

The Daily Brief

 Capricorn Asset Management

Market Update

Friday, 23 January 2026



Global Markets

Global markets steadied on Thursday as investors leaned back into risk after U.S. President Donald Trump softened his stance on trade and geopolitics, helping reverse part of the week's earlier volatility. MSCI's global equities gauge rose, the dollar weakened, and oil prices swung sharply as markets digested shifting signals around Greenland, Iran and global supply risks. Trump dropped tariff threats against eight European countries and ruled out seizing Greenland by force, calming fears of a broader transatlantic rupture. While details of a U.S.–Greenland framework remain under negotiation, Trump said any agreement would grant the U.S. "total access" to the territory, including military access, at no cost. The pullback from explicit military threats helped ease risk aversion across global markets.

On Wall Street, stocks extended their rebound for a second session, erasing most of the losses triggered earlier in the week by Greenland-related concerns. U.S. economic data provided a supportive backdrop, with the Commerce Department revising third-quarter GDP growth higher to an annualized 4.4%, the strongest pace since Q3 2023, alongside upward revisions to corporate profits. Consumer spending remained solid in October and November, while jobless claims edged only marginally higher, signalling continued resilience in the labour market. The Dow Jones Industrial

Average rose 0.63% to 49,384.01, the S&P 500 gained 0.55% to 6,913.35, and the Nasdaq Composite climbed 0.91% to 23,436.02. Globally, MSCI's all-country index advanced 0.72%, while Europe's STOXX 600 closed up 1.03%.

In currency markets, the easing of geopolitical stress weighed on the U.S. dollar, which slipped 0.61% against a basket of major peers. Risk-sensitive currencies strengthened, with the euro rising to \$1.1753, sterling to \$1.3501, and the Australian dollar gaining more than 1%. The dollar edged slightly higher against the yen.

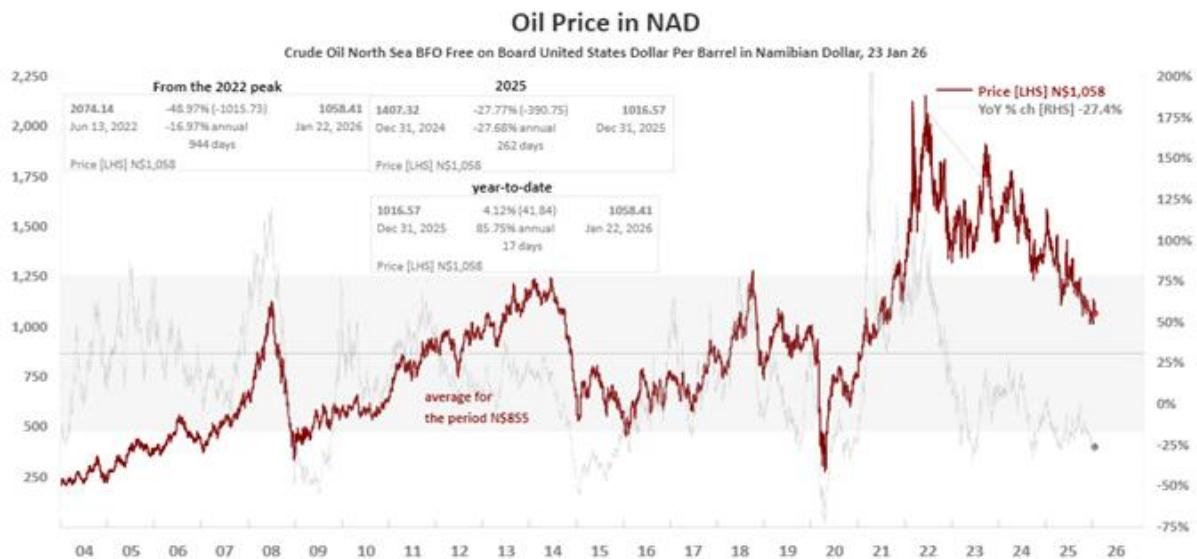
U.S. Treasury yields were mixed as investors balanced relief over Trump's turnaround with lingering uncertainty about future policy shocks. Short-dated yields edged higher, while longer maturities declined. The 2-year yield rose to 3.612%, while the 10-year yield dipped to 4.249% and the 30-year yield fell to 4.8427%.

Oil markets, however, remained the most sensitive barometer of geopolitical risk. Crude prices fell sharply on Thursday as Trump softened threats toward Greenland and Iran, and as hopes for progress toward ending the war in Ukraine reduced immediate supply-risk premiums. U.S. crude settled down 2.08% at \$59.36 a barrel, while Brent fell 1.81% to \$64.06. Prices rebounded modestly on Friday after Trump renewed warnings against Iran, raising concerns of potential military action that could disrupt supplies. Brent rose 0.7% to \$64.49 a barrel, while WTI climbed to \$59.78. A U.S. official said warships, including an aircraft carrier, are expected to arrive in the Middle East in the coming days. Iran, OPEC's fourth-largest producer and a key supplier to China, remains a critical swing factor for global oil markets.

Despite the rebound, oil gains were capped by bearish inventory data. U.S. Energy Information Administration figures showed crude stockpiles rose by 3.6 million barrels last week, well above expectations, reflecting slowing fuel demand. The build reinforced concerns about near-term oversupply, even as geopolitical risks remain elevated. For the week, Brent and WTI are on track for modest gains of around 0.6%, underscoring the tug-of-war between geopolitical risk premiums and softening demand fundamentals.

In contrast, precious metals continued to attract strong safe-haven inflows. Gold surged past \$4,900 per ounce for the first time, supported by a weaker dollar, ongoing geopolitical uncertainty and expectations of Federal Reserve rate cuts. Spot gold rose 1.83% to \$4,924.49, while silver and platinum also hit record highs.

Source: LSEG Thomson Reuters Refinitiv.



Domestic Markets

The South African rand edged up in early trade on Friday, as investors looked ahead to the central bank's interest rate decision next week. At 07:32 GMT, the rand traded at 16.11 against the dollar, about 0.1% up from its previous close.

The South African Reserve Bank (SARB) is set to announce its decision on the main lending rate, following a 25-basis-point cut at its previous meeting in November. This will be the second meeting since the finance minister officially confirmed that the central bank's inflation target is now 3%, from a range of 3-6%. Investec chief economist, Annabel Bishop, said in a research note that the monetary policy meeting seeks to suppress the inflation environment and, over the medium-term, embed the inflation rate at the new target of 3.0% y/y.

The country's statistics agency released December inflation data this week, which showed headline consumer inflation increased to 3.6% year-on-year from 3.5% in November, as predicted by analysts polled by Reuters. However, analysts said they still expect the central bank to deliver several interest rate cuts this year as price pressures remain well contained. "Much depends on the inflation outlook and environment, which currently is expected to become embedded at the 3.0% y/y target over the medium term, allowing for a sustained lower interest rate environment," said Bishop.

On the Johannesburg Stock Exchange, the Top-40 index was last up 1% early trade. South Africa's benchmark 2035 government bond gained in early deals, as the yield fell 7 basis points to 8.185%.

Life is an accomplishment and each moment has a meaning and you must use it.

Jeanne Moreau

Market Overview

Market Indicators		23 January 2026			
Money Market TB's		Last Close	Change	Prev Close	Current Spot
3 months	↑	7.42	0.018	7.41	7.42
6 months	↗	7.49	0.000	7.49	7.49
9 months	↓	7.50	-0.012	7.51	7.50
12 months	↓	7.47	-0.015	7.48	7.47
Nominal Bonds		Last Close	Change	Prev Close	Current Spot
GC26 (Coupon 8.50%, BMK: R186)	↓	7.32	-0.018	7.34	7.32
GC27 (Coupon 8.00%, BMK: R186)	↓	7.47	-0.014	7.48	7.47
GC28 (Coupon 8.00%, BMK: R186)	↑	8.18	0.067	8.11	8.18
GC30 (Coupon 8.00%, BMK: R2030)	↓	8.55	-0.011	8.56	8.55
GC32 (Coupon 9.00%, BMK: R213)	↓	8.65	-0.130	8.78	8.64
GC35 (Coupon 9.50%, BMK: R209)	↓	9.76	-0.086	9.85	9.76
GC37 (Coupon 9.50%, BMK: R2037)	↓	10.24	-0.046	10.29	10.24
GC40 (Coupon 9.80%, BMK: R214)	↓	10.49	-0.210	10.70	10.49
GC43 (Coupon 10.00%, BMK: R2044)	↓	10.76	-0.212	10.97	10.76
GC45 (Coupon 9.85%, BMK: R2044)	↓	10.90	-0.200	11.10	10.90
GC48 (Coupon 9.85%, BMK: R2044)	↓	10.74	-0.188	10.93	10.74
GC50 (Coupon 10.25%, BMK: R2048)	↓	10.74	-0.188	10.93	10.74
Inflation-Linked Bonds		Last Close	Change	Prev Close	Current Spot
GI27 (Coupon 4.00%, BMK: NCPI)	↗	4.60	0.000	4.60	4.60
GI29 (Coupon 4.50%, BMK: NCPI)	↗	4.95	0.000	4.95	4.95
GI31 (Coupon 4.50%, BMK: NCPI)	↗	5.24	0.000	5.24	5.24
GI33 (Coupon 4.50%, BMK: NCPI)	↗	5.46	0.000	5.46	5.46
GI36 (Coupon 4.80%, BMK: NCPI)	↗	5.91	0.000	5.91	5.91
GI41 (Coupon 4.80%, BMK: NCPI)	↗	6.23	0.000	6.23	6.23
Commodities		Last Close	Change	Prev Close	Current Spot
Gold	↑	4,936	2.16%	4,832	4,955
Platinum	↑	2638	5.98%	2489	2657
Brent Crude	↓	64.1	-1.81%	65.24	64.69
Main Indices		Last Close	Change	Prev Close	Current Spot
NSX Local Index	↑	1355	0.67%	1346	1355
JSE All Share	↑	122,339	0.69%	121,502	122,339
S&P 500	↑	6,913	0.54%	6,876	6,913
FTSE 100	↑	10,150	0.12%	10,138	10,150
Hangseng	↑	26,717	0.33%	26,630	26,717
DAX	↑	24,856	1.20%	24,561	24,856
JSE Sectors		Last Close	Change	Prev Close	Current Spot
Financials	↑	25,615	2.12%	25,083	25,449
Resources	↓	141,828	-1.33%	143,746	146,506
Industrials	↑	135,970	1.27%	134,263	135,255
Forex		Last Close	Change	Prev Close	Current Spot
N\$ / US Dollar	↓	16.13	-0.80%	16.26	16.12
N\$ / Pound	↓	21.78	-0.27%	21.84	21.74
N\$ / Euro	↓	18.96	-0.21%	19.00	18.92
US Dollar / Euro	↑	1.176	0.51%	1.17	1.17
Interest Rates & Inflation		Namibia RSA			
Central Bank Rate	↗	Dec-25	Nov-25	Dec-25	Nov-25
Prime Rate	↓	6.50	6.50	6.75	6.75
Inflation	↓	10.00	10.13	10.25	10.25
		Dec-25	Nov-25	Dec-25	Nov-25
		3.2	3.4	3.6	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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