Market Update

Monday, 16 March 2026

Global Markets

Markets were in a wary mood on Monday as hostilities in the Gulf kept oil prices elevated, clouding an inflation outlook that should keep most central banks on pause at policy meetings this week, and probably leading one to hike. In a possible hint of hope, the Wall Street Journal reported that the Trump administration plans to announce as early as this week that multiple countries have agreed to form a coalition to escort ships through the Strait of Hormuz. U.S. President Donald Trump told the Financial Times it would be very bad for the future of NATO if the U.S.'s allies did not help. European Union foreign ministers will discuss on Monday bolstering a small naval mission in the Middle East, though any operation in the Strait would be fraught with risk.

Oil markets seemed unconvinced as Brent rose 1.5% to $104.72 a barrel, while U.S. crude gained 0.9% to $99.60. Interest rate-setters in the U.S., UK, Europe, Japan, Australia, Canada, Switzerland and Sweden hold their first full meetings since the start of the war, with energy prices looming over them. "Central bank forecasts will immediately bias towards higher inflation and lower growth," said

Bruce Kasman, chief economist at JPMorgan. "Consistent with this view, we have pushed back or removed action for most central banks that were expected to move in March and April." "Developments on the ground highlight the potential for further price increases and the likelihood that the risk premium will remain elevated."

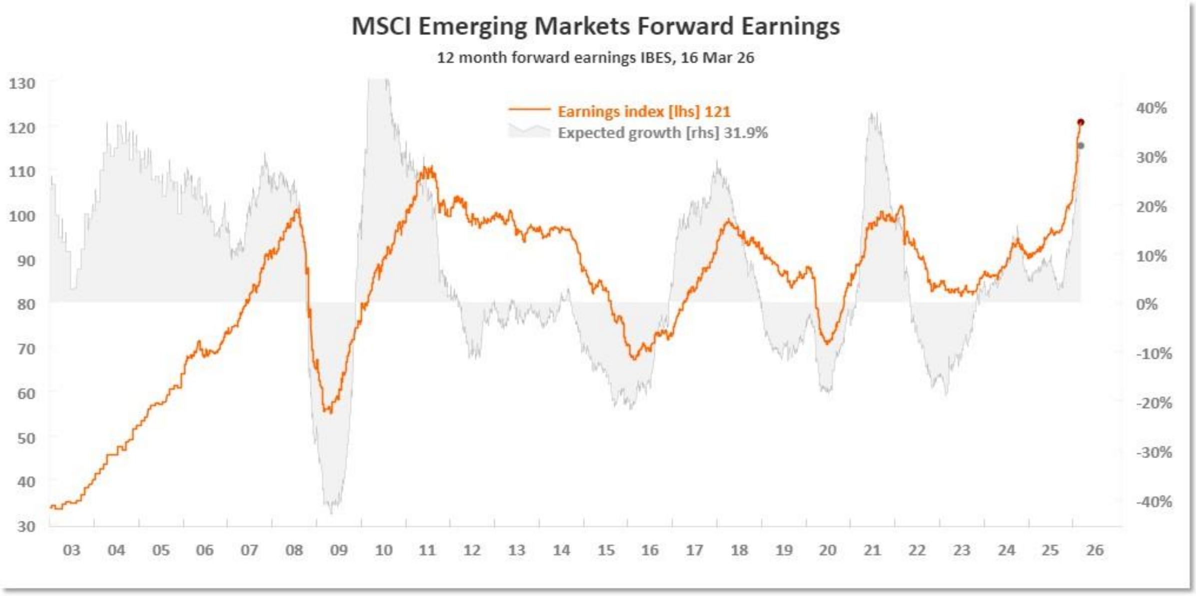
Japan's Nikkei dipped 0.3%, while South Korean stocks added 0.7% after both lost ground last week. MSCI's broadest index of Asia-Pacific shares outside Japan edged up 0.4%. Chinese blue chips eased 0.5% as data showed retail sales and industrial output for January and February topped forecasts, while house prices continued to slip. Top U.S. and Chinese officials are also meeting in Paris to discuss potential deals in agriculture, critical minerals and managed trade for Trump and Chinese President Xi Jinping to consider when the U.S. president visits Beijing. For Europe, EUROSTOXX 50 futures, DAX futures and FTSE futures all added 0.4%. S&P 500 futures and Nasdaq futures bounced 0.5% in choppy trading. While earnings season is over, concerns about AI will be front and centre as Nvidia hosts its GTC conference in Silicon Valley this week, where it is expected to show off the latest advances in chips and AI infrastructure.

The coming energy shock, combined with pressure on fiscal budgets from higher defence spending, saw double-digit increases in bond yields globally last week. Ten-year Treasury yields were at 4.261%, having climbed 32 basis points since the war began, while futures have sharply scaled back the scope for future rate cuts. The Federal Reserve is considered certain to hold on Wednesday, and the chance of an easing by June has come down to just 26%, from 69% a month ago. Investor attention will be on the tone of the statement and press conference, and whether the median "dot plot" projections from policymakers remove any further easing for this year.

The heightened volatility in markets has tended to benefit the U.S. dollar as a store of liquidity. The United States is also a net energy exporter, giving it a relative advantage over Europe and much of Asia, which are net importers. The dollar was trading a touch lower early on Monday, partly in reaction to the report that shipping might be escorted through the Strait of Hormuz. The dollar eased to 159.58 yen, just off a 20-month top of 159.75, with investors wary in case a break of 160.00 triggers more warnings of intervention from Japan. The euro was stuck near a seven-month low at $1.1445, threatening a breach of major chart support at $1.1392 that could unleash a retreat towards $1.1065.

In commodity markets, gold was little changed at $5,022 an ounce, having so far seen scant support as a safe haven or as a hedge against inflation risks. Spot silver fell 0.3% to $80.33 per ounce. Spot platinum gained 1.7% to $2,059.21, and palladium rose 1.2% to $1,569.99.

Source: LSEG Thomson Reuters Refinitiv.



Domestic Markets

The South African rand strengthened in early trade on Monday, as a softer dollar helped offset fading hopes of a near-term interest rate cut by the U.S. Federal Reserve due to the elevated energy prices.

At 07:38 GMT, the rand traded at 16.89 against the dollar, about 0.3% up from its previous close. The greenback nudged lower as stabilising oil prices encouraged traders to unwind positions that had been hedging against heightened risk aversion. Gold prices, a key South African export, were steady on Monday after recovering from an earlier near 1% drop, supported by a softer dollar. "The ZAR has always been sensitive to global risk appetite. Investors will be forced to sell riskier, high-volatility investments to shore up their portfolios and trades potentially. For now, the ZAR remains on the defensive, and that trading action is likely to extend through the week ahead," said ETM Analytics in a research note.

On the Johannesburg Stock Exchange, the Top-40 index was last up 0.7% in early trade. South Africa's benchmark 2035 government bond was weaker in early deals, as the yield rose 5 basis points to 8.98%. Later this week, local investor attention will turn to February inflation data and January retail sales numbers.

Do not resist a new idea. Be quietly receptive. Go along with it, even unwillingly at first. Sooner or later, it will reveal itself as your ally.

Vernon Howard

Market Overview

MARKET INDICATORS				16 March 2026
Money Market TB's	**Last Close**	**Change**	**Prev Close**	**Current Spot**
3 months	7.31	-0.061	7.38	7.31
6 months	7.39	-0.026	7.42	7.39
9 months	7.41	-0.010	7.42	7.41
12 months	7.42	0.045	7.37	7.42
Nominal Bonds	**Last Close**	**Change**	**Prev Close**	**Current Spot**
GC26 (Coupon 8.50%, BMK: R186)	6.40	-0.016	6.42	6.40
GC27 (Coupon 8.00%, BMK: R186)	7.41	0.000	7.41	7.41
GC28 (Coupon 8.00%, BMK: R186)	9.17	0.250	8.92	9.16
GC30 (Coupon 8.00%, BMK: R2030)	9.52	0.250	9.27	9.52
GC32 (Coupon 9.00%, BMK: R213)	9.80	0.245	9.55	9.79
GC35 (Coupon 9.50%, BMK: R209)	10.37	0.220	10.15	10.36
GC37 (Coupon 9.50%, BMK: R2037)	11.02	0.235	10.79	11.02
GC40 (Coupon 9.80%, BMK: R214)	11.04	0.150	10.89	11.04
GC43 (Coupon 10.00%, BMK: R2044)	11.25	0.135	11.11	11.24
GC45 (Coupon 9.85%, BMK: R2044)	11.31	0.135	11.17	11.31
GC48 (Coupon 10.00%, BMK: R2048)	11.17	0.135	11.04	11.17
GC50 (Coupon 10.25%, BMK: R2048)	11.00	0.135	10.87	11.00
Inflation-Linked Bonds	**Last Close**	**Change**	**Prev Close**	**Current Spot**
GI27 (Coupon 4.00%, BMK: NCPI)	4.57	0.000	4.57	4.57
GI29 (Coupon 4.50%, BMK: NCPI)	5.05	0.000	5.05	5.05
GI31 (Coupon 4.50%, BMK: NCPI)	5.30	0.000	5.30	5.30
GI33 (Coupon 4.50%, BMK: NCPI)	5.48	0.000	5.48	5.48
GI36 (Coupon 4.80%, BMK: NCPI)	5.94	0.000	5.94	5.94
GI41 (Coupon 4.80%, BMK: NCPI)	6.23	0.000	6.23	6.23
Commodities	**Last Close**	**Change**	**Prev Close**	**Current Spot**
Gold	5,019	-1.18%	5,079	5,005
Platinum	2028	-4.90%	2133	2053
Brent Crude	103.1	2.67%	100.46	104.78
Main Indices	**Last Close**	**Change**	**Prev Close**	**Current Spot**
NSX Overall Index	1306	-0.99%	1319	1306
JSE All Share	115,599	0.59%	114,924	115,599
S&P 500	6,632	-0.61%	6,673	6,632
FTSE 100	10,261	-0.43%	10,305	10,261
Hangseng	25,837	1.46%	25,466	25,837
DAX	23,447	-0.61%	23,590	23,447
JSE Sectors	**Last Close**	**Change**	**Prev Close**	**Current Spot**
Financials	24,490	-0.53%	24,620	24,626
Resources	130,238	-5.37%	137,622	129,921
Industrials	130,243	0.74%	129,290	132,193
Forex	**Last Close**	**Change**	**Prev Close**	**Current Spot**
N$/US Dollar	16.93	0.77%	16.80	16.85
N$/Pound	22.39	-0.13%	22.42	22.32
N$/Euro	19.34	0.00%	19.34	19.26
US Dollar/ Euro	1.142	-0.70%	1.15	1.14
	Namibia		**RSA**	
Interest Rates & Inflation	**Feb-26**	**Jan-26**	**Feb-26**	**Jan-26**
Central Bank Rate	6.50	6.50	6.75	6.75
Prime Rate	10.00	10.00	10.25	10.25
	Feb-26	**Jan-26**	**Jan-26**	**Dec-25**
Inflation	2.4	2.9	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

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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