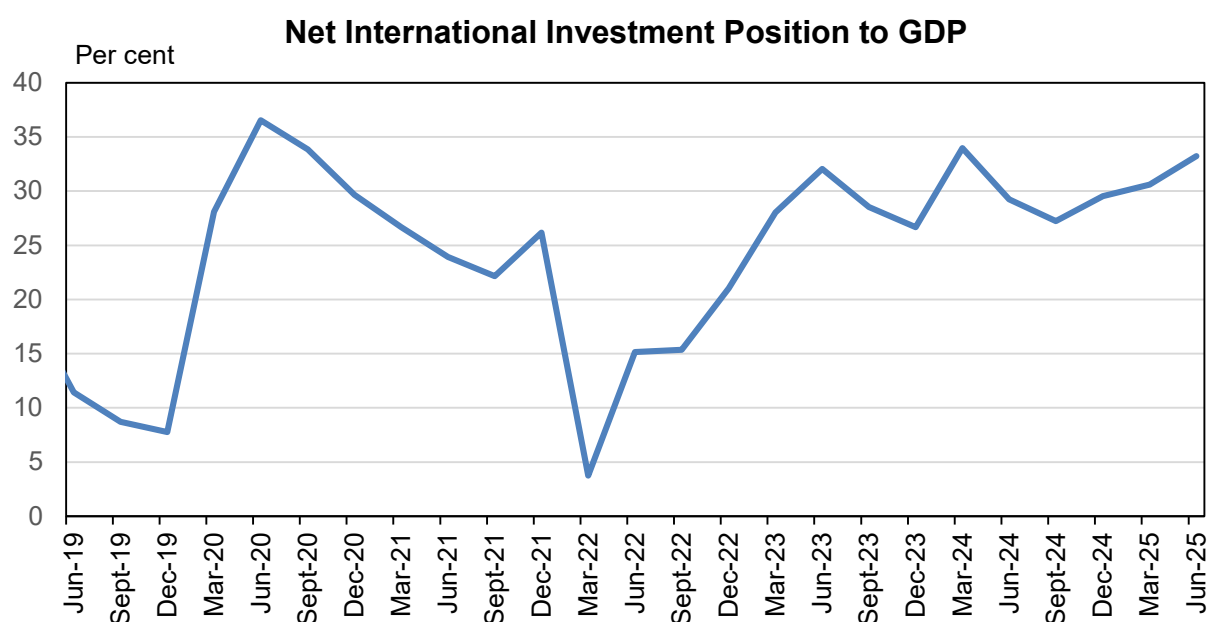
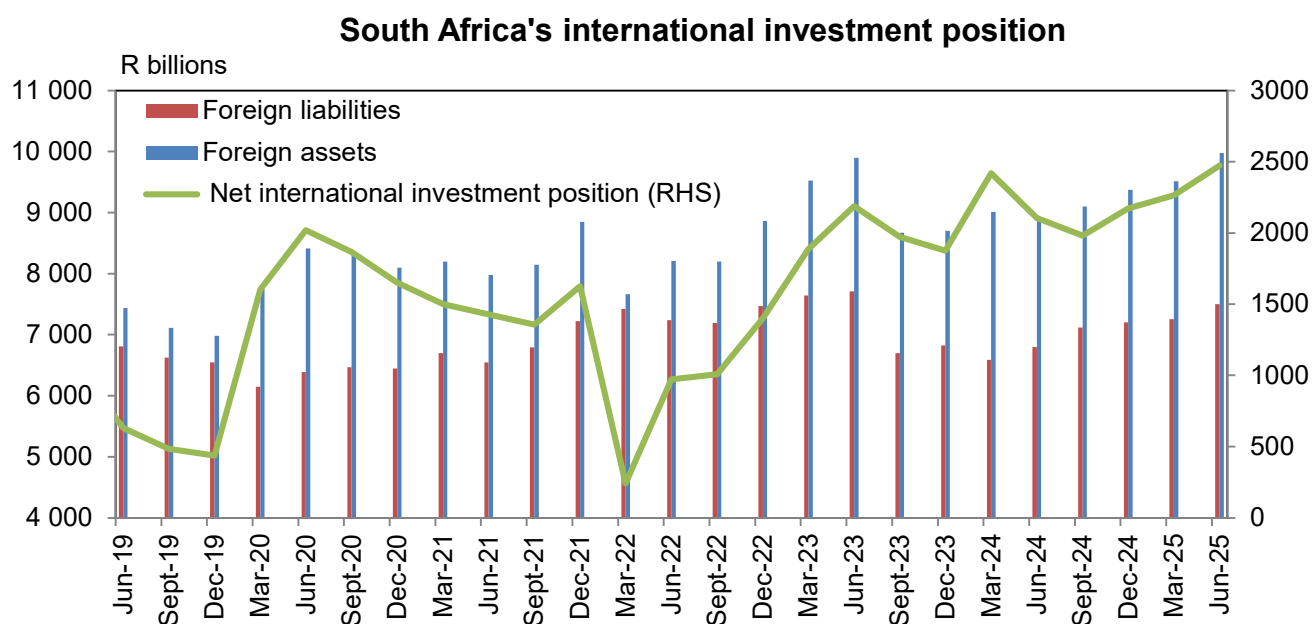


South Africa's international investment position

Net¹ international investment position

South Africa's positive net international investment position (IIP) increased from a revised R2 264 billion at the end of March 2025 to R2 475 billion at the end of June as the market value of foreign assets increased more than foreign liabilities. The increase in foreign assets can mainly be attributed to an increase in direct and portfolio investment assets due to valuation effects.



Source: SARB

¹ Net calculated as foreign assets minus foreign liabilities.

Foreign assets

The market value of South Africa's foreign assets (outward investment) increased by 4.8% from a revised R9 516 billion at the end of March 2025 to R9 977 billion at the end of June. All functional categories of foreign assets increased in the second quarter of 2025, except for other investment and reserve assets. Direct investment assets increased mainly as a result of increase in the share price of a large direct investment enterprise. The increase in portfolio investment was driven mainly by a 10.6% increase in the US Standard & Poor's (S&P) 500 Index and to a lesser extent the increase in value of dual-listed companies. The increase in portfolio investment assets was partly offset by Anglo American Plc's share consolidation, where resident shareholders received Valterra Platinum Limited shares, resulting in a decline in the value of their portfolio investment in Anglo American Plc. Other investment assets declined due to loan repayments by non-residents to the domestic private banking and non-banking sectors, which was partly offset by the domestic private banking sector increasing its deposits at non-resident banks. Reserve assets decreased as a result of exchange rate valuations.

Composition of outward investment

R billions

	30 June 2024	30 Sep 2024	31 Dec 2024	31 Mar 2025	30 June 2025
Direct investment.....	2 797	2 794	2 879	2 967	3 129
Portfolio investment.....	4 116	4 223	4 298	4 397	4 722
Financial derivatives.....	108	135	117	104	120
Other investment.....	749	855	850	809	790
Reserve assets.....	1 130	1 093	1 227	1 239	1 216
Total.....	8 901	9 100	9 371	9 516	9 977
<i>Memo: US\$/Rand exchange rate</i>	18.2138	17.1136	18.7115	18.2953	17.7758

Source: SARB

Components may not add up to totals due to rounding off.

Foreign liabilities

The market value of South Africa's foreign liabilities (inward investment) increased by 3.4% from a revised R7 253 billion at the end of March 2025 to R7 501 billion at the end of June, as portfolio investment and financial derivative liabilities increased, while direct investment liabilities and other investment declined. The increase in portfolio investment liabilities can be attributed to the distribution of shares in Valterra Platinum Limited to non-resident shareholders of Anglo-American Plc, an 8.8% increase in the FTSE/JSE All-share Index in the second quarter of 2025 as well as non-residents' acquisition of domestic debt securities in the second quarter of 2025. Direct investment decreased primarily due to Anglo American Plc's disposal of equity in Valterra Platinum Limited. Other investment

liabilities decreased as the domestic private non-banking sector and public corporations repaid loans to non-residents and non-residents withdrew deposits from the domestic private banking sector. The decline was further deepened by national government's seventh instalment of eight quarterly repayments of XDR381 million on an IMF loan.

Composition of inward investment

R billions

	30 June 2024	30 Sep 2024	31 Dec 2024	31 Mar 2025	30 June 2025
Direct investment.....	2 139	2 153	2 165	2 136	2 107
Portfolio investment.....	3 258	3 531	3 569	3 619	3 918
Financial derivatives.....	94	122	108	93	114
Other investment.....	1 305	1 312	1 358	1 405	1 361
Total.....	6 795	7 118	7 199	7 253	7 501
<i>Memo: US\$/Rand exchange rate</i>	18.2138	17.1136	18.7115	18.2953	17.7758

Source: SARB

Components may not add up to totals due to rounding off.

Concluding comments

South Africa's positive net IIP increased as the market value of foreign assets increased more than foreign liabilities. As a ratio of South Africa's annual gross domestic product (GDP),² foreign assets increased from 128.6% at the end of March 2025 to 134.0% at the end of June 2025, while foreign liabilities increased from 98.0% to 100.8% over the same period. This resulted in an increase in the positive net IIP from 30.6% at the end of March 2025 to 33.2% of GDP at the end of June 2025.

South Africa's IIP as at end September 2025 will be released on the Bank's website at the end of December 2025.

² Annual GDP is calculated as the sum of the most recent four quarters of nominal GDP.