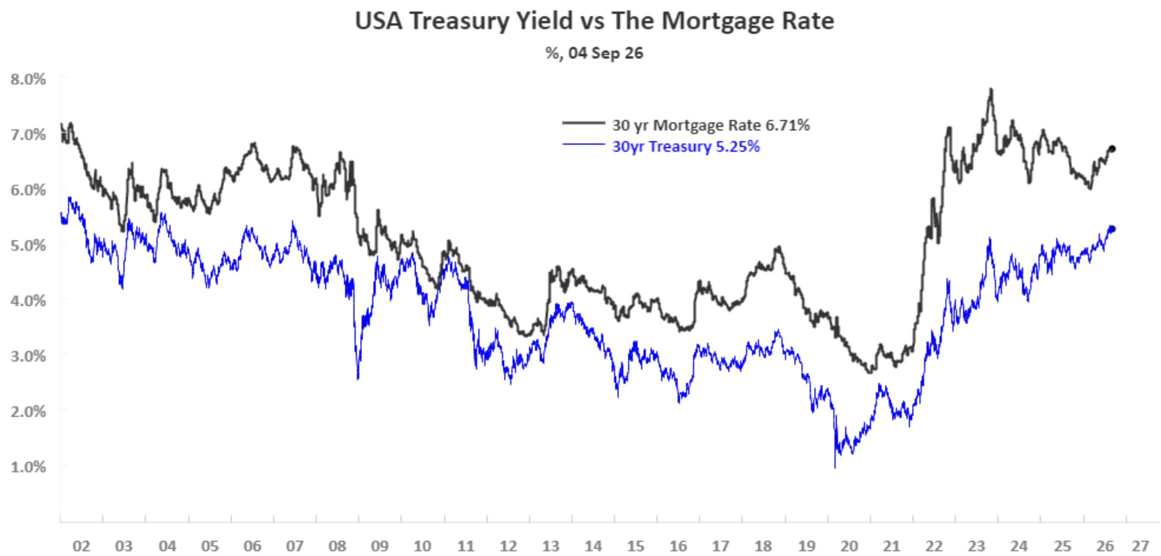
Market Update **Friday, 04 September 2026**

Global Markets



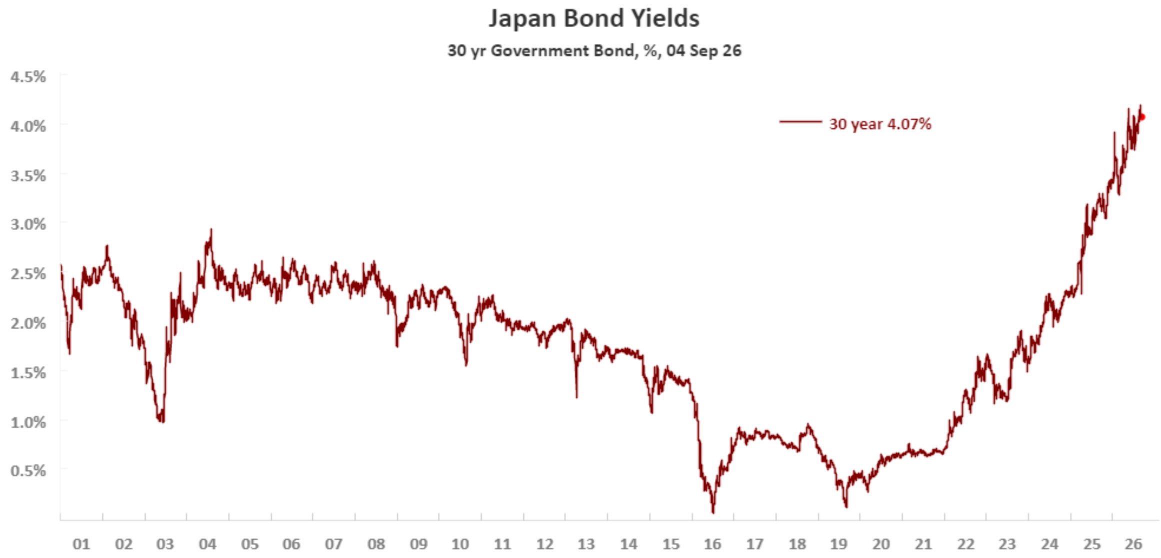
Federal Reserve Governor Christopher Waller delivered the most concrete pre-meeting policy signal in weeks at the Reuters NEXT Newsmaker Interview in Washington on 3 September. According to the Federal Reserve, Governor Waller described inflation as remaining "meaningfully above" the FOMC's 2% goal but said, "recent data suggest we are finally seeing some signs of disinflation." He indicated that if this improving trend holds in the data due over the next two weeks, he would be inclined to support holding the federal funds rate at its current 3.50 to 3.75% range at the September 15-16 FOMC meeting. He preserved the option of a rate hike, however, stating that if August data shows "this improvement has been fleeting," it may be appropriate to raise the policy rate. Core PCE inflation stands at 3.3% on a 12-month basis, but the three-month reading has fallen sharply from 4.76% in February to 3.05% through July, a trajectory Waller described as a "considerable improvement" and "encouraging." US GDP grew at 1.8% in the first half of 2026, with the unemployment rate at 4.1% in July. The August non-farm payrolls report, which Waller flagged as an important input to the September decision, is due for release today.

The second-order implications for South Africa and Namibia are meaningful. A Fed hold at the September meeting is now the base case, given the improving disinflation trajectory. A hold, rather than a hike, reduces near-term upside pressure on the US dollar, providing modest relief for the rand and, by extension, the Namibian dollar. That said, with US core PCE at 3.3%, the Fed is not close to cutting, and global financial conditions will remain restrictive regardless of the September outcome. Both the South African Reserve Bank and the Bank of Namibia, approaching their respective October Monetary Policy Committee meetings, must continue to navigate an extended period of tight global liquidity.

Global equity markets opened the week on a cautious but constructive note, with Asian bourses steady this morning as investors absorbed the Waller speech and positioned for today's payrolls print. European markets are similarly measured. On the JSE, gold mining counters drove positive momentum on 3 September following a partial recovery in spot gold from its recent lows, with Harmony Gold rising 7.32%, AngloGold Ashanti gaining 5.51%, and Sibanye-Stillwater advancing 5.56%, per Moneyweb. Gold continues to trade in the low-to-mid $4,400s per ounce range, with the improved US inflation outlook providing modest support to the metal. Oil has eased from its recent highs as diplomatic momentum in the Strait of Hormuz persists alongside additional OPEC+ supply entering the market.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets



A significant shift is under way in the ownership structure of Rössing Uranium, one of Namibia's flagship mines. Reporting by Business Day (4 September) confirms that suitors are lining up as the Industrial Development Corporation of South Africa (IDC) accelerates its exit from the mine's share register, with Iran-related sanctions pressure cited as driving the urgency of the disposal. The IDC holds a 10.2% equity stake in Rössing. The Namibian government had been in preliminary discussions to acquire the stake, which would increase state ownership in a mine that already generates substantial royalty and tax revenues for the fiscus. The identity of the suitors now competing for the IDC's interest will be consequential: a transfer to a sanctions-sensitive counterparty would raise compliance risks for the mine's international lenders and offtake partners, while a transfer to a Western or regional strategic buyer could strengthen Rössing's long-term financing and marketing position. The outcome has direct implications for Namibia's sovereign control over one of its most strategically significant uranium assets at a time when global nuclear fuel demand is accelerating.

ReconAfrica is raising approximately N$174.3 million (C$15 million) to fund a horizontal sidetrack and production testing programme at its Kavango West 1X well in north-eastern Namibia, per Mining and Energy (2 September). The Canadian-listed explorer has entered a bought-deal public offering with Research Capital Corporation as sole bookrunner. The proceeds will fund testing of the Huttenberg Formation, the primary reservoir target, and potentially the Elandshoek Formation. The Kavango West 1X well previously confirmed a gross hydrocarbon section of approximately 400 metres, with 64 net metres of confirmed pay. The capital raise demonstrates continued investor appetite for Namibia's emerging onshore oil frontier ahead of production test results that will materially shape the commercial case for the Kavango Basin.

New data from IJG Securities, reported by The Brief (3 September), shows that Namibian households added N$438.7 million in debt in July, lifting total household credit to N$72.74 billion. Annual household credit growth accelerated to 4.6% from 4.5% in June, its strongest run in nearly three years. Mortgage balances rose N$238.5 million during the month, with annual mortgage credit growth reaching 2.4%, its fastest pace since December 2023. Vehicle and asset finance also contributed to the monthly increase. While the data points to a consumer that remains willing to borrow, the backdrop of diesel rising N$1.60 per litre and petrol N$0.60 per litre from 2 September, alongside a 3.6% electricity tariff increase in Windhoek, will increase debt-servicing pressure in the months ahead. The Bank of Namibia's Monetary Policy Committee will weigh this credit growth signal against rising cost-of-living pressures at its October meeting. The Bank of Namibia repo rate currently stands at 6.75%.

In South Africa, President Trump signed a two-year AGOA extension on 4 September, per Business Day, well short of the 15-year renewal South Africa had been seeking. While the extension provides greater certainty than the prior one-year deal, questions over South Africa's ongoing eligibility remain unresolved, and US tariffs imposed since 2025 have substantially eroded the programme's duty-free benefits in practice. For South African exporters, the deal provides a limited runway rather than a structural resolution of trade access uncertainty. The JSE All Share Index closed at 115,082 on 2 September, per Moneyweb, with the rand at approximately R16.04 to the US dollar on the morning of 3 September. The SARB policy rate stands at 7.00% and the prime lending rate at 10.50%, as stated by the South African Reserve Bank, with the next MPC meeting scheduled for 23 September.

The Industrial Development Corporation is facing compounding institutional pressures. Business Day (4 September) reports that IDC Chief Financial Officer Isaac Malevu has resigned amid a R4.7 billion loss and ongoing recapitalisation talks, as the development financier contends with distressed investments across its portfolio. The CFO departure, alongside the accelerated Rössing uranium exit driven by Iran sanctions pressure, signals that the IDC's balance sheet constraints are now directly shaping its strategic decisions, including its cross-border footprint in Namibia's critical minerals sector.

Reporting by Business Day (4 September) confirms that cumulative dividends paid by JSE-listed platinum group metals miners have reached R44.5 billion across the current earnings season, with Implats' payout pushing the sector total to a new high. The strong PGM dividend cycle reflects the recovery in palladium, rhodium and platinum prices and provides material support for domestic investor returns and JSE performance. In the financial sector, Discovery's bank division has turned profitable, with retail deposits climbing 17% as the group's 'Superbank' strategy gains traction, per Business Day (4 September). Santam's Lloyd's syndicate has earned R1.3 billion in premium income and is on track for profitability by 2027.

The Waller speech's hold-leaning signal is modestly constructive for the SARB's September deliberations. A reduction in near-term US rate hike risk removes some of the external pressure that has weighed on the rand and complicated the SARB's room to manoeuvre. However, with domestic fuel price increases now in effect from 3 September and the August payrolls print still to be processed globally, the MPC's 23 September decision will remain data-dependent. South Africa's improving fiscal trajectory, underpinned by record SARS tax collections and the reform momentum of Operation Vulindlela, continues to provide a constructive medium-term foundation for the investment case.

> Power means happiness; power means hard work and sacrifice.
>
> **Beyoncé**

Market Overview

MARKET INDICATORS					04 September 2026
Money Market TB's		**Last Close**	**Change**	**Prev Close**	**Current Spot**
3 months	↑	7.16	0.064	7.10	7.16
6 months	→	7.40	0.000	7.40	7.40
9 months	↑	7.60	0.041	7.56	7.60
12 months	↑	7.65	0.038	7.61	7.65
Nominal Bonds		**Last Close**	**Change**	**Prev Close**	**Current Spot**
GC27 (Coupon 8.00%, BMK: R186)	↑	7.02	0.030	6.99	7.02
GC28 (Coupon 8.50%, BMK: R186)	↓	8.24	-0.060	8.30	8.23
GC29 (Coupon 9.00%, BMK: R2030)	↓	8.71	-0.060	8.77	8.71
GC30 (Coupon 8.00%, BMK: R2030)	↓	8.80	-0.060	8.86	8.80
GC32 (Coupon 9.00%, BMK: R213)	↓	9.37	-0.025	9.39	9.36
GC34 (Coupon 10.25%, BMK: R2035)	↓	9.87	-0.070	9.94	9.87
GC35 (Coupon 9.50%, BMK: R209)	↓	10.30	-0.080	10.38	10.30
GC37 (Coupon 9.50%, BMK: R2037)	↓	10.68	-0.070	10.75	10.67
GC40 (Coupon 9.80%, BMK: R214)	↓	11.20	-0.085	11.29	11.20
GC43 (Coupon 10.00%, BMK: R2044)	↓	11.16	-0.080	11.24	11.16
GC45 (Coupon 9.85%, BMK: R2044)	↑	11.51	0.072	11.44	11.51
GC48 (Coupon 10.00%, BMK: R2048)	↓	11.64	-0.075	11.72	11.64
GC50 (Coupon 10.25%, BMK: R2048)	↓	11.79	-0.025	11.82	11.79
GC53 (Coupon 11.00%, BMK: R2053)	↓	11.90	-0.037	11.94	11.90
Inflation-Linked Bonds		**Last Close**	**Change**	**Prev Close**	**Current Spot**
GI27 (Coupon 4.00%, BMK: NCPI)	→	3.93	0.000	3.93	3.93
GI29 (Coupon 4.50%, BMK: NCPI)	↑	4.37	0.010	4.36	4.37
GI31 (Coupon 4.50%, BMK: NCPI)	→	4.92	0.000	4.92	4.92
GI33 (Coupon 4.50%, BMK: NCPI)	→	5.14	0.000	5.14	5.14
GI36 (Coupon 4.80%, BMK: NCPI)	→	5.70	0.000	5.70	5.70
GI41 (Coupon 4.80%, BMK: NCPI)	→	6.06	0.000	6.06	6.06
Commodities		**Last Close**	**Change**	**Prev Close**	**Current Spot**
Gold	↑	4,473	2.08%	4,382	4,466
Platinum	↑	1823	3.44%	1763	1807
Brent Crude	↓	95.5	-0.12%	95.63	95.49
Main Indices		**Last Close**	**Change**	**Prev Close**	**Current Spot**
NSX Overall Index	↑	1518	0.40%	1512	1518
JSE All Share	↑	116,688	1.40%	115,082	116,688
S&P 500	↑	7,748	1.06%	7,667	7,748
FTSE 100	↑	10,832	0.71%	10,756	10,832
Hangseng	↑	25,711	1.98%	25,213	25,711
DAX	↑	26,003	0.63%	25,839	26,003
JSE Sectors		**Last Close**	**Change**	**Prev Close**	**Current Spot**
Financials	→	25,914	0.00%	25,914	26,095
Resources	→	133,007	0.00%	133,007	136,545
Industrials	→	120,803	0.00%	120,803	121,883
Forex		**Last Close**	**Change**	**Prev Close**	**Current Spot**
N$/US Dollar	↓	15.99	-0.37%	16.05	15.99
N$/Pound	↓	21.63	-0.09%	21.65	21.65
N$/Euro	↓	18.59	-0.05%	18.60	18.59
US Dollar/ Euro	↑	1.163	0.26%	1.16	1.16
		Namibia		**RSA**	
Interest Rates & Inflation		**Aug-26**	**Jul-26**	**Aug-26**	**Jul-26**
Central Bank Rate	→	6.75	6.75	7.00	7.00
Prime Rate	→	10.25	10.25	10.50	10.50
		Jul-26	**Jun-26**	**Jul-26**	**Jun-26**
Inflation	→	4.4	4.4	4.3	5.0

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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