Weekly Market Wrap

20/03/2026

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Market Drivers

Global Market Drivers

- Continued USA-Iran conflict causing inflationary pressures.
- Brent Oil price rises to over $110/bbl.
- Bank of England and European Central Bank halt rate cuts.
- UK risks stagflation - gilt yields at 2008-high; inflation persistently high; unemployment at post-pandemic high; growth cut.
- Europe stocks continue to struggle with inflation concerns – down 10% since Iran conflict began.

SA Market Drivers

- SA to expect potential large fuel price increases in April.
  - Petrol – approx. R4.00 (19%) increase to R24.20/L.
  - Diesel – approx. R7.00 (38%) increase to R25.60/L.
- Government assures country of continued, yet constrained, fuel supply.
- Increased inflation likely to lead to higher SARB rates.
  - Market pricing for 3 x 25bp increases through 2026.

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Charts That Matter

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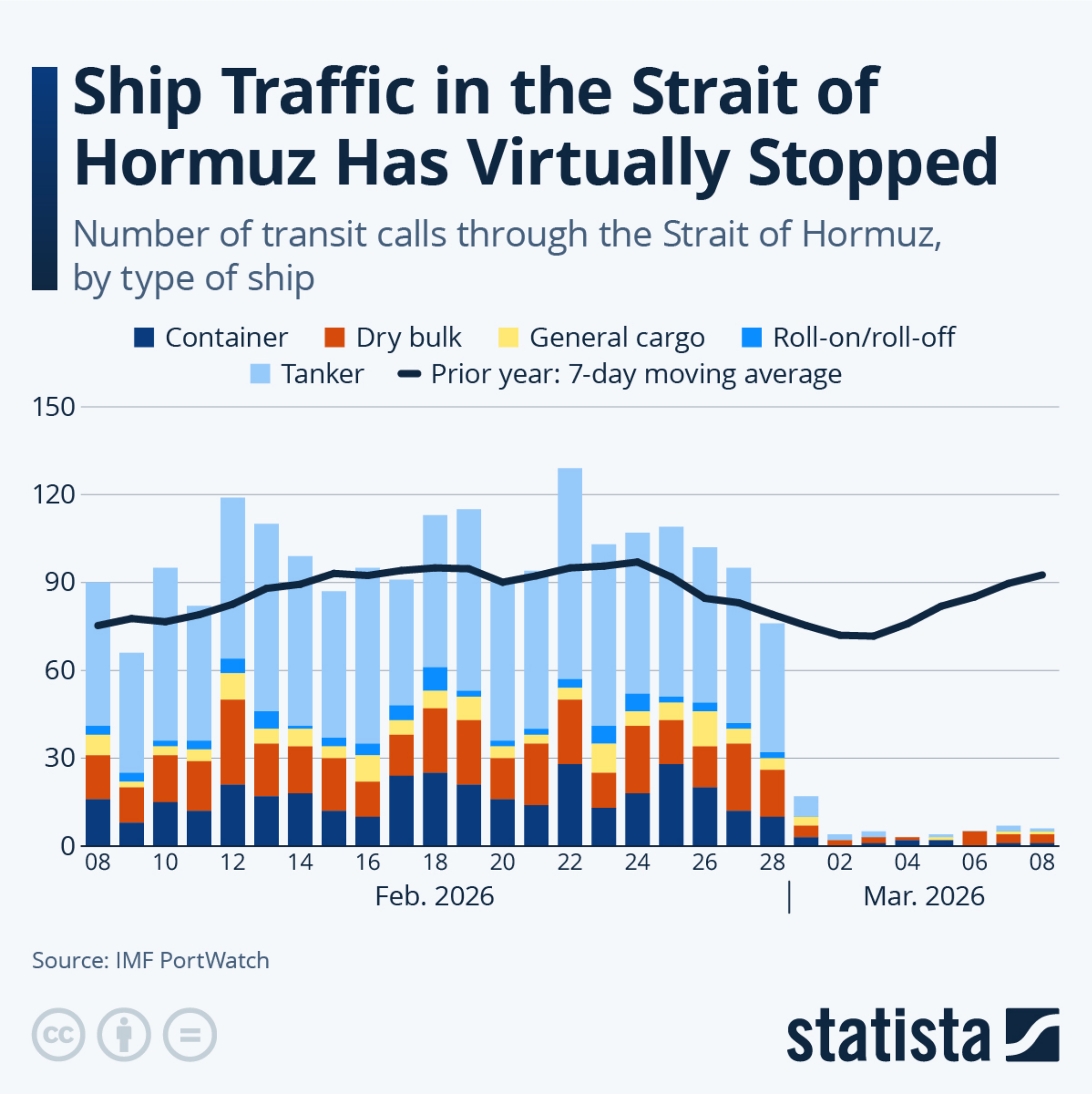
USA-Iran Conflict Continues

Strait of Hormuz effectively shut

- USA-Iran conflict escalated with increased military attacks.
  - Iran attacking shipping and energy infrastructure
- Iran has effectively closed the Strait of Hormuz, using military force to deter transit.
  - Sea mines; drones; small high-speed vessels.
  - Iranian Revolutionary Guard negotiated transit concessions on a country-by-country basis.
- Shut down is impacting fuel/energy supply and general logistics.
  - Reduced fuel supply = increased costs.
  - Rerouting transit = longer routes = high costs.



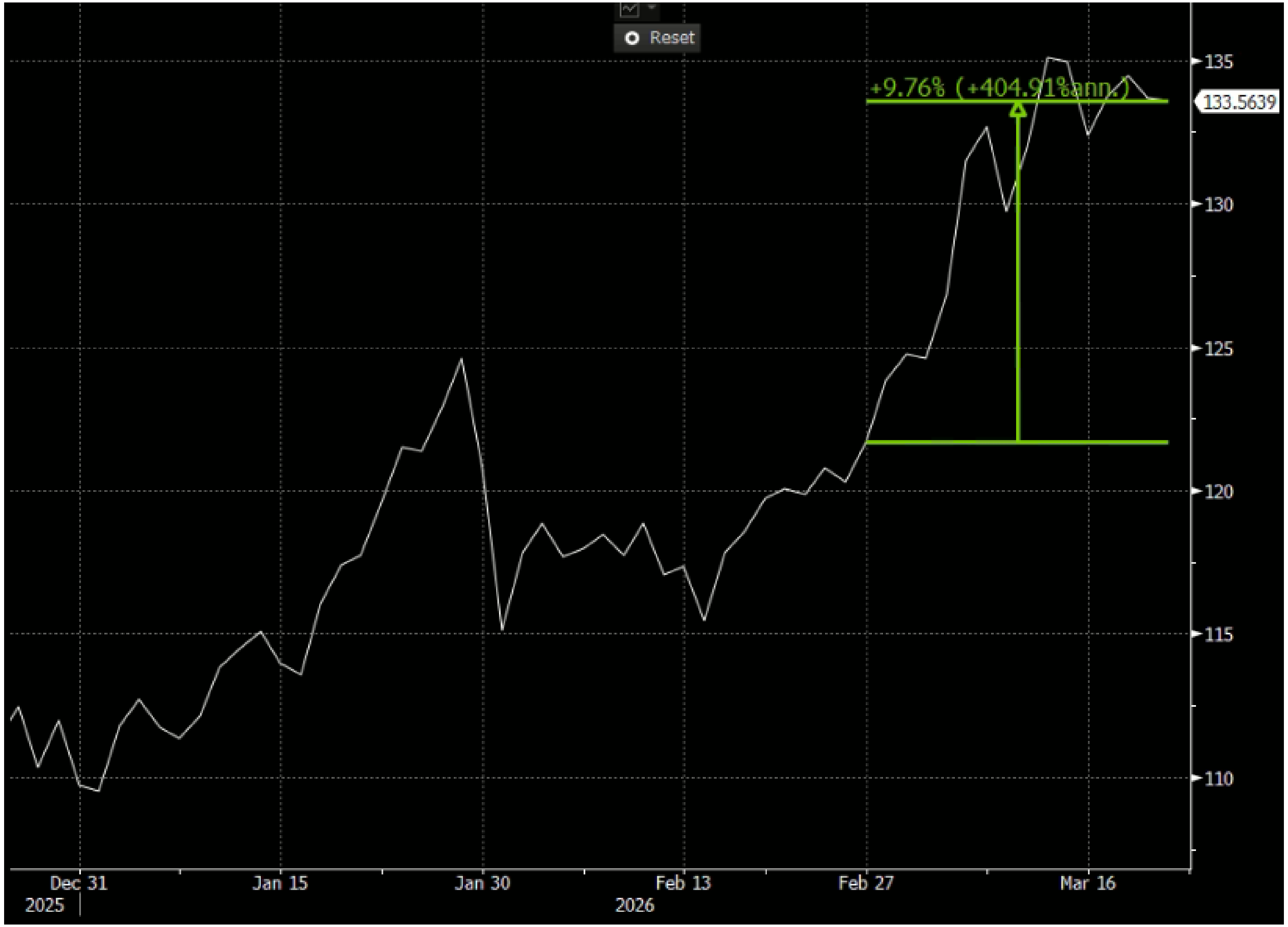
Source: PortfolioMetrix, Statista

Conflict and Cyclical Factors Driving Inflationary Pressure

Broad global inflation pressures building

- Conflict and cyclical dynamics are driving up broad commodity prices, which will lead to global inflation.
  - USA-Iran conflict increasing energy prices.
  - El Niño (warming phase) have impacted global agriculture.
  - EV/Renewable trend and economic uncertainty increasing industrial/precious metal prices.
- Broad commodity basket is up 10% since USA-Iran conflict began. Composition:
  - Energy – 30%
  - Agriculture – 30%
  - Industrial Metals – 15%
  - Precious Metals – 15%
  - Livestock – 10%
- Inflation expected to creep into broad consumer economy globally.
  - Key input into Central Bank rate decisions globally.

Bloomberg Commodity Index increased 10%

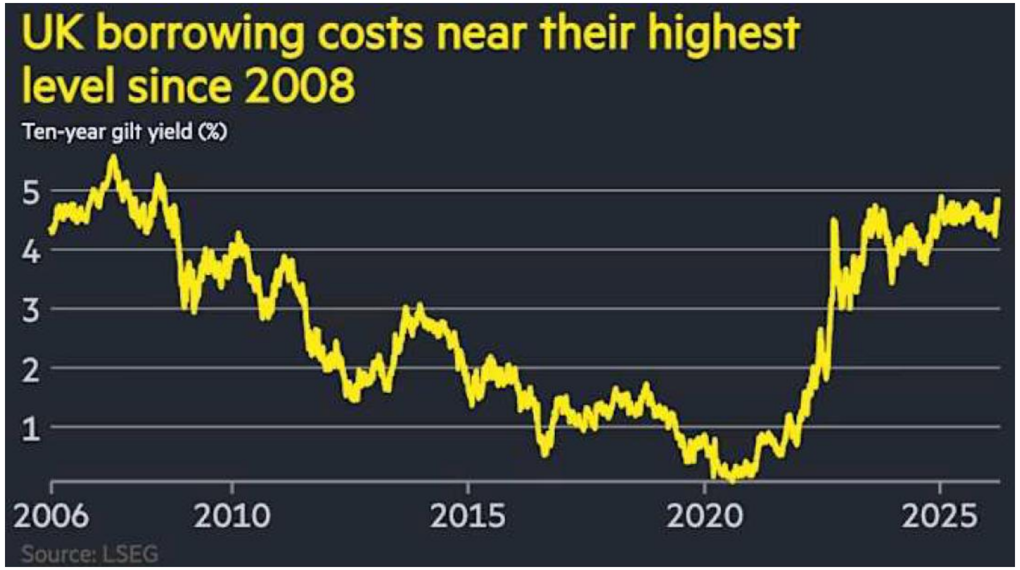


Source: PortfolioMetrix, Bloomberg

UK Risks Stagflation

High gilt yields; high inflation expected; high unemployment; halt on rate cuts

- UK gilt yields have increased due to a change from a "low inflation + Quantitative Easing" regime to "persistent inflation + tighter monetary policy".
- Potential for stagflation: resistant inflation with low economic growth.
  - High energy prices
  - Persistent inflation
  - Higher interest rates
  - Weakened economic growth and increased unemployment.
- Latest market data suggests increased risk.
  - Inflation expected 2.6-3.0%
  - Economic growth forecast cut to 0.9%
  - Unemployment is rising
  - BOE halted rate cuts; potential for increases later in year.



UK unemployment rate held at post-pandemic high of 5.2% at start of the year

Figure comes ahead of Bank of England decision on interest rates

Economists raise UK inflation forecasts after energy costs surge

Bank of England now expected to keep interest rates on hold at its meeting on Thursday

Bank of England holds interest rate at 3.75% amid inflation shock

The Bank of England held interest rates at 3.75 per cent on Thursday, after the Middle East war unleashed an inflation shock and derailed the prospect of lower borrowing costs in coming months.

Source: PortfolioMetrix, LSEG, Financial Times

SA to Expect Fuel Price Increases

SA prices impacted by oil price increase and ZAR weakness

- Local fuel prices expected to increase in April due to dual impact of increased USD oil price and weakened ZAR.
  - ZAR price of Brent Crude oil has increase 57% since start of USA-Iran conflict.
- Mid-March data from Central Energy Fund (CEF) shows large under-recovery of fuel price – the difference between the set fuel price and the dynamic oil price.
  - Under- and over-recoveries influence month-to-month price changes at the pumps.
- Large expected increases
  - Petrol - R4.00 (19%) to R24.20/L
  - Diesel - R7.00 (38%) to R25.60/L

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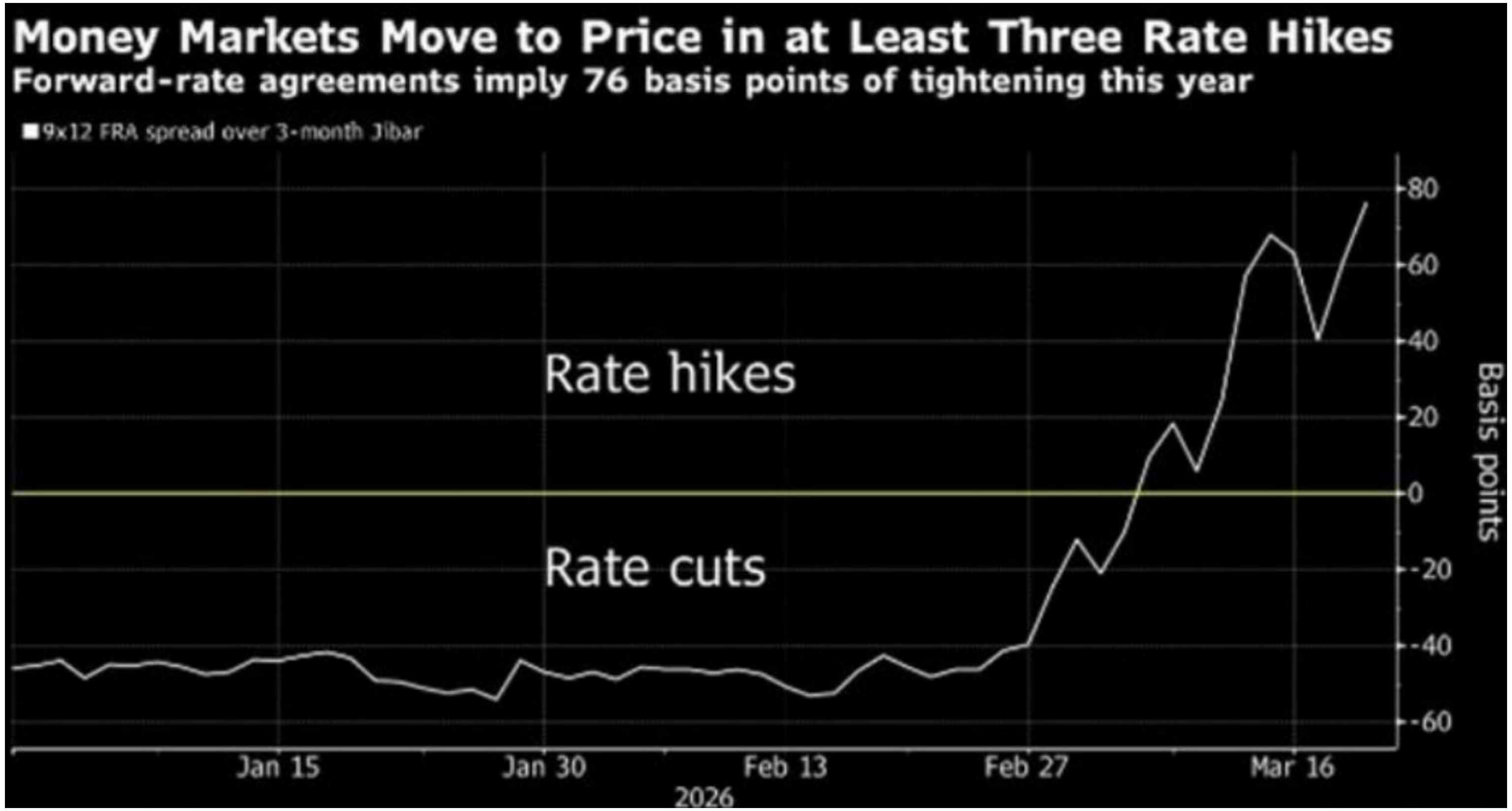
Brent Crude Oil Price up 57%, in ZAR

Source: PortfolioMetrix, Bloomberg

SA Pricing in SARB Rate Increases

Expected inflation increases likely to increase SARB rate

- Broad inflationary pressures likely to flow through to actual prices later this year.
- Biggest driver is fuel prices; impacted by high oil price and ZAR weakness.
  - Agricultural and consumer goods.
  - Transport costs.
- Investors now pricing in 3 x 25bp rate increases by the SARB.
  - In February, investors were expecting 2 x 25bp rate decreases.
- SARB tends to err on the side of hawkish
  - Trying to push inflation and expectations down.



Source: PortfolioMetrix, Bloomberg

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Index Performance

18/03/2026

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SA Indices

South African Asset Classes (ZAR)

Offshore Indices

	Global Equities	US Equities	Developed Equities	EM Equities	Global Gov Bonds	Global Corps	Global Infra	Global Property
1 Week	2.1%	2.2%	2.0%	2.7%	2.1%	2.1%	3.1%	2.5%
1 Month	0.9%	1.9%	1.1%	-0.2%	1.6%	1.5%	2.4%	0.2%
3 Months	1.7%	-0.5%	0.7%	9.7%	-0.6%	-0.7%	10.3%	5.3%
6 Months	0.3%	-2.4%	-0.6%	6.7%	-5.3%	-4.5%	10.3%	0.2%
1 Year	12.3%	9.9%	10.9%	23.6%	-4.3%	-1.7%	13.9%	-0.5%
3 Years	15.8%	17.0%	16.0%	14.5%	-2.2%	2.2%	10.6%	4.1%
5 Years	12.6%	14.2%	13.3%	7.4%	-1.1%	2.5%	11.4%	4.9%
10 Years	12.8%	15.1%	13.2%	10.2%	0.3%	3.2%	10.4%	4.9%

Local Indices

	SA Listed Property	SA Bonds	STeFI +1%	C-SWIX / C-ALSI	ALSI
1 Week	-1.8%	-2.2%	0.1%	-1.7%	-1.7%
1 Month	-9.1%	-4.8%	0.6%	-1.6%	-1.5%
3 Months	-2.1%	0.3%	1.9%	3.3%	3.3%
6 Months	9.9%	8.2%	3.9%	13.6%	12.7%
1 Year	29.7%	22.3%	8.4%	37.8%	37.1%
3 Years	23.4%	15.6%	9.1%	22.0%	21.6%
5 Years	17.9%	12.6%	7.8%	15.9%	16.3%
10 Years	4.0%	10.7%	7.9%	10.0%	12.0%

SA Equity Indices

	SA Financials	SA Industrials	SA Resources	SA Small Cap	SA Mid Cap	SA Large Cap
1 Week	-1.1%	0.7%	-4.3%	-1.8%	-0.5%	-1.7%
1 Month	-6.3%	0.3%	1.5%	-4.6%	-1.4%	-1.2%
3 Months	1.5%	-2.9%	11.7%	-0.7%	5.0%	3.4%
6 Months	15.3%	-5.4%	35.1%	8.9%	15.7%	13.1%
1 Year	29.2%	8.0%	104.3%	28.3%	34.9%	39.3%
3 Years	24.8%	13.4%	30.4%	22.6%	20.4%	21.8%
5 Years	20.3%	11.2%	19.2%	20.6%	14.9%	16.5%
10 Years	9.0%	8.1%	20.5%	10.9%	8.6%	12.4%

Note: periods longer than a year are annualised.
Source: PortfolioMetrix, Morningstar

Global Indices

Global Asset Classes (USD)

Global Fixed Income

	Global Gov Bonds	Global Corps	Global High Yield	EM Bonds	Global ILBs
1 Week	-1.0%	-1.0%	-0.8%	-0.8%	-0.6%
1 Month	-2.1%	-2.2%	-1.5%	-1.5%	-0.7%
3 Months	-0.3%	-0.4%	-0.1%	0.1%	1.2%
6 Months	-1.5%	-0.6%	0.5%	0.9%	0.9%
1 Year	3.6%	6.5%	7.7%	7.9%	6.8%
3 Years	1.1%	5.6%	9.9%	7.5%	3.0%
5 Years	-3.3%	0.2%	4.0%	1.4%	-1.8%
10 Years	-0.6%	2.2%	5.7%	3.6%	1.1%

Global Alternatives

	Global Property	Global Infra
1 Week	-0.7%	-0.1%
1 Month	-3.4%	-1.3%
3 Months	5.6%	10.6%
6 Months	4.3%	14.7%
1 Year	7.9%	23.4%
3 Years	7.6%	14.3%
5 Years	2.6%	8.9%
10 Years	3.9%	9.4%

Global Equity Regions

	Global Equities	Developed Equities	US Equities	UK Equities	Europe ex-UK Equities	Japan Equities	Pacific ex-Japan Equities	EM Equities	EM Asia Equities	EM Europe Equities	EM Lat Am Equities
1 Week	-1.0%	-1.1%	-0.9%	-0.9%	-1.8%	-1.8%	-1.1%	-0.4%	0.1%	-2.4%	-2.4%
1 Month	-2.7%	-2.6%	-1.8%	-2.6%	-6.1%	-6.8%	-1.9%	-3.7%	-3.3%	-9.0%	-4.4%
3 Months	2.0%	1.0%	-0.2%	6.3%	1.0%	4.9%	10.3%	10.0%	10.5%	4.5%	17.5%
6 Months	4.3%	3.4%	1.6%	11.0%	6.1%	7.9%	8.3%	11.0%	10.8%	6.6%	24.1%
1 Year	21.7%	20.2%	19.0%	26.6%	15.7%	26.1%	28.3%	33.9%	35.2%	21.6%	51.4%
3 Years	19.7%	19.9%	20.9%	19.8%	16.6%	18.1%	12.8%	18.4%	18.9%	22.0%	21.1%
5 Years	10.0%	10.7%	11.6%	11.0%	8.7%	6.8%	6.0%	5.0%	4.5%	-10.0%	12.5%
10 Years	11.7%	12.1%	14.0%	7.9%	9.1%	8.6%	8.2%	9.1%	10.0%	-1.2%	8.5%

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Note: periods longer than a year are annualised.
Source: PortfolioMetrix, Morningstar

Global Indices

Global Equity Factors & Sector Performance (USD)

Global Factors

	Global Equities	Global Equities - Value	Global Equities - Momentum	Global Equities - Quality	Global Equities - Min Vol	Global Equities - Small Cap
1 Week	-1.0%	-0.4%	-0.7%	-1.3%	-0.4%	-0.5%
1 Month	-2.7%	-2.7%	-1.4%	-2.8%	-2.0%	-3.2%
3 Months	2.0%	5.3%	6.5%	3.7%	0.4%	2.2%
6 Months	4.3%	13.0%	6.0%	5.6%	1.2%	3.6%
1 Year	21.7%	29.1%	33.9%	23.8%	8.9%	16.5%
3 Years	19.7%	20.7%	27.9%	22.0%	12.9%	14.7%
5 Years	10.0%	11.5%	13.3%	9.8%	7.6%	6.7%
10 Years	11.7%	10.7%	15.4%	12.1%	8.4%	9.2%

Global Sectors

	Comm Services	Consumer Cyclical	Consumer Defensive	Energy	Financials	Healthcare	Industrials	Tech	Real Estate	Utilities	Basic Materials
1 Week	-0.8%	-1.2%	-0.8%	4.9%	-1.4%	-2.3%	-2.3%	-0.8%	-1.4%	1.3%	-2.9%
1 Month	1.1%	-3.8%	-4.4%	10.1%	-5.7%	-6.1%	-5.0%	-0.9%	-4.7%	0.9%	-5.1%
3 Months	-0.2%	-6.3%	5.3%	29.8%	-3.9%	-1.8%	9.5%	1.9%	5.9%	11.9%	9.6%
6 Months	-1.7%	-7.5%	5.2%	30.3%	-0.3%	7.4%	12.0%	4.1%	2.9%	16.2%	16.8%
1 Year	28.9%	9.2%	9.5%	37.2%	15.7%	4.4%	29.5%	32.0%	8.3%	32.0%	31.2%
3 Years	28.8%	14.1%	7.4%	19.9%	23.2%	7.1%	21.6%	28.5%	8.5%	18.5%	13.3%
5 Years	9.0%	2.8%	5.5%	18.0%	11.6%	5.1%	11.5%	16.2%	1.8%	11.2%	6.7%
10 Years	9.8%	9.4%	6.0%	9.6%	11.7%	8.2%	11.8%	21.3%	3.6%	9.3%	10.8%

Note: periods longer than a year are annualised.
Source: PortfolioMetrix, Morningstar

Market Metrics

19/03/2026

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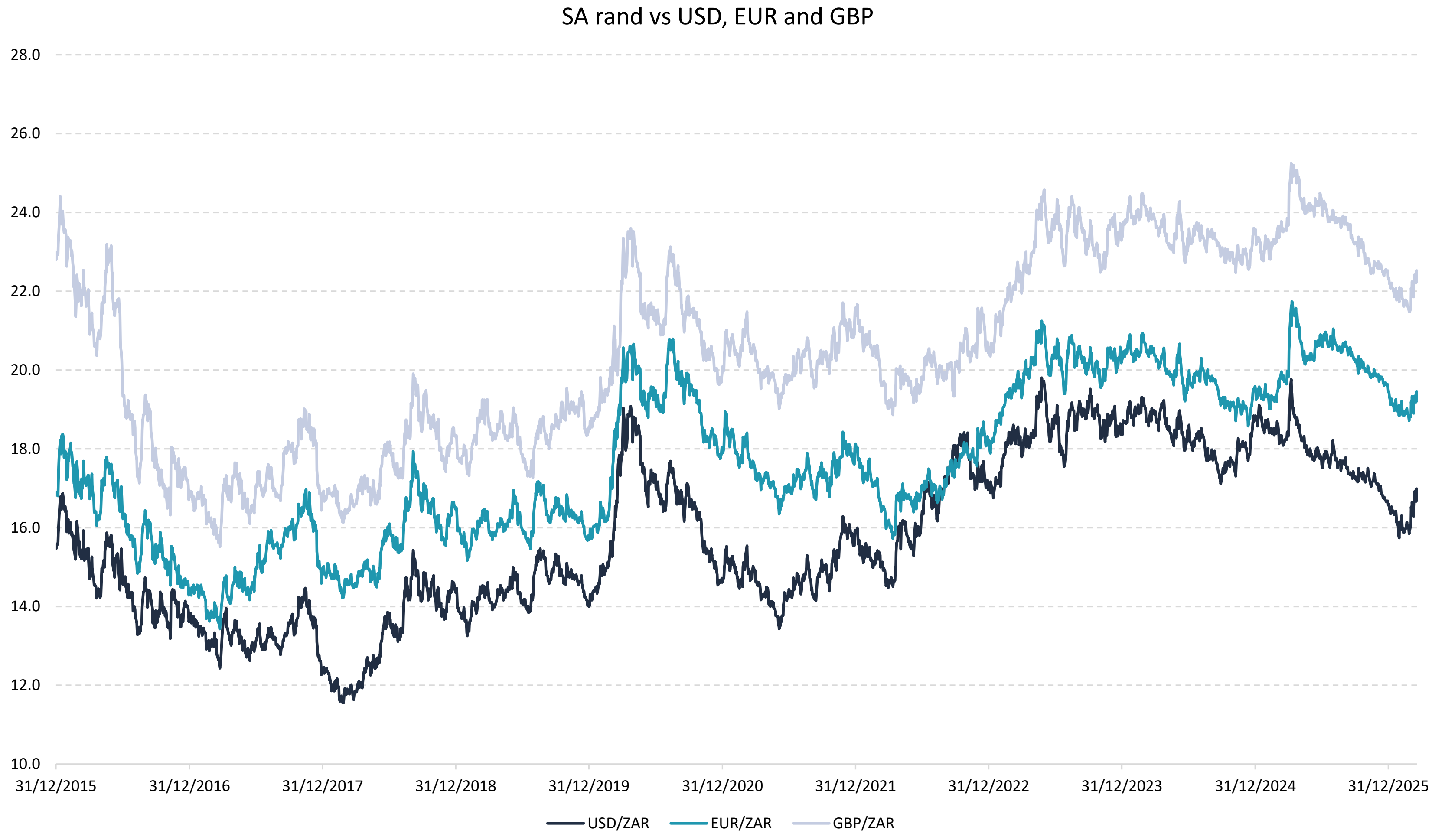
Currencies

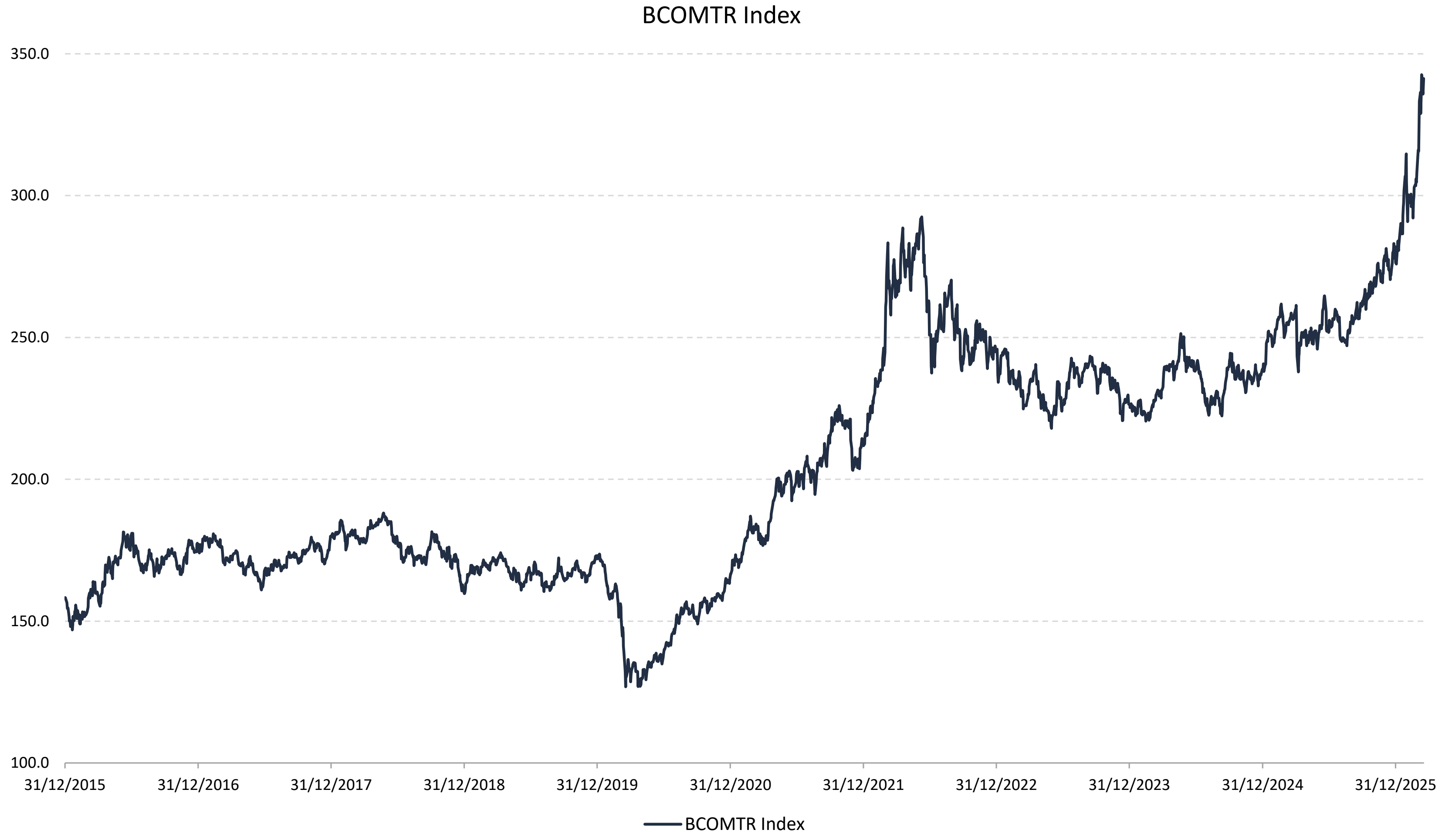
SA Rand vs USD, EUR and GBP



Source: PortfolioMetrix, Bloomberg

Commodities

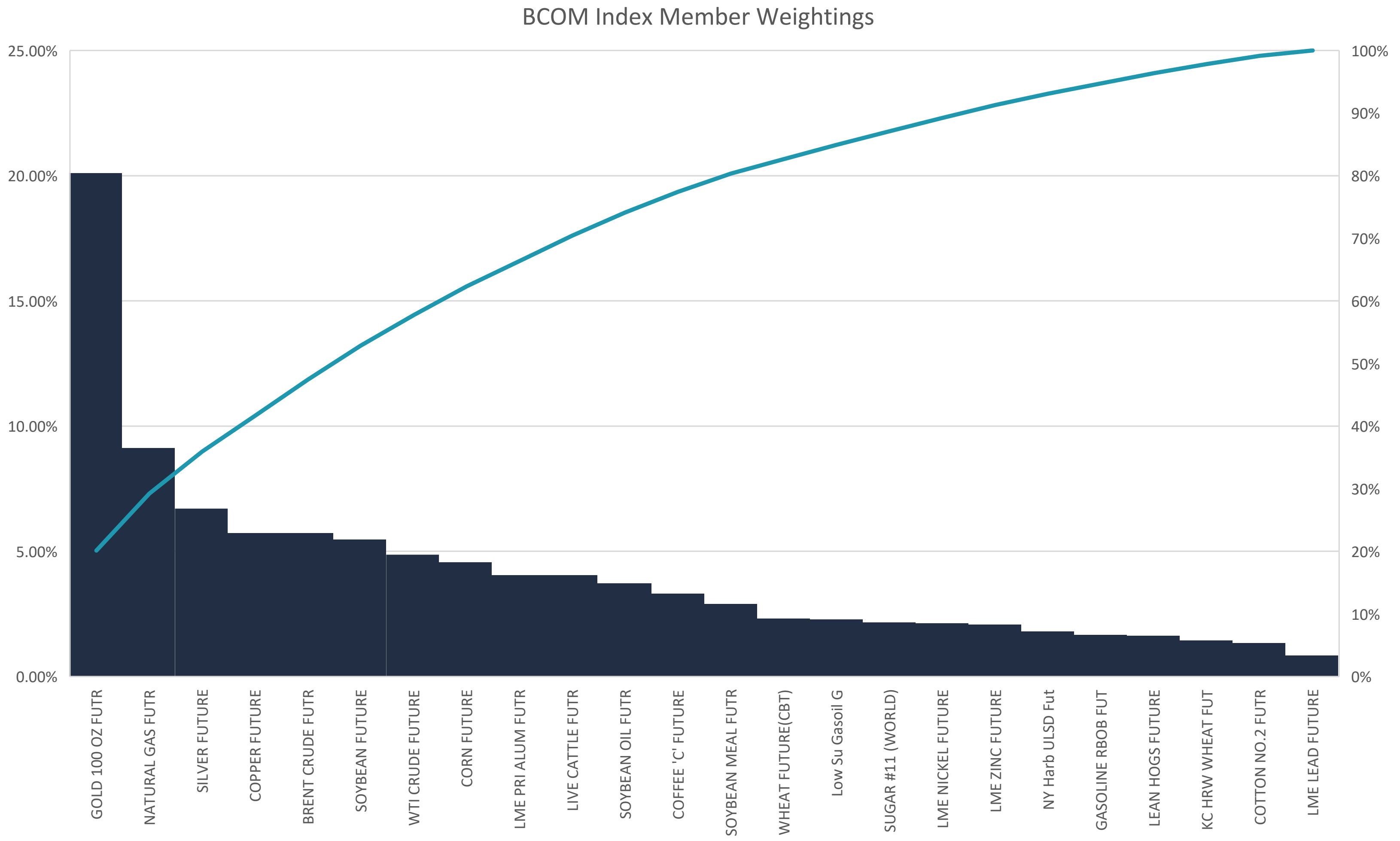
Bloomberg Commodity Total Return Index



Source: PortfolioMetrix, Bloomberg

Commodities

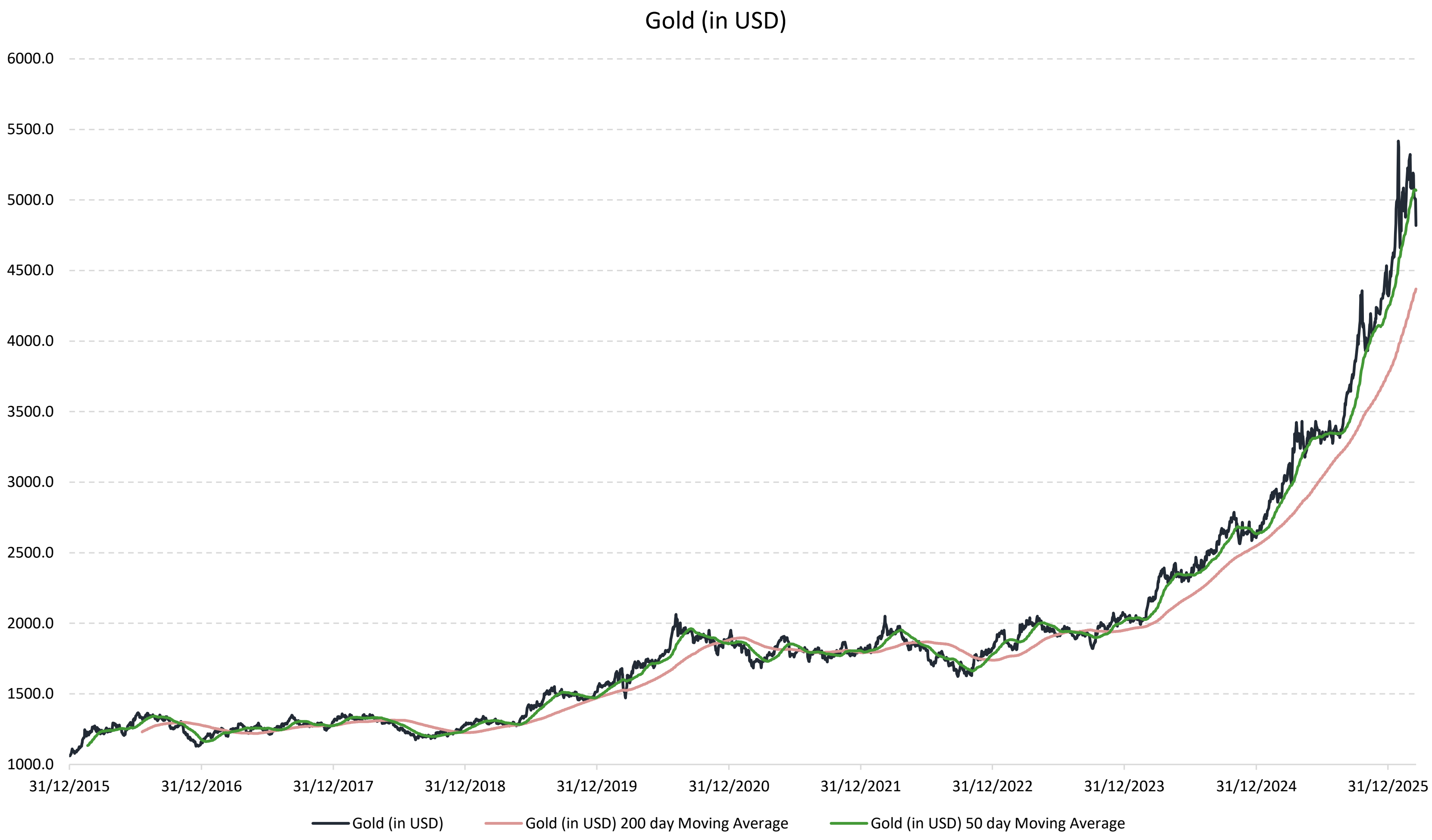
Bloomberg Commodity Total Return Index



Source: PortfolioMetrix, Bloomberg

Commodities

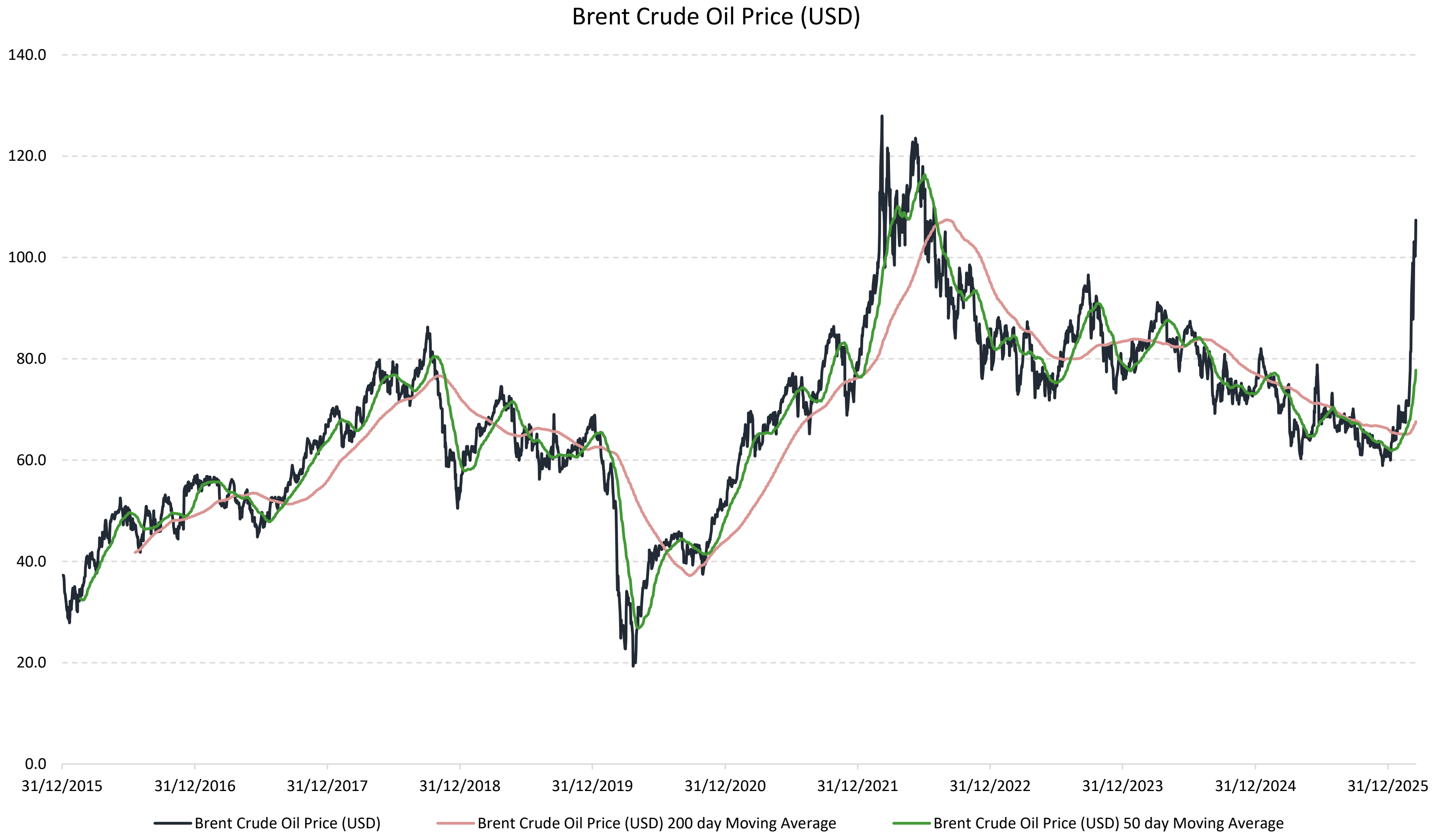
Gold (in USD)



Source: PortfolioMetrix, Bloomberg

Commodities

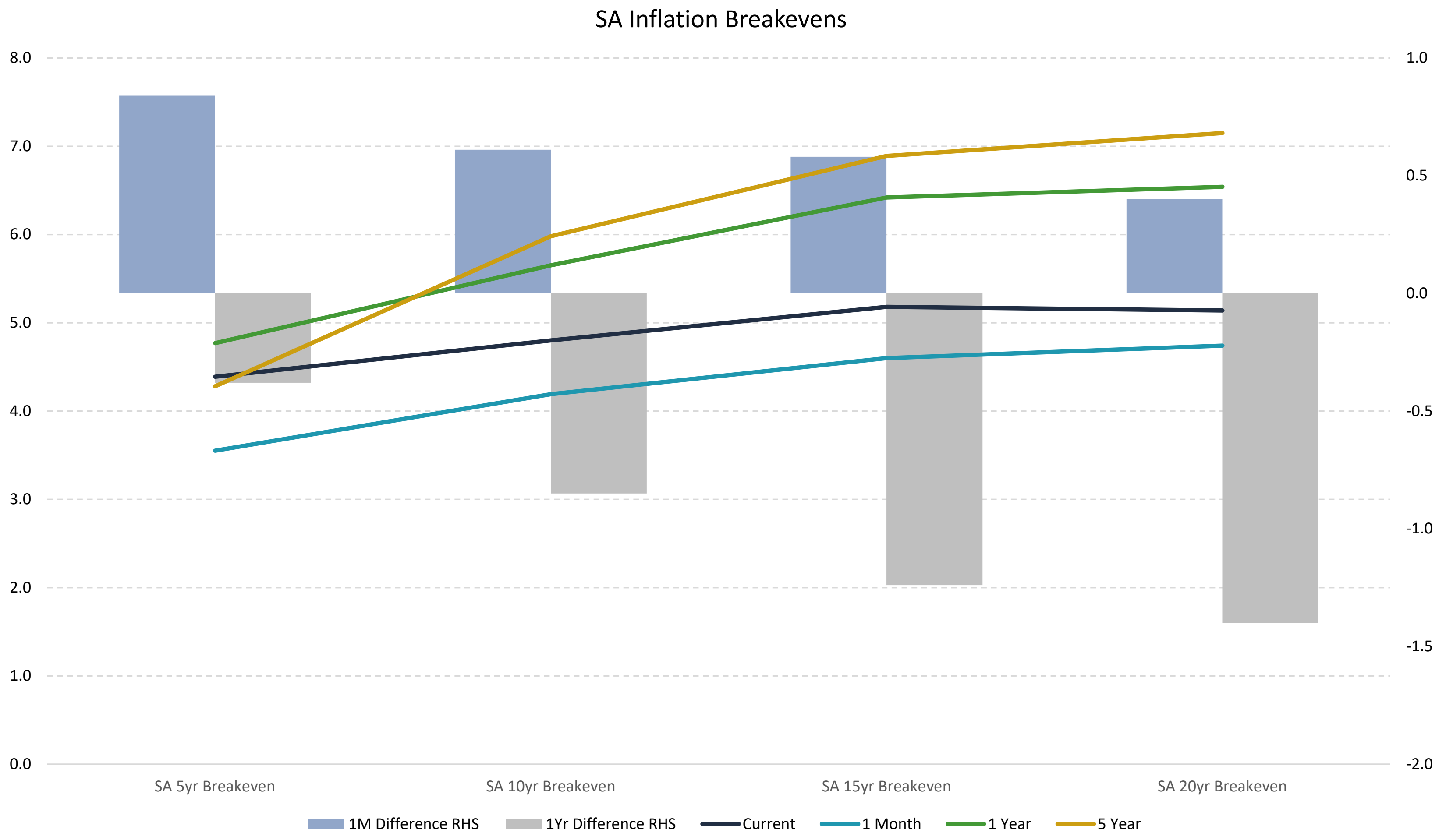
Brent Crude (USD)



Source: PortfolioMetrix, Bloomberg

Market Metrics

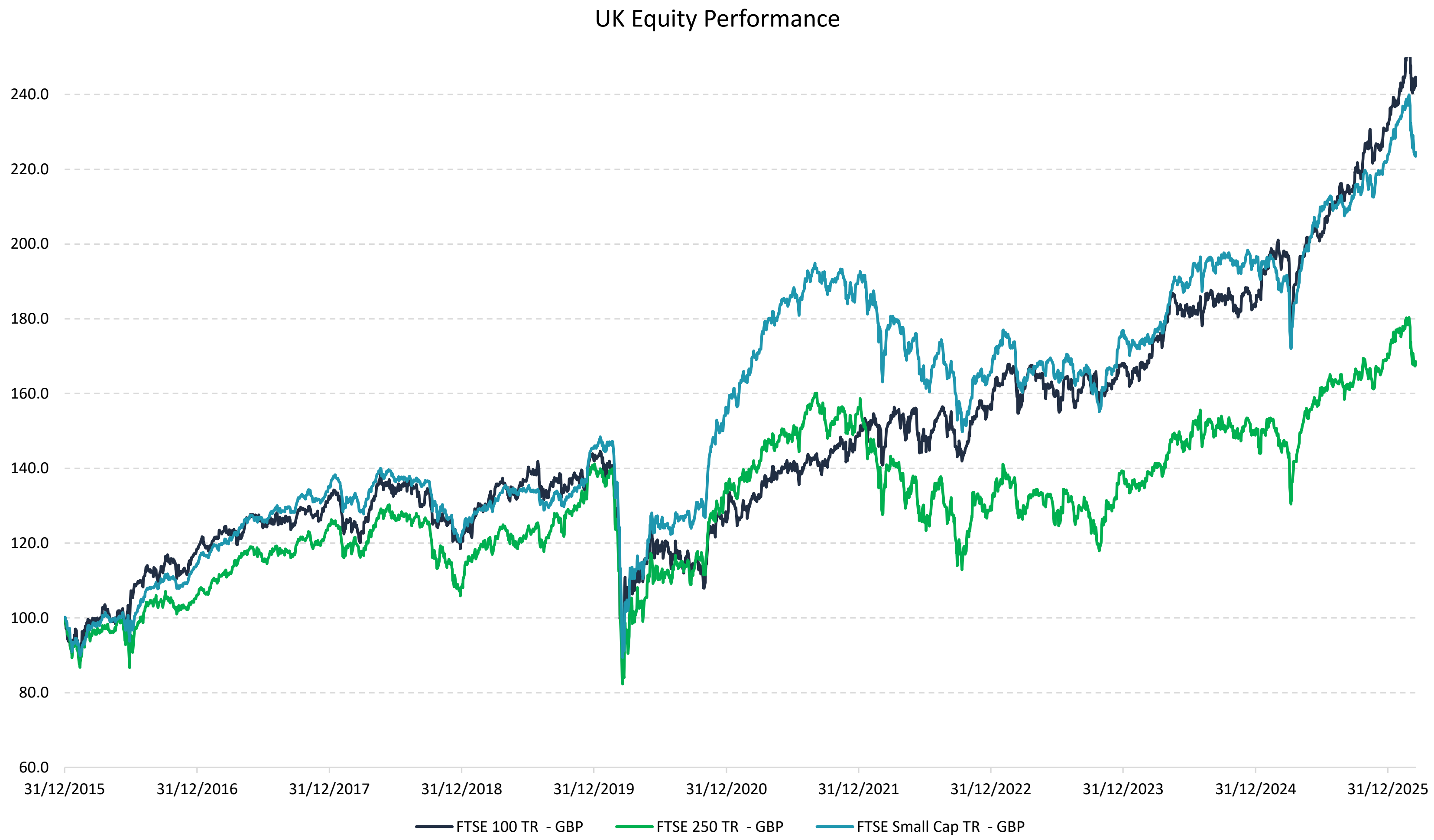
South African Inflation Breakevens



Source: PortfolioMetrix, Bloomberg

Market Metrics

UK Equity Performance



Source: PortfolioMetrix, Bloomberg

Glossary of Terms

Weekly Time Frame

- The Weekly Wrap is compiled every Thursday afternoon and thus the timeframe on charts will run from the prior Wednesday close to the current Wednesday close.

Global and SA Headlines

- The major headlines across the global dailies that had or have a direct impact on markets around the globe.

Macro Events

- The major macroeconomic releases over the week that help shape economic views and market movements.

Charts - Price Returns

- Bar charts depict price returns for the week to close of day Wednesday, as well as the prior week (shaded) in the currency as designated.

SA - US yield spreads

- This difference, or interest carry, is the SA risk spread this is guided by the interest rate differentials (and the levers that drive these expectations) between the two countries as well as providing a forecast of expected
- Rand depreciation over the 10 year period.

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Full calculation methodology available on request.

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