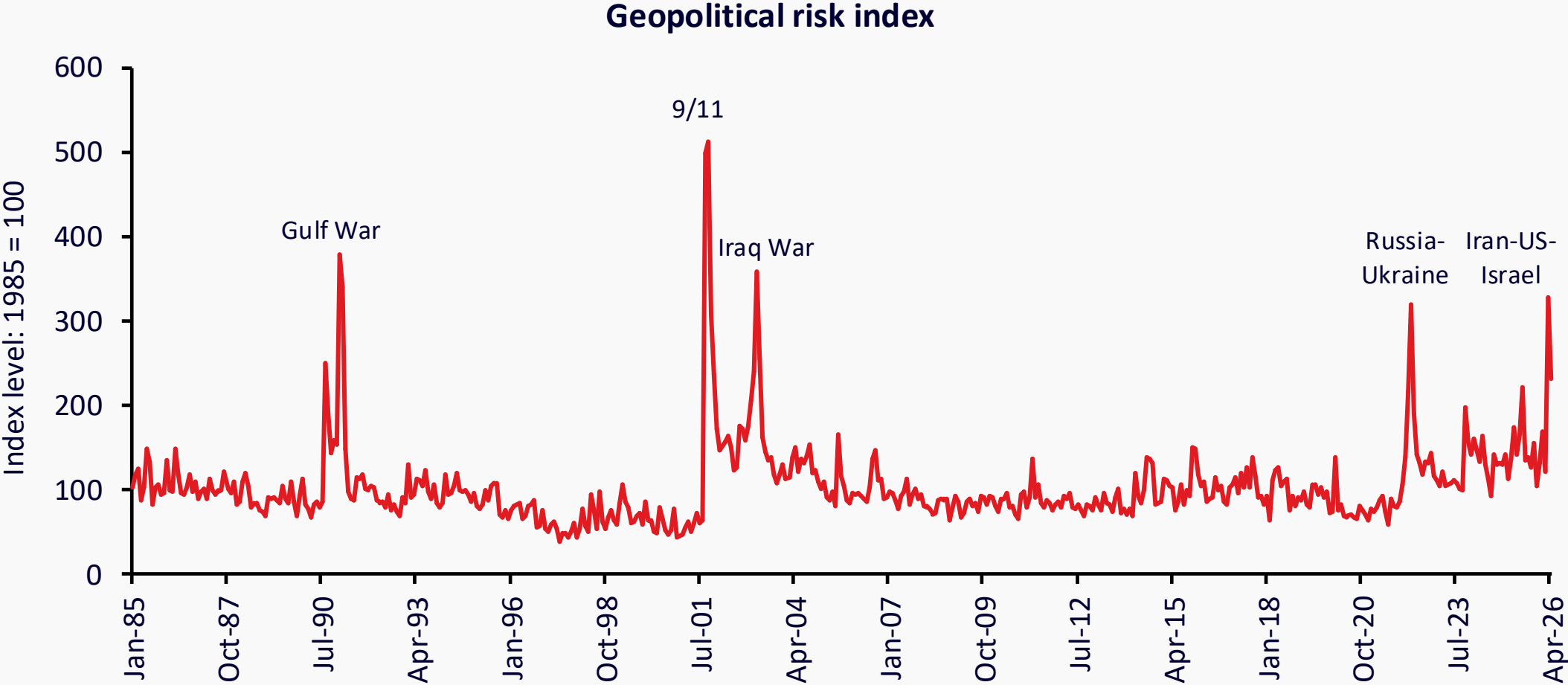
Crisis in the corridor

Sanisha Packirisamy

Tshiamo Masike

From economic promise to **geopolitical peril**

Geopolitical tensions challenge the 2026 outlook

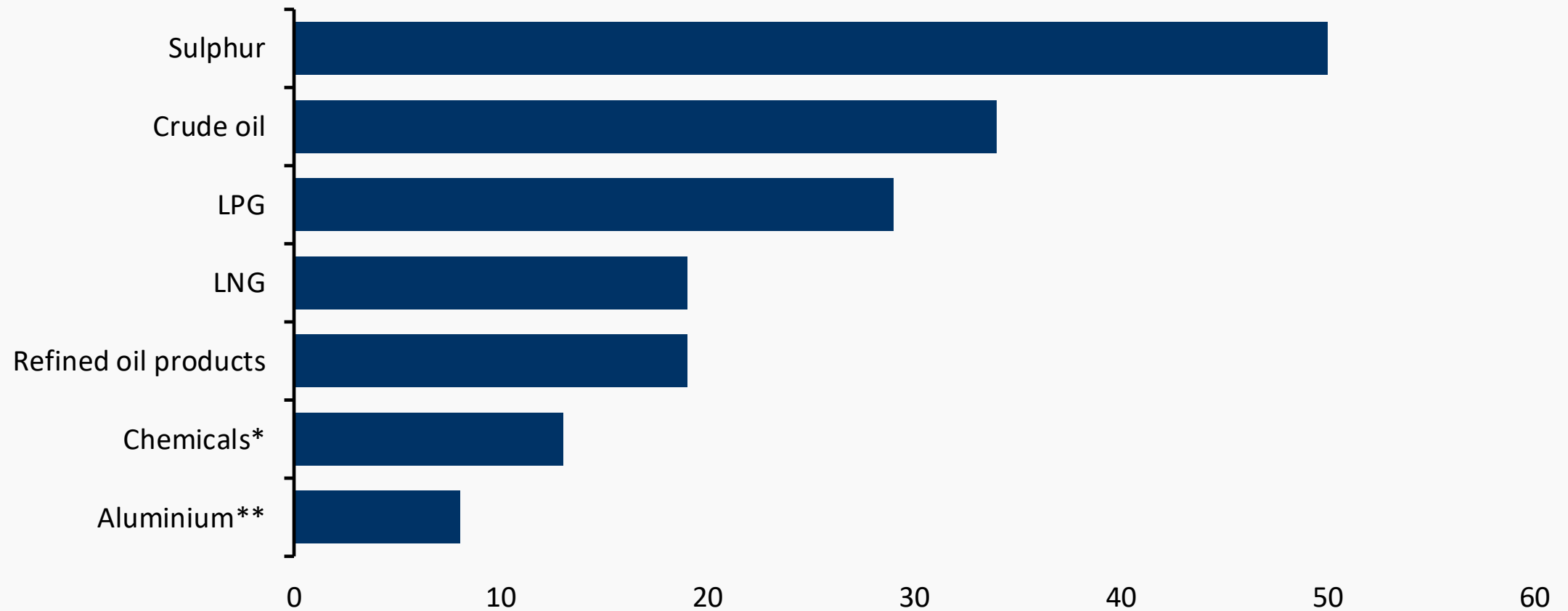


Source: Economic Policy Uncertainty, Momentum Group

A **critical artery** of global trade

A narrow strait powering global supplies of energy, fuels and industrial feedstocks

Share of global seaborne trade volume passing through the Strait of Hormuz, %



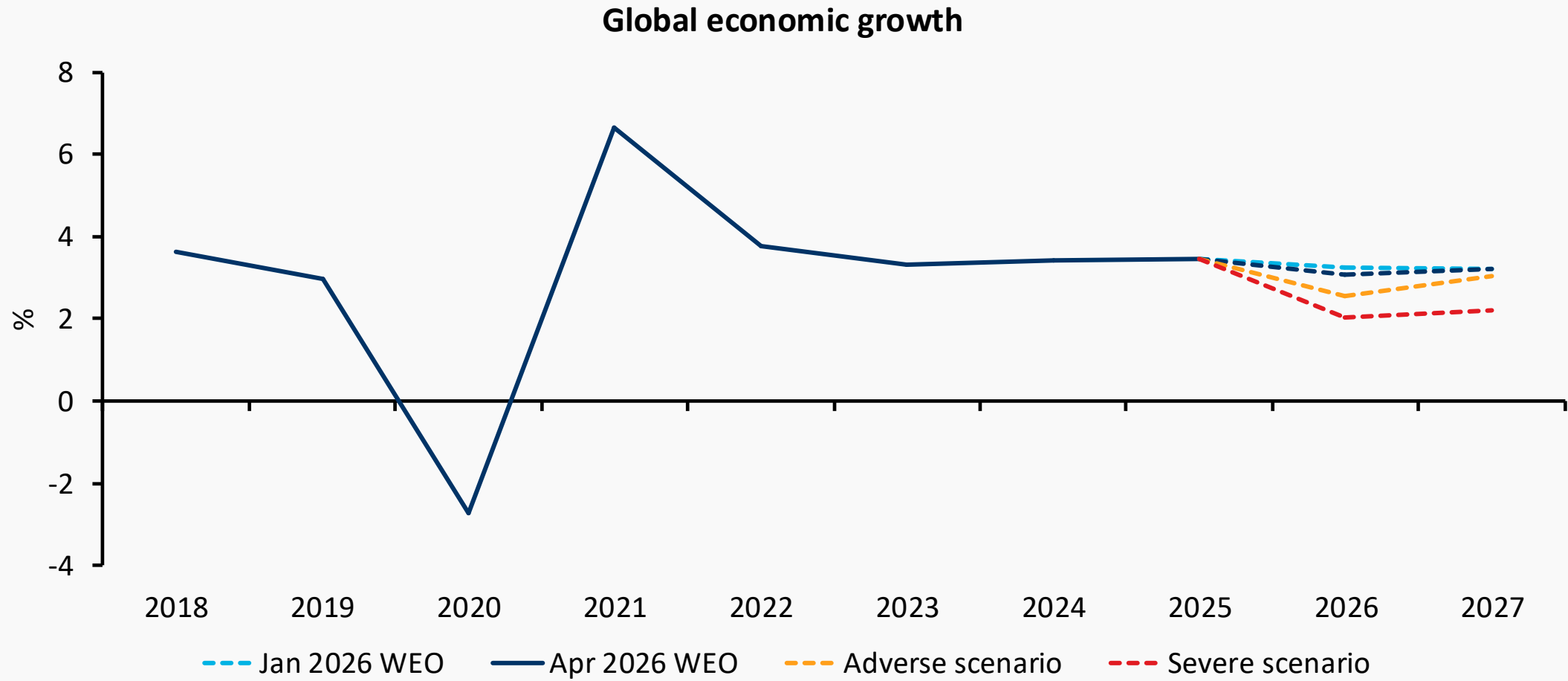
Source: Financial Times, Momentum Group

* Including fertilisers, ** Share of global production

LPG: Liquefied Petroleum Gas, LNG: Liquefied Natural Gas, Chemicals include fertilisers

Growth tested by geopolitical strain

Global growth outcomes hinge on the severity of the conflict



Source: International Monetary Fund (IMF), Momentum Group

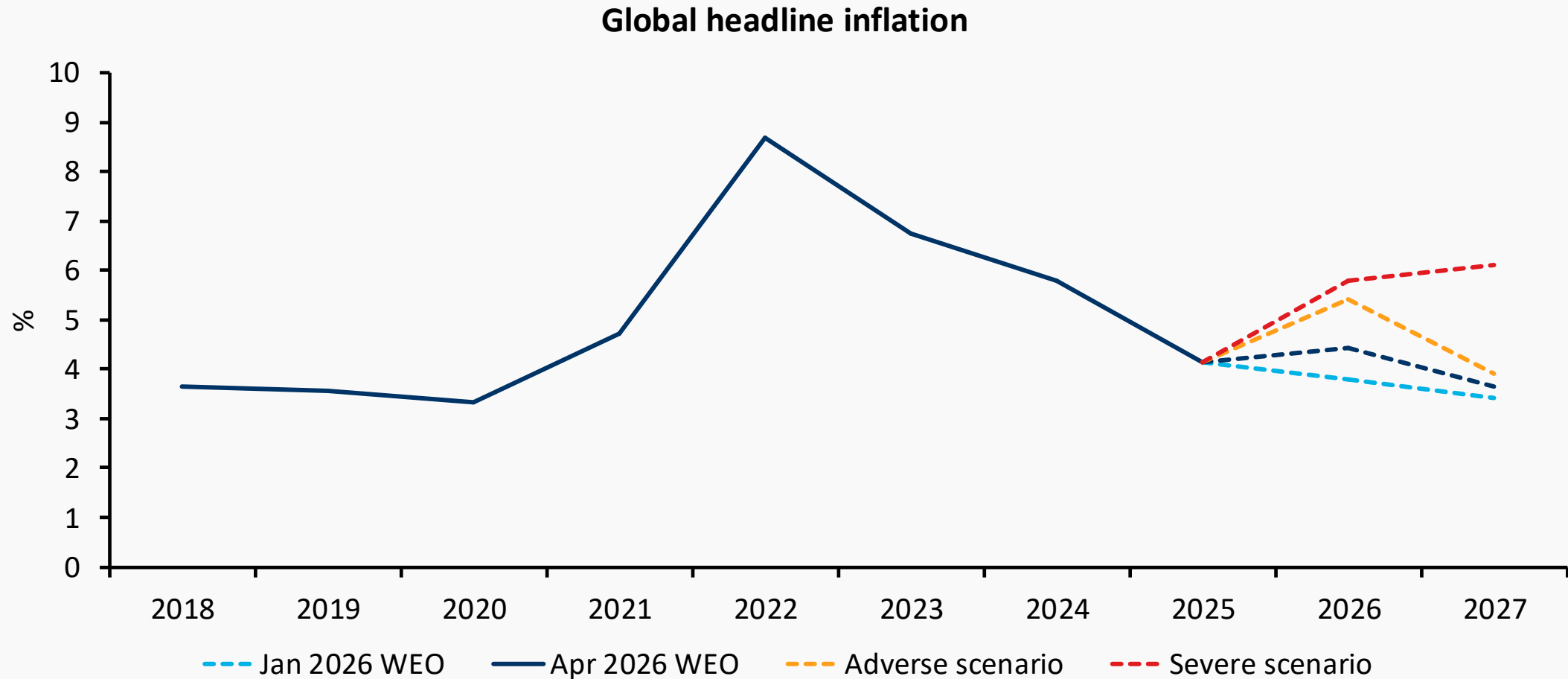
WEO: World Economic Outlook

Adverse scenario: Assumes a sharper increase in energy prices this year coupled with rising inflation expectations and some tightening of financial conditions

Severe scenario: Assumes energy supply dislocations extend into next year, inflation expectations become markedly less anchored, and financial conditions tighten sharply

Disinflation path hits a snag

Geopolitical tensions disrupts the falling inflation trend



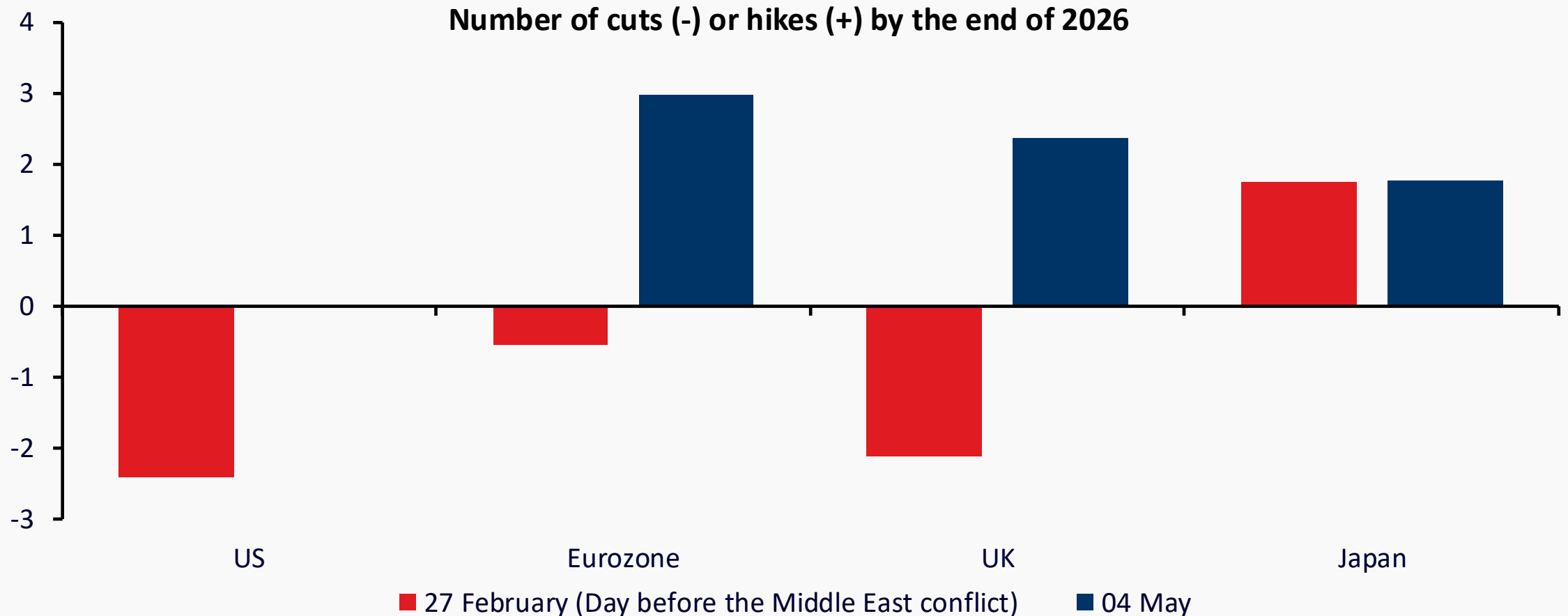
Source: IMF, South African Reserve Bank (SARB), Momentum Group

Adverse scenario: Assumes a sharper increase in energy prices this year coupled with rising inflation expectations and some tightening of financial conditions

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Repricing the **interest rate path**

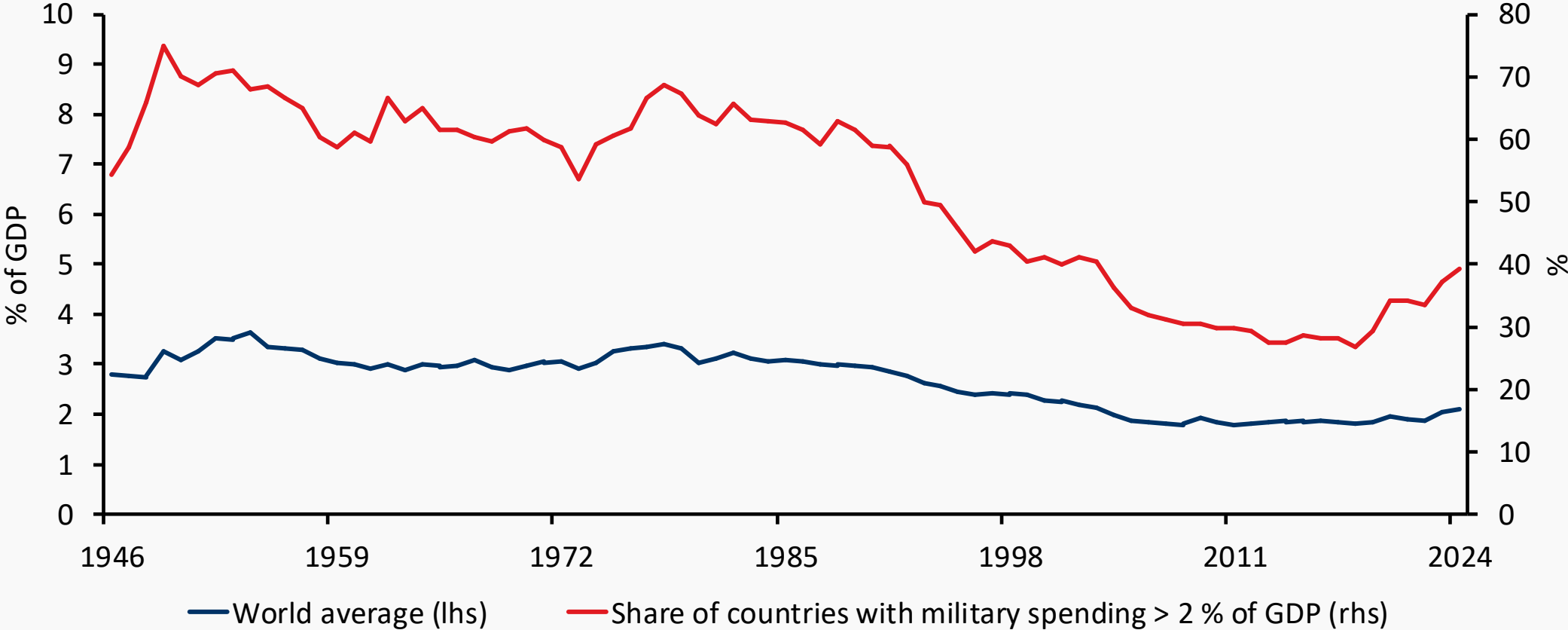
Markets unwind easing bets as inflation risks push policy expectations higher



Geopolitics rewrites **fiscal rules**

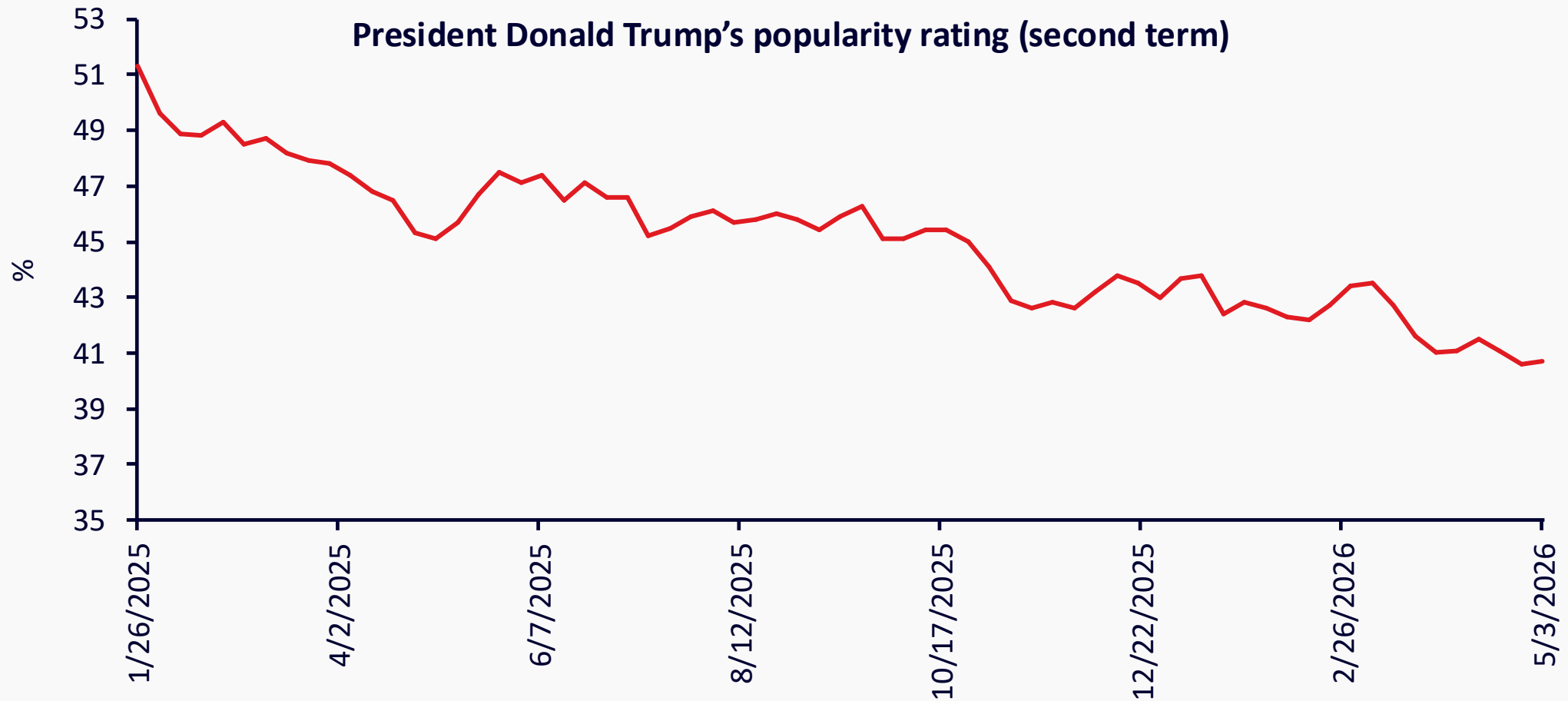
Almost 40% of countries now spend more than 2% of GDP on defence, up from 27% in 2018

Defence spending on the rise



Trump's popularity fraying under war and inflation pressure

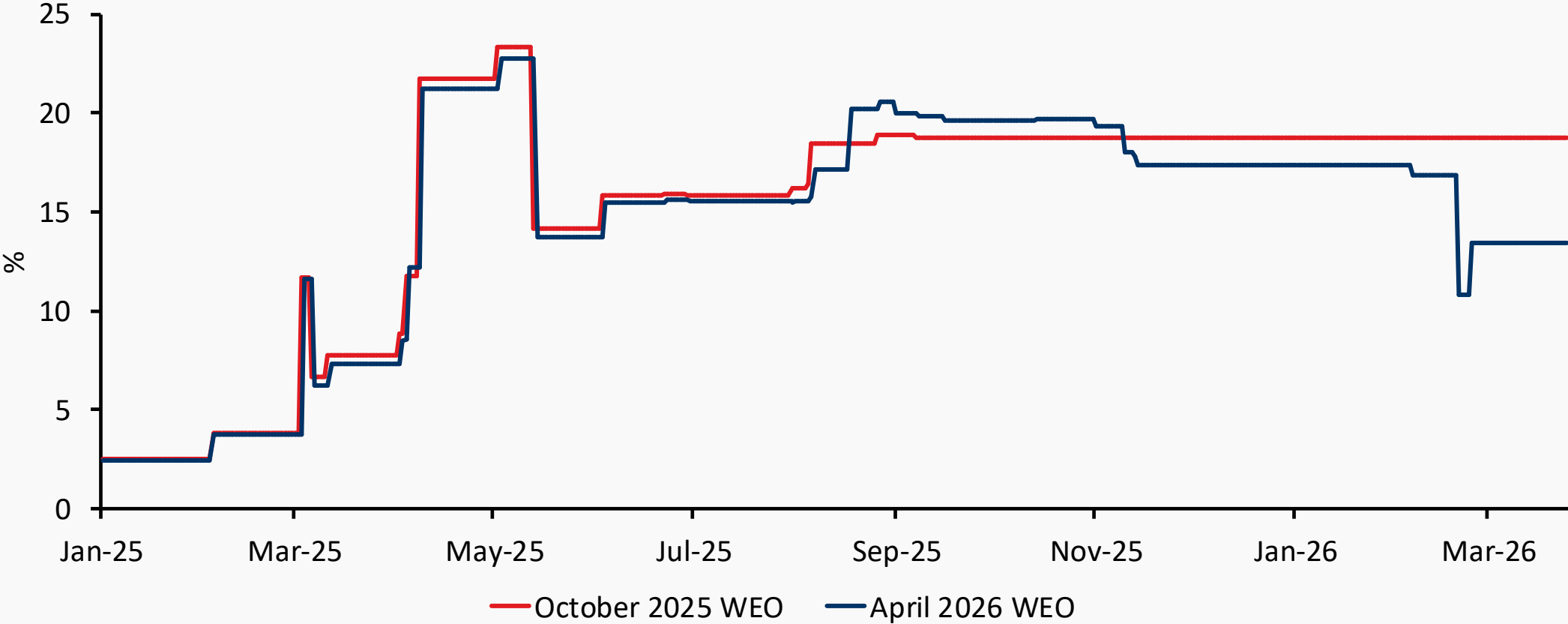
Rising economic pressures are weighing on approval ratings



Lower **trade tariff**, for now

Court rulings and executive actions reduce the effective tariff rate but uncertainty lingers

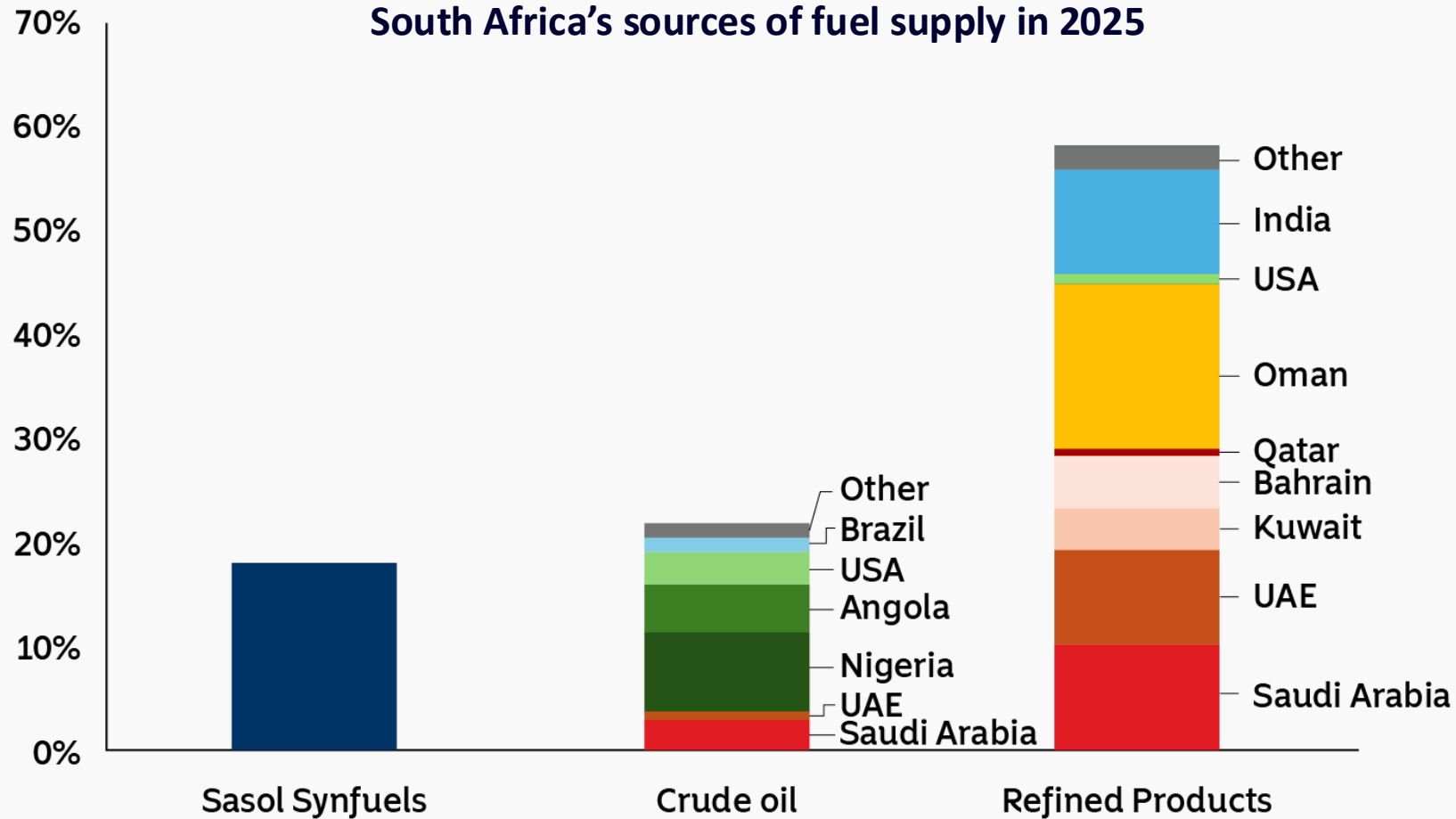
US effective statutory tariff rate



Source: IMF, Momentum Group

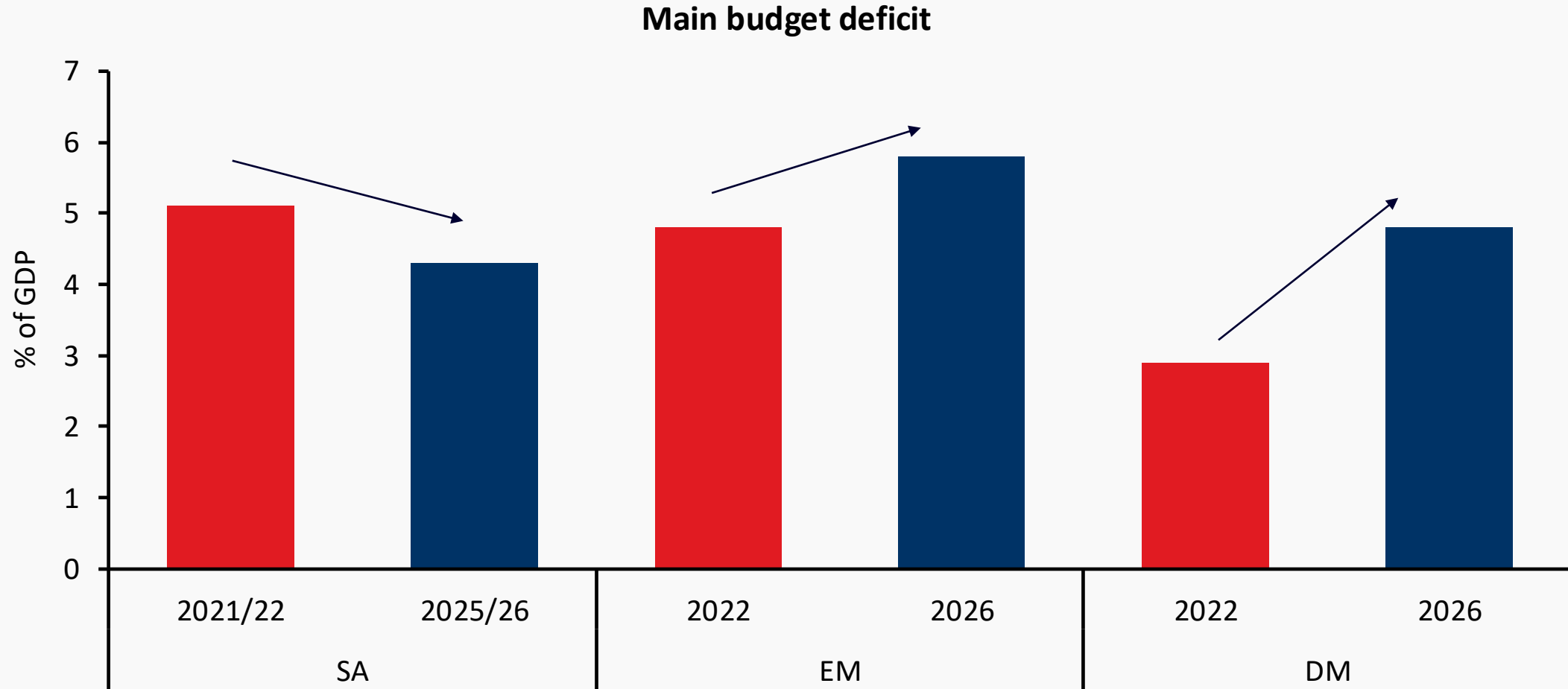
Fuel carries war spillovers to SA

Limited local refining capacity increases reliance on external supply chains



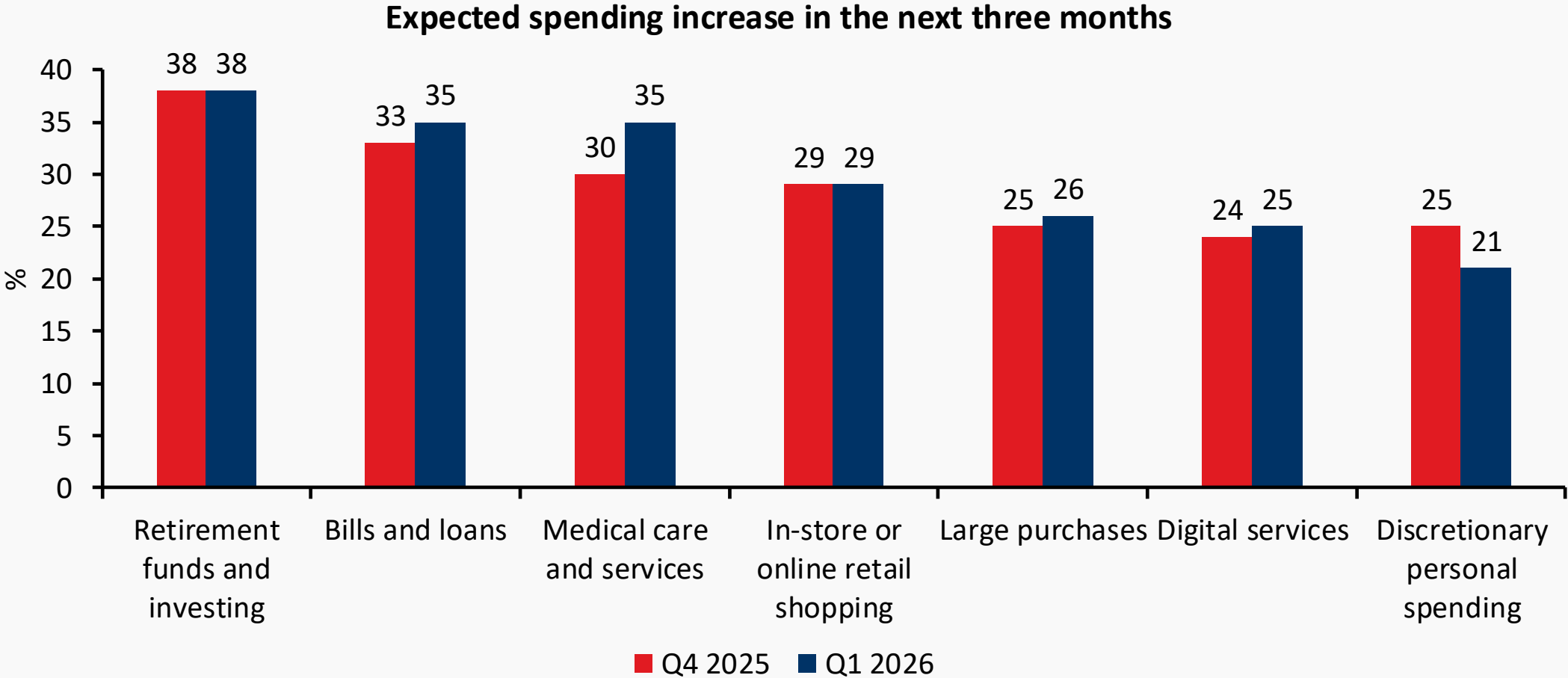
SA enters the crisis on a **stronger fiscal footing**

A healthier fiscal position offers SA a buffer against external pressures



Consumers **prioritise essentials** over discretionary

Spending intentions remain firm for necessities, but discretionary demand weakens



Source: TransUnion, Momentum Group
Survey conducted between 6 February and 4 March 2026

Thank you

