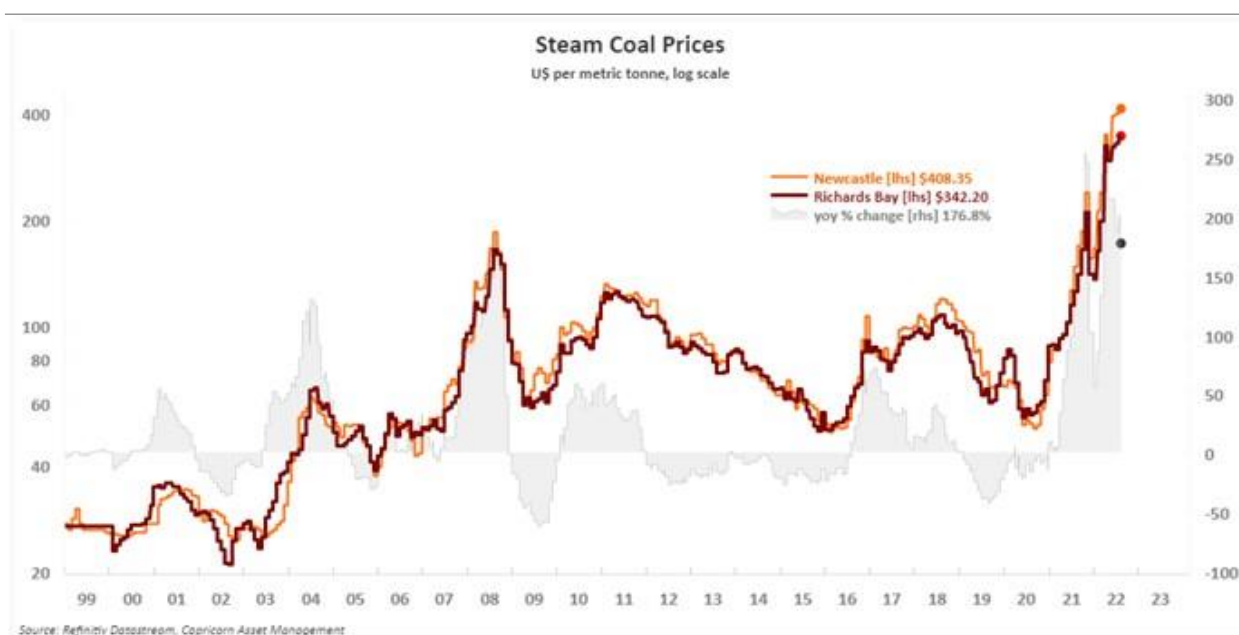




Market Update

Wednesday, 17 August 2022



Global Markets

Asian shares tracked solid Wall Street performance on Wednesday as strong overnight earnings for U.S. retail giants pointed to further scope for the Federal Reserve to tackle inflation with rate hikes.

Japan's Nikkei rose 0.81% to 29,101.33, breaking through the 29,000 barrier for the first time since Jan. 6.

MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.02%.

Stocks in New Zealand fell 0.285% and the kiwi dollar gained 0.35% after the country's central bank announced a fourth consecutive 50 bps rate hike to 3.00%.

Despite the hike being in line with expectations, the announcement was described as "definitely more hawkish than expected" by Imre Speizer, head of NZ market strategy at Westpac, who pointed to the tone of the RBNZ's statement and a 15 bps raise in the official cash rate (OCR) track to 4.10%.

"Clearly they're a bit more worried about wage inflation and a very tight labour market, that's been a big recent development," Speizer said.

Australia's AXJO index fell 0.14% and the Aussie dollar reached a new one-week low after Q2 wages data showed growth slightly below expectations.

Hong Kong's Hang Seng index rose 0.2%, while Chinese blue chips were down 0.3%.

Overnight, the Dow Jones Industrial Average gained 0.71% and the S&P 500 gained 0.19% as Home Depot posted higher than expected sales and Walmart increased its profit forecast.

S&P emini futures were flat in early Asian trading hours.

Investors now see a 41% chance of a third successive 75 bps rate hike at the Fed's next meeting in September, up from 39% the previous day. Minutes from the previous meeting will be released later today.

U.S. retail trade data for July will also come out later in the day, with investors watching for further signs of a recession.

"Retail sales should have been more resilient given the lower prices at pump improved the spending power of the average American household, and Amazon Prime Day in the month possibly attracted bargain hunters as well," wrote Saxo Bank analysts in a note, while pointing to "modest" consensus expectations of 0.1%.

Ten-year Treasury yields rose slightly and were trading at 2.8202%, having earlier wiped out an overnight rise to 2.8730%.

In commodities, Brent crude futures rose 0.1% to \$92.43 a barrel while U.S. West Texas Intermediate (WTI) crude gained 0.22% to \$86.72 per barrel.

Oil prices had fallen overnight to their lowest since before Russia's invasion of Ukraine, with markets speculating on Iran's response to a proposal to revive the 2015 nuclear deal, which could increase Iranian oil exports.

Spot gold fell 0.07% to \$1,774.40 an ounce, while bitcoin rose 0.11% to \$23,990.23. The leading cryptocurrency spiked to a two-month high over the weekend but has traded flat since losing almost 5% on Monday.

Source: Thomson Reuters Refinitiv

Domestic Markets



The South African rand rose against the dollar on Tuesday as investors awaited policy cues from the U.S. Federal Reserve on its pace of interest rate hikes to tame inflation.

At 1557 GMT, the rand traded at 16.4050 against the dollar, up 0.33% from its previous close. The rand fell around 1.6% against the dollar on Monday in risk-off trade. The rand tends to take its cue from overseas drivers in the absence of major domestic economic data.

On global markets, the safe-haven U.S. dollar was trading little changed at 106.500 as world economic indicators stoked recession fears.

The minutes from last month's Fed meeting, which will be released on Wednesday, will likely give investors further clues about the U.S. interest rate trajectory.

Meanwhile, South Africa-focused investors will look to June retail sales figures for indications of the economy's second-quarter performance. Last week June manufacturing and mining numbers came in worse than expected, adding to evidence the economy was struggling to gain momentum.

Stocks on the Johannesburg Stock Exchange (JSE) rose, riding on buoyant earnings updates by miners BHP Group Ltd and Exxaro Resources Ltd. Helped by a boost in their profits due to soaring coal prices, they ended up 6.40% and 5.49% respectively.

Overall on the JSE, the All-share index closed 1.08% higher, while the Top-40 index ended up 1.1%. The South African government's benchmark 2030 bond was weaker, with the yield up 8 basis points to 10.080%.

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	588,757,628	5,138,962	6,433,794	13,871

Source: Thomson Reuters Refinitiv

Your diet is a bank account. Good food choices are good investments.

Bethenny Frankel

Market Overview

MARKET INDICATORS (Thomson Reuters Refinitiv)				17 August 2022	
Money Market TB Rates %		Last close	Difference	Prev close	Current Spot
3 months	↓	6.54	-0.008	6.55	6.54
6 months	⇒	6.73	0.000	6.73	6.73
9 months	↑	7.41	0.008	7.40	7.41
12 months	⇒	7.70	0.000	7.70	7.70
Nominal Bond Yields %		Last close	Difference	Prev close	Current Spot
GC23 (Coupon 8.85%, BMK R2023)	↑	8.53	0.040	8.49	8.53
GC24 (Coupon 10.50%, BMK R186)	↑	8.16	0.045	8.12	8.16
GC25 (Coupon 8.50%, BMK R186)	↑	8.61	0.045	8.57	8.61
GC26 (Coupon 8.50%, BMK R186)	↑	8.67	0.045	8.63	8.67
GC27 (Coupon 8.00%, BMK R186)	↑	9.64	0.045	9.60	9.64
GC30 (Coupon 8.00%, BMK R2030)	↑	11.37	0.080	11.29	11.37
GC32 (Coupon 9.00%, BMK R213)	↑	11.51	0.080	11.43	11.51
GC35 (Coupon 9.50%, BMK R209)	↑	12.06	0.110	11.95	12.06
GC37 (Coupon 9.50%, BMK R2037)	↑	12.69	0.100	12.59	12.69
GC40 (Coupon 9.80%, BMK R214)	↑	13.07	0.095	12.98	13.07
GC43 (Coupon 10.00%, BMK R2044)	↑	13.60	0.115	13.49	13.60
GC45 (Coupon 9.85%, BMK R2044)	↑	14.12	0.115	14.01	14.12
GC48 (Coupon 10.00%, BMK R2048)	↑	14.29	0.110	14.18	14.29
GC50 (Coupon 10.25%, BMK: R2048)	↑	14.30	0.110	14.19	14.30
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	0.000	6.42	6.42
GI36 (Coupon 4.80%, BMK NCPI)	⇒	7.15	0.000	7.15	7.15
Commodities		Last close	Change	Prev close	Current Spot
Gold	↓	1,776	-0.19%	1,779	1,779
Platinum	↑	935	0.17%	933	934
Brent Crude	↓	92.3	-2.90%	95.1	93.0
Main Indices		Last close	Change	Prev close	Current Spot
NSX Overall Index	↑	1,622	2.03%	1,590	1,622
JSE All Share	↑	71,505	1.08%	70,741	71,505
SP500	↑	4,305	0.19%	4,297	4,305
FTSE 100	↑	7,536	0.36%	7,509	7,536
Hangseng	↓	19,831	-1.05%	20,041	20,025
DAX	↑	13,910	0.68%	13,817	13,910
JSE Sectors		Last close	Change	Prev close	Current Spot
Financials	↑	16,239	0.53%	16,154	16,239
Resources	↑	65,387	3.27%	63,315	65,387
Industrials	↑	87,072	0.12%	86,967	87,072
Forex		Last close	Change	Prev close	Current Spot
N\$/US dollar	↓	16.36	-0.32%	16.42	16.38
N\$/Pound	⇒	19.79	0.00%	19.79	19.84
N\$/Euro	↓	16.64	-0.22%	16.68	16.67
US dollar/ Euro	↑	1.017	0.10%	1.016	1.018
		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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