

South Africa's consumer confidence recovers in fourth quarter

By [Prema Bedi](#)

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South Africa's consumer confidence improved in the fourth quarter, a survey released on Thursday, 8 December showed, although consumer sentiment remained "depressed" largely due to soaring inflation and large interest rate hikes.



Source: Reuters/Esa Alexander

The consumer confidence index (CCI), sponsored by the FNB and compiled by the Bureau for Economic Research (BER), improved to minus 8 points from minus 20 points in the third quarter.

The recovery was attributed to a rebound in consumers' willingness to spend, relative to the previous two quarters in 2022.

"The significant improvement in consumer sentiment is positive news for the economy and suggests that household consumption expenditure is holding up - or even expanding slightly - despite difficult economic conditions," said Mamello Matikinca-Ngwenya, chief economist at FNB.



South Africans predicted to spend R226bn this festive season

30 Nov 2022



An upwards trend in employment growth and substantially lower petrol prices since the last quarter have bolstered consumer sentiment in the run-up to the festive season, Matikinca-Ngwenya added.

While the confidence levels of high- and middle-income households improved over the quarter, that of low-income households has deteriorated, the survey showed.

South Africa's headline consumer inflation quickened to 7.6% year-on-year in October, from 7.5% in September, data from Statistics South Africa showed last month.

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