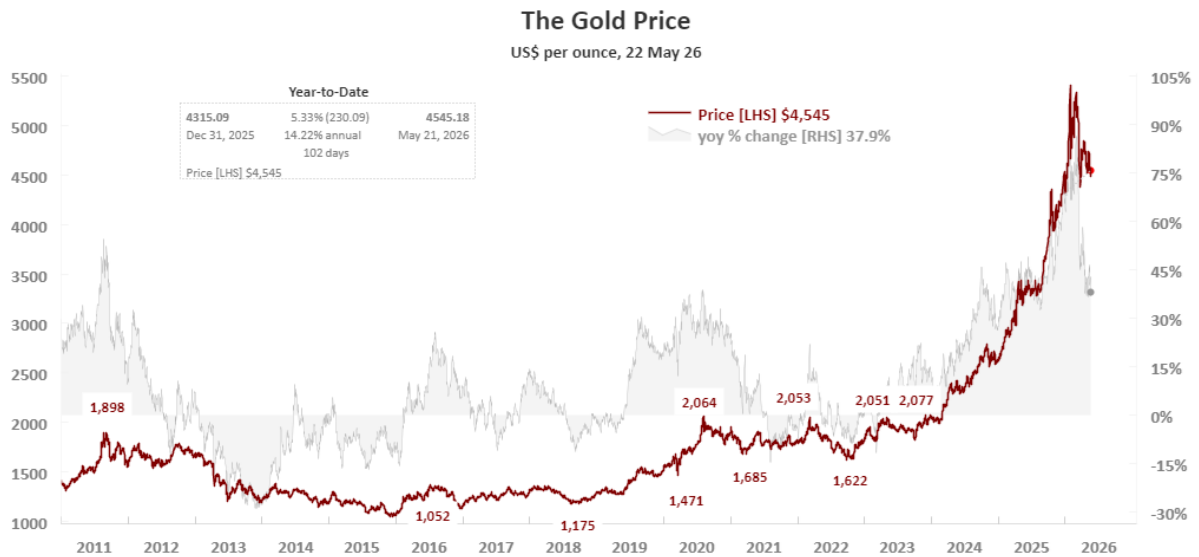




Market Update

Friday, 22 May 2026

Global Markets



Global stocks rose on Friday while the U.S. dollar sat near six-week highs and oil prices were whipsawed as investors held on to hopes of a breakthrough in U.S.-Iran peace talks, although both sides remained at odds over key issues.

The worry for investors remains the near closure of the Strait of Hormuz, a critical artery for the world's energy supplies, which has sent oil prices soaring and rewired the global interest rate outlook because of inflationary concerns. U.S. Secretary of State Marco Rubio said there had been "some good signs" in talks to end the nearly three-month-old war in the Middle East, but differences remain over Tehran's uranium stockpile and controls over the waterway.

In stock markets, MSCI's broadest index of Asia-Pacific shares outside Japan was 0.3% higher, set for a modest weekly rise. Japan's Nikkei gained 2%. U.S. stock futures rose 0.2%, and European futures gained 0.8%. Chris Weston, head of research at Pepperstone, said it increasingly feels as though the news flow is gradually trending towards something tangible that markets can ultimately price with greater conviction. "Although confidence levels are still not especially high," Weston cautioned.

Oil prices rose in early trading on Friday after dropping sharply as conflicting messages on the talks kept investors guessing. They remain well above pre-war levels, where they are expected to remain even if a resolution is announced. Brent crude futures rose 2% to \$104.71 a barrel but were set for a 6% drop in the week. U.S. West Texas Intermediate futures were up 1.66% at \$98.01. Prolonged energy disruptions as the war drags on threaten to feed through to prices across the globe, spurring traders to price in rate hikes in developed and emerging markets.

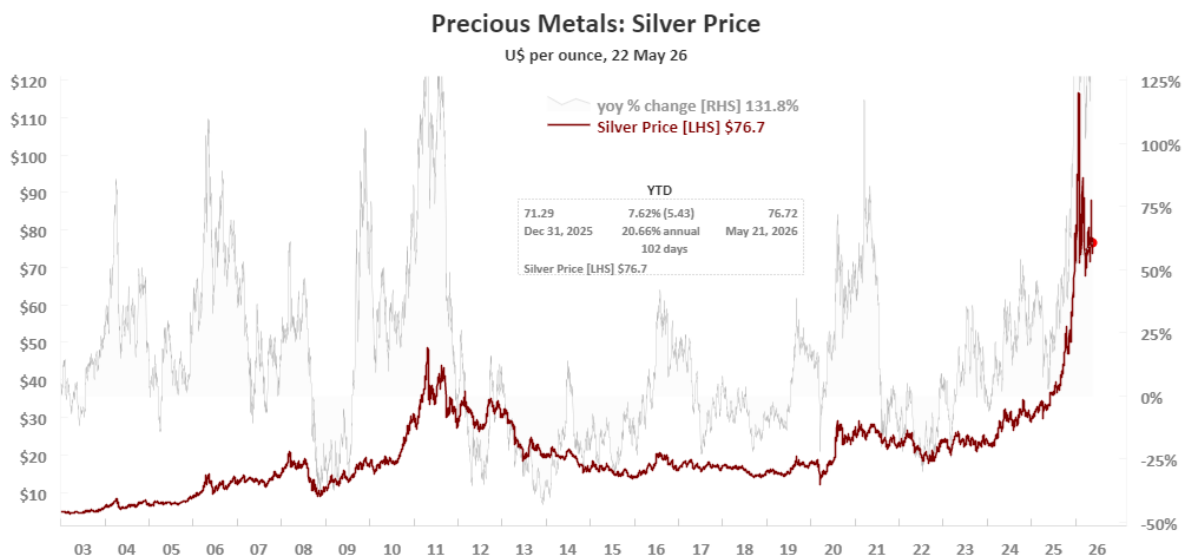
Markets are now pricing in possible rate hikes from the U.S. Federal Reserve by the end of the year, versus expectations of two rate cuts before the war. "We're seeing an unusually strong linkage between oil prices and global rates, reflecting how broad-based and borderless this shock has become," said Mitch Reznick, Head of Fixed Income at Federated Hermes. "What initially appeared to be a shift in inflation expectations is now feeding directly into realised inflation, reinforcing the view that central banks will need to keep policy tighter for longer to restore price stability."

That has lifted Treasury yields and boosted the dollar, which also benefits from safe-haven demand. The euro was at \$1.1614 in early trading, close to the six-week low it hit on Thursday, set for a 1% drop this month. While the pound was flat at \$1.3431. Against a basket of currencies, the dollar was at 99.247. The Japanese yen last fetched 159.11 per U.S. dollar.

In precious metals, Spot gold was down 0.3% at \$4,527.60 per ounce, as of 04:11 GMT. The metal has shed about 0.2% so far in the week. Spot silver fell 0.2% to \$76.53 per ounce, but was headed for a weekly gain of 0.8%. Platinum lost 0.5% to \$1,955.66, and palladium fell 0.2% to \$1,375.35, with both metals on course for a weekly loss.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets



The rand held largely steady in muted early trade on Friday, as investors held off from making large bets ahead of the South African Reserve Bank's (SARB) interest rate decision next week. At 06:51 GMT, the rand traded at 16.47 against the dollar, a whisker away from its previous close.

Market focus is firmly on the SARB's Monetary Policy Committee meeting scheduled for Thursday. Most economists expect a 25-basis-point rate hike, likely with a split vote. "The SARB may hike interest rates at the upcoming MPC meeting to reduce the likelihood of second-round inflation pressure," said Elna Moolman, Standard Bank's head of South Africa macroeconomic research. But Moolman also noted that policymakers could argue that monetary conditions are already sufficiently tight and look past what is expected to be a temporary inflation spike. Data released this week showed inflation accelerated sharply to 4% in April from 3.1% in March, marking its highest level since August 2024. Investors will also monitor a series of economic indicators due next week, including the leading business cycle index on Tuesday, producer inflation on Thursday, and figures for money supply, private sector credit, trade balance, and budget balance on Friday. The U.S. dollar was flat against a basket of currencies after a volatile overnight session on conflicting signals over a potential U.S.-Iran peace deal, though investors latched onto hopes of some progress.

On the Johannesburg Stock Exchange, the Top-40 index was up 0.7%. South Africa's benchmark 2035 government bond was little moved in early deals, with the yield at 8.77%.

It does not matter how slowly you go as long as you do not stop.

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Market Overview

MARKET INDICATORS		22 May 2026			
Money Market TB's		Last Close	Change	Prev Close	Current Spot
3 months	↑	7.00	0.011	6.99	7.00
6 months	↓	7.28	-0.012	7.30	7.28
9 months	↓	7.31	-0.020	7.33	7.31
12 months	→	7.32	0.000	7.32	7.32
Nominal Bonds		Last Close	Change	Prev Close	Current Spot
GC27 (Coupon 8.00%, BMK: R186)	↓	7.03	-0.018	7.05	7.03
GC28 (Coupon 8.50%, BMK: R186)	↑	8.72	0.025	8.70	8.72
GC29 (Coupon 9.00%, BMK: R2030)	↑	8.92	0.025	8.90	8.92
GC30 (Coupon 8.00%, BMK: R2030)	↑	9.26	0.025	9.23	9.26
GC32 (Coupon 9.00%, BMK: R213)	↑	9.59	0.025	9.56	9.58
GC34 (Coupon 10.25%, BMK: R2035)	↑	10.20	0.015	10.19	10.20
GC35 (Coupon 9.50%, BMK: R209)	↑	10.56	0.015	10.54	10.56
GC37 (Coupon 9.50%, BMK: R2037)	↑	11.15	0.010	11.14	11.15
GC40 (Coupon 9.80%, BMK: R214)	↑	11.56	0.025	11.54	11.56
GC43 (Coupon 10.00%, BMK: R2044)	↑	11.61	0.015	11.60	11.61
GC45 (Coupon 9.85%, BMK: R2044)	↑	11.73	0.015	11.72	11.73
GC48 (Coupon 10.00%, BMK: R2048)	↑	11.76	0.005	11.76	11.76
GC50 (Coupon 10.25%, BMK: R2048)	↑	11.87	0.005	11.87	11.87
GC53 (Coupon 11.00%, BMK: R2053)	↑	11.39	0.005	11.39	11.39
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	↓	4,543	-0.03%	4,544	4,524
Platinum	↑	1969	0.78%	1954	1945
Brent Crude	↓	102.6	-2.32%	105.02	105.59
Main Indices		Last Close	Change	Prev Close	Current Spot
NSX Overall Index	↑	1429	0.85%	1417	1429
JSE All Share	↑	114,185	0.12%	114,053	114,185
S&P 500	↑	7,446	0.17%	7,433	7,446
FTSE 100	↑	10,485	0.40%	10,443	10,485
Hangseng	↑	25,571	0.72%	25,387	25,571
DAX	↑	24,736	0.52%	24,607	24,736
JSE Sectors		Last Close	Change	Prev Close	Current Spot
Financials	↑	25,370	0.49%	25,246	25,362
Resources	↓	123,356	-1.28%	124,956	123,461
Industrials	↓	128,296	-0.93%	129,499	128,658
Forex		Last Close	Change	Prev Close	Current Spot
N\$/US Dollar	↓	16.46	-0.06%	16.47	16.50
N\$/Pound	↓	22.10	-0.14%	22.13	22.15
N\$/Euro	↓	19.11	-0.16%	19.14	19.15
US Dollar/ Euro	↑	1.162	0.17%	1.16	1.16
Interest Rates & Inflation		Namibia	RSA		
		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	Apr-26	Mar-26
Inflation	↑	3.1	2.1	4.0	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 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.



For enquiries concerning the Daily Brief please contact us at

Daily.Brief@capricorn.com.na

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