

VISUAL SUMMARY

Economic Outlook and Inflation Forecasts Report  
November 2025



Prospects for a slowdown in global growth in 2025 and 2026 remain in place, coupled with a decelerating inflation trend.



In October, annual inflation slowed slightly, amid the unchanged outlook for single-digit inflation over the medium term.



The Monetary Policy Committee (MPC) of the Banco de Moçambique reduced the monetary policy rate, MIMO, from 9.75% to 9.50%.

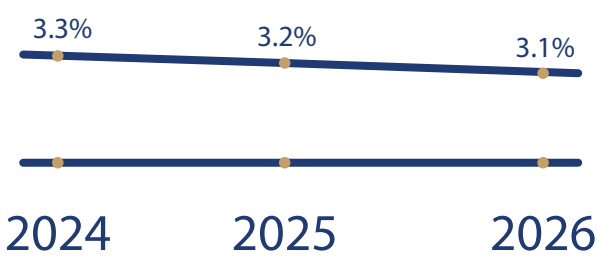
Infographic

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A. INTERNATIONAL ECONOMIES



Global economic activity, affecting Mozambique’s exports, had a positive performance. However, the global outlook remains exposed to high risks and uncertainties arising from trade and geopolitical tensions, as well as fiscal vulnerabilities and climate-related shocks.



In the third quarter of 2025, Mozambique’s main trading partners posted a positive performance, driven by increased consumer and investment spending. The outlook for 2025 and 2026 continues to point to a slow-down in global growth compared to 2024 levels.



In October 2025, annual inflation remained above target in advanced economies, contrasting with very low levels in emerging market economies, except for South Africa. The outlook for a slowdown in global inflation in 2025 and 2026 remains in place, mainly supported by the continued decline in international commodity prices.

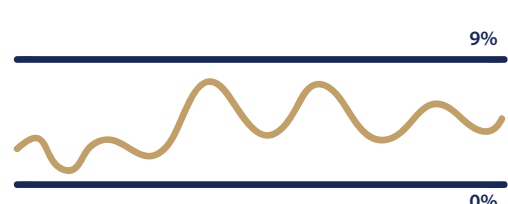


Global prices of Mozambique’s key export commodities, which drive the supply of foreign currency and domestic inflation, fell year-on-year, except for aluminium.

B. DOMESTIC ECONOMY



Annual inflation slowed slightly in October, mainly reflecting the year-on-year decline in administered prices.



For the medium term, the prospects for single-digit inflation remain in place, which should support the stability of households’ purchasing power.

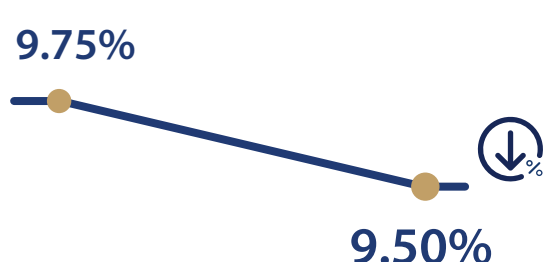


The stability of the Metical and the favourable trends in international commodity prices continue to support the outlook for single-digit inflation over the medium term.

C. MPC DECISION



The MIMO policy rate, which drives the cost of borrowing, reduced from 9.75% to 9.50%.

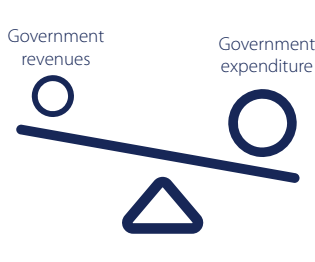


This modest MIMO reduction reflects heightened risks and uncertainties underlying the inflation projections, particularly due to the Government’s delay in the payment of domestic public debt instruments.



Risks and uncertainties associated with inflation projections remain high.

Key factors that could contribute to rising inflation include:



Government’s delay in the payment of domestic public debt instruments.



The effects of climate shocks and the sluggish recovery productive capacity and the supply of goods and services.