MINERALS COUNCIL
SOUTH AFRICA

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Mining production weakens as commodity prices support sales performance

Preliminary mining production and sales data for July 2026 indicated renewed pressure in the mining sector, with output weakness becoming more visible. Total mining production declined by 7.5% year-on-year (y-o-y), while seasonally adjusted production fell by 1.9% month-on-month (m-o-m). Coming after a weaker performance in June, the July outcome seemed to suggest a loss of production momentum rather than a once-off monthly fluctuation.

The **y-o-y** contraction was concentrated in major commodity groups, particularly **platinum group metals** (PGMs), **coal** and **iron ore**. PGMs declined by 13.5% and contributed -3.2 percentage points to the overall change; coal declined by 7.5% and contributed -2.0 percentage points, while iron ore declined by 8.1% and contributed -1.3 percentage points. This concentration is important because these commodities carry significant weight (69.8%) in the mining production basket and remain central to the sector's production, employment, export and tax contribution.

Diamonds added further downside pressure, with output contracting by 48.2% **y-o-y** on account of De Beers cutting production at the Venetia mine in the Limpopo province. Although diamonds contributed less to total mining production than PGMs, coal and iron ore, the scale of the monthly decline points to acute pressure in a high-value segment of the sector.

The July data therefore reflects a broad-based production setback, but with the sharpest effects concentrated in a limited number of high-weight commodities. This distinction matters for interpretation, as it suggests the sector's aggregate performance is shaped less by uniform weakness across all minerals and more by pressure in specific commodity value chains.

On a **year-to-date** (YTD), the monthly production performance looks more measured. For the period January to July 2026, total mining production is marginally up by 0.6% compared with the same period in 2025 (**Figure 1**). (In June 2026, YTD total mining production was 2.2% higher compared to the same period in 2025.) The sharp July contraction has, therefore, weakened the cumulative growth trend.

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Figure 1: July 2026 mining production

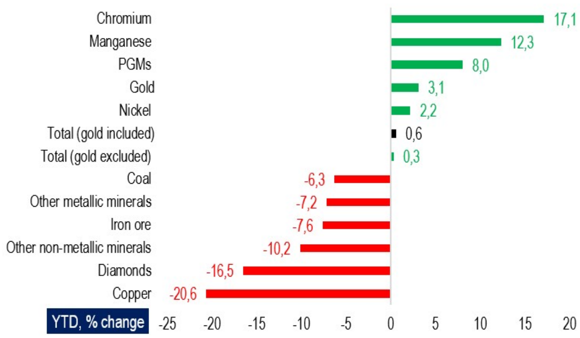
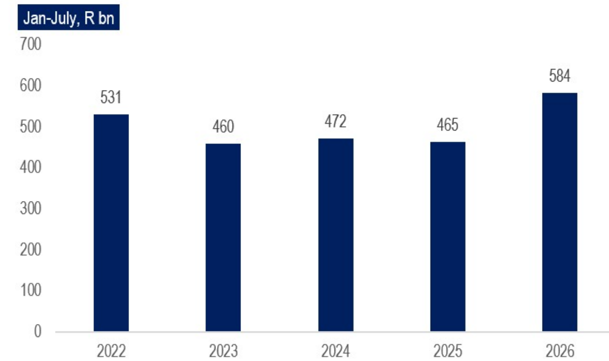


Figure 2: Total mineral sales (YTD)



Source: StatsSA, Minerals Council

The main contributors to the YTD decline were copper, diamonds, other non-metallic minerals and iron ore. The composition of this decline confirms the uneven nature of sector performance, with weaker production outcomes concentrated in selected commodity groups rather than spread evenly across the sector. The divergence between production volumes and sales values is central to understanding the sector's economic position.

Given the generally poor production performance in July, we thought to look at and present the export performance of some of the key commodities, with 2022[1] as the reference year. The tables below depict the YTD export volumes' performance:

Export volumes: PGMs (tonnes)			
	2022	**2025**	**2026**
Jan	18,4	18,7	20,0
Feb	15,5	16,1	18,6
Mar	26,5	24,2	21,0
Apr	22,6	17,0	35,3
May	23,2	21,3	32,6
Jun	23,4	23,5	22,1
Jul	17,5	21,2	30,0
Total (Jan-Jul)	**147,1**	**142,0**	**179,6**

Export volumes: Coal (million tonnes)			
	2022	**2025**	**2026**
Jan	5,5	6,3	6,4
Feb	6,2	5,9	6,3
Mar	6,4	6,6	7,1
Apr	4,9	6,3	6,6
May	6,1	6,4	6,0
Jun	6,1	4,4	5,3
Jul	5,5	4,9	6,3
Total (Jan-Jul)	**40,7**	**40,8**	**43,9**

Export volumes: Iron ore (million tonnes)			
	2022	**2025**	**2026**
Jan	4,8	5,4	4,9
Feb	4,8	4,6	5,5
Mar	6,7	5,9	6,5
Apr	3,8	4,9	4,9
May	6,0	5,9	4,4
Jun	5,0	5,4	6,0
Jul	4,8	5,3	5,5
Total (Jan-Jul)	**35,9**	**37,5**	**37,6**

Export volumes: Gold (tonnes)			
	2022	**2025**	**2026**
Jan	8,3	6,9	6,0
Feb	5,7	9,5	5,7
Mar	6,9	9,1	4,5
Apr	6,8	7,3	7,6
May	7,9	8,6	8,2
Jun	10,7	7,7	10,2
Jul	8,8	7,8	8,2
Total (Jan-Jul)	**55,2**	**56,9**	**50,3**

[1] 2022 is often treated as the first full year of post-COVID economic reopening.

Export volumes: Chromium ore (million tonnes)			
	2022	2025	2026
Jan	1,3	1,4	2,0
Feb	1,2	1,4	2,4
Mar	1,3	1,7	2,3
Apr	1,0	1,8	2,5
May	1,1	1,9	2,4
Jun	1,1	2,0	2,4
Jul	1,2	2,2	2,7
Total (Jan-Jul)	**8,2**	**12,4**	**16,7**

Export volumes: Diamond (carats)			
	2022	2025	2026
Jan	586 234	318 461	779 787
Feb	611 890	746 827	422 835
Mar	1 422 021	443 278	577 795
Apr	669 757	310 603	481 795
May	978 635	803 524	157 485
Jun	1 349 704	739 016	672 867
Jul	815 119	719 644	204 039
Total (Jan-Jul)	**6 433 361**	**4 081 353**	**3 296 602**

Source: SARS, Minerals Council

Some observations from the tables above (YTD):

- On a YTD basis, except for gold and diamonds, all the commodities covered above have recorded **increased export volumes** in 2026 compared to 2025 with the PGMs increasing by 26.5% (to 179.6 tonnes), coal by 7.7% (to 43.9 million tonnes), iron ore by 0.5% (to 37.6 million tonnes), chromium ore by 35.4% (to 16.7 million tonnes), and manganese ore by 11.1% (to 16.7 million tonnes).
- Reduced export volumes were recorded in gold and diamonds, respectively contracting in 2026 compared to 2025, by 11.5% (to 50.3 tonnes) and 19.2% (to 3.3 million carats)

Mineral sales (Figure 2): Despite weaker production, mineral sales for January to July 2026 were R118 billion higher than in the same period in 2025 and exceeded the comparable levels recorded in 2022, 2023 and 2024. This suggests revenue performance was supported mainly by price effects, with stronger commodity prices partly offsetting the impact of subdued volumes. Gold, PGMs and coal recorded the largest sales in July 2026, underscoring their continued importance in supporting sector revenue. Having said that, minerals sales earning for all three commodities were lower than the corresponding month in 2025.

Prices: Commodity price movements in July provided the main explanation for the resilience in sales values. Higher prices across several key commodities supported nominal revenue outcomes, even as physical production volumes declined. Below is the price performance (y-o-y) of selected commodities in July 2026

- Coal prices increased by 12.1% y-o-y to US$106.9
- Gold increased by 21.9% y-o-y to US$4,074
- Iron ore increased by 0.4% y-o-y to US$101.6
- PGM prices also strengthened, with
    - Palladium increased by 5.9% to US$1,267
    - Platinum increased by 16.2% to US$1,616
    - Rhodium increased by 46.3% to US$8,042

These price gains helped support mineral sales, but they also highlight the sector's exposure to commodity price cycles.

Bottom line: The July 2026 mining statistics present a mixed economic signal. Production data points to weakening output, particularly in PGMs, coal, iron ore and diamonds, while YTD production remains marginally positive. The monitoring of production volumes, sales values and commodity price movements will therefore be important in assessing the sector's likely contribution to growth, exports and fiscal revenues over the remainder of the year.

The key short term economic risk, which we have not discussed here is the elevated fuel prices arising from the Middle East conflict. As of September 2026, fuel prices (petrol and diesel) are at least 20% higher than in March 2026 (pre-war fuel price level in South Africa).

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