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Department:
Statistics South Africa
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GDP decreased by 0,2% in the second quarter of 2026[1]

Gross domestic product (measured by production)

South Africa's gross domestic product (GDP) decreased by 0,2% in the second quarter of 2026, following an increase of 0,4% in the first quarter of 2026.

The trade, catering and accommodation industry decreased by 1,9%, contributing -0,2 of a percentage point. Decreased economic activities were reported for wholesale trade, motor trade and food and beverages.

The manufacturing industry decreased by 1,8%, contributing -0,2 of a percentage point. Seven of the ten manufacturing divisions reported negative growth rates. The largest negative contributions were reported for the food and beverages; furniture and 'other' manufacturing; and basic iron and steel, non-ferrous metal products, metal products and machinery divisions.

The mining and quarrying industry decreased by 3,0%, contributing -0,1 of a percentage point. The largest negative contributors were platinum group metals (PGMs), manganese ore, gold and iron ore.

The finance, real estate and business services industry increased by 0,3%, contributing 0,1 of a percentage point. The main contributors were financial intermediation, insurance and pension funding, and other business services.

The transport, storage and communication industry increased by 0,9%, contributing 0,1 of a percentage point. Increased economic activity was reported for land transport.

General government services increased by 1,0%, contributing 0,1 of a percentage point. This was mainly due to an increase in compensation of employees in extra-budgetary and higher education institutions, and provincial government.

The personal services industry increased by 0,6%, contributing 0,1 of a percentage point. Increased economic activities were reported for community services and other producers.

1 Unless otherwise specified, growth rates are quarter-on-quarter and seasonally adjusted. All growth rates are calculated on the basis of series at constant prices. The GDP estimates are preliminary and may be revised.

Expenditure on GDP[2]

Expenditure on real GDP decreased by 0,2% in the second quarter of 2026, following an increase of 0,4% in the first quarter of 2026.

Household final consumption expenditure (HFCE) increased by 0,4%, contributing 0,3 of a percentage point to the total negative growth. Positive growth rates were reported for services, durable goods and non-durable goods.

The main positive contributors to the increase in HFCE were expenditures on food and non-alcoholic beverages (1,2% and contributing 0,2 of a percentage point), ‘other’ (0,6% and contributing 0,1 of a percentage point), recreation and culture (0,8% and contributing 0,1 of a percentage point) and health (0,7% and contributing 0,1 of a percentage point).

The negative contributors were expenditures on housing, water, electricity, gas and other fuels; transport; communication; and clothing and footwear.

Final consumption expenditure by general government increased by 0,4%, contributing 0,1 of a percentage point to the total negative growth. This was mainly driven by an increase in compensation of employees.

Gross fixed capital formation decreased by 0,2%. The negative contributors to the decrease were construction works (-4,0% and contributing -0,7 of a percentage point), transport equipment (-3,4% and contributing -0,4 of a percentage point), other assets (-1,7% and contributing -0,2 of a percentage point) and transfer costs (-7,9% and contributing -0,2 of a percentage point).

There was a R8,8 billion buildup of inventories (seasonally adjusted and annualised value). Large increases in two industries, namely trade, catering and accommodation and manufacturing, contributed to the inventory buildup.

Net exports contributed negatively (-1,1 percentage points) to expenditure on GDP. Exports of goods and services increased by 0,9%, largely influenced by increased trade in pearls, precious and semi-precious stones and precious metals; chemical products; live animals and products; and paper and articles of paper.

Imports of goods and services increased by 4,9%, largely influenced by increased trade in machinery and electrical equipment; mineral products; chemical products; and artificial resins and plastics.

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2 The figures showing growth in expenditure on GDP exclude the residual, calculated as the difference between GDP measured by production and the sum of the expenditure components. For more detail see Table 31 on the Stats SA website.

Benchmarked and rebased National Accounts

In line with international best practice, Statistics South Africa, in collaboration with the South African Reserve Bank, is in the process of changing the base year for national accounts estimates to 2022 and incorporating periodic datasets. The rebased and benchmarked estimates are expected to be published in October 2026, with further details to be communicated closer to the publication date.

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