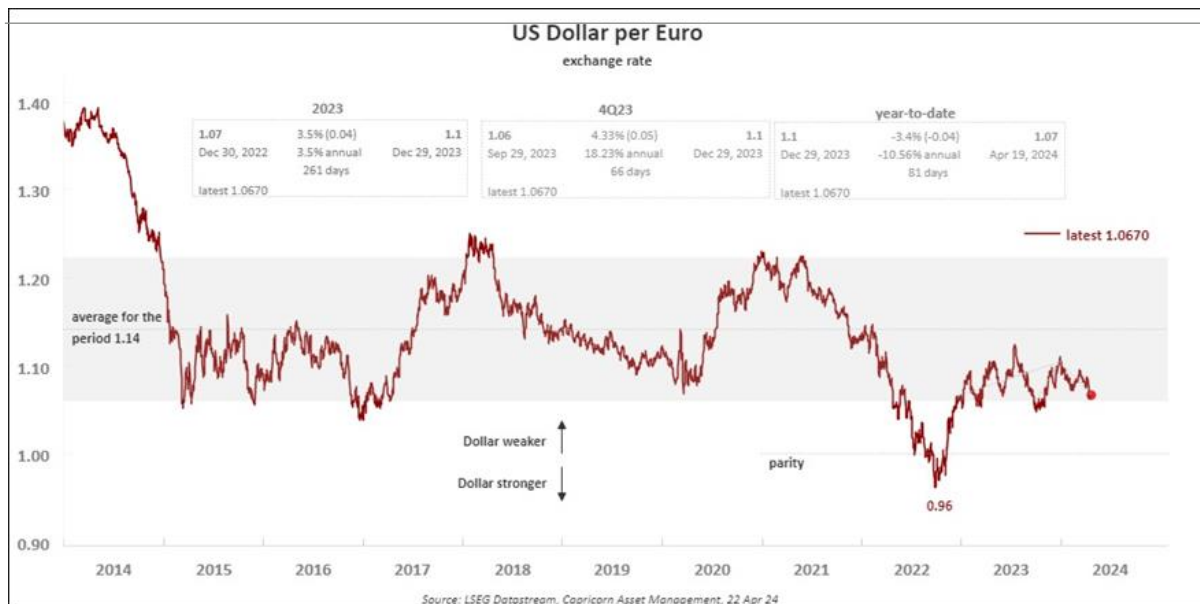




Market Update

Monday, 22 April 2024



Global Markets

Stocks recovered some losses on Monday and bond yields rose as fears of a wider Middle East conflict ebbed, with investors gravitating back towards riskier assets. Gold and the safe-haven dollar pulled back from near their peaks, and crude oil prices declined as the potential for a major supply disruption waned. Iran said on Friday that it had no plan to retaliate following an apparent Israeli drone attack within its borders, which in turn followed an unprecedented Iranian missile and drone attack on Israel days before.

MSCI's broadest index of Asia-Pacific shares rose 0.93%, retracing some of the 1.8% drop from Friday, after news of the Israeli strike emerged. Japan's Nikkei added 0.48%, underperforming the rest of the region due to a high concentration of chip-sector shares, which tracked declines in U.S. peers from Friday. Australia's benchmark gained 0.96% and South Korea's KOSPI climbed 1.04%. Hong Kong's Hang Seng jumped 2.26%, while mainland Chinese blue chips edged up 0.12% in their first chance to react to new measures announced on Friday aimed at promoting overseas investment in China's technology sector.

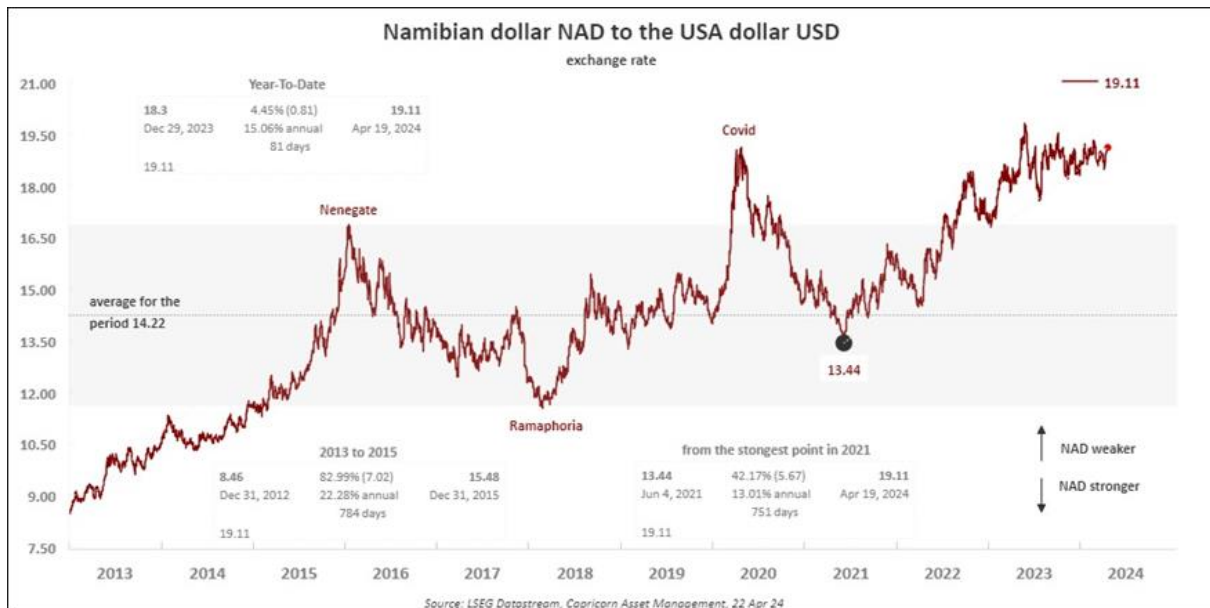
"It seems neither Israel nor Iran wants an escalation in the crisis in the Middle East ... and with a subsequent strike from either side not looking like it's coming, investor concerns have eased somewhat," said Kazuo Kamitani, a strategist at Nomura Securities. However, Kamitani said expectations of later Federal Reserve interest rate cuts and concerns about chip sector earnings will

continue to keep investors on their toes. Mideast tensions also stayed on the market's radar. Two Iraqi security sources told Reuters at least five rockets were launched from Iraq's town of Zummar towards a U.S. military base in northeastern Syria on Sunday.

MSCI's world equities index suffered its worst week since March 2023 last week, dropping 2.85%. Early on Monday, it was up just 0.06%. U.S. stock futures added 0.26%, following a 0.88% drop for the S&P 500 on Friday. Bond yields - which climb when prices fall - rose back toward multi-month highs. The 10-year U.S. Treasury yield added as much as 9 basis points to 4.658%, heading back toward the five-month peak of 4.696% reached last week on the view that the Fed would be in no hurry to ease policy amid robust economic data and sticky inflation. The dollar index, which measures the currency against six major peers, eased 0.07% to 106.03. It was also at a five-month top last week, at 106.51.

Gold slid 0.6% to \$2,376.40, retreating from near the all-time peak of \$2,431.29 from last week. Crude oil fell as traders put the focus back on fundamentals. With a rise in U.S. stockpiles as the backdrop, Brent futures fell 54 cents, or 0.6%, to \$86.75 a barrel. The front month U.S. West Texas Intermediate (WTI) crude contract for May, which expires on Monday, fell 12 cents to \$83.02 a barrel. The more active June contract dropped 47 cents, or 0.6%, to \$81.75 a barrel. "It looks on the face of it like oil's uptrend may be over, but based on technical levels, until WTI breaks below \$80, the uptrend is still in place," said Nomura's Kamitani.

Source: Thomson Reuters Refinitiv



Domestic Markets

South Africa's rand firmed on Friday after a day of volatile trading, as the U.S. dollar gave up its gains from reports of an overnight Israeli attack on Iran. In the latest tit-for-tat exchange between the two arch-foes, Israel launched an attack on Iranian soil, sources told Reuters. Iranian state media reported that drones had been shot down.

The rand initially hit a near two-month low of 19.3800 to the dollar in a sell-off of risk assets as investors scurried towards safe-haven dollar and gold. However, some calm returned to the markets after Tehran downplayed the incident and signalled it had no plans to retaliate. As of 1538 GMT, the rand traded at 19.1000 against the dollar, about 0.3% stronger than its previous close. The dollar was down about 0.2% against a basket of currencies. "Looking ahead, it is clear that market volatility will persist as geopolitical tensions in the Middle East continue to exert a significant influence on global financial dynamics," said Andre Cilliers, currency strategist at TreasuryONE.

On the stock market, the Top-40 index closed 0.18% higher. South Africa's benchmark 2030 government bond was weaker, with the yield up 9.5 basis points at 10.775%.

Source: Thomson Reuters Refinitiv

Try to be like the turtle - at ease in your own shell.

Bill Copeland

Market Overview

MARKET INDICATORS (Thomson Reuters Refinitiv)					22 April 2024	
Money Market TB Rates %			Last close	Difference	Prev close	Current Spot
3 months	↓		8.78	-0.009	8.79	8.78
6 months	↓		8.89	-0.009	8.90	8.89
9 months	↓		9.02	-0.008	9.03	9.02
12 months	↑		9.18	0.008	9.17	9.18
Nominal Bond Yields %			Last close	Difference	Prev close	Current Spot
GC24 (Coupon 10.50%, BMK R186)	↑		9.02	0.045	8.98	9.02
GC25 (Coupon 8.50%, BMK R186)	↑		9.70	0.045	9.66	9.70
GC26 (Coupon 8.50%, BMK R186)	↑		9.46	0.045	9.42	9.46
GC27 (Coupon 8.00%, BMK R186)	↑		9.73	0.045	9.69	9.73
GC28 (Coupon 8.50%, BMK R2030)	↑		9.78	0.095	9.68	9.78
GC30 (Coupon 8.00%, BMK R2030)	↑		10.34	0.095	10.24	10.34
GC32 (Coupon 9.00%, BMK R213)	↑		10.20	0.095	10.10	10.20
GC35 (Coupon 9.50%, BMK R209)	↑		10.94	0.070	10.87	10.94
GC37 (Coupon 9.50%, BMK R2037)	↑		11.90	0.060	11.84	11.90
GC40 (Coupon 9.80%, BMK R214)	↓		12.98	-0.015	13.00	13.03
GC43 (Coupon 10.00%, BMK R2044)	↑		13.26	0.050	13.21	13.26
GC45 (Coupon 9.85%, BMK R2044)	↑		13.56	0.050	13.51	13.56
GC48 (Coupon 10.00%, BMK R2048)	↑		13.67	0.065	13.60	13.67
GC50 (Coupon 10.25%, BMK: R2048)	↑		13.75	0.065	13.68	13.75
Inflation-Linked Bond Yields %			Last close	Difference	Prev close	Current Spot
G125 (Coupon 3.80%, BMK NCPI)	⇒		3.10	0.000	3.10	3.10
G127 (Coupon 4.00%, BMK NCPI)	↓		4.53	-0.190	4.72	4.53
G129 (Coupon 4.50%, BMK NCPI)	↓		4.91	-0.220	5.13	4.91
G133 (Coupon 4.50%, BMK NCPI)	↓		5.61	-0.140	5.75	5.61
G136 (Coupon 4.80%, BMK NCPI)	↓		6.01	-0.090	6.10	6.01
Commodities			Last close	Change	Prev close	Current Spot
Gold	↑		2,390	0.51%	2,378	2,364
Platinum	↓		932	-0.35%	935	930
Brent Crude	↑		87.3	0.21%	87.1	86.6
Main Indices			Last close	Change	Prev close	Current Spot
NSX Overall Index	↓		1,532	0.00%	1,532	1,532
JSE All Share	↑		73,364	0.13%	73,271	73,364
SP500	↓		4,967	-0.88%	5,011	4,967
FTSE 100	↑		7,896	0.24%	7,877	7,896
Hangseng	↓		16,224	-0.99%	16,386	16,548
DAX	↓		17,737	-0.56%	17,837	17,737
JSE Sectors			Last close	Change	Prev close	Current Spot
Financials	↑		15,499	0.13%	15,479	15,499
Resources	↓		63,284	-0.02%	63,297	63,284
Industrials	↑		98,701	0.29%	98,419	98,701
Forex			Last close	Change	Prev close	Current Spot
N\$/US dollar	↓		19.08	-0.33%	19.14	19.10
N\$/Pound	↓		23.60	-0.84%	23.80	23.64
N\$/Euro	↓		20.32	-0.22%	20.37	20.36
US dollar/ Euro	↑		1.065	0.10%	1.064	1.066
			Namibia		RSA	
Interest Rates & Inflation			Apr 24	Mar 24	Apr 24	Mar 24
Central Bank Rate	⇒		7.75	7.75	8.25	8.25
Prime Rate	⇒		11.50	11.50	11.75	11.75
			Mar 24	Feb 24	Mar 24	Feb 24
Inflation	↓		4.5	5.0	5.3	5.6

Notes to the table:

- The money market rates are TB rates
- “BMK” = Benchmark
- “NCPI” = Namibian inflation rate
- “Difference” = change in basis points
- Current spot = value at the time of writing
- NSX is the Overall Index, including dual listeds

Source: Thomson Reuters Refinitiv

Important note: This is not a solicitation to trade and CAM will not necessarily trade at the yields and/or prices quoted above. The information is sourced from the data vendor as indicated. The levels of and changes in the yields need to be interpreted with caution due to the illiquid nature of the domestic bond market.



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