MINERALS COUNCIL
SOUTH AFRICA

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Modest growth in September set to boost Q3 2025 performance

On a year-on-year (y-o-y) basis, total mining production in South Africa increased by 1.2% in September 2025. This growth was primarily driven by the following commodities:

- **Platinum Group Metals** (PGMs): Output rose by 3.8%, contributing 1.1 percentage points to overall growth. The increase reflects improved production from major producers following maintenance shutdowns and labour disruptions in previous quarters.
- **Gold**: Production increased by 5.9%, contributing 0.6 percentage points. The sector, typically vulnerable to power disruptions, benefited from uninterrupted electricity supply and higher ore grades.
- **Coal:** Output grew by 1.5%, contributing 0.4 percentage points. Marginal improvements in rail and port efficiencies supported coal exports, which were nearly 1 million tonnes higher than during the same period in 2024 (January to September). However, the **Integrated Resource Plan (IRP) 2025**, which excludes new coal-fired power plant build, is expected to significantly reshape the industry.
- **Chromium Ore**: Production rose by 3.4%, contributing 0.2 percentage points. This was supported by increased output from key mines and steady global demand for stainless steel. Regarding the proposed export tax on chrome ore, as the Minerals Council our view is that without fixing the electricity problem – supply and affordability – such an instrument will result in sub-optimal outcomes.
- **Diamonds**: Output also increased by 3.4% but made a negligible contribution to the overall index due to its relatively small weighting. Despite higher production, soft prices and elevated global inventories limited the sector's impact.

Collectively, these commodities account for 84.4% of total mining production.

Figure 1 illustrates the y-o-y performance of individual mining subsectors.

Figure 1: Mining production subsectors (Sept '25) **Figure 2: Total mineral sales (January to September)**

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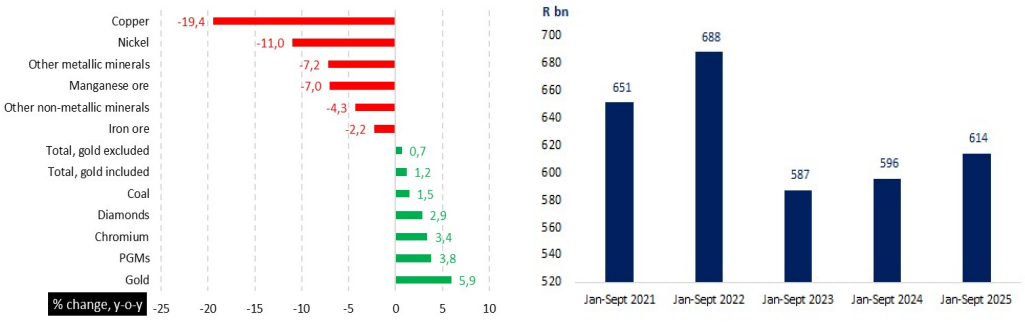

Source: Statistics South Africa

Among the commodities that recorded y-o-y declines in September 2025, **iron ore** was the most significant because of its size. Accounting for 16.41% of total mining production, iron ore output fell by 2.2%, largely due to plant maintenance at one of the country's major producers. However, export volumes rose by 12.6% (y-o-y) to 6.8 million tonnes, reflecting improved rail logistics by Transnet.

Other notable production declines included:

- Copper: -19.4% y-o-y
- Manganese Ore: -7% y-o-y
- Nickel: -11% y-o-y

Together, these three commodities represent 7.78% of total mining production.

Figure 2 shows a notable uptick in **total mineral sales** for 2025, reaching R614 billion (January to September), outperforming the same period in 2023 and 2024. The surge was led by:

- **Gold:** +60.4% y-o-y, with sales of R17.4 billion in September.
- **PGM**[1]: +53.8% y-o-y, with sales of R22.1 billion in September.

In terms of **price performance** in September, gold was 42.7% higher year-on-year at $3,667/oz, followed by platinum (+48.2% at $1,430/oz), palladium (+15.9% at $1,181/oz), and rhodium (+50.7% at $7,130/oz). In contrast, coal prices declined by 21% to $85.9/t, while iron ore rose by 10.6% to $106.4/t.

The mining sector is likely to grow by 2.5% quarter-on-quarter (q-o-q) in Q3 2025 following a 4.7% growth in Q2.

Bottom line:

- Despite the modest y-o-y growth, seasonally adjusted mining production remains below the 2019 base year, indicating that the industry has not yet returned to pre-pandemic growth levels.

[11] The PGM basket in South Africa includes platinum, palladium, rhodium, iridium and ruthenium.

- The IRP 2025 marks a pivotal shift, with no new coal-fired power plant build planned. Without technological interventions such as carbon capture and storage, Eskom's coal consumption could decline by approximately 60 million tonnes by 2042. This would have significant socio-economic implications, potentially undermining South Africa's ability to generate foreign exchange earnings. In 2024, coal exports alone generated over R113 billion in foreign exchange.

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