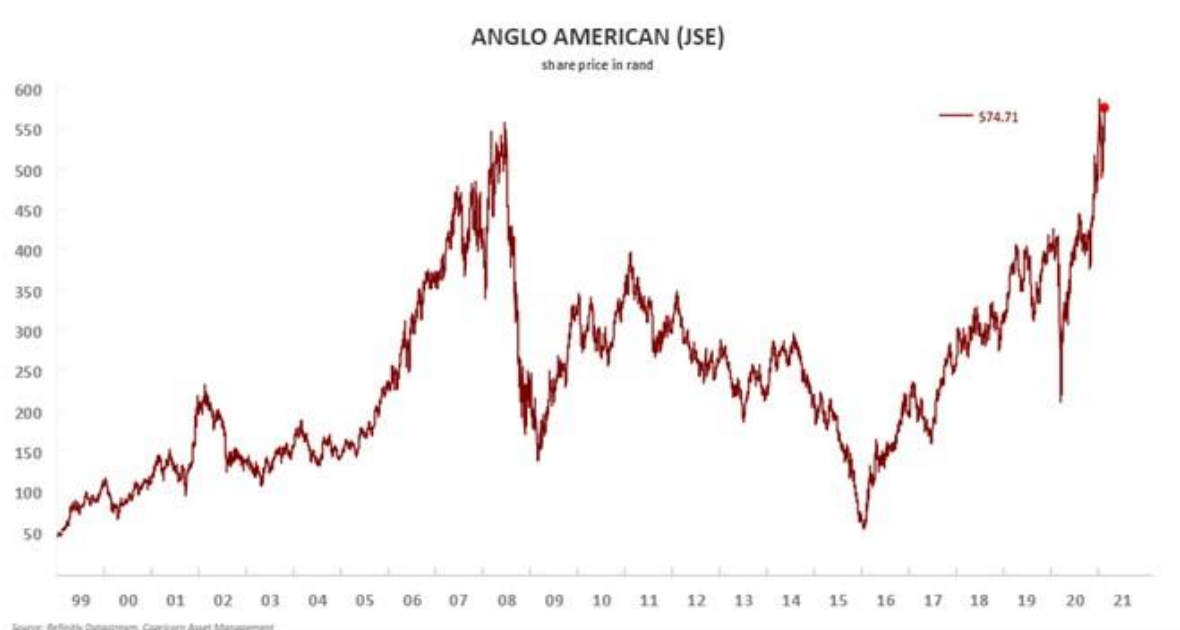




Market Update

Thursday, 18 February 2021



Global Markets

Chinese shares rose on Thursday during the first trading session after the week-long Lunar New Year holiday amid renewed optimism for an acceleration in global growth, but other Asian markets were hit by profit-taking.

MSCI's broadest index of Asia-Pacific shares outside Japan slipped 0.15% but was still close to an all-time high. Shares in China rose 0.77%. Australian stocks erased gains to trade 0.05% lower, while Japan's Nikkei was unchanged. E-mini futures for the S&P 500 dipped 0.04%.

Yields on two-year Treasuries hit a record low and the 10-year yield extended a pullback from a one-year high as a bond market sell-off started to fade.

Strong U.S. retail sales, new signs the Federal Reserve will maintain its accommodative stance, and an ongoing push for further U.S. stimulus have bolstered economic optimism, but some analysts remain cautious because new strains of the coronavirus continue to emerge.

"With an even larger stimulus package likely to be passed by Congress before the end of March, the U.S. economic recovery could gain more momentum in 2021," wrote Commonwealth Bank of

Australia currency analyst Carol Kong. "Despite the recent positive vaccine developments, the global economic outlook remains uncertain partly because of the spreading virus variants."

On Wall Street, technology stocks fell, driving down the Nasdaq while other companies rose on broader economic optimism. The Dow Jones Industrial Average rose 0.29%, while the S&P 500 lost 0.03% and the Nasdaq Composite dropped 0.58%. The MSCI's global stock index slipped 0.04% but was still near a record high.

While investors eyed inflation, minutes from the January Fed meeting showed policymakers willing to push further accommodation to boost the pandemic-scarred U.S. economy. Hopes for a stronger U.S. economy supported the greenback. The dollar index, a measure of the currency's strength against six other major currencies, was steady, holding onto a 0.25% gain from the previous session.

The risk-on appetite was apparent in bitcoin, which continued its upward march to exceed \$52,000 amid signs it may be gaining more mainstream acceptance. Cryptocurrency ethereum also rose more than 2% to new record high of \$1,900.

The two-year U.S. Treasury yield briefly touched a record low of 0.1049%. Benchmark 10-year yields eased slightly to 1.2669%, pulling away from the highest level since Feb. 27, 2020 as some investors judged that recent selling of fixed income had gone too far.

An ongoing deep freeze in Texas continued to drive up oil prices, as the unusually cold weather hampered output at the largest U.S. crude producing state. Brent crude gained 1.35% to \$65.22 a barrel, while U.S. West Texas Intermediate (WTI) crude rose 1.29% to \$61.93 a barrel, both reaching levels not seen since January last year. Spot gold edged up 0.14% to \$1,778.72 per ounce. U.S. gold futures rose 0.28% to \$1,777.60 per ounce.

Domestic Markets

South Africa's rand weakened on Wednesday, extending losses for a second day, as global risk demand diminished and some investors took profits on the local currency's recent rally.

At 1505 GMT, the rand was 0.29% weaker at 14.7100 per dollar, following a rally to a one-year best earlier in the week as investors betting on a faster global economic recovery chased the high yield on local assets.

But overnight trade saw investors reassess bets on the pace and distribution of a global recovery. Signs of further economic activity and inflation in the United States prompted fresh demand for the dollar and U.S. bonds.

"After having made considerable gains over the course of the month thus far, a combination of factors saw the rand retreat," said analysts at Nedbank in a note. "Both as it failed to make any headway beyond the support at 14.40 and on talk by an international bank suggesting that any long rand positions be squared out to its clients."

Citigroup Inc said on Tuesday it was booking a profit in its three-month bet on the rand versus the U.S. dollar.

Stocks retreated on profit booking that occurred across global markets but remained near record highs on global economic recovery optimism and as South Africa started its COVID-19 vaccination drive. The benchmark all-share index was lower by 0.17% at day's close to 67,110 points and the blue-chip top-40 companies index slipped a tad to end at 61,738 points.

The biggest drop was seen in gold-mining companies with the index shedding over 5% of its gains in the day on lower gold prices.

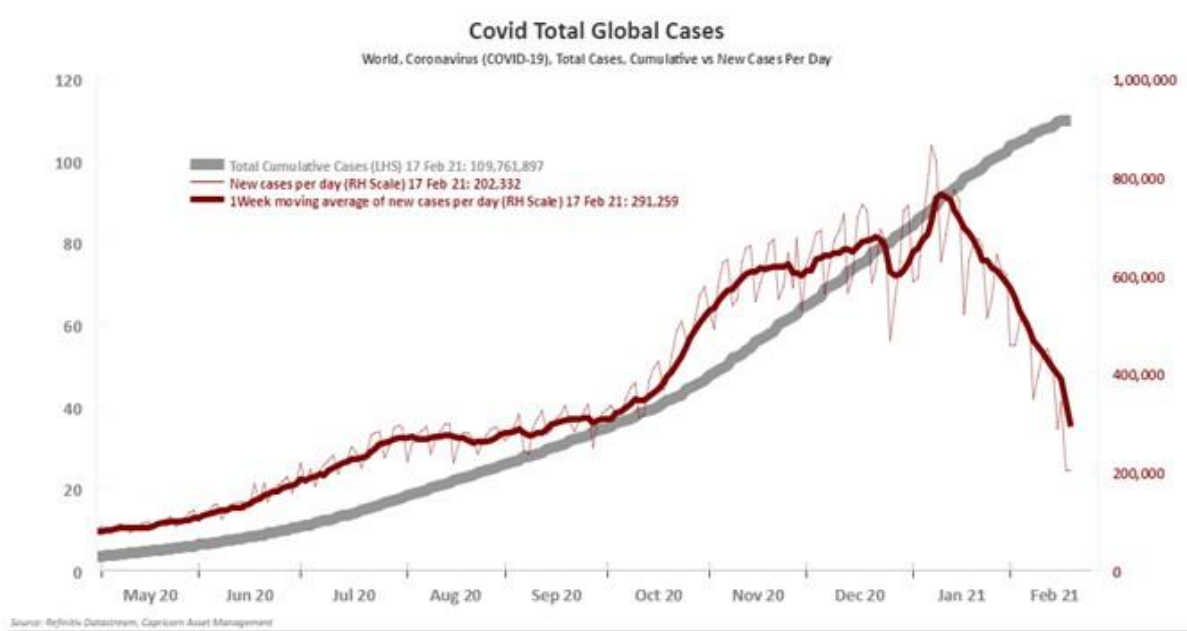
Bonds weakened, with the yield on the benchmark 2030 government issue up 9.5 basis points to 8.720%.

Corona Tracker

GLOBAL CASES		18-Feb-2021		5:48	
SOURCE - REUTERS		Confirmed Cases	New Cases	Total Deaths	Total Recovered
GLOBAL	109,761,897	202,332	2,529,035	72,334,283	

The number of new cases is distorted by cut-off times.

Source: Thomson Reuters



What lies behind you and what lies in front of you, pales in comparison to what lies inside of you.

Ralph Waldo Emerson

Market Overview

MARKET INDICATORS (Thomson Reuters)		18 February 2021			
Money Market TB Rates %		Last close	Difference	Prev close	Current Spot
3 months	⇒	4.16	0.000	4.16	4.16
6 months	↑	4.54	0.025	4.52	4.54
9 months	↑	4.64	0.059	4.58	4.64
12 months	↑	4.73	0.050	4.68	4.73
Nominal Bond Yields %		Last close	Difference	Prev close	Current Spot
GC21 (Coupon 7.75%, BMK R208)	⇒	4.38	0.000	4.38	4.38
GC22 (Coupon 8.75%, BMK R2023)	↑	5.47	0.030	5.44	5.47
GC23 (Coupon 8.85%, BMK R2023)	↑	5.37	0.030	5.34	5.37
GC24 (Coupon 10.50%, BMK R186)	↑	7.30	0.100	7.20	7.33
GC25 (Coupon 8.50%, BMK R186)	↑	7.31	0.100	7.21	7.34
GC26 (Coupon 8.50%, BMK R186)	↑	7.31	0.100	7.21	7.34
GC27 (Coupon 8.00%, BMK R186)	↑	7.60	0.100	7.50	7.63
GC30 (Coupon 8.00%, BMK R2030)	↑	9.02	0.095	8.93	9.04
GC32 (Coupon 9.00%, BMK R213)	↑	10.11	0.095	10.02	10.13
GC35 (Coupon 9.50%, BMK R209)	↑	11.12	0.090	11.03	11.15
GC37 (Coupon 9.50%, BMK R2037)	↑	11.67	0.090	11.58	11.70
GC40 (Coupon 9.80%, BMK R214)	↑	12.48	0.085	12.39	12.50
GC43 (Coupon 10.00%, BMK R2044)	↑	12.82	0.080	12.74	12.84
GC45 (Coupon 9.85%, BMK R2044)	↑	13.10	0.080	13.02	13.12
GC50 (Coupon 10.25%, BMK: R2048)	↑	13.11	0.090	13.02	13.13
Inflation-Linked Bond Yields %		Last close	Difference	Prev close	Current Spot
GI22 (Coupon 3.55%, BMK NCPI)	⇒	4.20	0.000	4.20	4.20
GI25 (Coupon 3.80%, BMK NCPI)	⇒	4.25	0.000	4.25	4.25
GI29 (Coupon 4.50%, BMK NCPI)	⇒	5.73	0.000	5.73	5.80
GI33 (Coupon 4.50%, BMK NCPI)	⇒	6.82	0.000	6.82	6.82
GI36 (Coupon 4.80%, BMK NCPI)	⇒	7.27	0.000	7.27	7.27
Commodities		Last close	Change	Prev close	Current Spot
Gold	↓	1,776	-1.01%	1,794	1,783
Platinum	↓	1,253	-0.66%	1,261	1,274
Brent Crude	↑	64.3	1.56%	63.4	65.1
Main Indices		Last close	Change	Prev close	Current Spot
NSX Overall Index	↓	1,348	-0.48%	1,354	1,348
JSE All Share	↓	67,110	-0.17%	67,227	67,110
SP500	↓	3,931	-0.03%	3,933	3,931
FTSE 100	↓	6,711	-0.56%	6,749	6,711
Hangseng	↑	31,085	1.10%	30,747	30,677
DAX	↓	13,909	-1.10%	14,065	13,909
JSE Sectors		Last close	Change	Prev close	Current Spot
Financials	↓	12,449	-1.95%	12,697	12,449
Resources	↓	66,163	-0.07%	66,213	66,163
Industrials	↑	89,719	0.44%	89,325	89,719
Forex		Last close	Change	Prev close	Current Spot
N\$/US dollar	↓	14.63	-0.12%	14.65	14.66
N\$/Pound	↓	20.27	-0.49%	20.36	20.30
N\$/Euro	↓	17.61	-0.68%	17.74	17.64
US dollar/ Euro	↓	1.204	-0.56%	1.210	1.204
		Namibia		RSA	
Interest Rates & Inflation		Dec 20	Nov 20	Dec 20	Nov 20
Central Bank Rate	⇒	3.75	3.75	3.50	3.50
Prime Rate	⇒	7.50	7.50	7.00	7.00
		Jan 21	Dec 20	Jan 21	Dec 20
Inflation	↑	2.7	2.4	3.2	3.1

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 a Bloomberg calculated Index

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.

Source: Bloomberg



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