



Market Update

Monday, 12 January 2026



Global Markets

The dollar slipped and U.S. equity futures eased on Monday after Federal Reserve Chair Jerome Powell said the Trump administration threatened him with a criminal indictment, stoking worries about the central bank's independence.

S&P 500 futures were down 0.5% and gold hit another record high in the immediate reaction to the escalation of the tussle between U.S. President Donald Trump and the Fed. The Swiss franc strengthened 0.4% to 0.7979 per dollar and the euro was 0.17% firmer at \$1.1656. Traders said the news was unsettling, though the immediate implication for interest rates was not clear. Fed funds futures have added in about three basis points more in cuts this year, which is small but points to the risk that the Fed gets pushed into being more aggressive. Gold struck a record high of more than \$4,600 an ounce, also buoyed by geopolitical tensions as unrest in Iran lifted precious metal prices and supported oil. European stock futures inched lower although Asian stocks rose on Monday led by the technology sector after data on Friday showed the U.S. labour market was not rapidly deteriorating even as employment growth slowed.

On Sunday, Powell said the Trump administration had threatened him with a criminal indictment and served grand jury subpoenas over Congressional testimony he gave last summer regarding a Fed building renovation project, an action he called a "pretext" aimed at pressuring the central bank to cut interest rates. The developments amount to a dramatic escalation in the fight between Powell and Trump, which dates back to the banker's first years as chair in 2018. "Trump is pulling at the loose threads of central bank independence," said Andrew Lilley, Chief Rates Strategist at Barrenjoey, an investment bank based in Sydney. "The only reason that he's taking these steps is that he knows that he's not going to take control of the Fed, so he wants to exert as much undue pressure as he can. "Investors won't be happy about it, but it shows actually Trump has no other levers to pull. The cash rate will stay what the majority of the FOMC wants them to be."

The dollar had the sharpest reaction, falling even against typically risk-sensitive currencies like the Australian and New Zealand dollars. The dollar index was 0.3% lower and on track for the biggest one-day decline since mid-December. The dollar had a miserable 2025, dropping more than 9% against major peers due to shrinking interest rate differentials as the Fed cut rates and as concerns about U.S. fiscal deficits and political uncertainty swirled. "This open warfare between the Fed and the U.S. administration ... it's clearly not a good look for the U.S. dollar," said National Australia Bank's head of currency strategy, Ray Attrill.

Elsewhere, Trump's threats to intervene in Iran, where protests against the clerical establishment appear to be intensifying, helped oil prices hold recent gains and underlined the swirling geopolitical risks for the year ahead. After sharp gains in recent sessions, benchmark Brent crude futures were down about 40 cents to \$62.90 a barrel. The second full week of the New Year will include U.S. inflation data, trade figures from China and a slew of U.S. earnings beginning with JPMorgan Chase and BNY on Tuesday.

In commodities, Spot silver rose 5.4% to \$83.26 per ounce after hitting an all-time high of \$84.58 earlier in the day. Spot platinum climbed 3.5% to \$2,351.25 per ounce after scaling a record high of \$2,478.50 on December 29. Palladium gained 2.8% to \$1,865.50 per ounce.

Source: LSEG Thomson Reuters Refinitiv.



Domestic Markets

The South African rand gained in early trade on Monday, helped by gold prices reaching another record high. At 07:36 GMT the rand traded at 16.4225 against the dollar, roughly up 0.4% from its previous closing level. Soaring prices of precious metals, a major South African export, have helped to propel the rand to its strongest in more than three years. The currency ended 2025 nearly 13% stronger against the U.S. dollar and is poised to clock another year of gains.

Gold broke through \$4,600 per ounce for the first time on Monday, while silver also hit a record high, as investors snapped up safe-haven assets due to heightened geopolitical uncertainties and a criminal probe into Federal Reserve Chair Jerome Powell. Andre Cilliers, Currency Strategist at TreasuryONE said that the turmoil in Iran and weak U.S. labour data also fueled safe-haven demand.

On the Johannesburg Stock Exchange, the Top-40 index was up 1.2% in early trade. South Africa's benchmark 2035 government bond also gained, with the yield falling five basis points to 8.285%.

Do the difficult things while they are easy and do the great things while they are small. A journey of a thousand miles must begin with a single step.

Lao Tzu

Market Overview

MARKET INDICATORS		12 January 2026			
Money Market TB's		Last Close	Change	Prev Close	Current Spot
3 months	↓	7.41	-0.010	7.42	7.41
6 months	↓	7.48	-0.002	7.48	7.48
9 months	↓	7.52	-0.007	7.53	7.52
12 months	↓	7.48	-0.005	7.49	7.48
Nominal Bonds		Last Close	Change	Prev Close	Current Spot
GC26 (Coupon 8.50%, BMK: R186)	↓	7.47	-0.001	7.47	7.42
GC27 (Coupon 8.00%, BMK: R186)	↓	6.90	-0.015	6.92	6.85
GC28 (Coupon 8.00%, BMK: R186)	↓	8.03	-0.050	8.08	7.98
GC30 (Coupon 8.00%, BMK: R2030)	↓	8.43	-0.050	8.48	8.37
GC32 (Coupon 9.00%, BMK: R213)	↓	8.44	-0.040	8.48	8.39
GC35 (Coupon 9.50%, BMK: R209)	↓	9.53	-0.035	9.56	9.47
GC37 (Coupon 9.50%, BMK: R2037)	↓	10.26	-0.045	10.31	10.21
GC40 (Coupon 9.80%, BMK: R214)	↓	10.66	-0.025	10.68	10.60
GC43 (Coupon 10.00%, BMK: R2044)	↓	10.99	-0.025	11.01	10.93
GC45 (Coupon 9.85%, BMK: R2044)	↓	11.01	-0.025	11.04	10.96
GC48 (Coupon 9.85%, BMK: R2044)	↓	10.87	-0.025	10.89	10.82
GC50 (Coupon 10.25%, BMK: R2048)	↓	10.87	-0.025	10.89	10.82
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)	⇒	4.99	0.000	4.99	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	↑	4,510	0.71%	4,478	4,575
Platinum	↑	2279	0.03%	2279	2356
Brent Crude	↑	63.3	2.18%	61.99	63.44
Main Indices		Last Close	Change	Prev Close	Current Spot
NSX Local Index	↑	1326	0.76%	1316	1326
JSE All Share	↑	118,110	0.96%	116,989	118,110
S&P 500	↑	6,966	0.65%	6,921	6,966
FTSE 100	↑	10,125	0.80%	10,045	10,125
Hangseng	↑	26,534	1.15%	26,232	26,534
DAX	↑	25,262	0.54%	25,127	25,262
JSE Sectors		Last Close	Change	Prev Close	Current Spot
Financials	⇒	25,265	0.00%	25,265	25,211
Resources	⇒	124,563	0.00%	124,563	128,708
Industrials	⇒	139,538	0.00%	139,538	139,439
Forex		Last Close	Change	Prev Close	Current Spot
N\$/US Dollar	↓	16.49	-0.24%	16.53	16.45
N\$/Pound	↓	22.10	-0.50%	22.21	22.10
N\$/Euro	↓	19.21	-0.31%	19.27	19.19
US Dollar/ Euro	↓	1.164	-0.51%	1.17	1.17
Interest Rates & Inflation		Namibia		RSA	
		Dec-25	Nov-25	Dec-25	Nov-25
Central Bank Rate	⇒	6.50	6.5	6.75	6.75
Prime Rate	↓	10.00	10.13	10.25	10.25
		Dec-25	Nov-25	Nov-25	Oct-25
Inflation	↓	3.2	3.4	3.5	3.6

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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