

# SA's consumer confidence drops in fourth quarter - survey

By [Prema Bedi](#)

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South Africa's fourth-quarter consumer confidence fell to the lowest in two decades for the festive season, according to a survey released on Thursday, 7 December 2023, as the country struggles with higher interest rates and a cost-of-living crisis.



A woman uses a trolley as she shops at a Pick n Pay store at Maponya mall in Soweto, South Africa. Source: Reuters/Siphiwe Sibeko

The consumer confidence index, sponsored by the First National Bank (FNB) and compiled by the Bureau for Economic Research, fell to minus 17 points, from minus 16 points in the third quarter of 2023.

"Consumers will keep tight control over their purse strings during the holiday shopping season, which should worry retailers of expensive luxury goods in particular," the survey added.

The overall trends showed consumers were still wary of big-ticket purchases, especially interest-rate-sensitive goods, which are expected to underperform previous holiday seasons.

"High interest rates and a marked deterioration in South Africa's fiscal position are likely worrying high- and middle-income consumers," FNB chief economist Mamello Matikinca-Ngwenya said.

South African inflation quickened more than expected in October to 5.9%, according to the latest inflation data, driven by steep rises in food, transport and health costs.

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