strategy&
Part of the PwC network

South Africa Economic Outlook

Prospects for key developed and emerging markets in 2025

The outlook for South Africa's largest trade and investment partners

27 November 2024

pwc

Ten key messages from this report

South Africa Economic Outlook November 2024

1

SA's economic fortunes are closely linked with global trends. While domestic challenges directly impact the country's economic outlook, the economic and geopolitical health of its trade and investment partners are also significant. SA is a trade-dependent economy: the value of its goods and services trade was equal to 66% of GDP in 2023 versus a global average of 63%.

2

Pent-up investment demand in the US could be unleashed once there is more certainty about US politics and interest rates. PwC US's Pulse Survey October 2024 found that half of the US executives expect to make more foreign investments under the new Trump administration. This is good news for SA considering that the US is its fourth-largest source of inward FDI.

3

President-elect Donald Trump has suggested imposing a 10%-20% universal tariff on US imports. Metals and ores sourced from SA and used as manufacturing inputs in the US are among the key risk categories for increased tariffs as the Trump administration seeks to create a more competitive pricing environment for US-based suppliers of these commodities.

4

Developed economies have a modest economic growth outlook for 2025. In the Eurozone, real GDP growth is forecast at 1.2% next year. Germany, for example, faces difficulties from low consumer confidence and decreased export demand from China. The UK is dealing with persistent inflation, high interest rates, and continued post-Brexit adjustments.

5

SA's largest developed-market trading partners and sources of foreign investment (e.g. US, UK and Germany) are entering 2025 with mixed fortunes. This is not great news for SA companies that are dependent on exports to, and inward investment from, these markets. This requires local enterprises to put their best foot forward to attract foreign investment interest.

6

Emerging markets will grow at a notably faster pace in 2025 compared to developed economies. India, for example, will be among the fastest-growing economies in the world on the back of strong domestic demand and investment in key sectors. China will see slightly slower GDP growth (4.5%) next year compared to 2024 (4.8%) due to ongoing structural reforms.

7

SA's largest emerging market trading partners will again see high levels of GDP growth in 2025 compared to domestic trends. China and India (with a combined population of 2.9 billion) have a ferocious appetite for commodities used in their factories. These countries are the largest prizes for companies in other emerging markets seeking to expand their Asian footprint.

8

International trade has historically been with close neighbours, but globalisation since the 1980s reduced the importance of distance. In a turnaround from this trend, PwC's Megatrends research has highlighted a shift towards 'slowbalisation' over the past decade, where countries focus on national resilience by nearshoring and onshoring production.

9

The trade-weighted average distance between SA and its top-20 trading partners declined to an 11-year low of 6,874km in 2023. Mozambique jumped to the position of fourth-largest trading partner (from 12th in 2022) as SA exported 66% more chromium ore to its neighbour (for shipping to Asia) and imported 17% more electricity from it.

10

PwC's Global Economics Network (GEN) is keeping a close eye on economic developments across the world, with major teams in North America, Europe, Africa and the Middle East. Specific services include macro-economic research, market entry analysis, country and industry risk assessments, scenario planning, as well as industry and macro modelling.

About this document

South Africa's economic fortunes are closely linked with global trends. While domestic challenges (e.g., load-shedding, interest rates and extreme weather events, to name but a few) directly impact the country's outlook, the economic and geopolitical health of its trade and investment partners is also an important economic driver.

This edition of PwC's South Africa Economic Outlook looks at the prospects for key developed economies and emerging markets in 2025. While global economic growth is forecast by PwC's Global Economy Watch Projections October 2024 to decline from 2.8% in 2024 to 2.6% in 2025, the fate of the world's largest and most influential economies—and their impact on South Africa—varies.

In this report, we consider the outlook for the world's largest economy—the US, under a new presidency—and other developed countries like Germany, the UK and France. In addition, due to strong political and trade links between emerging markets, we review the economic prospects for India, China and others. Finally, we look at the trend of slowbalisation (reverse globalisation) which is resulting in trade and production moving closer to home.

Key contents of this report include:

- Trump presidency: US executives expect to make more foreign investments—this could benefit South Africa (page 5).
- G7 outlook: Developed-market trading partners and sources of FDI are entering 2025 with mixed fortunes (page 6).
- E7 prospects: Emerging markets will see high levels of GDP growth in 2025 versus domestic trends (page 7).
- Reverse globalisation: Nearshoring increases as international trade moves closer to home (page 9).
- How PwC's Global Economics Network (GEN) helps clients understand regional and country-level economic developments (page 10).

Macroeconomic forecasts (27 November 2024)

Baseline scenario	2023	2024F	2025F	2026F
ZAR/USD	18.45	18.29	18.79	19.29
Consumer price inflation (%)	6.0	4.7	4.6	4.5
Repo rate (end-of-period)	8.25	7.75	7.25	7.00
Real GDP growth (%)	0.6	0.8	1.3	1.4
Unemployment rate (%)	32.1	32.6	32.8	32.9
Probability weighted average	**2023**	**2024F**	**2025F**	**2026F**
ZAR/USD	18.45	18.29	18.78	19.27
Consumer price inflation (%)	6.0	4.7	4.5	4.4
Repo rate (end-of-period)	8.25	7.75	7.23	7.03
Real GDP growth (%)	0.6	0.9	1.3	1.4
Unemployment rate (%)	32.1	32.5	32.7	32.9

Please sign up **here** to receive future editions of this report by email.

South Africa's economic fortunes are intertwined with the rest of the world. While domestic factors have a direct impact on the country's economic outlook, so too does the economic health of its trade and investment partners. The economic and geopolitical developments in the world's largest economies, including the US, China, UK, Eurozone and India, have a direct impact on the decision-making by business executives in these countries. This, in turn, impacts their decisions around trade with, and investment in, South Africa.

Lullu Krugel, PwC South Africa Chief Economist

Trump presidency: US executives expect to make more foreign investments—this could benefit South Africa

South Africa Economic Outlook November 2024

Summary: PwC US's Pulse Survey October 2024 found that 74% of US executives agreed that the outcome of the country's November 2024 election could significantly change how they do business. For example, half of them expect to make more foreign investments under the new Trump administration. This is good news for SA considering that the US is its fourth-largest inward investment partner after the UK, Netherlands and Belgium.

US business leaders expect a notable impact on key operational choices and strategies

This year has seen more than 50 countries, representing over half of the world's population, exercise their right to vote. Many incumbents at the presidential or prime ministerial level struggled in the polls during 2024. Their track record over the recent past (including the adverse effects of COVID-19 and other major global disruptions) left voters asking for change. In the US, the election of Donald Trump to a second term—and his party's securing a majority in both the Senate and House of Representatives—was among the biggest news stories this month due to the potential impact that this could have on global economics and geopolitics. The US is the world's largest economy, the globe's biggest geopolitical force, and South Africa's second-largest trading partner after China.

Ahead of the election, PwC US's Countdown to change research commented that if Republicans were to control both the Senate and the House, President Trump would be able to implement some of the most ambitious parts of his policy agenda. This could include corporate tax rate cuts and a wave of new trade tariffs. PwC US's Pulse Survey October 2024 captured the opinions of US business leaders on the impact of these and other expected developments on their operations and the economy more broadly heading into 2025. Here, we look at some other pertinent survey findings relevant to South Africa.

Survey results	Key messages	Impact on South Africa
Six out of ten (61%) US business leaders believe that the US economy will experience a recession in the next six months, up from 49% in our June 2024 survey.	The unfavourable outlook of a possible economic recession is not necessarily linked to expectations of key trends in 2025 under either presidential candidate. When it comes to policy risks, executives cite US economic policy as the biggest risk under either candidate. Rather, recession fears are attributed to various factors, including geopolitical tensions, concerns about a slowing labour market, a distracted electorate, consumers still squeezed by higher costs and, of course, the election process and outcome.	While fears of an economic dip in the US economy are supported by a list of real risks, we do not foresee an economic recession next year. PwC projects the US economy to grow by 1.8% in 2025 which—in acknowledgement of the economic headwinds listed here—will be slower versus a forecast of 2.5% for 2024. For South Africa, positive growth in the world's largest economy provides a measure of stability. When the US economy does not perform well, the US dollar strengthens, and emerging markets' currencies trade weaker. This, in turn, results in inflationary effects on the cost of imports, with these price effects passed on to consumers.
Three-quarters (75%) of US executives agree that the proposed universal tariff on imports would significantly hinder their company's growth.	President-elect Trump has proposed a series of tariffs aimed at reshaping trade relations and promoting US-based manufacturing, including a 10%-20% tariff on all imports. Unsurprisingly, three out of four (75%) business leaders in the industrial products (IP) space said the outcome of the election will either somewhat or significantly change their company's trade decisions. This is due to IP companies being heavily reliant on raw materials from overseas. Trade policy—including tariffs, trade agreements and sanctions—often affect the cost and availability of these materials.	South Africa's largest exports to the US are platinum group metals (R50 billion in 2023), vehicles (R20 billion), unwrought aluminium (R8 billion), ferro alloys (R5 billion) and titanium ores and concentrates (R2 billion). Metals and ores—used as manufacturing inputs in the US—are amongst the key risk categories for increased import tariffs as the Trump administration seeks to create a more competitive pricing environment for US-based suppliers of these commodities. While it would benefit US-based suppliers, higher import tariffs would make South Africa-sourced inputs less competitive and likely in less demand.
Three out of four (74%) survey respondents agreed or strongly agreed that the outcome of the election (irrespective of who won) could significantly change how they do business.	The presidential election is playing a key role in how executives are preparing for the future. When asked to what extent the outcome of the 2024 elections would impact their business decisions, US executives were quite clear that it would be a big factor heading into 2025. Many US business leaders are expecting a notable impact on key operational choices and strategies, including decisions on trade (74% of respondents highlighted this), strategic business partnerships (71%), acquisitions or divestitures (71%), outsourcing (68%) and nearshoring or onshoring of production (67%).	Our survey results do not specifically signal whether US companies will be more or less likely to be interested in e.g., securing new strategic business partnerships or outsourcing agreements. The data does, however, make it clear that US business leaders are likely to reevaluate their approach towards international cooperation with, for example, companies based in South Africa. An adverse response could see US companies reduce their trade, partnerships and outsourcing activities with foreign companies in favour of nearshoring or onshoring. (See page 9 for more on global trends in nearshoring, onshoring and friend-shoring.) In turn, a positive response could see increased dealings between US and South African companies.
Half (50%) of our US survey respondents expect to make more foreign investments under the Trump administration.	Executives said they would continue to invest at current levels or increase their investments in many areas regardless of the election outcomes. Some 50% of our survey respondents indicated that their company would increase foreign investments under a Trump presidency while 9% indicated they would decrease offshore investment—a net reading of 41%.	Brian Levy, PwC US Partner and Global Deals Industries Leader, noted in PwC's Global M&A Industry Trends 2024 Mid-Year Outlook that once uncertainties around the US interest rate trajectory and the results of the November elections were resolved, pent-up demand in the US for M&A "will be unleashed". Any signals that US enterprises are planning to expand offshore investment is good news for South Africa and its companies: the US has the fourth-largest inward FDI stock in South Africa after the UK, Netherlands and Belgium.

G7 outlook: Developed-market trading partners and sources of FDI are entering 2025 with mixed fortunes

South Africa Economic Outlook November 2024

Summary: SA's largest developed-market trading partners and sources of foreign investment (US, UK and Germany) are entering 2025 with mixed fortunes. This is not great news for SA companies that are dependent on exports to, and inward investment from, these markets. This requires local enterprises to shine their shoes and put their best foot forward to attract foreign investment interest.

The adverse effects of consumer inflation remains a key challenge in developed economies

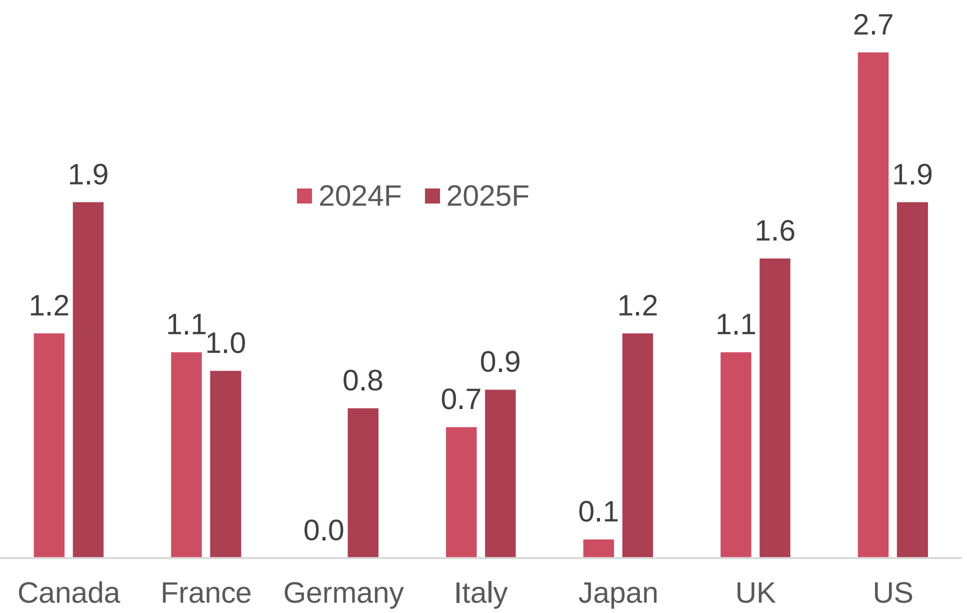
The economic outlook for the Group of Seven (G7) developed economies* in 2025 shows modest growth across key territories, influenced by a mix of supportive and restrictive factors.

In the **Eurozone** (South Africa's largest trading partner bloc after China), real GDP growth is expected to gradually increase from 0.8% in 2024 to 1.2% in 2025. Persistent inflation, particularly in the services sector, and weak consumer demand will remain key challenges next year. High energy costs (largely due to the Russia-Ukraine conflict) continue to place strain on businesses and households. Fiscal support to households has mitigated some inflationary effects, but subsequent high public debt levels will restrict additional government stimulus in 2025. While the European Central Bank (ECB) raised interest rates in 2022-2023 to control inflation (similar to the SARB), this dampened investment in 2024, likely moving into next year as well.

The **UK** economy (the world's sixth-largest and South Africa's largest source of inward FDI) is expected to grow by 1.6% in 2025 from a projected 1.1% this year, supported by trade deals with non-EU countries (like Indonesia and India) as well as increased investment in renewable energy. A stronger labour market with low unemployment is expected to support consumer spending in the coming quarters. However, persistent inflation, high interest rates and continued post-Brexit adjustments weigh on the outlook for 2025. Rising costs in services and energy, alongside supply chain issues and geopolitical tensions, will pressure consumer purchasing power next year. Like South Africa, the UK's dependence on energy imports has created price volatility, leading the government to increase investment in renewable energy. Political uncertainties around trade and immigration add further complications to the economic recovery heading into 2025.

G7 = Canada, France, Germany, Italy, Japan, the UK and US

Figure 1: G7 real GDP growth (%) forecasts



Source: PwC's Global Economy Watch Projections October 2024

Germany's economy (the world's third-largest) is expected to be stagnant this year and grow by only 0.8% in 2025. The country currently faces difficulties from low consumer confidence and decreased export demand from China; a challenge for South Africa as well. It is also experiencing high energy costs due to reduced reliance on Russian gas which, in turn, is impacting manufacturing—especially in the automotive and machinery sectors. However, the resilient service sector will support employment and domestic demand in 2025. Additionally, easing inflation and interest rate cuts may improve credit access for both households and businesses and boost consumer spending, offering support for Germany's economic outlook in 2025.

GDP growth in **France** (the world's seventh-largest economy) is expected to decelerate from 1.1% in 2024 to 1.0% in 2025. The government is providing financial support to low-income households to combat elevated consumer price inflation, which helps to maintain consumer spending.. However, like South Africa, the manufacturing sector—a key employer—faces challenges from global supply chain disruptions and frequent labour strikes that reduce productivity. Fiscal policies aimed at curbing inflation offer some relief, but ongoing adjustments in industries still adapting to post-pandemic demand limit the country's overall growth potential.

Shine your shoes: South African companies putting the best foot forward to attract foreign investment interest

South Africa's largest developed-market trading partners (the US, UK, Germany and Japan) and sources of FDI (US, UK and Germany) are entering 2025 with mixed fortunes. While several countries are expected to see better economic growth versus 2024, this will still be below long-term averages. This is certainly not great news for South African companies that are dependent on exports to, and inward investment from, these markets. From an investment perspective, this requires companies to shine their shoes and put their best foot forward to attract or stimulate foreign investment interest that could be less forthcoming than before. As noted in the April 2024 edition of this report, potential investors want South African companies to show 1) a track record of commercial sustainability across the systemic crises the country has experienced (e.g., load-shedding, transport issues, etc.); 2) that they are well positioned to maintain their performance into the future; and 3) they have capabilities that can be exported to other territories.

E7 prospects: Emerging markets will see high levels of GDP growth in 2025 versus domestic trends

South Africa Economic Outlook November 2024

Summary: SA's largest emerging market trading partners will continue to see high levels of economic growth in 2025 compared to domestic trends. China and India (with a combined population of 2.9 billion) have a ferocious appetite for commodities used in their manufacturing industries, including minerals and agri products. These countries are the largest prizes for companies in other emerging markets seeking to expand their Asian footprint.

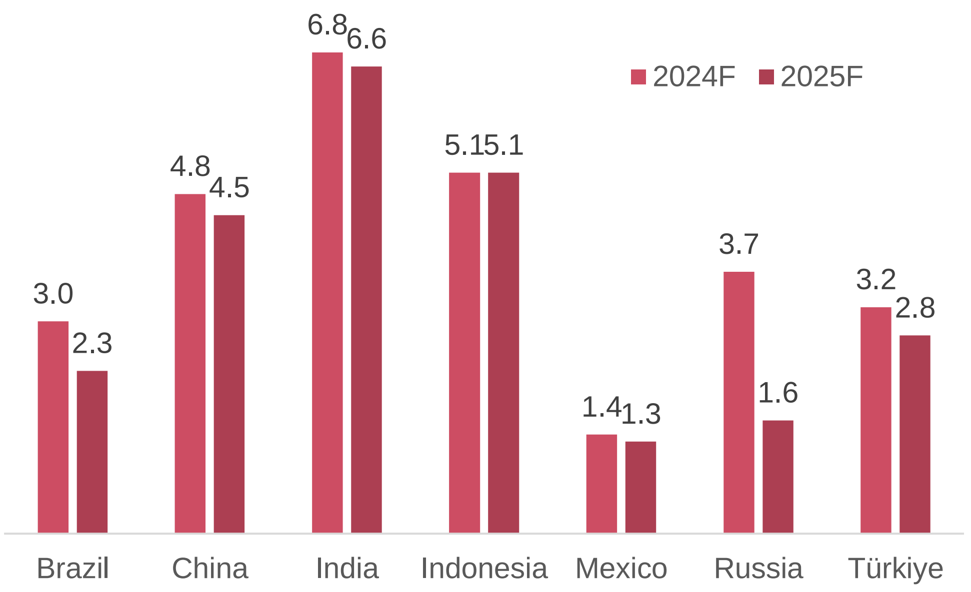
BRICS member India will in 2025 gain be one of the world's fastest-growing economies

The Emerging Seven (E7) economies* will grow at a notably faster pace (4.2%) in 2025 compared to developed economies (1.6%). This group includes the original BRIC grouping which accounts for a third of global GDP.

India (the world's fifth-largest economy) remains one of the globe's fastest-growing economies, with projected growth of 6.8% in 2024 and 6.6% in 2025. This growth is driven by strong domestic demand and investment in key sectors. The economic growth outlook remains positive for next year, due to current robust consumption, resilient investment and stable government spending set to flow into 2025. Fixed investment is anticipated to remain moderate, however, with tight financial conditions weighing on investment decisions. Public spending on infrastructure is anticipated to increase in 2025 and attract private investment: the "Make in India" and supply chain diversification initiatives will likely attract more foreign investment next year, particularly as companies seek alternatives to Chinese goods.

China (the world's second-largest economy and South Africa's largest trading partner) is expected to see slower economic growth next year, declining from 4.8% in 2024 to 4.5% in 2025. This is due to ongoing structural reforms, weak consumer spending and overcapacity challenges in the property market. Structural reforms aim to reduce debt reliance and stabilise the real estate market. However, these adjustments are expected to negatively affect short-term economic growth. While high-tech manufacturing continues to perform well, consumer spending and industrial output are weakening heading into 2025. China's shift toward technology and domestic consumption supports long-term stability, but export-driven growth is threatened by global trade tensions, especially with Western nations.

Figure 2: E7 real GDP growth (%) forecasts



Source: PwC's Global Economy Watch Projections October 2024

Economic growth in **Brazil** (the world's tenth-largest economy) is expected to decline from 3.0% in 2024 to 2.3% in 2025 largely due to elevated interest rates and subdued domestic demand. The growth outlook for next year is underpinned by expectations of improvements in commodity (specifically agricultural) exports on the back of strong demand from Asia. Similar to South Africa, recent fiscal discipline and structural reforms have also boosted investor confidence, yet the economy's reliance on commodities exposes it to price volatility. Brazil's stability is also influenced by local inflation, domestic political uncertainties, and trade relations with the US and China. Shifts in these relationships—for example, under a new administration in Washington—could significantly impact Brazil's exports, affecting investor confidence and the broader economy.

The real GDP of **Russia** (the world's 11th-largest economy) is projected to grow by 3.7% in 2024 but slow to 1.6% in 2025, as sanctions and geopolitical tensions continue to restrict its economic prospects. The economy, which is very reliant on energy exports, faces uncertainty due to limited access to international markets, western technology and capital. As a result, Russia will in 2025 be increasingly dependent on trade with China and other non-Western economies, which could constrain diversification efforts. Persistent inflation, driven by restricted imports and currency volatility, will further challenge Russia's economic stability next year.

2.9 billion people: Opportunities for South African businesses in fast-growing Asian economies

South Africa's largest emerging market trading partners (China and India) will continue to see high levels of economic growth in 2025 compared to domestic trends. Even though real GDP growth forecasts point to slower momentum next year, 6.6% (India) and 4.5% (China) growth rates signal a continued strong demand for goods and services produced in South Africa for export to these Asian giants. For South African companies, the opportunities are tied into the hunger for commodities to feed, clothe, transport, etc. a combined 2.9 billion people in the two countries. Both economies also have a ferocious appetite for commodities used in their massive manufacturing industries, including minerals, metals and agricultural products. Under the banner of an expanded BRICS grouping, China and India remain the largest prizes for companies in other emerging markets seeking to expand their footprint. While entering these markets could be challenging due to differences in regulation, culture and the treatment of intellectual property rights, a positive political relationship under the BRICS organisation is a supportive factor.

*E7 = Brazil, China, India, Indonesia, Mexico, Russia and Türkiye

India has a diverse and rapidly expanding economic relationship with South Africa. As the Asian country progressed from a developing nation to an economic powerhouse, the market provides abundant and unexplored opportunities for South African business. India's economy is growing at a fast pace and its membership along with South Africa of the BRICS grouping underscores the vast potential that these two regional powerhouses share to cooperate in commerce and investment.

***Raj Dhanlall**, PwC South Africa Partner and Public Sector Assurance Services Leader*

Reverse globalisation: Nearshoring increases as international trade moves closer to home

South Africa Economic Outlook November 2024

Summary: The average distance between major economies and their trading partners have declined in recent years. Slowbalisation is resulting in countries focussing on nearshoring, onshoring and friend-shoring to build national resilience. Alongside this trend, SA's trade-weighted average distance with its top-20 trading partners declined to an 11-year low in 2023 as Mozambique (provider of electricity and port services) moved up to the position of fourth-largest trading partner.

Slowbalisation trend sees trade realignment as distance plays a bigger role once again

Historically, international trade has been with close neighbours. The gravity theory of international trade suggests that the volume of trade between two countries is proportional to the size of their economies and the physical distance between them. However, in recent decades, the importance of distance in the gravity equation has started to diminish due to global trends. The combination of reduced transport costs, liberalised markets, rising services trade, improved communications technology, and more predictable and common markets in the global trading arena, all made long-distance trade easier from the 1980s.

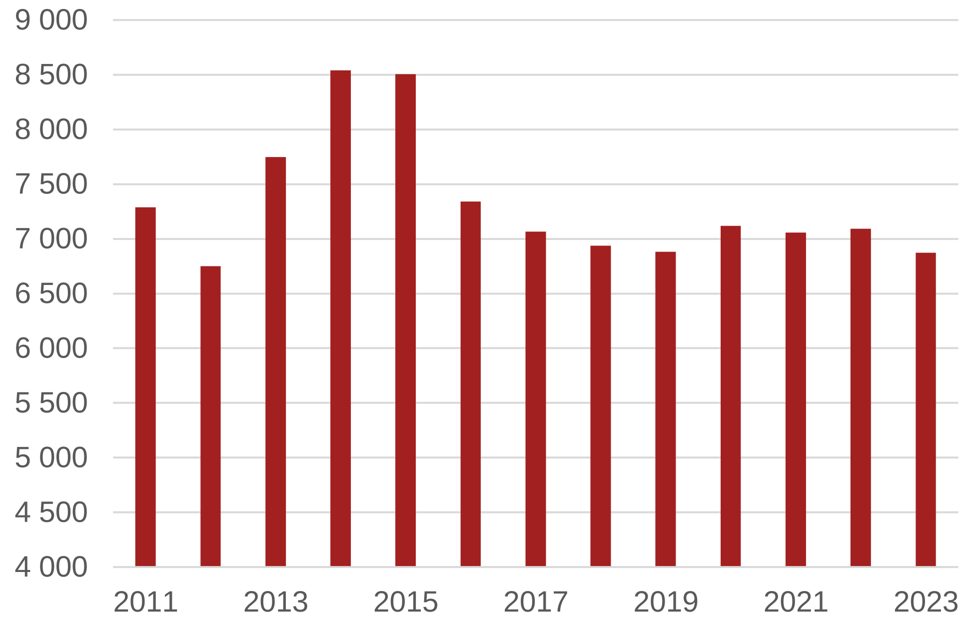
However, PwC's Megatrends have warned for several years now that countries are increasingly turning their focus inwards and prioritising their national resilience. Global trade essentially entered a new phase of globalisation in the late-2010s that we call 'slowbalisation'. At a high level, slowbalisation is a combination of onshoring or nearshoring certain sectors of the economy (e.g., sectors deemed strategic or sensitive) and friend-shoring some other sectors by gradually aligning supply chains to countries sharing similar economic, political and institutional systems. Our research suggests that, to aid this transition, there will be more state activism supporting specific segments of the economy, e.g., via direct and indirect subsidies, relaxing of state-aid rules, etc. In terms of global clout, South Africa is a small and open economy exposed to global geopolitical forces beyond its control. This kind of trade realignment could be impactful on its economic activity. South Africa is a trade-dependent economy; the value of its goods and services trade were equivalent to 66% of GDP in 2023 compared to a global average of 63% and a mean of 46% among upper middle-income economies.

PwC's Global Economy Watch August 2024 shows that distance is indeed starting to play a bigger role in trade once again. For example, the average distance between the US and its major import partners was 3% lower in 2023. This is the largest annual decline in over 20 years and brings this measure of interconnectedness to its lowest level since 2014. The picture is similar for the UK, where the average trade-weighted distance was down 8%, again the largest decline for two decades. This trend is consistent amongst major EU economies, with France and Italy seeing declines of 5% and 4%, respectively. The reason behind this: the world's largest economies have significantly reduced their trade exposure to Russia since the outbreak of conflict in Ukraine. The US and the UK have also reduced their trade with China, with goods imports falling in real terms since 2019 by 19% and 3%, respectively. Similarly, France, Germany and Italy all increased their proportion of imports from within Europe in 2023 by 11%, 8% and 7%, respectively.

South Africa's weighted average distance to top-20 trading partners declined to an 11-year low in 2023

To understand the trend in South Africa's distance-of-trade dynamics, we used a dataset of trade-related and geographic information and asked an AI tool to calculate the trade-weighted average distance between South Africa and its top 20 trading partners over time. The trade-weighted mean increased for South Africa (and many other countries) in the 2000s as container ships surfed the globalisation wave. South Africa's average distance peaked at around 8,500 km in 2014-2015 on the back of a post-global financial crisis recovery in economic growth, including a boom in trade with China. Global shipping rates were also affordable: freight rates for dry-bulk and tanker markets declined to a 10-year low in 2013 due to supply overcapacity in the global shipping market. South Africa's average distance then declined from 2016 to 6,883km in 2019 as countries closer to home started playing a larger role in the country's top-20 trading partners.

Figure 3: Trade-weighted average distance (kilometres) between South Africa and its top 20 trading partners



Source: Calculations based on World Bank data

After slightly higher readings during the COVID-19 period, average trade distance declined from 7,093km in 2022 to 6,874km in 2023—the lowest since 2012. The smaller reading last year was due to neighbouring Mozambique jumping from 12th-largest trading partner in 2022 to fourth-largest in 2023. South Africa exported 66% more chromium ore to the country last year for shipping to Asian buyers via the Port of Maputo, and imported 17% more electricity from the Cahora Bassa Dam hydroelectric power plant to aid in reducing load-shedding. South Africa's increased dependency on Mozambique to supply port and energy services speaks to the trend of nearshoring, i.e., the outsourcing of services to a nearby country.

Economics services and contacts.

South Africa Economic Outlook November 2024

How we can help.

PwC's Global Economics Network (GEN) is keeping a close eye on economic developments across the world. With major teams situated in North America, Europe, Africa and the Middle East, our economists provide clients with regional and country-level economic insights like those discussed in this report. We deliver critical insights into economic trends to help clients anticipate economic shifts, linking these to real-world business impacts and policy decision-making. Specific activities include:

– **Macroeconomic and political research**: Analysing broad economic and political trends to understand their impact on markets and industries. This includes studying economic growth, inflation, fiscal policies and political stability, among other factors.
– **Market entry analysis**: This analysis helps businesses evaluate the potential of entering new markets. It includes assessing market size, competition, the regulatory environment and cultural factors to determine the feasibility and strategy for market entry.
– **Country and industry risk assessments**: These assessments identify and evaluate macro risks associated with investing or operating in specific economies or industries. They consider factors like political risk, economic stability, regulatory changes and industry-specific challenges.
– **Economic and political scenario planning**: Creating and analysing different future scenarios based on potential economic and political developments. It helps organisations prepare for various possible outcomes and develop strategic responses.
– **Industry and macroeconomic modelling**: Using quantitative methods to simulate and predict the behaviour of industries and economies. Models can forecast economic growth, industry trends and the impact of policy changes, helping businesses and policymakers make informed decisions.

Our services

The PwC South Africa Strategy& Economics team is a specialised unit of economists who serve our clients in a variety of ways. Our services include:

Measure your impact on the economy and society

– Economic Impact Assessment (EIA)
– Socio-Economic Impact Assessment (SEIA)
– Regulatory Impact Analysis (RIA)
– Environmental, Social and Governance (ESG)
– Total tax contribution
– Localisation calculations

Make decisions about risk and investment

– Macroeconomic research
– Market entry analysis
– Country and industry risk assessments
– Commercial due diligence assistance

Plan for future economic scenarios

– ESG scenario planning
– Economic and political scenario planning
– Industry and macroeconomic modelling
– IFRS 9 audit assist

Please visit our website to learn more: https://www.strategyand.pwc.com/a1/en/solutions/purpose-led-economics.html

Lullu Krugel
Partner and Chief Economist
lullu.krugel@pwc.com
+27 82 708 2330

Dirk Mostert
Director
dirk.mostert@pwc.com
+27 82 800 9326

Salome Ntsibande
Senior Manager
salome.ntsibande@pwc.com
+27 72 210 1013

Christie Viljoen
Senior Manager
christie.viljoen@pwc.com
+27 82 472 8621

Xhanti Payi
Senior Manager
xhanti.payi@pwc.com
+27 82 072 9461