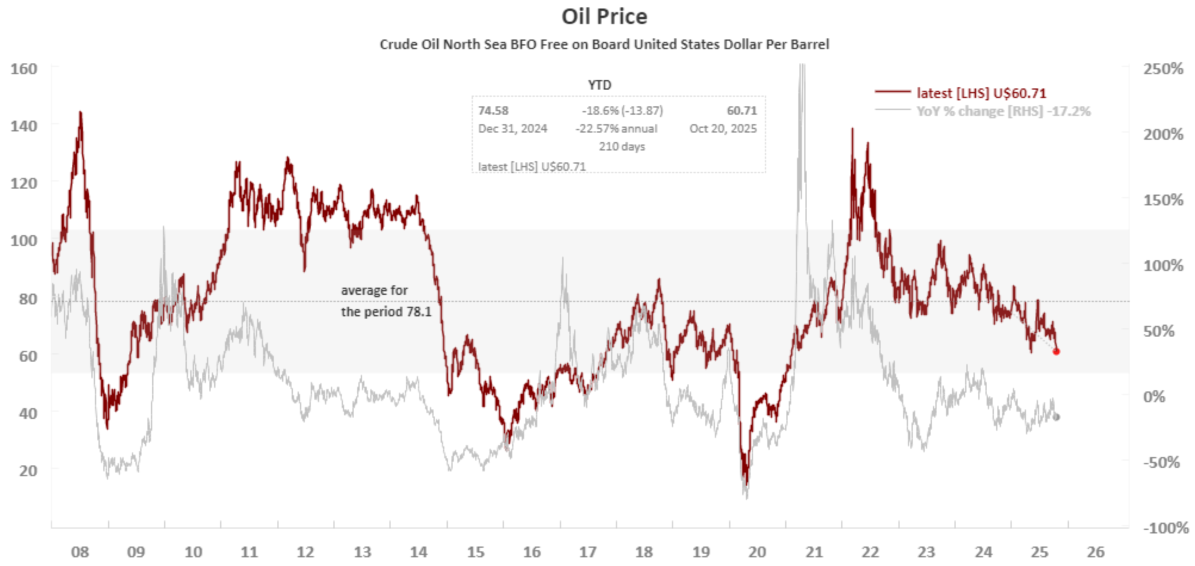
Market Update

Tuesday, 21 October 2025



Global Markets

Shares rose on Tuesday as the prospect of easing trade tensions between the world's top two economies boosted risk sentiment, while Sanae Takaichi was set be elected Japan's next prime minister, lifting the Nikkei and weighing on the yen. U.S. President Donald Trump said he expects to reach a fair trade deal with Chinese President Xi Jinping and downplayed risks of a clash over the issue of Taiwan.

Trade tensions between the U.S. and China have weighed on the markets in recent weeks, with investor focus now on Trump's planned meeting with Xi on the sidelines of an economic conference in South Korea next week. The lingering hope that a resolution could be on the cards lifted investor sentiment. MSCI's broadest index of Asia-Pacific shares outside Japan hit an over four-and-half-year high and was last up 0.94%. China stocks rose 0.2% while Hong Kong's Hang Seng was 1% higher in early trading.

Australian shares surged as investors snapped up rare earths and critical minerals stocks after the country signed a supply deal with the United States. Japan's Nikkei rose to a record peak and was on the cusp of hitting a landmark 50,000 points as the so-called 'Takaichi trade' showed no signs of stopping.

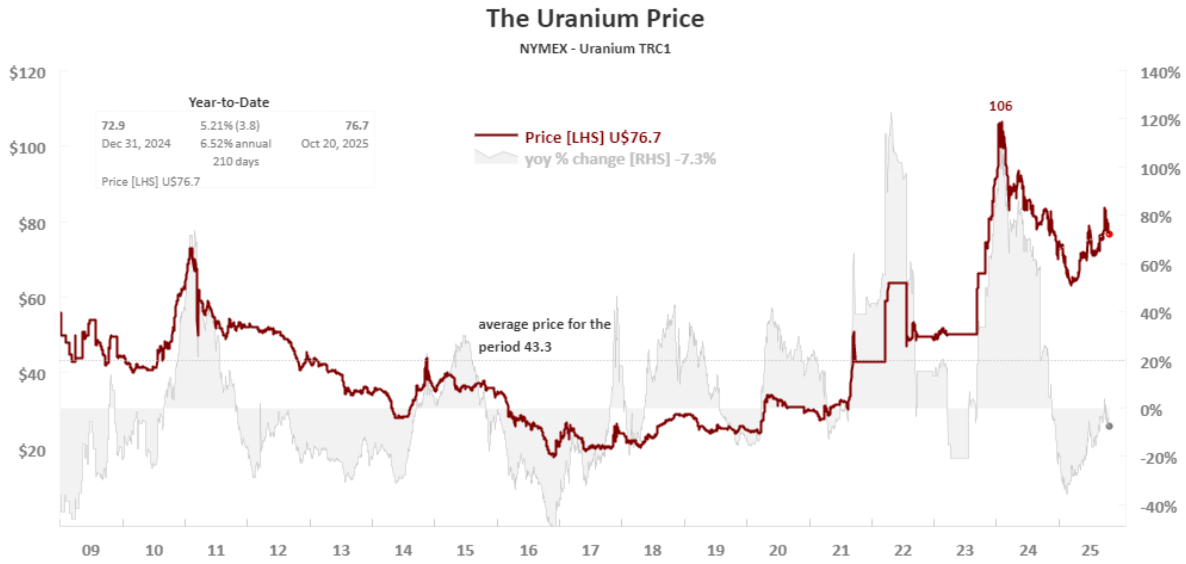
Investor sentiment was also hit hard last week as a clutch of bad loans at U.S. regional banks spurred concerns over credit risks that threatened to spill into the broader markets. The prolonged U.S. government shutdown also weighed on risk assets.
But investors so far this week have shrugged off those concerns and bought the dip, focusing on upcoming earnings from several large firms and betting that trade tensions would ease.
"The market has hurdled the wall of worry with ease, with new capital injected into risk and fresh oxygen into the market’s lungs," said Chris Weston, head of research at Pepperstone.

Market expectation of the Federal Reserve cutting interest rates in the next two meetings and comments from White House economic advisor Kevin Hassett that the federal government shutdown is likely to end this week also buoyed sentiment.
A broad rally sent all three major U.S. stock indexes to a sharply higher close overnight with chip stocks hitting a record high.
Analysts currently expect third-quarter S&P 500 earnings growth, on aggregate, of 9.3% year-on-year, marking an improvement over their 8.8% growth estimate as of October 1.

"We're quite bullish on equities as an asset class globally," said Mixo Das, Asia Equity and Quant Strategist at J.P. Morgan.
"I think the biggest driver of this is simply the sort of policy easing that we're seeing ... the economy is not anywhere close to being in a recession, and policy is still easing very aggressively. Hardline conservative Sanae Takaichi was set to become Japan's first female prime minister after winning a critical vote in parliament's lower house. Analysts expect Takaichi to be pro-stimulus and against further hikes in interest rates, a negative for the yen and bonds but a plus for equities.

The yen was last 0.4% weaker at 151.39 per dollar, while also struggling against the euro and sterling. The Bank of Japan is due to meet next week with traders pricing in 20% chance of a hike, although Governor Kazuo Ueda has so far left his options open by offering few clues on the timing of a rate hike. Gold prices slipped 0.8% on the day but were still near the record high it has been around in the recent weeks.

Source: LSEG Thomson Reuters Refinitiv.



Domestic Markets

The South African rand was subdued in early trade on Tuesday ahead of the release of local central bank data that will shed light on the country's economic outlook. At 0617 GMT, the rand traded at 17.27 against the dollar , down 0.3% on Monday's close.

At around 0700 GMT, the South African Reserve Bank will publish the country's leading business cycle indicator for August, which collects data on vehicle sales, business confidence, money supply and other factors.

The risk-sensitive local currency traded weaker last week, but staged a recovery against the dollar on Monday on investor optimism over the country's potential removal from the Financial Action Task Force's (FATF) "grey" list. South Africa in February 2023 was added on FATF's list after criticism of its systems to stop money laundering terrorist financing. The watchdog's plenary meeting takes place from October 22-24.

Domestically-focused investors will examine September consumer price inflation data on Wednesday for further clues on the health of Africa's largest economy. South Africa's benchmark 2035 government bond was stronger in early deals, as the yield fell 1.5 basis points to 8.91%.

Source: LSEG Thomson Reuters Refinitiv.

The reward for work well done is the opportunity to do more.

Jonas Salk

Market Overview

MARKET INDICATORS				21 October 2025
Money Market TB's	**Last Close**	**Change**	**Prev Close**	**Current Spot**
3 months	7.28	-0.037	7.31	7.28
6 months	7.33	-0.021	7.35	7.33
9 months	7.34	-0.003	7.34	7.34
12 months	7.24	-0.068	7.31	7.24
Nominal Bonds	**Last Close**	**Change**	**Prev Close**	**Current Spot**
GC26 (Coupon 8.50%, BMK: R186)	7.38	0.000	7.38	7.33
GC27 (Coupon 8.00%, BMK: R186)	7.40	-0.020	7.42	7.35
GC28 (Coupon 8.00%, BMK: R186)	8.33	0.000	8.33	8.28
GC30 (Coupon 8.00%, BMK: R2030)	8.67	0.000	8.67	8.62
GC32 (Coupon 9.00%, BMK: R213)	9.21	-0.005	9.21	9.16
GC35 (Coupon 9.50%, BMK: R209)	10.35	0.010	10.34	10.29
GC37 (Coupon 9.50%, BMK: R2037)	10.57	0.000	10.57	10.52
GC40 (Coupon 9.80%, BMK: R214)	11.15	0.005	11.15	11.10
GC43 (Coupon 10.00%, BMK: R2044)	11.34	-0.015	11.36	11.29
GC45 (Coupon 9.85%, BMK: R2044)	11.43	-0.015	11.44	11.38
GC48 (Coupon 9.85%, BMK: R2044)	11.50	0.000	11.50	11.45
GC50 (Coupon 10.25%, BMK: R2048)	11.50	0.000	11.50	11.45
Inflation-Linked Bonds	**Last Close**	**Change**	**Prev Close**	**Current Spot**
GI27 (Coupon 4.00%, BMK: NCPI)	4.58	0.000	4.58	4.53
GI29 (Coupon 4.50%, BMK: NCPI)	4.95	0.000	4.95	4.90
GI31 (Coupon 4.50%, BMK: NCPI)	5.23	0.000	5.23	5.18
GI33 (Coupon 4.50%, BMK: NCPI)	5.45	0.000	5.45	5.40
GI36 (Coupon 4.80%, BMK: NCPI)	5.90	0.000	5.90	5.85
GI41 (Coupon 4.80%, BMK: NCPI)	6.20	0.000	6.20	6.15
Commodities	**Last Close**	**Change**	**Prev Close**	**Current Spot**
Gold	4,356	2.46%	4,252	4,322
Platinum	1633	0.80%	1620	1624
Brent Crude	61.0	-0.46%	61.29	61.00
Main Indices	**Last Close**	**Change**	**Prev Close**	**Current Spot**
NSX Local Index	1229	0.57%	1222	1229
JSE All Share	111,326	0.53%	110,736	111,326
S&P 500	6,735	1.07%	6,664	6,735
FTSE 100	9,404	0.52%	9,355	9,404
Hangseng	26,247	1.50%	25,859	26,247
DAX	24,259	1.80%	23,831	24,259
JSE Sectors	**Last Close**	**Change**	**Prev Close**	**Current Spot**
Financials	22,373	-0.38%	22,458	22,693
Resources	115,179	-6.22%	122,812	114,864
Industrials	142,827	0.05%	142,755	143,751
Forex	**Last Close**	**Change**	**Prev Close**	**Current Spot**
N$/US Dollar	17.23	-0.81%	17.37	17.25
N$/Pound	23.09	-0.99%	23.32	23.08
N$/Euro	20.06	-0.89%	20.24	20.06
US Dollar/ Euro	1.164	-0.51%	1.17	1.16
	Namibia		**RSA**	
Interest Rates & Inflation	**Oct-25**	**Sep-25**	**Oct-25**	**Sep-25**
Central Bank Rate	6.50	6.75	7.00	7.00
Prime Rate	10.25	10.38	10.50	10.50
	Sep-25	**Aug-25**	**Aug-25**	**Jul-25**
Inflation	3.5	3.2	3.3	3.5

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 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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