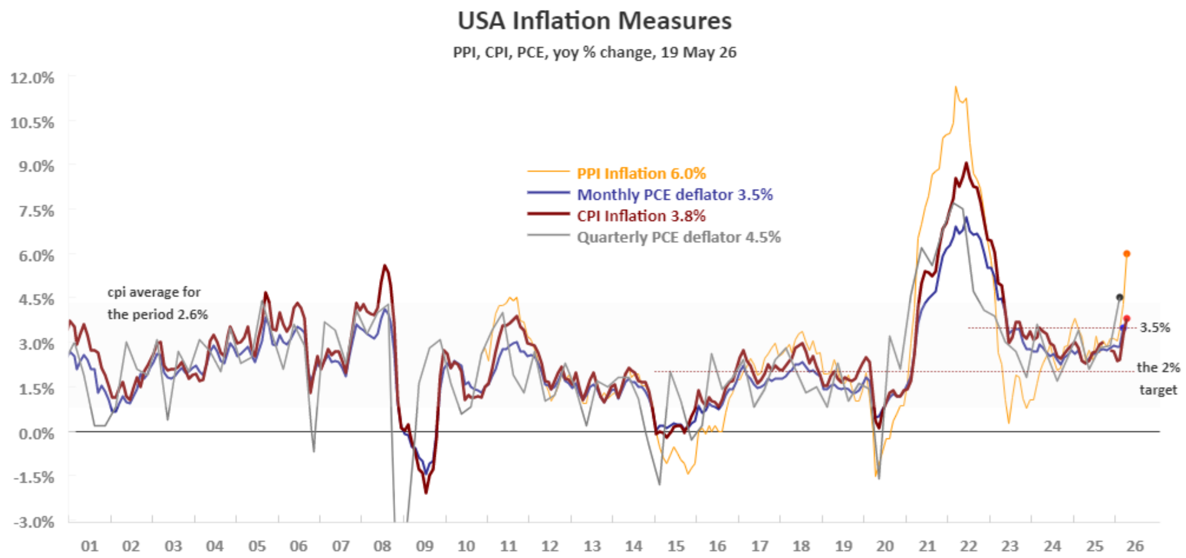
Market Update — Tuesday, 19 May 2026

Global Markets



Global shares were on shaky footing on Tuesday, and bonds steadied following a steep selloff after U.S. President Donald Trump paused a planned attack on Iran and claimed there was a good chance of a nuclear deal, sending oil prices lower.

Trump said on Monday he had paused an attack against Iran to allow time for negotiations to take place on a deal to end the war, after Tehran sent a new peace proposal to Washington. He subsequently said there was a "very good chance" the U.S. could reach an agreement with Iran to prevent Tehran from obtaining a nuclear weapon. Investors remained cautious after being rattled in the previous session by a weekend drone strike in the United Arab Emirates. "We've seen a lot of back and forth already," said Fabien Yip, a market analyst at IG. "Until we actually see real action happening (in the Strait of Hormuz), whereby ships are passing through safely, and we see a material rebound in the numbers of traffic going through in the Strait, I think the market in general is shrugging off the commentary from either side."

Brent crude futures fell nearly 2% to $109.94 a barrel on the back of Trump's comments, while U.S. crude was down 1.54% to $106.99 per barrel, though both remained more than 50% above their pre-war levels. In share markets, MSCI's broadest index of Asia-Pacific shares outside Japan was down more than 1%. Japan's Nikkei eased 0.3%, and South Korea's Kospi fell more than 3%. China's CSI300 blue-chip index lost 0.8%. Nasdaq futures reversed early gains to trade 0.5% lower, and S&P 500 futures edged down 0.3%. In Europe, EUROSTOXX 50 futures rose 0.1%, while FTSE futures and DAX futures were little changed.

The all-important artificial intelligence trade will be tested by earnings from Nvidia that are due on Wednesday, where expectations are sky-high for the world's most valuable company. "Nvidia's earnings are the ultimate test for a stock market that is not only trading at record highs, but one that also had a breathtaking bounce off of the March lows, as Nvidia is the market's shorthand for everything AI and this market's gains have been driven in large part by AI over the past few years," said Richard Reyle, chief investment officer at Questar Capital Partners.

The fall in oil prices helped stem a steep selloff in global bonds on Tuesday, although worries remain about any lasting inflationary shock from the Iran war. Yields on the benchmark 10-year U.S. Treasury note eased from a more than one-year high to 4.6034% in Asian trade, and the two-year yield was down slightly to 4.0674%.

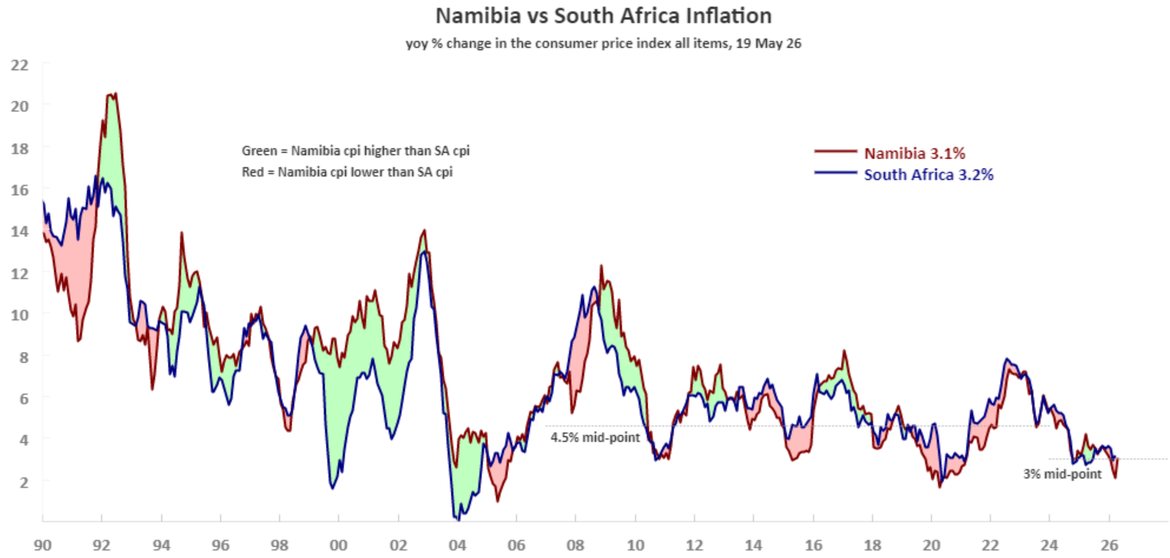
Overnight, G7 finance ministers acknowledged mounting concerns over public debt and bond market volatility as they met in Paris. Markets are now pricing in rate hikes from major central banks this year on expectations policymakers will have to tighten policy to combat a resurgence in inflation driven by higher-for-longer energy prices. "While the economic rationale for pricing persistently higher inflation over the coming years on the current supply shock is weak, particularly given the labour market backdrop, a return of supply-side volatility and the sanguine growth tone in markets both argue for more risk premium through the inflation curve," Goldman Sachs analysts said in a note.

In foreign exchange, the dollar has benefited from safe-haven demand since the onset of the war and was up 0.1% at 158.99 yen, putting traders on alert for any intervention from Tokyo to shore up its ailing currency. The euro was down 0.17% at $1.1636. Sterling similarly fell 0.2% to $1.3408.

Elsewhere, spot gold eased 0.5% to $4,543.26 an ounce, having come under pressure from rising bond yields. Spot silver fell 2% to $76.09 per ounce, platinum lost 0.7% to $1,965.40, and palladium dropped 1.5% to $11,397.50.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets



The South African rand weakened on Tuesday as investors stayed cautious while monitoring developments in the Middle East after U.S. President Donald Trump paused a planned attack on Iran. At 07:30 GMT, the rand traded at 16.6250 against the dollar, 0.3% weaker than its previous close.

Trump said on Monday he had paused an attack on Iran to allow time for negotiations on a deal to end the war, after Tehran sent a new peace proposal to Washington. "The longer this conflict continues, the greater the probability that the rand will succumb to pressure or any further shock to the global economy that might undermine economic confidence and risk appetite," said ETM Analytics in a research note. The U.S. dollar was up 0.2% against a basket of currencies, while prices of gold, a key South African export, fell 0.4%.

Domestic investors' attention will be pinned to April inflation data on Wednesday, with analysts polled by Reuters expecting it to accelerate to 3.9% year-on-year from 3.1% in March, reflecting pressures from the war in the Middle East. The statistics agency will also publish March retail sales data on Wednesday, though analysts say the figures are unlikely to show weakness as they predate the full impact of the war.

On the Johannesburg Stock Exchange, the Top-40 index was up 0.2% in early trade. South Africa's benchmark 2035 government bond was flat with the yield at 8.85%.

Creative thinking - in terms of idea creativity - is not a mystical talent. It is a skill that can be practised and nurtured.

Edward de Bono

Market Overview

MARKET INDICATORS					19 May 2026
Money Market TB's		**Last Close**	**Change**	**Prev Close**	**Current Spot**
3 months	↓	6.99	-0.033	7.02	6.99
6 months	↓	7.30	-0.017	7.31	7.30
9 months	↓	7.33	-0.013	7.34	7.33
12 months	↓	7.32	-0.019	7.34	7.32
Nominal Bonds		**Last Close**	**Change**	**Prev Close**	**Current Spot**
GC27 (Coupon 8.00%, BMK: R186)	↓	7.05	-0.091	7.14	7.05
GC28 (Coupon 8.50%, BMK: R186)	↑	8.77	0.005	8.76	8.76
GC29 (Coupon 9.00%, BMK: R2030)	↑	8.90	0.005	8.89	8.90
GC30 (Coupon 8.00%, BMK: R2030)	↑	9.30	0.005	9.30	9.30
GC32 (Coupon 9.00%, BMK: R213)	↑	9.63	0.010	9.62	9.62
GC34 (Coupon 10.25%, BMK: R2035)	↑	10.20	0.030	10.17	10.20
GC35 (Coupon 9.50%, BMK: R209)	↑	10.62	0.025	10.60	10.62
GC37 (Coupon 9.50%, BMK: R2037)	↑	11.08	0.025	11.06	11.08
GC40 (Coupon 9.80%, BMK: R214)	↑	11.48	0.050	11.43	11.48
GC43 (Coupon 10.00%, BMK: R2044)	↑	11.46	0.065	11.40	11.46
GC45 (Coupon 9.85%, BMK: R2044)	↑	11.62	0.065	11.55	11.62
GC48 (Coupon 10.00%, BMK: R2048)	↑	11.66	0.065	11.60	11.66
GC50 (Coupon 10.25%, BMK: R2048)	↑	11.86	0.065	11.80	11.86
GC53 (Coupon 11.00%, BMK: R2053)	↑	11.44	0.070	11.37	11.44
Inflation-Linked Bonds		**Last Close**	**Change**	**Prev Close**	**Current Spot**
GI27 (Coupon 4.00%, BMK: NCPI)	→	4.54	0.000	4.54	4.54
GI29 (Coupon 4.50%, BMK: NCPI)	→	4.96	0.000	4.96	4.95
GI31 (Coupon 4.50%, BMK: NCPI)	→	5.25	0.000	5.25	5.25
GI33 (Coupon 4.50%, BMK: NCPI)	→	5.25	0.000	5.25	5.25
GI36 (Coupon 4.80%, BMK: NCPI)	→	5.89	0.000	5.89	5.89
GI41 (Coupon 4.80%, BMK: NCPI)	→	6.19	0.000	6.19	6.19
Commodities		**Last Close**	**Change**	**Prev Close**	**Current Spot**
Gold	↑	4,567	0.59%	4,540	4,544
Platinum	↑	1984	0.08%	1982	1971
Brent Crude	↑	112.1	2.60%	109.26	110.38
Main Indices		**Last Close**	**Change**	**Prev Close**	**Current Spot**
NSX Overall Index	↑	1423	0.28%	1419	1423
JSE All Share	↑	115,103	0.17%	114,913	115,103
S&P 500	↓	7,403	-0.08%	7,409	7,403
FTSE 100	↑	10,373	0.47%	10,324	10,373
Hangseng	↑	25,824	0.58%	25,675	25,824
DAX	↑	24,482	0.72%	24,308	24,482
JSE Sectors		**Last Close**	**Change**	**Prev Close**	**Current Spot**
Financials	↑	25,064	0.80%	24,864	25,035
Resources	↑	127,141	0.06%	127,061	126,715
Industrials	↑	128,872	0.00%	128,868	130,265
Forex		**Last Close**	**Change**	**Prev Close**	**Current Spot**
N$/US Dollar	↓	16.57	-0.72%	16.69	16.62
N$/Pound	↑	22.26	0.04%	22.25	22.27
N$/Euro	↓	19.31	-0.52%	19.41	19.33
US Dollar/ Euro	↑	1.166	0.52%	1.16	1.16
		Namibia		**RSA**	
Interest Rates & Inflation		**Apr-26**	**Mar-26**	**Apr-26**	**Mar-26**
Central Bank Rate	→	6.50	6.50	6.75	6.75
Prime Rate	→	10.00	10.00	10.25	10.25
		Apr-26	**Mar-26**	**Mar-26**	**Feb-26**
Inflation	↑	3.1	2.1	3.1	3.0

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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