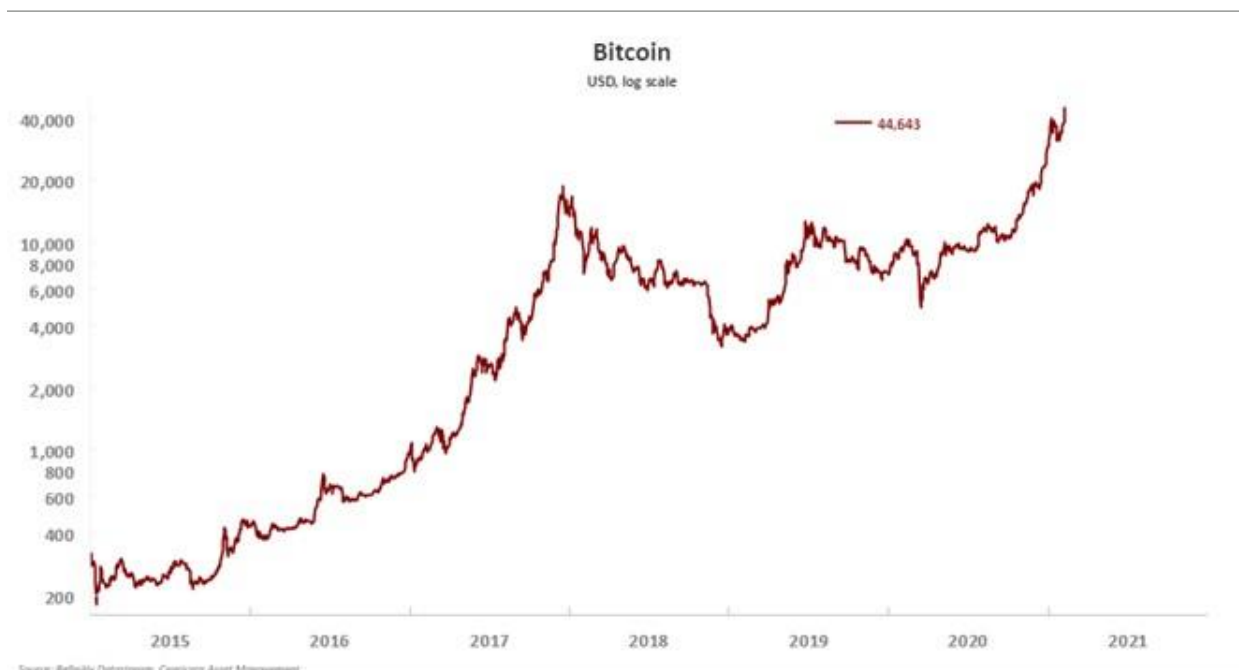




Market Update

Tuesday, 09 February 2021



Global Markets

Asian stock markets rose on Tuesday after a record-setting day on Wall Street, while Bitcoin paused for breath after an overnight endorsement from Tesla Inc sent the cryptocurrency up 20%. Oil also hit 13-month highs, helped by rising optimism about a return in fuel demand.

MSCI's broadest index of Asia-Pacific shares outside Japan was last up 0.32 % at 721.53 after climbing as high as 730.16 late last month. Korea was an early riser, up 0.92% while Chinese blue chips rose 0.49% and Hong Kong nudged up 0.24%. Japan's Nikkei .N225 was up 0.36% and e-mini futures for the S&P 500 were up 0.5%.

The early action came after another day of so-called reflation trades around the world, in which global markets bid up stocks, oil and gold while U.S. Treasury yields held near 11-month highs. "Reflation on the back of U.S. fiscal stimulus and positive vaccine news remains the major theme for markets," strategists at National Australia Bank wrote. Expectations have been building that inflation would pick up as governments and central banks continue massive spending and easy money policies until officials are certain that their economies will recover from the coronavirus pandemic.

Wall Street reached all-time closing highs on Monday as the Nasdaq Composite added nearly 1% and the S&P 500 and the Dow Jones Industrial Average gained about 0.75%. In more volatile cryptocurrency markets, Bitcoin briefly passed \$47,000 for the first time, a 20% rise, before paring gains. It was last at \$45,669. Tesla Inc said overnight it had invested around \$1.5 billion in the virtual currency and expects to accept it as payment for its cars in the future. Justin d'Anethan, sales manager at digital asset company Diginex, said that so far most of the selling pressure in Asia had been absorbed. "This morning, after over \$1.2 billion of leveraged shorts got liquidated, the usual sellers of crypto will probably think twice before dumping their coins," d'Anethan said.

Oil prices continued to rise on Tuesday to 13-month highs. Brent rose 33 cents, or 0.54%, U.S. West Texas Intermediate crude was at \$58.34 a barrel, up 37 cents, or 0.64%. "There is a sense that the glut of oil supply is disappearing more rapidly than anybody thought possible," said Phil Flynn, senior analyst at Price Futures Group in Chicago. "There seems to be a paradigm shift in the market."

Spot gold rose 0.37% to \$1,837 an ounce as expectations of a large U.S. economic stimulus package bolstered its appeal as an inflation hedge. Such expectations hit the dollar index, which dropped back on Tuesday after tripping at the end of last week on a weaker-than-expected jobs report. It was last down 0.091% at 90.868. Against the yen, the dollar was down 0.12% at 105.10.

Domestic Markets

South Africa's rand weakened on Monday after the country's COVID-19 vaccination plan suffered a setback over the weekend as the government put on hold the use of AstraZeneca's shot. At 1500 GMT, the rand was 0.22% weaker, at 14.8700 per dollar against a close of 14.8375 on Friday.

Worse-than-expected U.S. jobs data last week also put the skids on global risk demand as investors assessed the speed of a global economic recovery and the timing of a stimulus package from the world's biggest economy.

South Africa's Health Minister Zweli Mkhize said on Sunday the government would await advice from scientists on how best to proceed after a trial showed the AstraZeneca vaccine did not significantly reduce the risk of mild or moderate COVID-19 infection caused by the country's dominant coronavirus variant.

"Markets have largely grown used to the ebb and flow of COVID-19 news, good and bad," said Siobhan Redford of RMB in a note. "Rather, focus remains on the global economic recovery."

The weak jobs print from the United States is likely to see Joe Biden's administration push harder to conclude a \$1.9 trillion stimulus package aimed at putting the country back on faster growth path. That saw the dollar recoup some of its losses, with an uptick in safe-haven bets.

Bonds weakened, with the yield on the benchmark instrument due in 2030 up 6.5 basis points to 8.52%.

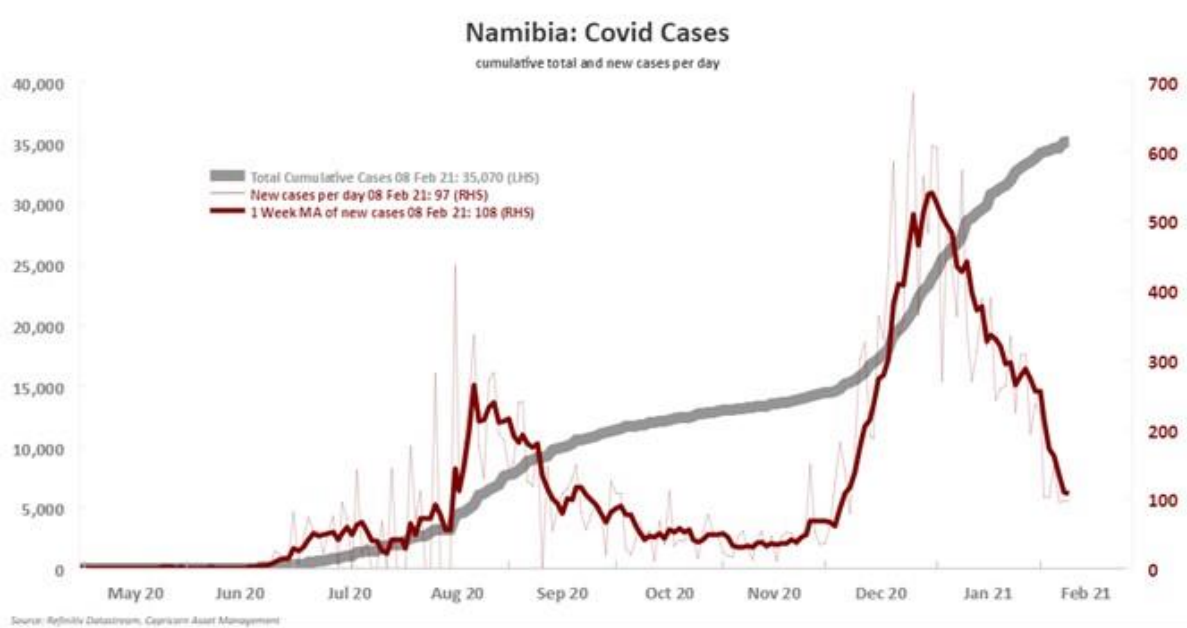
Stocks were higher, with the Johannesburg Stock Exchange's Top-40 Index ending the day up 1.31% at 59,648 points and the broader All-Share Index closing 1.2% higher at 65,059 points. Miners were the day's biggest winners, with Anglo American Platinum leading the charge after reporting it expected to see a 70% jump in annual earnings.

Corona Tracker

GLOBAL CASES				
SOURCE - REUTERS				
	Confirmed Cases	New Cases	Total Deaths	Total Recovered
GLOBAL	106,415,393	302	2,322,989	69,261,917

The number of new cases is distorted by cut-off times.

Source: Thomson Reuters



Every human has four endowments - self awareness, conscience, independent will and creative imagination. These give us the ultimate human freedom... The power to choose, to respond, to change.

Stephen Covey

Market Overview

MARKET INDICATORS (Thomson Reuters)		09 February 2021			
Money Market TB Rates %		Last close	Difference	Prev close	Current Spot
3 months	↔	4.16	0.000	4.16	4.16
6 months	↑	4.52	0.008	4.51	4.52
9 months	↑	4.58	0.008	4.57	4.58
12 months	↓	4.60	-0.009	4.61	4.60
Nominal Bond Yields %		Last close	Difference	Prev close	Current Spot
GC21 (Coupon 7.75%, BMK R208)	↓	4.35	-0.020	4.37	4.37
GC22 (Coupon 8.75%, BMK R2023)	↑	5.31	0.015	5.30	5.32
GC23 (Coupon 8.85%, BMK R2023)	↑	5.21	0.015	5.20	5.22
GC24 (Coupon 10.50%, BMK R186)	↑	6.98	0.055	6.93	6.99
GC25 (Coupon 8.50%, BMK R186)	↑	6.99	0.055	6.94	7.00
GC26 (Coupon 8.50%, BMK R186)	↑	6.99	0.055	6.94	7.00
GC27 (Coupon 8.00%, BMK R186)	↑	7.28	0.055	7.23	7.29
GC30 (Coupon 8.00%, BMK R2030)	↑	8.82	0.055	8.77	8.82
GC32 (Coupon 9.00%, BMK R213)	↑	9.95	0.075	9.88	9.95
GC35 (Coupon 9.50%, BMK R209)	↑	11.06	0.035	11.03	11.06
GC37 (Coupon 9.50%, BMK R2037)	↓	11.61	-0.015	11.62	11.60
GC40 (Coupon 9.80%, BMK R214)	↑	12.38	0.035	12.35	12.39
GC43 (Coupon 10.00%, BMK R2044)	↑	12.74	0.045	12.70	12.73
GC45 (Coupon 9.85%, BMK R2044)	↑	13.02	0.045	12.98	13.01
GC50 (Coupon 10.25%, BMK: R2048)	↑	13.04	0.040	13.00	13.03
Inflation-Linked Bond Yields %		Last close	Difference	Prev close	Current Spot
GI22 (Coupon 3.55%, BMK NCPI)	↑	4.20	0.097	4.10	4.20
GI25 (Coupon 3.80%, BMK NCPI)	↔	4.25	0.000	4.25	4.25
GI29 (Coupon 4.50%, BMK NCPI)	↔	5.73	0.000	5.73	5.73
GI33 (Coupon 4.50%, BMK NCPI)	↔	6.82	0.000	6.82	6.82
GI36 (Coupon 4.80%, BMK NCPI)	↔	7.27	0.000	7.27	7.27
Commodities		Last close	Change	Prev close	Current Spot
Gold	↑	1,830	1.02%	1,812	1,843
Platinum	↑	1,157	2.96%	1,124	1,179
Brent Crude	↑	60.6	2.06%	59.3	61.0
Main Indices		Last close	Change	Prev close	Current Spot
NSX Overall Index	↑	1,300	0.89%	1,289	1,300
JSE All Share	↑	65,059	1.20%	64,289	65,059
SP500	↑	3,916	0.74%	3,887	3,916
FTSE 100	↑	6,524	0.53%	6,489	6,524
Hangseng	↑	29,319	0.11%	29,289	29,433
DAX	↑	14,060	0.02%	14,057	14,060
JSE Sectors		Last close	Change	Prev close	Current Spot
Financials	↓	12,387	-1.60%	12,589	12,387
Resources	↑	62,815	3.43%	60,732	62,815
Industrials	↑	87,381	0.68%	86,793	87,381
Forex		Last close	Change	Prev close	Current Spot
N\$/US dollar	↑	14.87	0.20%	14.84	14.80
N\$/Pound	↑	20.43	0.23%	20.38	20.39
N\$/Euro	↑	17.92	0.25%	17.87	17.87
US dollar/ Euro	↑	1.205	0.05%	1.204	1.208
		Namibia		RSA	
Interest Rates & Inflation		Dec 20	Nov 20	Dec 20	Nov 20
Central Bank Rate	↔	3.75	3.75	3.50	3.50
Prime Rate	↔	7.50	7.50	7.00	7.00
		Dec 20	Nov 20	Dec 20	Nov 20
Inflation	↑	2.4	2.2	3.1	3.2

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 a Bloomberg calculated Index

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.

Source: Bloomberg



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