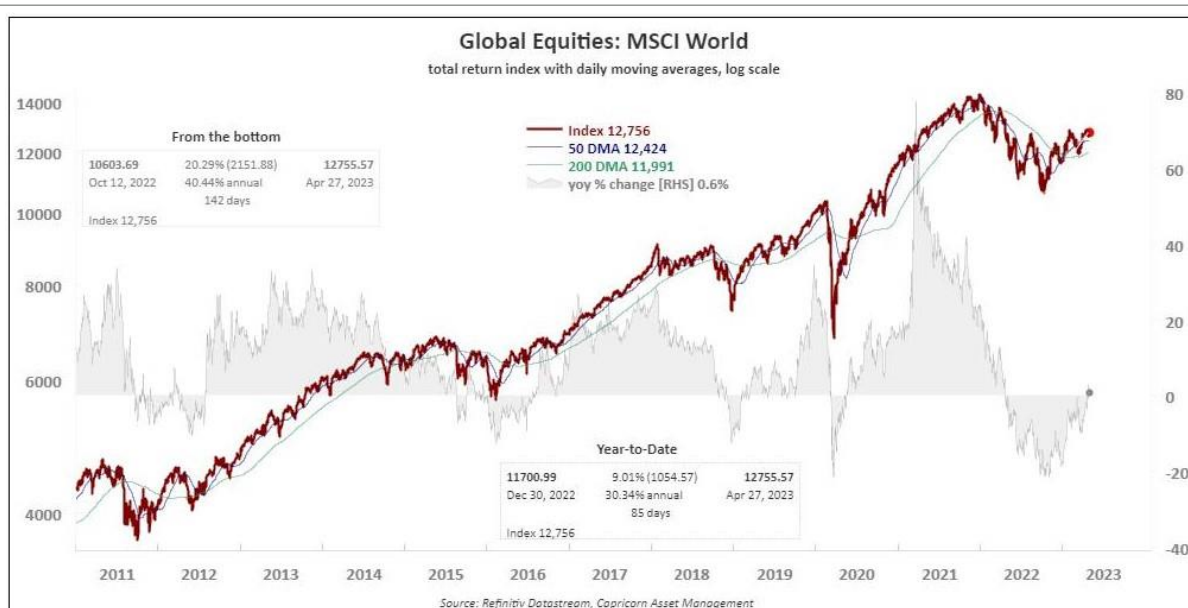




Market Update

Friday, 28 April 2023



Global Markets

Asian stocks rose on Friday as strong corporate earnings lifted sentiment despite lingering worries over economic weakness, while the yen dipped after the Bank of Japan kept rates ultra-low even as it announced a broad review of monetary policy.

MSCI's broadest index of Asia-Pacific shares outside Japan was 0.45% higher but remained on course to end the month lower.

Japan's Nikkei jumped 1% while the yen weakened 0.60% to a one-week low of 134.76 per dollar and Japanese government bonds rallied.

The BOJ kept its loose monetary settings unchanged but revamped its guidance on the future path of policy, and announced a "broad-perspective" review of its monetary policy.

The central bank in its first meeting under new governor Kazuo Ueda modified its forward guidance by removing a pledge to keep interest rates at "current or lower levels."

"The wait for the announcement sparked quite a bit of volatility in the yen and rising expectations that we will get a tweak," said Charu Chanana, a market strategist at Saxo Markets in Singapore.

"But eventually, even their (BOJ) announcement of a policy review came with a 1-1.5 year timespan which was longer than what market expected."

Overnight, U.S. stocks closed sharply higher on Thursday thanks to upbeat results from bellwether tech firms, with Meta Platforms Inc, Microsoft Corp and Alphabet Inc soaring after reporting results.

"As earnings season accelerates, macro and geopolitical clouds are receding, and company fundamentals are increasingly driving the market," said Lewis Grant, senior portfolio manager for global equities at Federated Hermes.

"Investor sentiment remains every bit as fragile as the global economy and earnings season provides much needed visibility on the general health of firms."

E-mini futures for the S&P 500 eased 0.14% after Amazon.com Inc signalled its cloud growth would slow further as its business customers braced for turbulence and clamped down on spending.

Futures indicated European stocks were set for a higher open, with Eurostoxx 50 futures up 0.46%, German DAX futures up 0.40% and FTSE futures up 0.34%.

China shares gained 0.67%, while Hong Kong's Hang Seng index was 0.87% higher. Geopolitical tensions along with worries over the global economic outlook have crimped investor sentiment in recent weeks.

Data overnight showed the U.S. economy slowed more than expected in the first quarter, even as price growth came in hotter than economists had projected.

Taylor Nugent, an economist at National Australia Bank, said the data showed "an unhappy combination" of softer-than-expected growth and stronger-than-expected price increases in the first quarter.

The core PCE price index, one of the measures of inflation tracked by the Federal Reserve, jumped at a 4.9% rate after advancing at a 4.4% pace in the prior quarter.

Data also showed that initial claims for unemployment benefits fell, suggesting ongoing tightness in the labour market, a major driver of inflation.

"Stubborn inflation data gives the Fed little breathing room to take heed of nascent slowing in activity and the labour market should it continue to develop," Nugent said.

Markets are pricing in an 85% chance of the Fed raising interest rates by 25 basis points at its meeting next week, the CME FedWatch tool showed. Traders expect the hike to be the last in the U.S. central bank's fastest monetary policy tightening cycle since the 1980s.

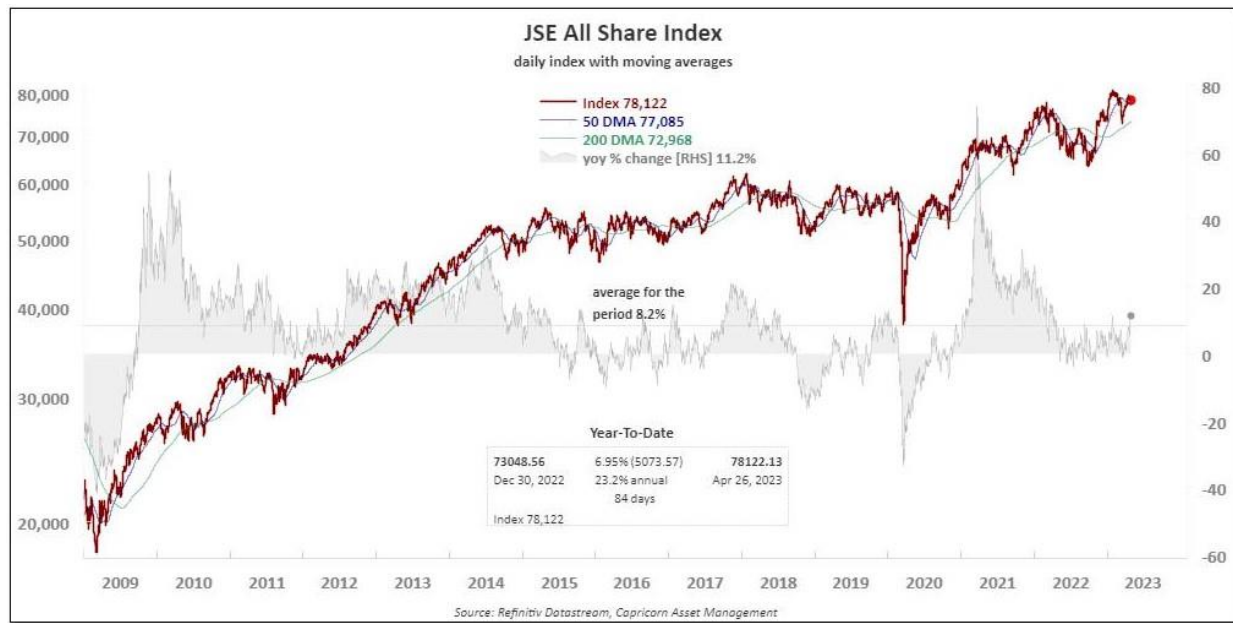
The yield on 10-year Treasury notes was down 1.7 basis points to 3.511%, after clocking their biggest intraday gain since March on Thursday as investors weighed the looming debt ceiling showdown in Washington.

The yield on the 30-year Treasury bond was down 1.3 basis points to 3.743%.

The dollar index, which measures the currency against six rivals, rose 0.227%, with the euro down 0.16% to \$1.1009.

U.S. crude recently rose 0.54% to \$75.16 per barrel and Brent was at \$78.89, up 0.66% on the day.

Source: Thomson Reuters Refinitiv



Domestic Markets

Due to yesterday's public holiday in South Africa, there is no domestic commentary.

How little do they see what really is, who frame their hasty judgment upon that which seems.

Daniel Webster

Market Overview

MARKET INDICATORS (Thomson Reuters Refinitiv)				28 April 2023	
Money Market TB Rates %		Last close	Difference	Prev close	Current Spot
3 months	⇒	8.47	0.000	8.47	8.47
6 months	⇒	8.85	0.000	8.85	8.85
9 months	⇒	9.25	0.000	9.25	9.25
12 months	⇒	9.33	0.000	9.33	9.33
Nominal Bond Yields %		Last close	Difference	Prev close	Current Spot
GC23 (Coupon 8.85%, BMK R2023)	⇒	8.40	0.000	8.40	8.40
GC24 (Coupon 10.50%, BMK R186)	⇒	9.13	0.000	9.13	9.13
GC25 (Coupon 8.50%, BMK R186)	⇒	9.28	0.000	9.28	9.28
GC26 (Coupon 8.50%, BMK R186)	⇒	9.18	0.000	9.18	9.18
GC27 (Coupon 8.00%, BMK R186)	⇒	9.65	0.000	9.65	9.65
GC28 (Coupon 8.50%, BMK R2030)	⇒	10.01	0.000	10.01	10.01
GC30 (Coupon 8.00%, BMK R2030)	⇒	10.71	0.000	10.71	10.71
GC32 (Coupon 9.00%, BMK R213)	⇒	11.38	0.000	11.38	11.38
GC35 (Coupon 9.50%, BMK R209)	⇒	12.65	0.000	12.65	12.65
GC37 (Coupon 9.50%, BMK R2037)	⇒	13.09	0.000	13.09	13.09
GC40 (Coupon 9.80%, BMK R214)	⇒	13.18	0.000	13.18	13.17
GC43 (Coupon 10.00%, BMK R2044)	⇒	13.95	0.000	13.95	13.95
GC45 (Coupon 9.85%, BMK R2044)	⇒	13.85	0.000	13.85	13.85
GC48 (Coupon 10.00%, BMK R2048)	⇒	14.00	0.000	14.00	14.00
GC50 (Coupon 10.25%, BMK: R2048)	⇒	14.10	0.000	14.10	14.10
Inflation-Linked Bond Yields %		Last close	Difference	Prev close	Current Spot
GI25 (Coupon 3.80%, BMK NCPI)	⇒	3.29	0.000	3.29	3.29
GI27 (Coupon 4.00%, BMK NCPI)	⇒	3.63	0.000	3.63	3.59
GI29 (Coupon 4.50%, BMK NCPI)	⇒	5.25	0.000	5.25	5.12
GI33 (Coupon 4.50%, BMK NCPI)	⇓	6.13	-0.087	6.22	6.13
GI36 (Coupon 4.80%, BMK NCPI)	⇒	6.46	0.000	6.46	6.43
Commodities		Last close	Change	Prev close	Current Spot
Gold	⇓	1,988	-0.08%	1,989	1,985
Platinum	⇓	1,077	-1.19%	1,090	1,073
Brent Crude	⇑	78.4	0.88%	77.7	78.8
Main Indices		Last close	Change	Prev close	Current Spot
NSX Overall Index	⇒	1,564	0.00%	1,564	1,564
JSE All Share	⇒	78,122	0.00%	78,122	78,122
SP500	⇑	4,135	1.96%	4,056	4,135
FTSE 100	⇓	7,832	-0.27%	7,853	7,832
Hangseng	⇑	19,840	0.42%	19,757	19,922
DAX	⇑	15,800	0.03%	15,796	15,800
JSE Sectors		Last close	Change	Prev close	Current Spot
Financials	⇒	15,604	0.00%	15,604	15,604
Resources	⇒	69,009	0.00%	69,009	69,009
Industrials	⇒	106,108	0.00%	106,108	106,108
Forex		Last close	Change	Prev close	Current Spot
N\$/US dollar	⇓	18.28	-0.61%	18.39	18.37
N\$/Pound	⇓	22.84	-0.38%	22.93	22.90
N\$/Euro	⇓	20.16	-0.73%	20.31	20.22
US dollar/ Euro	⇓	1.103	-0.12%	1.104	1.101
		Namibia		RSA	
Interest Rates & Inflation		Apr 23	Mar 23	Apr 23	Mar 23
Central Bank Rate	⇑	7.25	7.00	7.75	7.75
Prime Rate	⇑	11.00	10.75	11.25	10.75
		Mar 23	Feb 23	Mar 23	Feb 23
Inflation	⇒	7.2	7.2	7.1	7.0

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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