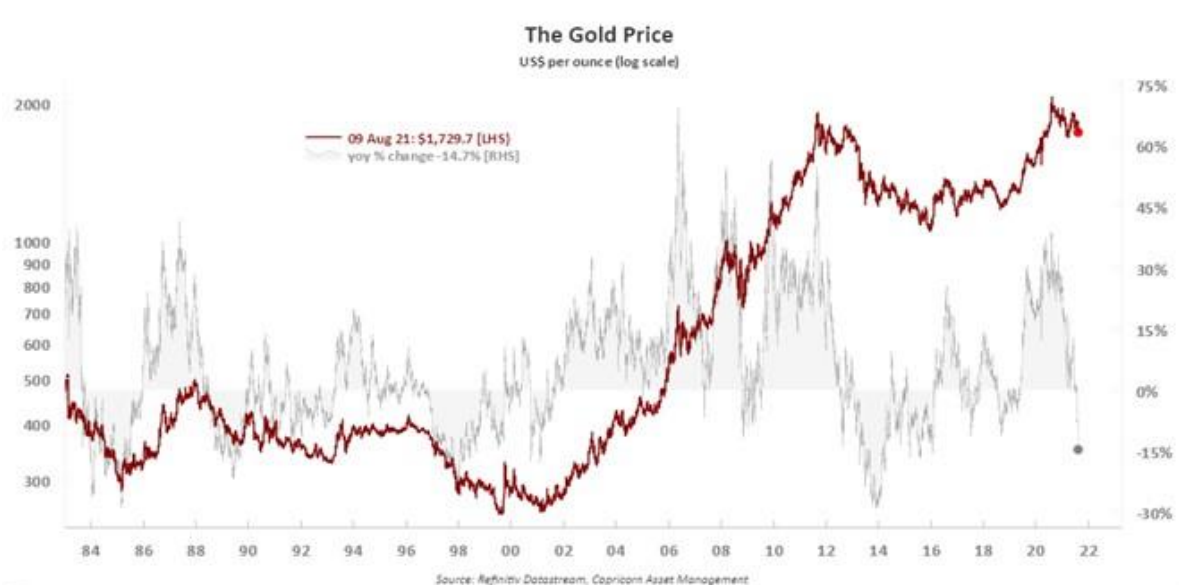




## Market Update

Tuesday, 10 August 2021



## Global Markets

Asian stocks started off on a weak footing on Tuesday after a largely soft performance on Wall Street and as persistent concerns over the spread of the Delta variant of the coronavirus dented sentiment and triggered falls in metals and oil prices.

MSCI's broadest index of Asia-Pacific shares outside Japan declined 0.4% in early trading, with Korea's KOSPI index down 0.56% while China's blue chip index CSI300 shed 0.33%. "With the Delta variant spreading, money managers who were over-invested in the re-opening trade continue to unwind that trade because it's not working right now," said Dennis Dick, a trader at Bright Trading LLC. Japan's Nikkei was UP 0.9% while Australia's benchmark S&P/ASX200 was 0.2% higher on the back of strong earnings results.

Oil prices were recovering on Tuesday after falling as much as 4% in the previous session, which extended last week's steep losses amid a rising U.S. dollar and concerns that new coronavirus-related restrictions in China could slow a global revival in fuel demand. U.S. crude oil futures were trading at \$66.82 per barrel, up \$0.35 or 0.53%. Brent crude was at \$69.29, up \$0.25 or 0.36% higher.

Gold stabilised after falling to a more than four-month low on Monday as strong U.S. jobs data bolstered expectations for an early tapering of the Federal Reserve's economic support measures. Spot gold XAU= was fetching \$1,732.13 an ounce, up 0.16%. The strong jobs data lifted U.S. Treasury yields. Benchmark 10-year notes were last yielding 1.3237%, up from 1.3170% on Monday. U.S. stock indexes were mostly soft, with the Dow Jones Industrial Average down 0.3%, the S&P 500 off 0.09% while the Nasdaq Composite added 0.16%. MSCI's gauge of stocks across the globe were 0.03% lower.

In the U.S., the Senate came closer to passing a \$1 trillion infrastructure package, though it still has to go through the House. Investors were still assessing whether Friday's strong U.S. payrolls report would take the Fed a step nearer to winding back its stimulus. "What we're seeing is a little bit of early profit-taking on the back of fear that tapering will come in earlier in September," said Sebastien Galy, senior macro strategist at Nordea Asset Management. "But as you can see, it has little impact because the effect of a better economy far outweighs the substitution effect of higher interest rates." However, the pace of tapering was still up in the air and would decide when an actual rate increase comes, he said. The Fed is currently buying \$120 billion of assets a month. The spread of the Delta variant could argue for a longer taper.

On the plus side, stocks have been mostly underpinned by a robust U.S. earnings season. BofA analysts noted S&P 500 companies were tracking a 15% beat on second-quarter earnings with 90% having reported. In the currency markets, the dollar index moved 0.02% higher, with the euro off 0.03% to \$1.1732, its lowest since early April. The dollar held firm against the yen at 110.38 yen, near its highest level in about two weeks. The U.S. currency's broad rally came as U.S. Treasury yields spiked to three-week highs on the back of the strong jobs data and early Fed taper speculation.



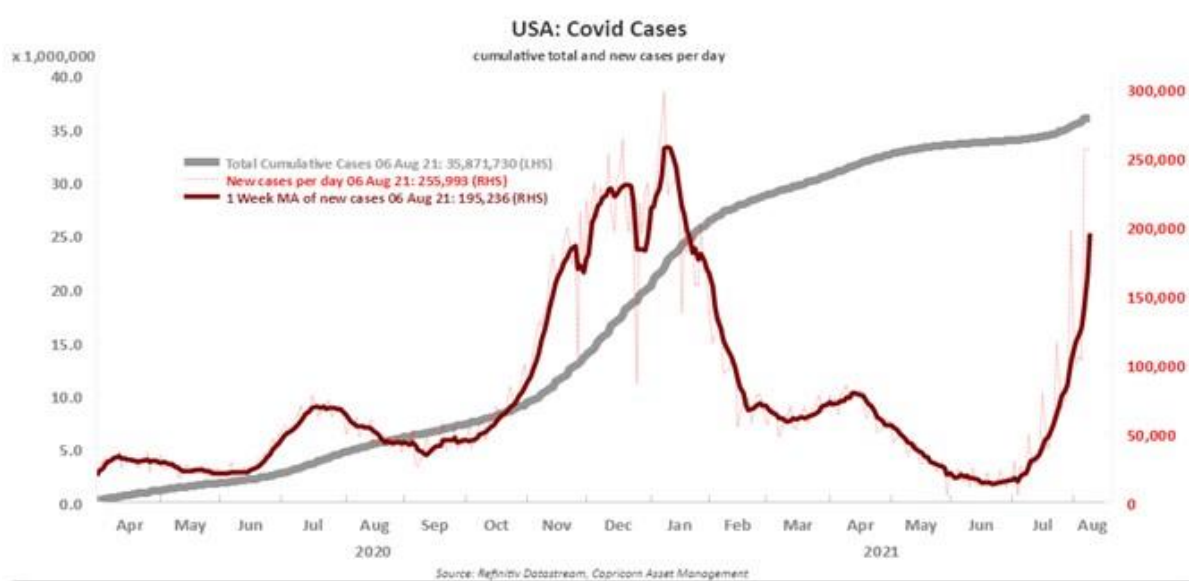
## Domestic Markets

SA markets were closed for Women's Day.

## Corona Tracker

GLOBAL CASES		10-Aug-2021	
SOURCE - REUTERS			
	Confirmed Cases	New Cases	Total Deaths
<b>GLOBAL</b>	203,282,663	348,723	4,460,988

Source: Thomson Reuters



I always pass on good advice. It is the only thing to do with it. It is never of any use to oneself.

**Oscar Wilde**



## Market Overview

MARKET INDICATORS (Thomson Reuters)				10 August 2021	
<b>Money Market TB Rates %</b>		<b>Last close</b>	<b>Difference</b>	<b>Prev close</b>	<b>Current Spot</b>
3 months	⇒	4.28	0.000	4.28	4.28
6 months	⇒	4.51	0.000	4.51	4.51
9 months	⇒	4.78	0.000	4.78	4.78
12 months	⇒	4.92	0.000	4.92	4.92
<b>Nominal Bond Yields %</b>		<b>Last close</b>	<b>Difference</b>	<b>Prev close</b>	<b>Current Spot</b>
GC21 (Coupon 7.75%, BMK R208)	⇒	4.49	0.000	4.49	4.35
GC22 (Coupon 8.75%, BMK R2023)	⇒	5.70	0.000	5.70	5.70
GC23 (Coupon 8.85%, BMK R2023)	⇒	5.60	0.000	5.60	5.60
GC24 (Coupon 10.50%, BMK R186)	⇒	7.73	0.000	7.73	7.77
GC25 (Coupon 8.50%, BMK R186)	⇒	7.74	0.000	7.74	7.78
GC26 (Coupon 8.50%, BMK R186)	⇒	7.74	0.000	7.74	7.78
GC27 (Coupon 8.00%, BMK R186)	⇒	8.03	0.000	8.03	8.07
GC30 (Coupon 8.00%, BMK R2030)	⇒	9.26	0.000	9.26	9.28
GC32 (Coupon 9.00%, BMK R213)	⇒	10.27	0.000	10.27	10.29
GC35 (Coupon 9.50%, BMK R209)	⇒	11.24	0.000	11.24	11.26
GC37 (Coupon 9.50%, BMK R2037)	⇒	11.73	0.000	11.73	11.75
GC40 (Coupon 9.80%, BMK R214)	⇒	12.60	0.000	12.60	12.62
GC43 (Coupon 10.00%, BMK R2044)	⇒	12.85	0.000	12.85	12.86
GC45 (Coupon 9.85%, BMK R2044)	⇒	13.13	0.000	13.13	13.14
GC48 (Coupon 10.00%, BMK R2048)	⇒	13.21	0.000	13.21	13.23
GC50 (Coupon 10.25%, BMK: R2048)	⇒	13.15	0.000	13.15	13.17
<b>Inflation-Linked Bond Yields %</b>		<b>Last close</b>	<b>Difference</b>	<b>Prev close</b>	<b>Current Spot</b>
GI22 (Coupon 3.55%, BMK NCPI)	⇒	3.95	0.000	3.95	3.95
GI25 (Coupon 3.80%, BMK NCPI)	⇒	4.00	0.000	4.00	4.00
GI27 (Coupon 4.00%, BMK NCPI)	⇒	4.99	0.000	4.99	4.99
GI29 (Coupon 4.50%, BMK NCPI)	⇒	6.19	0.000	6.19	6.19
GI33 (Coupon 4.50%, BMK NCPI)	⇒	7.01	0.000	7.01	7.01
GI36 (Coupon 4.80%, BMK NCPI)	⇒	7.61	0.000	7.61	7.61
<b>Commodities</b>		<b>Last close</b>	<b>Change</b>	<b>Prev close</b>	<b>Current Spot</b>
Gold	↓	1,729	-1.89%	1,763	1,735
Platinum	↑	980	0.03%	980	991
Brent Crude	↓	69.0	-2.35%	70.7	69.8
<b>Main Indices</b>		<b>Last close</b>	<b>Change</b>	<b>Prev close</b>	<b>Current Spot</b>
NSX Overall Index	⇒	1,509	0.00%	1,509	1,509
JSE All Share	⇒	68,674	0.00%	68,674	68,674
SP500	↓	4,432	-0.09%	4,437	4,432
FTSE 100	↑	7,132	0.13%	7,123	7,132
Hangseng	↑	26,283	0.40%	26,179	26,500
DAX	↓	15,745	-0.10%	15,761	15,745
<b>JSE Sectors</b>		<b>Last close</b>	<b>Change</b>	<b>Prev close</b>	<b>Current Spot</b>
Financials	⇒	13,570	0.00%	13,570	13,570
Resources	⇒	69,329	0.00%	69,329	69,329
Industrials	⇒	86,830	0.00%	86,830	86,830
<b>Forex</b>		<b>Last close</b>	<b>Change</b>	<b>Prev close</b>	<b>Current Spot</b>
N\$/US dollar	↑	14.77	1.04%	14.62	14.76
N\$/Pound	↑	20.45	0.86%	20.27	20.44
N\$/Euro	↑	17.34	0.84%	17.19	17.33
US dollar/ Euro	↓	1.174	-0.20%	1.176	1.174
		<b>Namibia</b>		<b>RSA</b>	
<b>Interest Rates &amp; Inflation</b>		<b>Jun 21</b>	<b>May 21</b>	<b>Jun 21</b>	<b>May 21</b>
Central Bank Rate	⇒	3.75	3.75	3.50	3.50
Prime Rate	⇒	7.50	7.50	7.00	7.00
		<b>Jun 21</b>	<b>May 21</b>	<b>Jun 21</b>	<b>May 21</b>
Inflation	↑	4.1	3.8	4.9	5.2

**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: Thomson Reuters



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