2026 ESWATINI ECONOMIC OUTLOOK

PROUDLY MADE ESWATINI

AfriSam
Creating Concrete Possibilities

Outlook for Eswatini

Client Presentation 2026

Dr Azar Jammine

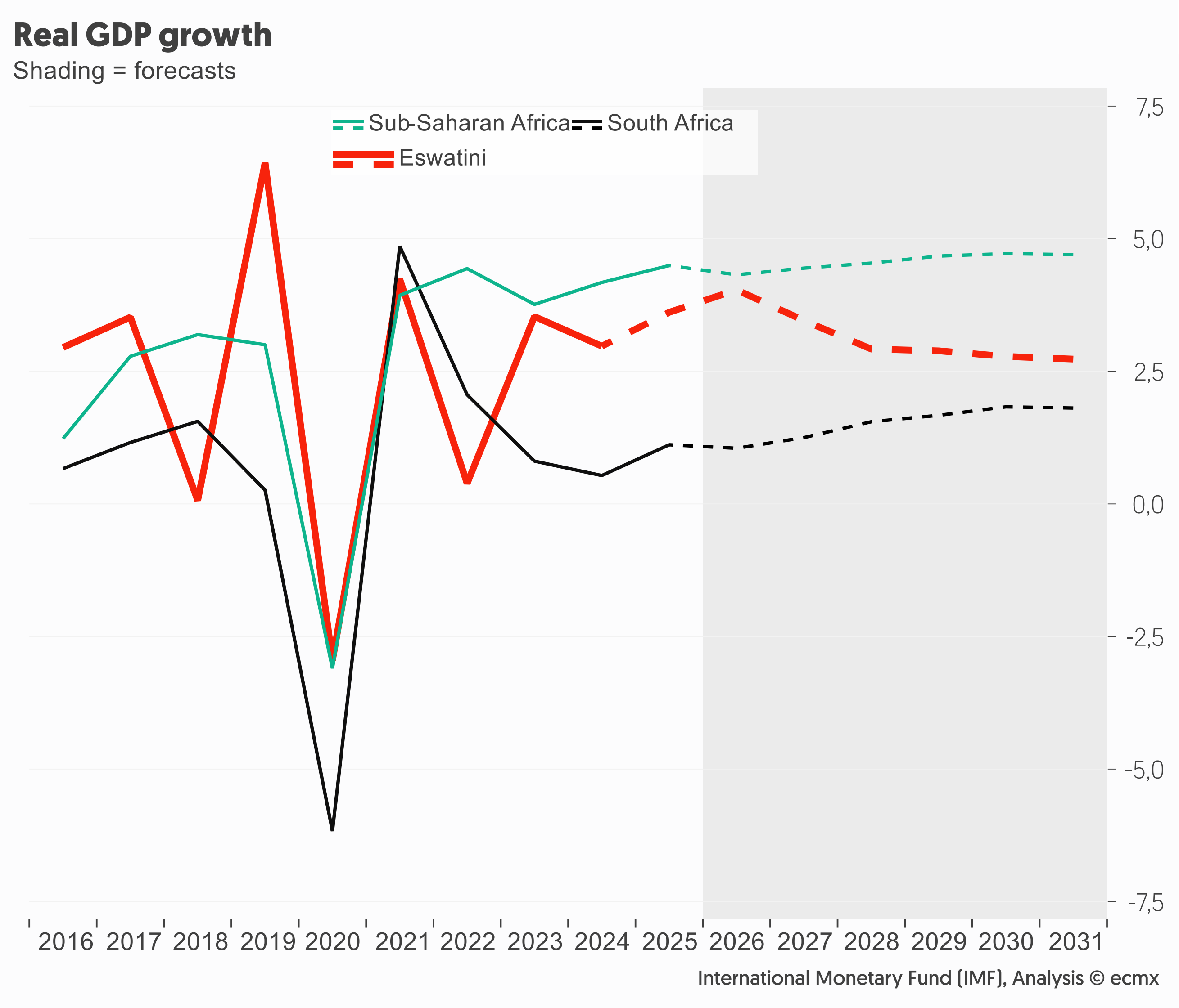
04 June 2026

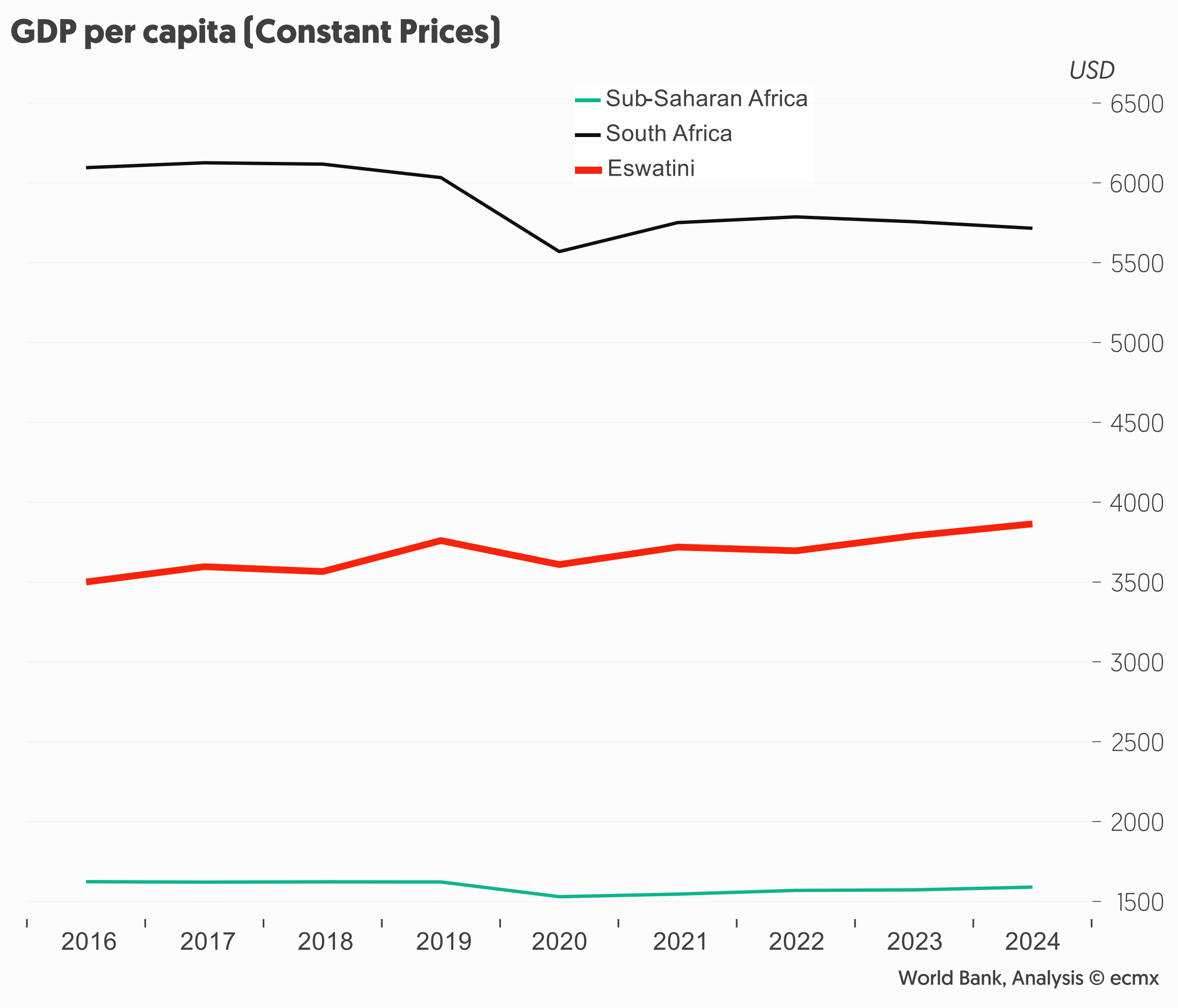
SACU: Share (%) of population GDP

	Population (2025)	Population %	GDP (2024 E’bn)	GDP %
South Africa	63 100 945	87,6%	7 352 449	91,0%
Botswana	2 550 268	3,5%	355 783	4,4%
Namibia	3 022 401	4,2%	245 097	3,0%
Eswatini	1 217 041	1,7%	82 397	1,0%
Lesotho	2 128 837	3,0%	43 827	0,5%
SACU Total	72 019 492		8 079 553	

Source: SACU, 2025

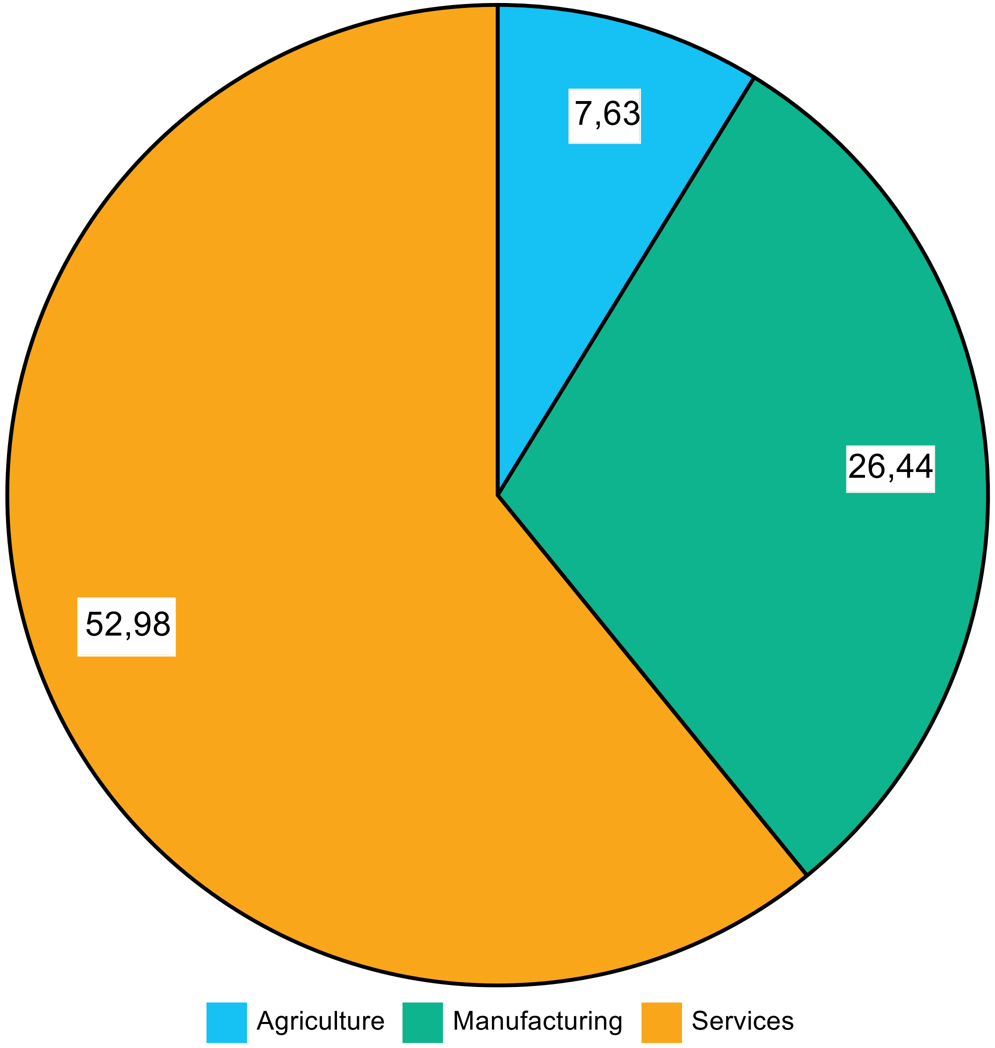
Economic growth outlook





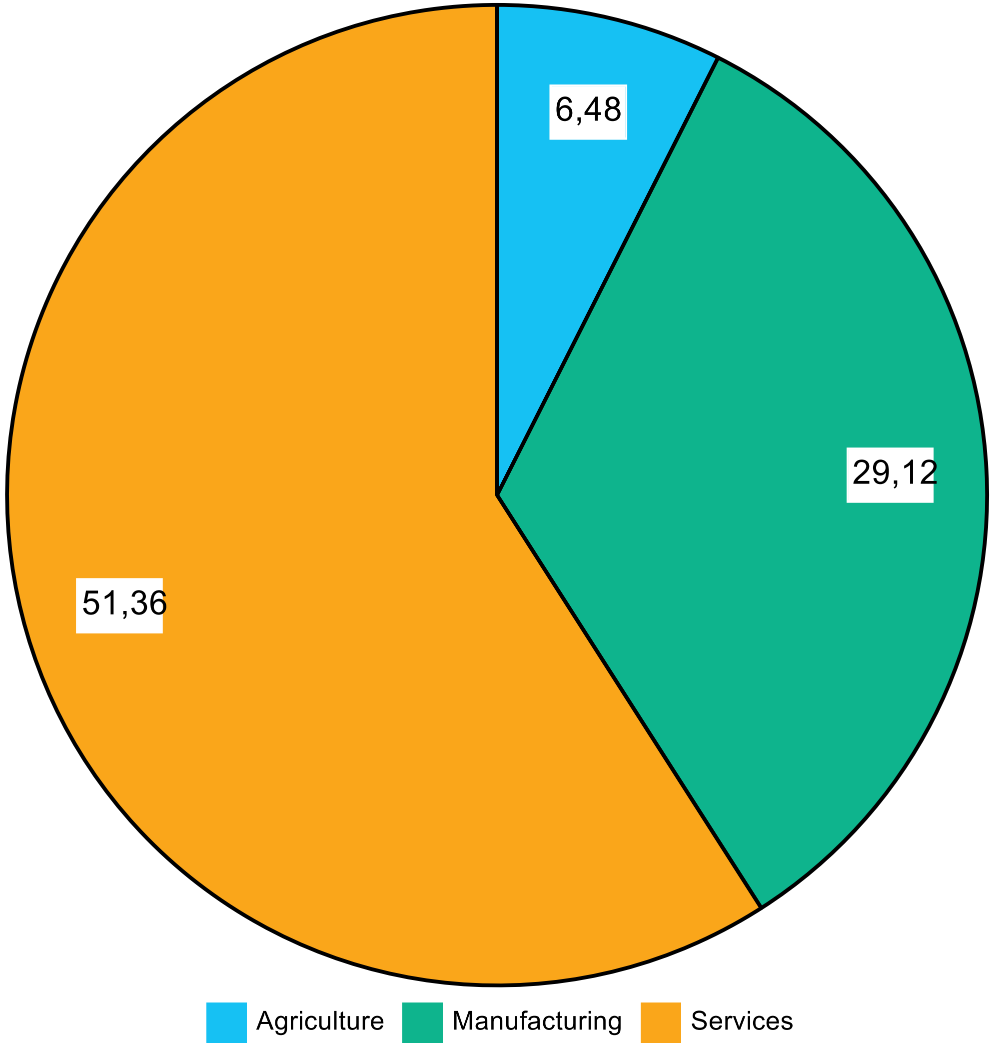
Economy of Eswatini

Percentage of GDP [Value at 2020]



World Bank, ecmx

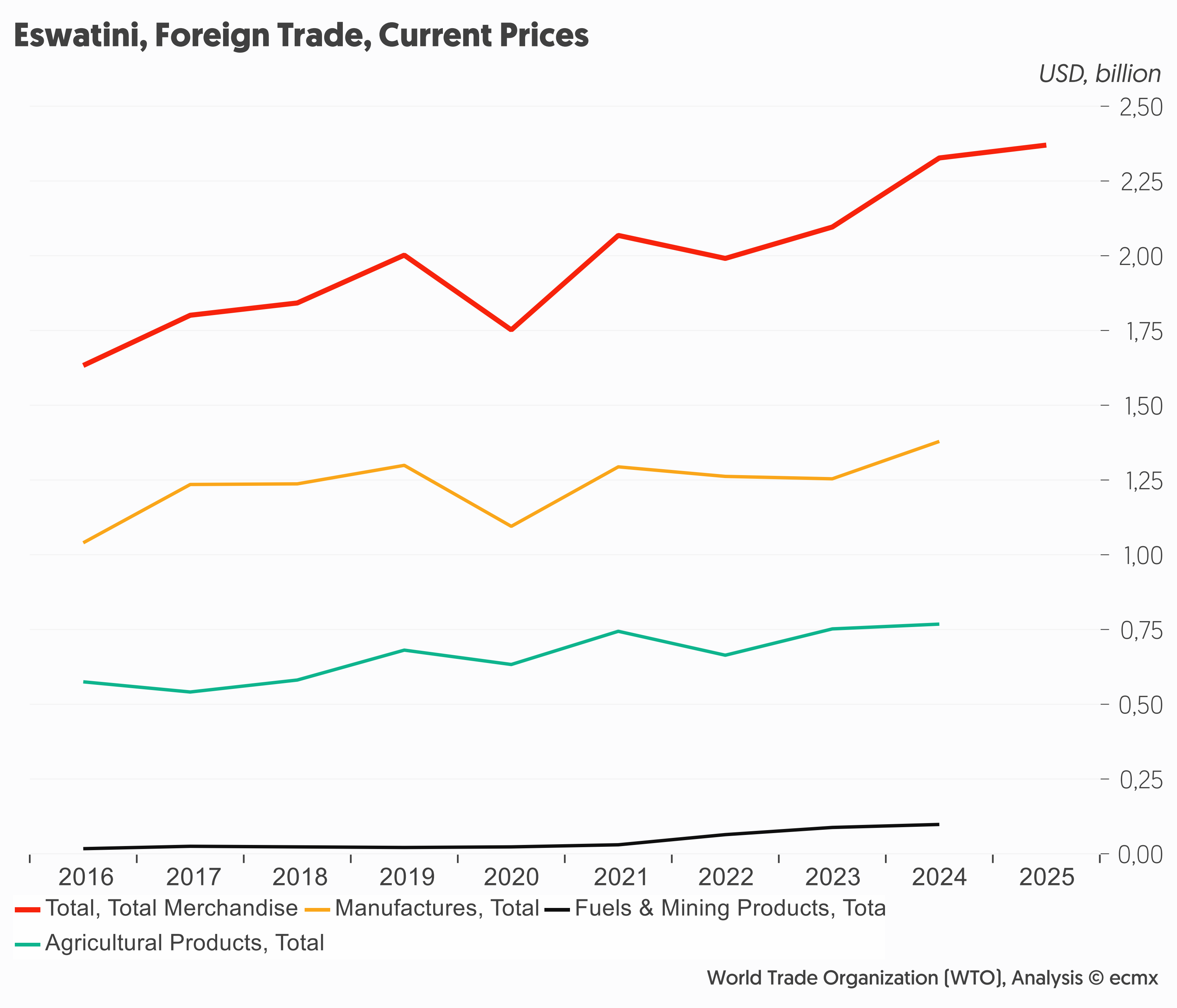
Percentage of GDP [Last]



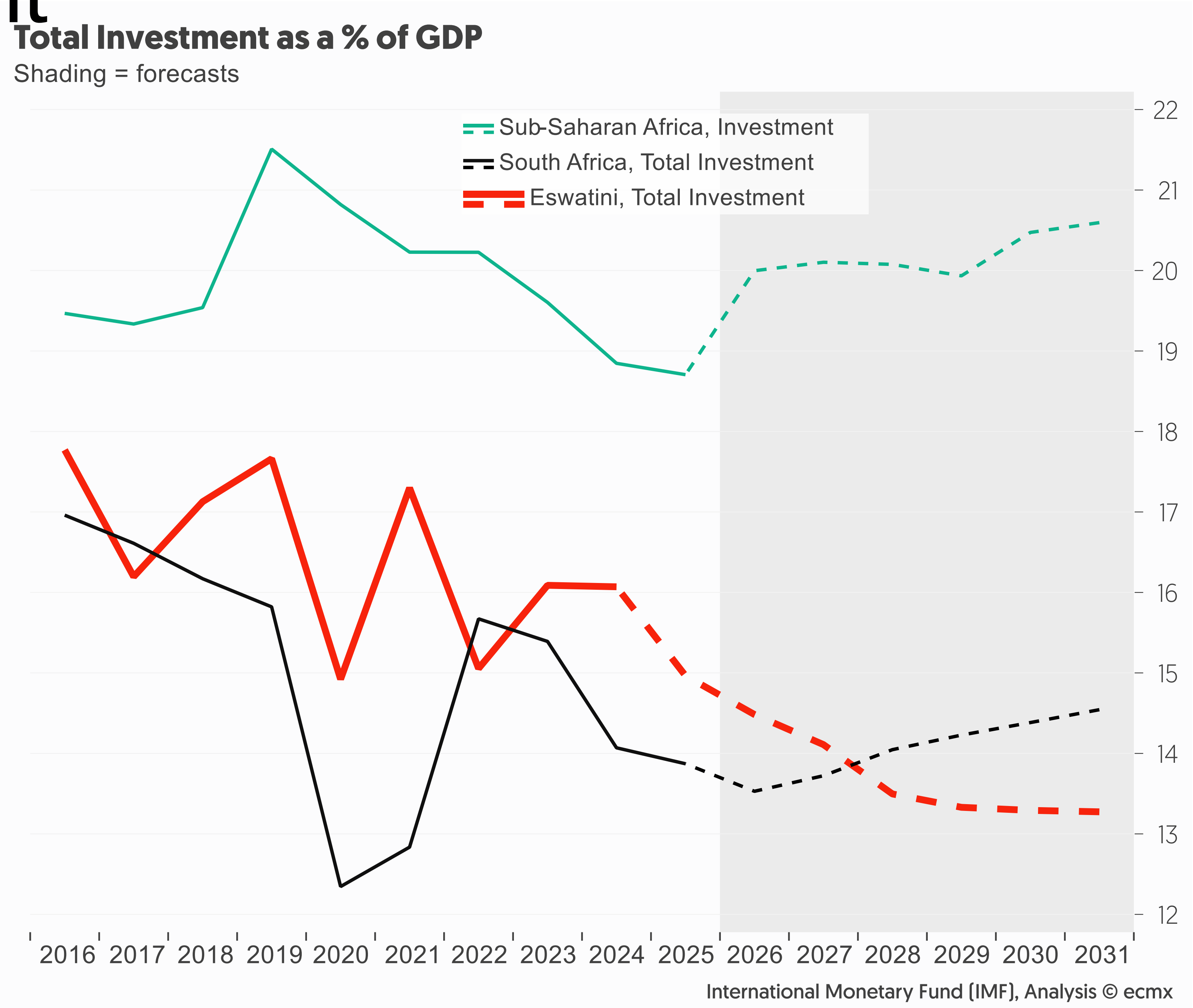
World Bank, ecmx

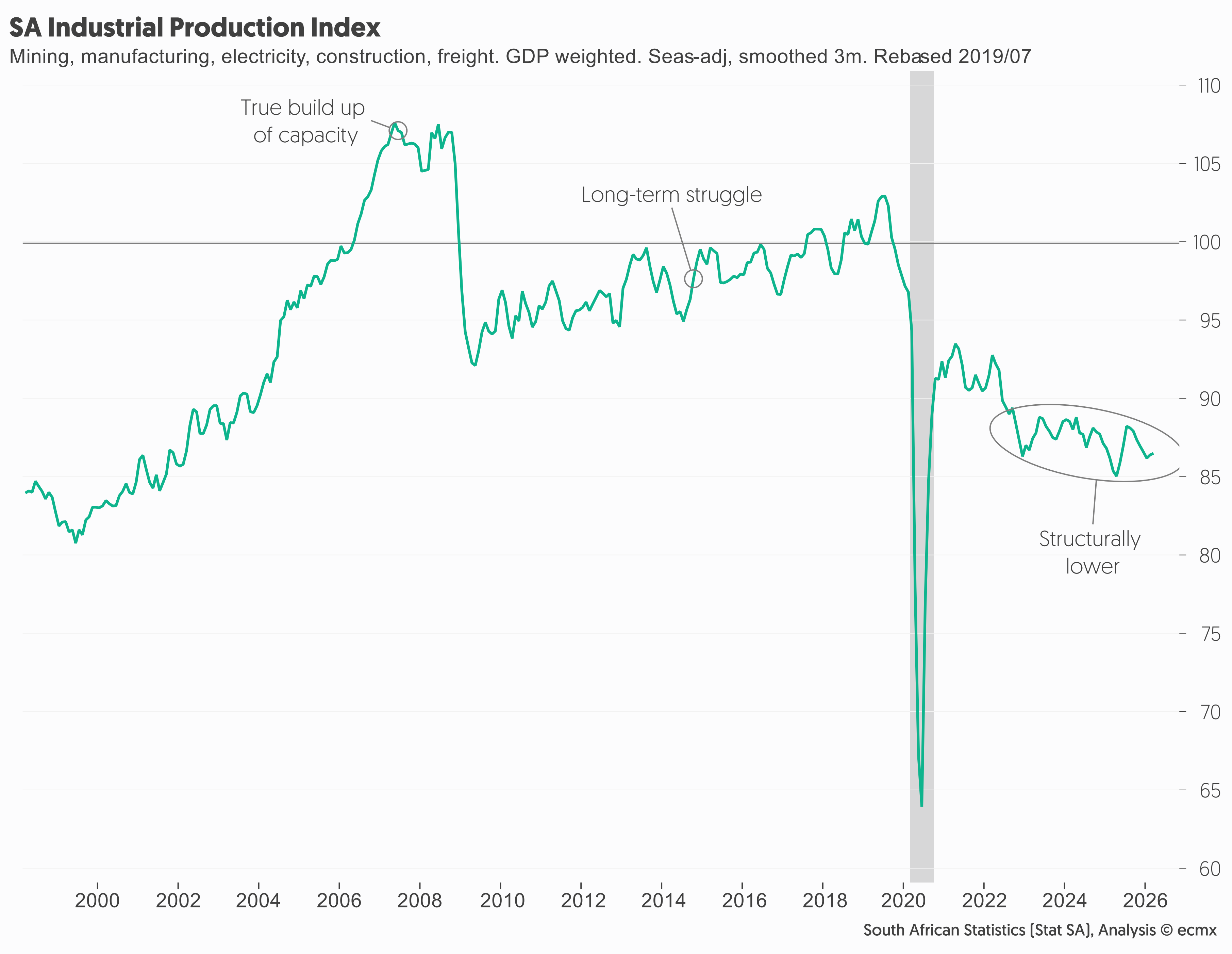
Real GDP growth	2026-2031
Ethiopia	8,2
Rwanda	7,0
Uganda	6,9
Ivory Coast	6,6
Tanzania	6,2
Mozambique	5,6
Congo (Democratic Republic)	5,5
Liberia	5,5
Mali	5,4
Zambia	5,0
Ghana	4,9
Egypt	4,9
Kenya	4,9
Burkina Faso	4,8
Libya	4,6
Sierra Leone	4,6
Sub-Saharan Africa	4,6
Morocco	4,4
Zimbabwe	4,3
Mauritania	4,2
Nigeria	4,2
Cameroon	4,1
Botswana	3,6
Mauritius	3,4
Senegal	3,2
Eswatini	**3,1**
World	3,1
Namibia	2,9
Algeria	2,9
Angola	2,8
Malawi	2,7
South Africa	1,5
Lesotho	1,3

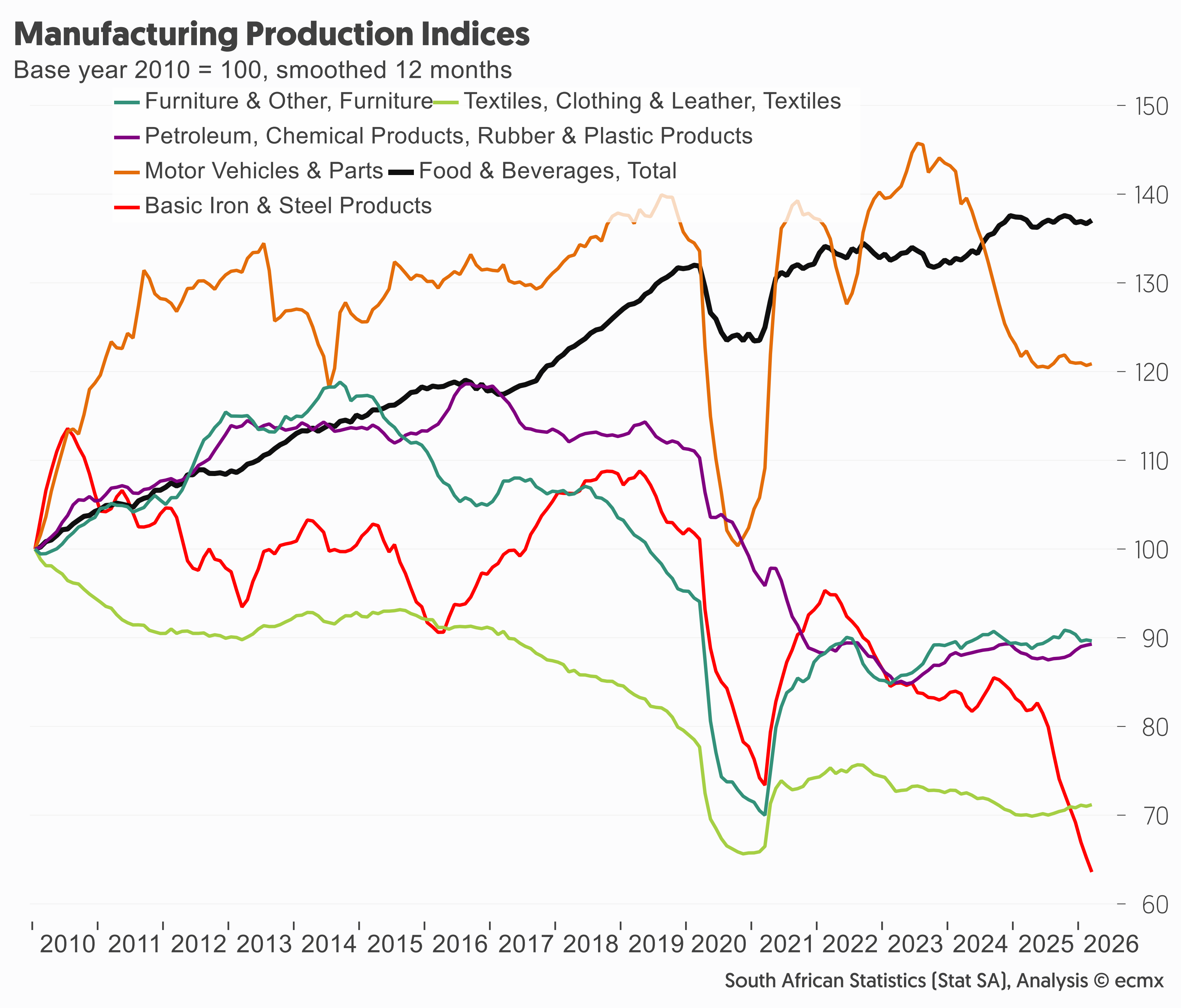
Source: IMF, ecmx


Eswatini, Foreign Trade, Current Prices
USD, billion
2,50
2,25
2,00
1,75
1,50
1,25
1,00
0,75
0,50
0,25
0,00
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Total, Total Merchandise
Manufactures, Total
Fuels & Mining Products, Tota
Agricultural Products, Total
World Trade Organization (WTO), Analysis © ecmx

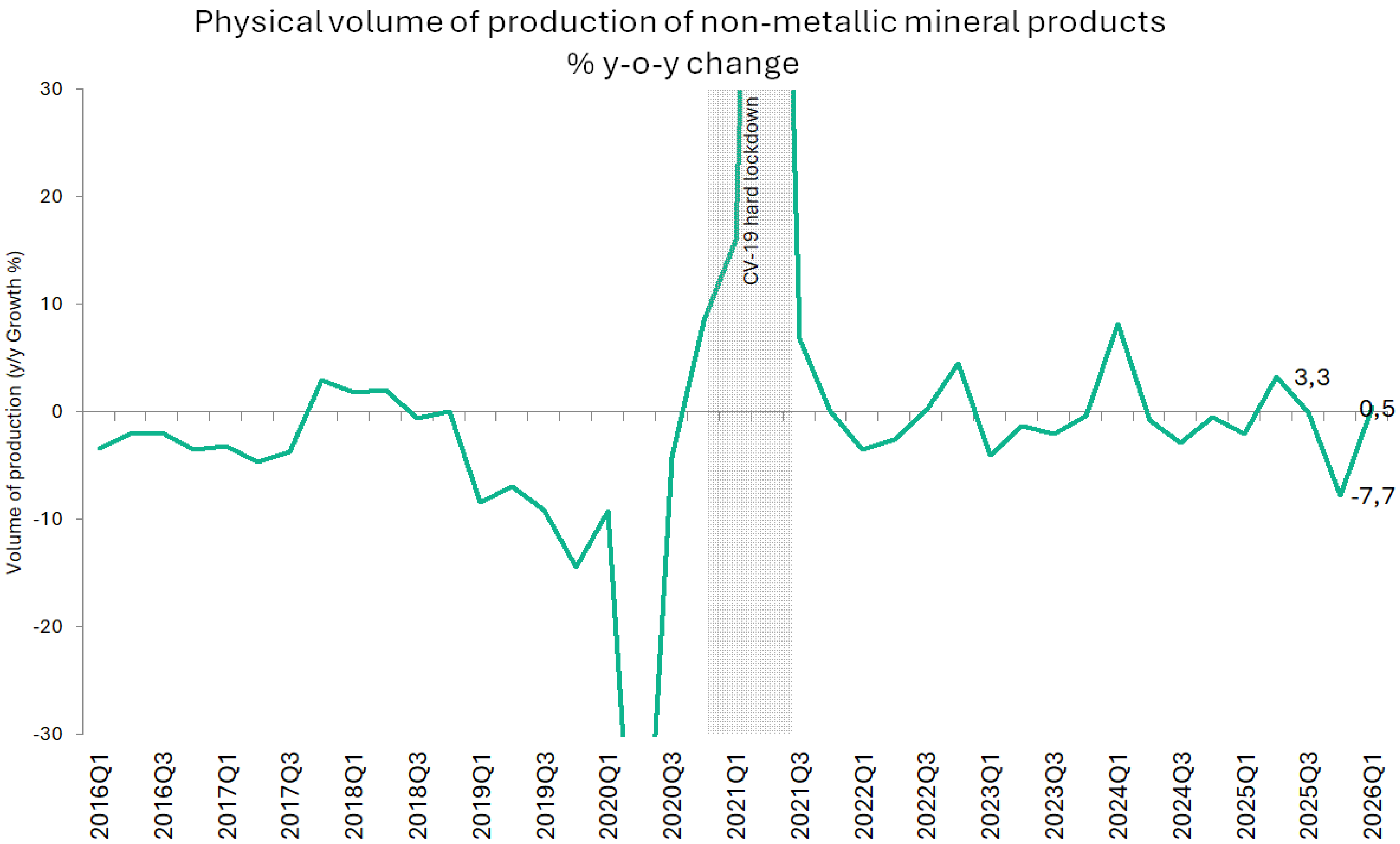
Investment


Total Investment as a % of GDP
Shading = forecasts
Sub-Saharan Africa, Investment
South Africa, Total Investment
Eswatini, Total Investment
22
21
20
19
18
17
16
15
14
13
12
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
International Monetary Fund (IMF), Analysis © ecmx

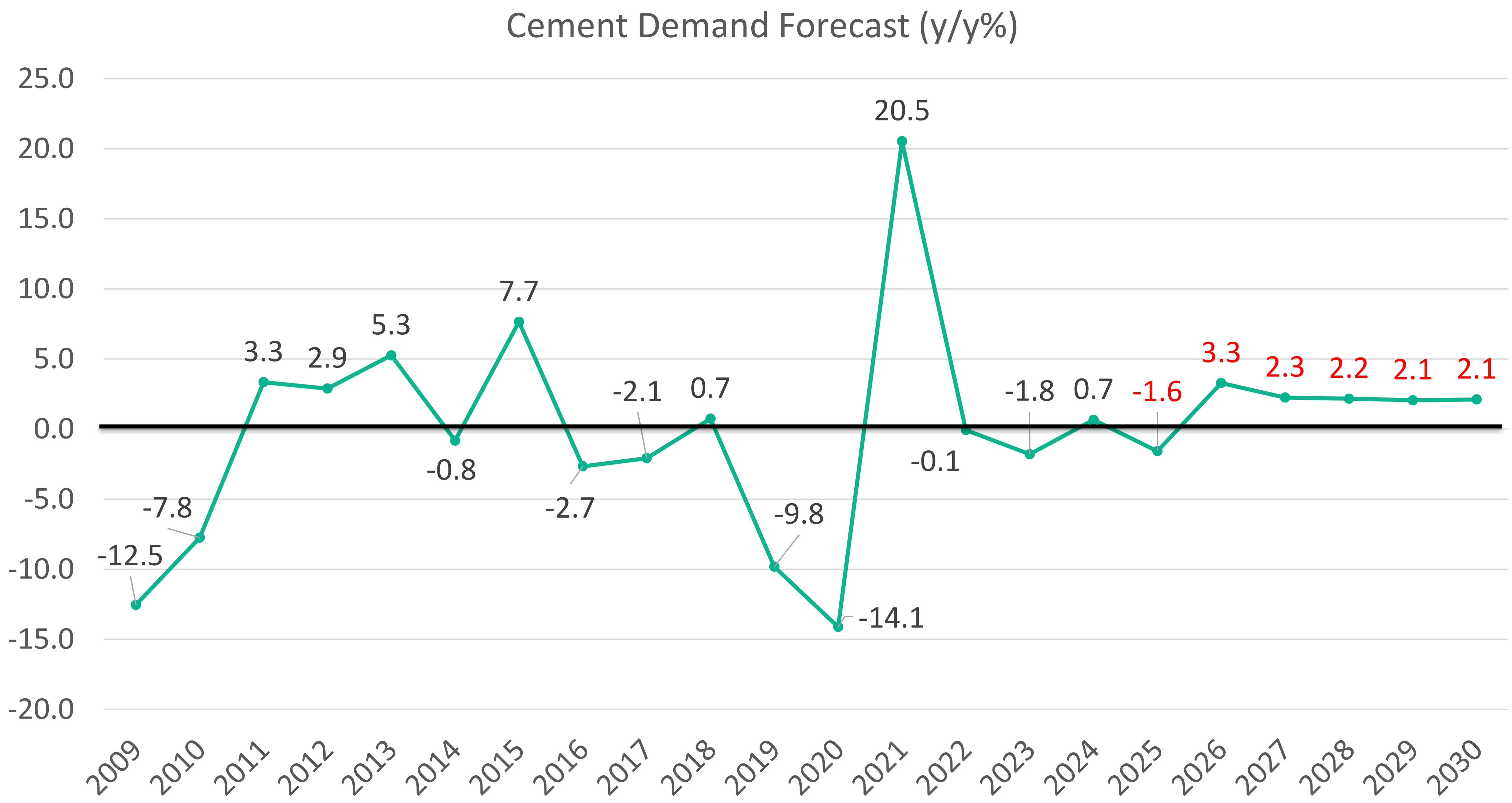

SA Industrial Production Index
Mining, manufacturing, electricity, construction, freight. GDP weighted. Seas-adj, smoothed 3m. Rebased 2019/07
True build up of capacity
Long-term struggle
Structurally lower
110
105
100
95
90
85
80
75
70
65
60
2000
2002
2004
2006
2008
2010
2012
2014
2016
2018
2020
2022
2024
2026
South African Statistics (Stat SA), Analysis © ecmx


Manufacturing Production Indices
Base year 2010 = 100, smoothed 12 months
Furniture & Other, Furniture
Textiles, Clothing & Leather, Textiles
Petroleum, Chemical Products, Rubber & Plastic Products
Motor Vehicles & Parts
Food & Beverages, Total
Basic Iron & Steel Products
150
140
130
120
110
100
90
80
70
60
2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026
South African Statistics (Stat SA), Analysis © ecmx

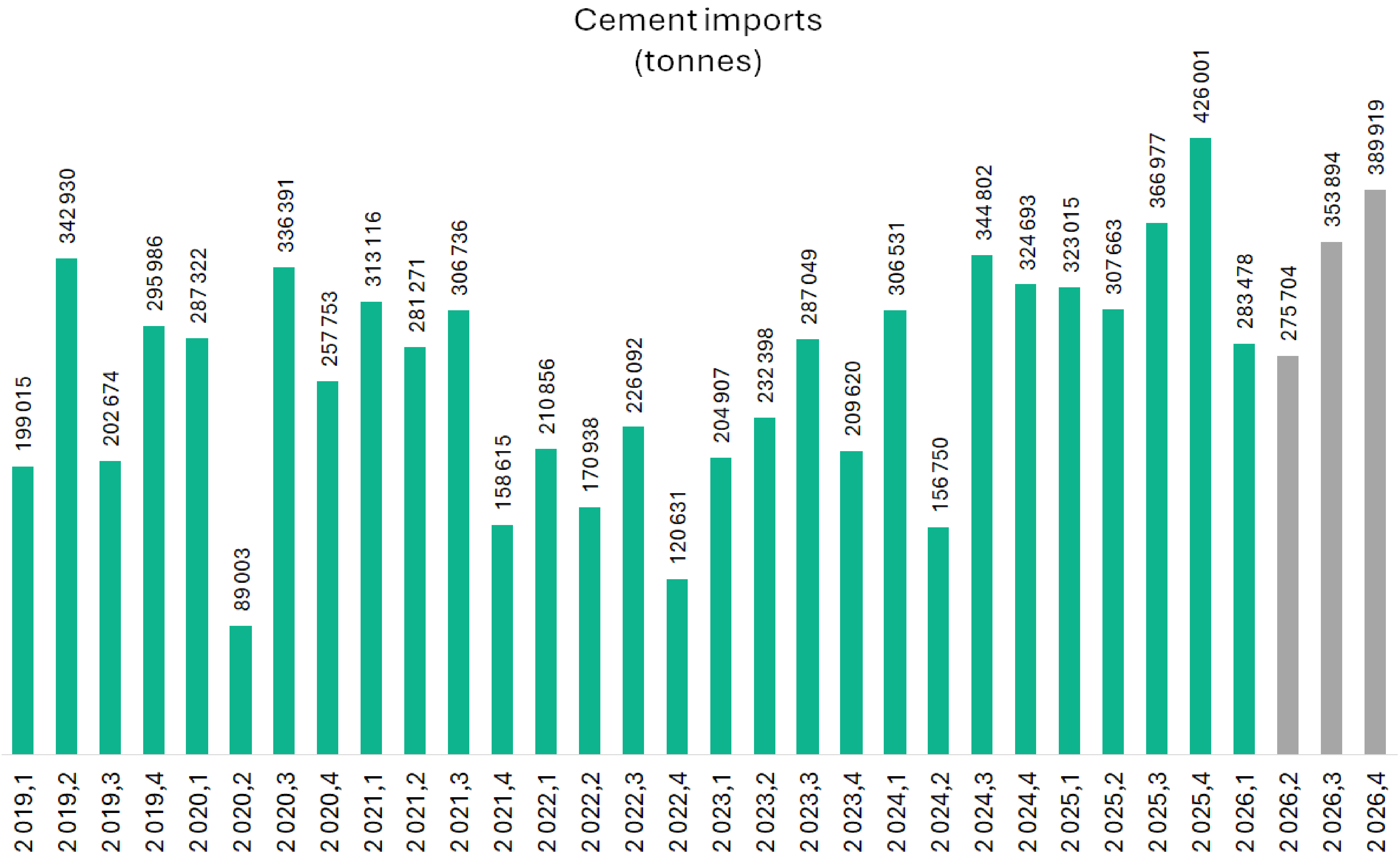

Residential vs non-residential building plans passed
smoothed - 12 months- Constant ZAR Billions
Residential
Non-Residential
Short rebound as int rates cut
6,0
5,5
5,0
4,5
4,0
3,5
3,0
2,5
2,0
1,5
1,0
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
South African Statistics (Stat SA), Analysis © ecmx



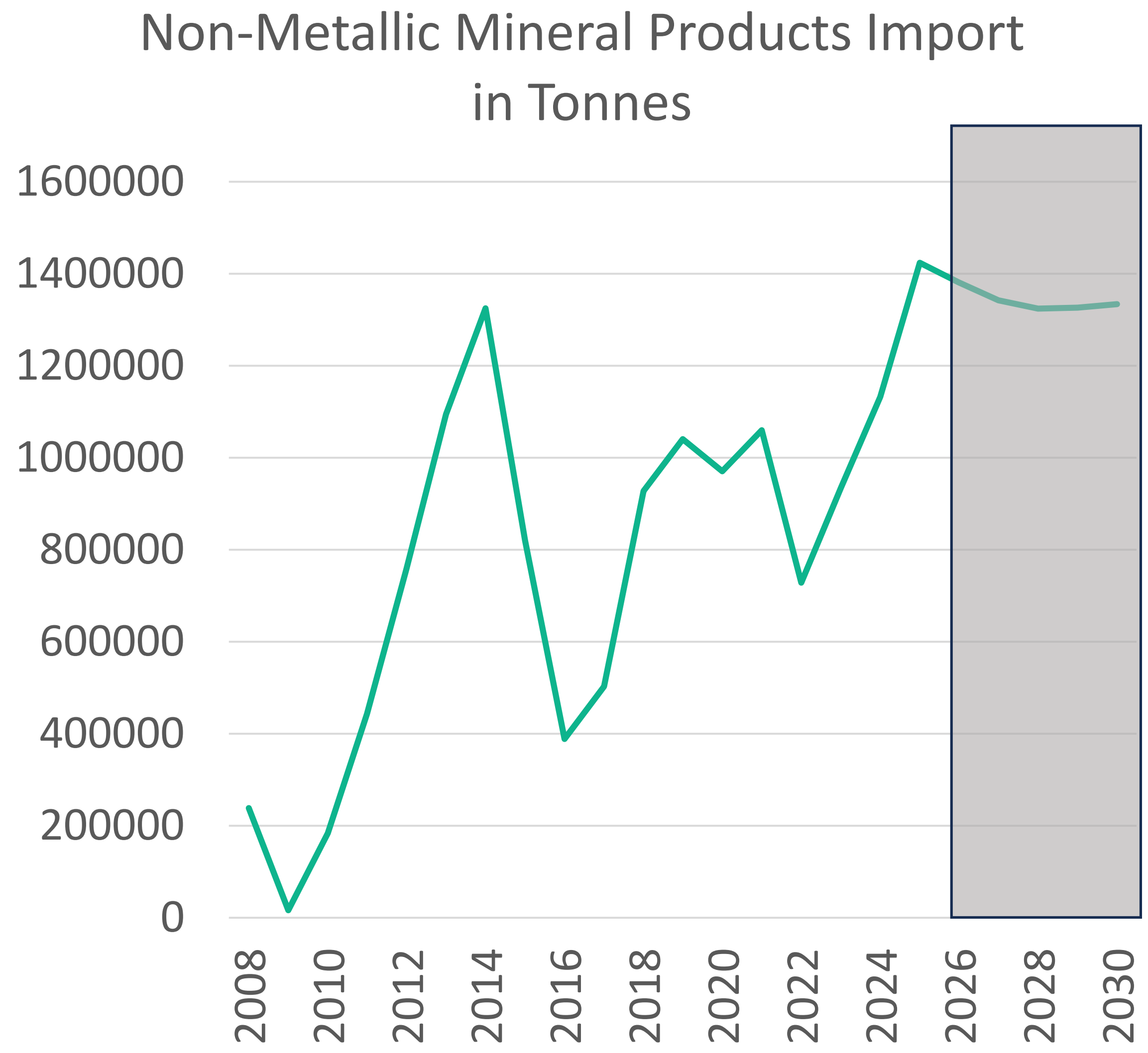
Source: StatsSA

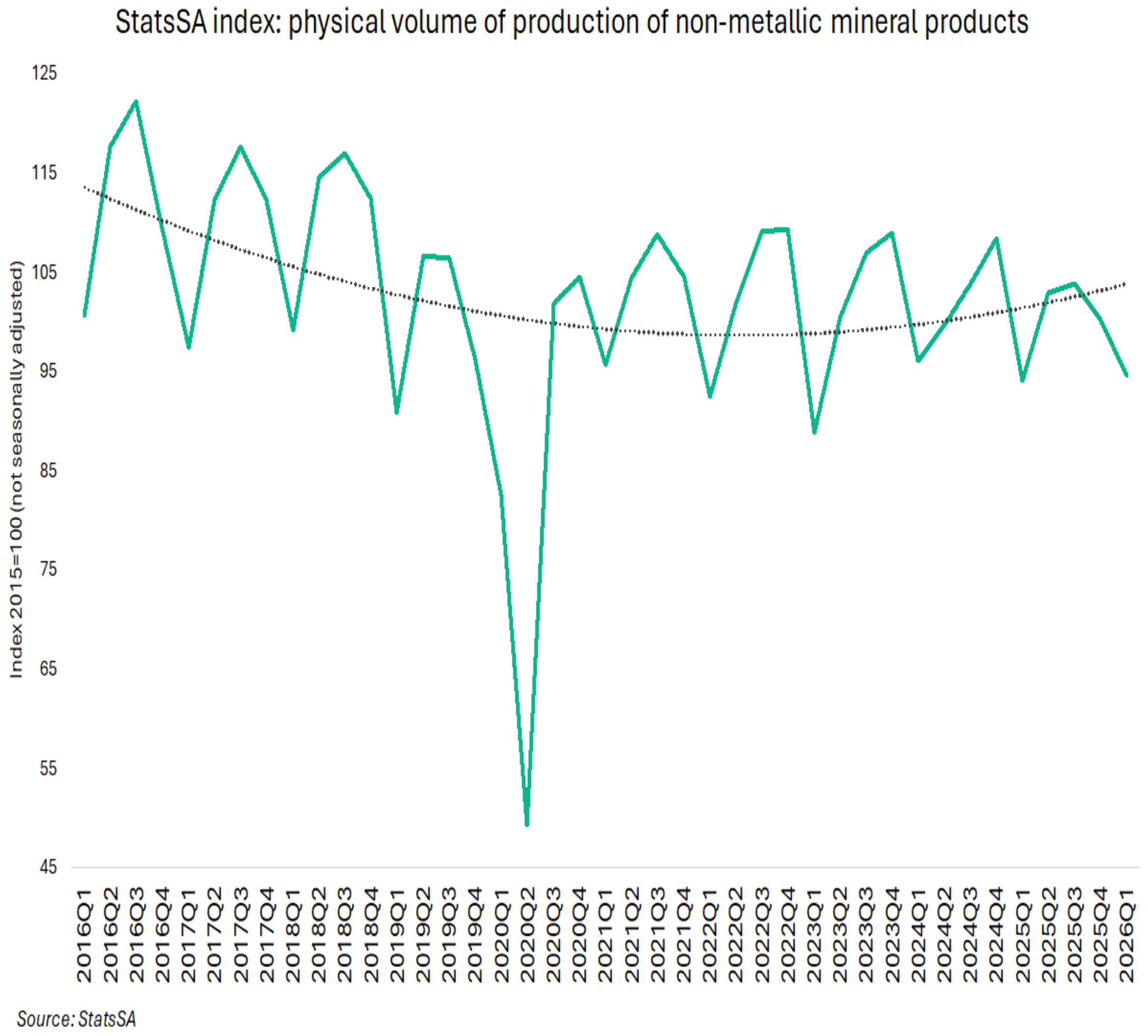


Source: StatsSA


Cement imports
(tonnes)
199 015
342 930
202 674
295 986
287 322
89 003
336 391
257 753
313 116
281 271
306 736
158 615
210 856
170 938
226 092
120 631
204 907
232 398
287 049
209 620
306 531
156 750
344 802
324 693
323 015
307 663
366 977
426 001
283 478
275 704
353 894
389 919
2019,1
2019,2
2019,3
2019,4
2020,1
2020,2
2020,3
2020,4
2021,1
2021,2
2021,3
2021,4
2022,1
2022,2
2022,3
2022,4
2023,1
2023,2
2023,3
2023,4
2024,1
2024,2
2024,3
2024,4
2025,1
2025,2
2025,3
2025,4
2026,1
2026,2
2026,3
2026,4

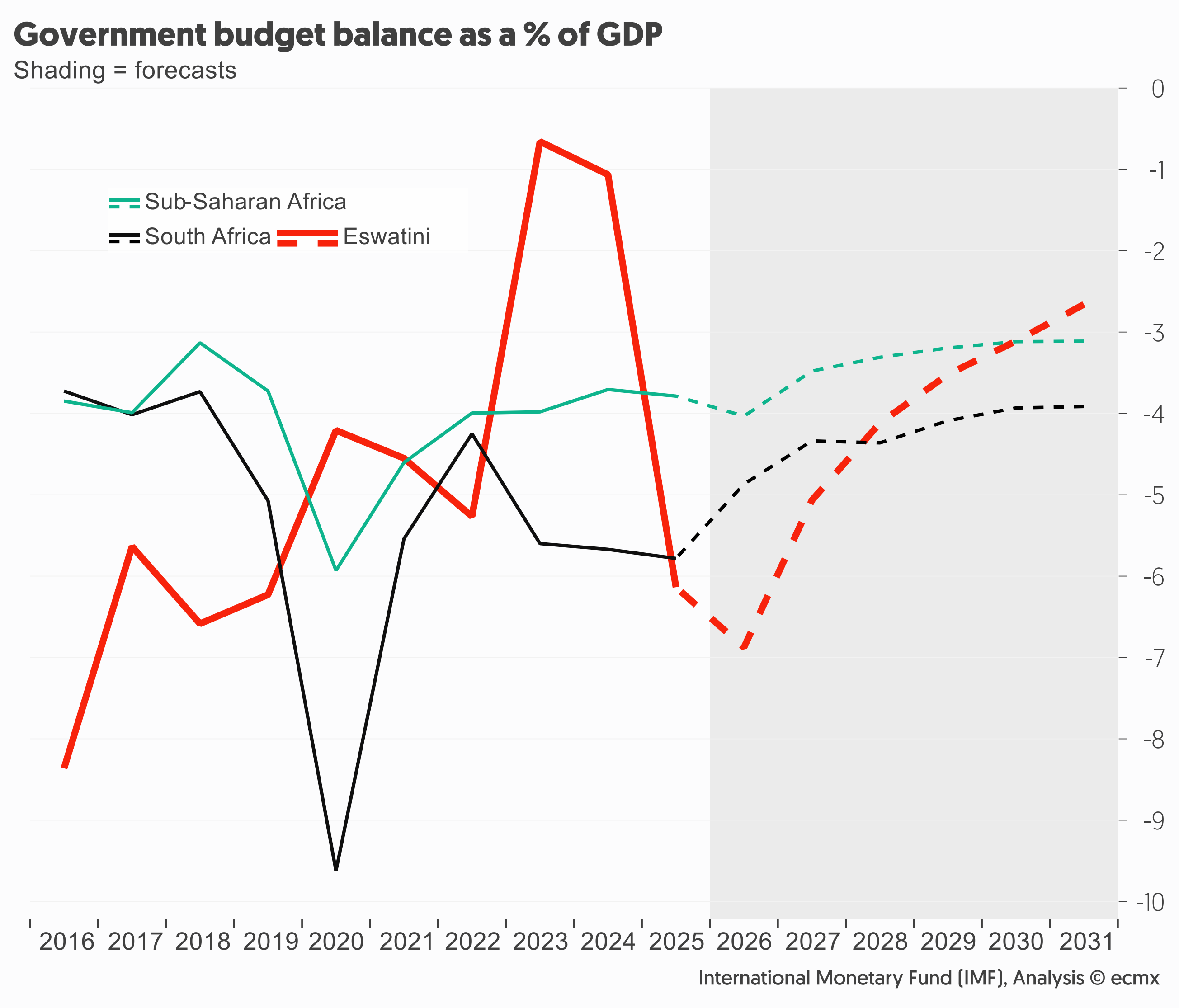
Source: SARS

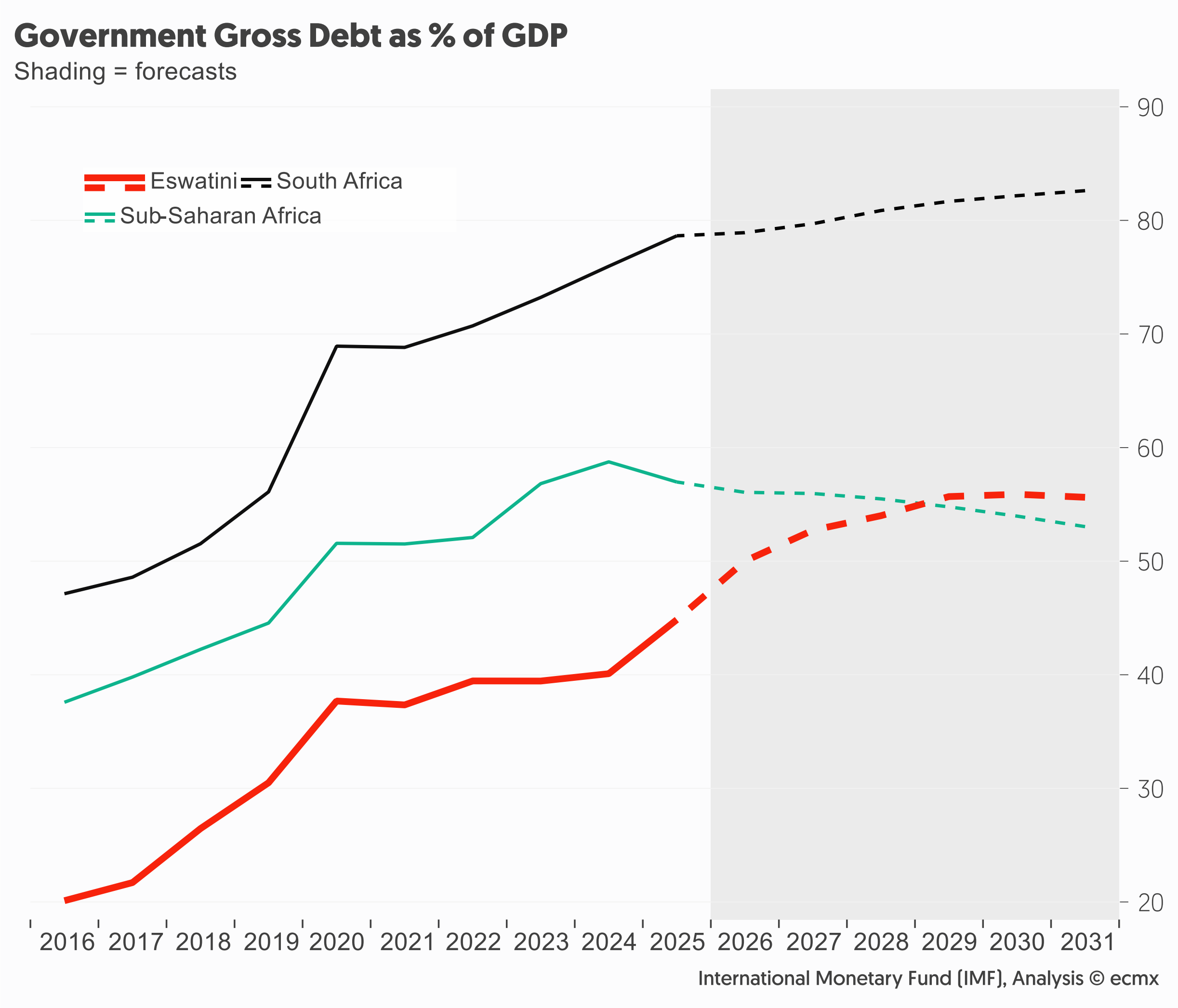




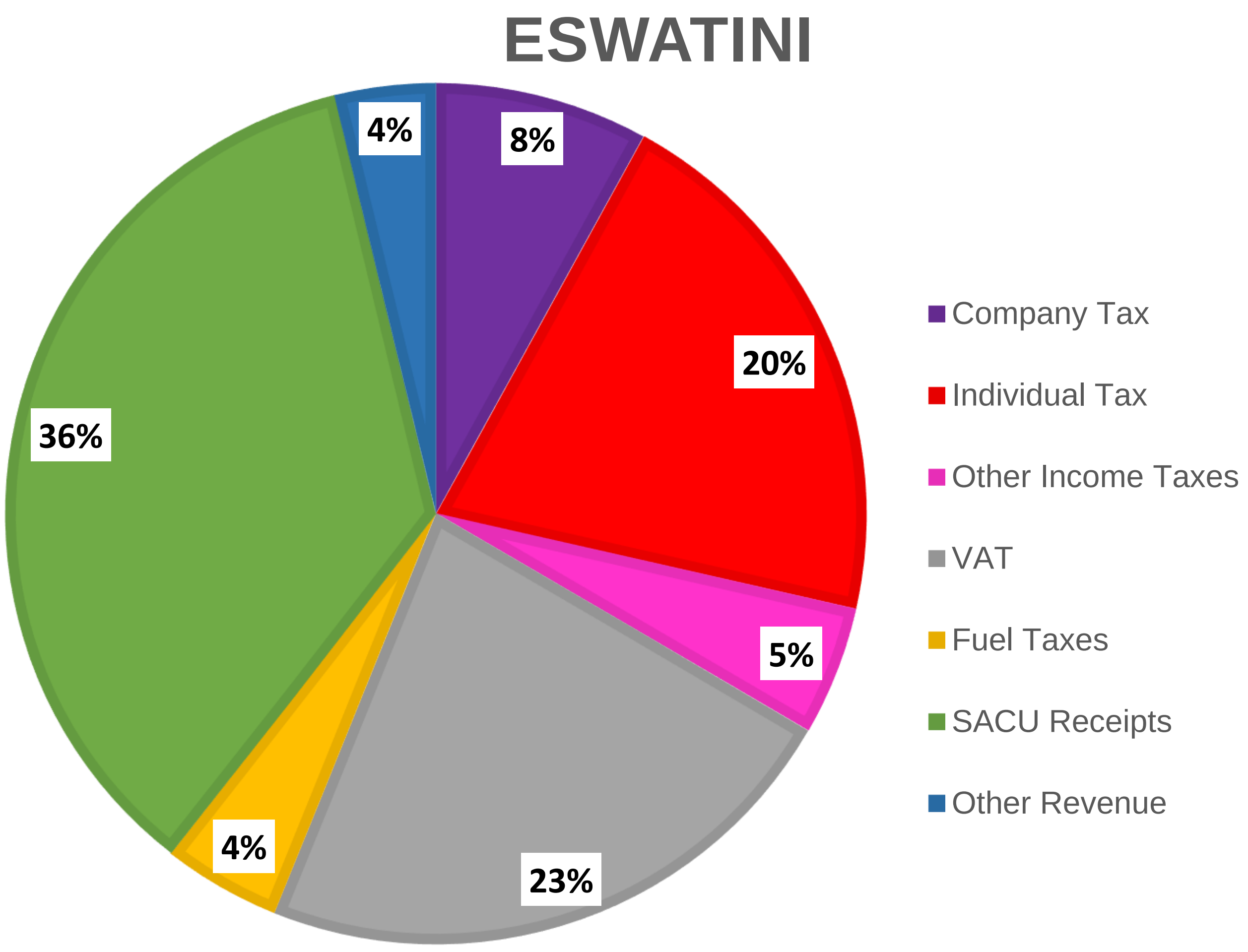
Source: StatsSa

Fiscal Dynamics

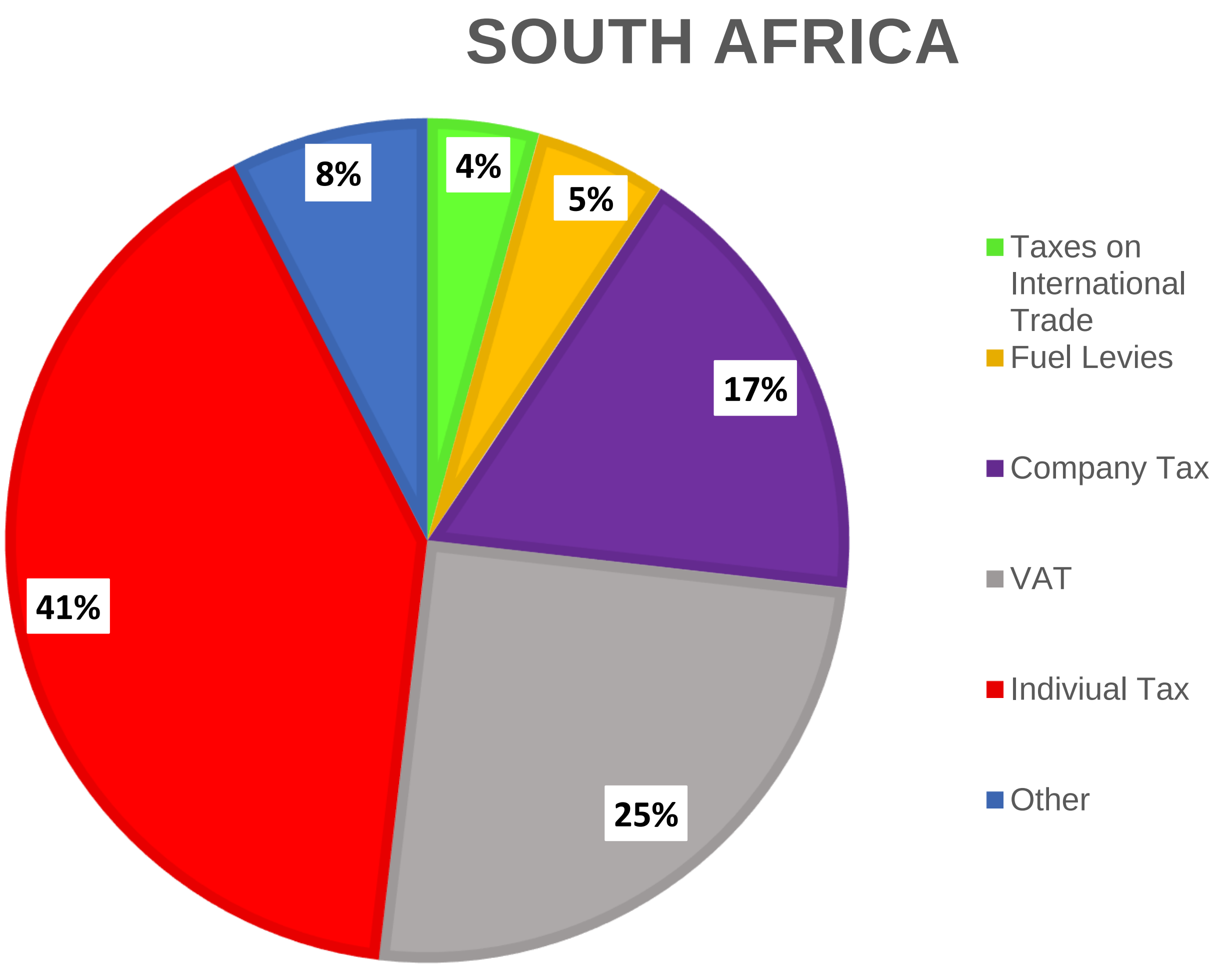




Government revenue items 2026/27



Source: Government of Eswatini, ecmx



Source: National Treasury, ecmx

SACU receipts as % of total revenue

	SACU Receipts (E'bn)	% of Total Revenue
2023/24	11,8	46,1%
2024/25	13,1	47,9%
2025/26	10,4	35,1%
2026/27	11,7	36,7%
2027/28	11,6	35,4%
2028/29	11,4	33,0%

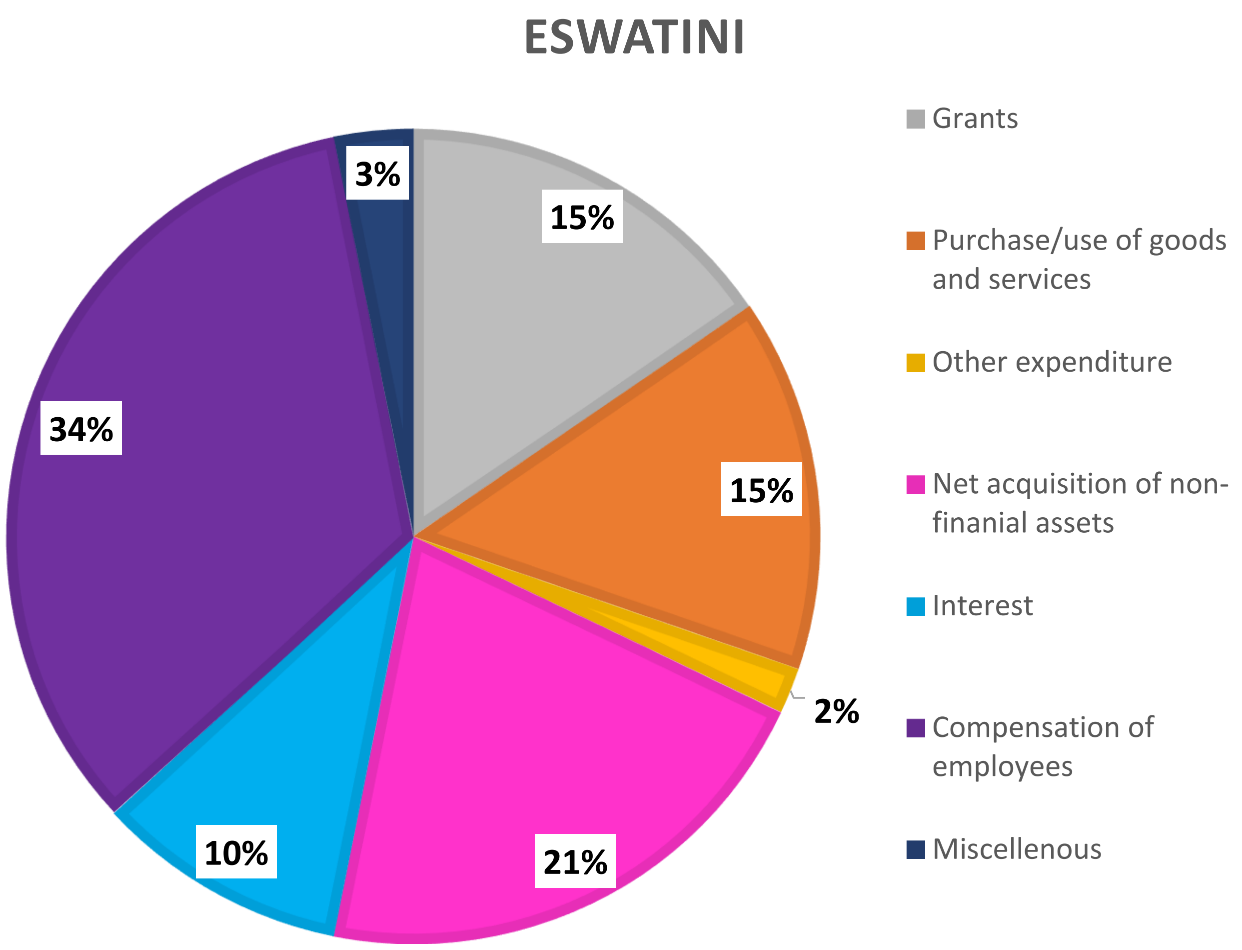
Source: Government of Eswatini

SACU Trade by source and destination

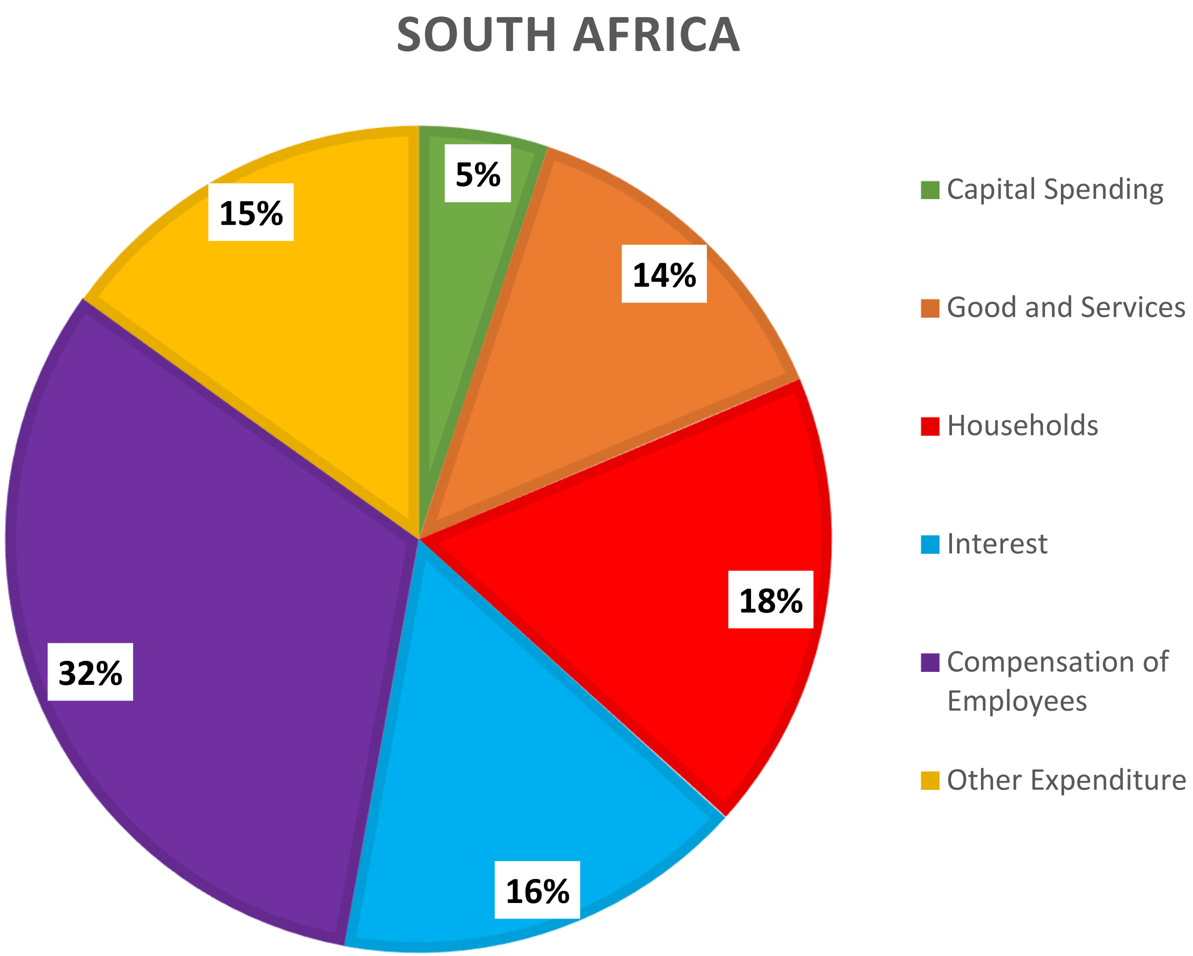
Market	Exports (2025)	Imports (2020)
EU	43,3%	45,7%
China	19,9%	31,4%
USA	14,1%	9,7%
India	7,5%	8,5%
Saudi Arabia	0,0%	5,7%
Other	15,2%	0,0%

Source: SACU

Government expenditure items 2026/27

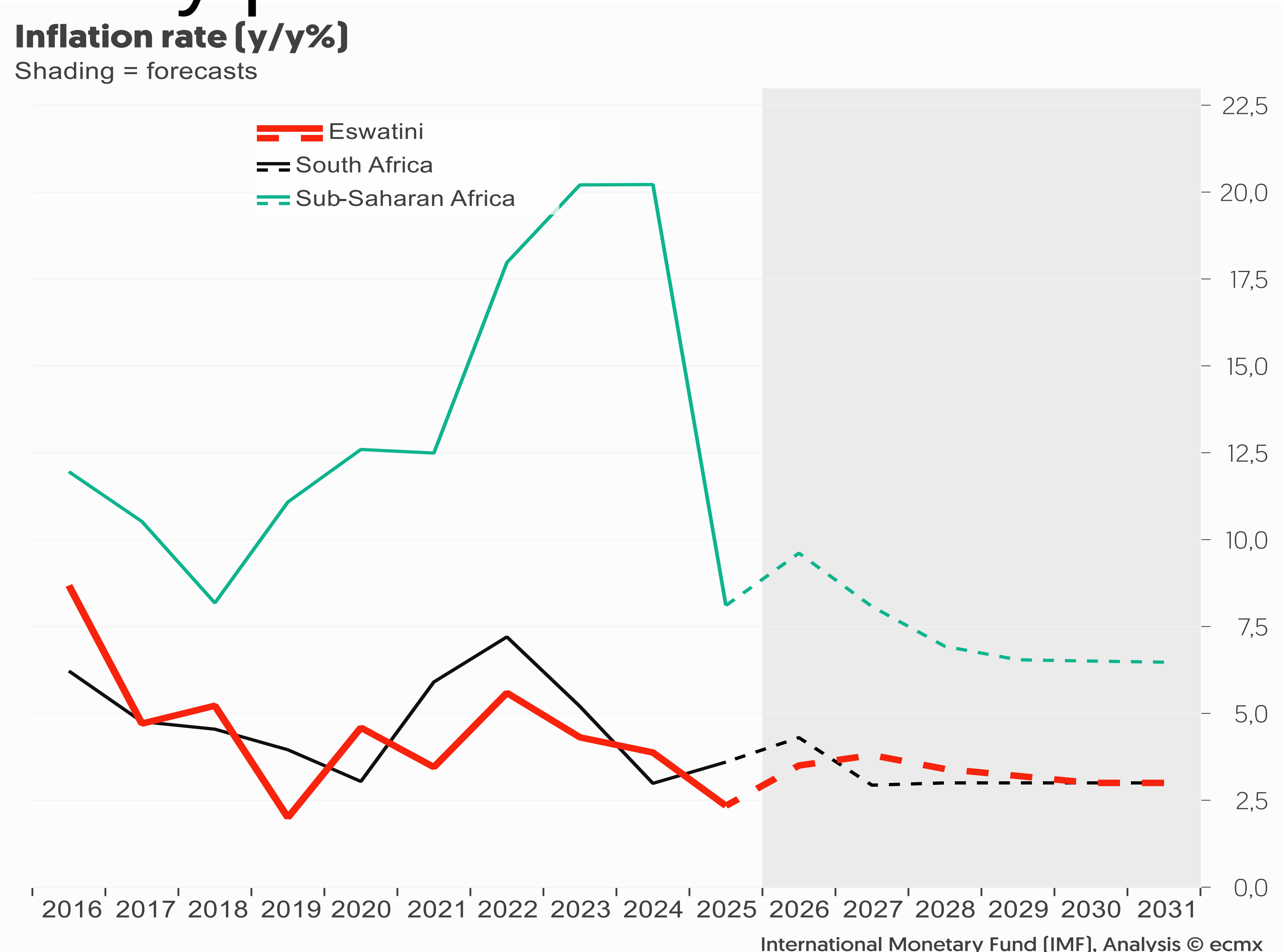


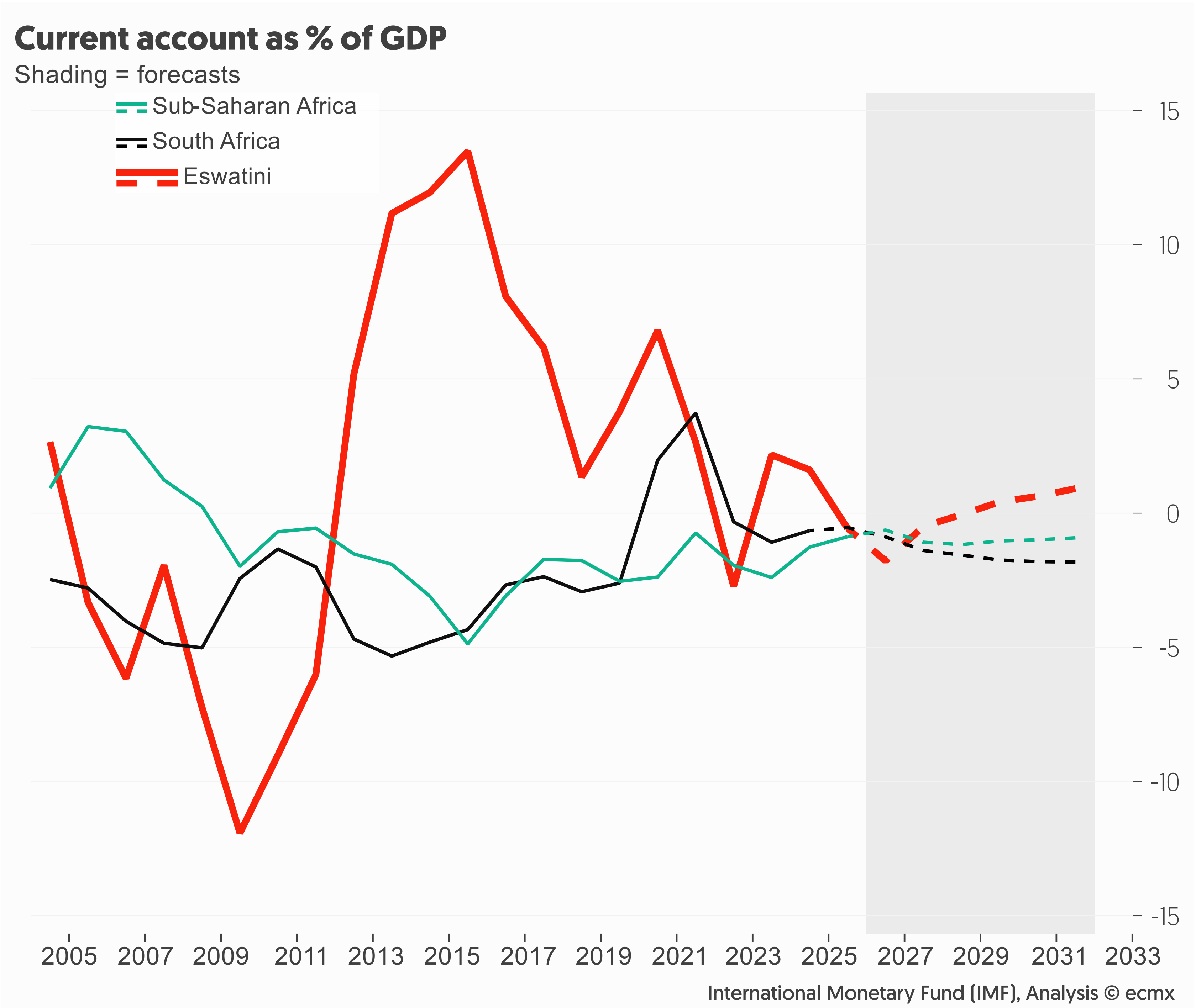
Source: Government of Eswatini, ecmx



Source: National Treasury, ecmx

Inflationary picture



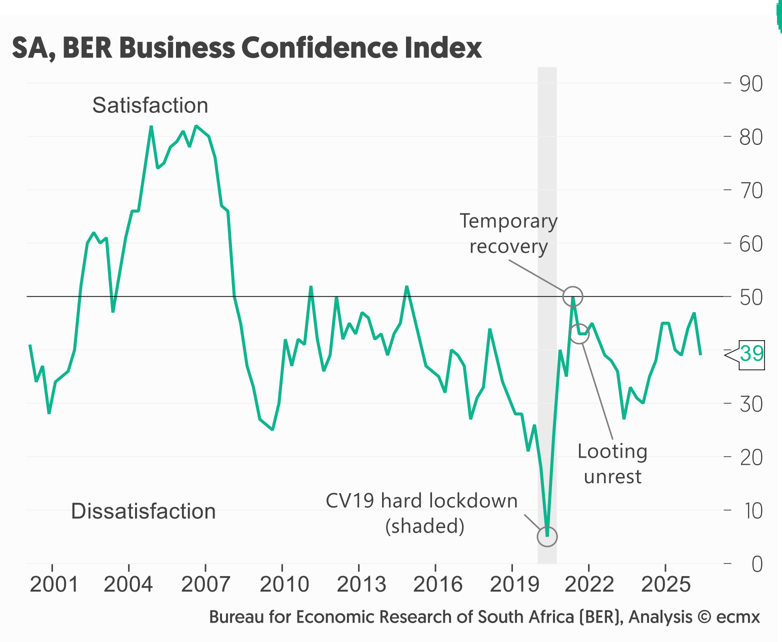

Current account as % of GDP
Shading = forecasts
Sub-Saharan Africa
South Africa
Eswatini
15
10
5
0
-5
-10
-15
2005
2007
2009
2011
2013
2015
2017
2019
2021
2023
2025
2027
2029
2031
2033
International Monetary Fund (IMF), Analysis © ecmx

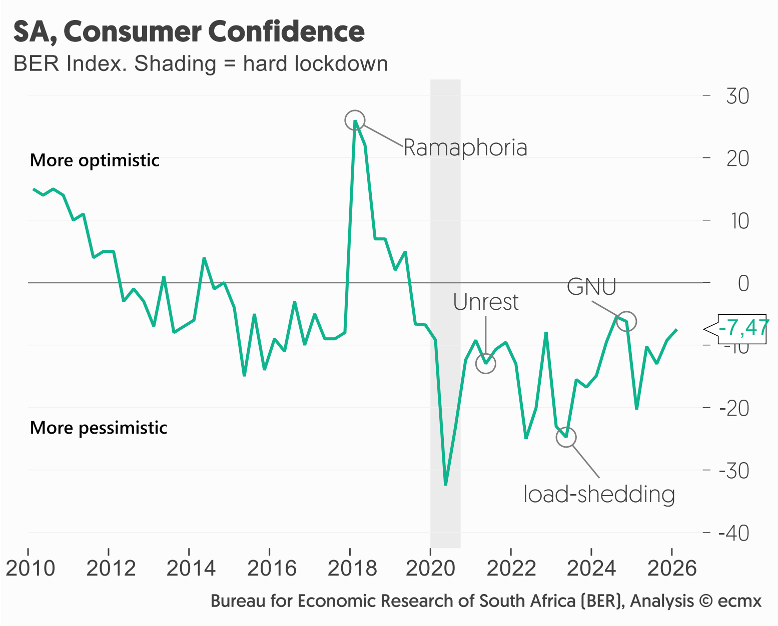
	Eswatini		South Africa	
	2026	**2027**	**2026**	**2027**
GDP	4,0%	3,5%	1,0%	1,3%
Inflation	3,5%	3,8%	3,9%	3,4%
Government Debt	50%	52,7%	78,9%	79,7%
Budget Balance	-6,9%	-5,1%	-4,9%	-4,3%
Population	1,18m	1,19m	64,0m	64,9m
Population growth	1,1%	1,1%	1,3%	1,2%

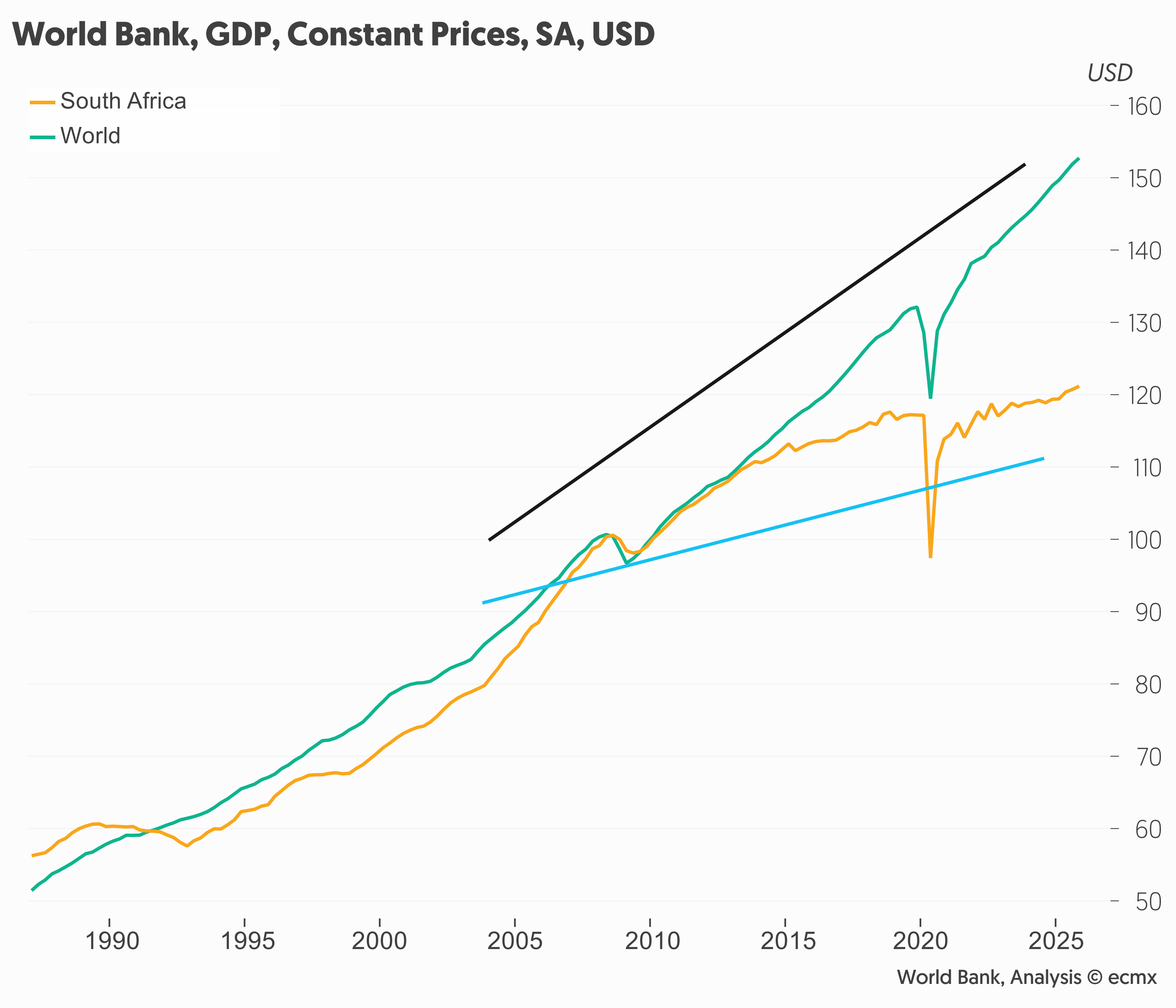
Source: IMF

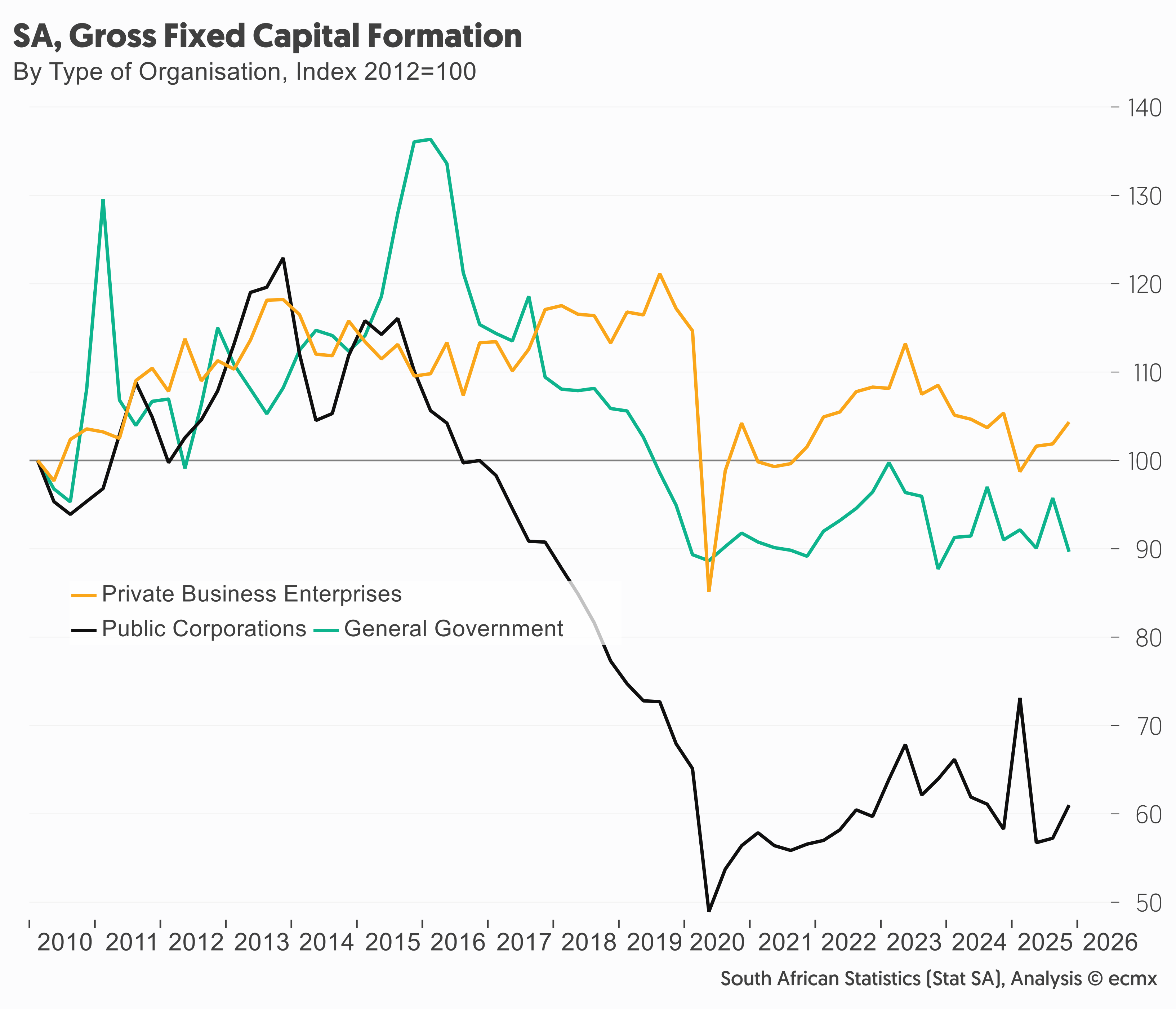
Positives for SA Economy

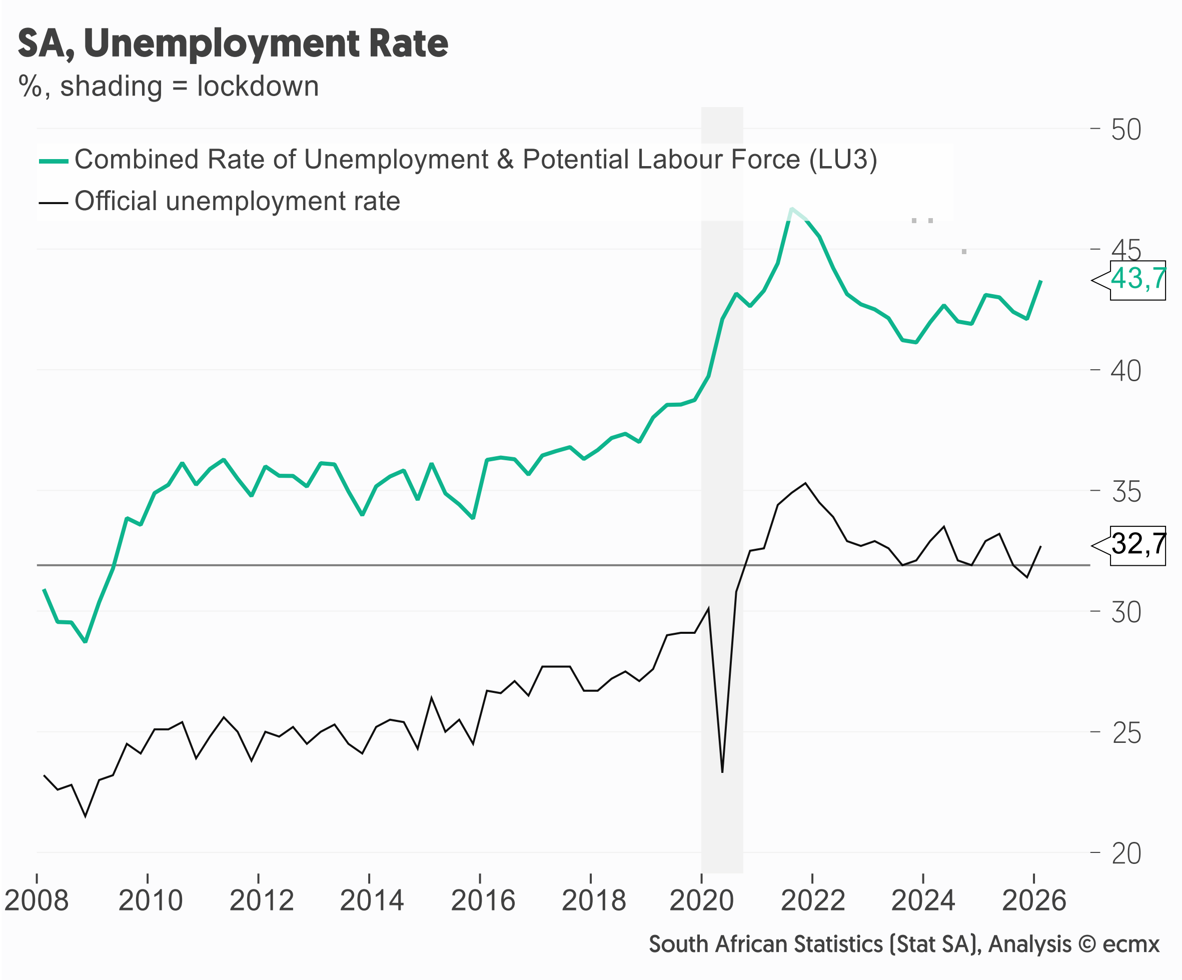
- GDP growth remains positive
- GFCF has posted positive growth for two quarters
- Business confidence has improved
- Turning point was MTBPS reflecting fiscal discipline
- Perceptions of OV working to remove structural impediments
- Followed by removal from grey list
- Upgrade of credit rating by S&P
- Downward adjustment of inflation target
- Strengthening of rand reduced inflation expectations
- Expectations of lower interest rates
- Boom in precious metals prices
- Enhanced prospects for fiscal revenues

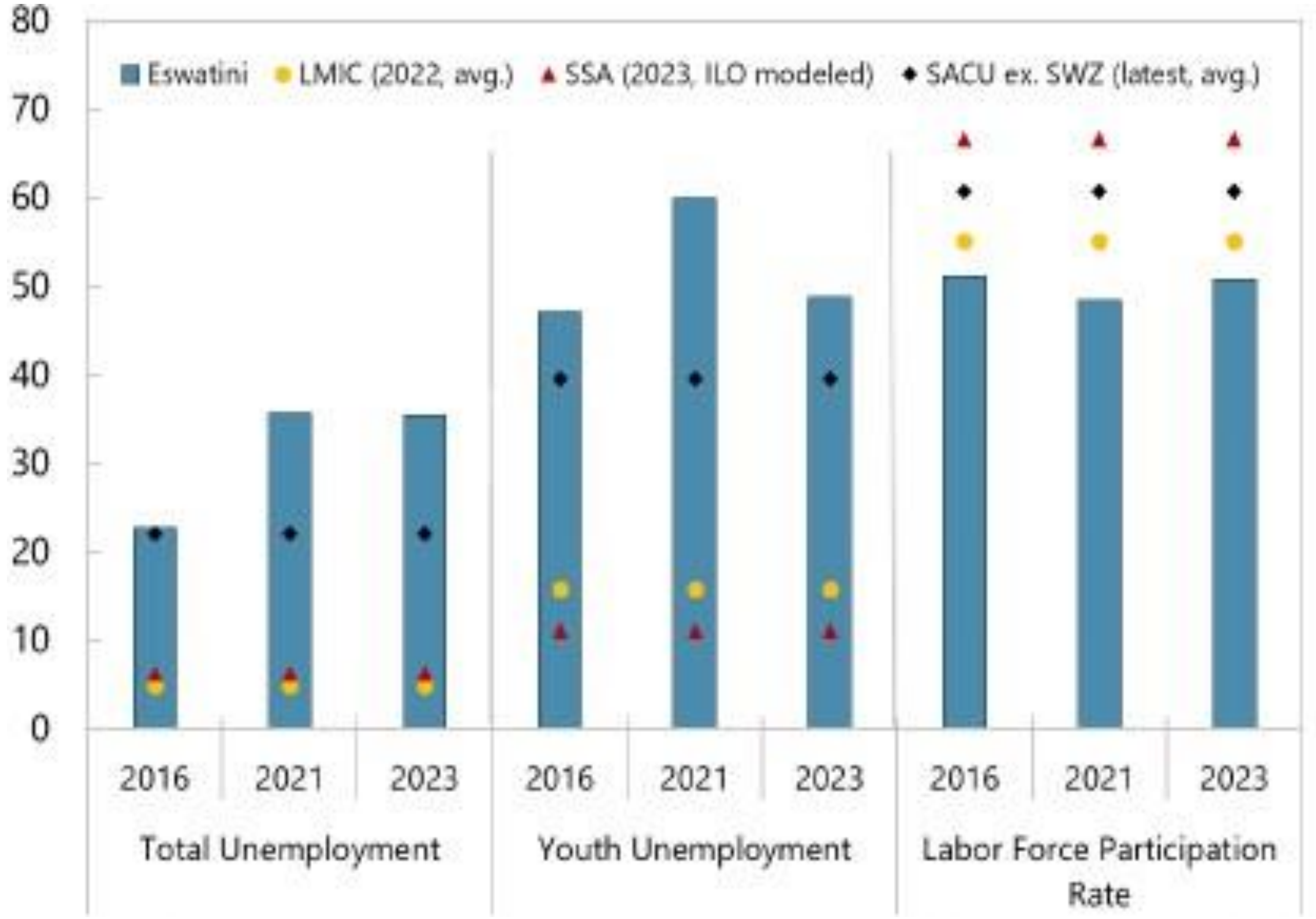





World Bank, GDP, Constant Prices, SA, USD
South Africa
World
USD
160
150
140
130
120
110
100
90
80
70
60
50
1990
1995
2000
2005
2010
2015
2020
2025
World Bank, Analysis © ecmx

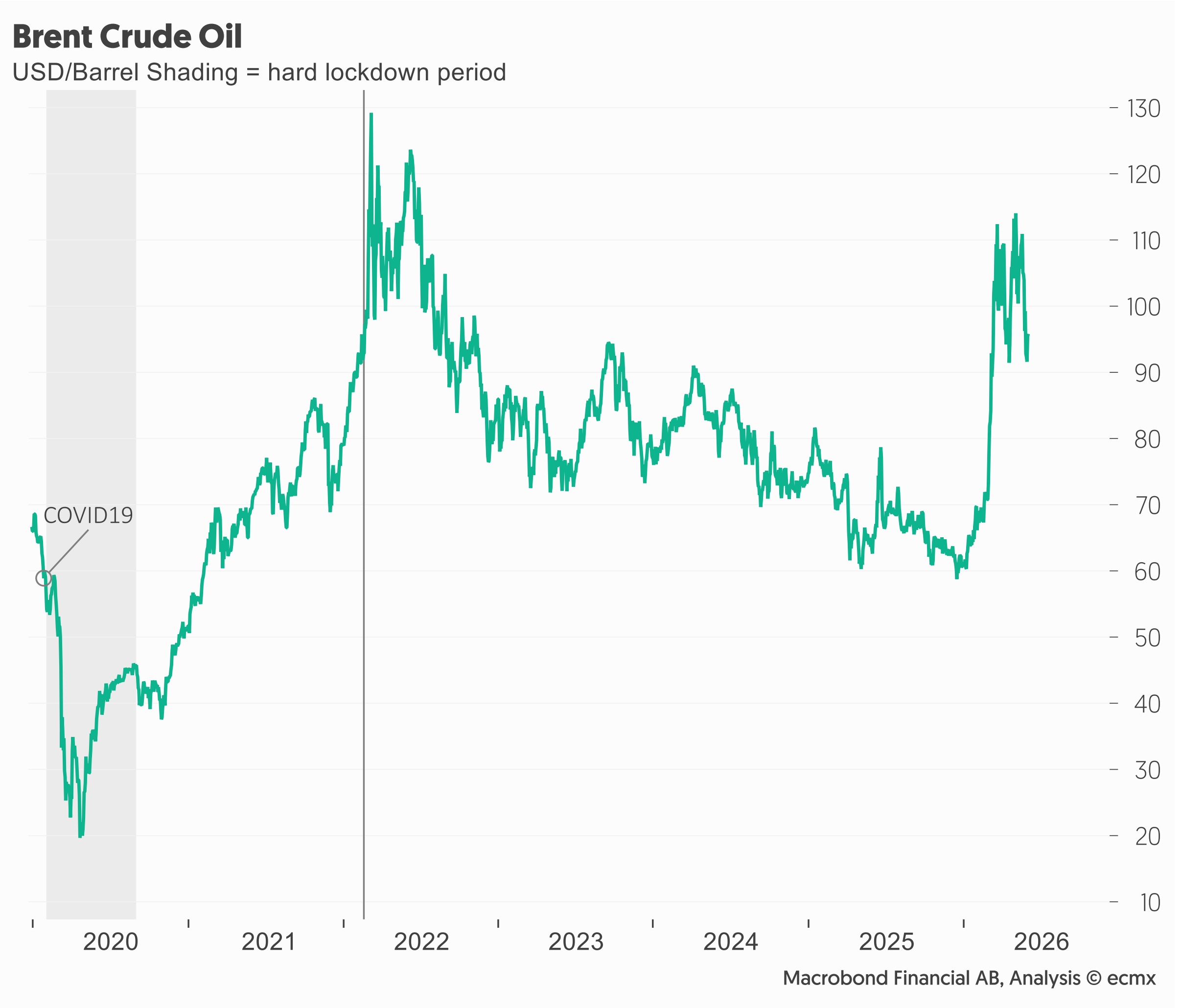

SA, Gross Fixed Capital Formation
By Type of Organisation, Index 2012=100
140
130
120
110
100
90
80
70
60
50
Private Business Enterprises
Public Corporations
General Government
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
South African Statistics (Stat SA), Analysis © ecmx

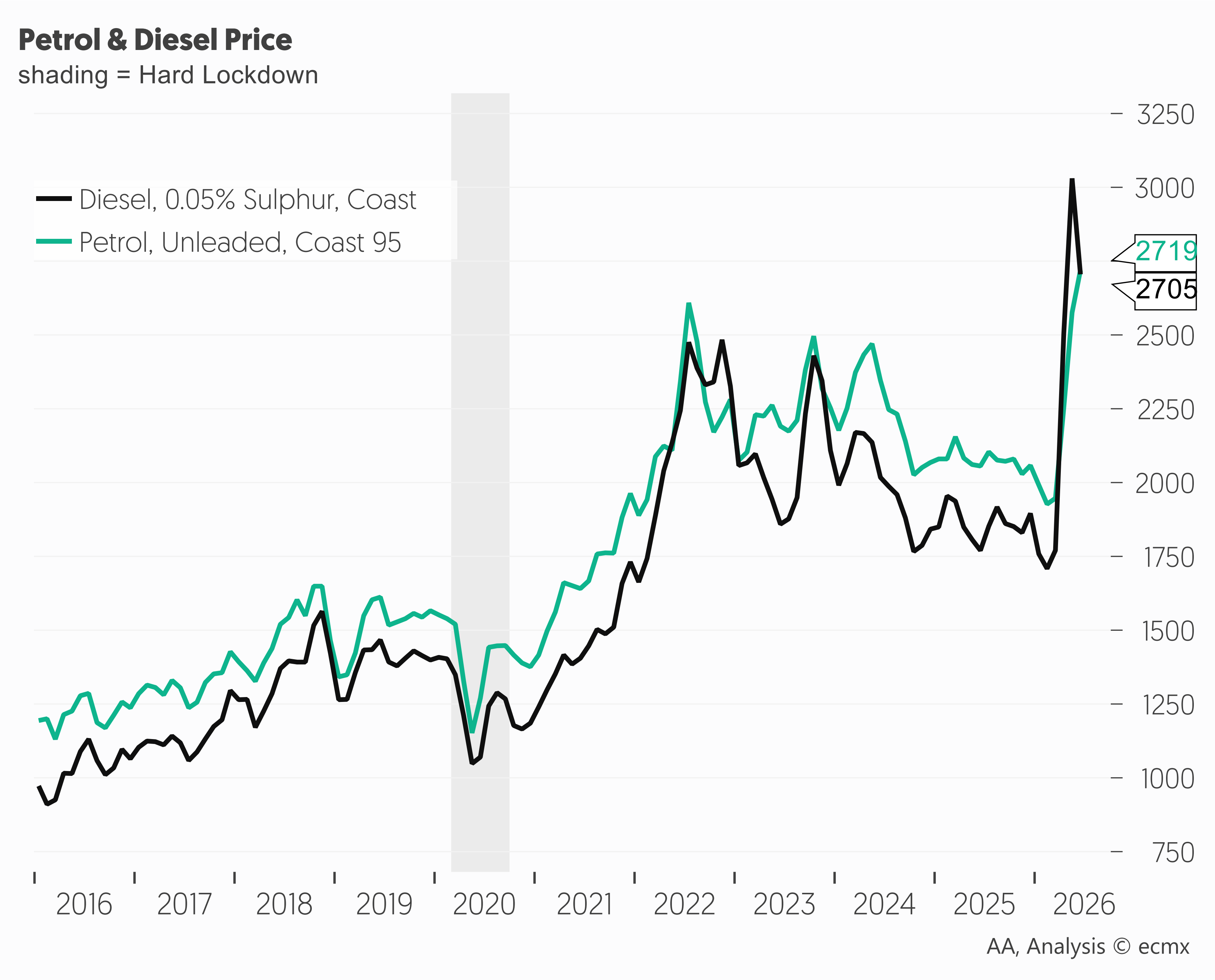

SA, Unemployment Rate
%, shading = lockdown
Combined Rate of Unemployment & Potential Labour Force (LU3)
Official unemployment rate
50
45
43,7
40
35
32,7
30
25
20
2008
2010
2012
2014
2016
2018
2020
2022
2024
2026
South African Statistics [Stat SA], Analysis © ecmx

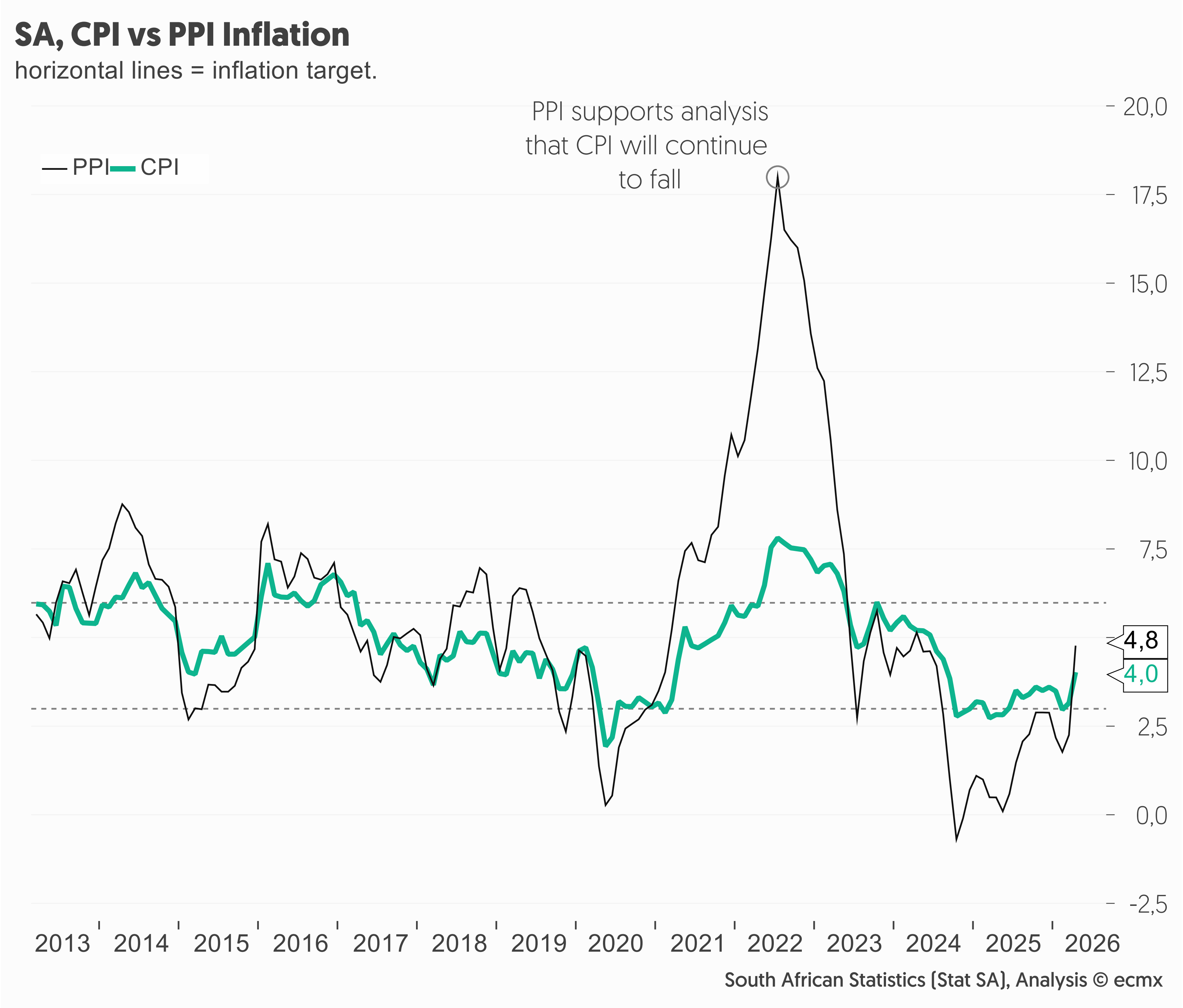

Eswatini
LMIC (2022, avg.)
SSA (2023, ILO modeled)
SACU ex. SWZ (latest, avg.)
80
70
60
50
40
30
20
10
0
2016
2021
2023
Total Unemployment
Youth Unemployment
Labor Force Participation Rate

Concerns Regarding Fuel Prices and the Economy

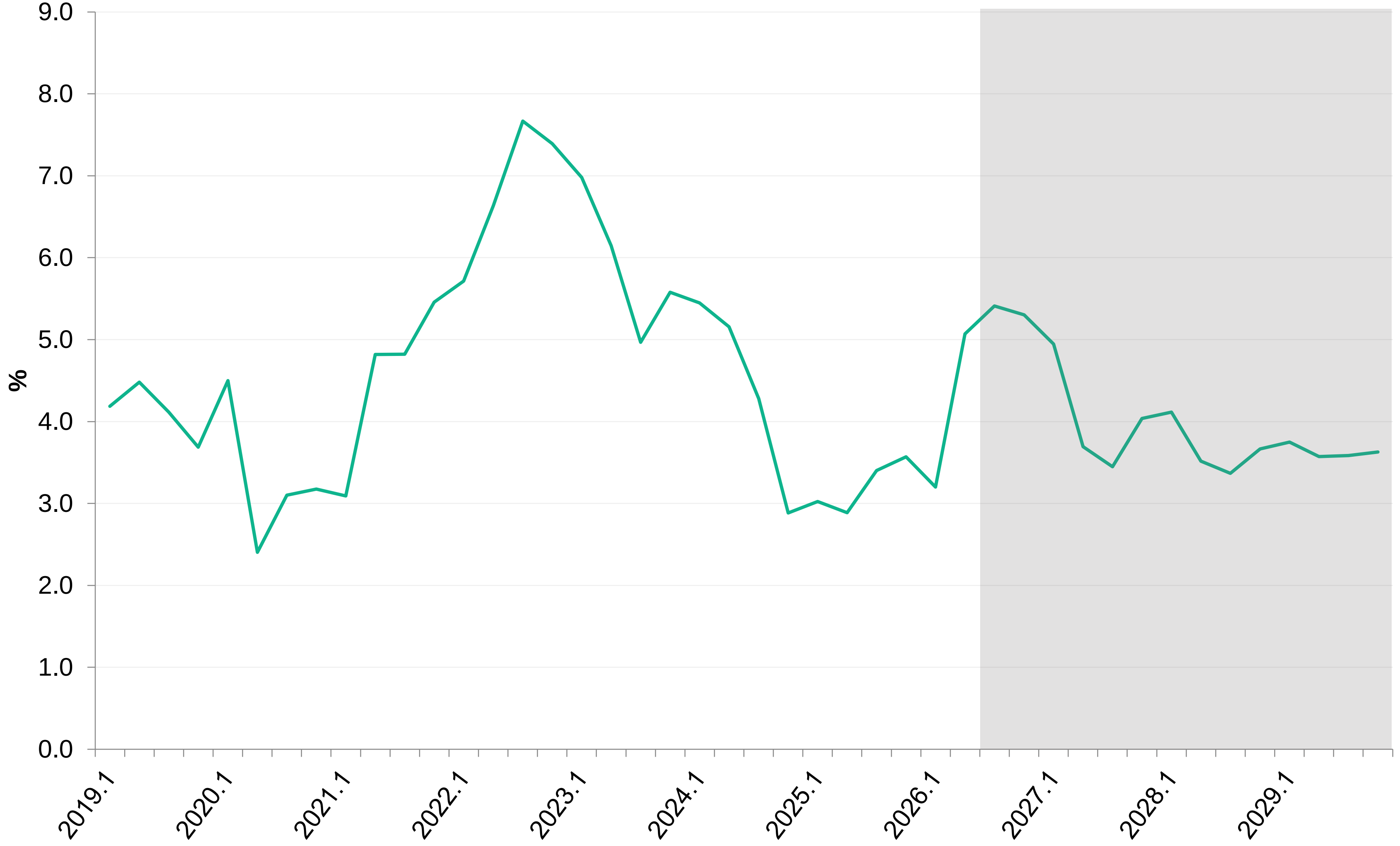
- Much depends on duration of closure of Straits of Hormuz
- Even if Straits are opened, much damage to energy production already
- Producers cannot store enough; restarting production takes time
- Countries running down reserves; only a few weeks left
- It's possible that oil prices can rocket further
- Potential inflationary effects could cause serious recession globally
- Knock-on effects on to food, plastics, petrochemicals, batteries and helium
- SA has run down from 6 to just 2 operating refineries
- Dependence on imported refined fuel has soared




Petrol & Diesel Price
shading = Hard Lockdown
Diesel, 0.05% Sulphur, Coast
Petrol, Unleaded, Coast 95
3250
3000
2719
2705
2500
2250
2000
1750
1500
1250
1000
750
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
AA, Analysis © ecmx

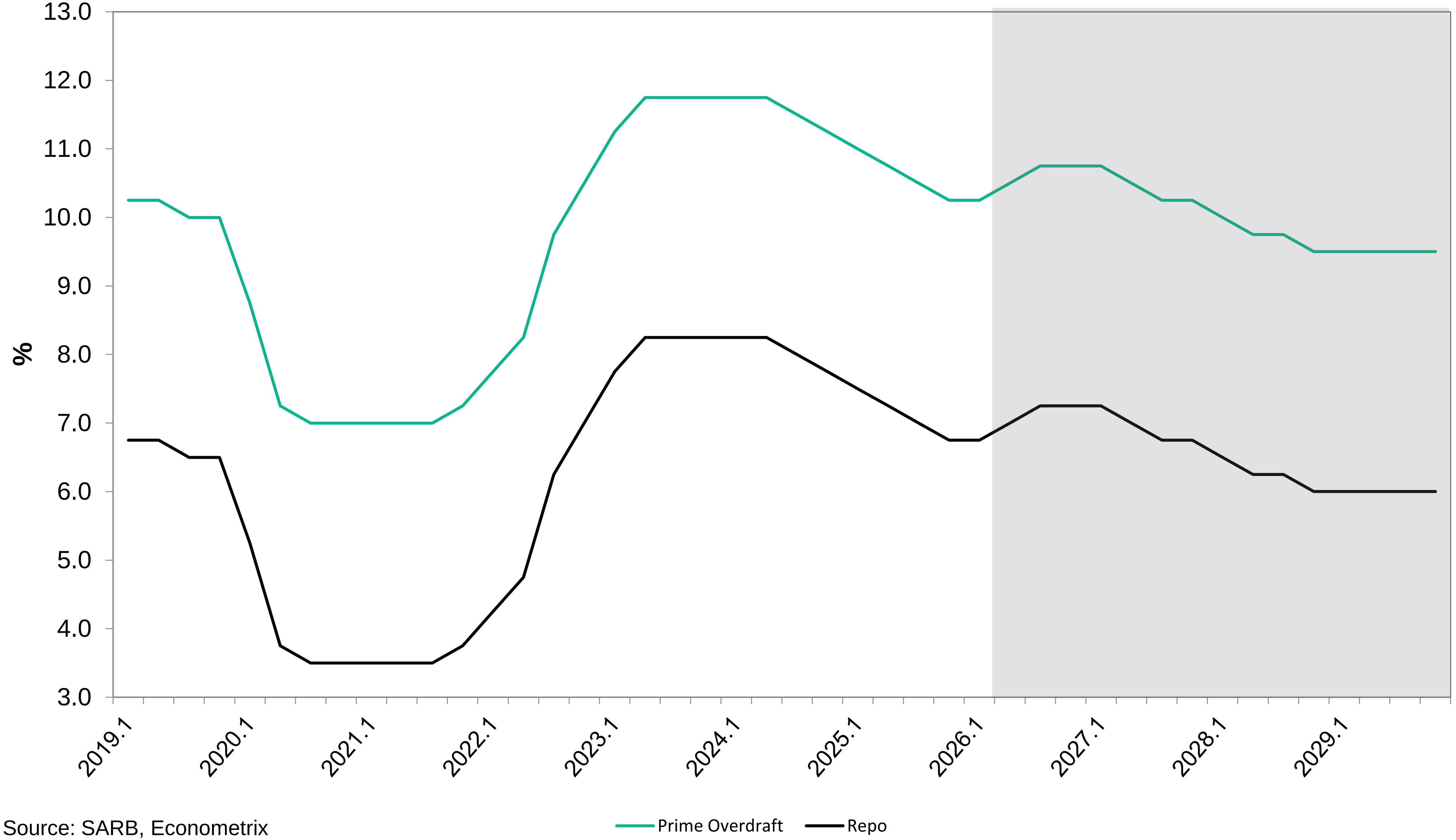

SA, CPI vs PPI Inflation
horizontal lines = inflation target.
PPI supports analysis that CPI will continue to fall
PPI
CPI
20,0
17,5
15,0
12,5
10,0
7,5
4,8
4,0
2,5
0,0
-2,5
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
South African Statistics (Stat SA), Analysis © ecmx

CPI Inflation Forecast



Source: StatsSA, Econometrix

Prime Overdraft



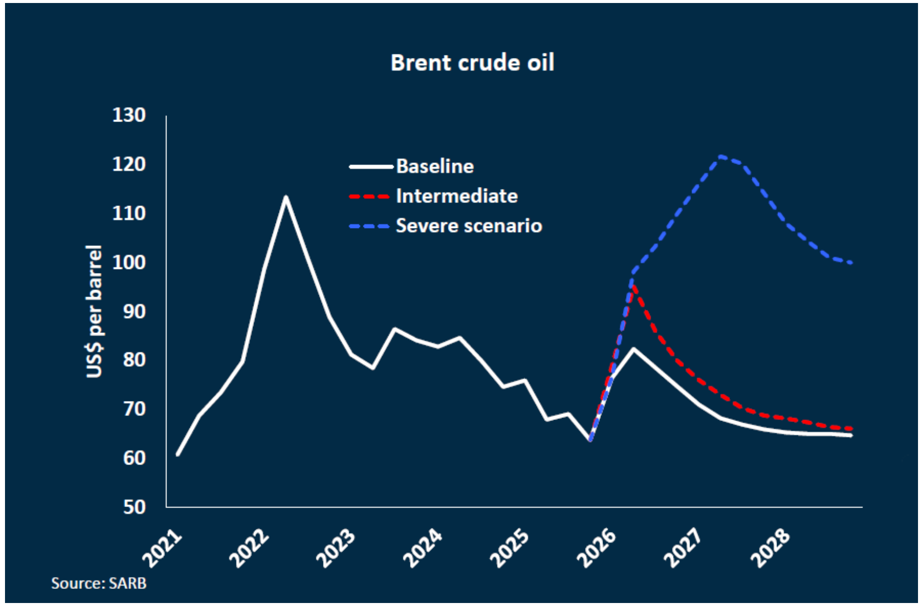
Source: SARB, Econometrix

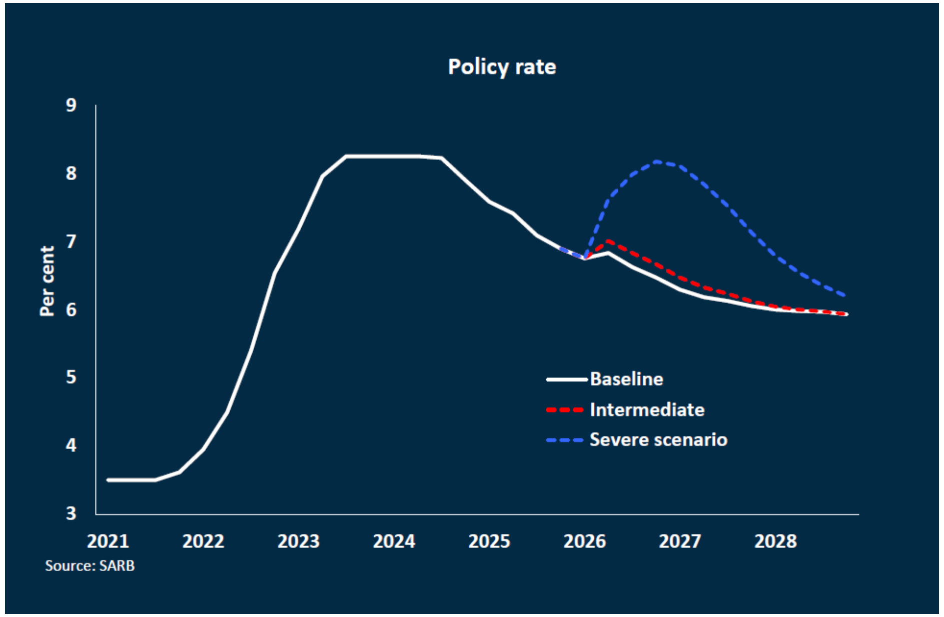
Downside Risks if War is extended

- We have revised down forecast GDP growth for SA to 1.1% from 1.5%
- IMF has revised forecast GDP growth down to 1.0% from 1.4%
- Our assumption is that oil prices fall from $94 in Q2, to $86 in Q3, $81 in Q4 and ave $75 in 2027
- CPI inflation revised up to 4.8% in 2026, falling to 4.0% in 2027 and 3.7% in 2028
- Repo rate is hiked by 0.5% in remaining 2026, declining back to 6.0% by 2029
- 10-year bond yield averages 8.7% in 2026 and 2027, declining to 8.3% in 2029
- Gradual depreciation of Lilangeni/Dollar to E19 by 2029

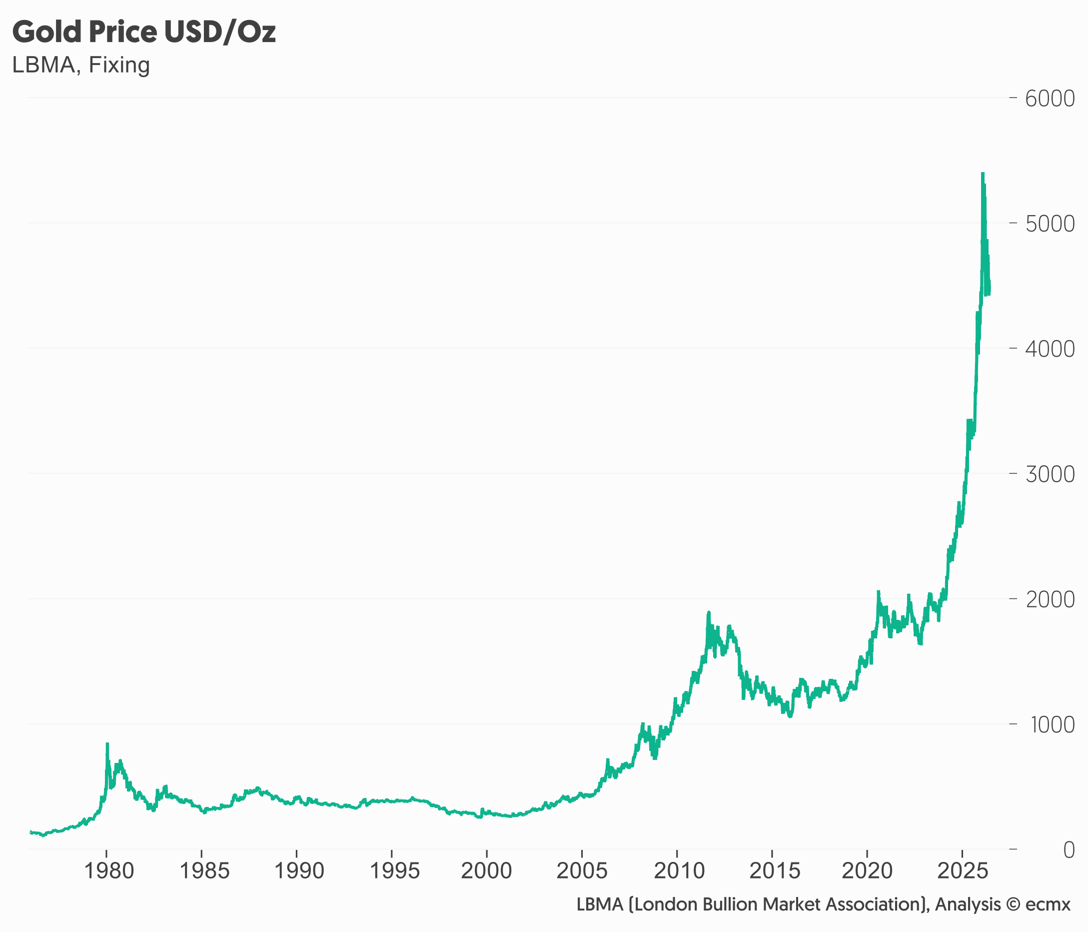
However....

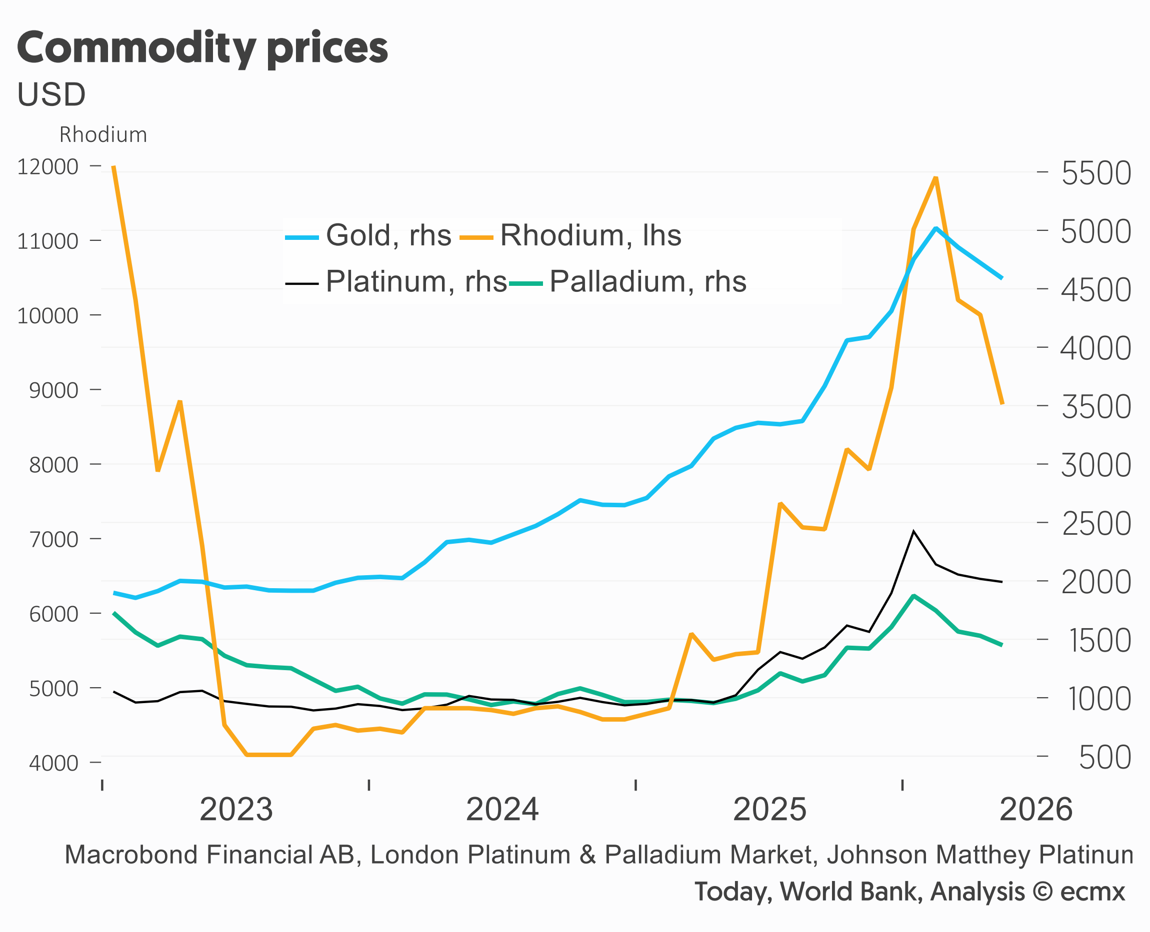
- Substantial downside risks if oil prices remain elevated
- IMF severe scenario assuming $120 peak sees global growth at 2.0%, down from 3.1% base case
- Severe scenario has global inflation revised upwards to more than 6% scenario
- Under similar scenario, S&P Global would revise SA GDP growth down to 0.0% from 1.5%
- In severe scenario, Rand seen by SARB to depreciate by 10%.
- In severe scenario, S&P would revise credit rating outlook down to "stable" from "positive".





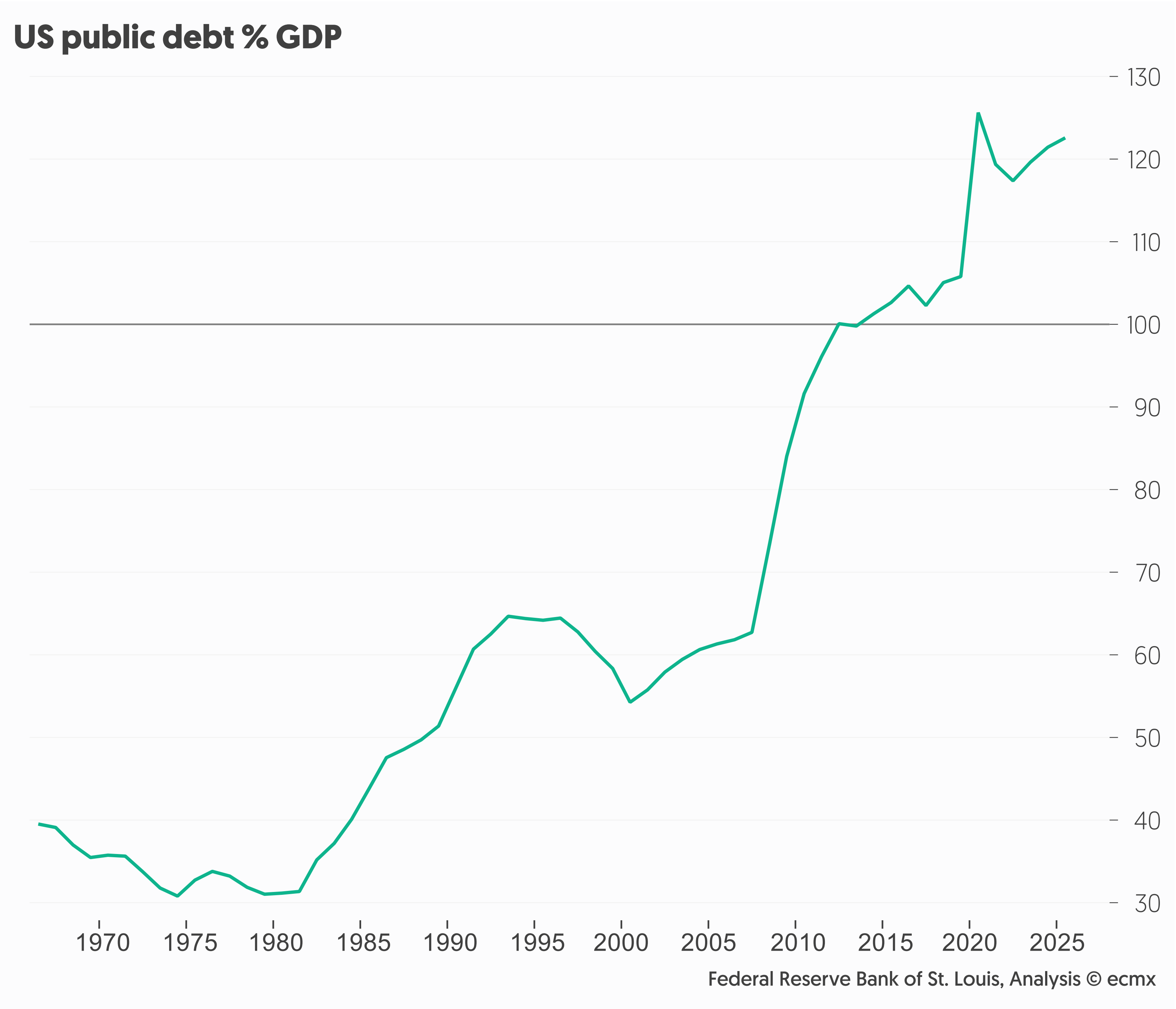

Price of Sugar
USD/lb
21
20
19
18
17
16
15
14
13
Sept
Nov
2023
Jan
Mar
May
Jul
2024
Sept
Nov
Jan
Mar
May
Jul
2025
Sept
Nov
Jan
Mar
2026
May
Bloomberg, Analysis © ecmx

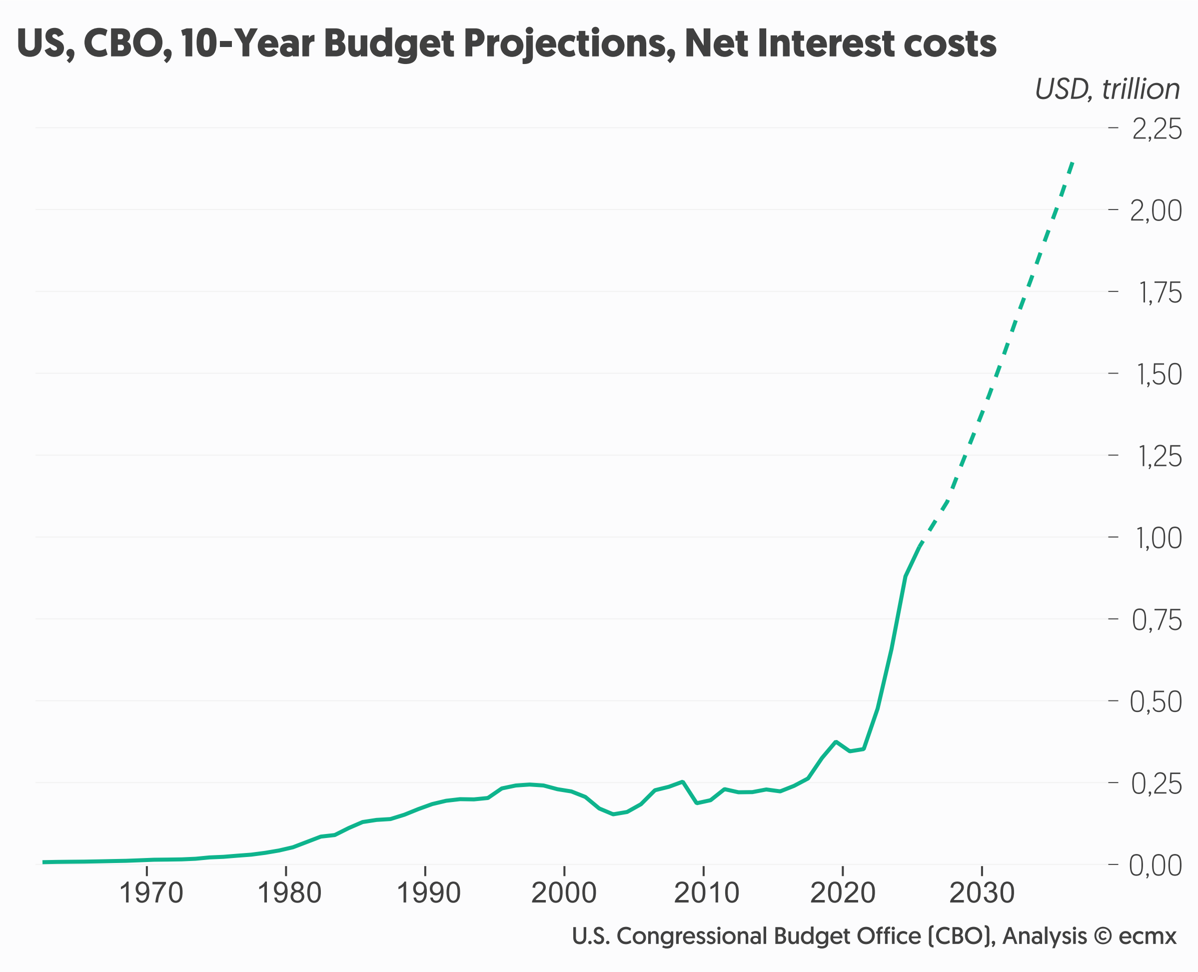

Gold Price USD/Oz
LBMA, Fixing
6000
5000
4000
3000
2000
1000
0
1980
1985
1990
1995
2000
2005
2010
2015
2020
2025
LBMA (London Bullion Market Association), Analysis © ecmx

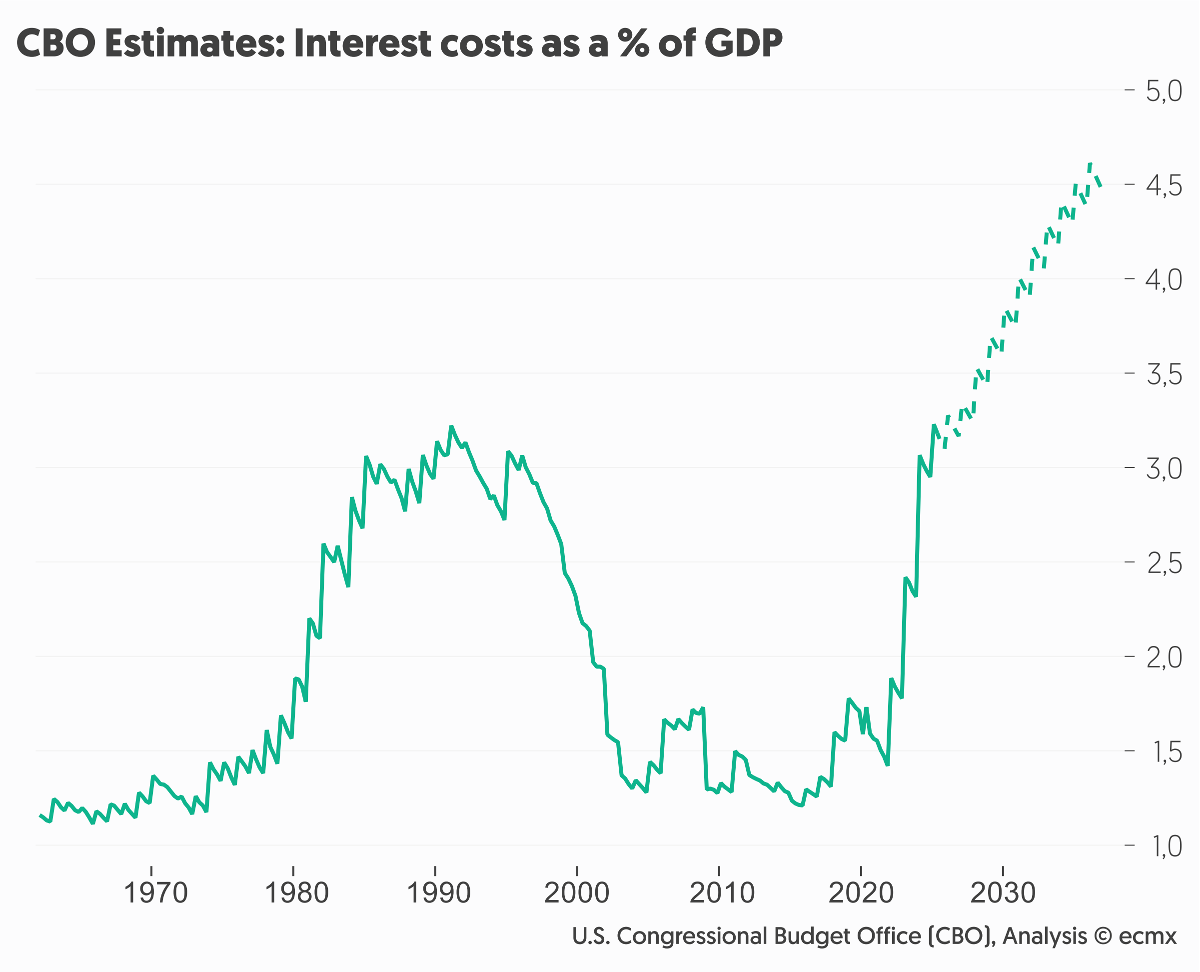

Commodity prices
USD
Rhodium
12000
11000
10000
9000
8000
7000
6000
5000
4000
5500
5000
4500
4000
3500
3000
2500
2000
1500
1000
500
Gold, rhs
Rhodium, lhs
Platinum, rhs
Palladium, rhs
2023
2024
2025
2026
Macrobond Financial AB, London Platinum & Palladium Market, Johnson Matthey Platinun
Today, World Bank, Analysis © ecmx

Increase in revenue from precious metals over the past year

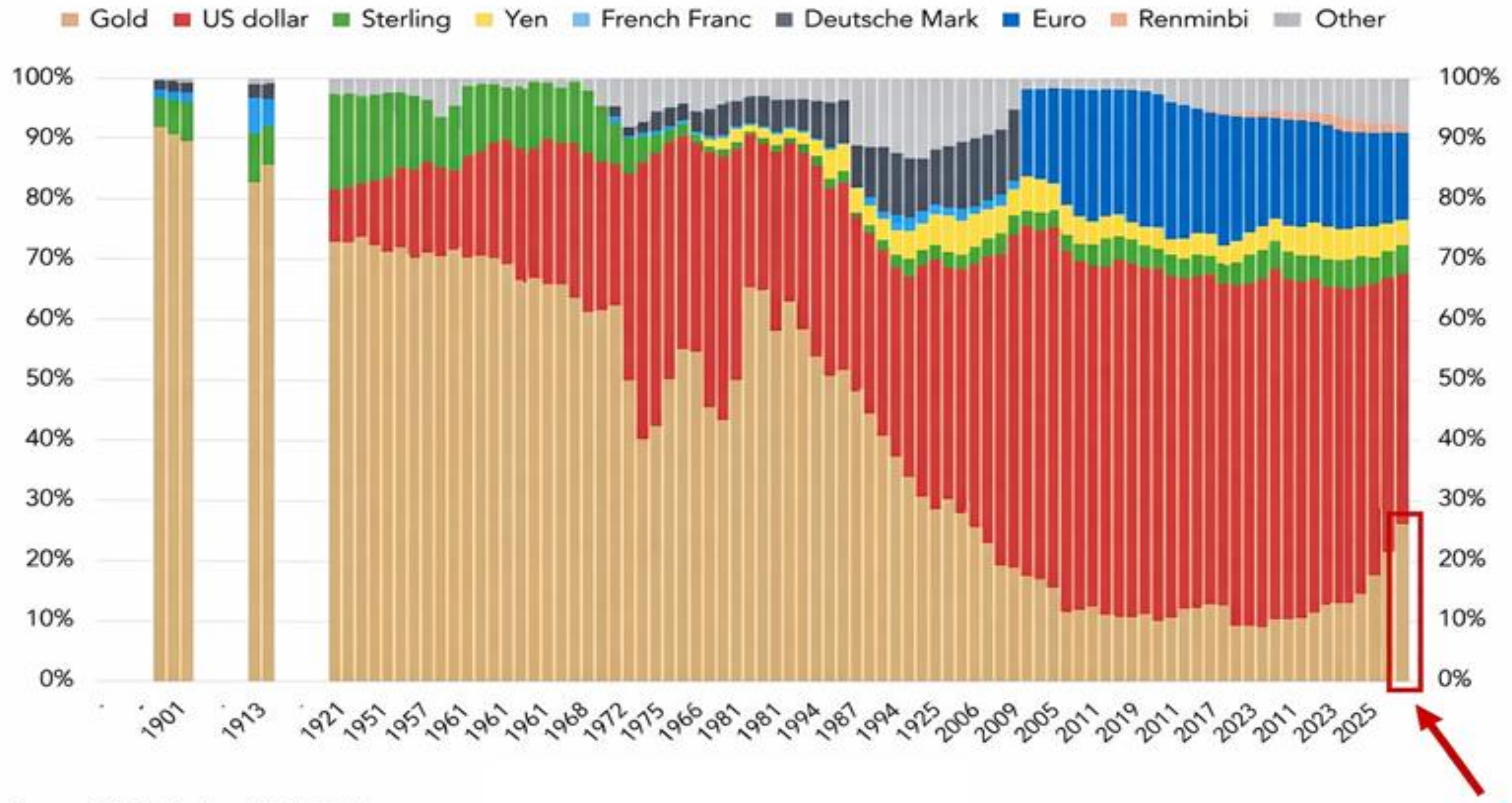
	Price at Start of 2025 (USD)	Current Price (USD)	Change in price (%)	Production (in million ounces)	Increase in USD Revenue	Increase in ZAR revenue	Increase in revenue from Precious Metals ($)	Increase in revenue from Precious Metals '(R)
Gold	2705	4449	64%	3,5	$ 1 744,00	R 29 052,53	$ 6 104,00	R 101 683,86
Platinium	948	1933	104%	4,3	$ 985,35	R 16 359,04	$ 4 237,01	R 70 343,87
Palladium	964	1358	41%	2,5	$ 393,86	R 6 601,10	$ 984,65	R 16 502,75
Rhodium	4650	8600	85%	0,7	$ 3 950,00	R 65 640,00	$ 2 765,00	R 45 948,00
Total					$ 7 073,21	R117 652,67	$14 090,66	**R 234 478,48**


US public debt % GDP
130
120
110
100
90
80
70
60
50
40
30
1970
1975
1980
1985
1990
1995
2000
2005
2010
2015
2020
2025
Federal Reserve Bank of St. Louis, Analysis © ecmx

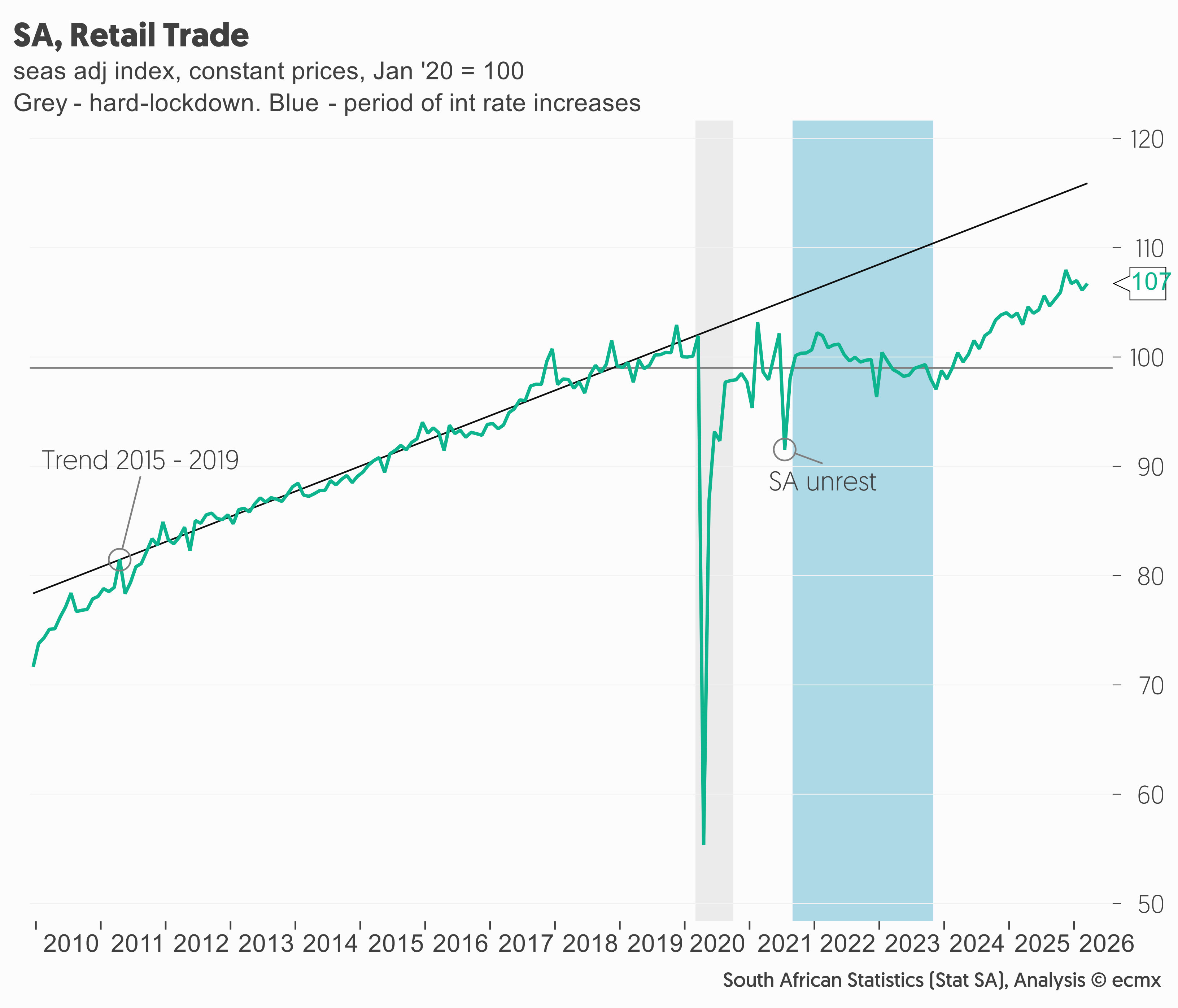

US, CBO, 10-Year Budget Projections, Net Interest costs
USD, trillion
2,25
2,00
1,75
1,50
1,25
1,00
0,75
0,50
0,25
0,00
1970
1980
1990
2000
2010
2020
2030
U.S. Congressional Budget Office (CBO), Analysis © ecmx


CBO Estimates: Interest costs as a % of GDP
5,0
4,5
4,0
3,5
3,0
2,5
2,0
1,5
1,0
1970
1980
1990
2000
2010
2020
2030
U.S. Congressional Budget Office (CBO), Analysis © ecmx

Global International Reserves (inc. Q1 2025)

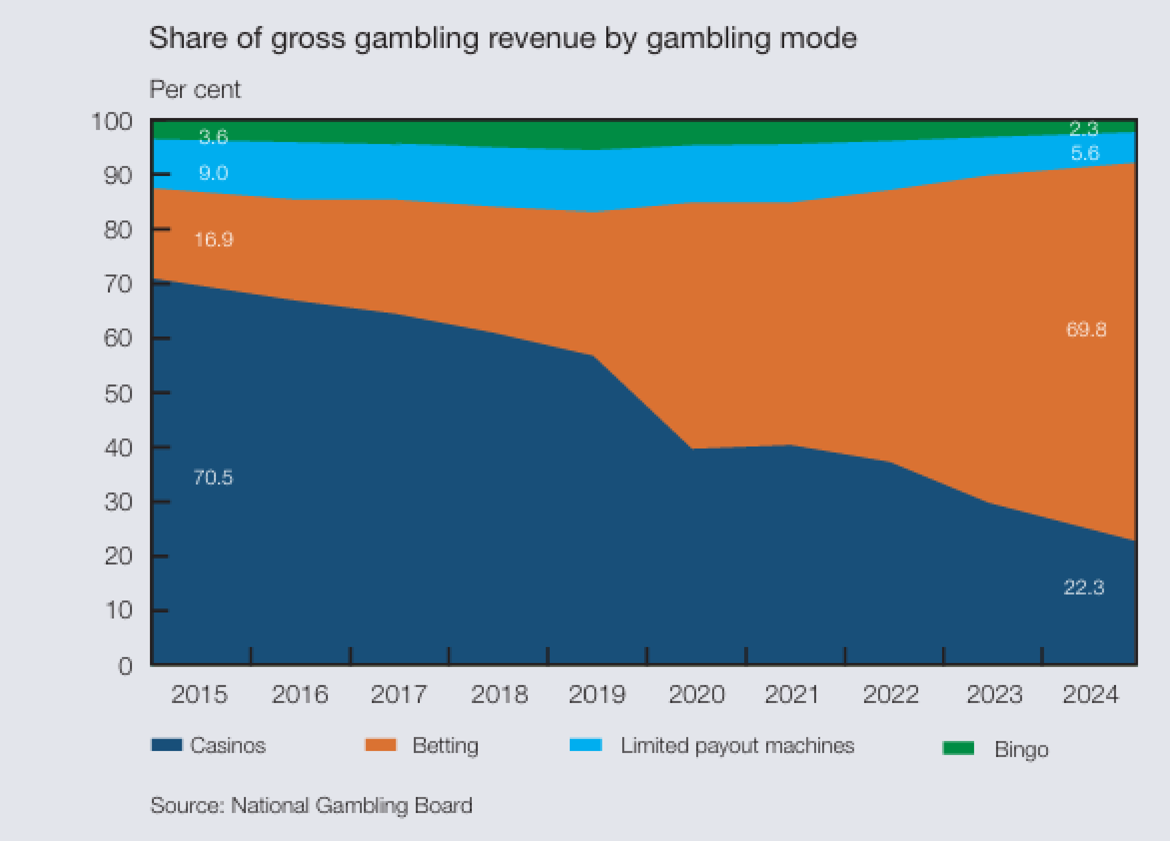


Source: IMF, P. Lindert, World Gold Council, B. Eichengreen & A. Mehl

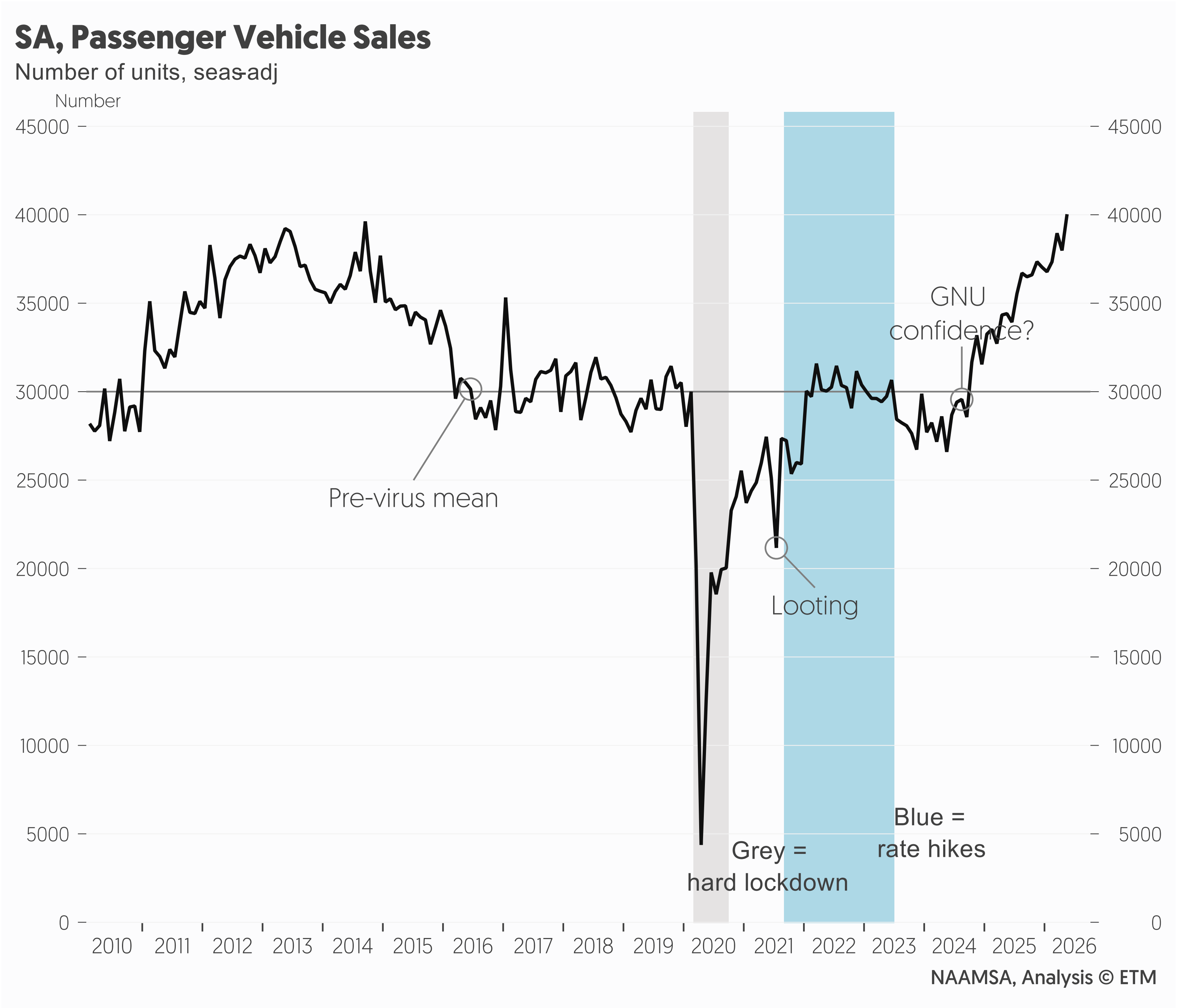

SA, Retail Trade
seas adj index, constant prices, Jan '20 = 100
Grey - hard-lockdown. Blue - period of int rate increases
120
110
107
100
90
80
70
60
50
Trend 2015 - 2019
SA unrest
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
South African Statistics (Stat SA), Analysis © ecmx

Gambling is classified under “games of chance” in the household expenditure and inflation statistics.

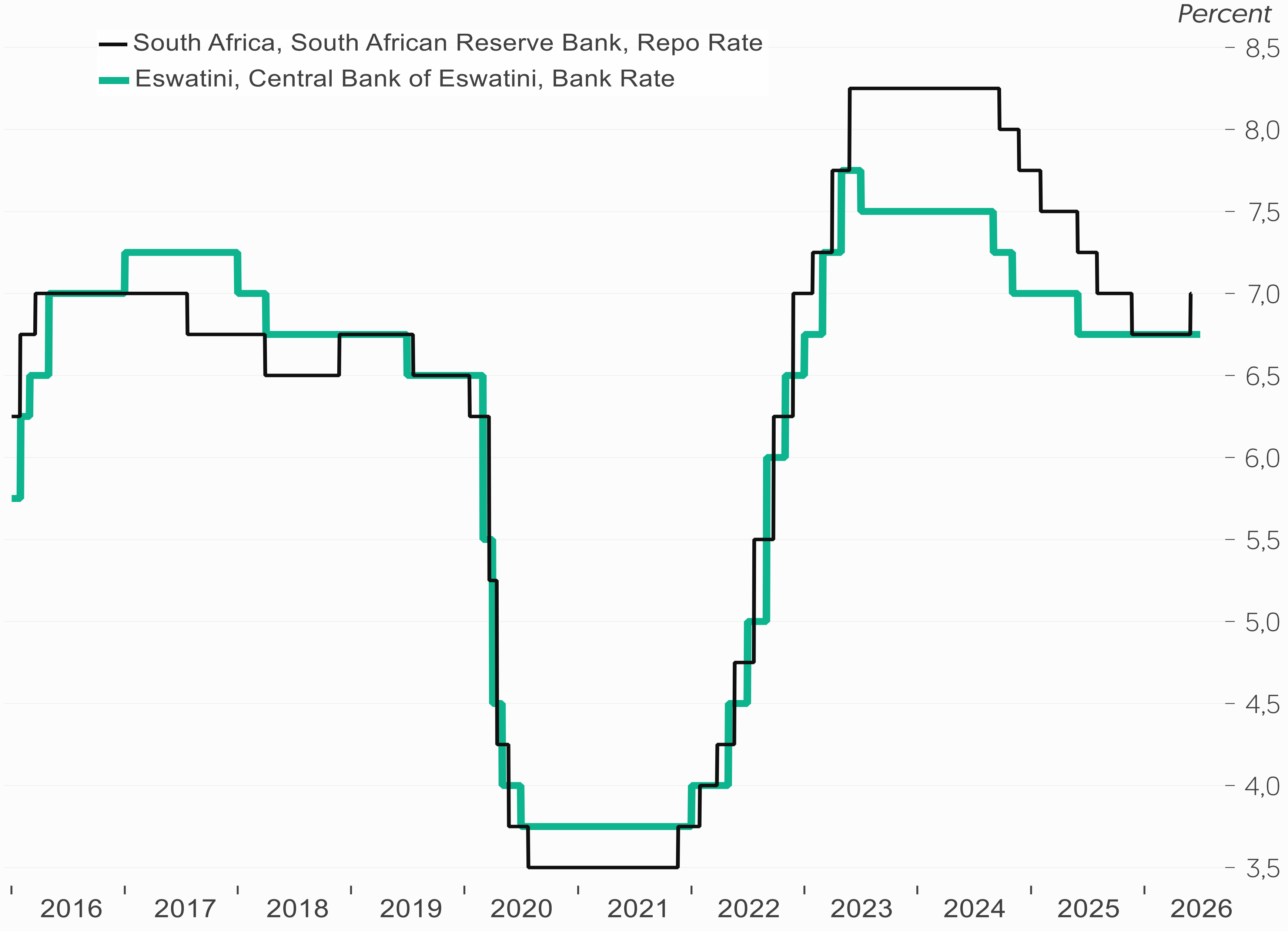
In 2024, games of chance represented 1.3% of total household spending, up from 1.1% in 2015. GGR as a percentage of total household
spending also increased from 0.9% to 1.6%. However, household spending on essential goods and services also increased.
Although spending on gambling, especially online betting, has increased notably in recent years, its contribution to total household spending is small compared to essential goods and services.



Source: SARB Quarterly Bulletin, March 2026

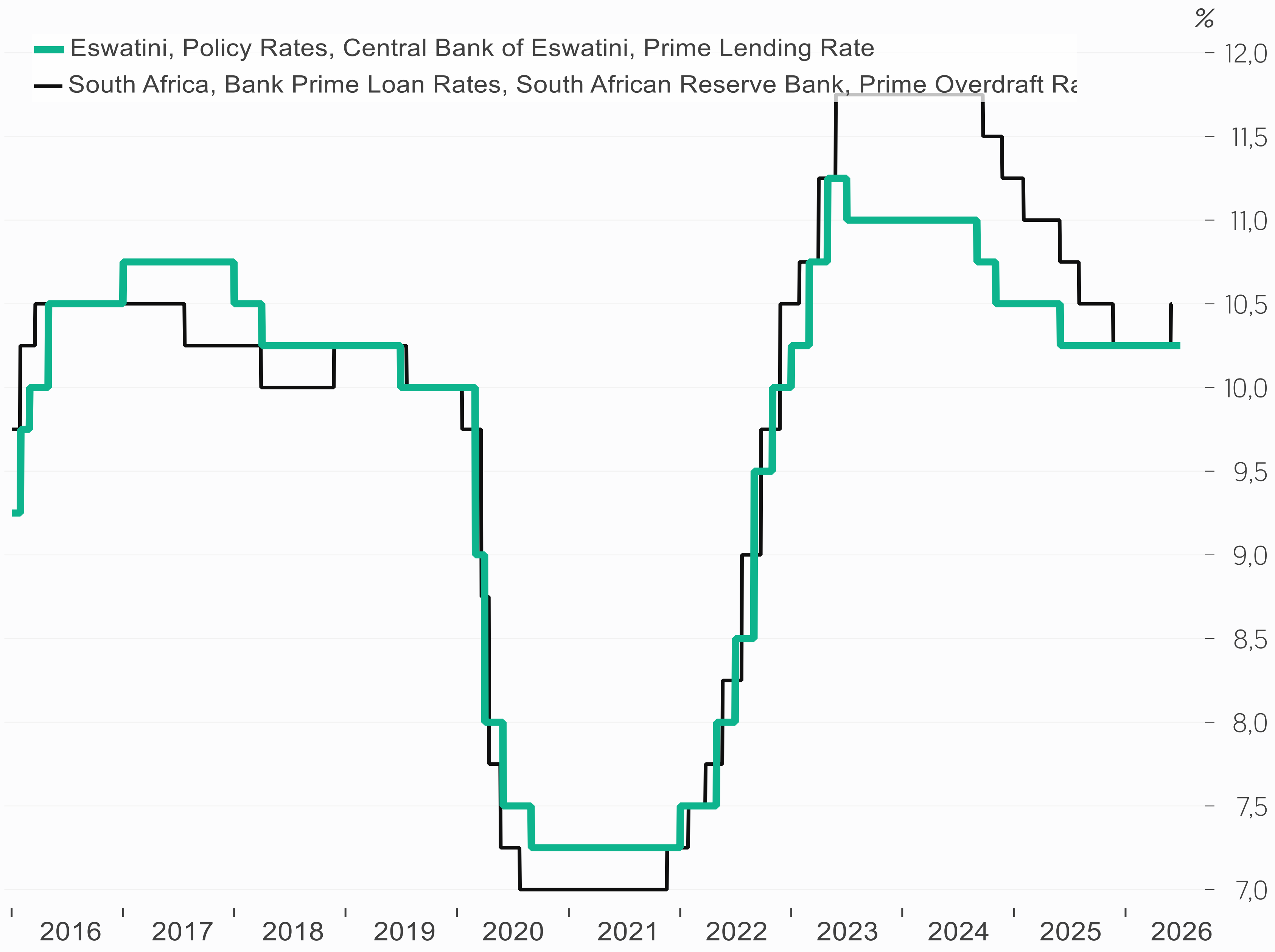

SA, Passenger Vehicle Sales
Number of units, seas-adj
Number
45000
40000
35000
30000
25000
20000
15000
10000
5000
0
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
Pre-virus mean
Looting
GNU confidence?
Grey = hard lockdown
Blue = rate hikes
NAAMSA, Analysis © ETM

Policy Rates

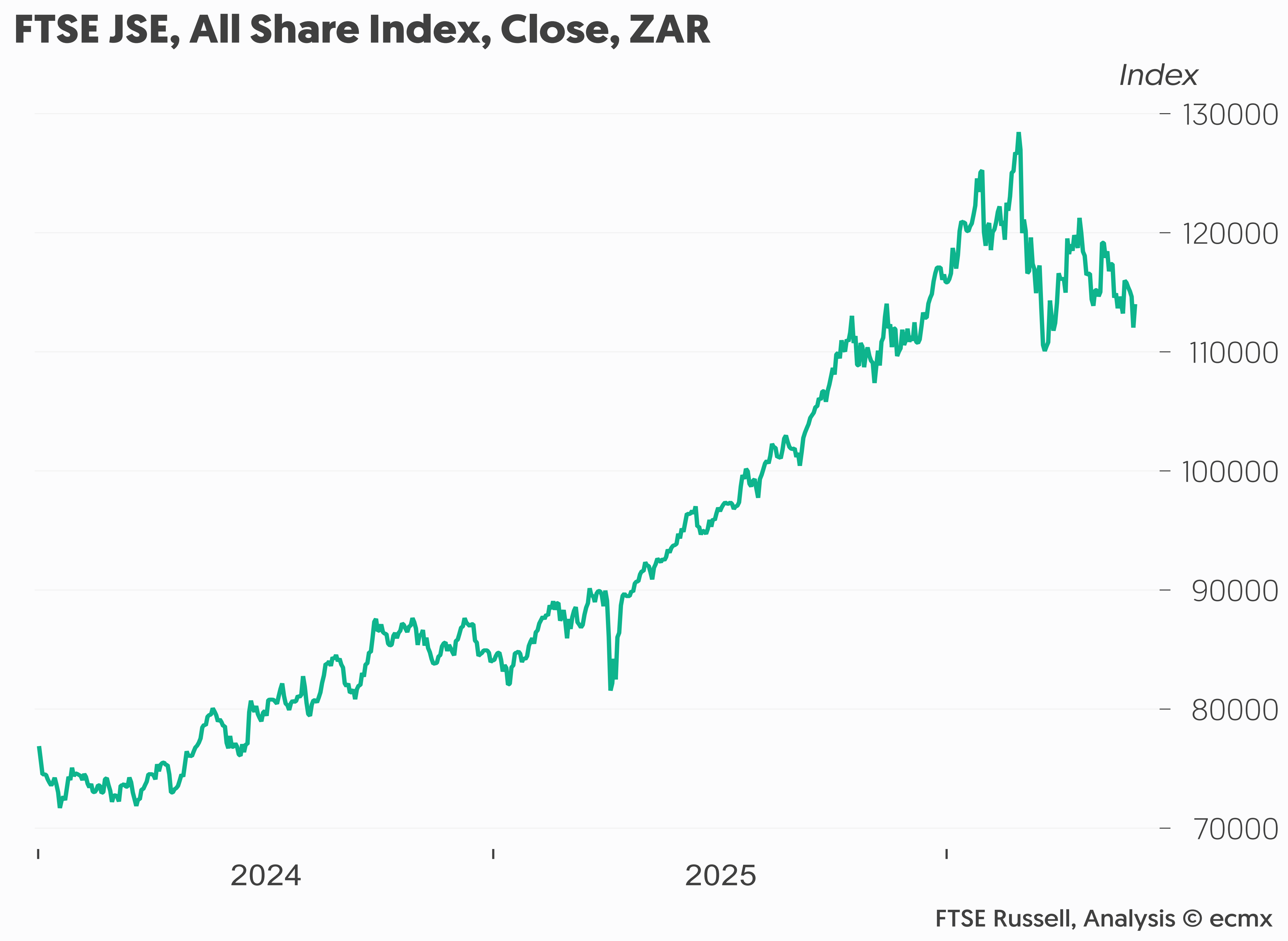


Central Bank of Eswatini, Reserve Bank of South Africa (SARB), Analysis © ecmx

Prime Rates



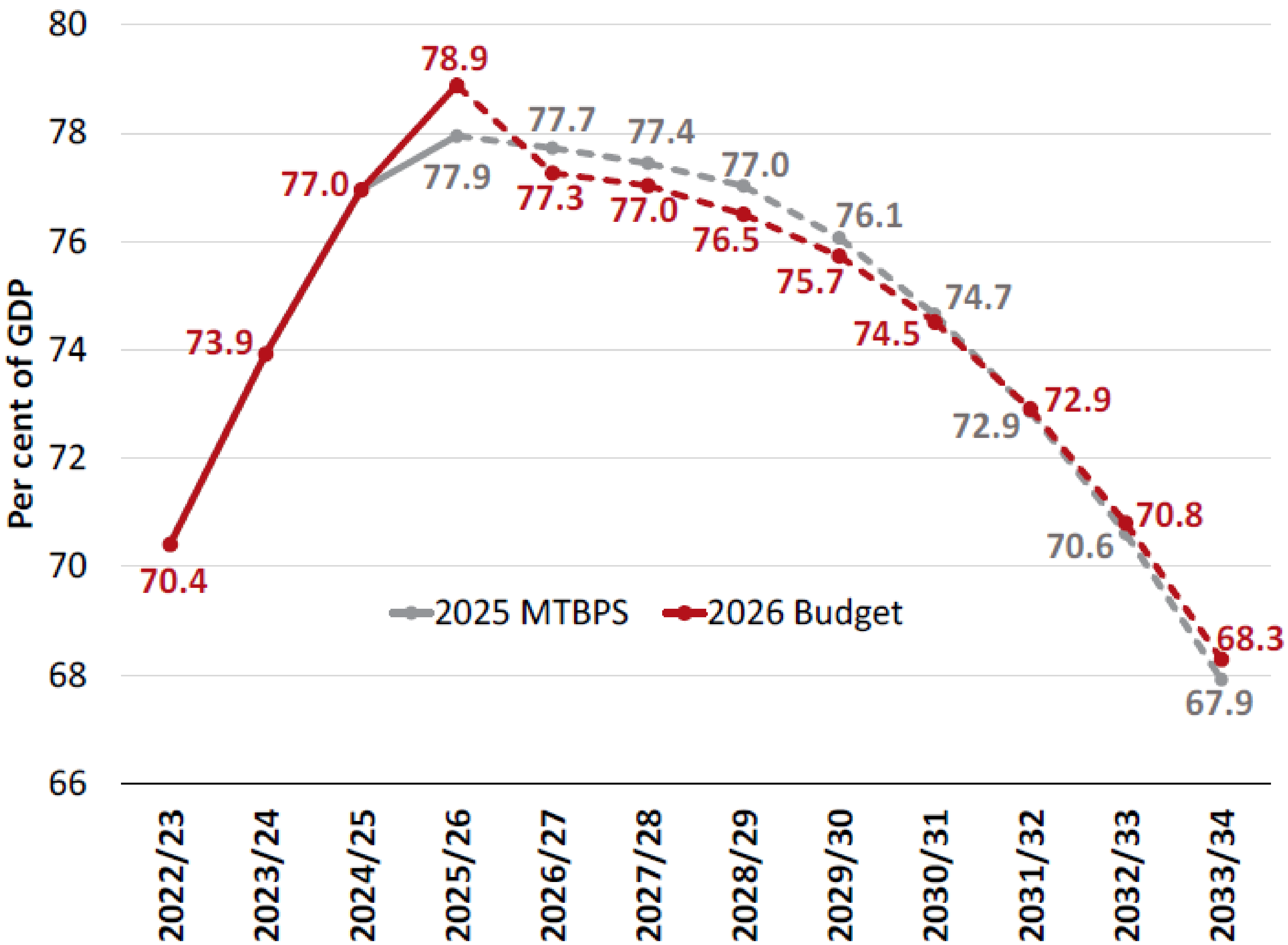
Reserve Bank of South Africa (SARB), Central Bank of Eswatini, Analysis © ecmx

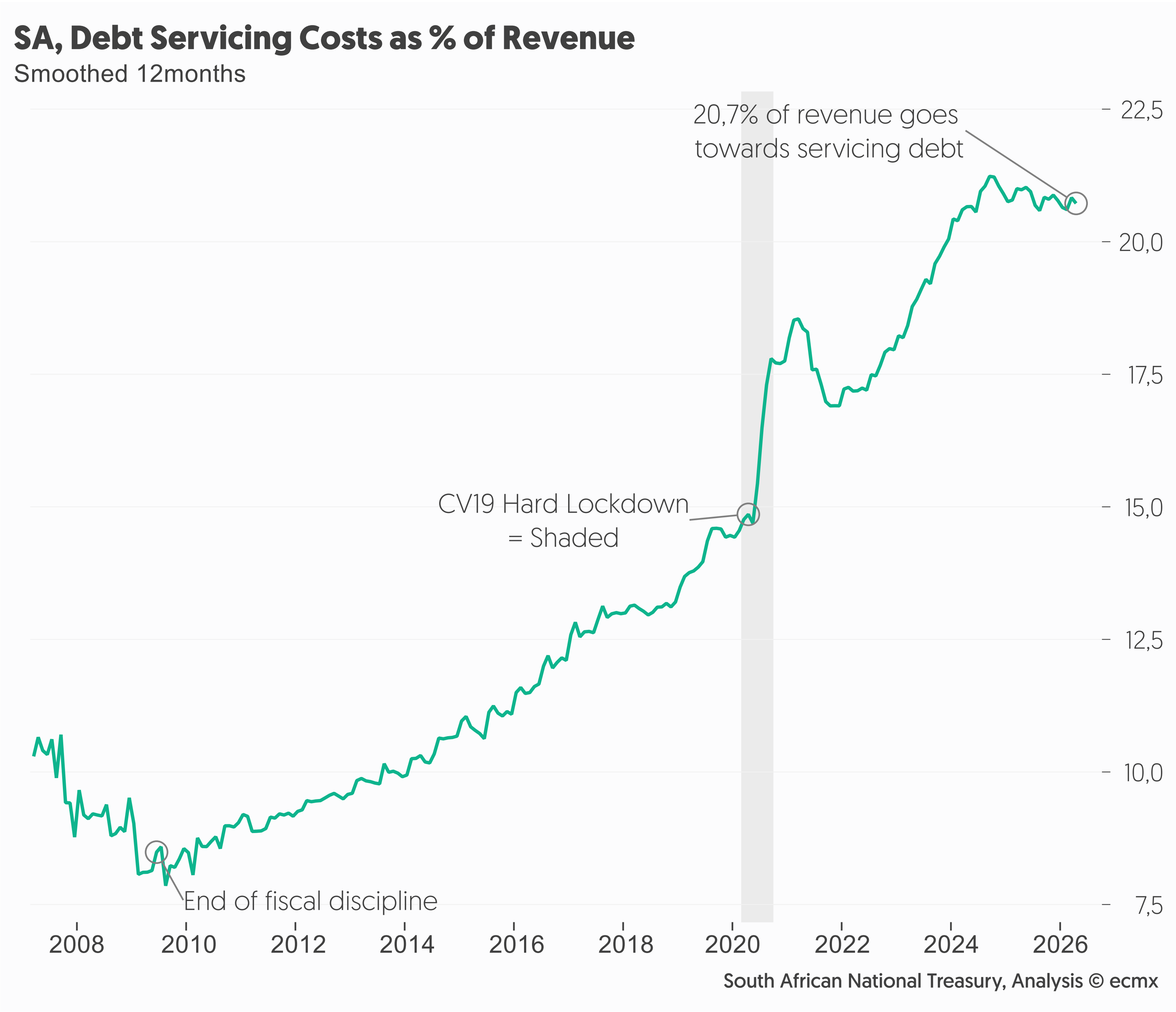

FTSE JSE, All Share Index, Close, ZAR
Index
130000
120000
110000
100000
90000
80000
70000
2024
2025
FTSE Russell, Analysis © ecmx

SA 10-year yield

Macrobond Financial AB, Analysis © ecmx

Figure 1.1 Gross debt-to-GDP outlook

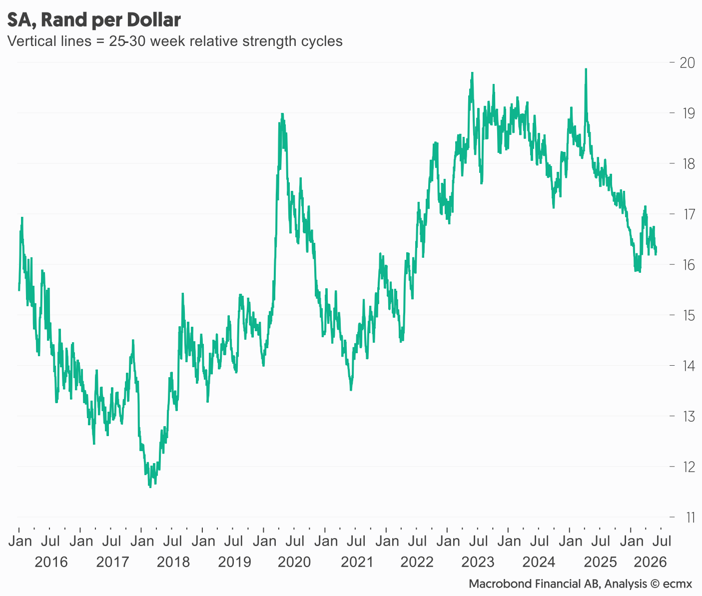


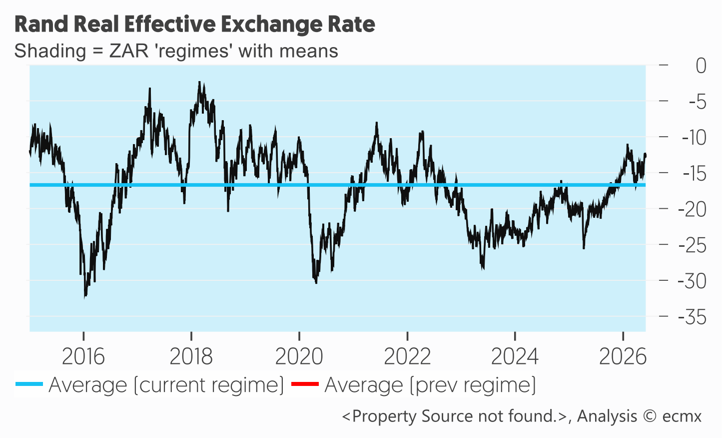


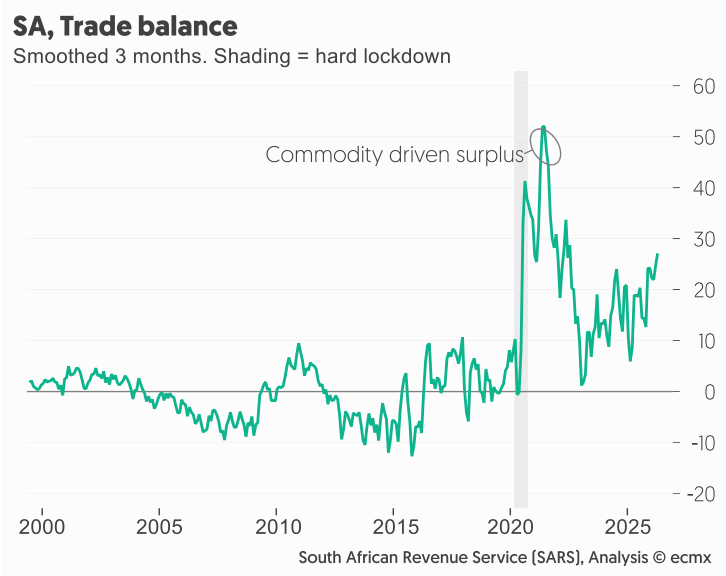
SA, Debt Servicing Costs as % of Revenue
Smoothed 12months
20,7% of revenue goes towards servicing debt
CV19 Hard Lockdown = Shaded
End of fiscal discipline
22,5
20,0
17,5
15,0
12,5
10,0
7,5
2008
2010
2012
2014
2016
2018
2020
2022
2024
2026
South African National Treasury, Analysis © ecmx

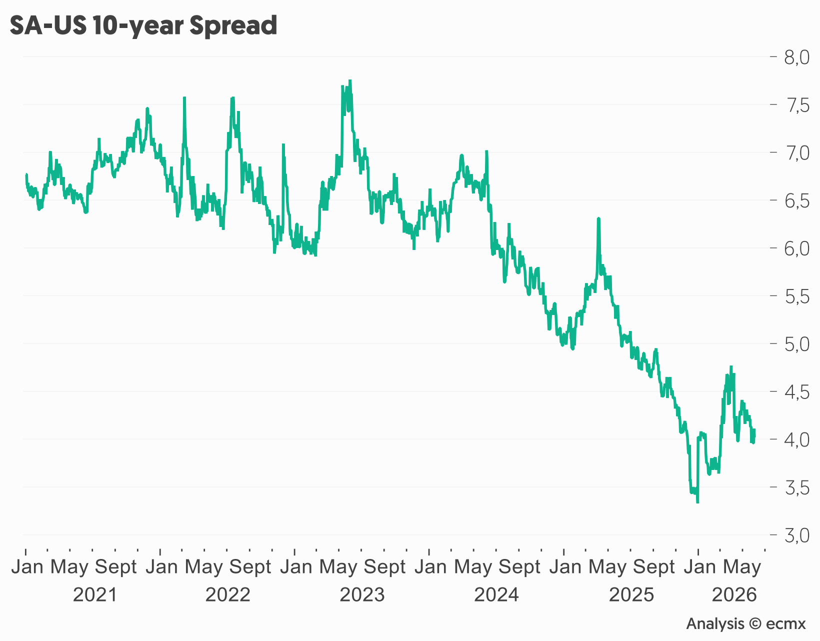
Lilangeni to Enjoy Some Support

- Lilangeni vulnerable to risk-off
- However, the SA fiscal environment improved under the GNU
- Some nervousness ahead of local government elections?
- Consistently positive trade surplus
- Positive correlation between rand and gold/pgms
- Lilangeni still relatively undervalued
- Tailwind from removal of SA from grey list and ratings upgrade
- Hopes for improved growth longer term?
- Reality is that SA and Eswatini growth still weak relatively
- Considerable further structural improvements still needed









Exchange Rate Forecast						
	2024	2025	2026	2027	2028	2029
E / $	18,33	17,89	16,79	17,61	18,43	19,14
E/ €	19,83	20,19	19,86	20,75	21,52	22,17
E / £	23,42	23,58	22,48	23,66	24,79	25,54
$ / €	1,08	1,13	1,18	1,18	1,17	1,16
Source: Econometrix						

IMF Recommendations For Eswatini Structural Reform

- Containment of growth in public sector wage bill

- Stronger management of public debt, contingent liabilities and state guarantees

- Reduction and Dependence on SACU Revenues
  - broadening the tax base
  - export diversification outside of SACU
  - enhancing VAT collections
  - modernising customs administration

- Private Sector Development and Reform
  - simplifying business licensing
  - reducing regulatory barriers
  - contract enforcement
  - property rights
  - reducing cost of doing business
  - faster permit approvals
  - digital government services
  - reducing administrative inefficiencies

- Reform of SOEs
  - governance and transparency
  - stronger financial reporting
  - commercialisation
  - stronger oversight frameworks

- Labour Market and Human Capital Reform
  - improved vocational and technical training
  - alignment of education with labour market needs
  - support for entrepreneurship and SMEs
  - digital skills development

- Economic diversification
  - sugar, beverage concentrates, Agro processing,
  - manufacturing, logistics, tourism, renewable energy
  - digital services

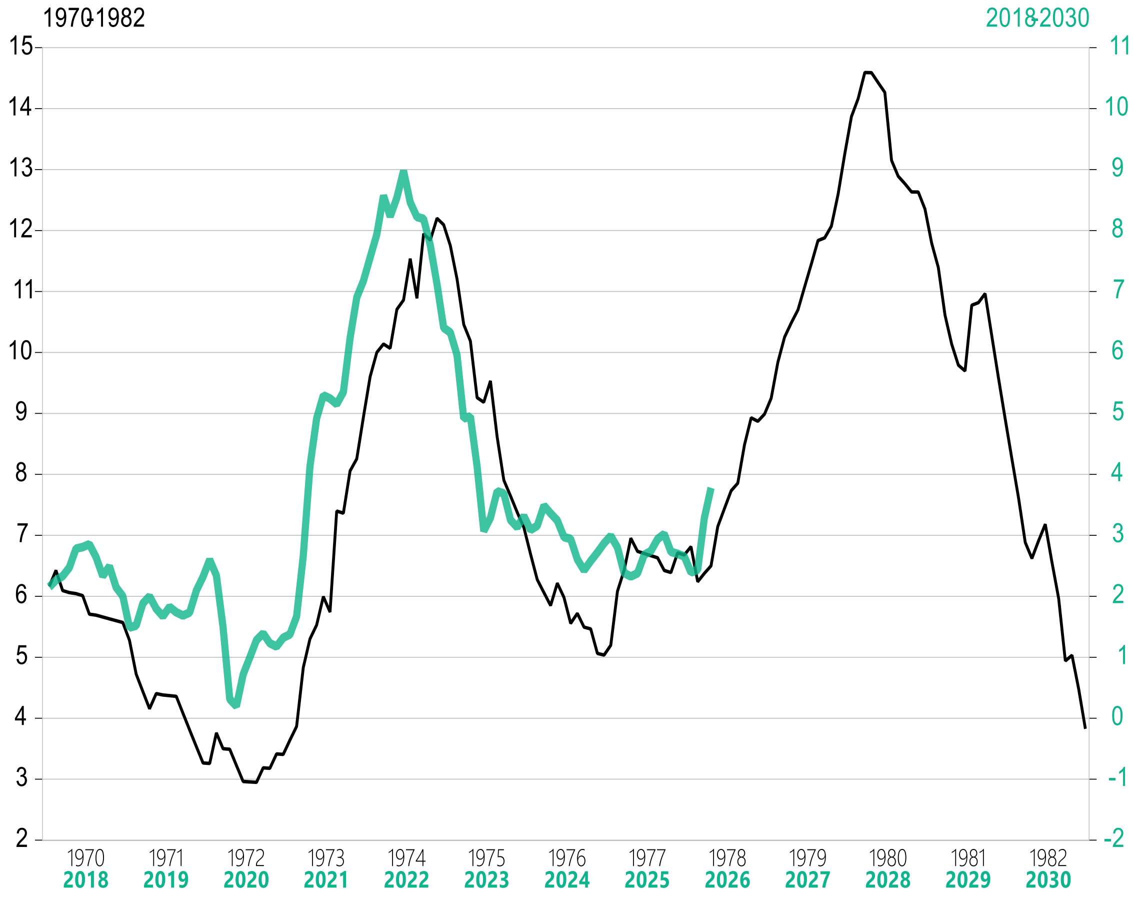
- Governance and Anticorruption

- Climate Resilience
  - resilience to drought
  - water infrastructure

Impact of War

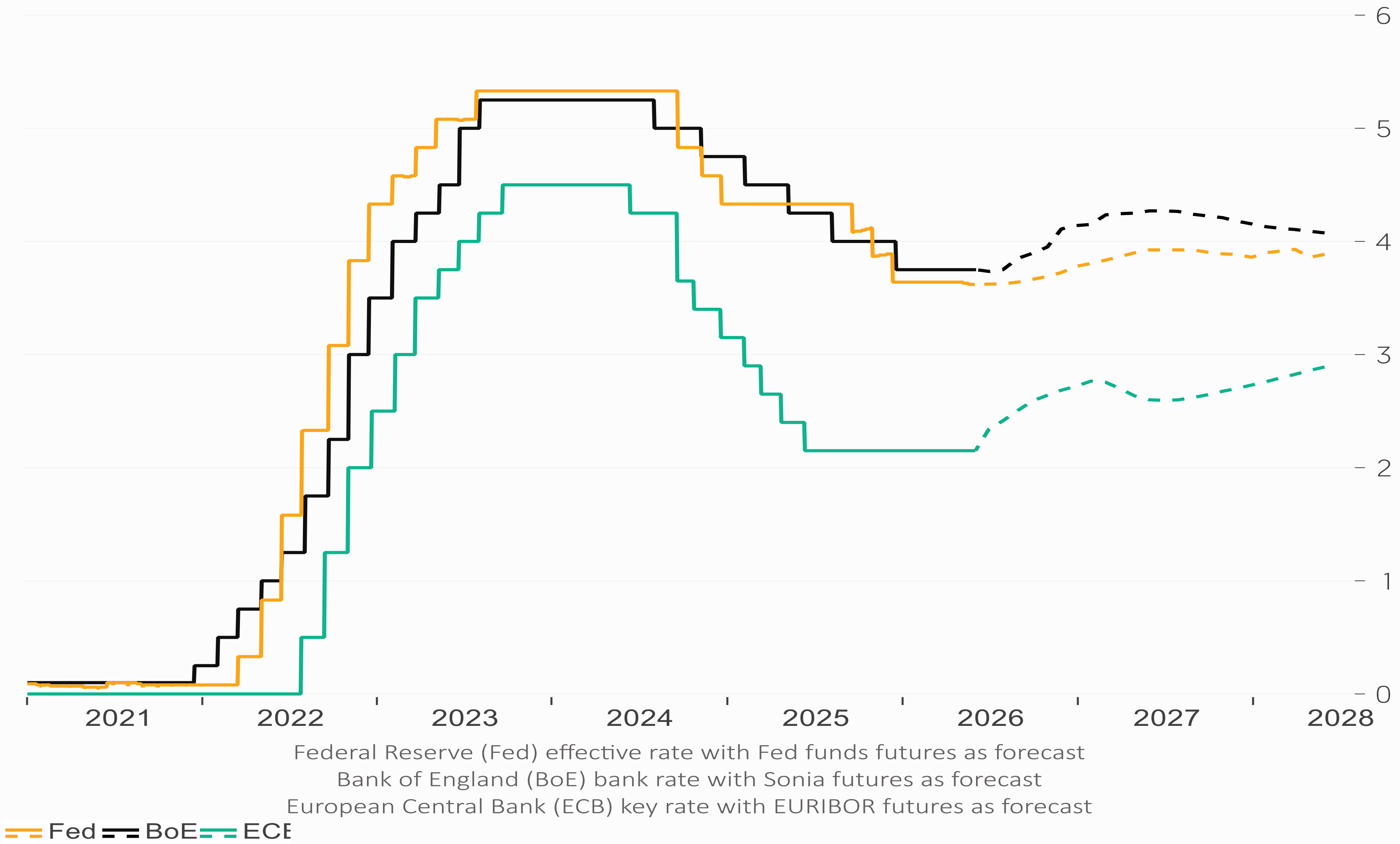
- Inflation impact only to emerge over time
- Trump increasingly frenetic about ending war
- But Trump keeps the same negotiating troupe
- Considerable damage to oil, gas and other gulf production facilities
- Even if war ends, substantial disruption to supply chains
- Many similarities with covid effects - long tail of inflation
- Monetary policy risks same as with covid, of being too late
- Ultimate risk of deflation
- But this time public debt levels of leading economies stretched
- Capacity for stimulus limited

United States Headline Inflation: The 1970s vs. Today



U.S. Bureau of Labor Statistics (BLS), Analysis © ecmx

Market Discount Rates



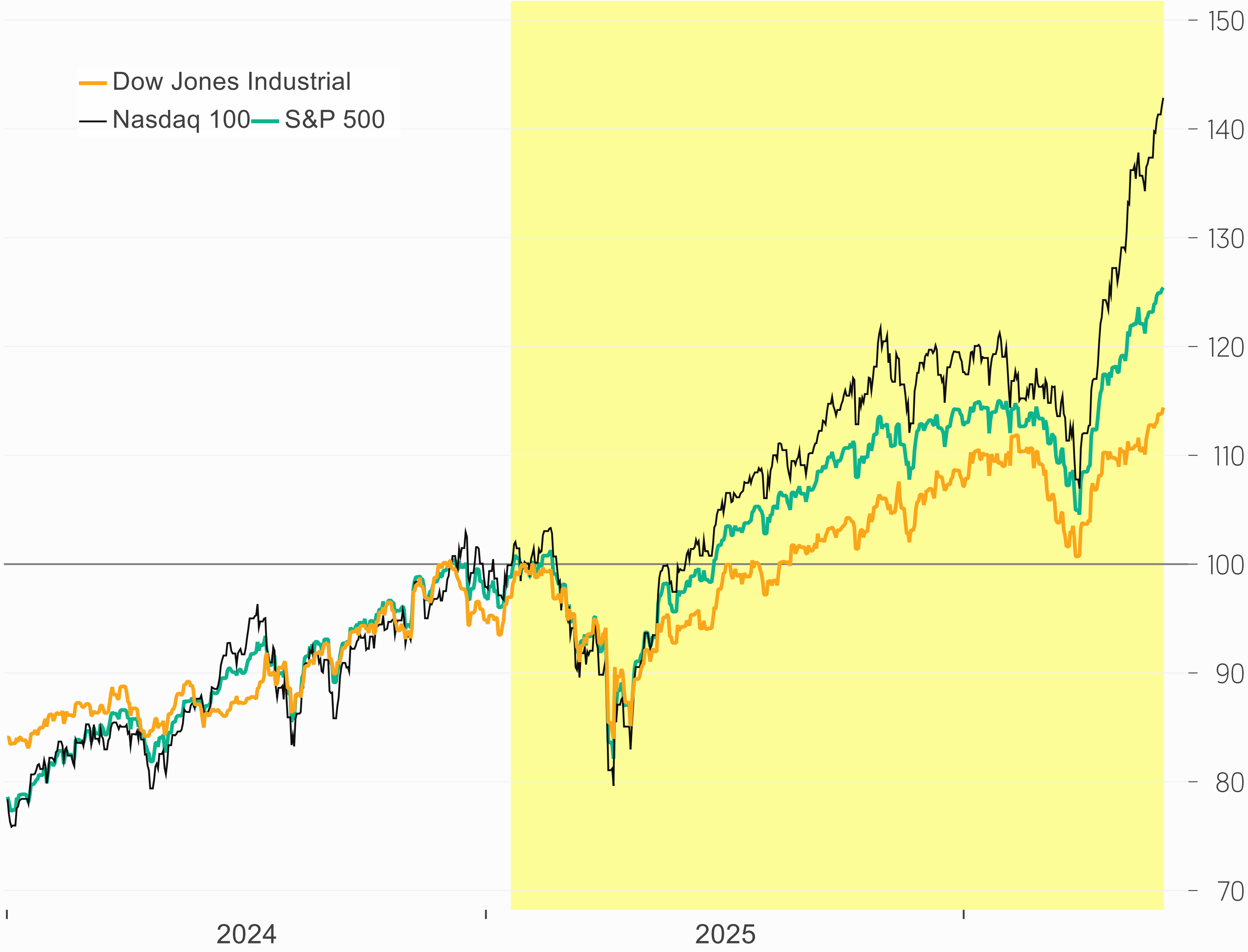
Analysis © ecmx

University of Michigan, Consumer Sentiment, Expected Change in Inflation Rates, Next Year

University of Michigan, Analysis © ecmx

US Equity Indices

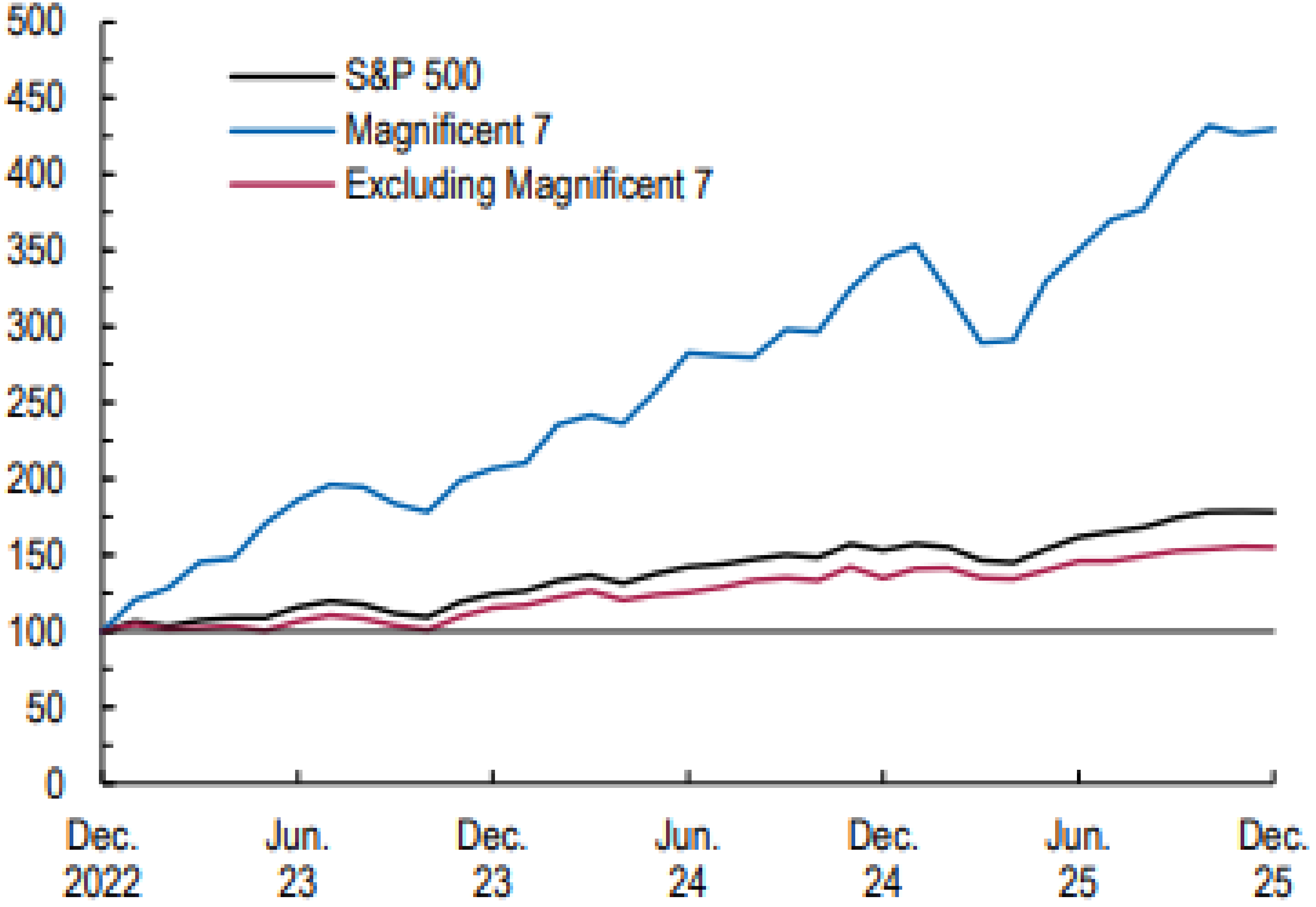
Rebased November 2023. Shading = Trump presidency



S&P Global, Nasdaq, Analysis © ecmx

Figure 2. Tech Companies Diverge Further from the Rest

(Index, Dec. 2022 = 100)



Resistance to AI growing

- 24% of King’s College survey says AI is positive for humanity
- Growing fears surrounding damage to mental health from social media
- Breakdown of meaningful relationships
- Marked decline in procreation and population growth
- Increased social anxiety surrounding tech
- Fear of job losses
- Increased inequality
- Electricity intensity of data centres
- Breaches of copyright
- The vulnerability of the financial system through hacking
- Quantum computing makes digital currencies vulnerable
- Pope Leo calls for disarmament of AI, which is "driving idolatry for profit"