

The Daily Brief

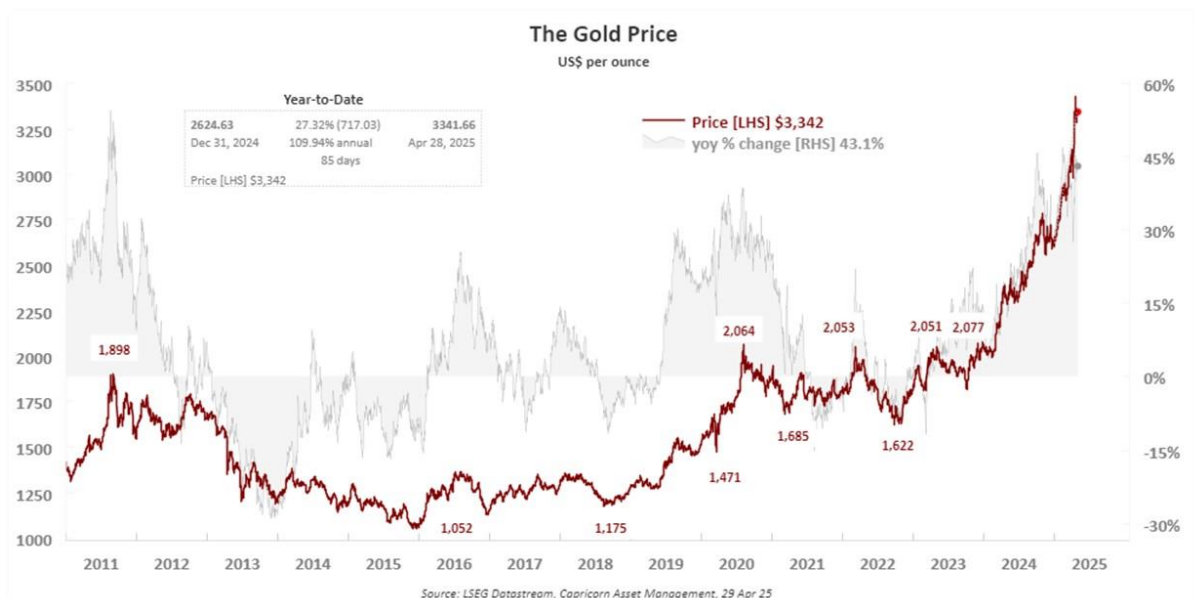


Capricorn Asset Management

Market Update

Tuesday, 29 April 2025

Global Markets



Stocks ticked sideways on Tuesday while the dollar headed towards its largest monthly fall for years as investors braced for the trade war to be felt in earnings and economic data. U.S. President Donald Trump's tariffs have rattled faith in U.S. assets and even though numerous backdowns have helped the S&P 500 recover much of its early April losses, the dollar has managed only to steady, without a big rebound.

It slipped overnight when U.S. Treasury Secretary Scott Bessent told CNBC it was "up to China to de-escalate" tariffs, which sit at 125% for most U.S. exports to China. A holiday in Japan thinned currency trade in the Asia session, leaving most pairs steady. But at \$1.1409 and up 5% in April, the euro is set for its largest monthly rise on the dollar in almost 15 years, while the dollar's 7% drop on the safe-haven Swiss franc is the largest in a decade.

Nikkei and S&P 500 futures drifted higher, helped by officials foreshadowing a softening in automotive tariffs, though investors were holding out for more meaningful relief on the eye-watering 145% U.S. tariffs on China. China has moved to make some exemptions but has held off on stimulus, betting Washington blinks first. China's foreign ministry also said President Xi Jinping had not spoken to Trump recently, nor were their respective administrations trying to strike a tariff deal,

contradicting the U.S. president's claim in an interview with Time magazine. Hong Kong's Hang Seng was up 0.3% in early trade and the mainland blue chip index fell 0.2%.

First-quarter GDP and April U.S. jobs figures due later in the week are likely to be supported by front-loaded purchases to beat out the new taxes, J.P. Morgan analysts said in a note, but a drop in China shipments suggests a reckoning may be due soon. "The clock is ticking on hard data resilience," said J.P. Morgan analysts in a note, which highlights a 42% peak-to-trough slump in China shipments to the U.S. in the past 10 days, which if sustained would reverberate through supply chains. "A worrying decoupling of U.S.-China trade now looks to be underway, and we expect the damage to build in coming weeks and months."

Besides U.S. data, investors are watching for the outcome of Canada's election - expected to return the Liberals to power - and inflation readings are due in Europe, beginning with Spain and Belgium later on Tuesday. Power started returning to parts of the Iberian peninsula late on Monday after a huge outage brought most of Spain and Portugal to a standstill. HSBC, and big Chinese lenders report quarterly results on Tuesday, along with BP, Deutsche Bank, Adidas, Coca-Cola, General Motors and Visa. Mega-caps Apple, Microsoft, Amazon and Meta Platforms report later in the week.

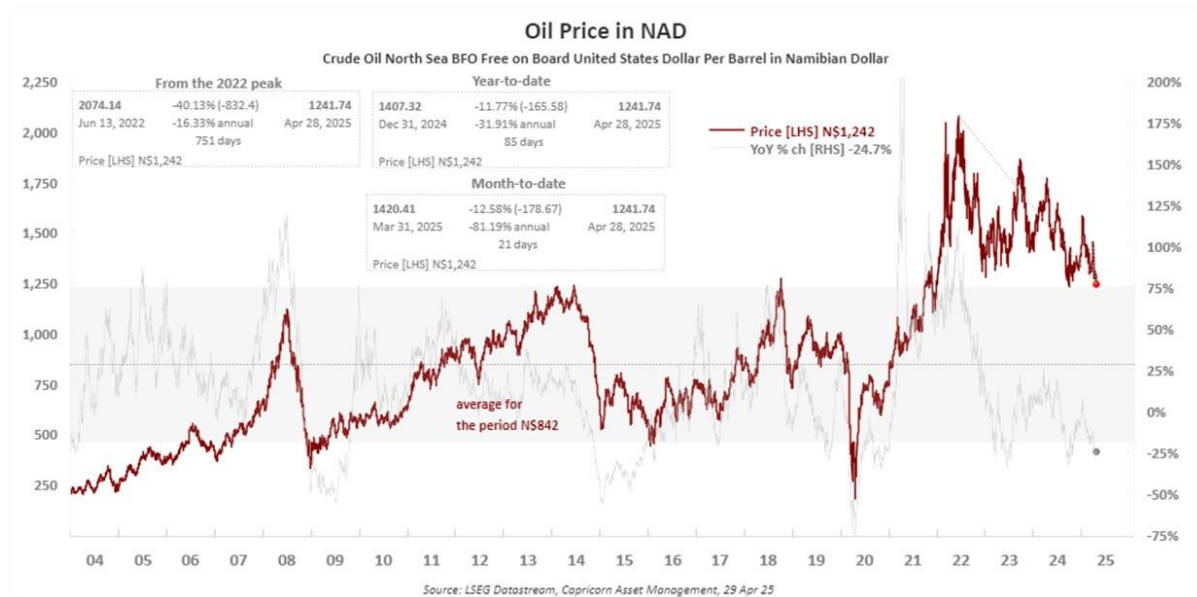
Treasuries were untraded in Asia owing to Japan's holiday, leaving benchmark 10-year yields at 4.206% and futures broadly steady.

The stronger dollar set gold back 1% to \$3,305 an ounce.

Brent crude was 1% weaker at \$65.21 a barrel.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets



The South African markets were closed on Monday, 28 April 2025, in observance of the Freedom Day public holiday.

Source: LSEG Thomson Reuters Refinitiv.

If you believe in yourself and have dedication and pride - and never quit, you'll be a winner. The price of victory is high but so are the rewards.

Bear Bryant

Market Overview

MARKET INDICATORS (Bloomberg)				29 April 2025	
Money Market TB's		Last Close	Change	Prev Close	Current Spot
3 months	↑	7.64	0.055	7.58	7.64
6 months	↑	7.65	0.016	7.64	7.65
9 months	↑	7.76	0.017	7.74	7.76
12 months	↑	7.79	0.009	7.78	7.79
Nominal Bonds		Last Close	Change	Prev Close	Current Spot
GC26 (Coupon 8.50%, BMK: R186)	↑	8.27	0.017	8.25	8.27
GC27 (Coupon 8.00%, BMK: R186)	↓	8.35	-0.004	8.35	8.35
GC30 (Coupon 8.00%, BMK: R2030)	↑	8.99	0.126	8.86	8.99
GC32 (Coupon 9.00%, BMK: R213)	↓	9.89	-0.009	9.90	9.89
GC35 (Coupon 9.50%, BMK: R209)	↓	11.26	-0.302	11.57	11.26
GC37 (Coupon 9.50%, BMK: R2037)	↓	11.57	-0.346	11.91	11.55
GC40 (Coupon 9.80%, BMK: R214)	↑	11.74	0.085	11.66	11.74
GC43 (Coupon 10.00%, BMK: R2044)	↑	11.89	0.129	11.76	11.89
GC45 (Coupon 9.85%, BMK: R2044)	↓	12.16	-0.027	12.19	12.14
GC48 (Coupon 10.00%, BMK: R2048)	↑	12.09	0.027	12.06	12.09
GC50 (Coupon 10.25%, BMK: R2048)	↓	12.28	-0.013	12.29	12.28
Inflation-Linked Bonds		Last Close	Change	Prev Close	Current Spot
GI25 (Coupon 3.80%, BMK: NCPI)	↓	2.88	-0.011	2.89	2.87
GI27 (Coupon 4.00%, BMK: NCPI)	↑	4.44	0.002	4.44	4.44
GI29 (Coupon 4.50%, BMK: NCPI)	↑	4.65	0.002	4.65	4.65
GI33 (Coupon 4.50%, BMK: NCPI)	↑	5.30	0.001	5.30	5.30
GI36 (Coupon 4.80%, BMK: NCPI)	↓	5.63	-0.001	5.64	5.63
Commodities		Last Close	Change	Prev Close	Current Spot
Gold	↑	3,344	0.73%	3,320	3,317
Platinum	↑	990	1.44%	976	988
Brent Crude	↓	65.9	-1.51%	66.87	65.27
Main Indices		Last Close	Change	Prev Close	Current Spot
NSX Local Index	↑	1036	0.29%	1033	1036
JSE All Share	↑	90,720	0.18%	90,553	90,720
S&P 500	↑	5,529	0.07%	5,525	5,529
FTSE 100	↑	8,417	0.02%	8,415	8,417
Hangseng	↑	21,991	0.09%	21,972	21,991
DAX	↑	22,272	0.13%	22,242	22,272
JSE Sectors		Last Close	Change	Prev Close	Current Spot
Financials	→	20,265	0.00%	20,265	20,437
Resources	→	71,383	0.00%	71,383	69,695
Industrials	→	126,794	0.00%	126,794	127,990
Forex		Last Close	Change	Prev Close	Current Spot
N\$/US Dollar	↓	18.53	-0.96%	18.71	18.57
N\$/Pound	→	24.90	0.00%	24.90	24.91
N\$/Euro	↓	21.16	-0.33%	21.23	21.15
US Dollar/ Euro	↑	1.142	0.18%	1.14	1.14
		Namibia		RSA	
Interest Rates & Inflation		Apr-25	Mar-25	Apr-25	Mar-25
Central Bank Rate	→	6.75	6.75	7.50	7.50
Prime Rate	→	10.50	10.50	11.00	11.00
		Mar-25	Feb-25	Mar-25	Feb-25
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 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.



Capricorn Asset Management



Bank Windhoek

For enquiries concerning the Daily Brief please contact us at

Daily.Brief@capricorn.com.na

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