



SAVINGS & INVESTMENT
MONITOR
2026

OMSIM 2026 Macroeconomic Backdrop



INSURE | BANK | INVEST



ONE BATTLE AFTER ANOTHER

AN (INCOMPLETE) LIST OF THE SHOCKS THAT HAVE HIT US

- Covid-19
- Post-Covid global supply-chain crisis & inflation surge
- KZN riots July 2021
- Russia-Ukraine war 2022
- Stage 6 SA loadshedding 2022 & 2023
- US tariff shock “Liberation Day” 2025
- US-Iran War 2026

These crises expose both the **fragility** and the **resilience** of the economy.





FUEL SHOCK UPENDS THE OUTLOOK





PRE-EXISTING CONDITIONS MATTER

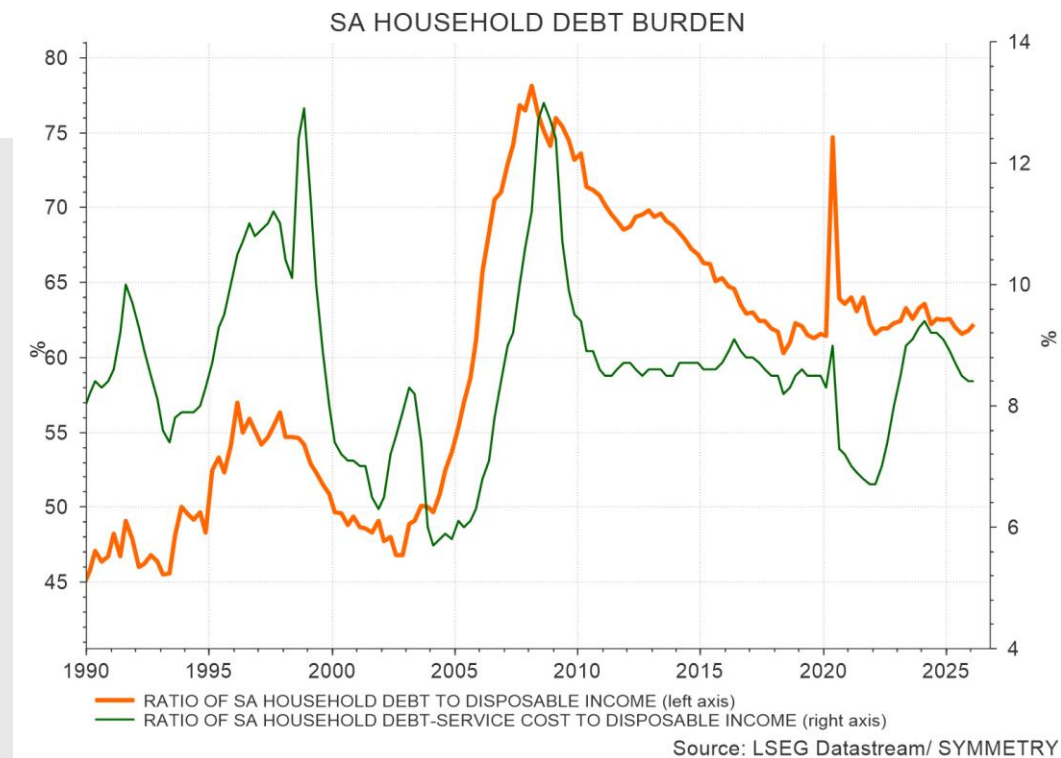
**SA is better placed
to manage this
particular shock**



- SA is a net fuel importer, but net energy exporter
- Consumer spending was relatively solid in Q1
- Elevated precious metals prices have supported the rand
- Better government finances (including credit ratings upgrades) meant there was room for temporary fuel levy cuts

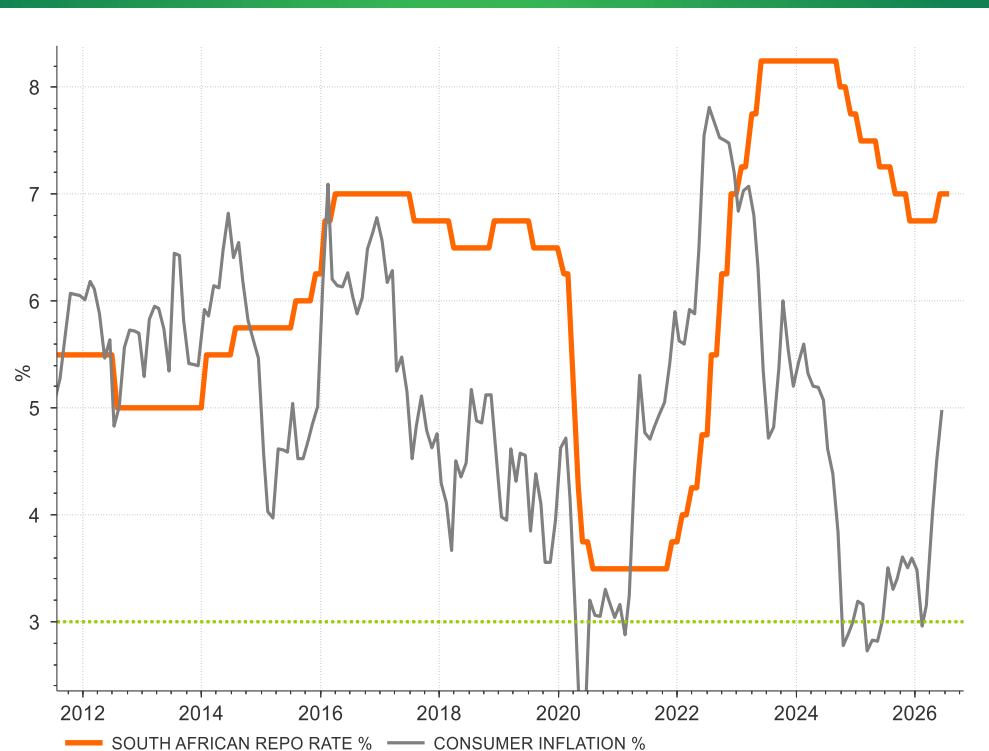


THE TOP-DOWN PERSPECTIVE OF HOUSEHOLD DEBT LEVELS IS COMFORTING





RATE HIKES TO BED DOWN THE 3% TARGET – **BUT NOTHING LIKE 2022**



Source: LSEG Datastream/ SYMMETRY

BENEFITS OF LOWER LONG-TERM INFLATION:



More stable
currency



Smaller loss of
competitiveness
against trading
partners



Less noise,
more signal

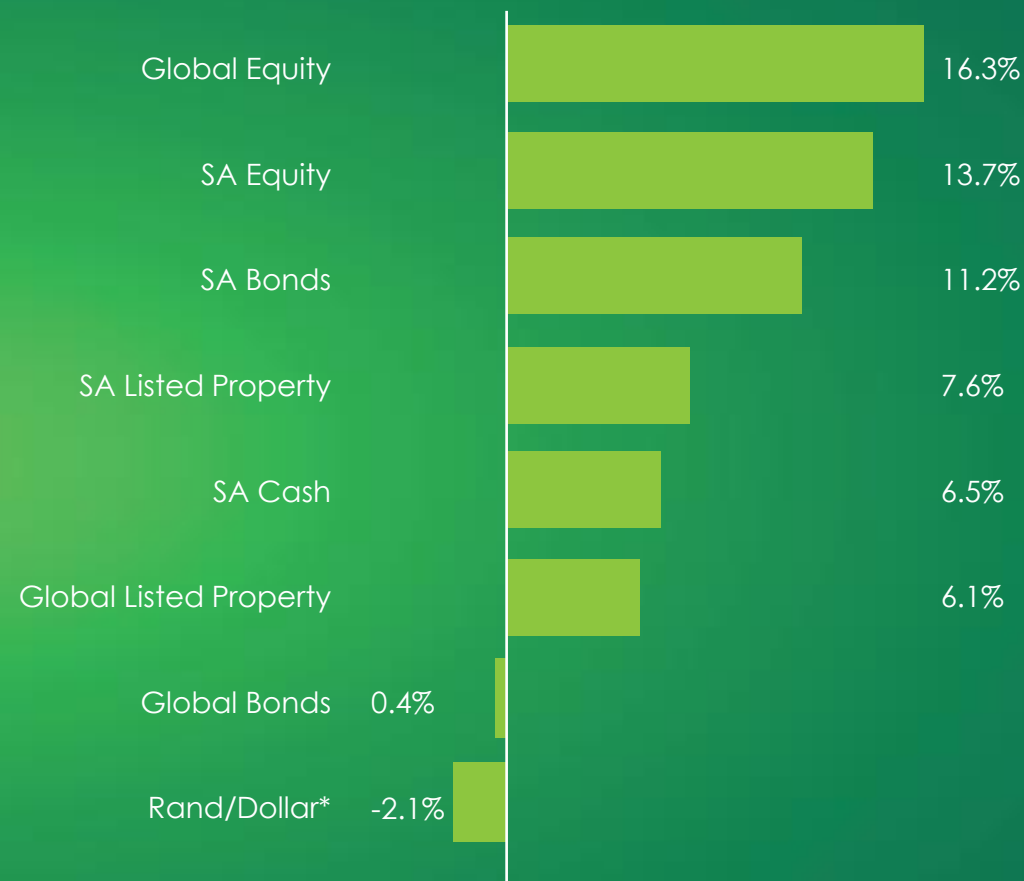


Lower
interest rates



INVESTMENT RETURNS HAVE WEATHERED THE STORM

**7-Year Annual Asset
Class Returns in rands**



* Negative number means weaker rand. All returns are annualised.

Source: LSEG Datastream. As of end June 2026.



IN SUMMARY

- The world – and SA - has been hit by one crisis after another, exposing both our fragility and resilience.
- Iran War introduces new uncertainty, but SA better placed to weather the storm.
- Many consumers are struggling, but the top-down view is encouraging.
- 3% inflation target is a case of some short-term pain for long-term gain.
- South Africa's longer-term economic outlook is driven by structural reforms to crowd in private investment in electricity, ports, rail, water etc.
- Patient & diversified investors have been rewarded despite six years of rolling crises - don't wait for the "dust to settle".

THANK YOU

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