

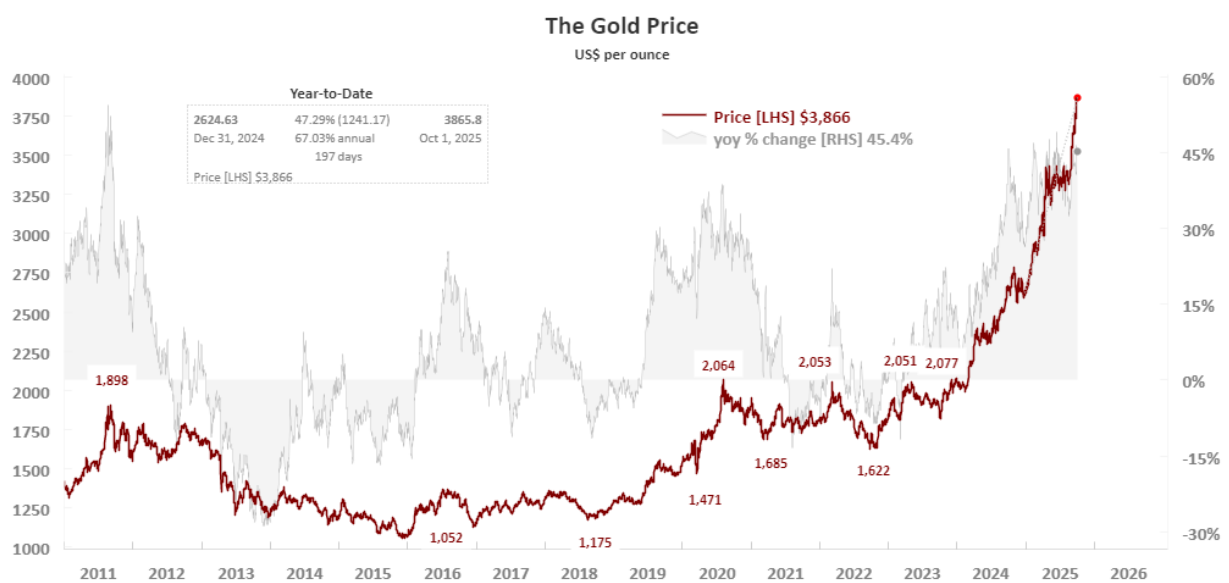
The Daily Brief



Capricorn Asset Management

Market Update

Thursday, 02 October 2025



Global Markets

Gold prices held steady on Thursday, hovering near the record high hit the day before, helped by expectations of further U.S. rate cuts this year and political uncertainty. Spot gold held its ground at \$3,862.07 per ounce, as of 0451 GMT, after hitting an all-time high of \$3,895.09 on Wednesday. U.S. gold futures for December delivery eased 0.3% to \$3,887.50.

"Weak ADP employment data ahead of the non-farm payrolls report has revived Fed rate-cut bets to weaken the U.S. dollar. Gold has also been given a bump from the U.S. government shutdown," City Index senior analyst Matt Simpson said.

"Futures market positioning continues to show large speculators and managers funds are chasing the move higher, with their net-long exposure rising but not near an extreme."

Data showed on Wednesday that U.S. private payrolls fell by 32,000 jobs in September after a downwardly revised 3,000 decline in August. The U.S. government has shut down much of its operations, potentially putting thousands of federal jobs at risk, after partisan divisions prevented Congress and the White House from reaching a funding deal.

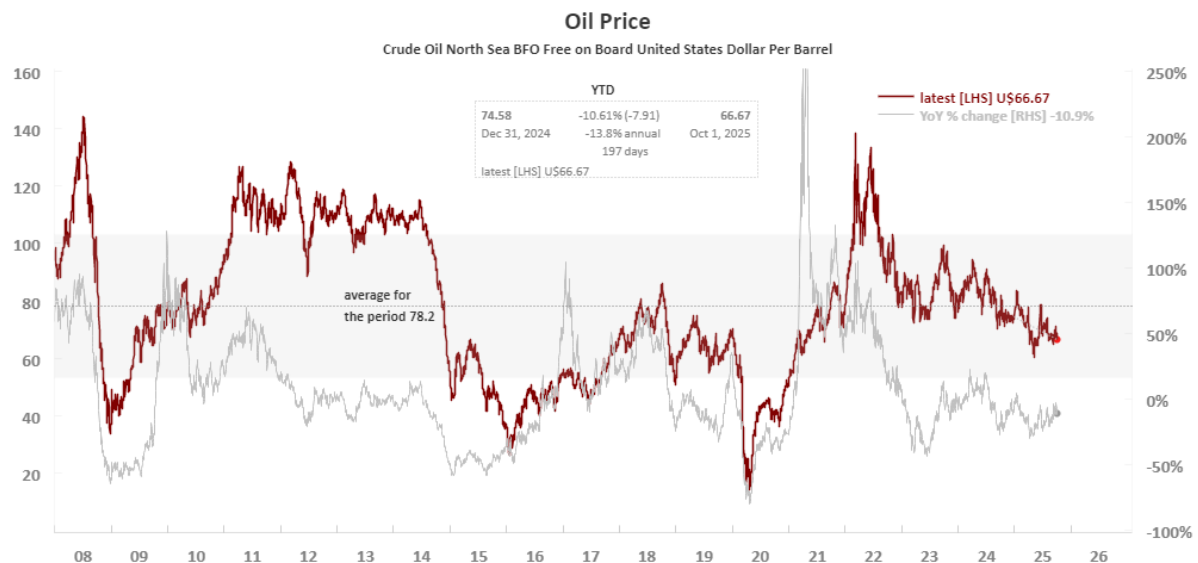
The shutdown could delay the release of economic indicators, including the closely watched non-farm payrolls report scheduled for Friday. Meanwhile, Chicago Fed President Austan Goolsbee said he is starting to get more concerned about inflation, making him want to be "careful" about lowering interest rates.

Traders are pricing in a near-certain 25 basis-point cut to the Fed's key interest rate this month, according to the CME FedWatch tool. Gold, often used as a safe store of value during times of political and financial uncertainty, thrives in a low interest rate environment.

"The upside risks to our \$4,000/oz mid-2026 and \$4,300/oz December 2026 gold price forecasts have intensified further due to speculative positioning and large upside surprise to Western ETF holdings," Goldman Sachs said in a note.

SPDR Gold Trust , the world's largest gold-backed exchange-traded fund, said its holdings rose 0.59% from Tuesday to 1,018.89 metric tons on Wednesday, their highest since July 2022. Elsewhere, spot silver slipped 0.3% to \$47.17 per ounce, platinum was steady at \$1,558 and palladium gained 1.5% to \$1,263.50.

Source: LSEG Thomson Reuters Refinitiv.



Domestic Markets

The South African rand strengthened on Wednesday, supported by upbeat purchasing managers' index data for the local manufacturing sector and a softer U.S. dollar. At 1423 GMT the rand traded at 17.1850 against the dollar, roughly up 0.4% on Tuesday's close and at its strongest level in a year.

"The domestic market drove the recovery as global demand remained under pressure and is complicated by steep U.S. tariffs, a challenging trading environment, and lingering SA port issues," Absa said in a statement.

The greenback last traded about 0.3% weaker against a basket of currencies as a U.S. government shutdown unsettled markets and threatened to delay key jobs data, seen as crucial for Federal Reserve policy decisions.

Local investor focus will shift to vehicle sales data for the same month, which will give a snapshot of consumer demand for big-ticket items.

Nedbank economists said in a research note that they expected vehicle sales to have remained strong in September "underpinned by easier financial conditions due to interest rate cuts, lower debt service costs and subdued prices".

On the Johannesburg Stock Exchange, the Top-40 index was last up 0.8%. In fixed income, government bonds also firmed, as the yield for debt maturing in 2035 fell 2 basis points to 9.16%.

Source: LSEG Thomson Reuters Refinitiv.

In order to succeed, we must first believe that we can.

Nikos Kazantzakis

Market Overview

MARKET INDICATORS		02 October 2025			
Money Market TB's		Last Close	Change	Prev Close	Current Spot
3 months	↑	7.32	0.001	7.32	7.32
6 months	↓	7.41	-0.006	7.42	7.41
9 months	↓	7.42	-0.040	7.46	7.42
12 months	↓	7.38	-0.072	7.45	7.38
Nominal Bonds		Last Close	Change	Prev Close	Current Spot
GC26 (Coupon 8.50%, BMK: R186)	→	7.36	0.000	7.36	7.31
GC27 (Coupon 8.00%, BMK: R186)	↑	7.75	0.023	7.73	7.70
GC30 (Coupon 8.00%, BMK: R2030)	↑	8.68	0.045	8.63	8.62
GC32 (Coupon 9.00%, BMK: R213)	↑	9.32	0.045	9.28	9.27
GC35 (Coupon 9.50%, BMK: R209)	↑	10.25	0.060	10.19	10.19
GC37 (Coupon 9.50%, BMK: R2037)	↑	10.72	0.058	10.67	10.67
GC40 (Coupon 9.80%, BMK: R214)	↑	11.11	0.070	11.04	11.06
GC43 (Coupon 10.00%, BMK: R2044)	↑	11.24	0.050	11.19	11.19
GC45 (Coupon 9.85%, BMK: R2044)	↑	11.44	0.050	11.39	11.39
GC50 (Coupon 10.25%, BMK: R2048)	↑	11.56	0.057	11.51	11.51
Inflation-Linked Bonds		Last Close	Change	Prev Close	Current Spot
GI27 (Coupon 4.00%, BMK: NCPI)	↓	4.45	-0.020	4.47	4.53
GI29 (Coupon 4.50%, BMK: NCPI)	↓	4.90	-0.050	4.95	4.99
GI33 (Coupon 4.50%, BMK: NCPI)	↑	5.35	0.070	5.28	5.33
GI36 (Coupon 4.80%, BMK: NCPI)	→	5.82	0.000	5.82	5.90
Commodities		Last Close	Change	Prev Close	Current Spot
Gold	↑	3,866	0.18%	3,859	3,874
Platinum	↓	1566	-0.62%	1576	1575
Brent Crude	↓	65.4	-2.49%	67.02	65.52
Main Indices		Last Close	Change	Prev Close	Current Spot
NSX Local Index	↑	1161	0.35%	1157	1161
JSE All Share	↑	108,650	0.66%	107,941	108,650
S&P 500	↑	6,711	0.34%	6,688	6,711
FTSE 100	↑	9,446	1.03%	9,350	9,446
Hangseng	↑	27,330	1.76%	26,856	27,330
DAX	↑	24,114	0.98%	23,881	24,114
JSE Sectors		Last Close	Change	Prev Close	Current Spot
Financials	→	21,175	0.00%	21,175	21,325
Resources	→	112,442	0.00%	112,442	113,520
Industrials	→	142,115	0.00%	142,115	142,981
Forex		Last Close	Change	Prev Close	Current Spot
N\$/US Dollar	↓	17.23	-0.23%	17.27	17.20
N\$/Pound	↑	23.23	0.04%	23.22	23.20
N\$/Euro	↓	20.21	-0.25%	20.26	20.20
US Dollar/ Euro	↑	1.173	0.26%	1.17	1.17
Interest Rates & Inflation		Namibia		RSA	
		Aug-25	Jul-25	Aug-25	Jul-25
Central Bank Rate	→	6.75	6.75	7.00	7.00
Prime Rate	→	10.50	10.50	10.50	10.50
		Aug-25	Jul-25	Aug-25	Jul-25
Inflation	↓	3.2	3.5	3.3	3.5

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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