Weekly Market Wrap

21/08/2026

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Market Drivers

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Global Market Drivers

- US Treasury’s bond buyback plan briefly reduced yields, however confidence remains fragile
- US-Iran tensions push Brent oil up 7% to $93/bbl
- Fed minutes indicate concerns of persistently higher inflation
- UK inflation rose to 2.9% in July whilst labour market cooled
- Eurozone growth and sentiment improve despite elevated inflation

SA Market Drivers

- July inflation fell sharply to 4.3% from 5.0% in June
- Retail sales data disappointed as households remain under pressure
- Rand remains resilient despite rising global inflation concerns

Charts That Matter

US 30 Year Yields Steadily Increased

Higher yields as investors demand more compensation for inflation and fiscal risk

- The US 30-year bond yield has risen from around 4.2% in September 2024 to above 5.2% in August 2026, reflecting a higher-for-longer inflation and interest-rate environment.
  - Longer-dated yields have also been pressured by concerns over heavy US government borrowing, rising debt-servicing costs and weaker investor appetite for long-duration bonds.
- The 30-year Treasury yield acts as an important global benchmark for long-term borrowing costs, influencing the pricing of mortgages, corporate debt, infrastructure finance and other long-term loans.
- The US Treasury announced plans to increase buybacks of longer-dated bonds, with purchases in the 10–20 year and 20–30 year sectors rising from $2bn to at least $4bn per operation.
  - The intention is to support liquidity and prices in long-dated Treasuries, helping reduce pressure on yields, while funding needs remain more concentrated in shorter-dated issuance

Source: PortfolioMetrix, Bloomberg

Treasury Buybacks Fail to Calm Yields

30-year yields initially fell, but rebounded as investors question if plan is enough to offset issuances

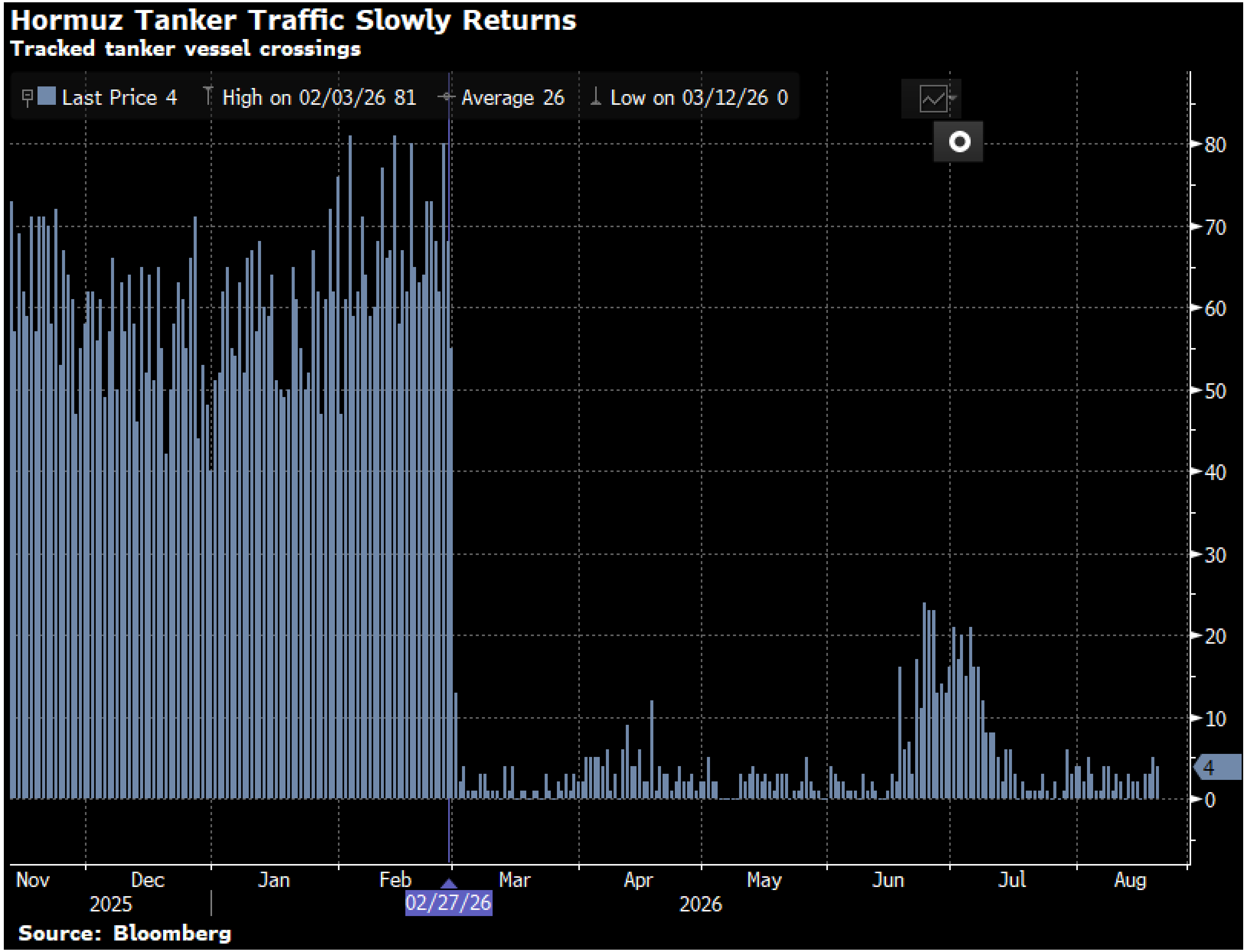
- Treasury Secretary, Scott Bessent, announced a $4bln bond buyback program.
  - The plan involves increasing buybacks of longer-dated Treasuries, including the 10–20 year and 20–30 year sectors, to improve liquidity and support bond prices.
  - Because bond prices and yields move in opposite directions, stronger buying support should, in theory, help push long-dated yields lower.
- Yields initially reduced, but was short-lived and rebounded the next day.
  - 30-year yield fell sharply after the buyback announcement, suggesting investors initially welcomed the intervention.
  - However, the yield then rebounded the next day, indicating that the market remained sceptical about whether buybacks alone can sustainably lower long-term borrowing costs.
  - Investors are still focused on large fiscal deficits, heavy Treasury issuance and the risk that inflation remains sticky.
- This matters because the 30-year yield feeds into broader borrowing costs.
  - Pricing of mortgages, corporate bonds and other long-term debt across global markets.

Source: PortfolioMetrix, Financial Times

Restricted Hormuz Traffic keeps Oil Prices high

Shipping traffic has collapsed since conflict began – keeping pressure of oil and logistics prices

- The conflict has severely restricted a key global shipping route.
  - Traffic has reduced from 50-70 vessels daily to less than 10.
  - Shipping companies remain cautious, likely due to security risks, insurance costs and uncertainty around whether vessels can pass safely.
- Restricted shipping supports higher oil and logistics prices.
  - The Strait of Hormuz is a critical route for global oil and LNG exports, so even partial disruption can create a risk premium in energy markets.
  - Reduced tanker traffic tightens perceived supply availability and helps explain why Brent crude has remained elevated during the conflict.
- Inflation risk comes through both oil and logistics costs
  - Higher oil prices feed directly into fuel prices, transport costs and energy bills, while shipping disruption can raise freight and insurance costs.
  - Together, this increases the risk that inflation stays higher for longer, complicating the outlook for central banks and interest-rate cuts.



Source: PortfolioMetrix, Bloomberg

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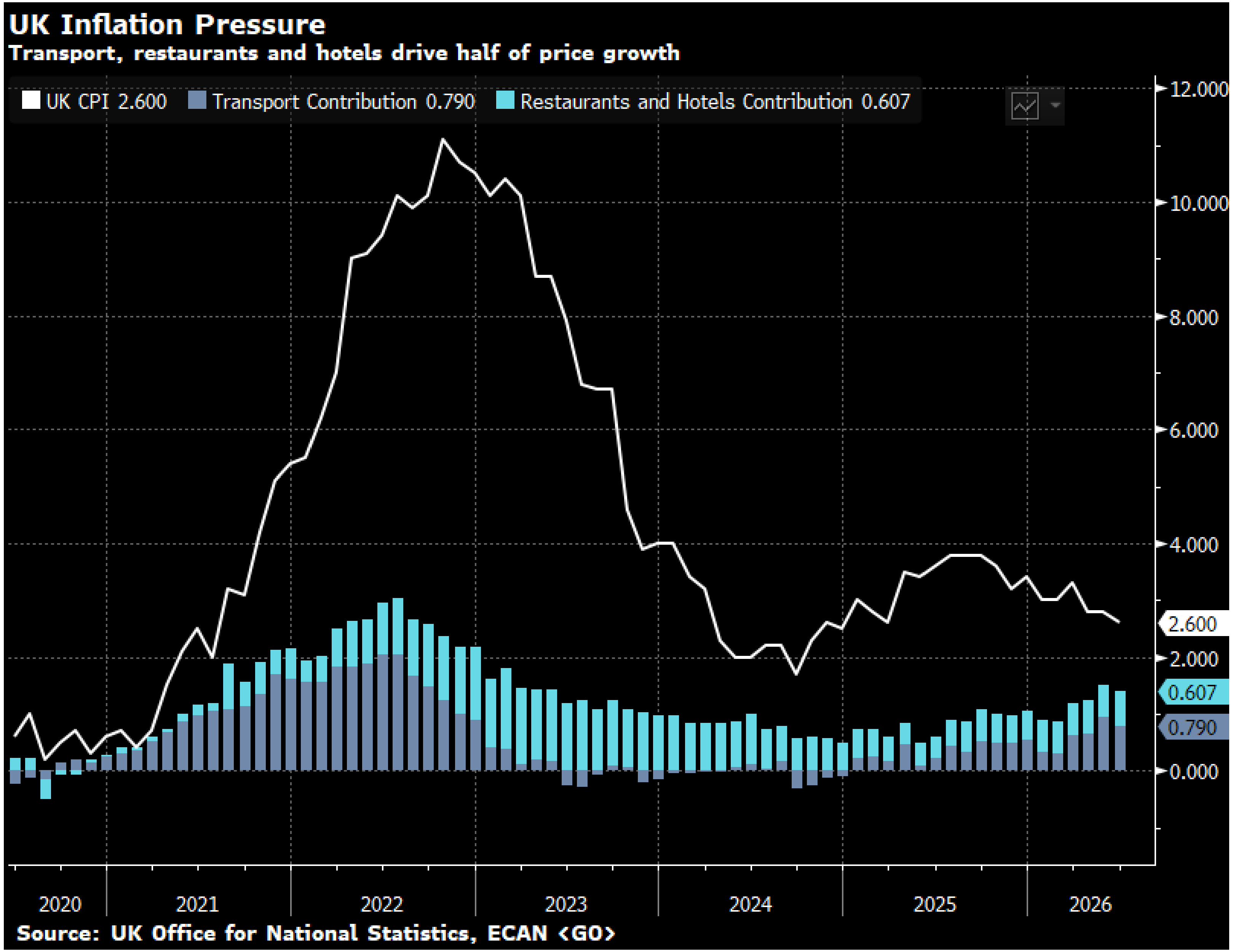
UK Inflation Lower but above 2% Target

Trending towards target but still driven by Transport and Services inflation

- UK inflation has eased, but remains above target.
  - CPI falling sharply from its 2022 peak of around 11% to roughly 2.6% currently.
  - While this is a major improvement, inflation is still above the Bank of England's 2% target, keeping policy makers cautious.
- Transport is again adding to inflation pressure.
  - Contributing around 0.79 percentage points to headline CPI, reflecting the impact of fuel, travel and broader mobility-related costs.
  - This links back to global energy prices, where disruption around the Strait of Hormuz and higher Brent crude can feed into transport costs.
- Restaurants and hotels show sticky services inflation.
  - contributing around 0.61 percentage points to CPI, showing that services inflation remains a key source of price pressure.
  - This matters because services inflation is often linked to wages, rent, utilities and other operating costs, making it slower to unwind than goods inflation.



Source: PortfolioMetrix, Bloomberg

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Index Performance

18/08/2026

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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	-0.6%	-0.4%	0.1%	1.5%	1.5%
1 Month	0.0%	-0.5%	0.7%	5.1%	5.1%
3 Months	5.3%	3.6%	2.0%	-1.8%	-1.8%
6 Months	1.3%	0.7%	3.9%	-3.0%	-2.9%
1 Year	24.5%	18.1%	8.1%	20.1%	19.3%
3 Years	24.7%	16.9%	8.9%	19.2%	18.9%
5 Years	17.2%	12.3%	8.1%	15.0%	15.2%
10 Years	4.5%	10.3%	7.8%	9.7%	12.1%

SA Equity Indices

	SA Financials	SA Industrials	SA Resources	SA Small Cap	SA Mid Cap	SA Large Cap
1 Week	-1.9%	-2.7%	10.2%	-0.5%	0.2%	1.8%
1 Month	1.5%	-1.7%	17.6%	-1.7%	2.1%	6.0%
3 Months	6.3%	-0.4%	-10.0%	1.2%	-3.5%	-2.2%
6 Months	2.9%	-0.5%	-10.4%	-0.5%	-8.4%	-3.3%
1 Year	29.4%	-3.9%	43.9%	20.4%	12.4%	19.7%
3 Years	22.0%	9.5%	29.3%	21.6%	15.4%	18.8%
5 Years	19.7%	10.2%	16.7%	19.2%	11.7%	15.4%
10 Years	9.7%	8.3%	19.2%	10.7%	6.6%	12.8%

Offshore Indices

	Global Equities	US Equities	Developed Equities	EM Equities	Global Gov Bonds	Global Corps	Global Infra	Global Property
1 Week	-0.8%	-1.2%	-0.9%	-0.3%	-1.4%	-1.5%	-2.2%	-3.4%
1 Month	1.3%	1.3%	1.8%	-2.1%	-0.4%	-1.0%	-2.2%	-1.3%
3 Months	2.9%	3.6%	3.8%	-3.5%	-2.0%	-2.2%	-1.9%	-0.7%
6 Months	11.3%	13.7%	11.6%	9.4%	-0.4%	-0.3%	1.7%	5.1%
1 Year	12.9%	10.9%	11.8%	21.8%	-9.1%	-7.4%	5.6%	2.6%
3 Years	14.4%	15.2%	14.4%	14.4%	-2.9%	0.2%	7.3%	2.8%
5 Years	13.2%	14.5%	13.7%	10.0%	-1.7%	1.5%	9.3%	2.7%
10 Years	14.7%	17.1%	15.2%	11.2%	0.8%	3.8%	10.9%	5.7%

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	0.4%	0.4%	0.0%	0.5%	1.0%	2.5%	0.4%	0.9%	1.3%	-0.1%	-3.6%
1 Month	2.2%	2.7%	2.1%	4.6%	4.2%	2.5%	6.0%	-1.3%	-1.7%	0.2%	-2.2%
3 Months	4.0%	5.0%	4.7%	5.6%	6.9%	4.0%	4.6%	-2.5%	-2.5%	1.2%	-6.0%
6 Months	9.6%	9.9%	11.9%	4.5%	5.6%	1.8%	5.0%	7.6%	10.3%	1.6%	-6.3%
1 Year	23.9%	22.7%	21.8%	22.7%	23.9%	27.9%	20.5%	33.7%	36.8%	19.9%	35.1%
3 Years	20.4%	20.4%	21.2%	19.1%	17.4%	19.1%	15.4%	20.4%	22.3%	21.2%	13.3%
5 Years	11.1%	11.5%	12.3%	10.7%	8.9%	9.6%	6.9%	7.9%	8.4%	-9.8%	10.7%
10 Years	12.4%	12.9%	14.8%	8.6%	10.1%	9.1%	8.1%	9.0%	10.1%	-0.2%	6.8%

Global Fixed Income

	Global Gov Bonds	Global Corps	Global High Yield	EM Bonds	Global ILBs
1 Week	-0.2%	-0.3%	0.1%	0.0%	0.1%
1 Month	0.5%	-0.1%	0.5%	-0.3%	0.3%
3 Months	-0.9%	-1.1%	0.6%	-0.2%	-1.4%
6 Months	-2.0%	-1.8%	0.8%	0.2%	-1.1%
1 Year	-0.2%	1.7%	4.9%	4.7%	2.0%
3 Years	2.2%	5.4%	8.8%	7.2%	3.3%
5 Years	-3.6%	-0.4%	3.9%	1.1%	-3.1%
10 Years	-1.2%	1.7%	5.1%	2.9%	0.7%

Global Alternatives

	Global Property	Global Infra
1 Week	-2.2%	-1.0%
1 Month	-0.5%	-1.4%
3 Months	0.4%	-0.8%
6 Months	3.4%	0.1%
1 Year	12.6%	15.9%
3 Years	8.2%	12.9%
5 Years	0.7%	7.2%
10 Years	3.6%	8.7%

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	0.4%	1.2%	-1.0%	0.5%	0.1%	1.0%
1 Month	2.2%	6.3%	-4.8%	1.5%	3.3%	3.3%
3 Months	4.0%	10.7%	-6.3%	1.5%	6.5%	9.7%
6 Months	9.6%	14.3%	10.8%	6.7%	3.8%	14.6%
1 Year	23.9%	42.5%	26.6%	22.5%	9.4%	28.1%
3 Years	20.4%	23.6%	30.3%	21.5%	11.9%	18.0%
5 Years	11.1%	14.6%	13.3%	9.5%	7.0%	9.0%
10 Years	12.4%	11.8%	16.1%	12.7%	8.2%	10.4%

Global Sectors

	Comm Services	Consumer Cyclical	Consumer Defensive	Energy	Financials	Healthcare	Industrials	Tech	Real Estate	Utilities	Basic Materials
1 Week	-3.4%	0.5%	-0.5%	2.8%	-0.3%	3.6%	0.1%	0.7%	-1.8%	-0.9%	4.3%
1 Month	-2.4%	3.8%	1.1%	9.3%	3.6%	4.0%	3.4%	0.6%	-0.2%	-2.5%	7.3%
3 Months	-5.6%	0.6%	1.2%	3.9%	11.6%	13.6%	2.0%	4.4%	-2.7%	-3.3%	-1.3%
6 Months	0.4%	1.1%	-4.0%	10.8%	9.8%	3.6%	3.2%	25.9%	-1.7%	-1.6%	-1.5%
1 Year	10.9%	7.2%	4.9%	41.3%	21.7%	23.8%	25.0%	38.6%	6.8%	10.7%	31.5%
3 Years	23.5%	10.5%	6.0%	14.7%	24.9%	7.5%	20.7%	33.5%	7.8%	16.1%	13.4%
5 Years	8.4%	3.3%	3.9%	18.4%	13.4%	4.3%	11.9%	19.3%	0.0%	8.7%	6.1%
10 Years	9.4%	9.6%	5.4%	9.1%	13.1%	8.0%	12.1%	23.1%	3.0%	8.3%	10.2%

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

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Market Metrics

19/08/2026

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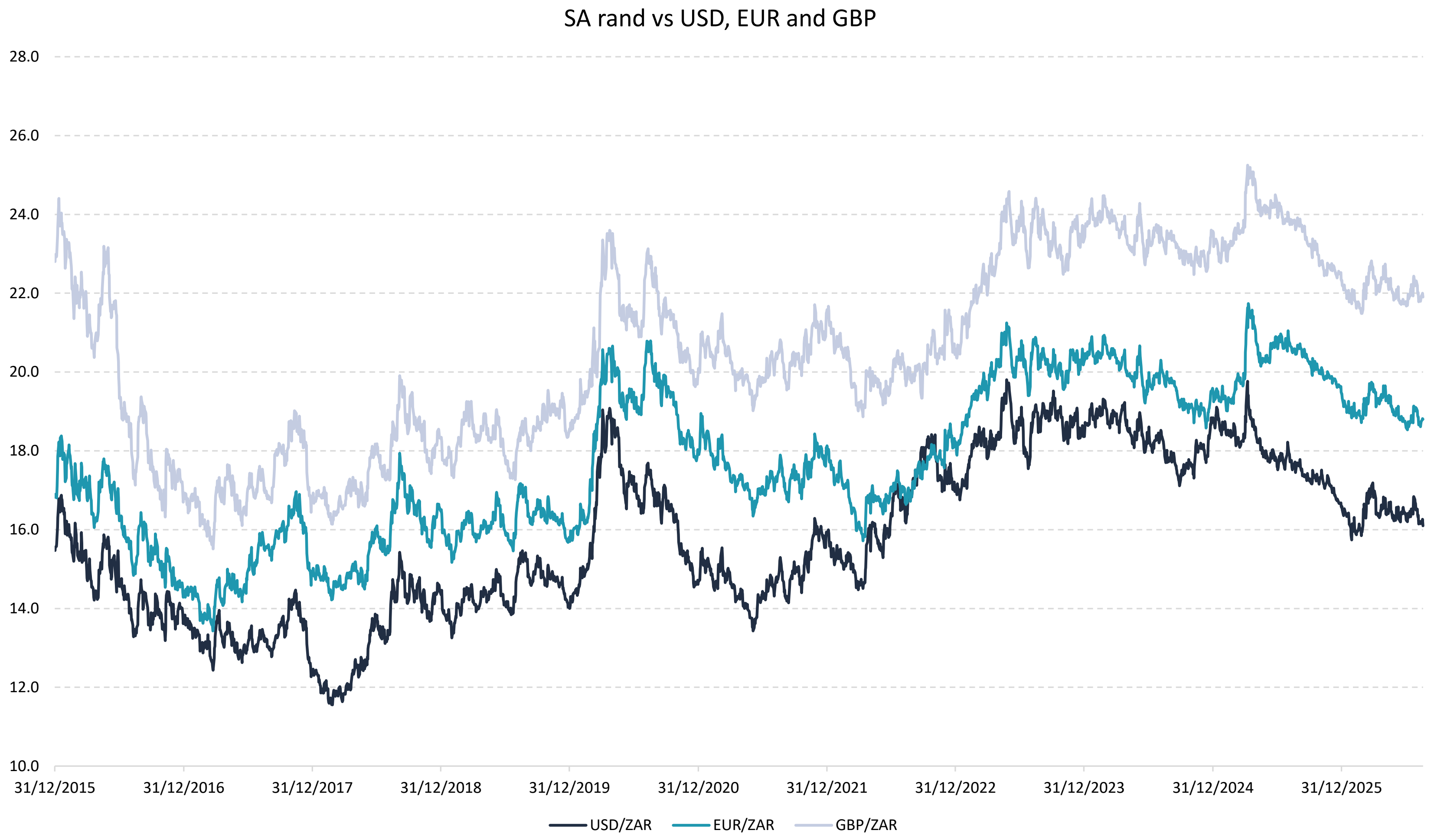
Currencies

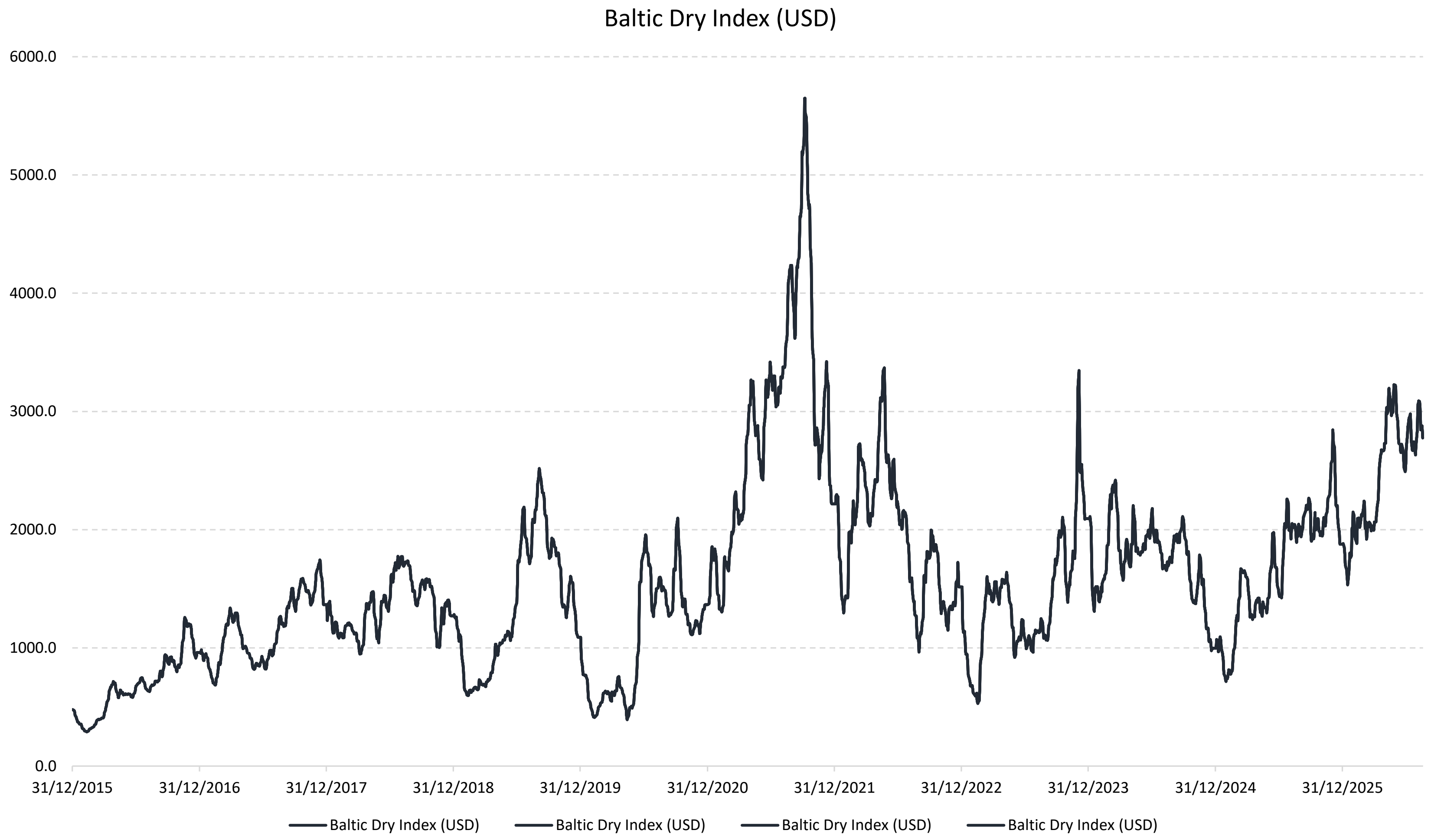
SA Rand vs USD, EUR and GBP



Source: PortfolioMetrix, Bloomberg

Commodities

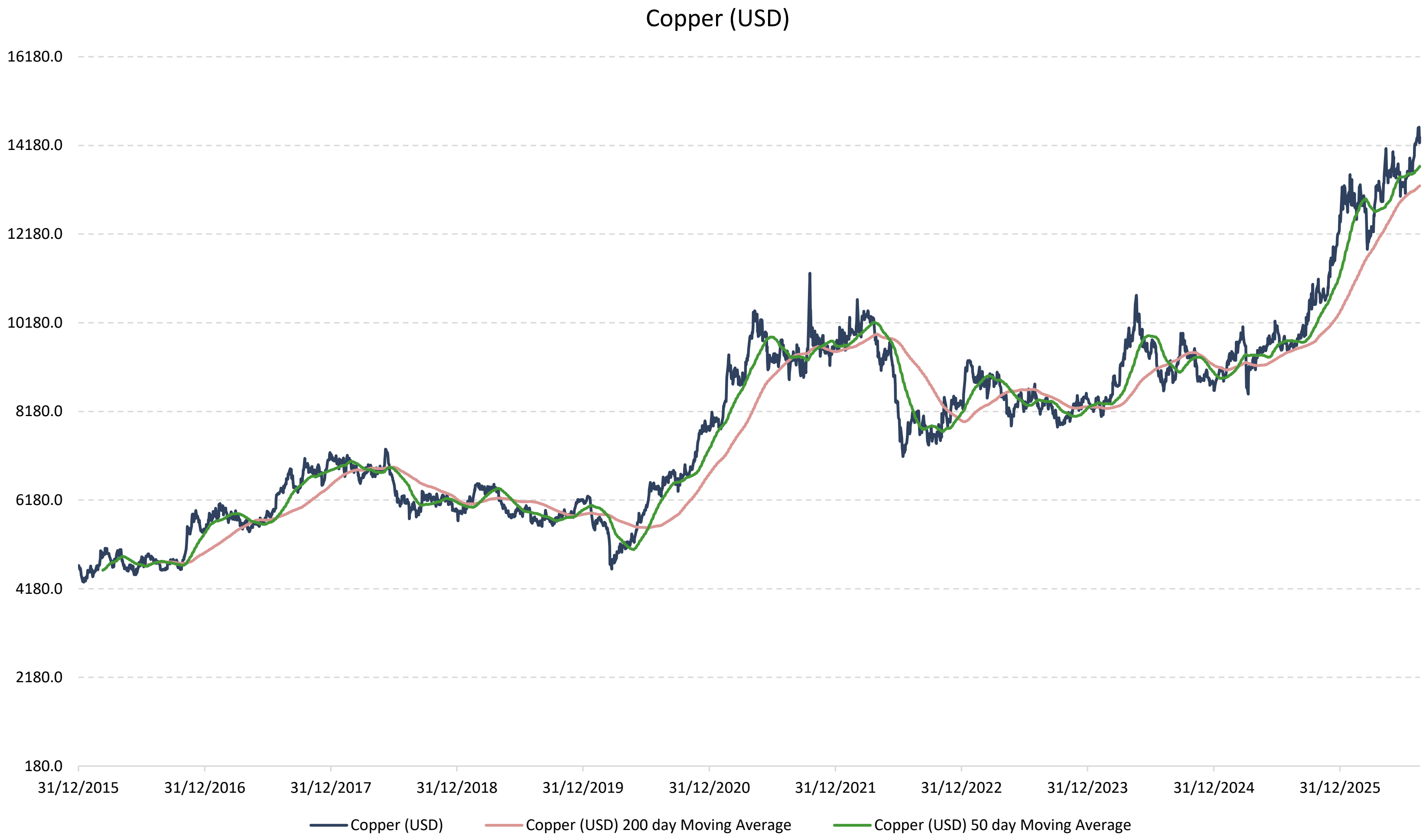
Baltic Dry Index (USD)



Source: PortfolioMetrix, Bloomberg

Commodities

Copper (USD)



Source: PortfolioMetrix, Bloomberg

Commodities

Gold (ZAR)

Source: PortfolioMetrix, Bloomberg

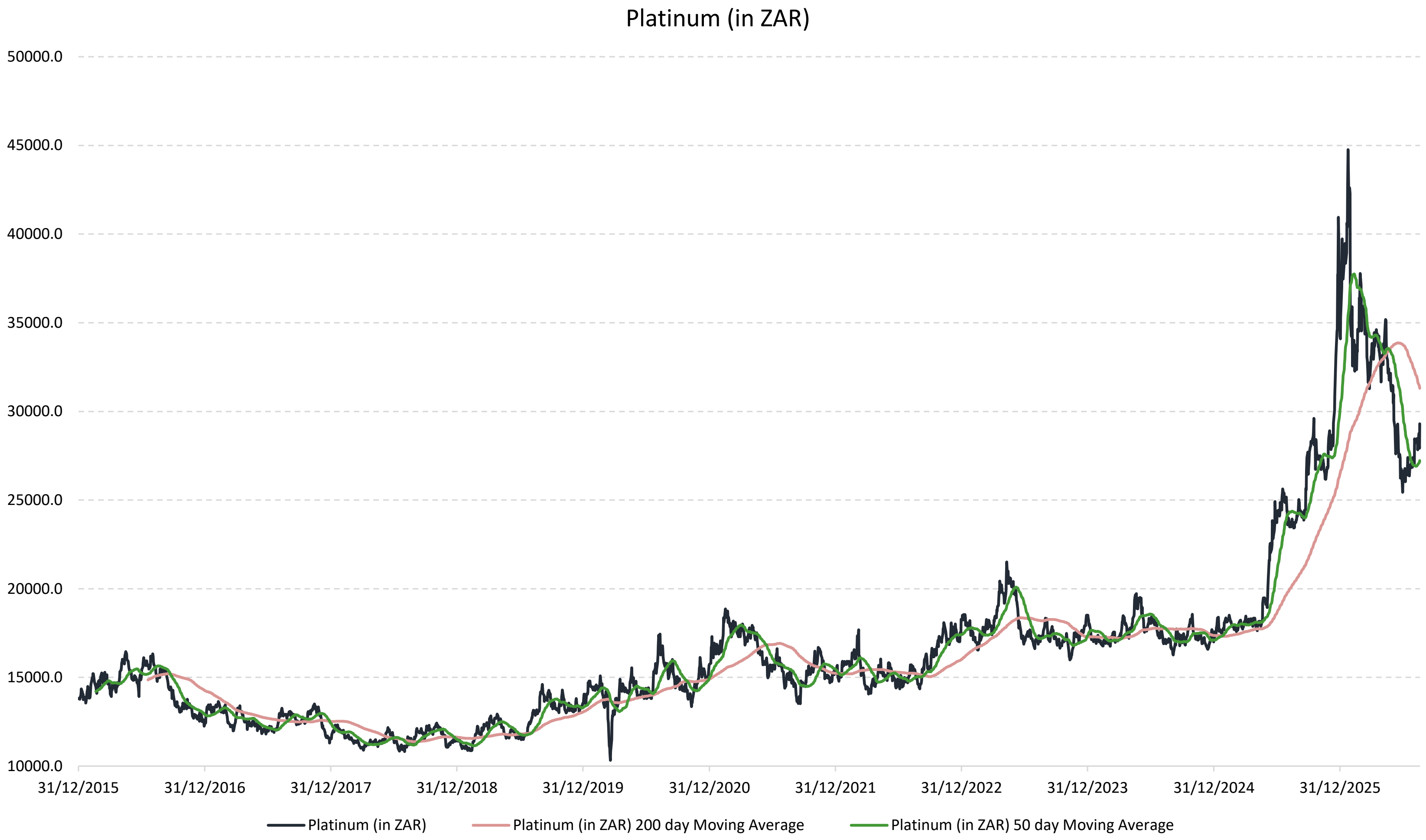
Commodities

Silver (ZAR)

Source: PortfolioMetrix, Bloomberg

Commodities

Platinum (ZAR)



Source: PortfolioMetrix, Bloomberg

Commodities

Brent Crude (USD)

Source: PortfolioMetrix, Bloomberg

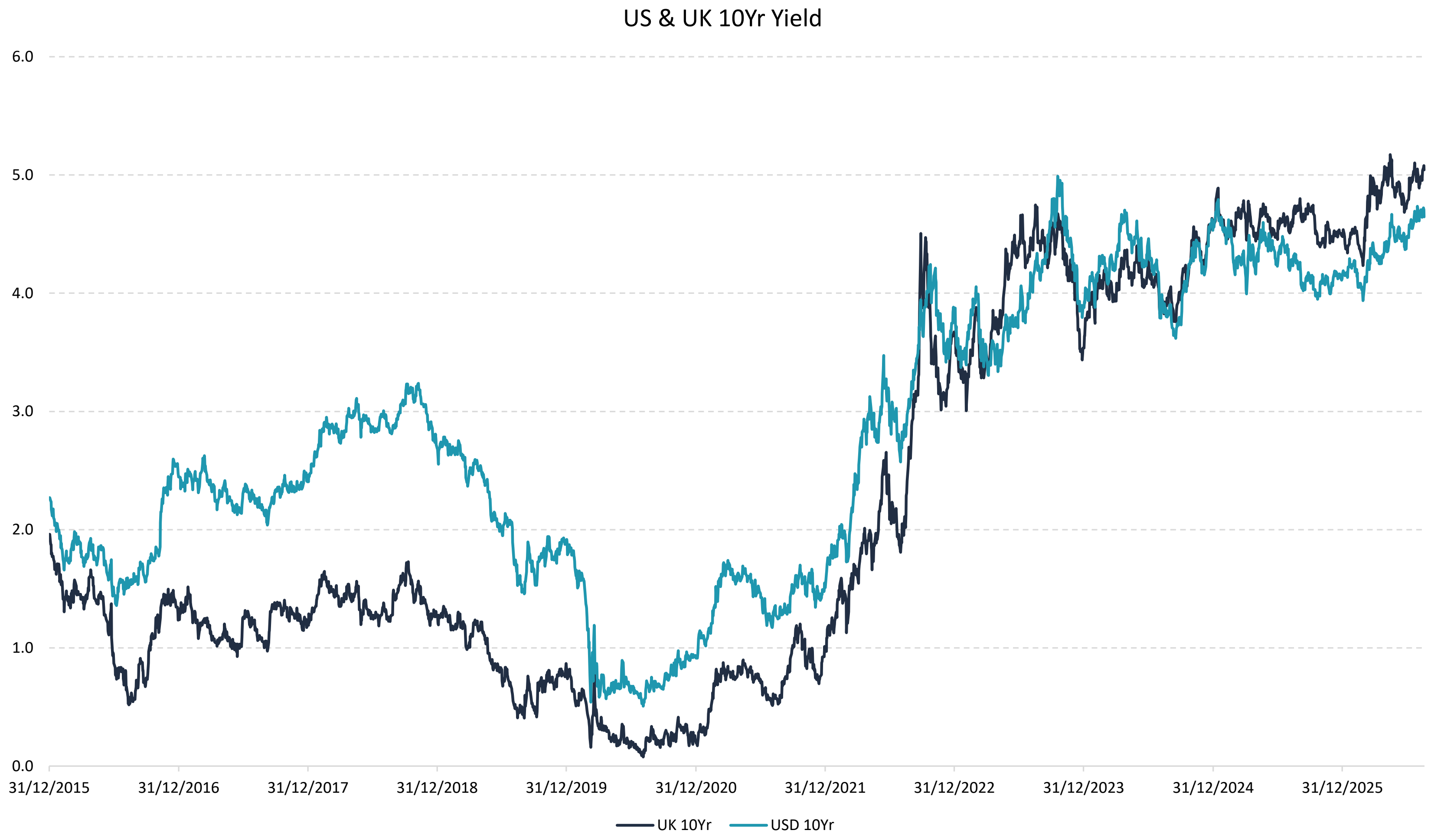
Commodities

Coal (USD)

Source: PortfolioMetrix, Bloomberg

Market Metrics

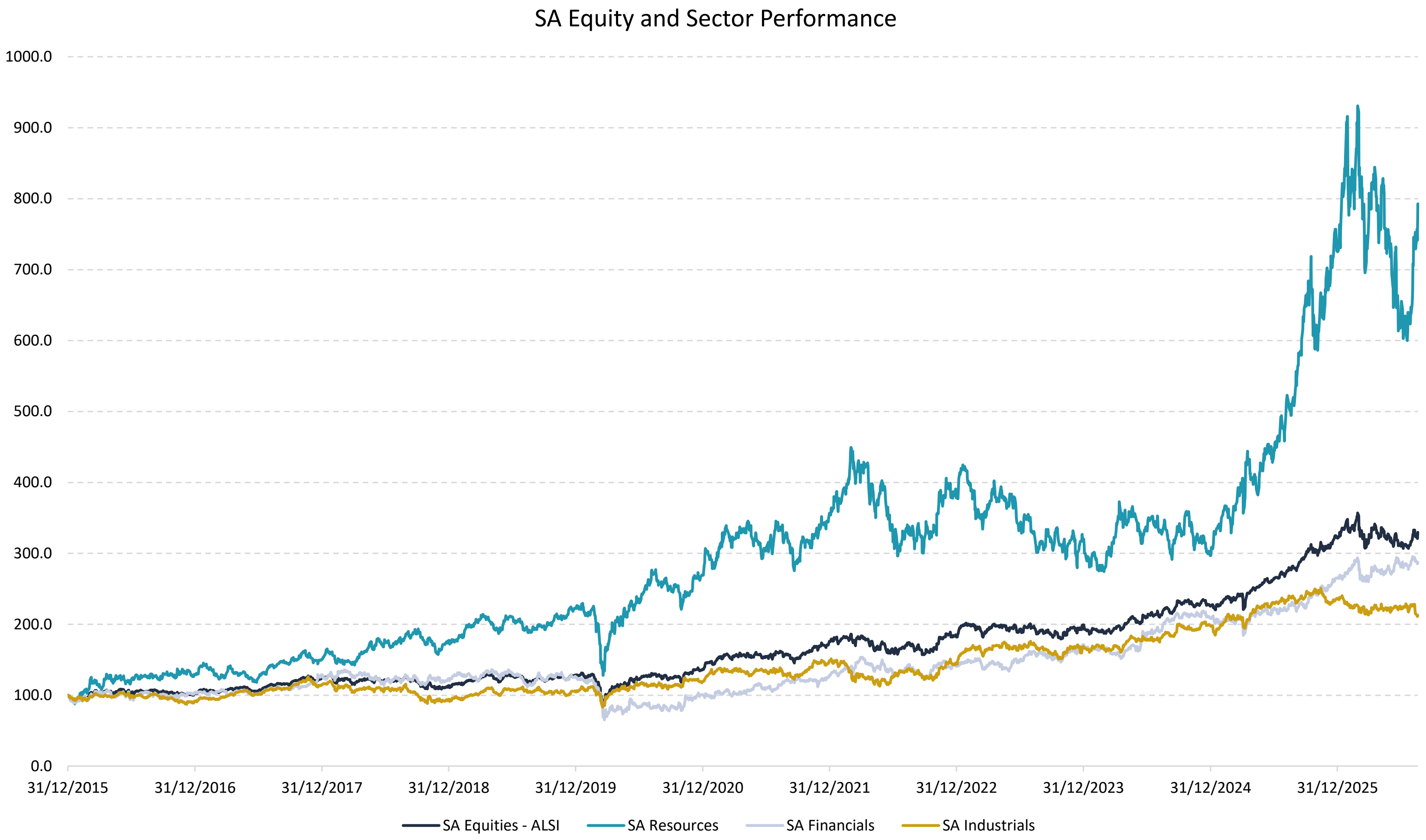
US & UK 10 Yr Yields



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.