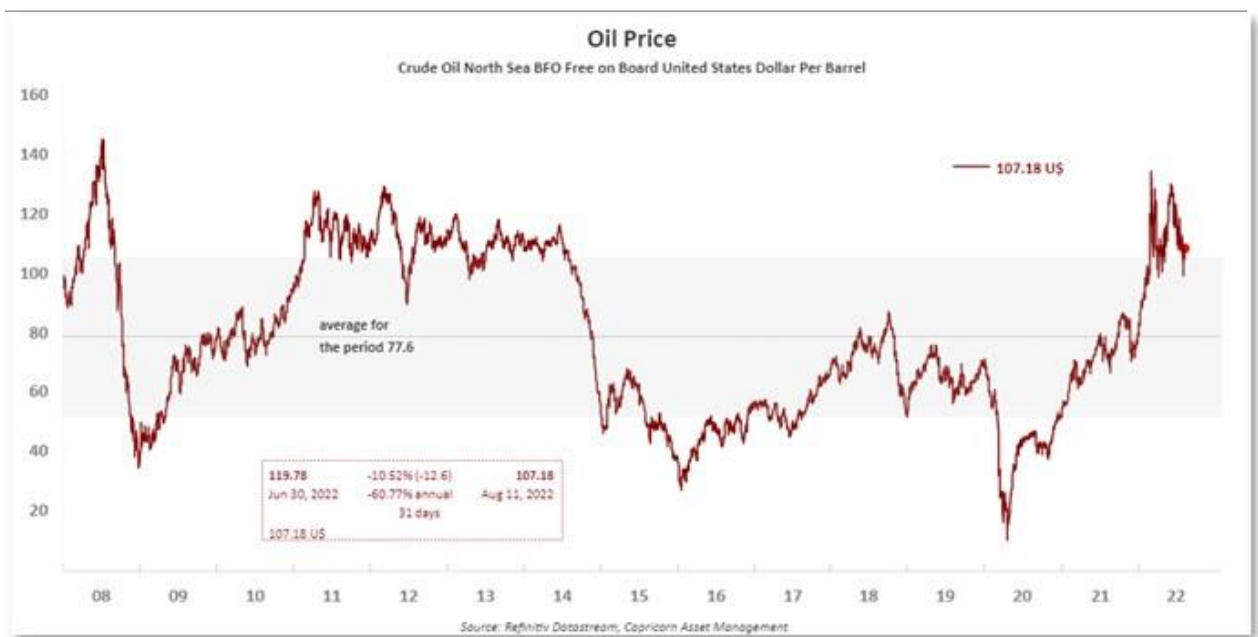




Market Update

Friday, 12 August 2022



Global Markets

Asian stocks tracked Wall Street losses and the yen fell on Friday as investors remained filled with uncertainty over how aggressively the Federal Reserve would raise interest rates to tackle inflation despite softer numbers earlier this week.

MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.10%, and Australia's AXJO was down 0.62%.

Japan's Nikkei was the major outlier, surging 2.37% to its highest level since January as markets reopened following a national holiday.

The yen fell 1.24% and was trading at 133.39 to the dollar.

The slight easing of inflation readings this week had driven global stocks higher and capped a rising dollar, until a string of Fed speakers put paid to expectations of the central bank going slow on

further policy tightening. China's blue-chip stock index posted its biggest jump in more than 3 months on Thursday.

"The Fed is going to do what they said, which is whatever it takes to address inflation, so you are seeing some repositioning around that out of US equities," said Carlos Casanova, senior economist at UBP.

The S&P 500 closed down 0.07% and the Nasdaq Composite lost 0.58% overnight, though the Dow Jones Industrial Average rose 0.08%.

San Francisco Federal Reserve Bank president Mary Daly said on Thursday that while a 50 basis point rate hike next month "makes sense" given economic data, she'd be open to a bigger hike if necessary. The rate is currently in the 2.25%-2.5% range.

Chicago Fed President Charles Evans said he believes the Fed will likely need to lift its policy rate to 3.25%-3.5% this year and to 3.75%-4% by the end of next year, in line with what Fed Chair Jerome Powell signalled after the Fed's latest meeting in July.

And, Minneapolis Fed President Neel Kashkari, the most hawkish of his 18 colleagues said he hasn't "seen anything that changes" the need to raise the Fed's policy rate to 3.9% by year-end and to 4.4% by the end of 2023.

Chewing over those comments, investors were still unsure how set the Fed is.

Odds of a 75 bps hike in September were as high as 68% earlier in the week, but are now around 34%, where they were a week ago.

US 10-year Treasury yields US10YT=RR held firm after rising overnight and were last trading at 2.8766%.

In commodities, Brent crude oil futures fell 0.63% to \$98.97 a barrel. US West Texas Intermediate crude was also down, dropping 0.69% to \$93.69.

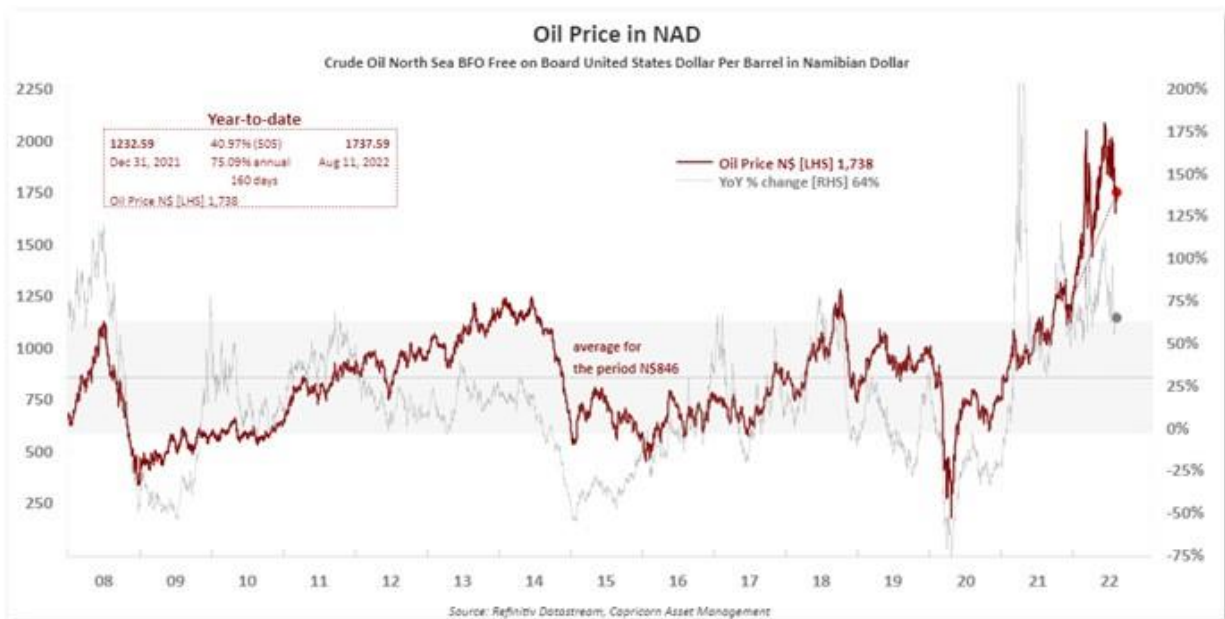
Brent is still on track to gain more than 4% this week, while WTI looks likely to mark a weekly climb of 5%.

Bitcoin, the leading cryptocurrency, shaved some overnight gains and lost 1.22% to trade at \$23,916.

Spot gold was down 0.14% at \$17,687 an ounce.

Source: Thomson Reuters Refinitiv

Domestic Markets



The South African rand slipped on Thursday, failing to capitalise on a weaker dollar globally as local mining and manufacturing data came in worse than expected.

At 1510 GMT, the rand traded at 16.2400 against the dollar, down around 0.1% on its previous close. The dollar index was down 0.2%, sliding further after softer-than-expected U.S. inflation data the previous day.

But Statistics South Africa figures showed June mining output fell 8.0% year on year, worse than the 5.0% drop predicted. June manufacturing shrank 3.5% in annual terms versus a forecast 2.9% decline.

The releases add to signs that Africa's most industrialised economy performed poorly in the second quarter of 2022 when damaging floods and power cuts hampered businesses. Johannesburg-listed shares rose, with the stock exchange's All-share index ending up 2.2% and the Top-40 up 2.3.

Gains were led by mobile operator MTN Group, whose shares rose 9% after it said its first-half earnings surged 46.5% and that it had received a \$35 million binding offer for its Afghanistan business.

Source: Thomson Reuters Refinitiv

Corona Tracker

Name	Cases - cumulative total	⇅↓	Cases - newly reported in last 7 days	Deaths - cumulative total	Deaths - newly reported in last 7 days
Global	585,086,861		6,384,490	6,422,914	15,000

Source: Thomson Reuters Refinitiv

Don't judge each day by the harvest you reap but by the seeds that you plant.

Robert Louis Stevenson

Market Overview

MARKET INDICATORS (Thomson Reuters Refinitiv)				12 August 2022	
Money Market TB Rates %		Last close	Difference	Prev close	Current Spot
3 months	↑	6.53	0.008	6.53	6.53
6 months	↓	6.75	-0.025	6.78	6.75
9 months	↓	7.43	-0.075	7.51	7.43
12 months	↓	7.76	-0.092	7.85	7.76
Nominal Bond Yields %		Last close	Difference	Prev close	Current Spot
GC23 (Coupon 8.85%, BMK R2023)	⇒	8.59	0.000	8.59	8.49
GC24 (Coupon 10.50%, BMK R186)	↓	7.98	-0.135	8.12	8.05
GC25 (Coupon 8.50%, BMK R186)	↓	8.43	-0.135	8.57	8.50
GC26 (Coupon 8.50%, BMK R186)	↓	8.49	-0.135	8.63	8.56
GC27 (Coupon 8.00%, BMK R186)	↓	9.46	-0.135	9.60	9.53
GC30 (Coupon 8.00%, BMK R2030)	↓	11.11	-0.210	11.32	11.18
GC32 (Coupon 9.00%, BMK R213)	↓	11.24	-0.215	11.45	11.31
GC35 (Coupon 9.50%, BMK R209)	↓	11.72	-0.165	11.89	11.79
GC37 (Coupon 9.50%, BMK R2037)	↓	12.33	-0.170	12.50	12.40
GC40 (Coupon 9.80%, BMK R214)	↓	12.69	-0.165	12.86	12.75
GC43 (Coupon 10.00%, BMK R2044)	↓	13.21	-0.175	13.38	13.28
GC45 (Coupon 9.85%, BMK R2044)	↓	13.73	-0.175	13.90	13.80
GC48 (Coupon 10.00%, BMK R2048)	↓	13.90	-0.165	14.07	13.97
GC50 (Coupon 10.25%, BMK: R2048)	↓	13.91	-0.165	14.08	13.98
Inflation-Linked Bond Yields %		Last close	Difference	Prev close	Current Spot
GI22 (Coupon 3.55%, BMK NCPI)	⇒	0.20	0.000	0.20	0.20
GI25 (Coupon 3.80%, BMK NCPI)	⇒	3.94	0.000	3.94	3.94
GI27 (Coupon 4.00%, BMK NCPI)	⇒	4.99	0.000	4.99	4.99
GI29 (Coupon 4.50%, BMK NCPI)	⇒	4.85	0.000	4.85	4.85
GI33 (Coupon 4.50%, BMK NCPI)	↓	6.42	-0.105	6.52	6.42
GI36 (Coupon 4.80%, BMK NCPI)	↓	7.15	-0.132	7.28	7.15
Commodities		Last close	Change	Prev close	Current Spot
Gold	↓	1,789	-0.15%	1,792	1,791
Platinum	↑	956	1.53%	942	957
Brent Crude	↑	99.6	2.26%	97.4	99.1
Main Indices		Last close	Change	Prev close	Current Spot
NSX Overall Index	↑	1,614	2.15%	1,580	1,614
JSE All Share	↑	71,265	2.18%	69,745	71,265
SP500	↓	4,207	-0.07%	4,210	4,207
FTSE 100	↓	7,466	-0.55%	7,507	7,466
Hangseng	↑	20,082	2.40%	19,611	20,160
DAX	↓	13,695	-0.05%	13,701	13,695
JSE Sectors		Last close	Change	Prev close	Current Spot
Financials	↑	15,964	1.30%	15,760	15,964
Resources	↑	65,851	2.12%	64,485	65,851
Industrials	↑	87,063	2.87%	84,635	87,063
Forex		Last close	Change	Prev close	Current Spot
N\$/US dollar	↑	16.25	0.33%	16.19	16.21
N\$/Pound	↑	19.84	0.22%	19.79	19.76
N\$/Euro	↑	16.76	0.52%	16.67	16.73
US dollar/ Euro	↑	1.032	0.19%	1.030	1.032
		Namibia		RSA	
Interest Rates & Inflation		Jul 22	Jun 22	Jul 22	Jun 22
Central Bank Rate	↑	4.75	4.25	5.50	4.75
Prime Rate	↑	8.50	8.00	9.00	8.25
		Jul 22	Jun 22	Jun 22	May 22
Inflation	↑	6.8	6.0	7.4	6.5

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

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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