

Capricorn Asset Management

On Friday, MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.8% to its highest since late 2021, bringing the weekly gain to 1.7%. Japan's Nikkei, however, slipped 0.2%, and the yen was at 148.54 per dollar, down about 0.7% this week after polls showed Prime Minister Shigeru Ishiba's coalition was in danger of losing its majority in the election on Sunday. Yields on 10-year JGBs slipped 1 basis point to 1.545% on Friday but have not strayed far from a 17-year high of 1.585% hit earlier in the week. European share markets are set for a higher open, with EUROSTOXX 50 futures up 0.3%.

Data on Friday showed Japan's core inflation slowed in June due to temporary cuts in utility bills but stayed beyond the central bank's 2% target. The rising cost of living, including the soaring price of rice, is among reasons for Ishiba's declining popularity. Chinese blue-chips rose 0.3% while Hong Kong's Hang Seng index gained 1.2%. The Tapei-listed shares of TSMC, the world's main producer of advanced AI chips, rallied 2.2% after posting record quarterly profit on Thursday, though it said future income might be affected by U.S. tariffs.

In the foreign exchange market, U.S. the dollar was on the back foot again on Friday, having bounced 0.3% overnight against major peers on the strong economic data. For the week, it is headed for a second successive gain of 0.6%, bouncing further from a 3-1/2-year low hit over two weeks ago. Fed Governor Christopher Waller said on Thursday he continues to believe the central bank should cut interest rates at the end of this month, though most officials who have spoken publicly have signaled no desire to move.

Fed funds futures imply next to no chance of a move on July 30, while a September rate cut is just about 62% priced in. Total easing of 45 bps is expected this year. Treasury yields were slightly lower in Asia. Benchmark 10-year U.S. Treasury yields slipped 2 basis points to 4.445%, having moved little overnight. Two-year yields also edged 2 bps lower to 3.8981.

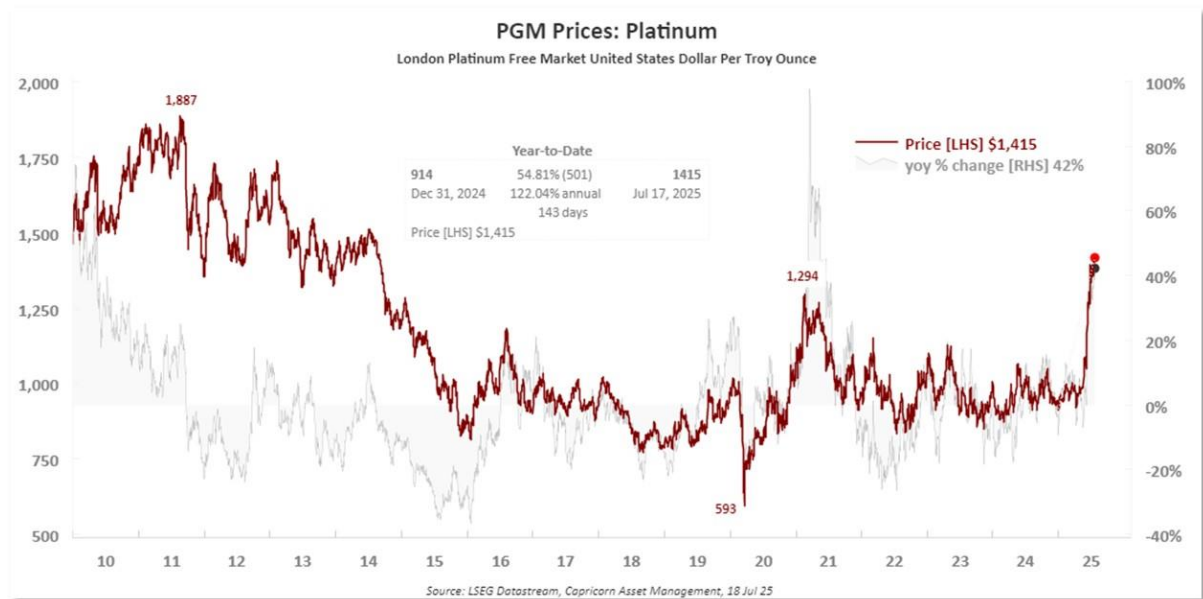
Oil prices were mostly steady on Friday, after gaining \$1 overnight following a fourth day of drones strikes on Iraqi Kurdistan oil fields, pointing to continued risk in the region.

U.S. crude inched up 0.2% to \$67.66 per barrel and Brent also rose 0.2% to \$69.68 a barrel. They, however, lost about 1% for the week.

Spot gold prices were steady at \$3,337 an ounce but were set for a 0.5% weekly loss.

Source: LSEG Thomson Reuters Refinitiv.

Domestic Markets



The South African rand weakened against a stronger dollar on Thursday, with investors focused on the G20 meeting of finance chiefs in the country's coastal city of Durban. At 1436 GMT, the rand traded at 17.86 against the dollar, about 0.3% weaker than Wednesday's close. The dollar last traded about 0.3% firmer against a basket of currencies, following a turbulent session on Wednesday when U.S. President Donald Trump denied reports that he is planning to fire Federal Reserve Chair Jerome Powell.

With a fairly muted domestic economic calendar, traders will keep a close eye on the meeting of the Group of 20 finance ministers and central bank governors on Thursday and Friday. South Africa urged G20 countries to show global and cooperative leadership to tackle challenges including rising trade barriers, as the finance chiefs met on Thursday under the shadow of Trump's tariff threats. Trump's baseline 10% tariff on all U.S. imports and punitive rates targeting specific countries and products have created significant policy uncertainty globally.

The Johannesburg Stock Exchange's Top 40 index was last up 0.3%.

Source: LSEG Thomson Reuters Refinitiv.

I hated every minute of training, but I said, 'Don't quit.
Suffer now and live the rest of your life as a champion.'
Muhammad Ali

Market Overview

MARKET INDICATORS (Bloomberg)				18 July 2025	
Money Market TB's		Last Close	Change	Prev Close	Current Spot
3 months	↓	7.50	-0.045	7.55	7.50
6 months	↓	7.65	-0.005	7.65	7.65
9 months	↓	7.75	-0.006	7.76	7.75
12 months	↑	7.74	0.002	7.74	7.74
Nominal Bonds		Last Close	Change	Prev Close	Current Spot
GC26 (Coupon 8.50%, BMK: R186)	↑	7.72	0.188	7.53	7.71
GC27 (Coupon 8.00%, BMK: R186)	↑	7.81	0.028	7.78	7.81
GC30 (Coupon 8.00%, BMK: R2030)	↑	9.03	0.115	8.91	9.03
GC32 (Coupon 9.00%, BMK: R213)	↑	9.63	0.118	9.51	9.63
GC35 (Coupon 9.50%, BMK: R209)	↓	10.94	-0.009	10.95	10.94
GC37 (Coupon 9.50%, BMK: R2037)	↑	11.23	0.017	11.22	11.23
GC40 (Coupon 9.80%, BMK: R214)	↑	11.42	0.023	11.39	11.42
GC43 (Coupon 10.00%, BMK: R2044)	↑	11.56	0.021	11.54	11.56
GC45 (Coupon 9.85%, BMK: R2044)	↑	11.83	0.001	11.83	11.83
GC48 (Coupon 10.00%, BMK: R2048)	↓	11.78	-0.003	11.78	11.78
GC50 (Coupon 10.25%, BMK: R2048)	↑	12.05	0.025	12.03	12.05
Inflation-Linked Bonds		Last Close	Change	Prev Close	Current Spot
GI27 (Coupon 4.00%, BMK: NCPI)	↑	4.52	0.008	4.51	4.52
GI29 (Coupon 4.50%, BMK: NCPI)	↑	4.72	0.007	4.71	4.72
GI33 (Coupon 4.50%, BMK: NCPI)	↓	5.26	-0.007	5.26	5.26
GI36 (Coupon 4.80%, BMK: NCPI)	↑	5.71	0.006	5.70	5.71
Commodities		Last Close	Change	Prev Close	Current Spot
Gold	↓	3,339	-0.24%	3,347	3,339
Platinum	↑	1467	3.10%	1422	1456
Brent Crude	↑	69.5	1.46%	68.52	69.96
Main Indices		Last Close	Change	Prev Close	Current Spot
NSX Overall Index	↑	1056	0.28%	1053	1056
JSE All Share	↑	97,353	0.30%	97,064	97,353
S&P 500	↑	6,297	0.53%	6,264	6,297
FTSE 100	↑	8,973	0.52%	8,927	8,973
Hangseng	↑	24,715	0.88%	24,499	24,715
DAX	↑	24,371	1.51%	24,009	24,371
JSE Sectors		Last Close	Change	Prev Close	Current Spot
Financials	→	20,916	0.00%	20,916	20,996
Resources	→	78,984	0.00%	78,984	79,359
Industrials	→	136,811	0.00%	136,811	137,138
Forex		Last Close	Change	Prev Close	Current Spot
N\$/US Dollar	↑	17.83	0.06%	17.82	17.80
N\$/Pound	↑	23.92	0.04%	23.91	23.88
N\$/Euro	↓	20.68	-0.24%	20.73	20.67
US Dollar/ Euro	→	1.160	0.00%	1.16	1.16
		Namibia		RSA	
Interest Rates & Inflation		Jun-25	May-25	Jun-25	May-25
Central Bank Rate	→	6.75	6.75	7.25	7.25
Prime Rate	→	10.50	10.50	10.75	10.75
		Jun-25	May-25	May-25	Apr-25
Inflation	↑	3.7	3.5	2.8	2.8

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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