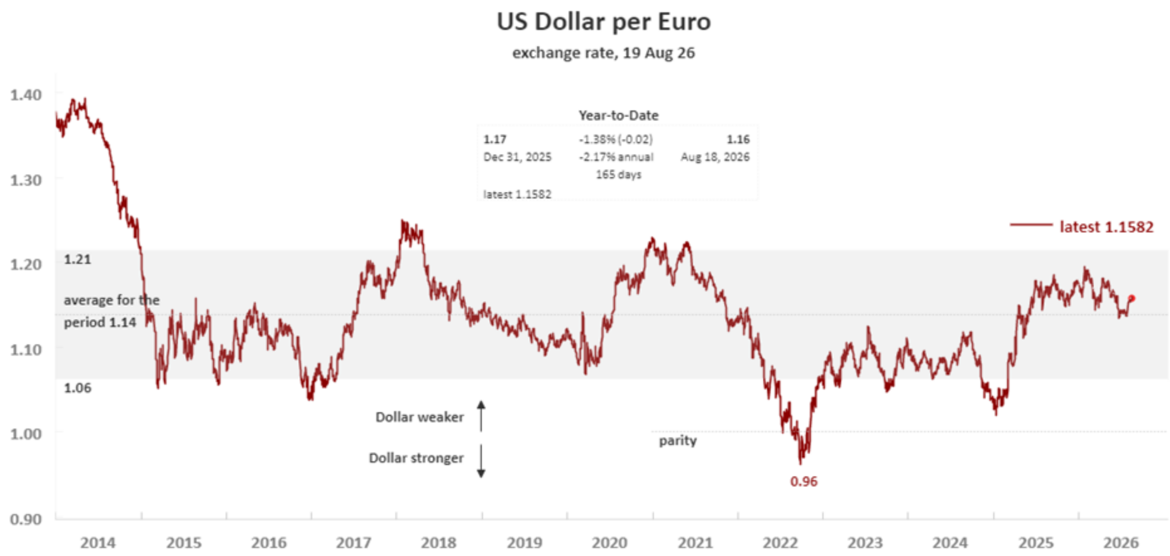
Market Update

Wednesday, 19 August 2026



Global Markets

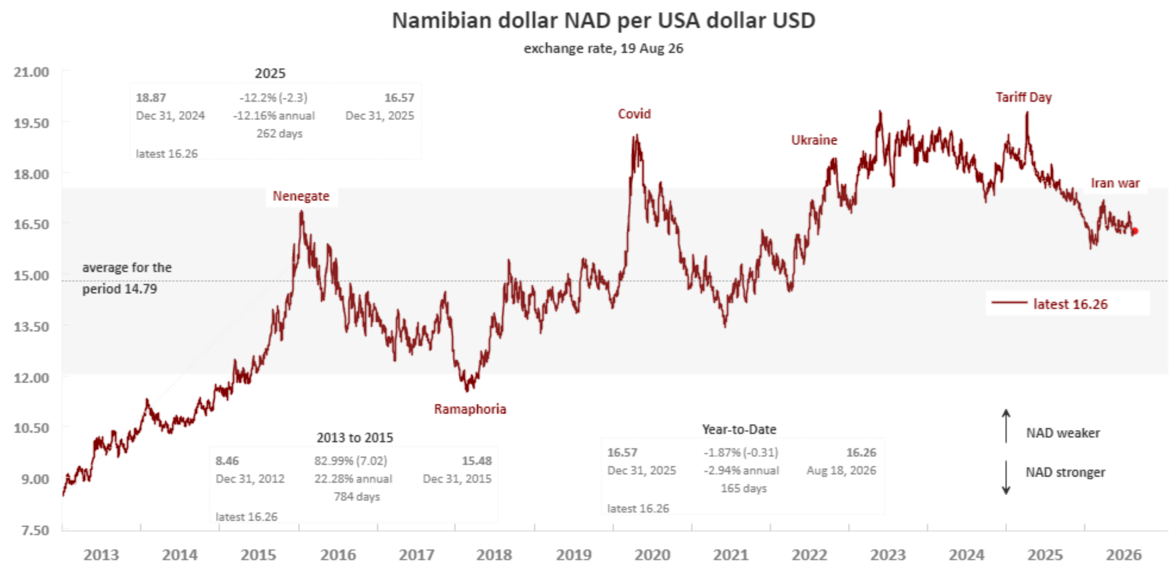
Global equity markets have remained broadly resilient even as geopolitical and inflationary headwinds persist. According to the Bank of Namibia's Monetary Policy Committee (MPC) statement of 12 August 2026, key global stock markets rallied since the previous MPC meeting, with the S&P 500 recording gains supported in part by robust corporate earnings. The most recent reading from the S&P 500 year-to-date, as reported by Reuters, reflects a gain of approximately 11% in 2026. Asian equity markets have also broadly strengthened over the period, underpinned by improving manufacturing data out of China and the continued AI-driven capital investment cycle. European markets are facing renewed scrutiny, with the European Central Bank's blog on 17 August 2026 questioning whether the AI-driven equity rally bears the hallmarks of the dot-com bubble, given valuations at levels last seen during that era. This is a meaningful signal: elevated AI valuations in the US and Europe affect global risk appetite, which in turn influences capital flows into emerging markets, including South Africa and Namibia.

On monetary policy, the US Federal Reserve held its federal funds rate unchanged at 3.50–3.75% at its 29 July 2026 FOMC meeting, by a 9–3 vote. Reporting by Reuters confirms the Fed has held at this level since its last cut in December 2025 and has signalled no imminent easing, citing elevated inflation driven partly by the Middle East conflict and its supply-chain effects. The Fed noted that "economic activity is expanding at a solid pace despite elevated uncertainty" tied to the conflict. A Fed on hold for longer supports a stronger US dollar, which increases pressure on the ZAR/NAD and raises the cost of Namibia's US-dollar-denominated imports, particularly mineral fuels.

Commodity markets remain a central theme. Reporting by Bloomberg, as carried by Moneyweb on 18 August 2026, notes that BHP's profit jumped on the back of elevated metal prices, with copper a particular focus. Bloomberg also reported on 17 August that copper is heading toward a record high on the London Metal Exchange as supply tensions build — a dynamic that has positive read-throughs for Namibia's copper exploration activity. Gold steadied near USD 4,400 per ounce on 18 August 2026, as reduced expectations of a US rate hike diminished some safe-haven demand. Silver fell 0.8% to USD 65.29 per ounce. Brent crude oil stands at approximately USD 88 per barrel, having briefly soared toward USD 100 per barrel as the Middle East conflict re-escalated before retreating, according to the Bank of Namibia's MPC statement. Sustained oil at these levels continues to drive energy price inflation globally, complicating central bank efforts to ease policy.

The International Monetary Fund's July 2026 World Economic Outlook, as cited by the Bank of Namibia, projects global growth to slow from 3.5% in 2025 to 3.0% in 2026 before recovering to 3.4% in 2027. Global inflation is forecast to accelerate from 4.1% in 2025 to 4.7% in 2026, reflecting the pass-through of the energy shock. Risks to the global outlook remain tilted to the downside, with potential re-escalation of the Middle East conflict, commodity price volatility, and eroded policy buffers identified as principal concerns.

Source: LSEG Thomson Reuters Refinitiv.



Domestic Markets

In South Africa, July 2026 CPI data came out at 4.3% yoy from 5.0% in June. South Africa's broader economic metrics, as recorded by Statistics South Africa, show GDP growth of 0.5% quarter-on-quarter in Q1 2026. The unemployment rate for Q2 2026 stands at 33.6%.

JSE All Share Index closed at 114,061 on 14 August 2026, broadly flat (down 0.05%), with gold miners dominating the session's winners: AngloGold Ashanti +9.71%, Gold Fields +8.82%, Harmony Gold +7.27%, Sibanye-Stillwater +6.89%, and Implats +6.17%, as reported by Moneyweb. The FTSE/JSE Resource 10 index gained 0.84%, while the Financial 15 declined 0.55%. The JSE ALSI is indicated at 113,323 this morning (19 August 2026), and is down 1.0% year-to-date but up 13.38% over one year.

On the fixed income and currency side, Moneyweb's SAfm Market Update notes that South Africa's bond market is already pricing in a sovereign credit rating upgrade — a constructive signal from institutional investors on the fiscal trajectory. The rand traded at R16.25 to the US dollar at 07:20 this morning, according to Moneyweb. The SARB reports ZAR/GBP at R21.87 and ZAR/EUR at R18.68. Business Day reports the government is advancing a power price overhaul to reduce costs for local industries — a structurally positive development if implemented, given the long-standing burden of electricity costs on South African manufacturers. Absa is reported to be pursuing a return to Angola and a Nigerian banking licence, reflecting continued appetite for pan-African expansion among South African financial institutions.

Don't spend time beating on a wall, hoping to transform it into a door.

Coco Chanel

Market Overview

MARKET INDICATORS				19 August 2026
Money Market TB's	**Last Close**	**Change**	**Prev Close**	**Current Spot**
3 months	7.11	-0.028	7.14	7.11
6 months	7.40	-0.036	7.44	7.40
9 months	7.59	-0.001	7.59	7.59
12 months	7.64	0.003	7.63	7.64
Nominal Bonds	**Last Close**	**Change**	**Prev Close**	**Current Spot**
GC27 (Coupon 8.00%, BMK: R186)	7.04	-0.003	7.04	7.04
GC28 (Coupon 8.50%, BMK: R186)	8.17	0.040	8.13	8.17
GC29 (Coupon 9.00%, BMK: R2030)	8.57	0.040	8.53	8.57
GC30 (Coupon 8.00%, BMK: R2030)	8.63	-0.020	8.65	8.63
GC32 (Coupon 9.00%, BMK: R213)	9.30	-0.025	9.33	9.30
GC34 (Coupon 10.25%, BMK: R2035)	9.95	0.045	9.91	9.95
GC35 (Coupon 9.50%, BMK: R209)	10.29	0.045	10.25	10.29
GC37 (Coupon 9.50%, BMK: R2037)	10.67	0.045	10.63	10.67
GC40 (Coupon 9.80%, BMK: R214)	11.05	0.035	11.02	11.05
GC43 (Coupon 10.00%, BMK: R2044)	11.13	0.035	11.09	11.12
GC45 (Coupon 9.85%, BMK: R2044)	11.49	0.035	11.45	11.48
GC48 (Coupon 10.00%, BMK: R2048)	11.65	0.035	11.62	11.65
GC50 (Coupon 10.25%, BMK: R2048)	11.75	0.035	11.72	11.75
GC53 (Coupon 11.00%, BMK: R2053)	11.79	-0.050	11.84	11.78
Inflation-Linked Bonds	**Last Close**	**Change**	**Prev Close**	**Current Spot**
GI27 (Coupon 4.00%, BMK: NCPI)	4.03	-0.070	4.10	4.03
GI29 (Coupon 4.50%, BMK: NCPI)	4.53	0.000	4.53	4.53
GI31 (Coupon 4.50%, BMK: NCPI)	4.95	0.000	4.95	4.95
GI33 (Coupon 4.50%, BMK: NCPI)	5.14	0.000	5.14	5.14
GI36 (Coupon 4.80%, BMK: NCPI)	5.71	0.000	5.71	5.71
GI41 (Coupon 4.80%, BMK: NCPI)	6.07	0.000	6.07	6.07
Commodities	**Last Close**	**Change**	**Prev Close**	**Current Spot**
Gold	4,335	-1.85%	4,416	4,348
Platinum	1717	-3.20%	1773	1719
Brent Crude	91.0	0.17%	90.87	91.77
Main Indices	**Last Close**	**Change**	**Prev Close**	**Current Spot**
NSX Overall Index	1476	-1.40%	1497	1476
JSE All Share	113,324	-1.18%	114,673	113,324
S&P 500	7,692	-0.68%	7,745	7,692
FTSE 100	10,728	0.07%	10,720	10,728
Hangseng	25,465	-0.02%	25,471	25,465
DAX	26,128	-0.80%	26,339	26,128
JSE Sectors	**Last Close**	**Change**	**Prev Close**	**Current Spot**
Financials	26,381	0.00%	26,381	26,153
Resources	126,676	0.00%	126,676	123,975
Industrials	123,220	0.00%	123,220	122,277
Forex	**Last Close**	**Change**	**Prev Close**	**Current Spot**
N$/US Dollar	16.26	0.18%	16.23	16.23
N$/Pound	22.00	0.09%	21.98	22.00
N$/Euro	18.82	0.16%	18.79	18.82
US Dollar/ Euro	1.158	-0.17%	1.16	1.16
	Namibia		**RSA**	
Interest Rates & Inflation	**Aug-26**	**Jul-26**	**Aug-26**	**Jul-26**
Central Bank Rate	6.75	6.75	7.00	7.00
Prime Rate	10.25	10.25	10.50	10.50
	Jul-26	**Jun-26**	**Jun-26**	**May-26**
Inflation	4.4	4.4	5.0	4.5

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 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.

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