Market Update — Monday, 8 December 2025

Global Markets

Share and bond markets seemed guardedly optimistic on Monday that the Federal Reserve would deliver a much-needed rate cut this week, though the meeting looks set to be one of the most fractious in recent memory. Futures imply around an 86% chance of a quarter-point reduction in the 3.75% to 4.0% funds rate, so a steady decision would be a seismic shock. A Reuters poll of 108 analysts found only 19 tipping no change, and the rest a cut. "We expect at least two dissents in favour of no action and that only a slim majority of the 19 Fed participants will indicate in their updated dots that a December cut was appropriate," wrote Michael Feroli, head of U.S. economics at JPMorgan, in a note.

The Federal Open Market Committee has not had three or more dissents at a meeting since 2019, and that has happened just nine times since 1990. Feroli also thinks the Fed will cut in January as insurance against a sustained weakening in the labour market, before going on a lengthy policy pause. Markets currently see only a 24% chance of a January move and a further easing is not fully priced until July.

Central banks in Canada, Switzerland and Australia also meet this week and all are poised to hold steady. The Swiss National Bank might like to ease again to offset the strength of its franc, but it is already at 0% and reluctant to go negative. A run of hot economic data has led markets to abandon any hope of another easing from the Reserve Bank of Australia and even price in a rate hike for late 2026.

Hopes for more Fed stimulus has helped support equities in recent weeks, and both S&P 500 futures and Nasdaq futures were 0.2% firmer in Asian trade. Earnings this week from Oracle and Broadcom will test the appetite for all things AI-related, while Costco will provide colour on consumer demand.

In Asia, Japan's Nikkei went flat, after making a modest 0.5% gain last week. South Korean stocks added 0.8%, having jumped 4.4% last week on confirmation of a lower U.S. tariff on its exports. MSCI's broadest index of Asia-Pacific shares outside Japan firmed 0.1. Chinese blue chips gained 1.0% as data showed the country's exports rose 5.9% in November, topping forecasts of 3.8% and staying resilient in the face of U.S. tariffs. Imports missed modestly with a rise of 1.9%, suggesting domestic demand remained subdued overall. Beijing's diplomatic spat with Tokyo worsened as a Chinese carrier strike group launched intense air operations near Japan over the weekend. Elsewhere in the region, Thailand launched air strikes along its disputed border with Cambodia. In

Europe, EUROSTOXX 50 futures and FTSE futures edged down 0.1%, while DAX futures were little changed.

In bond markets, longer-dated Treasuries have been under pressure given the risk of hawkish guidance from the Fed, even if it does agree on a cut this week. There are also concerns President Donald Trump's attacks on Fed independence could lead to rates going too low and stoking inflation over the long run. On Monday, 10-year yields were steady at 4.142%, having climbed 9 basis points last week. The rise in yields had helped the dollar steady after two weeks of decline, though its index was now off 0.1% at 98.876 . It slipped 0.2% on the yen to 154.99 , with markets increasingly confident the Bank of Japan will raise its rates at a policy meeting next week. The euro was a shade firmer at $1.1654 , just short of its recent seven-week high of $1.1682.

Commodities have been generally underpinned by wagers on more U.S. policy stimulus, with copper reaching all-time highs thanks to a mixture of supply concerns and demand from AI-related infrastructure investment. Gold stood at $4,210 an ounce , after spiking as high as $4,259 on Friday, while silver was just off a lifetime peak. Oil prices were also supported by the chance of lower interest rates, combined with geopolitical uncertainty that could limit supplies from Russia and Venezuela. Brent added 0.1% to $63.84 a barrel, while U.S. crude rose 0.2% to $60.17 per barrel.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets

The rand started the week flat as traders assessed Moody's decision to keep South Africa's credit rating and outlook unchanged, while awaiting key data releases that will give indications of demand and output trends at the start of the fourth quarter. At 07:03 GMT, the rand traded at 16.9375 against the dollar, a whisker away from Friday's close.

Nedbank economists had expected the ratings agency to at least revise South Africa's outlook to positive from stable. "The stable outlook reflects our expectation that while economic growth is likely to improve, it will remain modest, with the government's debt burden remaining elevated, albeit stable, over the medium term," said Moody's.

Investor attention will shift to retail sales data on Wednesday, and mining and manufacturing production figures on Thursday, while global traders also keep tabs on an interest rate decision by the Federal Reserve for clues on the health of the world's largest economy

Source: LSEG Thomson Reuters Refinitiv.

Happiness is not something ready made. It comes from your own actions.

Dalai Lama

Market Overview

MARKET INDICATORS					08 December 2025
Money Market TB's		**Last Close**	**Change**	**Prev Close**	**Current Spot**
3 months	↑	7.36	0.008	7.35	7.36
6 months	↑	7.43	0.024	7.40	7.43
9 months	↑	7.42	0.016	7.41	7.42
12 months	↑	7.41	0.005	7.41	7.41
Nominal Bonds		**Last Close**	**Change**	**Prev Close**	**Current Spot**
GC26 (Coupon 8.50%, BMK: R186)	↑	7.44	0.015	7.43	7.39
GC27 (Coupon 8.00%, BMK: R186)	↑	7.23	0.030	7.20	7.18
GC28 (Coupon 8.00%, BMK: R186)	↓	8.15	-0.015	8.17	8.10
GC30 (Coupon 8.00%, BMK: R2030)	↓	8.58	-0.015	8.59	8.53
GC32 (Coupon 9.00%, BMK: R213)	↓	8.44	-0.020	8.46	8.39
GC35 (Coupon 9.50%, BMK: R209)	↓	9.57	-0.010	9.58	9.52
GC37 (Coupon 9.50%, BMK: R2037)	↓	10.17	-0.005	10.18	10.12
GC40 (Coupon 9.80%, BMK: R214)	↑	10.43	0.005	10.42	10.38
GC43 (Coupon 10.00%, BMK: R2044)	↑	10.80	0.010	10.79	10.75
GC45 (Coupon 9.85%, BMK: R2044)	↑	10.96	0.010	10.95	10.91
GC48 (Coupon 9.85%, BMK: R2044)	↑	10.85	0.015	10.83	10.80
GC50 (Coupon 10.25%, BMK: R2048)	↑	10.85	0.015	10.83	10.80
Inflation-Linked Bonds		**Last Close**	**Change**	**Prev Close**	**Current Spot**
GI27 (Coupon 4.00%, BMK: NCPI)	→	4.60	0.000	4.60	4.55
GI29 (Coupon 4.50%, BMK: NCPI)	→	4.98	0.000	4.98	4.93
GI31 (Coupon 4.50%, BMK: NCPI)	→	5.28	0.000	5.28	5.23
GI33 (Coupon 4.50%, BMK: NCPI)	→	5.50	0.000	5.50	5.45
GI36 (Coupon 4.80%, BMK: NCPI)	→	5.93	0.000	5.93	5.88
GI41 (Coupon 4.80%, BMK: NCPI)	→	6.22	0.000	6.22	6.17
Commodities		**Last Close**	**Change**	**Prev Close**	**Current Spot**
Gold	↓	4,198	-0.23%	4,208	4,215
Platinum	↓	1644	-0.15%	1646	1667
Brent Crude	↑	63.8	0.77%	63.26	63.83
Main Indices		**Last Close**	**Change**	**Prev Close**	**Current Spot**
NSX Local Index	↑	1263	0.96%	1251	1263
JSE All Share	↑	112,480	1.40%	110,925	112,480
S&P 500	↑	6,870	0.19%	6,857	6,870
FTSE 100	↓	9,667	-0.45%	9,711	9,667
Hangseng	↓	25,842	-0.93%	26,085	25,842
DAX	↑	24,028	0.61%	23,882	24,028
JSE Sectors		**Last Close**	**Change**	**Prev Close**	**Current Spot**
Financials	↑	23,836	0.57%	23,702	23,976
Resources	↓	114,431	-1.72%	116,433	118,926
Industrials	↓	135,772	-0.02%	135,804	136,249
Forex		**Last Close**	**Change**	**Prev Close**	**Current Spot**
N$/US Dollar	↓	16.93	-0.41%	17.00	16.93
N$/Pound	↓	22.57	-0.35%	22.65	22.58
N$/Euro	↓	19.71	-0.40%	19.79	19.73
US Dollar/ Euro	↑	1.164	0.34%	1.16	1.17
		Namibia		**RSA**	
Interest Rates & Inflation		**Nov-25**	**Oct-25**	**Nov-25**	**Oct-25**
Central Bank Rate	↓	6.50	6.75	6.75	7.00
Prime Rate	↓	10.13	10.38	10.25	10.50
		Nov-25	**Oct-25**	**Oct-25**	**Sep-25**
Inflation	↓	3.4	3.6	3.6	3.4

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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