Weekly Market Wrap

07/08/2026

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Market Drivers

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Global Market Drivers

- Oil price falls from $90 to $79 on progress over Strait of Hormuz and Iran Deal
- Fed remains cautious over inflation concerns
- US labour market losses momentum – added 44k jobs in July compared to 80k estimate
- Eurozone recovery remains fragile with improved business activity
- China economy showing mixed recovery data

SA Market Drivers

- Fiscal outlook improves with stabilized debt-to-GDP ratio at 80.6%
- Domestic growth remains uneven – industrial/manufacturing activity still weak
- Future energy pipeline plans expands for 2039

Charts That Matter

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Brent remains highly volatile

Oil prices reduced over progress on Hormuz

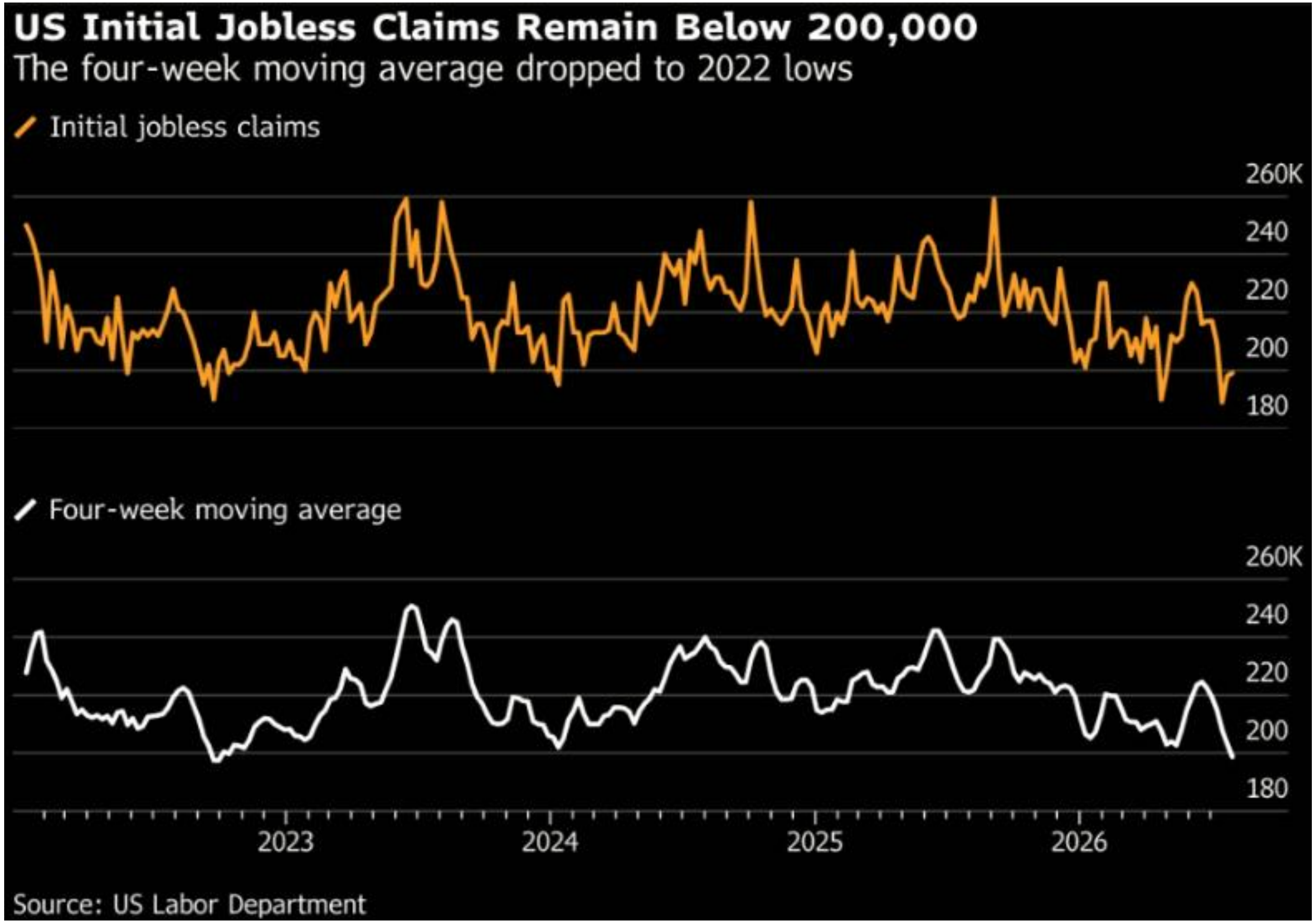
- Brent rose from below $60 a barrel in early 2026 to almost $100 in May, as geopolitical tensions and concerns over potential supply disruptions intensified.
- Prices subsequently fell towards $70 in early July, before rebounding above $90 later in the month, highlighting how quickly the geopolitical risk premium can return.
- More recently, progress towards reopening shipping routes through the Strait of Hormuz has helped pull Brent back towards $80 a barrel.
- The chart shows that oil remains highly sensitive to geopolitical headlines, with any setback in negotiations likely to revive volatility and concerns around global inflation.

Source: PortfolioMetrix, Bloomberg

US layoffs remain historically low

Cooling hiring has not translated into job losses

- Initial jobless claims remain below **200,000**, while the four-week moving average has fallen to its lowest level since **2022**, indicating that employers are still retaining workers.
- This contrasts with softer hiring indicators: private payrolls rose by only **44,000 in July**, services employment slipped into contraction and non-farm payroll growth was expected to remain modest.
- Taken together, the data point to a labour market that is **cooling through slower recruitment rather than rising layoffs**, reducing the immediate risk of a sharp deterioration in employment.
- The resilience in claims may also keep the Federal Reserve cautious, as a stable labour market gives policymakers more room to focus on persistent inflation pressures.



Source: PortfolioMetrix, Bloomberg

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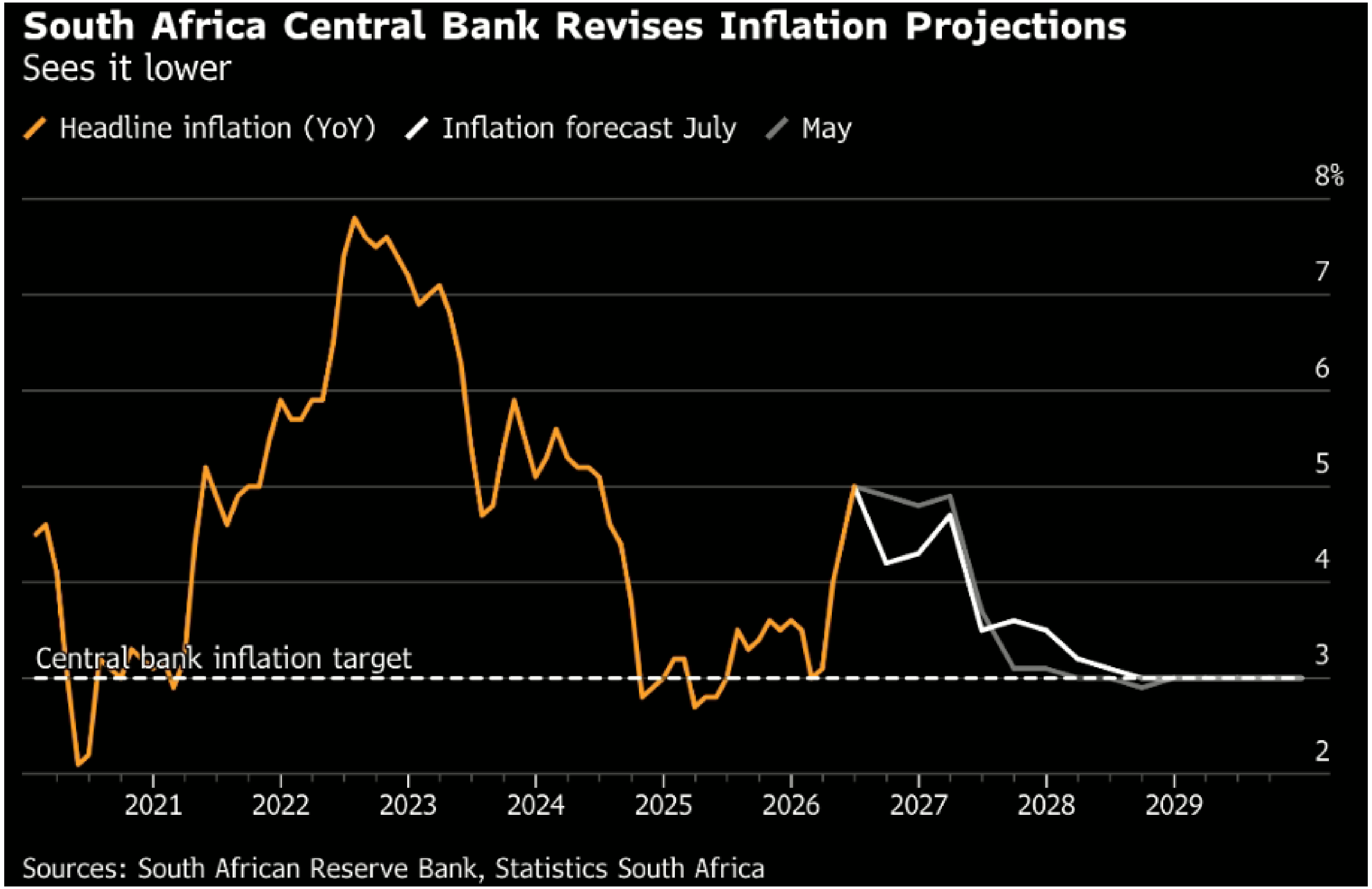
SARB optimistic on inflation outlook

Expected to peak in 2026 and return to 3% target

- As the chart shows, headline inflation is projected to rise to almost **5% in 2026**, largely reflecting the impact of higher fuel and energy costs associated with the oil shock.
- The SARB's **July forecast is lower than its May projection**, particularly through 2027, suggesting that inflation pressures may ease faster than previously expected.
- Inflation is still expected to remain above the central bank's **3% target** in the near term, supporting the SARB's cautious policy stance following its May repo-rate increase.
- Both forecast paths eventually converge near **3% by 2028**, but the outlook remains sensitive to oil prices, the rand and whether higher transport costs spread into broader inflation.



Source: PortfolioMetrix, Bloomberg

Index Performance

05/08/2026

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SA Indices

South African Asset Classes (ZAR)

Local Indices

	SA Listed Property	SA Bonds	STeFI +1%	C-SWIX / C-ALSI	ALSI
1 Week	1.1%	1.1%	0.1%	4.0%	4.0%
1 Month	1.6%	-0.4%	0.7%	2.5%	2.5%
3 Months	6.9%	4.5%	2.0%	0.1%	0.1%
6 Months	4.4%	2.2%	3.9%	-3.6%	-3.6%
1 Year	27.4%	18.4%	8.1%	20.0%	19.1%
3 Years	25.8%	17.2%	8.9%	18.7%	18.3%
5 Years	17.9%	12.3%	8.0%	14.9%	15.1%
10 Years	4.6%	10.5%	7.8%	9.5%	11.9%

SA Equity Indices

	SA Financials	SA Industrials	SA Resources	SA Small Cap	SA Mid Cap	SA Large Cap
1 Week	3.8%	1.5%	7.2%	0.9%	2.1%	4.3%
1 Month	3.3%	2.0%	2.2%	-1.0%	0.6%	3.0%
3 Months	8.4%	3.0%	-10.9%	2.1%	-3.9%	-0.2%
6 Months	6.6%	1.7%	-17.7%	0.8%	-9.8%	-4.1%
1 Year	31.8%	-0.6%	36.1%	19.9%	11.2%	19.5%
3 Years	23.1%	10.3%	25.2%	22.5%	15.6%	18.0%
5 Years	20.9%	11.4%	14.0%	19.6%	11.8%	15.3%
10 Years	10.0%	8.5%	18.0%	10.9%	6.7%	12.5%

Offshore Indices

	Global Equities	US Equities	Developed Equities	EM Equities	Global Gov Bonds	Global Corps	Global Infra	Global Property
1 Week	1.7%	2.0%	1.6%	2.0%	-1.2%	-1.5%	-2.5%	-3.7%
1 Month	3.1%	4.6%	4.0%	-2.8%	1.3%	0.6%	0.4%	2.4%
3 Months	4.4%	5.6%	5.2%	-1.0%	-2.2%	-2.2%	-1.7%	1.8%
6 Months	13.1%	15.3%	13.4%	11.1%	1.3%	1.2%	7.3%	11.6%
1 Year	13.8%	11.9%	12.7%	22.7%	-8.9%	-7.0%	7.6%	4.3%
3 Years	15.4%	16.4%	15.5%	14.7%	-1.9%	1.3%	9.1%	4.9%
5 Years	14.1%	15.5%	14.6%	10.5%	-1.2%	2.1%	10.5%	3.8%
10 Years	14.6%	16.9%	15.0%	11.2%	0.6%	3.6%	10.9%	5.6%

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	3.9%	3.8%	4.3%	1.2%	3.3%	4.4%	2.4%	4.2%	4.5%	2.9%	1.2%
1 Month	2.0%	2.9%	3.4%	2.8%	1.0%	-1.1%	6.7%	-3.9%	-4.9%	-0.4%	3.4%
3 Months	6.5%	7.3%	7.7%	5.0%	8.8%	4.4%	5.8%	1.0%	1.1%	6.2%	-1.5%
6 Months	10.7%	11.0%	12.8%	4.4%	5.9%	6.9%	6.7%	8.7%	11.1%	-1.2%	1.3%
1 Year	24.7%	23.5%	22.6%	23.4%	24.6%	29.0%	22.6%	34.4%	36.9%	24.5%	45.0%
3 Years	20.0%	20.1%	21.1%	18.7%	16.8%	17.8%	14.8%	19.3%	20.9%	22.1%	14.2%
5 Years	11.1%	11.6%	12.5%	10.9%	8.7%	9.3%	6.9%	7.6%	8.0%	-9.7%	11.6%
10 Years	12.6%	13.0%	14.9%	8.8%	10.4%	9.1%	8.3%	9.3%	10.3%	0.2%	7.6%

Global Fixed Income

	Global Gov Bonds	Global Corps	Global High Yield	EM Bonds	Global ILBs
1 Week	1.0%	0.6%	0.8%	0.2%	0.9%
1 Month	0.2%	-0.5%	0.3%	-0.6%	-0.1%
3 Months	-0.3%	-0.2%	0.8%	0.2%	-1.2%
6 Months	-0.9%	-1.0%	1.0%	0.6%	-0.6%
1 Year	-0.2%	1.9%	5.0%	5.0%	1.8%
3 Years	2.0%	5.3%	8.8%	7.2%	2.8%
5 Years	-3.7%	-0.6%	3.8%	1.0%	-3.2%
10 Years	-1.1%	1.8%	5.2%	2.9%	0.8%

Global Alternatives

	Global Property	Global Infra
1 Week	-1.6%	-0.4%
1 Month	1.3%	-0.7%
3 Months	3.8%	0.2%
6 Months	9.2%	5.0%
1 Year	14.2%	17.9%
3 Years	9.1%	13.4%
5 Years	1.1%	7.6%
10 Years	3.8%	8.9%

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	3.9%	2.9%	8.1%	5.3%	-0.1%	3.1%
1 Month	2.0%	5.0%	-4.6%	0.4%	3.3%	2.2%
3 Months	6.5%	12.4%	1.6%	4.2%	6.2%	11.0%
6 Months	10.7%	14.7%	15.1%	8.3%	4.3%	15.3%
1 Year	24.7%	43.1%	30.8%	22.7%	9.8%	26.3%
3 Years	20.0%	23.0%	30.6%	21.2%	12.1%	17.2%
5 Years	11.1%	14.7%	13.7%	9.4%	7.1%	9.0%
10 Years	12.6%	12.0%	16.3%	12.8%	8.4%	10.5%

Global Sectors

	Comm Services	Consumer Cyclical	Consumer Defensive	Energy	Financials	Healthcare	Industrials	Tech	Real Estate	Utilities	Basic Materials
1 Week	6.0%	7.0%	-1.5%	1.7%	1.4%	-2.8%	3.9%	7.7%	-1.3%	-1.5%	3.1%
1 Month	3.4%	4.0%	0.3%	9.7%	4.5%	-1.8%	1.0%	1.2%	1.3%	-2.4%	-0.1%
3 Months	-2.0%	1.5%	1.5%	-2.5%	12.6%	8.5%	4.4%	11.8%	0.2%	-3.9%	-0.3%
6 Months	1.9%	-1.0%	-1.8%	11.6%	9.5%	0.7%	7.3%	29.2%	4.2%	2.6%	-3.0%
1 Year	16.2%	9.1%	7.8%	37.1%	23.6%	17.7%	25.2%	39.8%	8.3%	10.9%	29.4%
3 Years	24.8%	9.9%	6.2%	14.7%	24.8%	7.0%	20.4%	31.9%	8.5%	16.7%	11.3%
5 Years	9.3%	3.3%	4.2%	18.2%	14.2%	3.4%	12.2%	18.9%	0.4%	9.2%	5.3%
10 Years	10.0%	9.8%	5.6%	9.1%	13.5%	7.6%	12.4%	23.3%	3.3%	8.3%	10.0%

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

Market Metrics

04/08/2026

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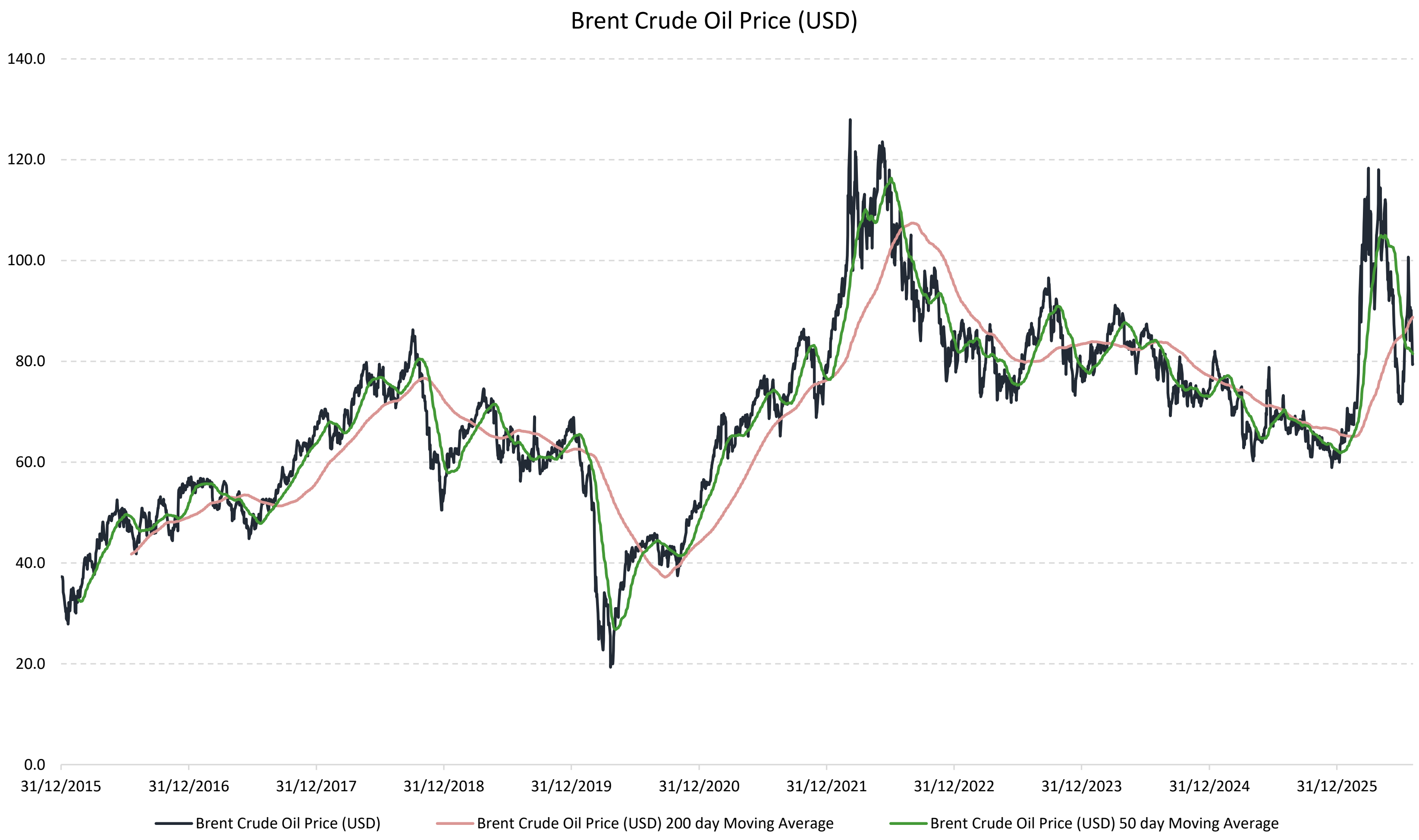
Commodities

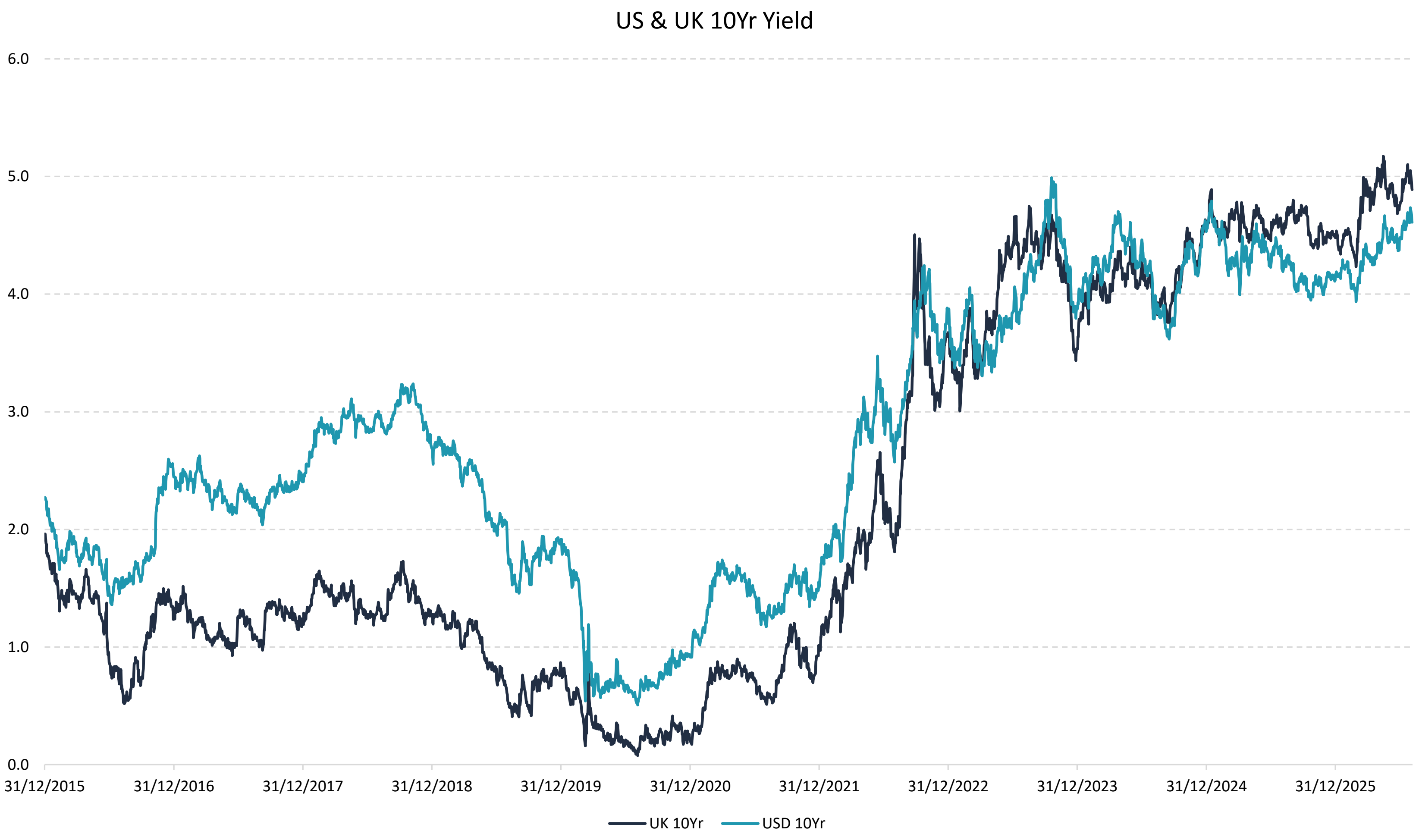
Brent Crude (USD)



Source: PortfolioMetrix, Bloomberg

Market Metrics

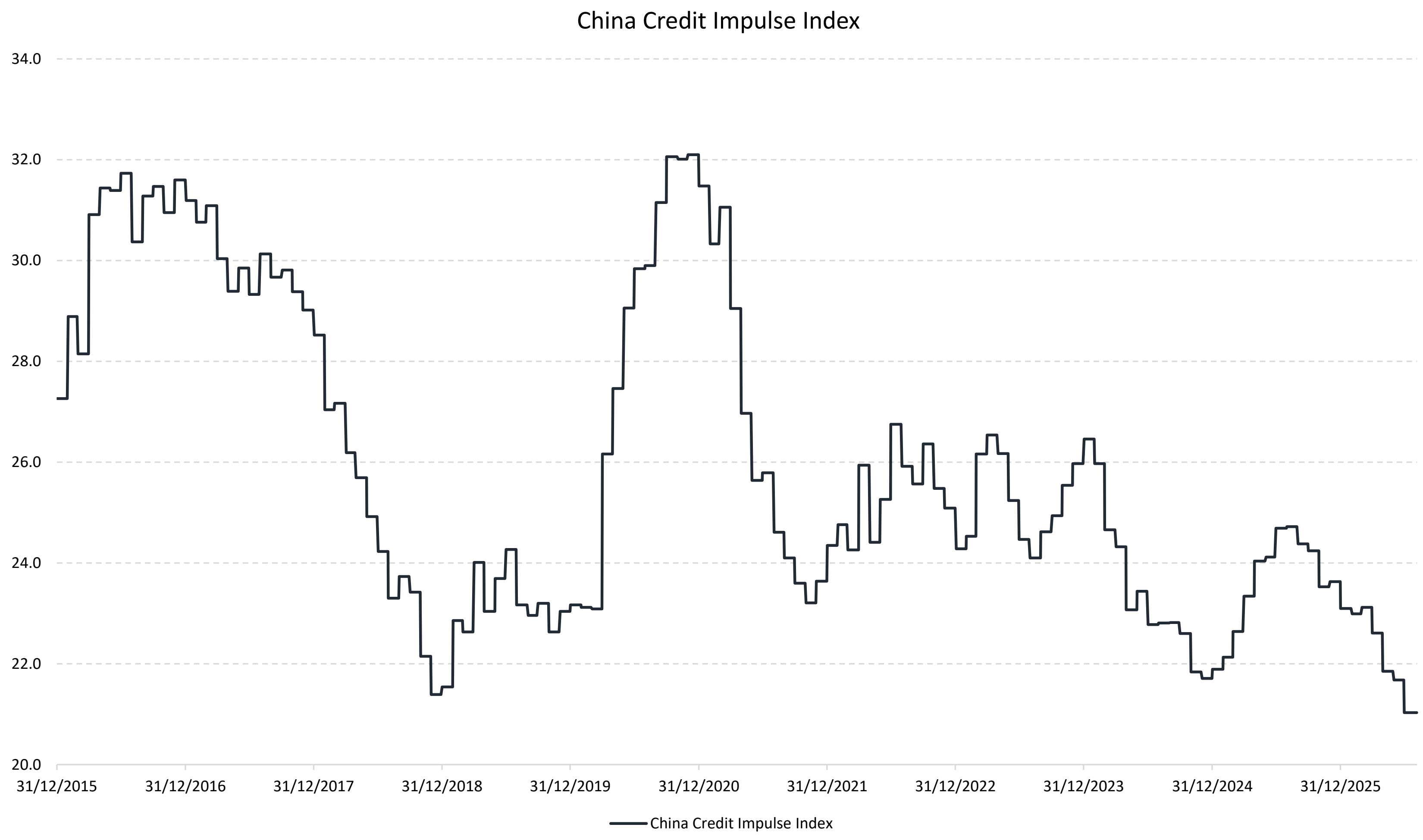
US & UK 10 Yr Yields



Source: PortfolioMetrix, Bloomberg

Market Metrics

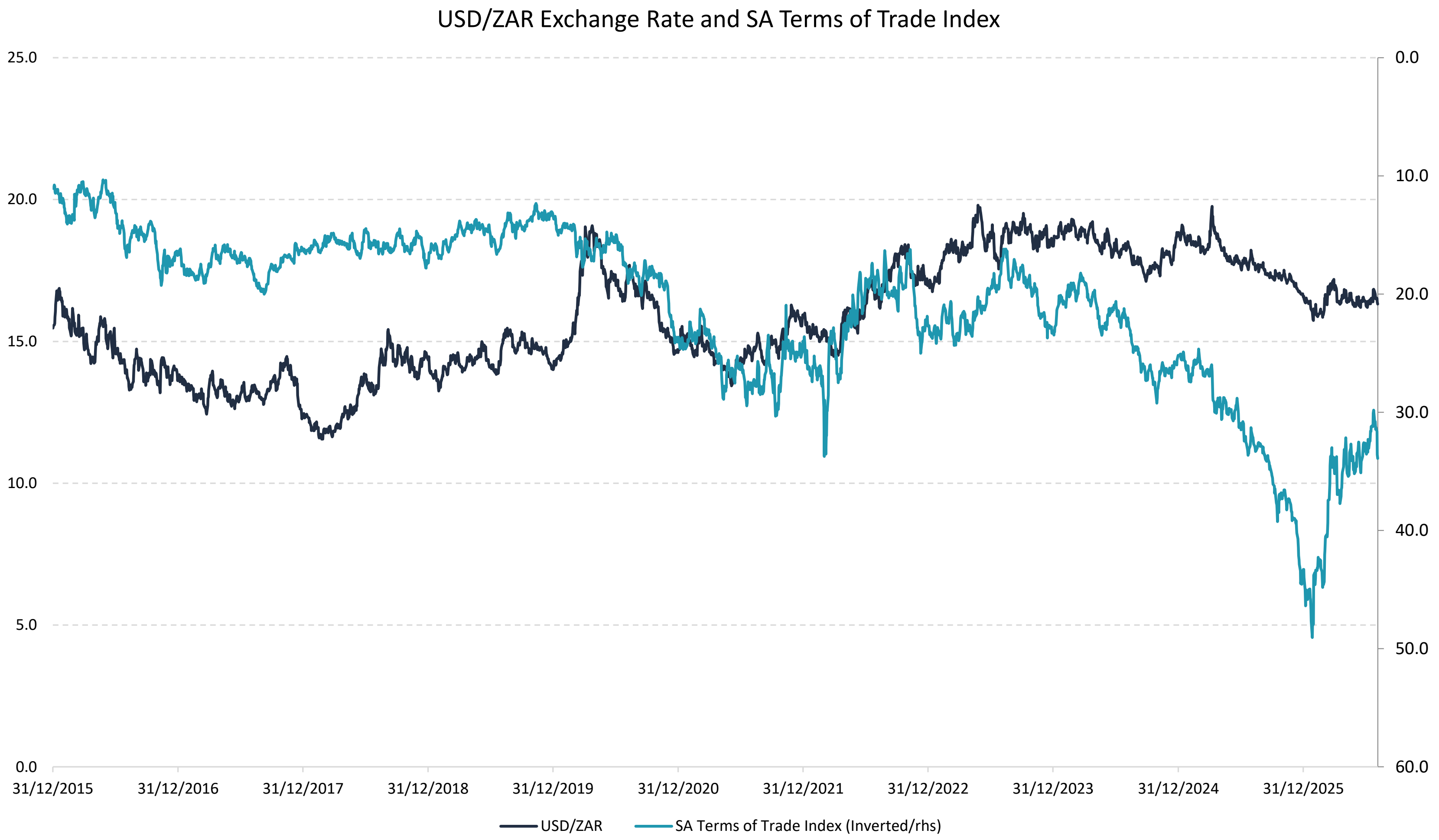
China Credit Impulse Index



Source: PortfolioMetrix, Bloomberg

Currencies

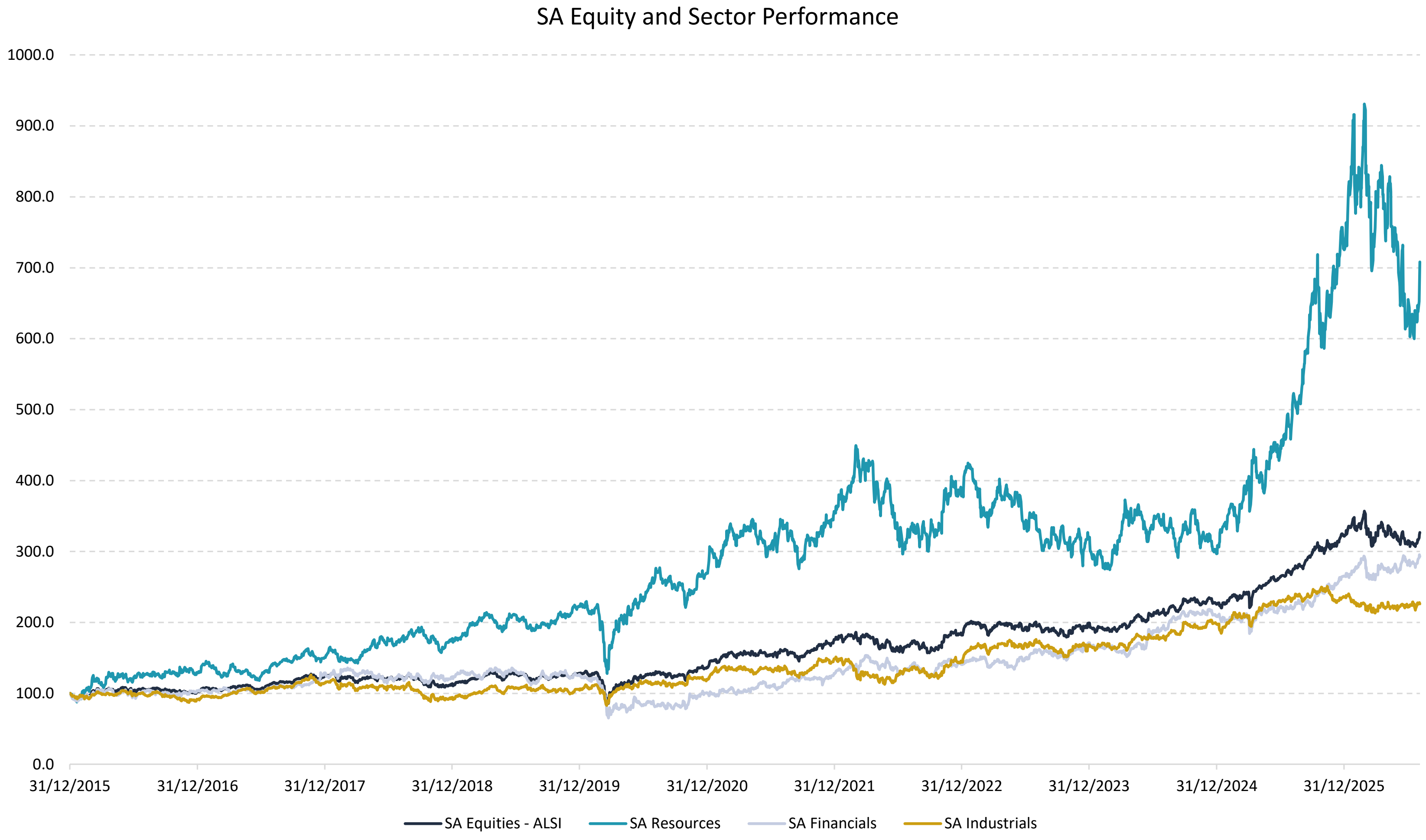
USD/ZAR and SA Terms of Trade Index (inverted – RHS)



Source: PortfolioMetrix, Bloomberg

Market Metrics

SA Equity and Sector 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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