

# The Daily Brief

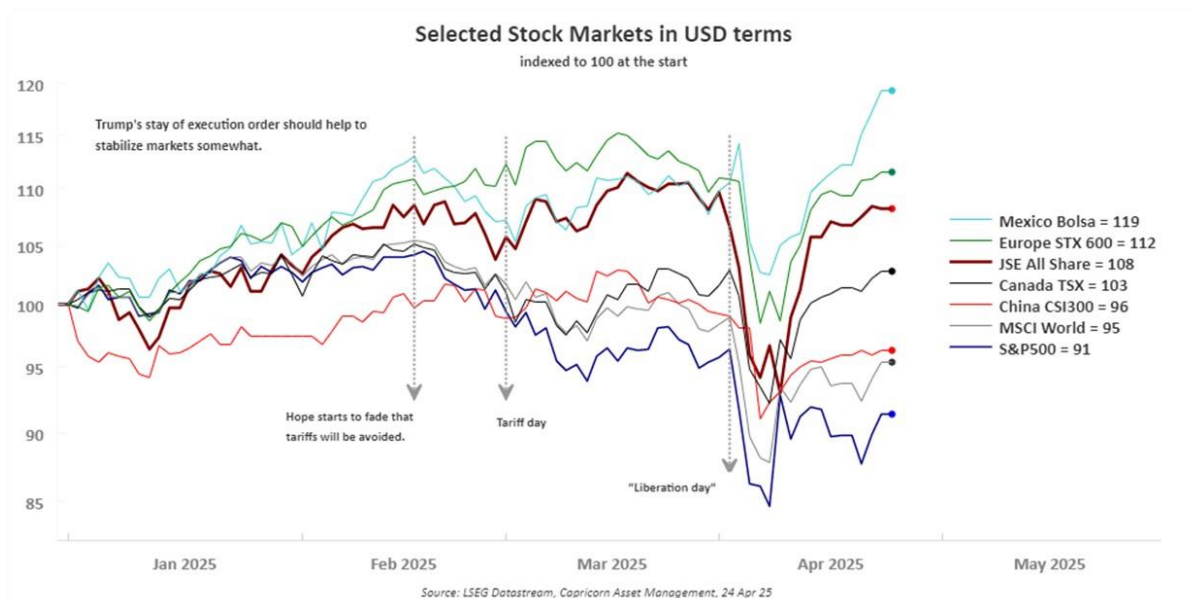


Capricorn Asset Management

## Market Update

Thursday, 24 April 2025

### Global Markets



Stocks drifted on Thursday and a rebound in the dollar lost traction as investors tried to sift through the noise from the Trump administration and its fickle stance on tariffs and the Federal Reserve's leadership. Over the last week, U.S. President Donald Trump rained attacks on Fed Chair Jerome Powell then retracted calls for his resignation, and left investors none the wiser on the ultimate state of tariffs on China despite many headlines around it.

The Trump administration would look at lowering tariffs on imported Chinese goods pending talks with Beijing, a source told Reuters on Wednesday, after a Wall Street Journal report that the White House was considering cutting its tariffs on Chinese imports. But Treasury Secretary Scott Bessent said later that such a move would not come unilaterally, echoing comments from White House spokesperson Karoline Leavitt. "I don't think you can ever get used to the sorts of haphazard and flip-flopping that we've seen. It's extreme," said Tony Sycamore, a market analyst at IG. "I think that's Trump - he wants to try and find the right levers to pull, and I don't think he's scared of trying something, and I don't think he's scared of walking it back if it doesn't work."

MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.72%, bucking the trend on Wall Street after stocks advanced on Wednesday on hopes for a de-escalation of Sino-U.S. trade tensions.

U.S. futures pared gains from earlier in the session with Nasdaq futures losing 0.32% and S&P 500 futures down 0.23%. EUROSTOXX 50 futures swung between losses and gains to last trade flat, while FTSE futures eased 0.04%. The Nikkei ticked up 0.4%.

Japan's tariff negotiator Ryosei Akazawa is making final arrangements to visit the United States from April 30 to hold a second round of talks with his counterpart, two sources familiar with the matter said on Thursday. Also on Wednesday, Japanese Finance Minister Katsunobu Kato urged G20 counterparts to cooperate in stabilizing markets, warning that U.S. tariffs and countermeasures taken by some countries were hurting global growth and destabilizing financial markets. In China, the CSI300 blue-chip index was up just 0.06%, while Hong Kong's Hang Seng Index slid more than 1%. China will firmly support free trade rules and the multilateral trading system, the country's central bank governor said on Wednesday in Washington D.C., state broadcaster CCTV reported.

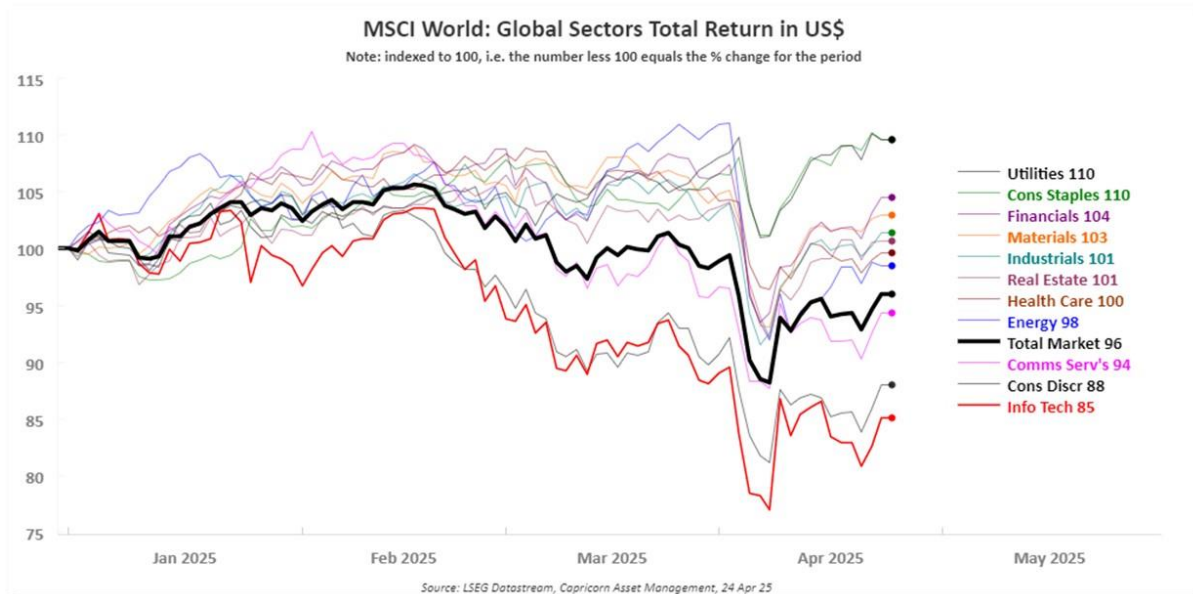
The dollar lost some ground after a rebound this week on relief over Trump's U-turn on axing Powell, as investor confidence in U.S. assets stayed fragile. Against the yen, the dollar fell 0.5% to 142.75. The euro was up 0.25% at \$1.1341, while the Swiss franc rose roughly 0.3% to 0.8281 per dollar.

Longer-dated Treasuries steadied as Trump's reversal on Powell seemed to ease the threat to U.S. monetary and fiscal credibility, with the 30-year yield little changed at 4.7960%. The benchmark 10-year yield was down 3.5 basis points to 4.3578%. Federal Reserve Bank of Cleveland President Beth Hammack said on Wednesday major uncertainty over the outlook continues to argue for the central bank taking it slow on monetary policy to see how the economy performs. Markets are pricing in slightly more than 80 bps of rate cuts by December.

Elsewhere, oil prices steadied after a fall in the previous session as sources said OPEC+ would consider accelerating its oil output increases in June.

Brent crude futures ticked up 0.1% to \$66.19 a barrel, while U.S. crude similarly rose 0.14% to \$62.36 per barrel. Gold resumed its advance towards a record high, with the yellow metal last up 1.1% at \$3,324.23 an ounce.

**Source: LSEG Thomson Reuters Refinitiv.**



## Domestic Markets

The South African rand was marginally stronger in early trade on Thursday after the finance ministry said it was withdrawing a contentious increase in value-added tax (VAT) that was due to kick in on May 1. At 0615 GMT, the rand traded at 18.66 against the dollar, up about 0.2% on Wednesday's closing level.

The VAT hike has caused political wrangling for weeks, exposing deep rifts in the ruling coalition government. The second-biggest party in the coalition, the Democratic Alliance (DA), went to court to challenge the tax increase and voted against the fiscal framework in parliament because of it. Financial market fears that the DA could exit the coalition were one factor behind the rand's slump to a record low this month, the other being risk aversion over U.S. President Donald Trump's tariffs.

Later today, investors will look to March producer inflation figures for clues about price pressures. Data on Wednesday showed consumer inflation slowed more than expected last month.

The benchmark 2030 government bond was little changed in early deals.

**Source: LSEG Thomson Reuters Refinitiv.**

Good, better, best. Never let it rest. 'Til your good is better and your better is best.

St. Jerome

## Market Overview

MARKET INDICATORS (Bloomberg)				24 April 2025	
<b>Money Market TB's</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
3 months	↑	7.58	0.068	7.51	7.58
6 months	↑	7.64	0.014	7.62	7.64
9 months	↑	7.74	0.025	7.72	7.74
12 months	↑	7.78	0.010	7.77	7.78
<b>Nominal Bonds</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
GC26 (Coupon 8.50%, BMK: R186)	↓	8.30	-0.056	8.35	8.29
GC27 (Coupon 8.00%, BMK: R186)	↓	8.37	-0.026	8.39	8.36
GC30 (Coupon 8.00%, BMK: R2030)	↑	9.06	0.041	9.02	9.06
GC32 (Coupon 9.00%, BMK: R213)	↑	9.93	0.040	9.89	9.93
GC35 (Coupon 9.50%, BMK: R209)	↓	11.48	-0.087	11.57	11.48
GC37 (Coupon 9.50%, BMK: R2037)	↑	11.91	0.011	11.90	11.91
GC40 (Coupon 9.80%, BMK: R214)	↑	12.05	0.002	12.05	12.05
GC43 (Coupon 10.00%, BMK: R2044)	↓	12.00	-0.044	12.05	11.99
GC45 (Coupon 9.85%, BMK: R2044)	↓	12.27	-0.080	12.35	12.22
GC48 (Coupon 10.00%, BMK: R2048)	↑	12.19	0.005	12.18	12.18
GC50 (Coupon 10.25%, BMK: R2048)	↑	12.33	0.002	12.33	12.33
<b>Inflation-Linked Bonds</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
GI25 (Coupon 3.80%, BMK: NCPI)	↓	2.92	-0.197	3.11	2.90
GI27 (Coupon 4.00%, BMK: NCPI)	↓	4.44	-0.023	4.46	4.44
GI29 (Coupon 4.50%, BMK: NCPI)	↓	4.65	-0.027	4.68	4.65
GI33 (Coupon 4.50%, BMK: NCPI)	↓	5.27	-0.021	5.29	5.27
GI36 (Coupon 4.80%, BMK: NCPI)	↑	5.62	0.005	5.62	5.62
<b>Commodities</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
Gold	↓	3,288	-2.73%	3,381	3,334
Platinum	↑	976	1.67%	960	975
Brent Crude	↓	66.1	-1.96%	67.44	66.69
<b>Main Indices</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
NSX Local Index	↑	1023	1.79%	1005	1023
JSE All Share	↓	89,566	-0.31%	89,847	89,566
S&P 500	↑	5,376	1.66%	5,288	5,376
FTSE 100	↓	8,387	-0.19%	8,403	8,387
Hangseng	↓	21,830	-1.10%	22,073	21,830
DAX	↓	21,764	-0.90%	21,962	21,764
<b>JSE Sectors</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
Financials	↑	20,058	1.60%	19,742	20,024
Resources	↓	71,055	-4.86%	74,688	70,739
Industrials	↑	125,701	1.32%	124,064	125,146
<b>Forex</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
N\$/US Dollar	↑	18.66	0.21%	18.62	18.65
N\$/Pound	↓	24.75	-0.28%	24.82	24.78
N\$/Euro	↓	21.11	-0.75%	21.27	21.21
US Dollar/ Euro	↓	1.132	-0.70%	1.14	1.14
		<b>Namibia</b>		<b>RSA</b>	
<b>Interest Rates &amp; Inflation</b>		<b>Apr-25</b>	<b>Mar-25</b>	<b>Apr-25</b>	<b>Mar-25</b>
Central Bank Rate	→	6.75	6.75	7.50	7.50
Prime Rate	→	10.50	10.50	11.00	11.00
		<b>Mar-25</b>	<b>Feb-25</b>	<b>Mar-25</b>	<b>Feb-25</b>
Inflation	↑	4.2	3.6	2.7	3.2

#### 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

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**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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