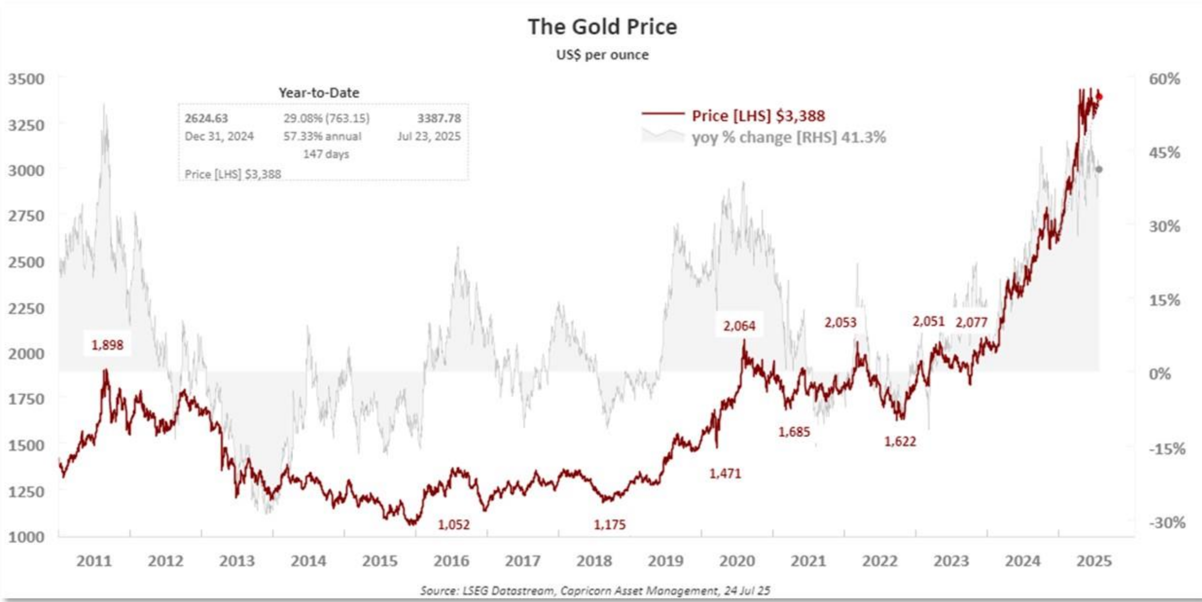
Market Update

Thursday, 24 July 2025

Global Markets



Stocks in Asia extended gains on Thursday as optimism on Wall Street over trade deals and corporate earnings shored up investor confidence across the region, while the euro was steady ahead of European Central Bank policy meeting. MSCI's broadest index of Asia-Pacific shares outside Japan was up 0.4%, hitting a near four-year peak after U.S. stocks ended the previous session at a record high.

The bullish mood is set to continue in Europe. The pan-European futures were up 1.17%, German DAX futures were up 1.15% and FTSE futures were up 0.39%. Tokyo's broad Topix gauge of shares and Singapore's benchmark index both crossed above previous highs, while the Nikkei 225 extended Wednesday's gains to within reach of its record high hit last year. Traders are speculating that the U.S. may soon reach a trade agreement with the European Union, after the Trump administration struck deals with Japan, the Philippines and Indonesia earlier this week.

Markets were relatively subdued after the White House said that U.S. President Donald Trump will visit the Federal Reserve on Thursday, a surprise move that escalates tension between the administration and Chair Jerome Powell. The Fed is expected to hold rates steady next week. The yield on benchmark 10-year Treasury notes was steady at 4.3937%. The two-year yield, which rises with traders' expectations of higher Fed fund rates, touched 3.8908%.

The dollar dropped 0.31% against the yen to 146.03. It is still some distance from its low this year of 139.89 in April. The euro last fetched $1.1774, after hitting a more than two-week high earlier in the session. The dollar index, which tracks the greenback against a basket of currencies of other major trading partners, was down at 97.156. The gauge has dropped over 10% this year as investors scurry for alternatives in the wake of Trump's erratic trade policies.

Second-quarter earnings are well underway, with 23% of the companies in the S&P 500 having reported. Of those, 85% have beaten Wall Street expectations, according to LSEG data. In Asia, South Korean chipmaker SK Hynix and India's Infosys provided rosy outlooks in their latest earnings reports, shrugging off U.S. trade uncertainty.

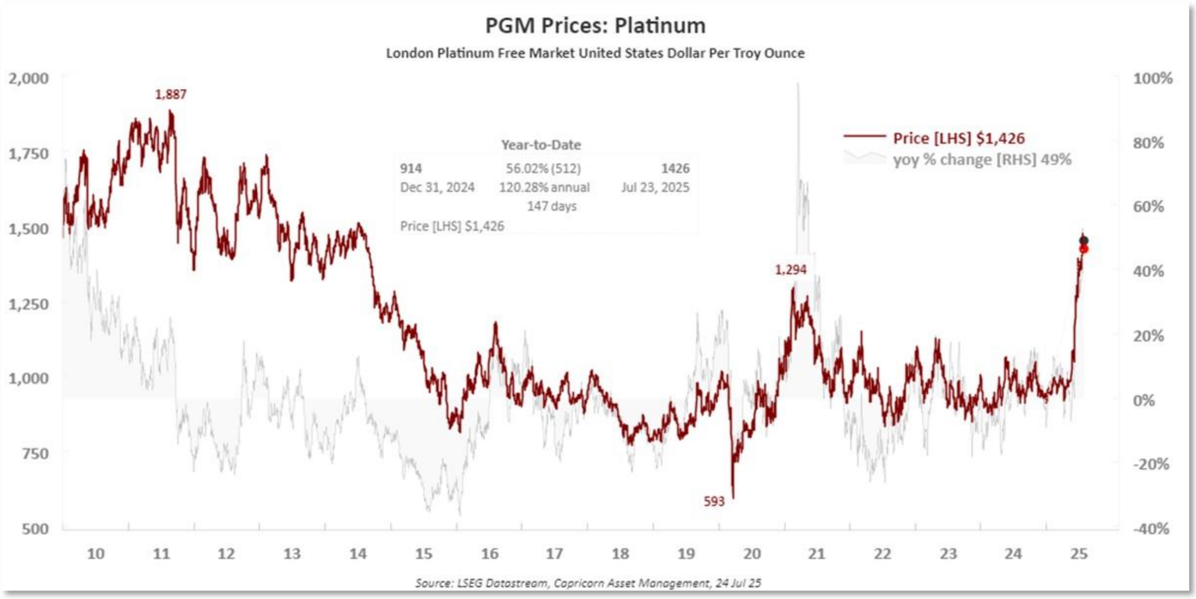
Investors will watch out for the policy decision from the ECB later on Thursday as trade talks between Washington and Brussels continue. The central bank is expected to keep interest rates on hold, pausing after seven straight cuts. Investors generally expect one more ECB rate cut by the end of the year, most likely in December. Trump has threatened to impose a 30% duty on EU goods but two diplomats said on Wednesday the EU and the U.S. were heading towards a deal that would result in a broad tariff of 15% applying to EU goods.

Oil prices rose on speculation the trade deal would support global growth and after a sharper-than-expected decline in U.S. crude inventories. U.S. crude ticked up 0.52% to $65.59 a barrel.

Gold was slightly lower as easing trade tensions dented demand for safe-haven assets, overshadowing support from a weaker dollar. Spot gold was traded at $3,382.79 per ounce.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets



The South African rand strengthened on Wednesday as inflation rose only modestly, keeping the central bank on track to continue cutting interest rates, while the local stock market scaled a new record high. At 1445 GMT, the rand traded at 17.5550 against the U.S. dollar, up about 0.2% on Tuesday's closing level. South African inflation rose to 3.0% year on year in June from 2.8% in May, in line with forecasts, which analysts said left room for the central bank to ease policy further. The bank holds a rate-setting meeting next week.

Stephan Erasmus, investment analyst at Anchor Capital, said the bourse's strong performance so far this year - the All-Share Index is up roughly 19% - had been driven by a few standout performers, including mining and telecoms stocks, and heavyweight Naspers. Kevin Lings, chief economist at Stanlib, said the exchange had been lifted by a stronger gold price, the fact that some asset managers thought local valuations looked cheap compared to U.S. equities, and a view held by some that the economy was not in as bad shape as official data suggests. Statistics agency data last month showed South Africa's economy stagnated in the first quarter, eking out quarter-on-quarter growth of 0.1%. But the outgoing chief executive of local bank Capitec has since said he thought economic activity in the informal sector was underestimated, in comments that Lings said had resonated with some fund managers.

Lawmakers passed the Appropriation Bill on Wednesday, which allocates funds to government departments and entities, bringing to an end to months of disputes between coalition partners over the budget.

The benchmark 2035 government bond gained slightly, with the yield down 3.5 basis points to 9.81%. The Johannesburg Stock Exchange's All-Share Index crossed 100,000 points for the first time, last trading up 0.8%.

Source: LSEG Thomson Reuters Refinitiv.

You get a trade deal! You get a trade deal! Everybody gets a trade deal!

Market Overview

MARKET INDICATORS (Bloomberg)					24 July 2025
Money Market TB's		**Last Close**	**Change**	**Prev Close**	**Current Spot**
3 months	↓	7.50	-0.045	7.55	7.50
6 months	↓	7.65	-0.005	7.65	7.65
9 months	↓	7.75	-0.006	7.76	7.75
12 months	↑	7.74	0.002	7.74	7.74
Nominal Bonds		**Last Close**	**Change**	**Prev Close**	**Current Spot**
GC26 (Coupon 8.50%, BMK: R186)	↓	7.60	-0.006	7.61	7.60
GC27 (Coupon 8.00%, BMK: R186)	↓	7.78	-0.003	7.78	7.78
GC30 (Coupon 8.00%, BMK: R2030)	↓	9.02	-0.019	9.04	9.02
GC32 (Coupon 9.00%, BMK: R213)	↓	9.61	-0.024	9.63	9.61
GC35 (Coupon 9.50%, BMK: R209)	↑	10.94	0.001	10.94	10.94
GC37 (Coupon 9.50%, BMK: R2037)	↓	11.21	-0.019	11.23	11.21
GC40 (Coupon 9.80%, BMK: R214)	↓	11.40	-0.025	11.43	11.41
GC43 (Coupon 10.00%, BMK: R2044)	↓	11.55	-0.046	11.60	11.55
GC45 (Coupon 9.85%, BMK: R2044)	↓	11.86	-0.083	11.94	11.86
GC48 (Coupon 10.00%, BMK: R2048)	↓	11.76	-0.039	11.80	11.76
GC50 (Coupon 10.25%, BMK: R2048)	↓	12.03	-0.028	12.06	12.03
Inflation-Linked Bonds		**Last Close**	**Change**	**Prev Close**	**Current Spot**
GI27 (Coupon 4.00%, BMK: NCPI)	↓	4.51	-0.002	4.51	4.51
GI29 (Coupon 4.50%, BMK: NCPI)	↑	4.71	0.003	4.70	4.71
GI33 (Coupon 4.50%, BMK: NCPI)	↓	5.23	-0.001	5.23	5.23
GI36 (Coupon 4.80%, BMK: NCPI)	↑	5.69	0.003	5.69	5.69
Commodities		**Last Close**	**Change**	**Prev Close**	**Current Spot**
Gold	↓	3,387	-1.29%	3,431	3,376
Platinum	↓	1422	-1.55%	1445	1411
Brent Crude	↓	68.5	-0.12%	68.59	69.36
Main Indices		**Last Close**	**Change**	**Prev Close**	**Current Spot**
NSX Overall Index	↑	1078	0.09%	1077	1078
JSE All Share	↑	100,180	0.86%	99,325	100,180
S&P 500	↑	6,359	0.78%	6,310	6,359
FTSE 100	↑	9,061	0.41%	9,024	9,061
Hangseng	↑	25,693	0.61%	25,538	25,693
DAX	↑	24,241	0.83%	24,042	24,241
JSE Sectors		**Last Close**	**Change**	**Prev Close**	**Current Spot**
Financials	→	21,116	0.00%	21,116	21,190
Resources	→	85,038	0.00%	85,038	85,227
Industrials	→	137,807	0.00%	137,807	140,158
Forex		**Last Close**	**Change**	**Prev Close**	**Current Spot**
N$/US Dollar	↓	17.53	-0.17%	17.56	17.58
N$/Pound	↑	23.81	0.17%	23.77	23.84
N$/Euro	↑	20.64	0.05%	20.63	20.67
US Dollar/ Euro	↓	1.177	-0.25%	1.18	1.18
		Namibia		**RSA**	
Interest Rates & Inflation		**Jun-25**	**May-25**	**Jun-25**	**May-25**
Central Bank Rate	→	6.75	6.75	7.25	7.25
Prime Rate	→	10.50	10.50	10.75	10.75
		Jun-25	**May-25**	**Jun-25**	**May-25**
Inflation	↑	3.7	3.5	3.0	2.8

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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