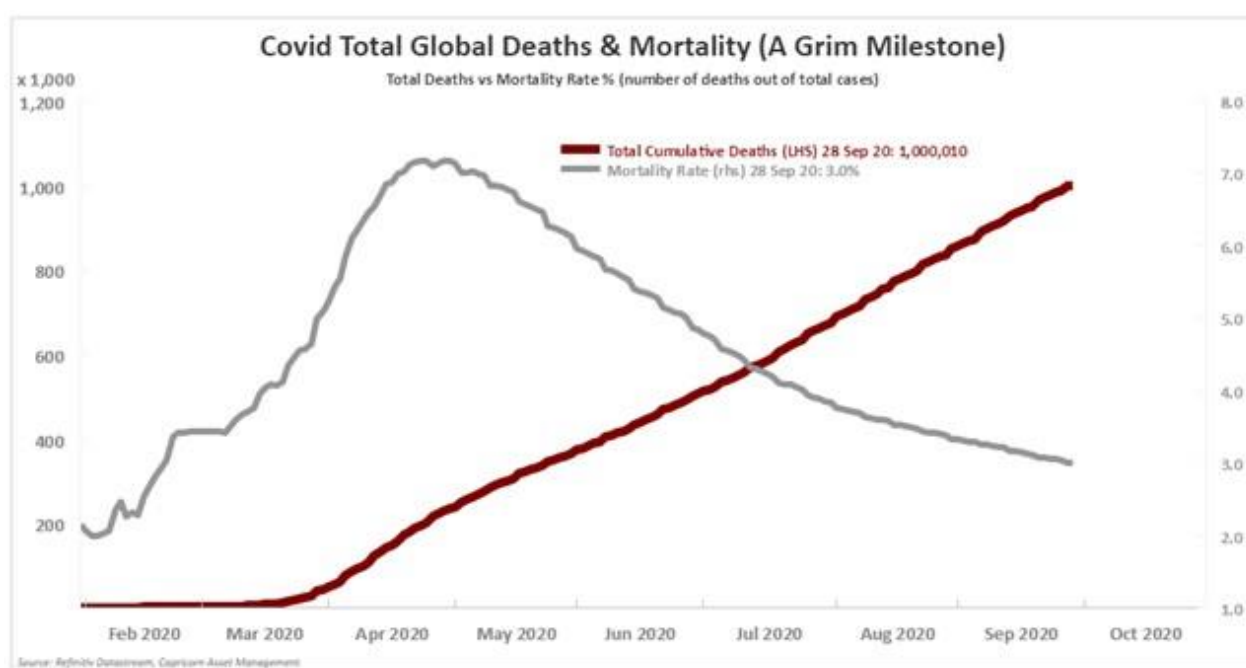




Market Update

Tuesday, 29 September 2020



Global Markets

Asian markets largely opened higher on Tuesday, building on newfound momentum after bargain hunters helped a recovery in U.S. markets in the wake of last week's selloff.

Hong Kong's Hang Seng index was up 0.2% while Chinese shares opened higher with the blue-chip CSI 300 index up 0.41%. MSCI's broadest index of Asia-Pacific shares outside Japan advanced 0.39% to 555.01. Japan's benchmark Nikkei average, however, dropped 0.61% as telecom stocks fell after Nippon Telegraph and Telephone Corp announced a \$38 billion take-private of its wireless carrier business, paving the way for price cuts in the sector. Shares going ex-dividend was also expected to dampen market sentiment. Australia's S&P/ASX 200 index rose 0.22%, while New Zealand's S&P/NZX 50 index edged down 0.27% after rising in early trade.

Asian markets have been buoyed by positive signs around China's economic recovery, although the coronavirus pandemic continues to wreak economic havoc globally and raise concern about high valuations. Investors will remain cautious ahead of the first U.S. presidential debate later in the day, and as lawmakers continue efforts to cobble together additional economic stimulus. U.S. consumer confidence and home price data is also due later. Upcoming U.S. economic data should help show

how well the country is positioned to rebound from pandemic lockdowns, and how necessary more stimulus will be.

"Globally, a loss of momentum and the renewed rise in COVID-19 infection rates points to the need for additional fiscal and monetary support. That policy outlook is continuing to provide a supportive backdrop to equities despite recent volatility," ANZ Bank analysts wrote in a note. U.S. House of Representatives Speaker Nancy Pelosi said on Monday that Democratic lawmakers unveiled a new, \$2.2 trillion coronavirus relief bill, which she said was a compromise measure that reduces the costs of the economic aid.

U.S. traders posted strong gains on Wall Street on Monday, particularly in hard-hit sectors like hotels, banks and airlines which posted sizeable gains after several days of decline. On Wall Street, Dow Jones Industrial Average rose 1.51%, the S&P 500 gained 1.61%, and the Nasdaq Composite was up 1.87%. But there were still some signs of caution, as Europe is experiencing a rise in new COVID-19 infections and some U.S. states continue to grapple with high case numbers.

Safe-haven spot gold added 0.21% to \$1,884.77 an ounce. U.S. gold futures gained 0.54% to \$1,883 an ounce. U.S. Brent crude slipped 19 cents to \$42.24 a barrel while U.S. light crude was down 17 cents at \$40.43 on demand worries.

The U.S. dollar dropped from a two-month high against a basket of currencies Monday, with the dollar index falling 0.3%, its biggest daily percentage drop in roughly three weeks. Bonds were broadly steady. The yield on benchmark 10-year U.S. government debt fell half a basis point to 0.6577%.

Domestic Markets

South Africa's rand firmed on Monday as positive economic data from China boosted risk-sentiment, and the country's shares posted their biggest gain in 50 days.

At 1558 GMT the rand was trading at 17.1250 per dollar, 0.15% firmer than its close on Friday. Earlier the rand had hit a session low of 16.9850, helped by an improvement in sentiment toward emerging markets after China reported strong industrial growth data, easing some of last week's fears about a slower rebound in global growth.

Lukman Otunuga, senior research analyst at FXTM, said the market was now looking towards Tuesday's debate in the United States between President Donald Trump and challenger Joe Biden, for hints of their policy plans. "If market players are left empty-handed with more questions than answers, this could spark a fresh wave of risk aversion that hits emerging market currencies and assets," Otunuga said.

Locally, market participants await a second-quarter labour force survey due on Tuesday, which is expected to show a jump in the unemployment rate due to the impact of the coronavirus lockdown.

Stocks posted their biggest single day gain since Aug. 5 on the back of a global rally, backed by data showing four consecutive months of profit growth in China's industrial firms. The benchmark FTSE/JSE all share index closed at 54,719 points, up 2.11%. The bluechip FTSE/JSE top 40 companies index moved up 2.08% to end the trading day at 50,579 points.

The rally was led by beaten down sectors of the economy - banks and real estate - which have taken a hard hit due to the coronavirus pandemic. JSE's bank index was up 6.4% while the property index was up 3.85%.

Bonds weakened, with the yield on the benchmark 2030 government issue up 2 basis points to 9.45%.

Source: Thomson Reuters

Corona Tracker

GLOBAL CASES SOURCE - REUTERS		29-Sep-2020		5:46
	Confirmed Cases	New Cases	Total Deaths	Total Recovered
GLOBAL	33,264,096	205,016	1,000,010	23,142,099



Market Overview

MARKET INDICATORS (Thomson Reuters)		29 September 2020			
Money Market TB Rates %		Last close	Difference	Prev close	Current Spot
3 months	⇒	3.88	0.000	3.88	3.88
6 months	⇒	3.97	0.000	3.97	3.97
9 months	⇒	4.00	0.000	4.00	4.00
12 months	⇩	4.00	-0.008	4.00	4.00
Nominal Bond Yields %		Last close	Difference	Prev close	Current Spot
GC21 (Coupon 7.75%, BMK R208)	⇩	4.16	-0.040	4.20	4.16
GC22 (Coupon 8.75%, BMK R2023)	⇩	5.22	-0.045	5.27	5.22
GC23 (Coupon 8.85%, BMK R2023)	⇩	5.12	-0.045	5.17	5.12
GC24 (Coupon 10.50%, BMK R186)	⇩	7.59	-0.040	7.63	7.59
GC25 (Coupon 8.50%, BMK R186)	⇩	7.60	-0.040	7.64	7.60
GC26 (Coupon 8.50%, BMK R186)	⇩	7.60	-0.040	7.64	7.60
GC27 (Coupon 8.00%, BMK R186)	⇩	7.89	-0.040	7.93	7.89
GC30 (Coupon 8.00%, BMK R2030)	⇧	9.85	0.010	9.84	9.85
GC32 (Coupon 9.00%, BMK R213)	⇩	10.93	-0.005	10.94	10.93
GC35 (Coupon 9.50%, BMK R209)	⇩	12.01	-0.010	12.02	12.01
GC37 (Coupon 9.50%, BMK R2037)	⇩	12.65	-0.020	12.67	12.65
GC40 (Coupon 9.80%, BMK R214)	⇩	13.17	-0.035	13.20	13.17
GC43 (Coupon 10.00%, BMK R2044)	⇩	13.70	-0.035	13.74	13.70
GC45 (Coupon 9.85%, BMK R2044)	⇩	13.98	-0.035	14.02	13.98
GC50 (Coupon 10.25%, BMK: R2048)	⇩	14.05	-0.030	14.08	14.05
Inflation-Linked Bond Yields %		Last close	Difference	Prev close	Current Spot
GI22 (Coupon 3.55%, BMK NCPI)	⇒	4.49	0.000	4.49	4.49
GI25 (Coupon 3.80%, BMK NCPI)	⇒	4.49	0.000	4.49	4.49
GI29 (Coupon 4.50%, BMK NCPI)	⇒	5.92	0.000	5.92	5.92
GI33 (Coupon 4.50%, BMK NCPI)	⇒	6.82	0.000	6.82	6.82
GI36 (Coupon 4.80%, BMK NCPI)	⇒	7.09	0.000	7.09	7.09
Commodities		Last close	Change	Prev close	Current Spot
Gold	⇧	1,881	1.12%	1,860	1,881
Platinum	⇧	879	3.78%	847	879
Brent Crude	⇧	42.4	1.22%	41.9	42.3
Main Indices		Last close	Change	Prev close	Current Spot
NSX Overall Index	⇧	1,072	3.25%	1,038	1,072
JSE All Share	⇧	54,719	2.11%	53,587	54,719
SP500	⇧	3,352	1.61%	3,298	3,352
FTSE 100	⇧	5,928	1.46%	5,843	5,928
Hangseng	⇧	23,476	1.04%	23,235	23,418
DAX	⇧	12,871	3.22%	12,469	12,871
JSE Sectors		Last close	Change	Prev close	Current Spot
Financials	⇧	9,932	5.65%	9,401	9,932
Resources	⇧	54,366	1.71%	53,453	54,366
Industrials	⇧	73,991	1.43%	72,950	73,991
Forex		Last close	Change	Prev close	Current Spot
N\$/US dollar	⇩	17.11	-0.05%	17.12	17.11
N\$/Pound	⇧	21.96	0.64%	21.82	21.99
N\$/Euro	⇧	19.96	0.24%	19.91	19.97
US dollar/ Euro	⇧	1.166	0.29%	1.163	1.167
		Namibia		RSA	
Interest Rates & Inflation		Latest	Previous	Latest	Previous
Central Bank Rate	⇩	3.75	4.00	3.50	3.75
Prime Rate	⇩	7.50	7.75	7.00	7.25
		Aug 20	Jul 20	Jul 20	Jun 20
Inflation	⇧	2.4	2.1	3.2	2.2

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 a Bloomberg calculated Index

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.

Source: Bloomberg



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