

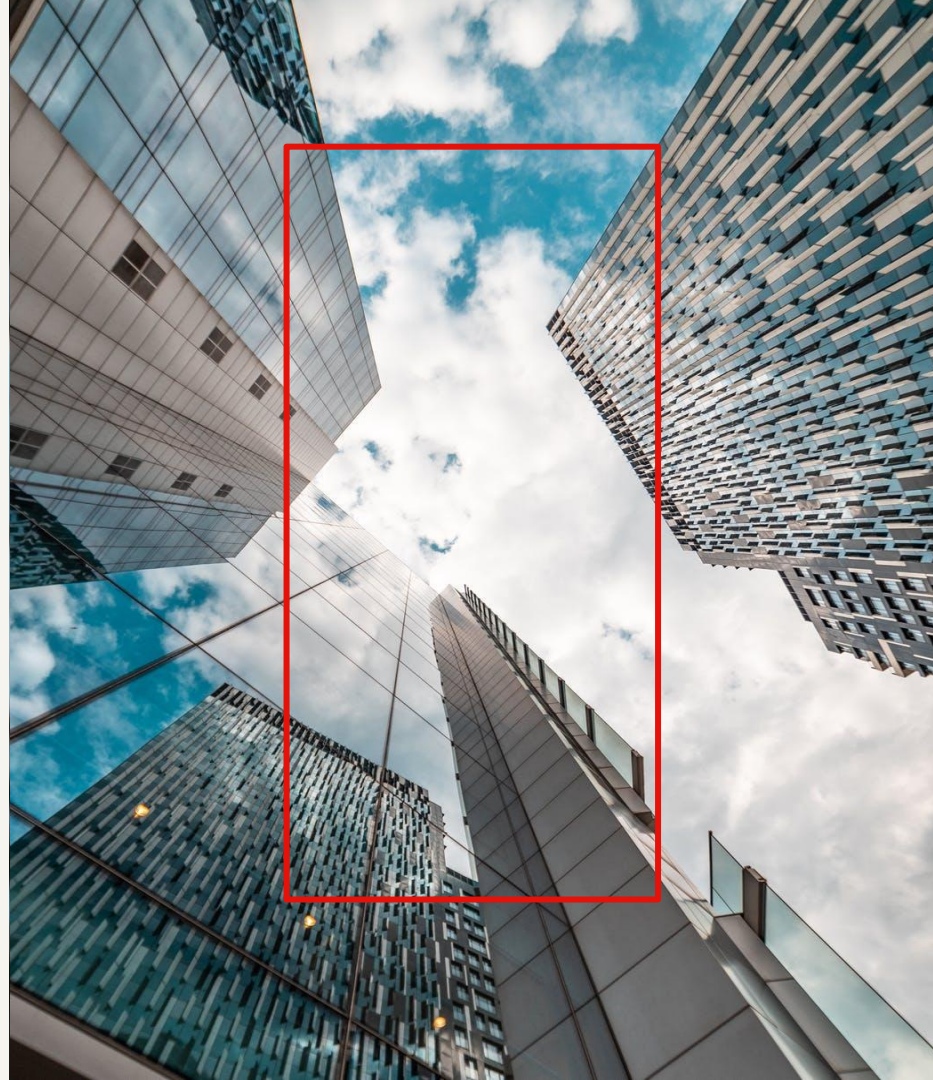
Africa Outlook

Green shoots of resilience amid uncertainty

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Shifts across multiple interconnected dimensions

	1990-2020	Post-2020
Growth	Globally synchronous	Asynchronous
Inflation	Near target/falling	Above target, volatile
Productivity	US leading	US edge eroding?
Fiscal deficits	Stable	Rising
Monetary Policy	Increasingly independent	Pressure to finance deficits grows
Real rates	Low or negative	Positive and occasionally high
Trade	Globalizing	Regionalizing/ex-US blocs
Technology	Growing	Growing exponentially
Climate volatility	Simmering	Rolling boil
Migration	Tolerated/stable	Less tolerated/increasing

Source: EIU; Mario Draghi NABE speech February 2024; Capital Group.

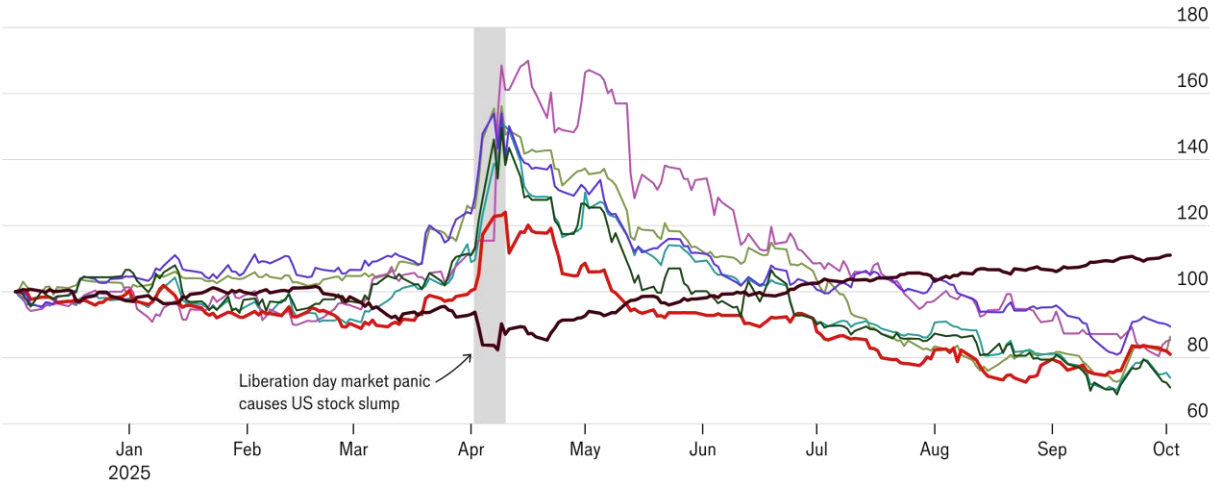
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US uncertainty has strong financial channel into Africa

US market jitters have an outsized impact on Africa

Market-implied credit risk premia vs US share prices, indexed (02/12/2024=100)

— S&P 500 — Morocco — South Africa — Nigeria — Egypt — Angola — EM median (ex-Africa)



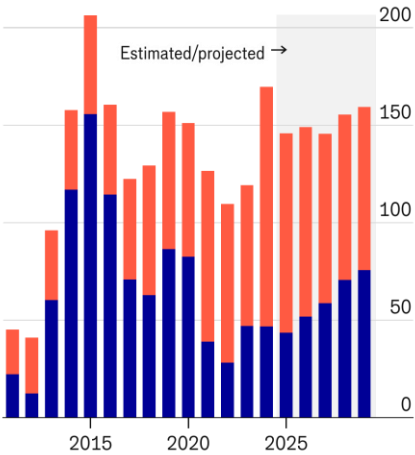
Source: S&P, CMA Datavision, EIU.

Source: EIU Viewpoint

Africa's financing needs

(US\$bn)

■ Current external payments ■ External debt principal



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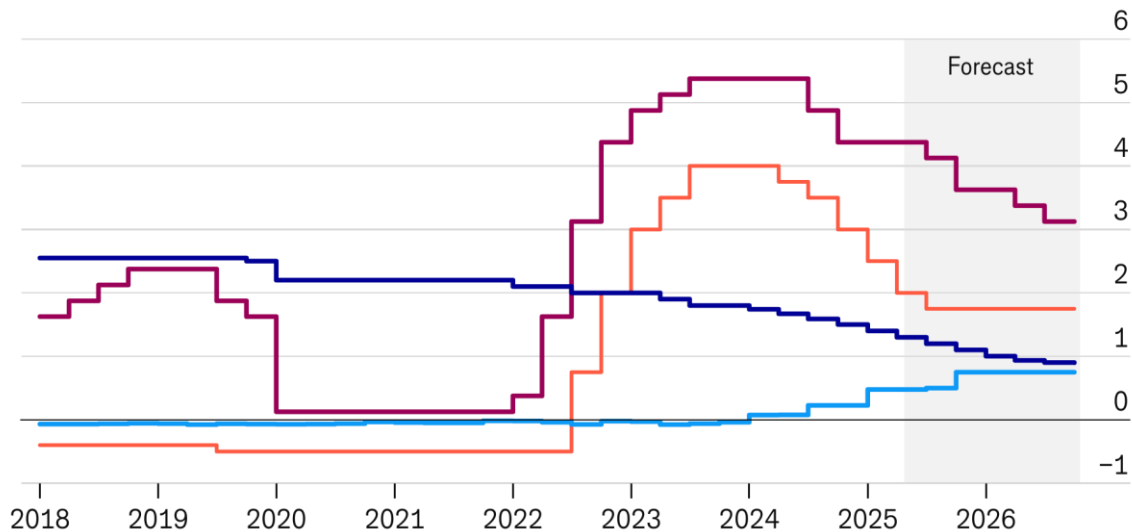


Monetary easing to proceed with caution

Monetary policy will loosen further as global demand softens

Policy interest rate; %, quarter-end

— China — Euro area — Japan — US



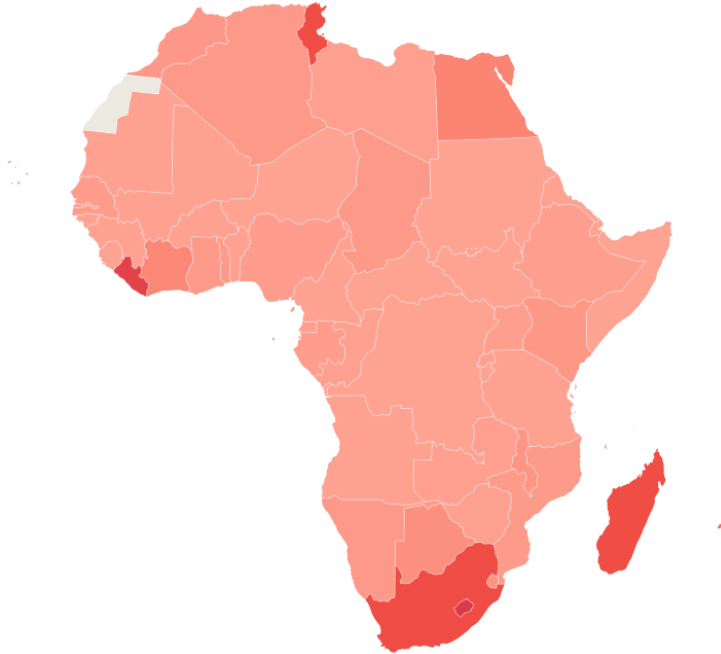
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Africa lightly affected by US trade tariffs (mostly)

US tariff exposure index

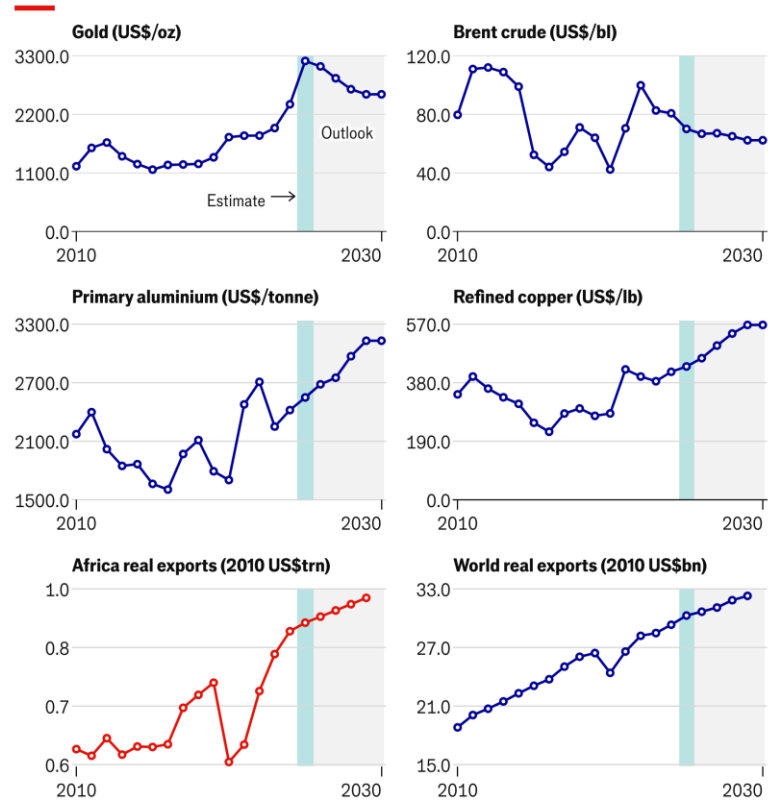
GDP exposure based on tariff rates announced on July 31st
Percentage points



Source: IMF, *International Financial Statistics*; local sources; US government; EIU.

*The index is calculated from the share of exports to the US, the share of exports exempted from tariffs and the share of merchandise exports to GDP, adjusted for the tariff rate. The resulting values are indexed by z-scores and scaled from 0 to 100.
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Source: EIU Viewpoint



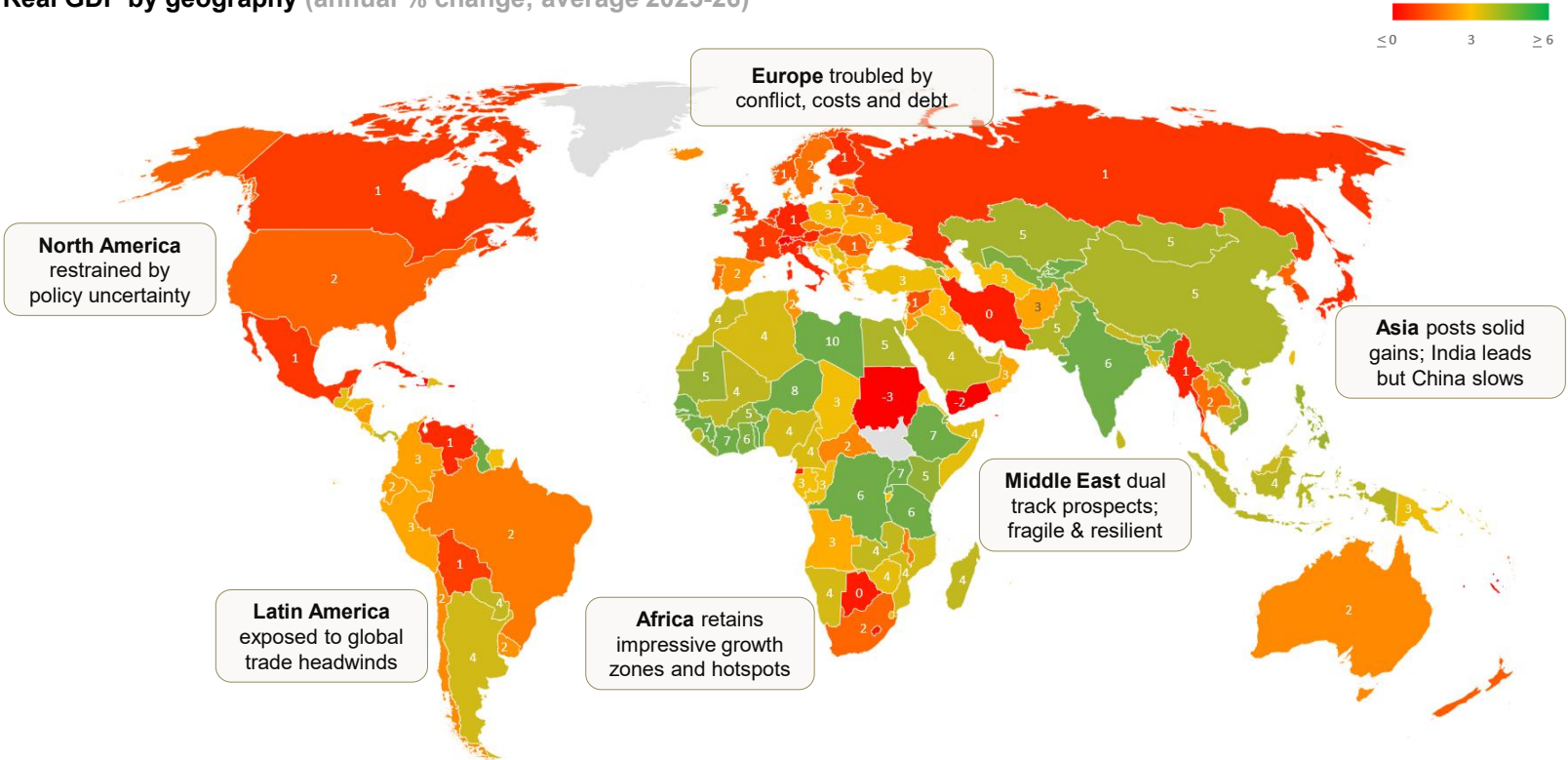
Source: EIU.

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Global economy to slow in 2025 (2.5%) and 2026 (2.4%)

Real GDP by geography (annual % change; average 2025-26)



Source: EIU Viewpoint

Macro stability is returning

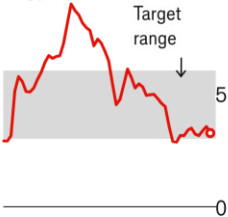
Plunging inflation to boost confidence

Median inflation rates, %

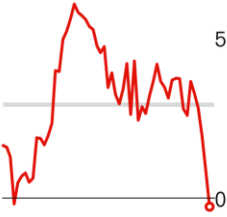
High inflation markets



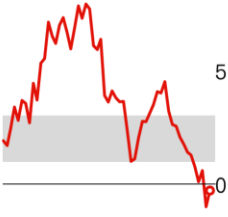
Common Monetary Area



CEMAC



WAEMU

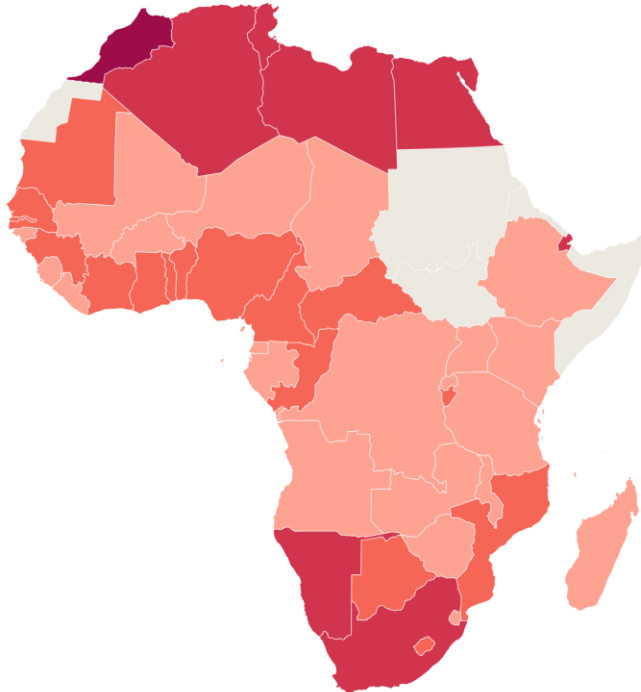


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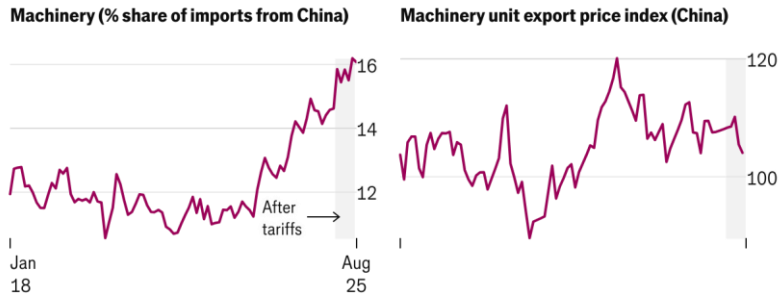
Financial depth

Very low Low Moderately-low Moderate Moderately-high



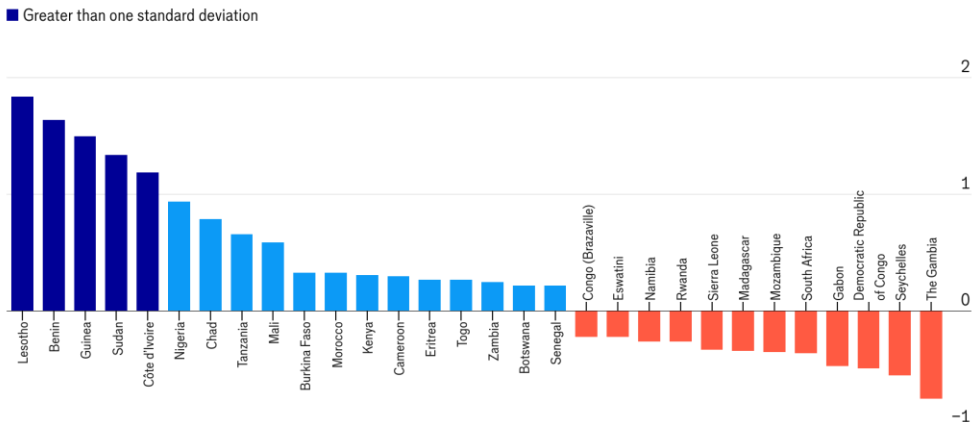
Imports from China rising but no sign of dumping yet

Africa is importing more machinery from China



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Where import growth from China is most out of the ordinary (either higher or lower) in Q2 2025



Source: General Administration of Customs, China; EIU.

Enforcement of anti-dumping measures likely be weak on political level but so far Chinese import growth has been in import-intensive categories

Discounted capital and intermediate goods **could help Africa industrialise** while having a lesser impact on existing industries than in advanced markets

Thank you for listening