Weekly Market Wrap

03/07/2026

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Market Drivers

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Global Market Drivers

- Oil prices continue to fall towards pre-conflict levels
- USA data sends mixed signals – sticky inflation and softer labour market
- Eurozone flash estimates suggests slowing inflation to 2.8% from 3.2%
- Chinese manufacturing data edged back into expansion territory
- Japanese manufacturer sentiment improves

SA Market Drivers

- July fuel price cuts announced – petrol decreased 7% (R26.10/L); diesel decreased 13% (R25.16/L)
- May inflation data raises to 4.5% y/y, compared to 4.0% y/y in April
- May employment data showed minor reduction in employment

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Charts That Matter

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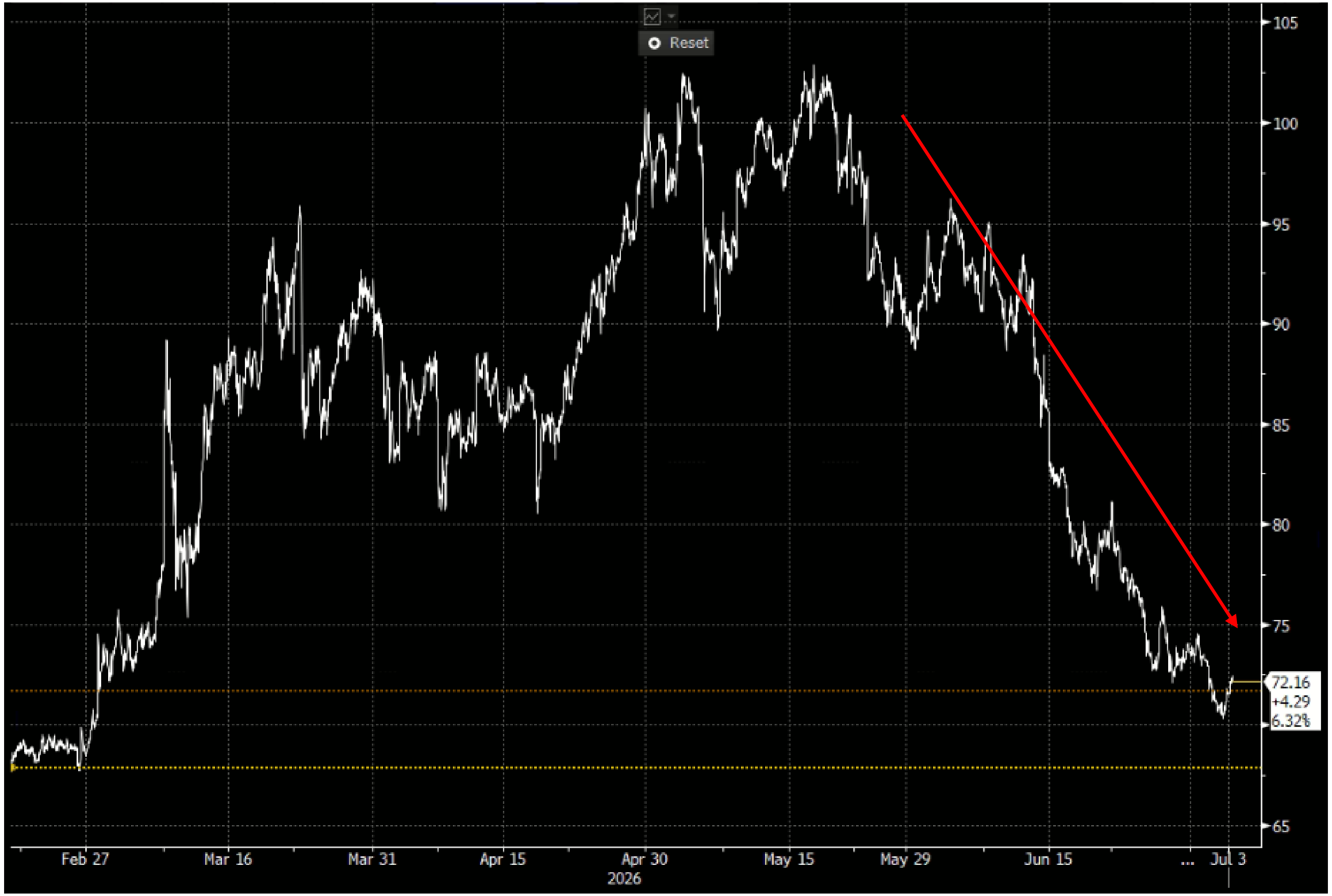
Oil prices trending downwards

Approaching pre-conflict level of $68

- Driven by improved confidence in stability of cease-fire and uninterrupted traffic through Strait of Hormuz.
- Should ease inflationary pressure globally as energy prices reduce.
- Currently viewed as a credible short-term de-escalation, but not a durable long-term deal yet.
    - Permanent end of attacks in Iran and Lebanon – by USA and Israel.
    - Reopen and long-term agreement on Strait of Hormuz.
    - Declaration on nuclear weapons, enriched uranium and energy production.

Brent Crude price continues downward trend from $103 peak



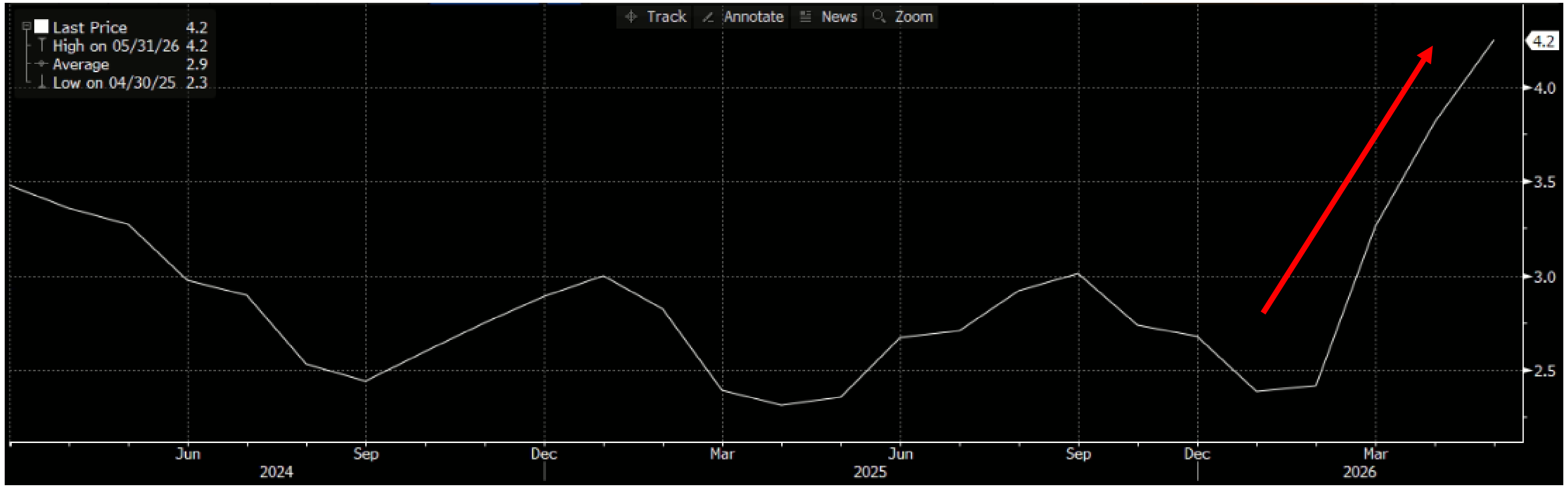
Source: PortfolioMetrix, Bloomberg

US Inflation climbed higher yet new jobs slowed

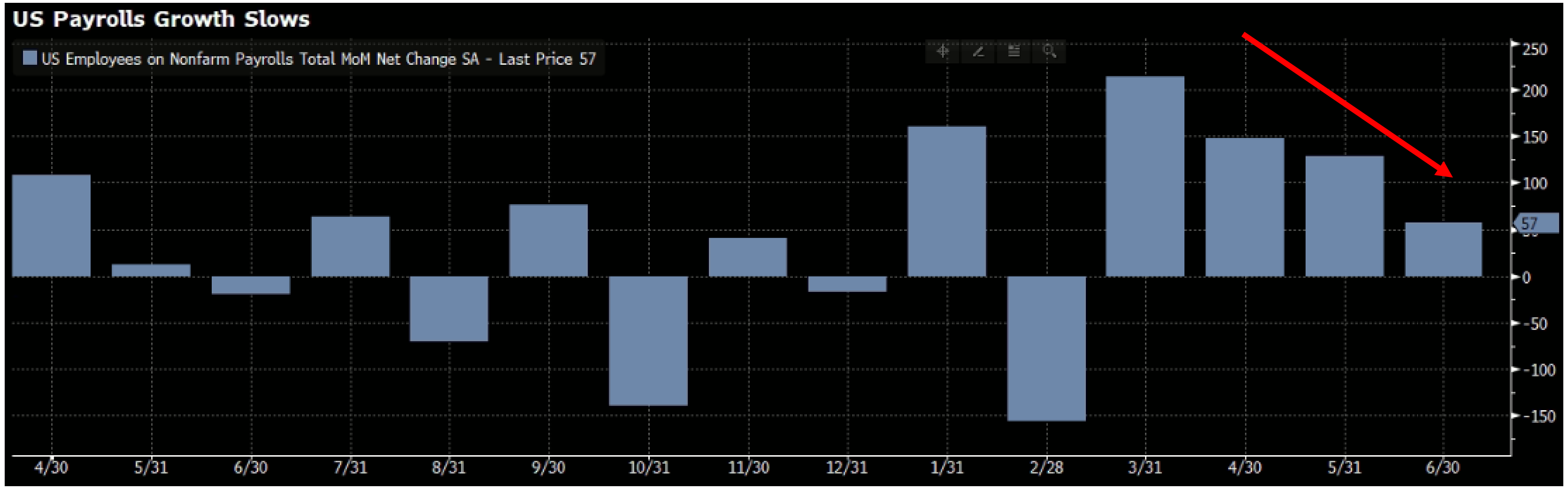
"It was the best of times; it was the worst of times…" – *A Tale of Two Cities*, Charles Dickens

- Inflation accelerated to 4.2% in May from 3.8% in April.
  - Better than expected 4.3%, however trend is upwards.
  - Inflation is still materially above Fed target.
- Employment data was softer than expected, indicating a weaker labour market.
  - Non-farm payroll (# jobs in non-agriculture sector) increased by 57 000.
  - Below estimates of 113 000.
- Evidence of economy in a stagflation lite scenario.
  - Rising inflation and weak labour market.
- Difficult interest rate decision for Fed
  - Economy is likely in late-stage cycle.
  - Rates generally increase/held high and job losses begin.

Inflation rose to 4.2% - lower than 4.3% expectation, but above 2.0 Fed target. Suggests stronger economy



New job growth slowed to 57k – below estimated 113k. Suggests weaker economy



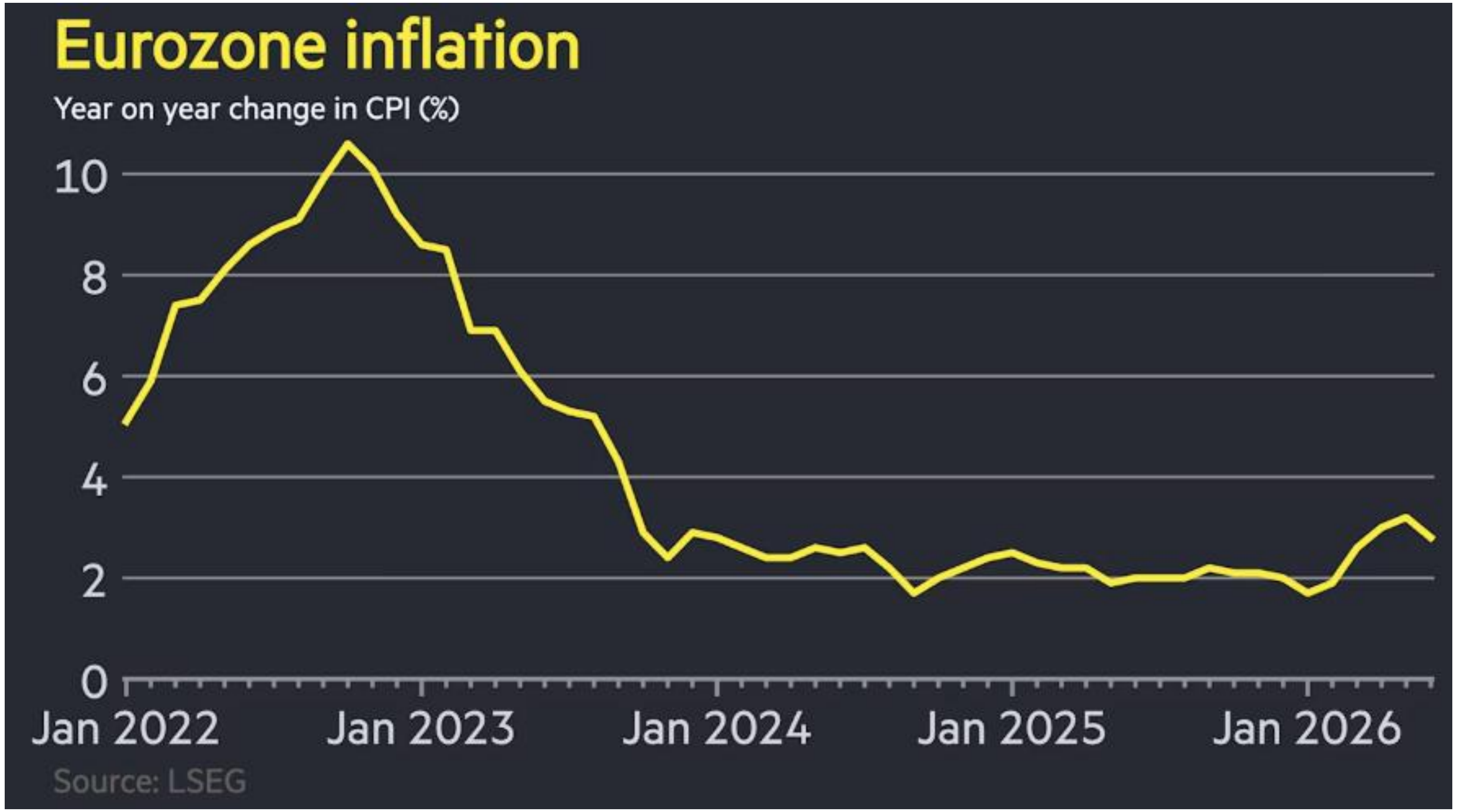
Source: PortfolioMetrix, Bloomberg

European inflation eased marginally

Inflation improving, but still higher than ECB target

- Inflation eased to 2.8% from 3.2% in May.
  - Below expectations of 3.0%.
- Core inflation (less volatile items) was 2.4%.
- Energy remained the main driver of overall prices.
  - Component fell from 10.8% y/y in May to 8.7% y/y in June.
  - May energy spike may be more temporary than expected.
- ECB policy decision pressure.
  - Turning point in inflation trend may allow ECB to hold rates.
  - Previous decision was 25bp increase.

Eurozone disinflation trend intact, however June inflation remains above ECB's 2% target



Source: PortfolioMetrix, London Stock Exchange Group

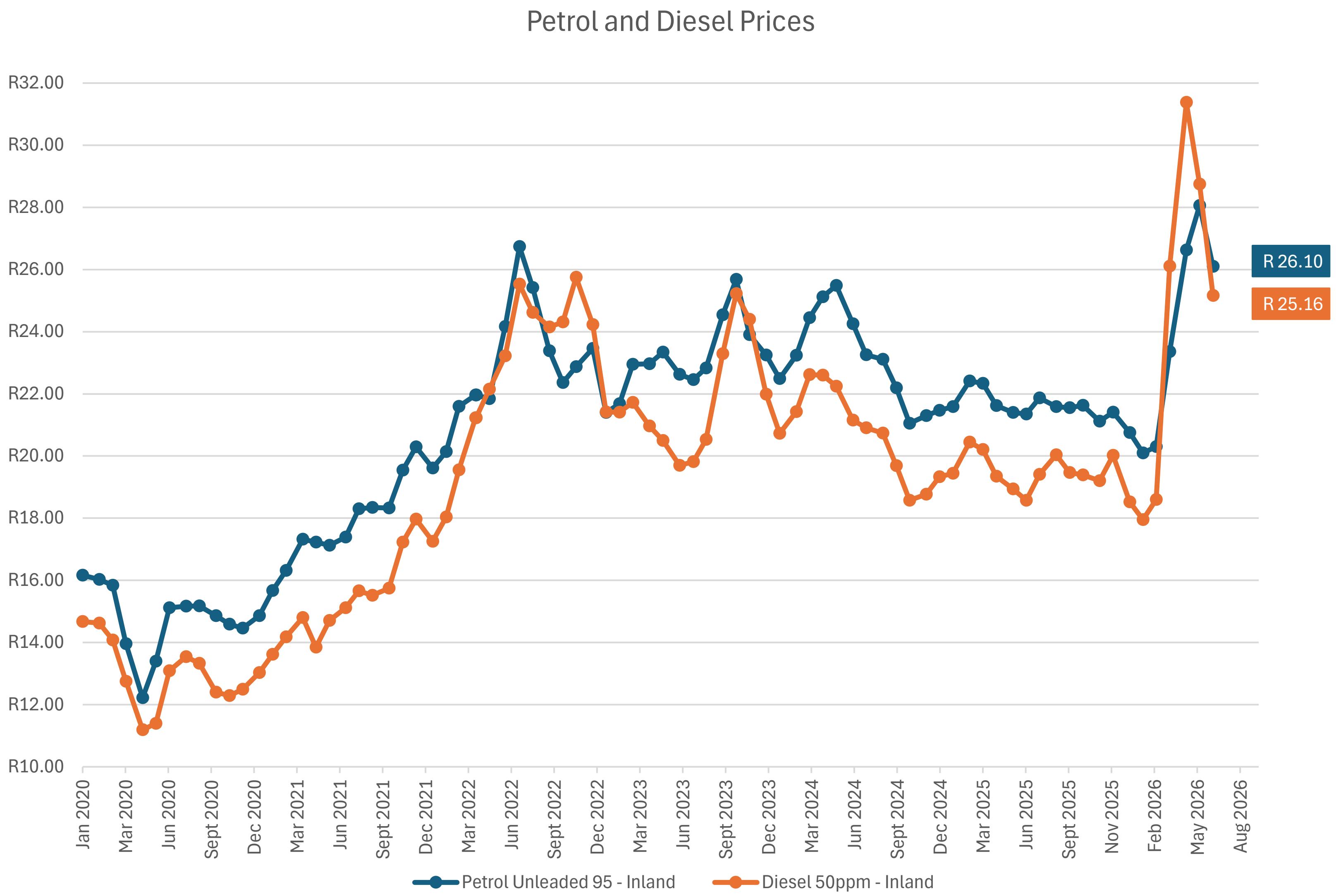
SA fuel prices begin decreasing

Petrol prices decrease 7%
Diesel down 13%

- Driven by stable ZAR exchange rate lower international oil prices.
  - Brent prices fell 24% over June – from $96.42/bbl to $72.92/bbl
- Fuel Levy Relief completely phased out.
  - R1.50/L for petrol
  - R1.96/L for diesel
  - Next price cuts should be larger as no Levy Relief reintroduction remaining.
- Reduces strain on consumers, as well as reduces inflationary pressure across economy.
  - May inflation increase to 4.5% from 4.0% in April.
  - Driven by fuel/transport/agriculture related items.

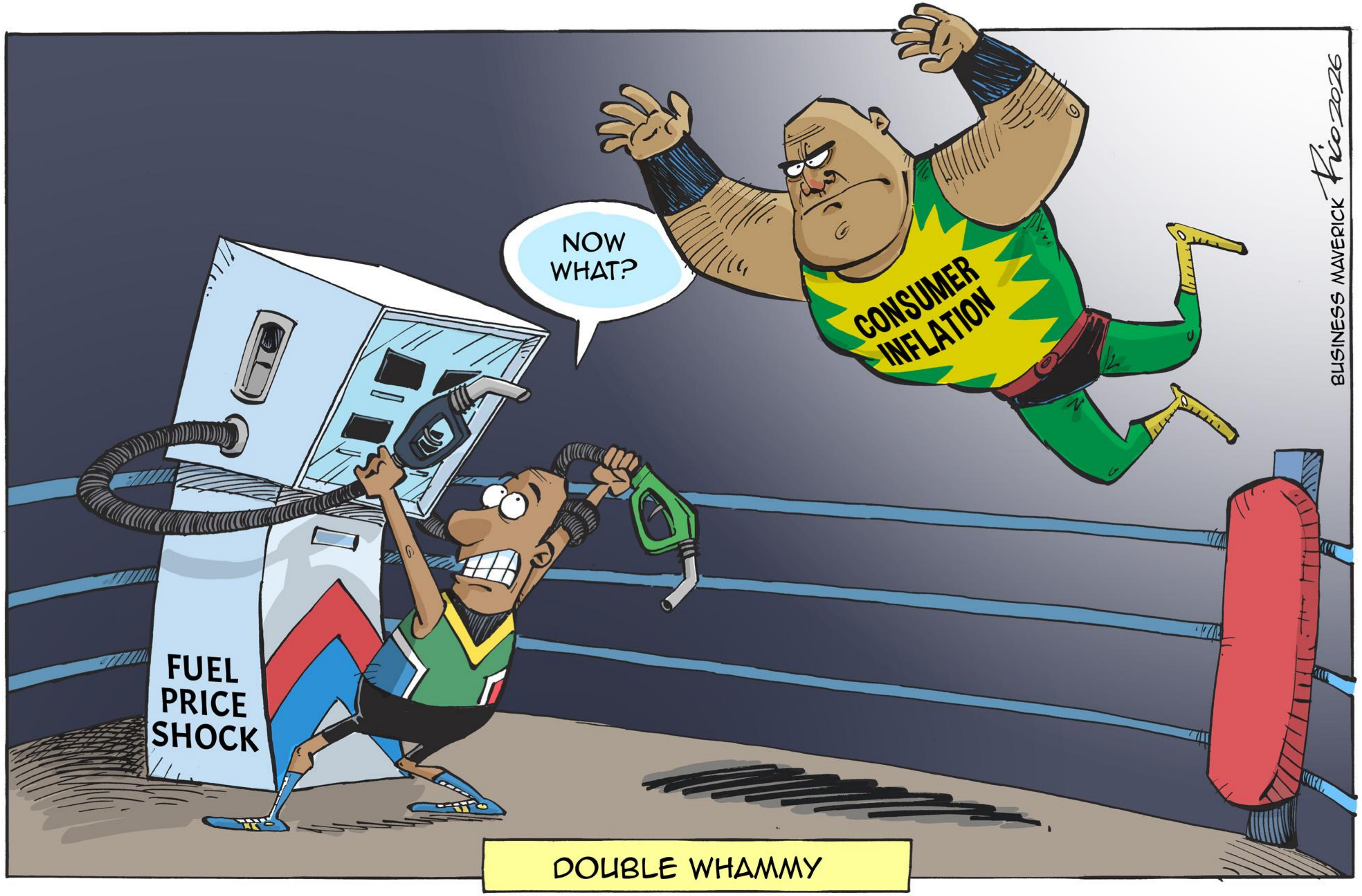
PMX

Petrol price down R1.95 (7.0%); Diesel down R3.59 1(12.5%)



Source: PortfolioMetrix, Department of Minerals and Energy

Comics That Matter
SA and global consumers feeling the pinch of higher prices



Source: *Fuelling Inflation* – Rico (Daily Maverick); 2026

Index Performance

30/06/2026

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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	0.5%	1.1%	0.8%	-1.4%	-0.4%	-0.4%	0.0%	-1.2%
1 Month	0.3%	0.2%	0.4%	-0.1%	0.4%	0.7%	2.4%	1.8%
3 Months	11.6%	13.1%	10.8%	16.8%	-3.7%	-2.8%	-1.3%	5.5%
6 Months	9.0%	7.5%	7.4%	21.7%	-2.0%	-1.3%	9.3%	7.6%
1 Year	13.9%	11.8%	11.8%	30.7%	-8.9%	-5.3%	8.5%	2.4%
3 Years	14.0%	14.6%	13.6%	16.5%	-2.8%	0.6%	7.6%	3.0%
5 Years	14.0%	15.5%	14.5%	10.4%	-0.7%	2.6%	10.6%	4.2%
10 Years	14.0%	16.2%	14.3%	11.5%	0.0%	3.1%	10.2%	4.9%

Local Indices

	SA Listed Property	SA Bonds	STeFI +1%	C-SWIX / C-ALSI	ALSI
1 Week	0.1%	0.4%	0.1%	-1.2%	-1.2%
1 Month	3.7%	1.5%	0.7%	-3.7%	-3.7%
3 Months	10.1%	8.3%	1.9%	-0.7%	-0.7%
6 Months	4.7%	4.5%	3.9%	-3.4%	-3.5%
1 Year	29.7%	21.5%	8.1%	19.4%	18.4%
3 Years	26.6%	17.8%	9.0%	17.8%	17.4%
5 Years	17.5%	12.4%	8.0%	14.7%	15.2%
10 Years	4.6%	10.8%	7.8%	9.4%	11.6%

SA Equity Indices

	SA Financials	SA Industrials	SA Resources	SA Small Cap	SA Mid Cap	SA Large Cap
1 Week	-1.9%	1.7%	-3.5%	0.3%	-1.6%	-1.4%
1 Month	2.8%	2.2%	-15.9%	2.3%	-2.1%	-4.5%
3 Months	9.8%	5.7%	-16.6%	6.8%	-3.6%	-1.5%
6 Months	7.2%	-4.2%	-13.3%	4.1%	-6.3%	-4.5%
1 Year	28.5%	-1.6%	42.3%	23.8%	12.0%	18.6%
3 Years	24.4%	10.1%	21.4%	23.3%	16.4%	16.9%
5 Years	20.1%	10.9%	15.3%	20.0%	12.0%	15.3%
10 Years	10.0%	8.2%	17.9%	11.2%	7.5%	12.0%

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

Global Indices

Global Asset Classes (USD)

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	1.3%	1.6%	1.9%	1.2%	1.9%	-0.8%	0.0%	-0.7%	-0.6%	-1.0%	-0.1%
1 Month	-0.9%	-0.8%	-1.0%	-0.8%	1.3%	-1.5%	-2.8%	-1.3%	-1.2%	2.2%	-2.2%
3 Months	16.9%	16.1%	18.5%	5.2%	13.8%	11.0%	3.9%	22.4%	26.7%	17.7%	-0.1%
6 Months	10.4%	8.8%	8.9%	5.3%	7.8%	13.5%	7.1%	23.3%	27.0%	14.9%	13.1%
1 Year	23.5%	21.2%	21.3%	18.1%	18.4%	27.4%	14.6%	41.7%	46.6%	28.6%	34.5%
3 Years	19.5%	19.1%	20.1%	17.2%	16.0%	17.9%	12.2%	22.2%	24.5%	25.9%	13.1%
5 Years	10.9%	11.4%	12.4%	10.3%	8.9%	9.1%	5.3%	7.4%	7.8%	-9.8%	9.4%
10 Years	12.7%	13.1%	14.9%	8.5%	10.4%	9.5%	8.1%	10.3%	11.5%	0.0%	7.8%

Global Fixed Income

	Global Gov Bonds	Global Corps	Global High Yield	EM Bonds	Global ILBs
1 Week	0.3%	0.3%	0.3%	0.2%	0.4%
1 Month	-0.8%	-0.5%	-0.1%	0.5%	-1.4%
3 Months	0.9%	1.9%	3.1%	3.3%	0.9%
6 Months	-0.7%	0.0%	1.2%	1.7%	0.3%
1 Year	-1.2%	2.6%	4.9%	7.5%	1.2%
3 Years	1.9%	5.5%	9.0%	7.5%	2.8%
5 Years	-3.4%	-0.2%	3.8%	1.2%	-2.4%
10 Years	-1.1%	2.0%	5.5%	3.2%	0.9%

Global Alternatives

	Global Property	Global Infra
1 Week	-0.5%	0.8%
1 Month	0.6%	1.1%
3 Months	10.6%	3.4%
6 Months	9.0%	10.7%
1 Year	11.0%	17.7%
3 Years	8.0%	12.9%
5 Years	1.4%	7.6%
10 Years	3.7%	9.0%

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	1.3%	-0.5%	2.5%	1.8%	0.3%	1.8%
1 Month	-0.9%	-2.4%	1.0%	0.0%	0.3%	2.8%
3 Months	16.9%	12.3%	39.5%	18.0%	4.9%	20.1%
6 Months	10.4%	12.8%	31.3%	11.0%	0.7%	15.8%
1 Year	23.5%	34.1%	46.0%	24.4%	3.7%	24.1%
3 Years	19.5%	21.1%	35.0%	21.2%	10.3%	16.9%
5 Years	10.9%	12.9%	16.5%	10.0%	6.4%	8.6%
10 Years	12.7%	11.5%	17.8%	13.1%	8.1%	10.6%

Global Sectors

	Comm Services	Consumer Cyclical	Consumer Defensive	Energy	Financials	Healthcare	Industrials	Tech	Real Estate	Utilities	Basic Materials
1 Week	0.7%	2.3%	-0.1%	-2.6%	-0.5%	4.0%	2.2%	2.1%	-0.9%	0.8%	-1.4%
1 Month	-7.3%	-5.2%	0.7%	-6.3%	3.5%	4.7%	1.9%	-1.4%	-1.1%	1.5%	-6.5%
3 Months	10.7%	8.2%	1.5%	-13.4%	13.1%	7.5%	14.0%	41.8%	6.5%	0.2%	2.2%
6 Months	-2.5%	-6.0%	4.5%	15.5%	3.7%	0.8%	15.6%	27.5%	4.9%	8.0%	5.9%
1 Year	13.8%	3.5%	3.6%	25.2%	15.1%	14.9%	25.4%	47.1%	5.8%	16.4%	26.2%
3 Years	23.9%	9.1%	5.5%	13.1%	23.2%	6.4%	20.4%	32.0%	7.4%	16.3%	11.1%
5 Years	8.1%	2.1%	3.8%	14.6%	12.6%	4.0%	12.2%	20.3%	0.2%	10.3%	5.4%
10 Years	9.5%	9.8%	5.4%	7.8%	13.2%	7.9%	12.6%	24.5%	3.3%	8.4%	10.4%

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

Market Metrics

01/07/2026

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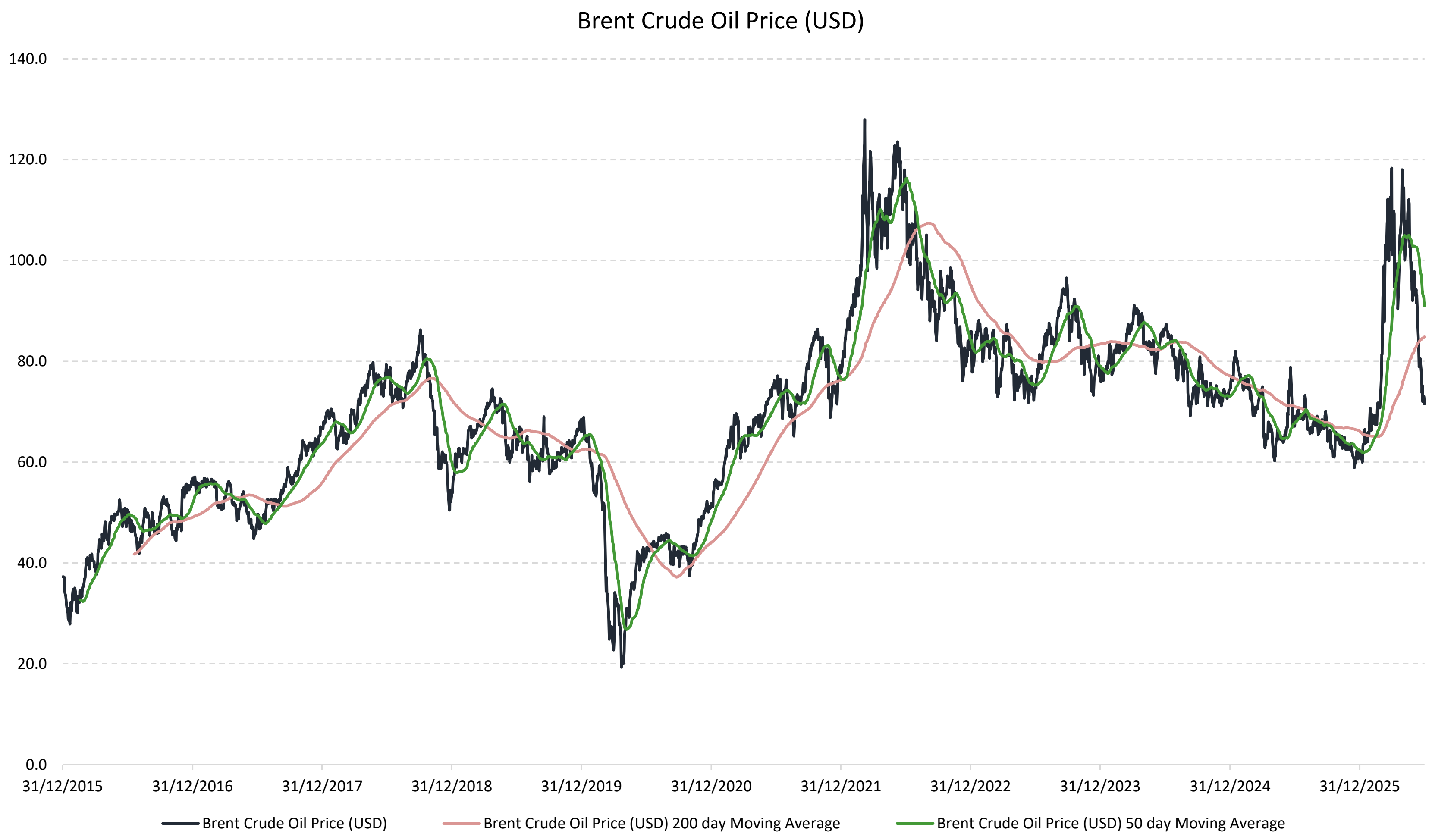
Commodities

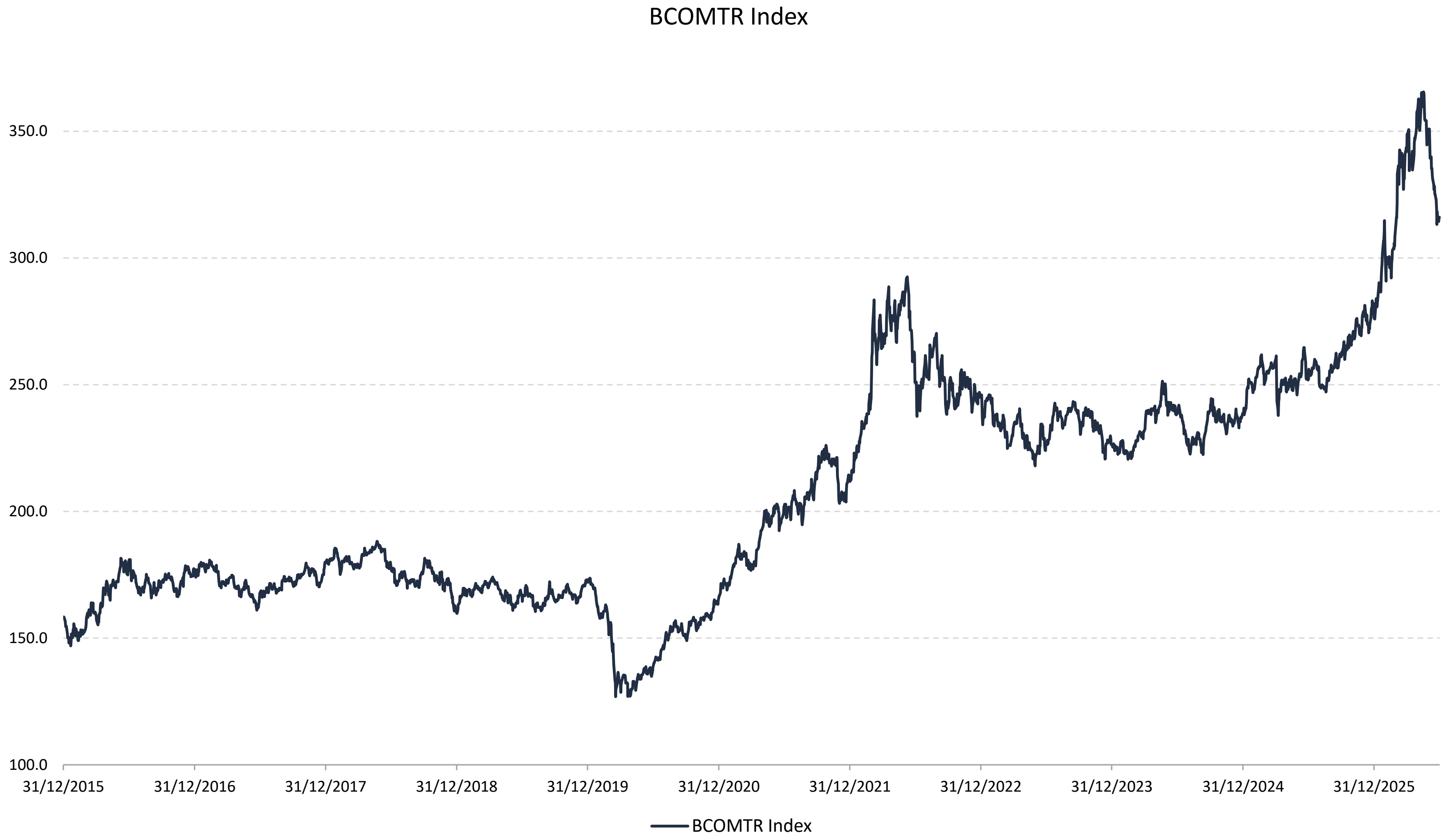
Brent Crude (USD)



Source: PortfolioMetrix, Bloomberg

Commodities

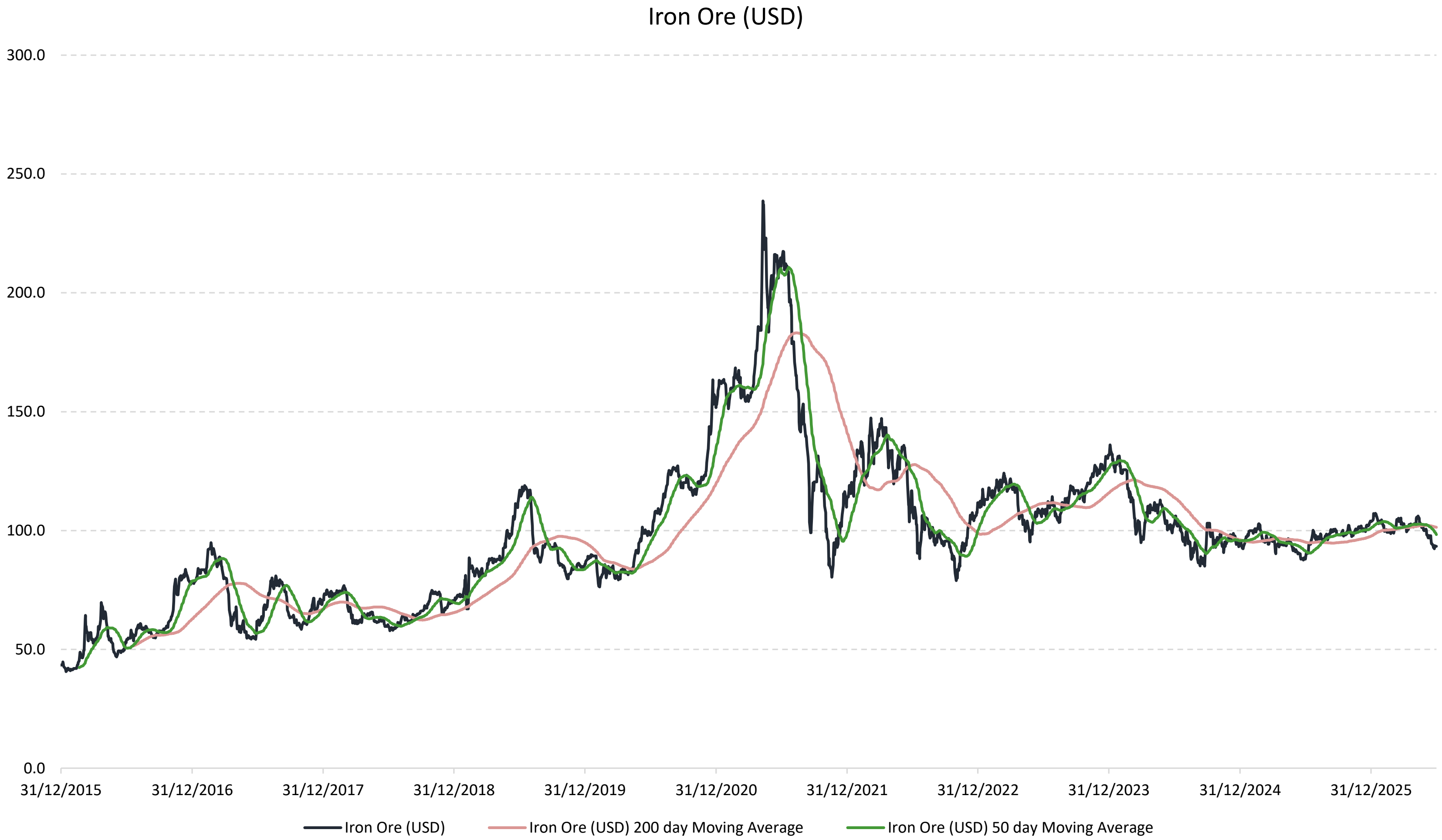
Bloomberg Commodity Total Return Index



Source: PortfolioMetrix, Bloomberg

Commodities

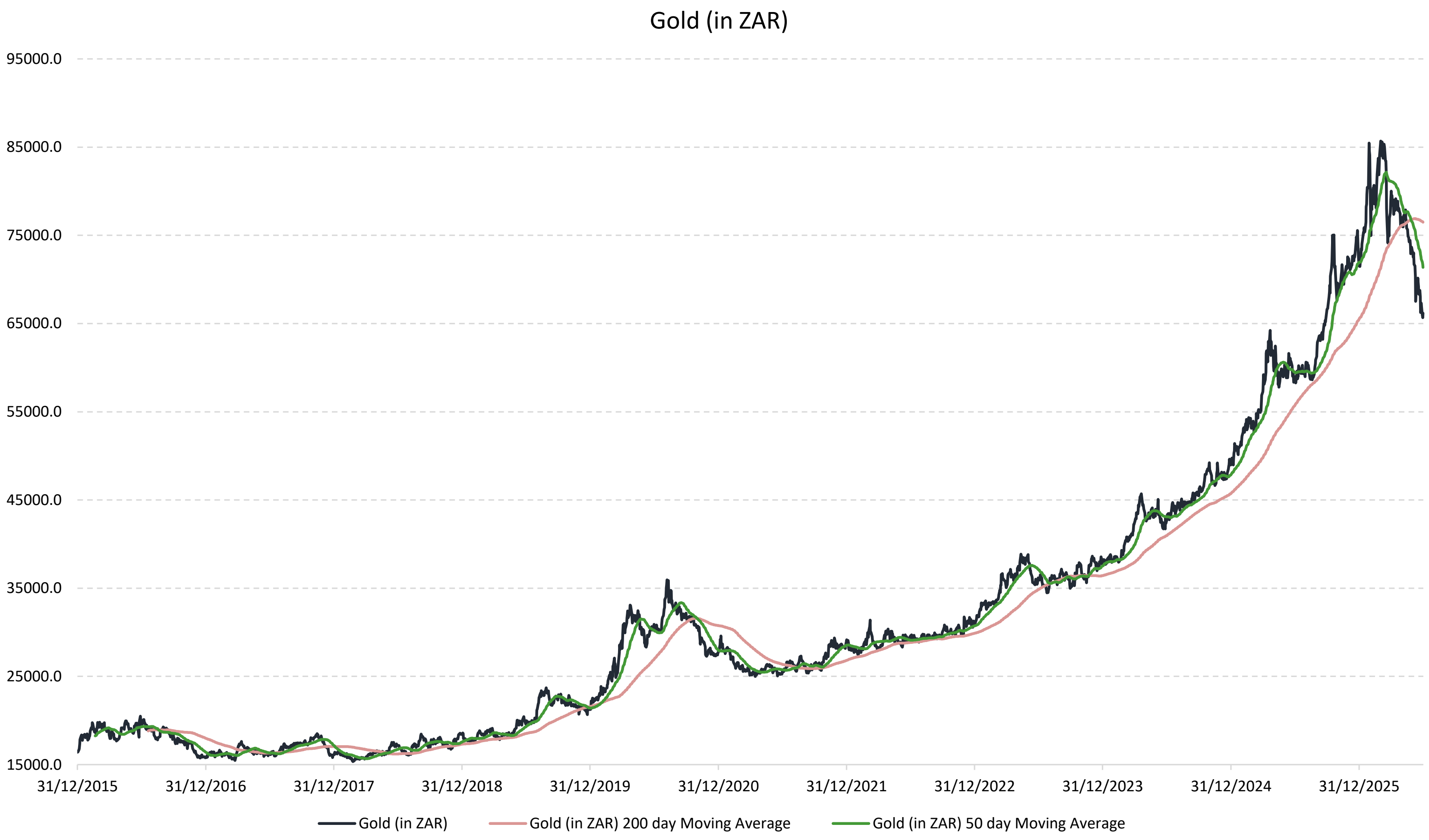
Iron Ore (in USD)



Source: PortfolioMetrix, Bloomberg

Commodities

Gold (ZAR)



Source: PortfolioMetrix, Bloomberg

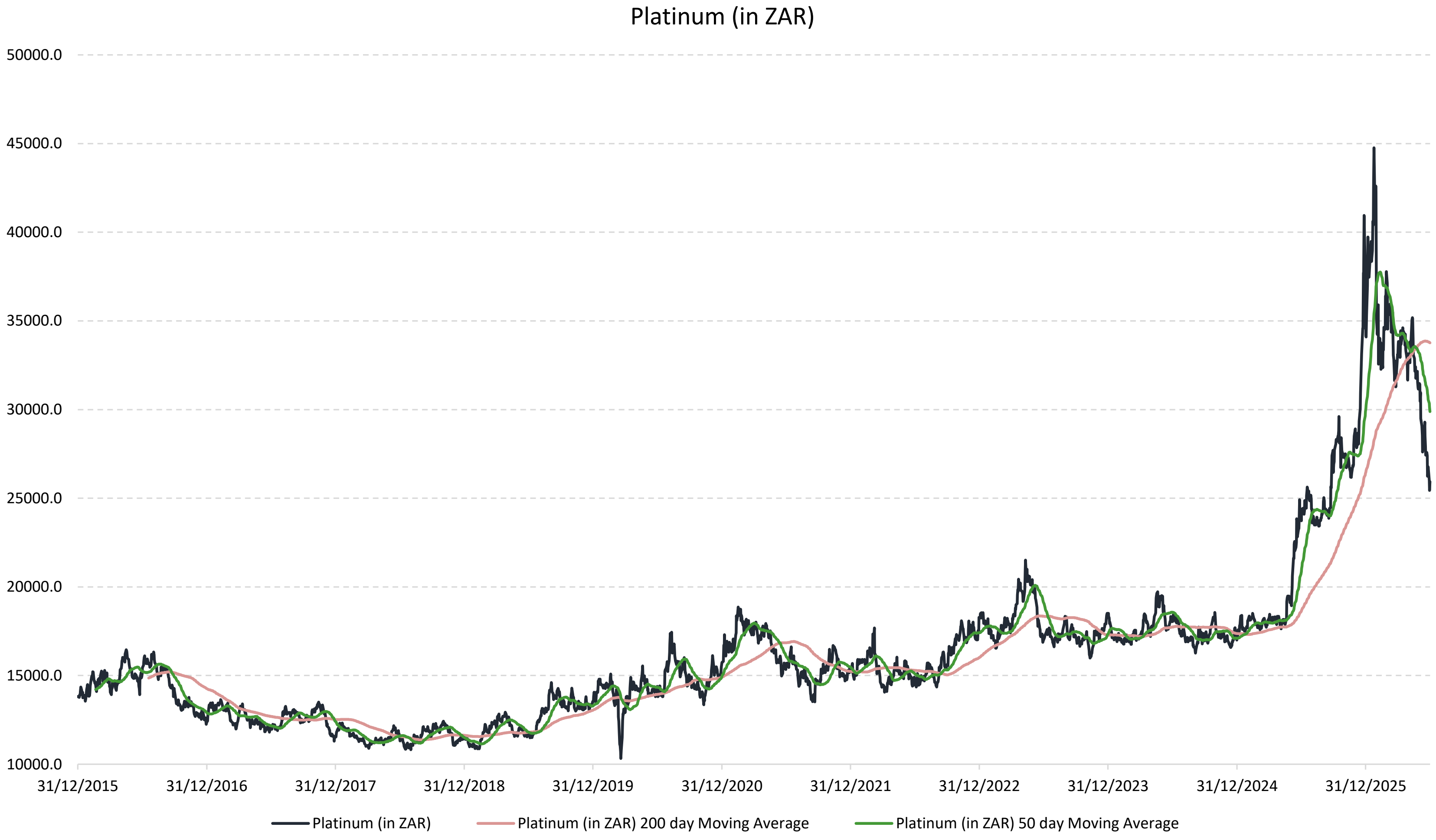
Commodities

Silver (ZAR)

Source: PortfolioMetrix, Bloomberg

Commodities

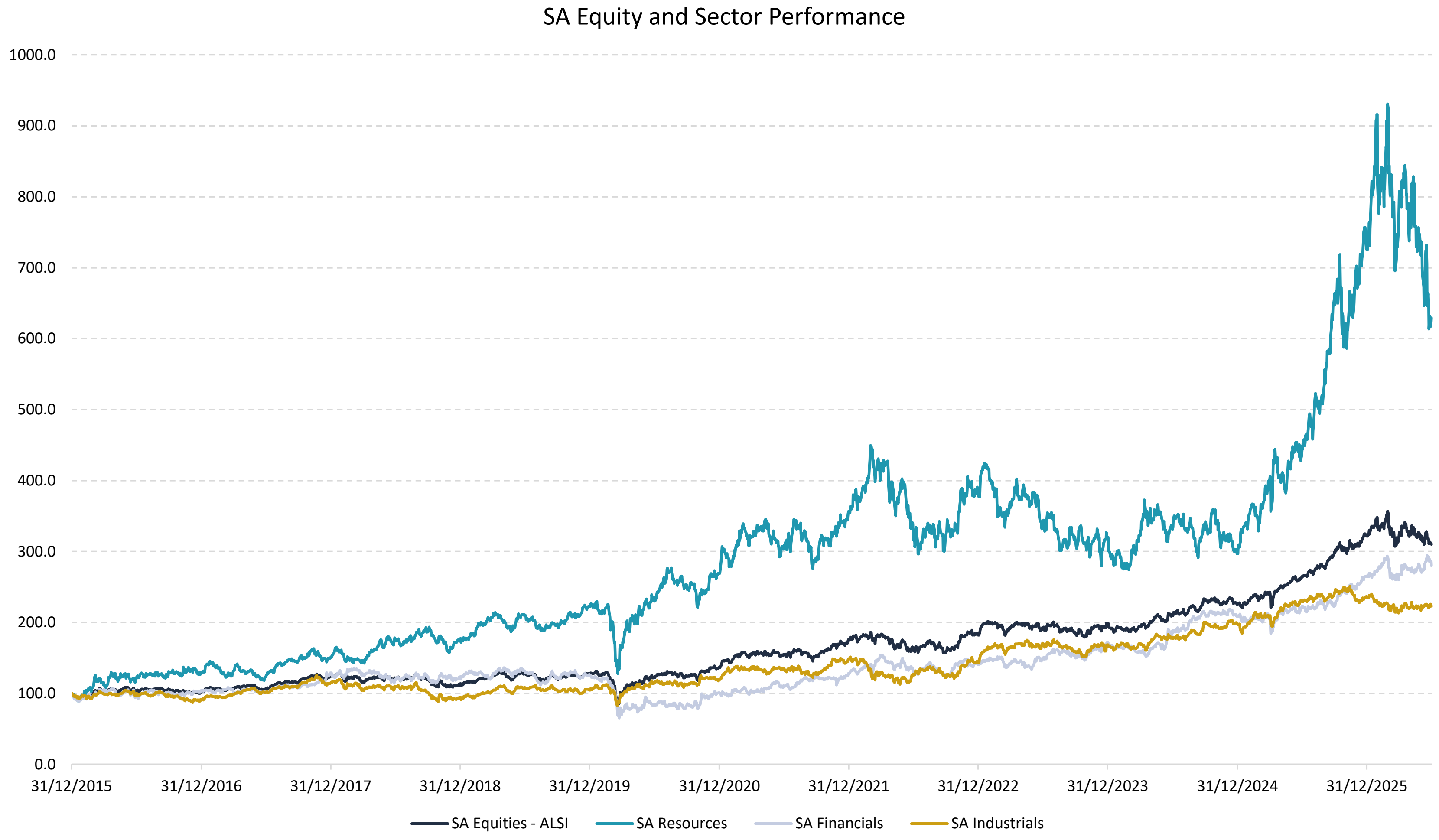
Platinum (ZAR)



Source: PortfolioMetrix, Bloomberg

Market Metrics

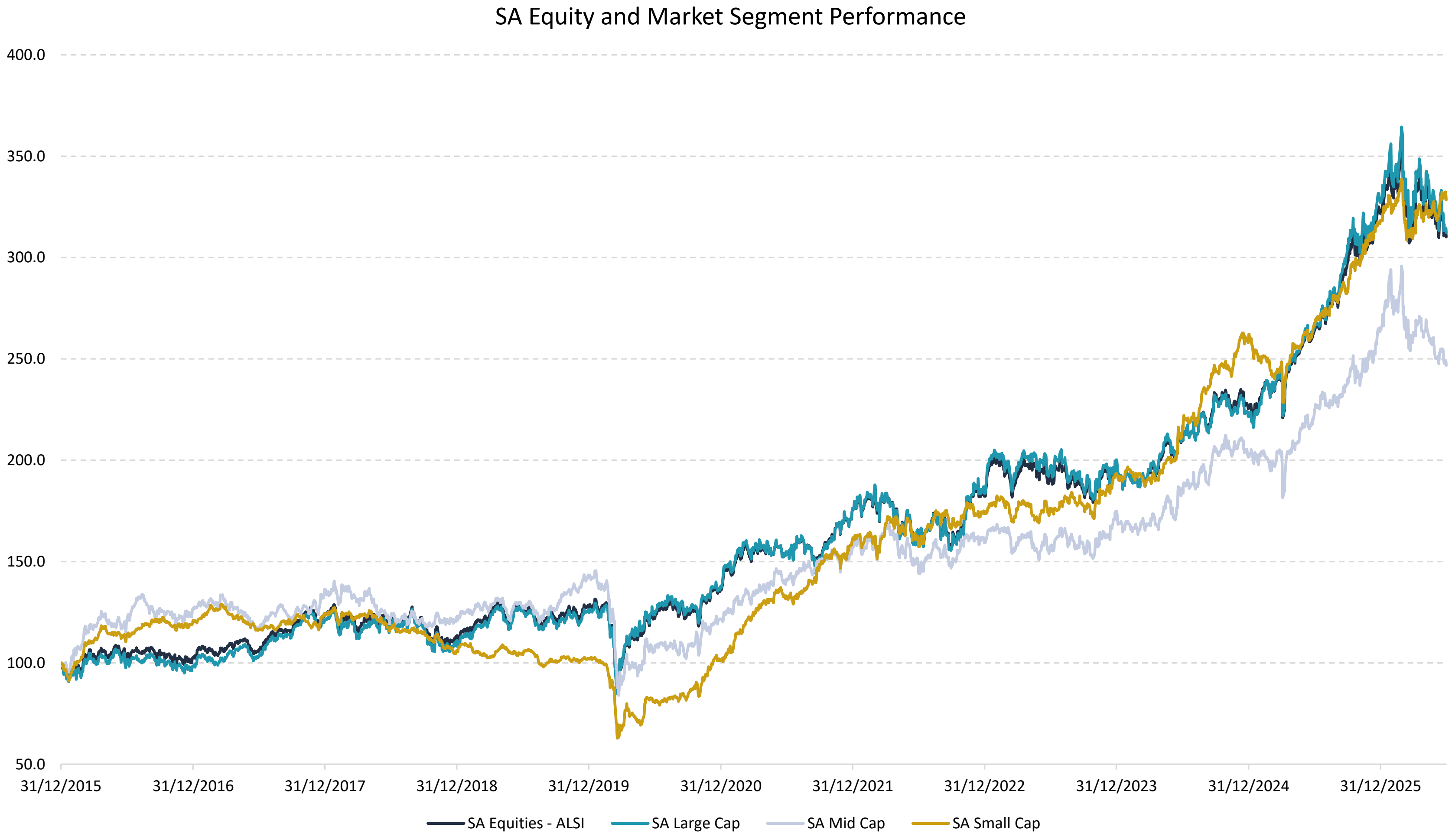
SA Equity and Sector Performance



Source: PortfolioMetrix, Bloomberg

Market Metrics

SA Equity Market Segment 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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JOHANNESBURG
Corner Main Office Park, 2 Payne Road, Bryanston, South Africa
+27 (10) 448 1400
infoSA@portfoliometrix.com

CAPE TOWN
1st Floor Constantia Emporium, Ladies Mile Road, Constantia, Cape Town, South Africa
+27 (10) 448 1400
infoSA@portfoliometrix.com

DURBAN
2 Ncondo Place, Ridgeside Dr, Umhlanga Ridge, Durban, 4319
+27 (10) 448 1400
infoSA@portfoliometrix.com

LONDON

25 Eccleston Place, Belgravia, London SW1W 9NF
+44 207 965 7533
infoUK@portfoliometrix.com

www.portfoliometrix.com

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Full calculation methodology available on request.

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