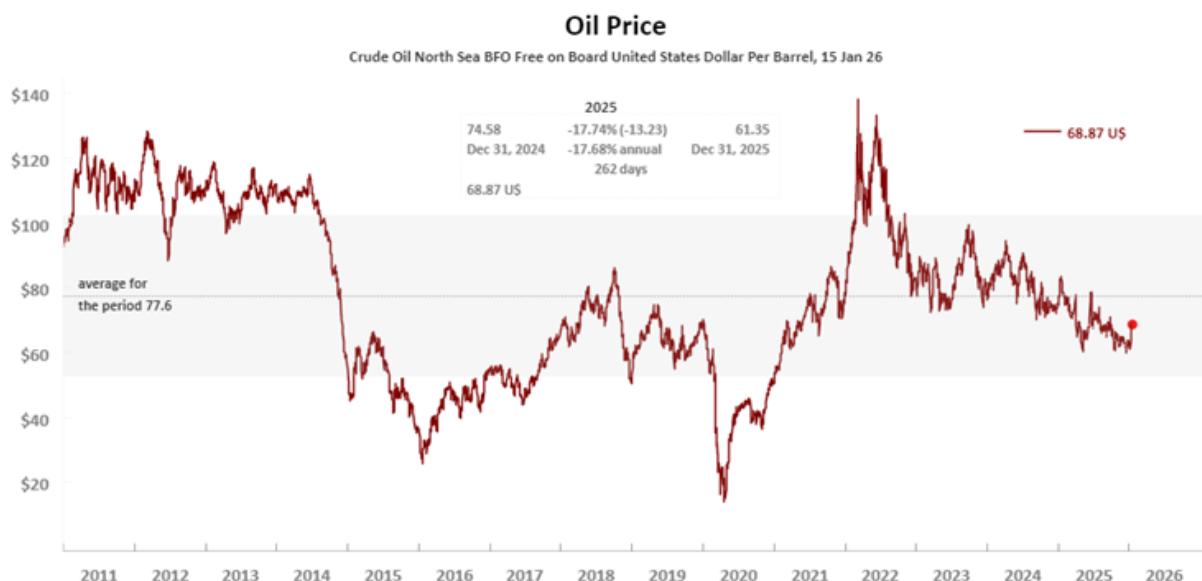


# The Daily Brief

 Capricorn Asset Management

## Market Update

Thursday, 15 January 2026



## Global Markets

Oil prices fell significantly on Thursday, dropping more than 3% as global supply concerns began to ease. This shift was largely triggered by U.S. President Donald Trump's comments regarding the de-escalation of civil unrest in Iran, which signalled a reduced likelihood of immediate U.S. military intervention. With the threat of Middle East supply disruptions fading, Brent futures dropped to \$64.31 a barrel, while U.S. West Texas Intermediate (WTI) crude slipped to just under \$60.

Beyond geopolitics, a surprise increase in U.S. energy reserves added heavy downward pressure to the market. While analysts had expected a significant draw on supplies, the Energy Information Administration reported that crude stocks climbed by 3.4 million barrels. This unexpected surplus, combined with news that Venezuela has begun reversing previous production cuts to resume exports, created a "bearish" environment where supply is clearly outstripping immediate demand.

The precious metals market mirrored this "risk-off" sentiment, with gold and silver pulling back from their recent record highs. Gold dipped to \$4,608.77 per ounce as investors chose to lock in profits, feeling less pressure to hold "safe-haven" assets while tensions with Iran appeared to cool. Similarly,

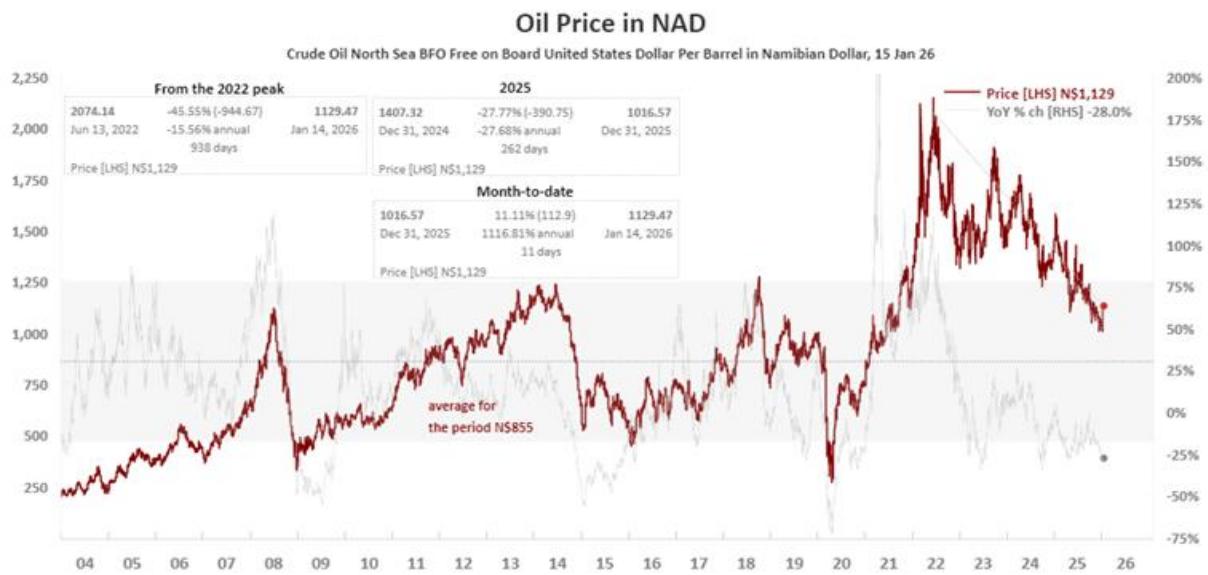
silver saw a sharp 3.4% decline after hitting its own all-time peak, as the market reacted to the broader stabilising tone coming from the White House.

In the technology sector, a new national security order has introduced a 25% tariff on specific high-end AI chips, including the Nvidia H200 and AMD MI325X. While these tariffs are narrowly targeted, they represent a strategic shift to incentivise domestic manufacturing and reduce reliance on overseas production, particularly from Taiwan. Interestingly, these duties also function as a revenue-sharing mechanism for chips cleared for export to China, effectively allowing the U.S. government to take a "cut" of those high-value sales.

Despite the new trade barriers, the immediate impact on chip giants like Nvidia and AMD has been somewhat mitigated by heavy demand and specific exemptions. The White House clarified that the tariffs would not apply to chips imported for U.S. data centres, startups, or government use, which covers a massive portion of the market. Because these AI processors are currently in such high demand and short supply, experts believe companies may have the pricing power to absorb these costs without losing their competitive edge.

Looking forward, investors are keeping a close watch on the Federal Reserve and upcoming economic data. President Trump's recent confirmation that he has no immediate plans to fire Fed Chair Jerome Powell has provided some stability to the financial markets. As the first weekly jobless claims of January are released, traders will be looking for clues on whether the Fed will follow through with the two anticipated interest rate cuts later this year, which could once again shift the balance for both tech stocks and commodities.

**Source: LSEG Thomson Reuters Refinitiv.**



## Domestic Markets

The South African rand was steady in early trading on Thursday, after U.S. President Donald Trump calmed market anxiety over potential U.S. military action against Iran. Like other risk-sensitive currencies, the rand often takes its cues from global drivers such as U.S. policy. At 07:41 GMT it traded at 16.4050 against the dollar, unchanged from its previous closing level.

Trump said on Wednesday afternoon that killings during Iran's crackdown on nationwide protests were subsiding and suggested that he was adopting a wait-and-see posture toward the crisis. The U.S. dollar was slightly stronger against a basket of currencies, while gold prices trailed back as Trump's seemingly softer geopolitical tone dampened safe-haven demand. He also said on Wednesday that he had no plans to fire Fed Chair Jerome Powell, despite the Justice Department criminal investigation, but added it was "too early" to say what he would ultimately do.

South Africa's local currency is expected to remain range-bound as traders continue to track developments on the unrest in Iran, the Fed's independence and a potential extension of the U.S. trade preference programme, the African Growth and Opportunity Act (AGOA). The U.S. House of Representatives approved a three-year extension, but uncertainty remains over whether South Africa will be excluded, given strained diplomatic relations between Washington and Pretoria.

The bill will next go to the U.S. Senate. On the Johannesburg Stock Exchange, the Top-40 index was last up 0.4% in early trade. South Africa's benchmark 2035 government bond was flat with the yield at 8.295%.

Today you are you! That is truer than true! There is no one alive who is you-er than you!

**Dr. Seuss**

## Market Overview

Market Indicators		15 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)	⬇️	7.46	-0.001	7.46	7.41
GC27 (Coupon 8.00%, BMK: R186)	⬆️	6.91	0.020	6.89	6.86
GC28 (Coupon 8.00%, BMK: R186)	⬆️	8.09	0.072	8.02	8.04
GC30 (Coupon 8.00%, BMK: R2030)	⬆️	8.54	0.134	8.41	8.49
GC32 (Coupon 9.00%, BMK: R213)	⬆️	8.65	0.223	8.43	8.60
GC35 (Coupon 9.50%, BMK: R209)	⬆️	9.68	0.180	9.50	9.62
GC37 (Coupon 9.50%, BMK: R2037)	⬇️	10.21	-0.017	10.23	10.16
GC40 (Coupon 9.80%, BMK: R214)	⬆️	10.62	0.0188	10.61	10.57
GC43 (Coupon 10.00%, BMK: R2044)	⬆️	10.95	0.005	10.94	10.90
GC45 (Coupon 9.85%, BMK: R2044)	⬆️	11.04	0.076	10.97	10.99
GC48 (Coupon 9.85%, BMK: R2044)	⬆️	10.86	0.014	10.85	10.81
GC50 (Coupon 10.25%, BMK: R2048)	⬆️	10.86	0.014	10.85	10.81
Inflation-Linked Bonds		Last Close	Change	Prev Close	Current Spot
GI27 (Coupon 4.00%, BMK: NCPI)	⬆️	4.65	0.050	4.60	4.60
GI29 (Coupon 4.50%, BMK: NCPI)	⬆️	5.00	0.019	4.99	4.95
GI31 (Coupon 4.50%, BMK: NCPI)	⬆️	5.29	0.015	5.28	5.24
GI33 (Coupon 4.50%, BMK: NCPI)	⬆️	5.51	0.008	5.50	5.46
GI36 (Coupon 4.80%, BMK: NCPI)	⬆️	5.96	0.030	5.93	5.91
GI41 (Coupon 4.80%, BMK: NCPI)	⬆️	6.28	0.061	6.22	6.23
Commodities		Last Close	Change	Prev Close	Current Spot
Gold	⬆️	4,627	0.87%	4,587	4,601
Platinum	⬆️	2404	2.84%	2337	2332
Brent Crude	⬆️	66.5	1.60%	65.47	64.30
Main Indices		Last Close	Change	Prev Close	Current Spot
NSX Local Index	⬇️	1312	-0.15%	1314	1312
JSE All Share	⬆️	120,868	0.01%	120,857	120,868
S&P 500	⬇️	6,927	-0.53%	6,964	6,927
FTSE 100	⬆️	10,184	0.46%	10,137	10,184
Hangseng	⬇️	26,943	-0.21%	27,000	26,943
DAX	⬇️	25,286	-0.53%	25,421	25,286
JSE Sectors		Last Close	Change	Prev Close	Current Spot
Financials	⬇️	24,716	-0.36%	24,805	24,963
Resources	⬆️	140,084	0.80%	138,975	138,541
Industrials	⬇️	140,447	-0.66%	141,375	140,807
Forex		Last Close	Change	Prev Close	Current Spot
N\$/\$US Dollar	⬆️	16.41	0.06%	16.40	16.41
N\$/\$Pound	⬆️	22.05	0.18%	22.01	22.04
N\$/\$Euro	⬆️	19.10	0.05%	19.09	19.08
US Dollar/ Euro	⬆️	1.164	0.34%	1.16	1.16
		Namibia		RSA	
Interest Rates & Inflation		Dec-25	Nov-25	Dec-25	Nov-25
Central Bank Rate	➡️	6.50	6.50	6.75	6.75
Prime Rate	⬇️	10.00	10.13	10.25	10.25
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 listeds

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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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