Market Update — Friday, 18 September 2026

Global Markets

The dominant theme this morning is a relief rally occurring on top of an increasingly restrictive global monetary-policy backdrop. US equities recovered sharply on Thursday as oil and bond yields retreated: the Nasdaq gained 1.69%, the S&P 500 1.14% and the Dow 0.61%, while the US 10-year yield fell back below 5% to approximately 4.93%.

This rebound should not be interpreted as a reversal in the global rate cycle. On 16 September, the Federal Reserve unanimously raised its target range by 25 basis points to 3.75%–4.00%, citing solid activity, resilient spending, robust investment and still-elevated inflation. The interest rate on reserve balances increased to 3.90% from 17 September. The market's Thursday recovery therefore looks more like a partial unwinding of the immediate post-Fed sell-off than a conclusion that monetary conditions are becoming easier.

The policy picture became still more restrictive overnight. The Bank of Japan raised its policy rate from 1.00% to 1.25%, citing the risk that underlying inflation could move above its 2% objective. The BoJ nevertheless described financial conditions as accommodative and retained conditional guidance that further increases would depend on activity, prices and financial conditions. The decision was split 7–2; despite the hike, the yen weakened about 0.45% to ¥156.64/$, while the 10-year JGB yield declined 4.9 basis points to 2.947%, indicating that the decision and forward guidance were not more hawkish than markets had already discounted.

Hopes of alternative ways for oil supply from the Middle East to reach markets pushed Brent crude futures down as much as 1.5% to $103.29 a barrel, even as concerns about strikes between Saudi Arabia and Yemen's Houthis lingered. Investor sentiment was soothed by a Reuters report, citing three Iranian sources familiar with the matter, that said China has asked Tehran to help rein in the Houthis after their military blitz over the past week. Bond prices also steadied after another brutal selloff this week that took the 10-year US Treasury beyond 5% to its highest since 2007. It was last at 4.936%.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets

Capricorn Group Limited released its audited annual financial results for the year ended 30 June 2026 on 17 September, reporting profit after tax of N$1.87 billion, down 6.4% from the prior year. According to The Brief and the Namibia Economist, the decline was driven primarily by a 45% increase in credit impairment charges to N$457 million (from N$315 million in 2025), concentrated in Botswana, where weaker economic conditions increased customer stress and reduced loan demand. Gross loans and advances declined to N$51.5 billion from N$52.5 billion. Basic earnings per share fell 6.4% to 343.7 cents and return on equity declined to 15.6% from 18.2%. Net interest income moderated 1.9% to N$3.33 billion, while non-interest income grew 8.3% to N$2.62 billion, exceeding the Group's internal 45% target at 47.7% of operating income, reflecting progress in the diversification strategy. Total assets grew 3.9% to N$75.3 billion, deposits rose 6.3% to N$56.22 billion, and the capital adequacy ratio strengthened to 19.4% -- well above the 12.5% regulatory minimum. Net asset value per share increased 6.7% to 2,277 cents. The Board maintained the total ordinary dividend at 135 cents per share (interim 58c, final 77c), with no special dividend declared. CEO David Nuyoma noted the result reflects compound annual profit growth of 13.7% over the past five years and pointed to Namibia's oil and gas sector and renewable energy developments as long-term growth opportunities. Dangote Industries plans to launch 2,650 Hectare fuel pipeline network in October, starting in Namibia and extending through the Democratic Republic of Congo, according to The Brief (17 September). If implemented as announced, the pipeline would represent a significant shift in regional fuel supply logistics and could reduce Namibia's dependence on coastal fuel imports, with implications for domestic fuel pricing and supply security.

On the mining and energy front, Ongwe Minerals has launched maiden drilling at the Nguni gold prospect, while Arkle Resources' drilling has confirmed that a uranium mineralised system extends significantly deeper beneath the Erongo surface than previously mapped, according to Mining and Energy Namibia. Separately, Keras Resources is targeting Namibia copper exploration with a N$40 million fundraise. These exploration developments are broadly positive for Namibia's medium-term resource pipeline. However, the ongoing El Niño weather pattern poses a risk of higher electricity import requirements and potential tariff increases, as reduced domestic hydropower output forces NamPower to source more expensive cross-border power -- Mining and Energy Namibia reported this week.

In South Africa, the JSE All Share Index closed at 114,157 on 17 September, gaining 606 points or 0.53% on the day, according to Moneyweb. The recovery partially offset a difficult week: the seven-day return stood at -3.33% as of Thursday's close. Mining shares led the day's gains, with AngloGold Ashanti at R1,661.15 (+1.42%), Harmony at R325.93 (+2.30%), Northam at R299.79 (+3.12%), and Implats at R238.04 (+2.04%). The USD/ZAR rate was quoted at 16.24 on the morning of 18 September per Moneyweb, while the SARB recorded the ZAR/USD closing rate at 16.2638 on 16 September. The SARB policy rate remains at 7.00% and the prime lending rate at 10.50%.

The Fed's 25 basis point rate hike on 16 September represents the most significant external monetary policy development for South Africa this week. Higher US rates increase the risk premium required on emerging market assets, raise the cost of South Africa's external borrowing, and support a stronger dollar, placing renewed pressure on the rand. With South Africa running a current account deficit of 2.6% of GDP in Q2 2026, a sustained period of rand weakness would worsen the import bill and complicate the SARB's inflation outlook ahead of its own MPC meeting later in September. On the JSE results calendar, Remgro releases its final results on Monday 21 September, with Capitec Bank interim results due on 30 September -- both are closely watched by the market. Gemfields Group interim results, scheduled for 25 September, will attract attention given ongoing weakness in the global diamond sector, according to Moneyweb's business calendar.

Market Overview

MARKET INDICATORS	18 September 2026			
Money Market TB's	**Last Close**	**Change**	**Prev Close**	**Current Spot**
3 months	7.19	0.026	7.16	7.19
6 months	7.41	0.005	7.40	7.41
9 months	7.61	0.012	7.60	7.61
12 months	7.71	0.062	7.65	7.71
Nominal Bonds	**Last Close**	**Change**	**Prev Close**	**Current Spot**
GC27 (Coupon 8.00%, BMK: R186)	7.00	-0.002	7.01	7.00
GC28 (Coupon 8.50%, BMK: R186)	8.42	-0.075	8.50	8.42
GC29 (Coupon 9.00%, BMK: R2030)	8.71	-0.086	8.80	8.71
GC30 (Coupon 8.00%, BMK: R2030)	8.90	-0.075	8.98	8.90
GC32 (Coupon 9.00%, BMK: R213)	9.37	-0.070	9.44	9.37
GC34 (Coupon 10.25%, BMK: R2035)	9.93	-0.060	9.99	9.93
GC35 (Coupon 9.50%, BMK: R209)	10.22	-0.080	10.30	10.22
GC37 (Coupon 9.50%, BMK: R2037)	10.73	-0.240	10.97	10.72
GC40 (Coupon 9.80%, BMK: R214)	11.18	-0.151	11.33	11.18
GC43 (Coupon 10.00%, BMK: R2044)	11.35	0.012	11.34	11.35
GC45 (Coupon 9.85%, BMK: R2044)	11.65	0.009	11.65	11.65
GC48 (Coupon 10.00%, BMK: R2048)	11.70	-0.030	11.73	11.70
GC50 (Coupon 10.25%, BMK: R2048)	11.87	-0.029	11.90	11.87
GC53 (Coupon 11.00%, BMK: R2053)	12.08	-0.078	12.16	12.08
Inflation-Linked Bonds	**Last Close**	**Change**	**Prev Close**	**Current Spot**
GI27 (Coupon 4.00%, BMK: NCPI)	3.93	0.000	3.93	3.93
GI29 (Coupon 4.50%, BMK: NCPI)	4.00	-0.295	4.30	4.00
GI31 (Coupon 4.50%, BMK: NCPI)	4.47	-0.416	4.89	4.47
GI33 (Coupon 4.50%, BMK: NCPI)	5.03	-0.113	5.14	5.03
GI36 (Coupon 4.80%, BMK: NCPI)	5.65	-0.058	5.71	5.65
GI41 (Coupon 4.80%, BMK: NCPI)	6.03	-0.022	6.05	6.03
Commodities	**Last Close**	**Change**	**Prev Close**	**Current Spot**
Gold	4,264	-0.66%	4,292	4,330
Platinum	1756	-1.33%	1780	1801
Brent Crude	105.8	-2.69%	108.75	103.93
Main Indices	**Last Close**	**Change**	**Prev Close**	**Current Spot**
NSX Overall Index	1478	0.07%	1477	1478
JSE All Share	114,235	0.60%	113,551	114,235
S&P 500	7,552	-0.45%	7,586	7,552
FTSE 100	10,782	0.88%	10,688	10,782
Hangseng	24,564	-0.61%	24,714	24,564
DAX	25,719	0.71%	25,538	25,719
JSE Sectors	**Last Close**	**Change**	**Prev Close**	**Current Spot**
Financials	25,642	-0.55%	25,784	25,693
Resources	130,233	0.15%	130,037	132,085
Industrials	119,389	-1.21%	120,856	119,732
Forex	**Last Close**	**Change**	**Prev Close**	**Current Spot**
N$/US Dollar	16.39	0.86%	16.25	16.28
N$/Pound	21.93	0.14%	21.90	21.80
N$/Euro	18.78	0.11%	18.76	18.69
US Dollar/ Euro	1.147	-0.26%	1.15	1.15
	Namibia		**RSA**	
Interest Rates & Inflation	**Aug-26**	**Jul-26**	**Aug-26**	**Jul-26**
Central Bank Rate	6.75	6.75	7.00	7.00
Prime Rate	10.25	10.25	10.50	10.50
	Aug-26	**Jul-26**	**Jul-26**	**Jun-26**
Inflation	5.0	4.4	4.3	5.0

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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