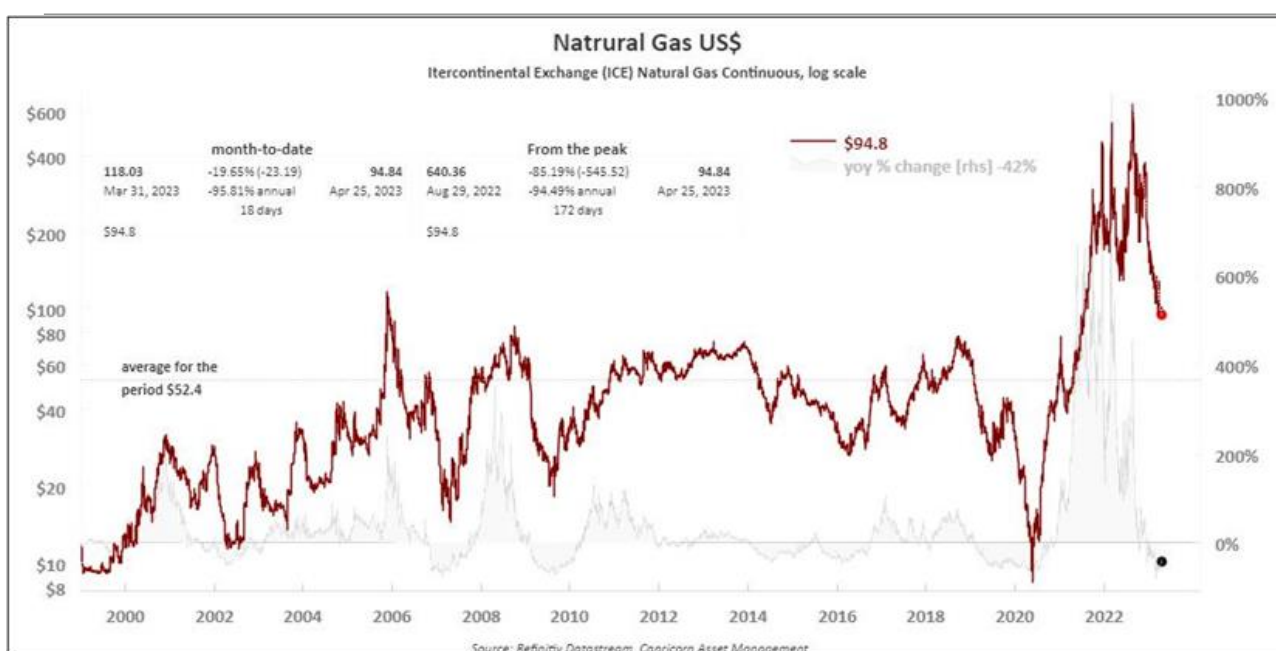




Market Update

Wednesday, 26 April 2023



Global Markets

U.S. stock futures bounced as buybacks and earnings beats boosted tech giants in after-hours trade, although Asian shares wallowed at one-month lows on Wednesday, with investors turning nervous on the outlook for the world's two biggest economies.

Nasdaq futures NQc1 were up 1.4% and S&P 500 futures ESC1 were up 0.5% following better-than-expected profits at Microsoft MSFT.O and a \$70 billion stock buyback at Google parent Alphabet GOOGL.O. Both stocks rose after the bell.

However, U.S. markets fell sharply overnight and MSCI's broadest index of Asia-Pacific shares outside Japan slipped 0.4% in early trade as investors took stock of softening U.S. data and fresh regional bank jitters.

First Republic Bank shares were sold to a record low after the bank disclosed a \$100 billion plunge in deposits. A source told Reuters the bank is considering asset sales.

The Wall Street Journal's "Fed whisperer" Nick Timiraos wrote an article titled "Why the banking mess isn't over," including comments from former Dallas Fed President Robert Kaplan saying bank issues have a long way to run.

The S&P 500 dropped 1.6% overnight and the Nasdaq nearly 2%. Bonds rallied sharply and interest rate futures markets priced in a higher chance of Fed cuts later in the year.

The U.S. dollar rose broadly against most majors, save for the safe-haven yen.

"Clearly, the fear factor drove dollar gains," said analysts at Mizuho.

"The fear of contagion and the repeated mantra of isolated incidents has inevitably led to 'shy' and yield seeking deposits seeking to bank with the U.S. Treasury," they said, referring to the broad rally in bonds.

Two-year Treasury yields dropped 18.7 basis points overnight and were steady at 3.9221% in Asia. Ten-year yields fell nearly 12 bps, their sharpest drop in more than a month. Yields fall when bond prices rise.

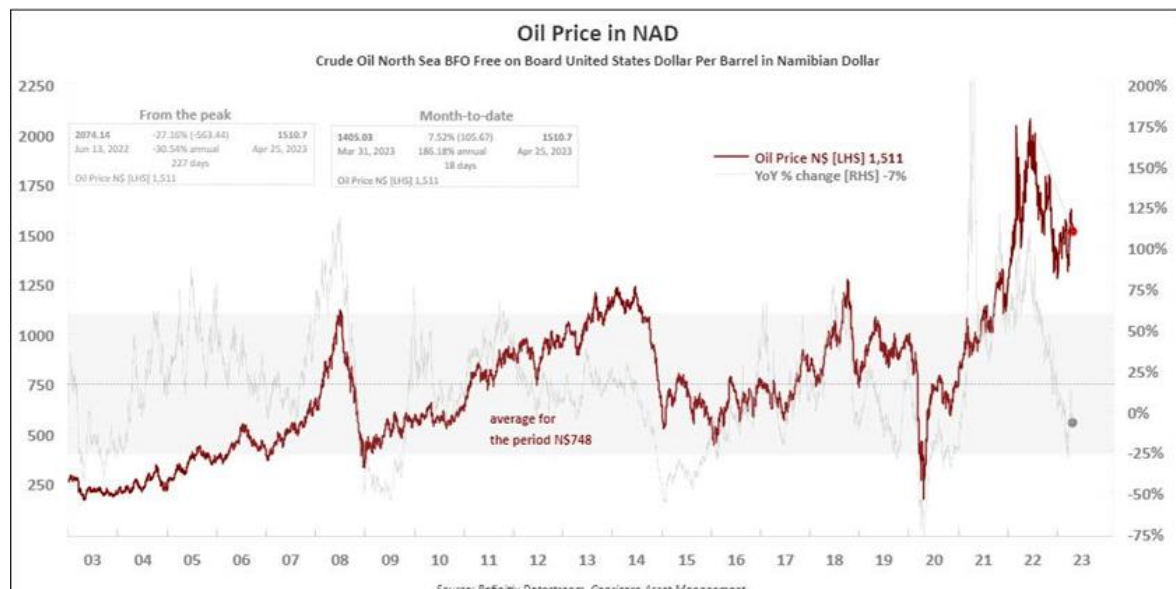
Elsewhere Australian inflation eased from 33-year highs, nudging the Aussie dollar to a six-week low at \$0.6612 and firming upmarket wagers that the central bank will keep rates on hold at its meeting next week.

The euro was last at \$1.0975. Gold was pinned just below \$2,000 an ounce.

Brent crude futures hovered at \$80.98 a barrel having dropped almost 4% overnight with the risk-averse mood.

Source: Thomson Reuters Refinitiv

Domestic Markets



South Africa's rand slipped on Tuesday against the dollar, as the central bank warned core inflation in the country remained elevated and a leading business cycle indicator fell.

At 1530 GMT, the rand traded at 18.3825 against the dollar, about 1.35% weaker than its closing level on Monday.

The dollar index, which measures the greenback against six major currencies, was last up around 0.57%.

The South African Reserve Bank (SARB) said in its April Monetary Policy Review that headline inflation had peaked but core inflation remained elevated, putting upward pressure on the consumer prices outlook.

Earlier in the day, the SARB's leading indicator for February decreased 0.7% month on month, falling for the third consecutive month.

The indicator collects data on vehicle sales, business confidence, money supply and other factors to gauge the outlook for Africa's most industrialised economy.

Rand moves could be volatile later this week as upcoming public holidays mean many traders will be away from their desks from Wednesday's close until next Tuesday.

Globally, the investor mood was cautious in a busy week for corporate earnings and economic data.

Markets will look to coming U.S. data releases for clues about the Federal Reserve's next policy moves and are also grappling with financial stability concerns highlighted by recent turmoil in U.S. and Swiss banks.

Shares on the Johannesburg Stock Exchange fell, with both the broader all-share index and the blue-chip Top-40 index ending nearly 0.3% lower.

South Africa's benchmark 2030 government bond was weaker, with the yield up 4.5 basis points at 10.225%.

Source: Thomson Reuters Refinitiv

Nobody who ever gave his best regretted it.

George Halas

Market Overview

MARKET INDICATORS (Thomson Reuters Refinitiv)				26 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	↑	9.24	0.017	9.23	9.24
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)	↑	9.16	0.005	9.15	9.14
GC25 (Coupon 8.50%, BMK R186)	↑	9.31	0.005	9.30	9.29
GC26 (Coupon 8.50%, BMK R186)	↑	9.21	0.005	9.20	9.19
GC27 (Coupon 8.00%, BMK R186)	↑	9.68	0.005	9.67	9.66
GC28 (Coupon 8.50%, BMK R2030)	↑	10.03	0.045	9.98	10.01
GC30 (Coupon 8.00%, BMK R2030)	↑	10.73	0.045	10.68	10.71
GC32 (Coupon 9.00%, BMK R213)	↑	11.40	0.045	11.36	11.39
GC35 (Coupon 9.50%, BMK R209)	↑	12.68	0.035	12.65	12.66
GC37 (Coupon 9.50%, BMK R2037)	↑	13.12	0.035	13.09	13.10
GC40 (Coupon 9.80%, BMK R214)	↑	13.23	0.025	13.21	13.21
GC43 (Coupon 10.00%, BMK R2044)	↑	13.99	0.010	13.98	13.97
GC45 (Coupon 9.85%, BMK R2044)	↑	13.89	0.010	13.88	13.87
GC48 (Coupon 10.00%, BMK R2048)	↑	14.05	0.010	14.04	14.03
GC50 (Coupon 10.25%, BMK: R2048)	↑	14.15	0.010	14.14	14.13
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	3.63
GI29 (Coupon 4.50%, BMK NCPI)	⇒	5.25	0.000	5.25	5.25
GI33 (Coupon 4.50%, BMK NCPI)	↑	6.22	0.026	6.19	6.22
GI36 (Coupon 4.80%, BMK NCPI)	⇒	6.46	0.000	6.46	6.46
Commodities		Last close	Change	Prev close	Current Spot
Gold	↑	1,998	0.45%	1,989	1,996
Platinum	↑	1,086	0.38%	1,082	1,096
Brent Crude	↓	80.8	-2.37%	82.7	81.4
Main Indices		Last close	Change	Prev close	Current Spot
NSX Overall Index	↓	1,553	-0.74%	1,564	1,553
JSE All Share	↓	77,891	-0.29%	78,121	77,891
SP500	↓	4,072	-1.58%	4,137	4,072
FTSE 100	↓	7,891	-0.27%	7,912	7,891
Hangseng	↓	19,618	-1.71%	19,960	19,805
DAX	↑	15,872	0.05%	15,864	15,872
JSE Sectors		Last close	Change	Prev close	Current Spot
Financials	↓	15,415	-0.26%	15,455	15,415
Resources	↓	68,231	-1.63%	69,361	68,231
Industrials	↑	106,574	0.38%	106,172	106,574
Forex		Last close	Change	Prev close	Current Spot
N\$/US dollar	↑	18.37	1.31%	18.13	18.29
N\$/Pound	↑	22.79	0.71%	22.63	22.72
N\$/Euro	↑	20.16	0.68%	20.02	20.08
US dollar/ Euro	↓	1.097	-0.62%	1.104	1.098
		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 listed

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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