

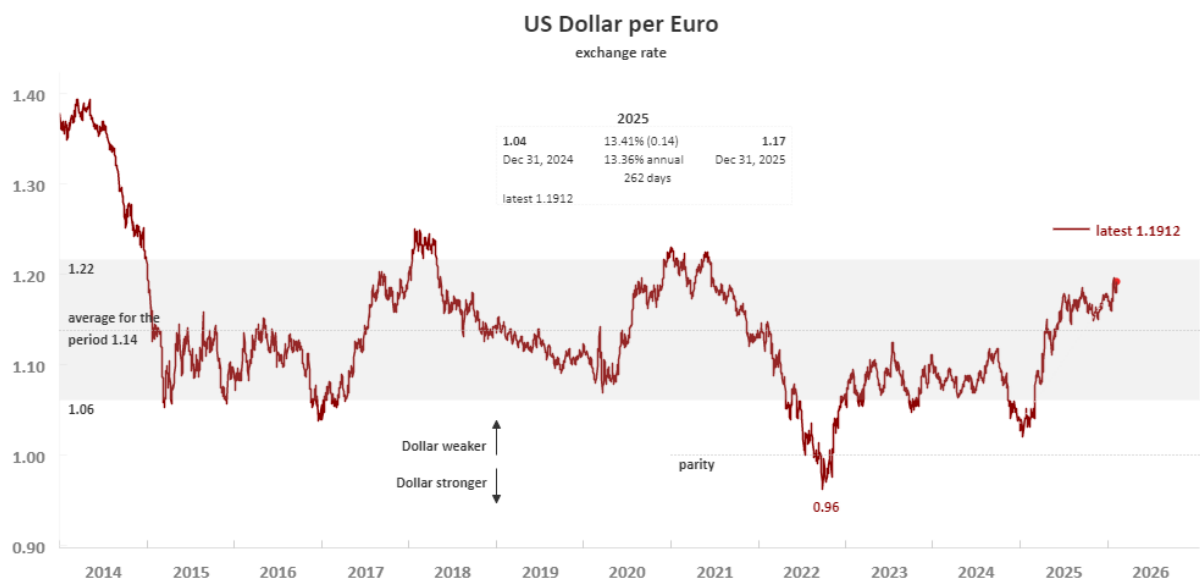
# The Daily Brief



Capricorn Asset Management

## Market Update

Tuesday, 10 February 2026



## Global Markets

The U.S. dollar edged lower on Tuesday as investors awaited a busy slate of economic data expected to shape the outlook for interest rates, while the Japanese yen firmed for a second straight session following Prime Minister Sanae Takaichi's decisive election victory.

The yen strengthened to 155.24 per dollar, extending Monday's 0.8% gain. Verbal warnings from Japanese authorities helped support the currency after it initially weakened in the aftermath of the election. Investor sentiment has also been buoyed by expectations that Takaichi's landslide win could allow her government to pursue greater fiscal discipline, as it reduces the need for negotiations with opposition parties. Attention has now turned to Japan's massive \$1.4 trillion foreign currency reserves and how they may be used. Finance Minister Satsuki Katayama said surplus reserves could be considered when discussing funding for planned sales tax cuts on food. While the proposal is complex, it underscores a focus on fiscal responsibility, according to Russell Matthews, portfolio manager at RBC BlueBay Asset Management.

Despite recent gains, analysts remain cautious on the yen's longer-term prospects, warning that looser fiscal policy under a more assertive Takaichi administration could ultimately weigh on the currency. The yen has fallen about 6% since she assumed leadership of the Liberal Democratic Party in October. Commonwealth Bank of Australia's Carol Kong expects dollar-yen to resume its upward trend, forecasting a move to 164 by year-end. Still, the yen was broadly firmer against other major currencies, edging away from record lows against the Swiss franc and the euro.

Elsewhere, the euro held near \$1.19125 after surging 0.85% on Monday, while the dollar index slipped to 96.79, hovering close to a one-week low. The Chinese yuan strengthened past 6.91 per dollar for the first time since May 2023, extending year-to-date gains beyond 1%. Seasonal corporate demand, stronger daily fixing guidance from the central bank, and reports that China has urged local banks to diversify away from U.S. Treasuries all supported sentiment. Sterling was last at \$1.3689 after a volatile session on Monday, as investors weighed political uncertainty surrounding British Prime Minister Keir Starmer alongside rising expectations of further rate cuts.

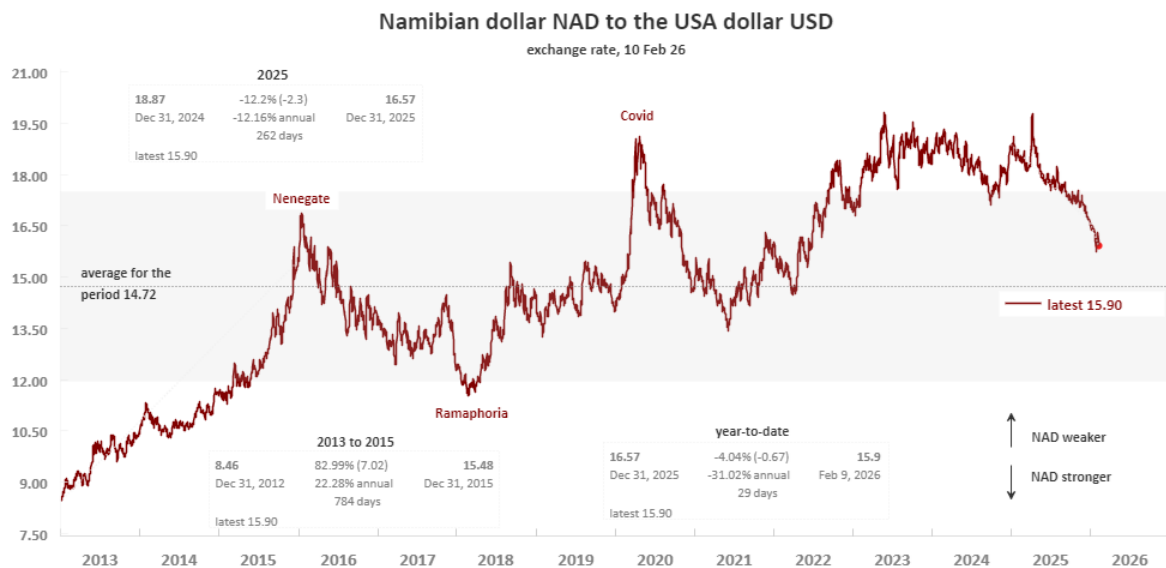
Market focus now shifts to key U.S. economic data later this week, including employment and inflation figures that were delayed by a recent three-day government shutdown. White House economic adviser Kevin Hassett said job growth could slow in coming months due to weaker labour force growth and higher productivity, prompting investors to reassess whether labour market softening has stabilized. January's nonfarm payrolls report, due Wednesday, is expected to show a modest gain of 70,000 jobs, according to a Reuters poll. Markets continue to price in two Federal Reserve rate cuts this year, with the first anticipated in June, though uncertainty remains elevated amid speculation over a potential policy shift following Kevin Warsh's nomination to succeed Jerome Powell as Fed chair.

In commodity-linked currencies, the Australian dollar eased 0.2% to \$0.7079, just below a three-year high, while the New Zealand dollar slipped 0.3% to \$0.60395.

Gold prices pulled back on Tuesday but remained above the \$5,000-per-ounce level as investors stayed cautious ahead of U.S. jobs and inflation data. Spot gold fell 0.8% to \$5,022.57 per ounce, after gaining 2% in the previous session as the dollar weakened. Silver retreated 2.8% to \$81.08 an ounce, following a near 7% surge on Monday, while platinum and palladium declined 2.3% and 1.3%, respectively.

Oil prices edged lower as traders assessed the risk of potential supply disruptions after renewed U.S. guidance for vessels transiting the Strait of Hormuz kept tensions between Washington and Tehran in focus. Brent crude slipped 0.26% to \$68.85 a barrel, while U.S. West Texas Intermediate fell 0.33% to \$64.15.

**Source: LSEG Thomson Reuters Refinitiv.**



## Domestic Markets

The South African rand weakened in early Tuesday trade, pressured by a pullback in precious metal prices as investors awaited U.S. jobs and inflation data later this week that could offer clues on the Federal Reserve's interest rate outlook. At 07:29 GMT, the rand traded at 15.95 against the dollar, down 0.3% on Monday's close. Gold and other precious metals including platinum are key South African exports.

The yellow metal fell 0.8% on Tuesday after two straight sessions of gains, though it held above the \$5,000-per-ounce level, while spot platinum shed 2.3% to \$2,075.18 per ounce. The domestic calendar this week features an annual mining conference in Cape Town from February 9-12, which will bring together some of the world's top mining investors and government officials to discuss the industry's outlook. South Africa's statistics agency is expected to publish December mining and manufacturing figures on Thursday.

On the Johannesburg Stock Exchange, the Top-40 index was last down 0.3% in early trade. South Africa's benchmark 2035 government bond was flat, as the yield rose only half a basis point to 8.03%.

**I am not afraid of tomorrow, for I have seen yesterday and I love today!**

**William Allen White**

## Market Overview

MARKET INDICATORS		10 February 2026			
<b>Money Market TB's</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
3 months	↓	7.42	-0.010	7.43	7.42
6 months	↓	7.47	-0.009	7.48	7.47
9 months	↑	7.50	0.008	7.50	7.50
12 months	↑	7.46	0.004	7.46	7.46
<b>Nominal Bonds</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
GC26 (Coupon 8.50%, BMK: R186)	↓	7.00	-0.055	7.06	7.00
GC27 (Coupon 8.00%, BMK: R186)	↑	7.47	0.003	7.47	7.47
GC28 (Coupon 8.00%, BMK: R186)	↓	8.03	-0.038	8.07	8.03
GC30 (Coupon 8.00%, BMK: R2030)	↓	8.45	-0.045	8.49	8.44
GC32 (Coupon 9.00%, BMK: R213)	↓	8.61	-0.028	8.64	8.61
GC35 (Coupon 9.50%, BMK: R209)	↓	9.50	-0.049	9.55	9.50
GC37 (Coupon 9.50%, BMK: R2037)	↓	9.98	-0.043	10.02	9.98
GC40 (Coupon 9.80%, BMK: R214)	↓	10.19	-0.038	10.23	10.19
GC43 (Coupon 10.00%, BMK: R2044)	↓	10.40	-0.039	10.44	10.40
GC45 (Coupon 9.85%, BMK: R2044)	↓	10.48	-0.040	10.52	10.48
GC48 (Coupon 9.85%, BMK: R2044)	↓	10.37	-0.034	10.40	10.37
GC50 (Coupon 10.25%, BMK: R2048)	↓	10.37	-0.034	10.40	10.37
<b>Inflation-Linked Bonds</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
GI27 (Coupon 4.00%, BMK: NCPI)	→	4.60	0.000	4.60	4.60
GI29 (Coupon 4.50%, BMK: NCPI)	→	5.04	0.000	5.04	5.04
GI31 (Coupon 4.50%, BMK: NCPI)	→	5.24	0.000	5.24	5.24
GI33 (Coupon 4.50%, BMK: NCPI)	→	5.45	0.000	5.45	5.45
GI36 (Coupon 4.80%, BMK: NCPI)	→	5.89	0.000	5.89	5.89
GI41 (Coupon 4.80%, BMK: NCPI)	→	6.22	0.000	6.22	6.22
<b>Commodities</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
Gold	↑	5,058	1.88%	4,964	5,031
Platinum	↑	2123	0.95%	2103	2091
Brent Crude	↑	69.0	1.45%	68.05	69.13
<b>Main Indices</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
NSX Local Index	↑	1377	0.58%	1369	1377
JSE All Share	↓	119,848	-0.36%	120,277	119,848
S&P 500	↑	6,965	0.48%	6,932	6,965
FTSE 100	↑	10,386	0.15%	10,370	10,386
Hangseng	↑	27,156	0.48%	27,027	27,156
DAX	↑	25,015	1.19%	24,721	25,015
<b>JSE Sectors</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
Financials	↓	26,068	0.00%	26,069	26,005
Resources	↑	138,433	0.80%	137,338	138,120
Industrials	↓	132,582	-0.28%	132,959	131,771
<b>Forex</b>		<b>Last Close</b>	<b>Change</b>	<b>Prev Close</b>	<b>Current Spot</b>
N\$/US Dollar	↓	15.90	-0.81%	16.03	15.94
N\$/Pound	↓	21.77	-0.23%	21.82	21.80
N\$/Euro	→	18.94	0.00%	18.94	18.98
US Dollar/ Euro	↑	1.191	0.93%	1.18	1.19
		<b>Namibia</b>		<b>RSA</b>	
<b>Interest Rates &amp; Inflation</b>		<b>Jan-26</b>	<b>Dec-25</b>	<b>Jan-26</b>	<b>Dec-25</b>
Central Bank Rate	→	6.50	6.50	6.75	6.75
Prime Rate	↓	10.00	10.00	10.25	10.25
		<b>Dec-25</b>	<b>Nov-25</b>	<b>Dec-25</b>	<b>Nov-25</b>
Inflation	↓	3.2	3.4	3.6	3.5

#### 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

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**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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**Bank Windhoek**

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