



## Market Update

Monday 08 September 2025



## Global Markets

Stocks rose and the dollar wobbled on Monday after dismal U.S. labour data sealed the case for an interest rate cut this month, while the yen fell as investors girded for uncertainty in Japan following the resignation of Prime Minister Shigeru Ishiba. Gold prices held near a record high while U.S. Treasury yields hovered close to five-month lows after data showed the world's largest economy created far fewer jobs than expected in August, with markets factoring in chances of a jumbo rate cut.

Much of the focus last week was on elevated long-end bond yields across the globe as investors fretted about the state of various countries' finances from Britain and France to Japan. Some of those worries could return after Japan's Ishiba resigned on Sunday, while France could be looking for its fifth prime minister in three years as Francois Bayrou faces a confidence vote on Monday, which he is expected to lose. The political uncertainty gripping Japan, the world's fourth-largest economy and France, the euro zone's second-biggest economy, will likely limit any exuberant reaction to the prospect of rate cuts from the Federal Reserve.

European futures advanced 0.45%, while S&P 500 futures pointed 0.08% higher on Monday after a volatile session on Friday where the index hit a record high but then closed 0.3% lower. The yen fell across the board and was last 0.6% lower at 148.39 per dollar, while the Nikkei surged 1.8%, just shy of its recent record-high. The benchmark 10-year Japanese government bond (JGB) yield was flat at 1.57%. MSCI's broadest index of Asia-Pacific shares outside Japan was 0.4% higher. Hong Kong's Hang Seng index gained 0.35%.

The spotlight will be on who replaces Ishiba, with investors fretting that an advocate of looser fiscal and monetary policy, such as Liberal Democratic Party veteran Sanae Takaichi, who has criticised the BOJ's interest rate hikes, could take the helm next. "The markets are going to be framing this around what it means for fiscal policy, inflation and the BOJ's response," said Kyle Rodda, senior financial market analyst at Capital.com.

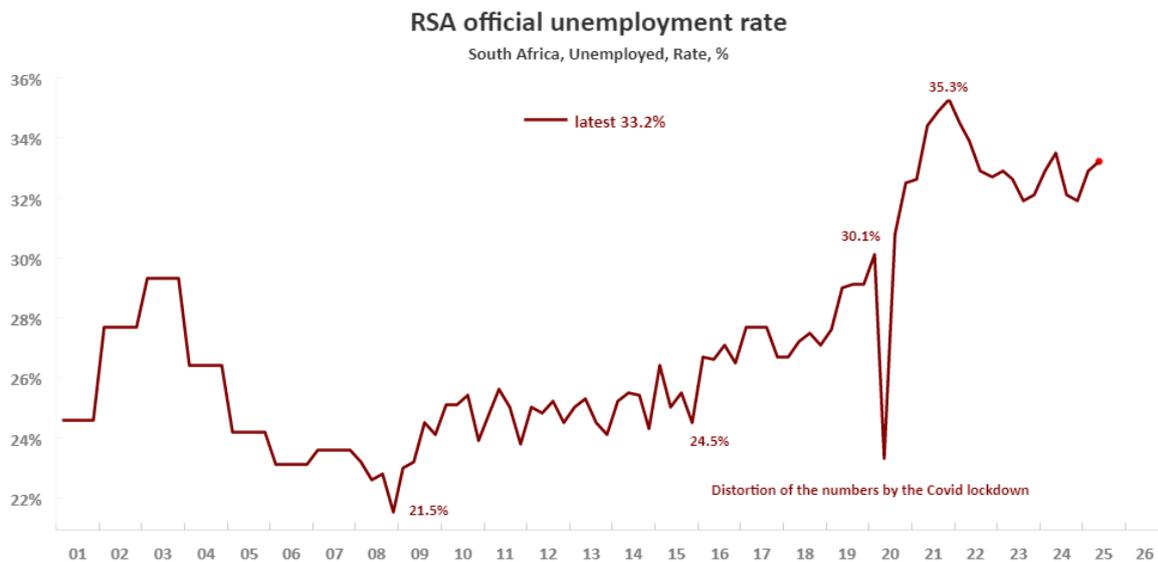
Investor attention this week will be on the U.S. inflation report on Thursday to gauge the risk of rising prices that could help temper some of the enthusiasm for a larger rate cut. The U.S. two-year yields, which are tied to interest rate policy, were 2 basis points (bps) higher at 3.527%, near the five-month low of 3.464% hit on Friday.

Traders have fully priced in a 25 bps cut later this month with an 8% chance of a jumbo 50 bps rate cut, the CME FedWatch tool showed. They are anticipating 68 bps of easing by the end of this year. "The Fed has more than enough reasons and will cut by 25bps ... with another two within six months," said George Boubouras, head of research at K2 Asset Management. "U.S. cash rates are notably higher than other developed markets (and) given the resilient and robust U.S. economy, lower cash rates are now required. Fed commentary of further rate cuts will be supportive, without this equity markets will be weaker."

In the currency market, the euro eased a bit to \$1.1712 after surging 0.6% on Friday, while sterling last fetched \$1.3495 after a 0.5% rise on Friday. In commodities, gold prices were at \$3,588 per ounce, just shy of the \$3,600 milestone. Gold is up 37% this year after rising 27% in 2024. GOL/Oil prices climbed after OPEC+ agreed over the weekend to raise output at a slower pace from October on expectations of weaker global demand. Brent crude and U.S. West Texas Intermediate crude rose more than 1% each.

**Source: LSEG Thomson Reuters Refinitiv.**

## Domestic Markets



The South African rand was stable on Monday as markets awaited the release of local gross domestic product (GDP) figures, along with mining, manufacturing and current account data, for clues on the health of Africa's largest economy. At 0628 GMT the rand traded at 17.58 against the dollar , roughly 0.2% up on Friday's close.

Statistics South Africa is set to release second-quarter GDP data at 0930 GMT on Tuesday. The country eked out quarter-on-quarter growth of 0.1% in the first quarter as contractions in sectors like mining and manufacturing offset a strong performance by agriculture.

Investor focus will shift to mining, manufacturing and current account numbers due on Thursday.

South Africa's benchmark 2035 government bond was marginally stronger in early deals, as the yield fell 1.5 basis points to 9.55%.

**Source: LSEG Thomson Reuters Refinitiv.**

**It is not in the stars to hold our destiny but in ourselves.**

**William Shakespeare**

## Market Overview

MARKET INDICATORS		08 September 2025			
<b>Money Market TB's</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
3 months	↓	7.32	-0.006	7.33	7.32
6 months	↓	7.48	-0.038	7.52	7.48
9 months	↓	7.54	-0.032	7.57	7.54
12 months	↓	7.55	-0.033	7.58	7.55
<b>Nominal Bonds</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
GC26 (Coupon 8.50%, BMK: R186)	→	7.50	0.000	7.50	7.41
GC27 (Coupon 8.00%, BMK: R186)	↑	7.88	0.005	7.88	7.76
GC30 (Coupon 8.00%, BMK: R2030)	→	9.01	0.000	9.01	8.88
GC32 (Coupon 9.00%, BMK: R213)	↓	9.57	-0.010	9.58	9.45
GC35 (Coupon 9.50%, BMK: R209)	↓	10.69	-0.018	10.71	10.57
GC37 (Coupon 9.50%, BMK: R2037)	↓	11.07	-0.010	11.08	10.95
GC40 (Coupon 9.80%, BMK: R214)	↓	11.53	-0.008	11.54	11.40
GC43 (Coupon 10.00%, BMK: R2044)	↓	11.76	-0.002	11.76	11.64
GC45 (Coupon 9.85%, BMK: R2044)	↓	11.91	-0.002	11.91	11.79
GC50 (Coupon 10.25%, BMK: R2048)	↓	12.06	-0.003	12.06	11.94
<b>Inflation-Linked Bonds</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
GI27 (Coupon 4.00%, BMK: NCPI)	↓	4.53	-0.052	4.58	4.48
GI29 (Coupon 4.50%, BMK: NCPI)	↑	5.02	0.009	5.01	4.97
GI33 (Coupon 4.50%, BMK: NCPI)	↑	5.36	0.019	5.34	5.31
GI36 (Coupon 4.80%, BMK: NCPI)	↓	5.91	-0.031	5.94	5.86
<b>Commodities</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
Gold	↑	3,587	1.15%	3,546	3,610
Platinum	↑	1379	0.17%	1377	1401
Brent Crude	↓	65.5	-2.22%	66.99	66.63
<b>Main Indices</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
NSX Local Index	↑	1074	0.94%	1064	1074
JSE All Share	↑	102,436	0.89%	101,532	102,436
S&P 500	↓	6,482	-0.31%	6,502	6,482
FTSE 100	↑	9,218	0.11%	9,208	9,218
Hangseng	↑	25,627	0.82%	25,418	25,627
DAX	↑	23,756	0.67%	23,597	23,756
<b>JSE Sectors</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
Financials	↑	21,159	1.07%	20,934	21,304
Resources	↑	93,975	2.08%	92,063	95,592
Industrials	↑	137,448	0.87%	136,266	138,326
<b>Forex</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
N\$/US Dollar	↓	17.59	-1.07%	17.78	17.53
N\$/Pound	↓	23.76	-0.50%	23.88	23.69
N\$/Euro	↓	20.62	-0.48%	20.72	20.56
US Dollar/ Euro	↑	1.172	1.03%	1.16	1.17
		<b>Namibia</b>		<b>RSA</b>	
<b>Interest Rates &amp; Inflation</b>		<b>Aug-25</b>	<b>Jul-25</b>	<b>Aug-25</b>	<b>Jul-25</b>
Central Bank Rate	→	6.75	6.75	7.00	7.00
Prime Rate	→	10.50	10.50	10.50	10.50
		<b>Jul-25</b>	<b>Jun-25</b>	<b>Jul-25</b>	<b>Jun-25</b>
Inflation	↓	3.5	3.7	3.5	3.0

#### 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 listed

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**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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**For enquiries concerning the Daily Brief please contact us at**

**[Daily.Brief@capricorn.com.na](mailto:Daily.Brief@capricorn.com.na)**

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