Weekly Market Wrap

11/09/2026

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Market Drivers

Global Market Drivers

- Brent crude breaks above $100 as Iran tensions escalate
- US payrolls rebound with 162k jobs added in August – above 55k expectation
- Eurozone inflation jumps to 3.3%, leading to 25bp rate increase by ECB to 2.5%
- UK inflation expectations rise to 3.1% as retail growth slows to 0.7%
- China’s exports surge 25%, lifting the trade surplus to $119bn

SA Market Drivers

- South African Q2 GDP contracts 0.2% as recovery loses momentum
- Mining production falls 7.5%, while manufacturing increased 1.1% y-o-y
- Rand holds stable near R16 despite oil rising above $100

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Charts That Matter

Oil Breaches $100 over Iran Escalation

Renewed conflict reignites concerns for longer war.

- Brent crude has risen above the $100/barrel threshold, reaching approximately $106/barrel.
  - This follows a sharp recovery from the 2026 low of around $60/barrel.
- The latest increase reflects renewed escalation in the Iran conflict.
  - Concerns about disruption to oil production and shipping through the Strait of Hormuz have increased the geopolitical risk premium.
- Higher oil prices raise the risk of a renewed inflation shock.
  - Prolonged energy costs could weigh on consumers, increase production costs and delay interest-rate cuts.

Source: PortfolioMetrix, Bloomberg

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Eurozone Inflation Leads to Rate Hike

ECB warns of energy-shock inflation persisting into 2027.

- The ECB raised its deposit rate by 25 basis points to 2.5%.
  - Higher energy prices have increased concerns about more persistent inflation.
- Eurozone inflation rose to 3.3% in August, while the 2027 forecast increased to 2.5%.
  - Inflation is now expected to return to the 2% target only by the end of 2027.
- The ECB modestly upgraded its growth outlook for 2026 and 2027.
  - However, higher rates and energy costs remain risks for consumers, businesses and interest-rate-sensitive investments.

Source: PortfolioMetrix, Financial Times

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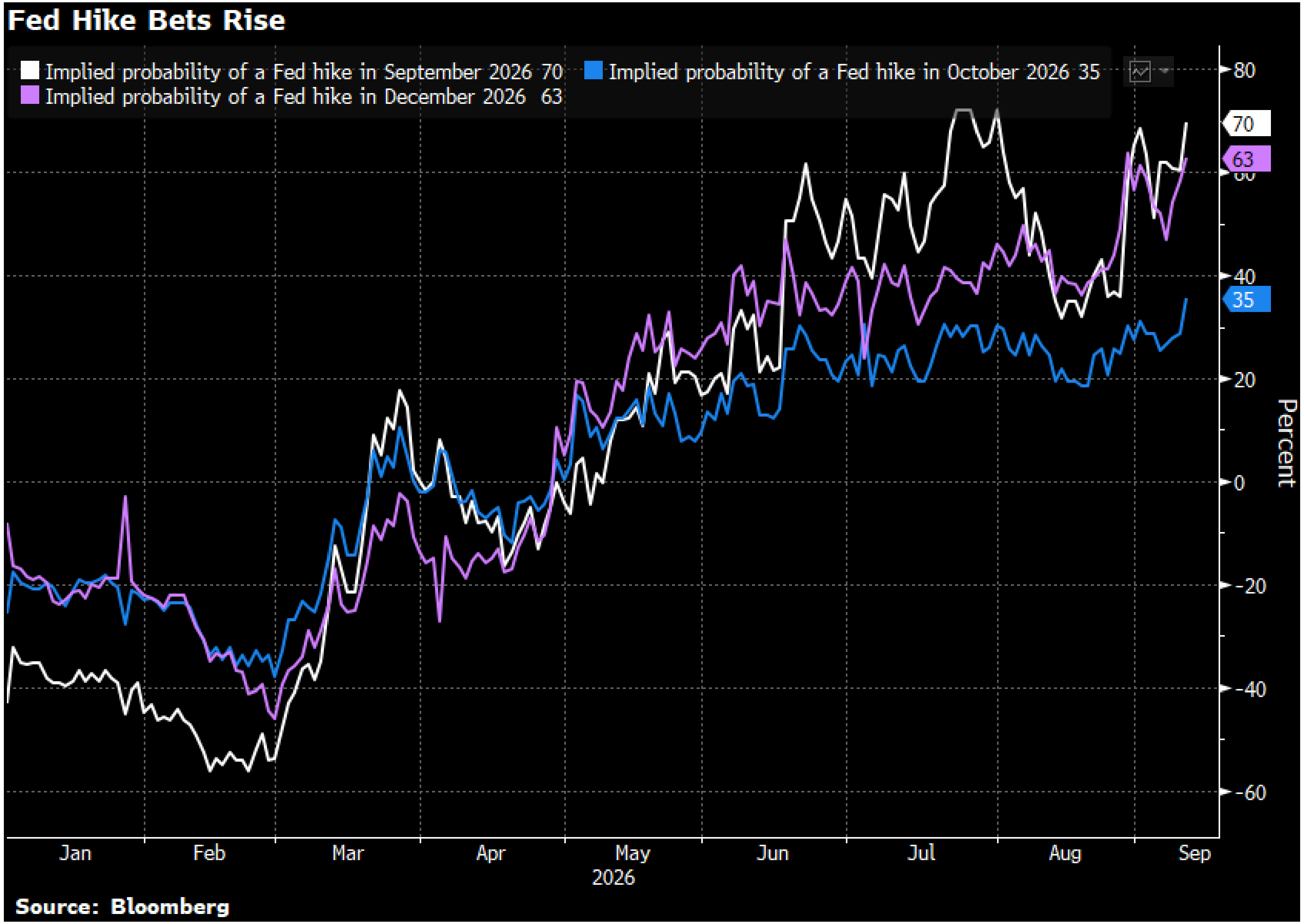
Potential for Fed Rate Hike Increase

Markets price a higher-for-longer Fed policy path.

- Rate-hike expectations have increased sharply during 2026.
  - Markets now assign a 70% probability of a hike in September, compared with materially lower expectations earlier in the year.
- Expectations remain elevated beyond the September meeting.
  - The implied probability of a hike is 35% for October and 63% for December.
- Resilient US activity and renewed inflation risks are driving the repricing.
  - Strong employment and services data, combined with higher oil prices, have reduced expectations for near-term monetary easing.



Source: PortfolioMetrix, Bloomberg

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Treasury Buyback Fails to Lower Yields

US 10-year yield rises from 4.64% to 4.91%.

- US Treasury yields continued to rise after the buyback announcement.
  - The 10-year yield increased from approximately 4.64% on 13 August to 4.91% by 10 September.
- The announcement has not yet convinced markets that the scheme will materially reduce borrowing costs.
  - Investors remain focused on inflation, oil prices, government borrowing and the large supply of Treasury debt.
- Higher long-term yields are tightening financial conditions.
  - This increases borrowing costs for households, businesses and the US government, while placing pressure on global bond markets.

Source: PortfolioMetrix, Bloomberg

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Index Performance

09/09/2026

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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	0.4%	0.3%	0.1%	1.4%	1.4%
1 Month	-3.8%	-1.3%	0.7%	0.3%	0.3%
3 Months	4.0%	2.5%	2.0%	6.4%	6.4%
6 Months	3.4%	3.0%	3.9%	3.0%	3.1%
1 Year	19.9%	15.9%	8.1%	19.4%	18.5%
3 Years	24.9%	17.0%	8.9%	21.4%	21.1%
5 Years	16.4%	11.7%	8.1%	15.9%	16.7%
10 Years	4.6%	10.3%	7.8%	9.9%	12.1%

SA Equity Indices

	SA Financials	SA Industrials	SA Resources	SA Small Cap	SA Mid Cap	SA Large Cap
1 Week	1.6%	-1.2%	3.6%	0.4%	1.5%	1.6%
1 Month	-1.9%	-8.0%	11.4%	-2.3%	-0.2%	0.8%
3 Months	5.2%	-5.6%	20.8%	0.8%	1.5%	7.2%
6 Months	8.9%	-3.3%	3.9%	0.8%	-4.4%	3.6%
1 Year	27.9%	-8.8%	46.6%	14.4%	9.7%	19.3%
3 Years	22.4%	8.9%	37.0%	21.6%	17.4%	21.4%
5 Years	18.6%	10.0%	21.5%	18.2%	12.0%	17.2%
10 Years	9.9%	7.2%	20.6%	10.3%	7.2%	12.7%

Offshore Indices

	Global Equities	US Equities	Developed Equities	EM Equities	Global Gov Bonds	Global Corps	Global Infra	Global Property
1 Week	0.0%	-0.1%	0.0%	0.6%	0.1%	-0.5%	0.0%	-1.1%
1 Month	-1.1%	-2.1%	-1.8%	4.3%	-1.0%	-1.4%	-1.2%	-3.9%
3 Months	1.6%	0.7%	1.4%	2.9%	-2.4%	-3.3%	-1.8%	-1.9%
6 Months	9.3%	9.9%	8.8%	13.0%	-4.4%	-4.6%	-3.3%	-0.8%
1 Year	10.8%	8.2%	9.0%	25.5%	-9.5%	-8.8%	6.7%	-0.9%
3 Years	13.9%	14.0%	13.6%	16.1%	-3.0%	-0.4%	7.7%	2.5%
5 Years	13.4%	14.4%	13.7%	11.1%	-1.2%	1.8%	9.2%	2.2%
10 Years	13.9%	16.3%	14.3%	10.8%	0.2%	3.1%	10.1%	4.9%

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	0.8%	0.7%	0.6%	0.2%	0.7%	1.1%	0.4%	1.3%	1.2%	1.9%	3.9%
1 Month	0.0%	-0.7%	-1.0%	-0.1%	-1.2%	2.2%	0.0%	5.5%	6.0%	5.3%	5.2%
3 Months	4.7%	4.5%	3.8%	6.8%	5.4%	7.6%	9.7%	6.1%	5.7%	11.4%	11.4%
6 Months	13.8%	13.3%	14.4%	8.6%	11.6%	11.4%	7.7%	17.6%	19.6%	21.4%	9.9%
1 Year	21.4%	19.4%	18.5%	20.3%	19.1%	25.8%	19.0%	37.5%	40.5%	31.1%	39.5%
3 Years	20.8%	20.4%	20.9%	20.0%	18.2%	19.9%	16.9%	23.1%	25.0%	22.4%	18.0%
5 Years	10.8%	11.1%	11.8%	11.2%	8.7%	8.8%	7.1%	8.6%	9.0%	-9.7%	13.6%
10 Years	12.4%	12.8%	14.7%	8.4%	9.8%	9.2%	8.1%	9.3%	10.3%	0.0%	7.5%

Global Fixed Income

	Global Gov Bonds	Global Corps	Global High Yield	EM Bonds	Global ILBs
1 Week	0.8%	0.2%	0.1%	0.1%	0.6%
1 Month	0.1%	-0.3%	0.2%	-0.2%	0.4%
3 Months	0.7%	-0.3%	1.3%	0.1%	0.5%
6 Months	-0.5%	-0.7%	2.3%	0.5%	-0.2%
1 Year	-0.8%	-0.1%	3.8%	2.9%	1.3%
3 Years	2.9%	5.7%	9.0%	7.4%	3.8%
5 Years	-3.5%	-0.5%	3.8%	0.9%	-3.1%
10 Years	-1.1%	1.7%	5.0%	2.7%	0.6%

Global Alternatives

	Global Property	Global Infra
1 Week	-0.3%	0.7%
1 Month	-2.8%	-0.1%
3 Months	1.1%	1.3%
6 Months	3.2%	0.6%
1 Year	8.6%	16.9%
3 Years	8.8%	14.3%
5 Years	-0.1%	6.8%
10 Years	3.5%	8.6%

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	0.8%	-0.5%	4.6%	1.2%	-0.5%	0.0%
1 Month	0.0%	1.5%	5.4%	1.3%	-1.0%	-0.5%
3 Months	4.7%	9.7%	1.0%	4.9%	5.5%	7.3%
6 Months	13.8%	19.5%	22.4%	11.9%	5.0%	17.5%
1 Year	21.4%	39.1%	31.4%	21.4%	7.0%	23.4%
3 Years	20.8%	24.9%	32.5%	21.7%	12.2%	18.4%
5 Years	10.8%	15.2%	14.4%	9.3%	6.7%	8.7%
10 Years	12.4%	11.8%	16.8%	12.8%	8.1%	10.2%

Global Sectors

	Comm Services	Consumer Cyclical	Consumer Defensive	Energy	Financials	Healthcare	Industrials	Tech	Real Estate	Utilities	Basic Materials
1 Week	1.5%	-0.6%	-0.7%	0.1%	0.9%	-2.5%	1.5%	1.7%	0.0%	1.4%	1.0%
1 Month	-0.9%	-4.7%	-2.1%	9.5%	0.5%	-0.3%	-3.6%	1.6%	-2.2%	-0.7%	3.2%
3 Months	-1.6%	0.2%	1.7%	9.1%	12.2%	7.9%	2.0%	4.0%	1.4%	0.6%	8.9%
6 Months	2.9%	0.9%	-1.5%	12.9%	17.4%	6.0%	3.8%	32.9%	-0.8%	-3.3%	7.6%
1 Year	4.6%	-3.1%	3.8%	45.2%	20.6%	15.3%	19.0%	41.5%	4.4%	12.7%	28.8%
3 Years	23.4%	9.4%	6.7%	15.9%	26.1%	7.8%	20.3%	33.3%	8.1%	16.8%	15.5%
5 Years	7.7%	2.3%	3.6%	19.9%	13.8%	3.5%	11.0%	18.8%	-0.6%	8.2%	7.3%
10 Years	9.6%	9.0%	5.4%	9.3%	12.8%	8.1%	11.6%	23.2%	3.0%	8.2%	10.4%

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

Market Metrics

09/09/2026

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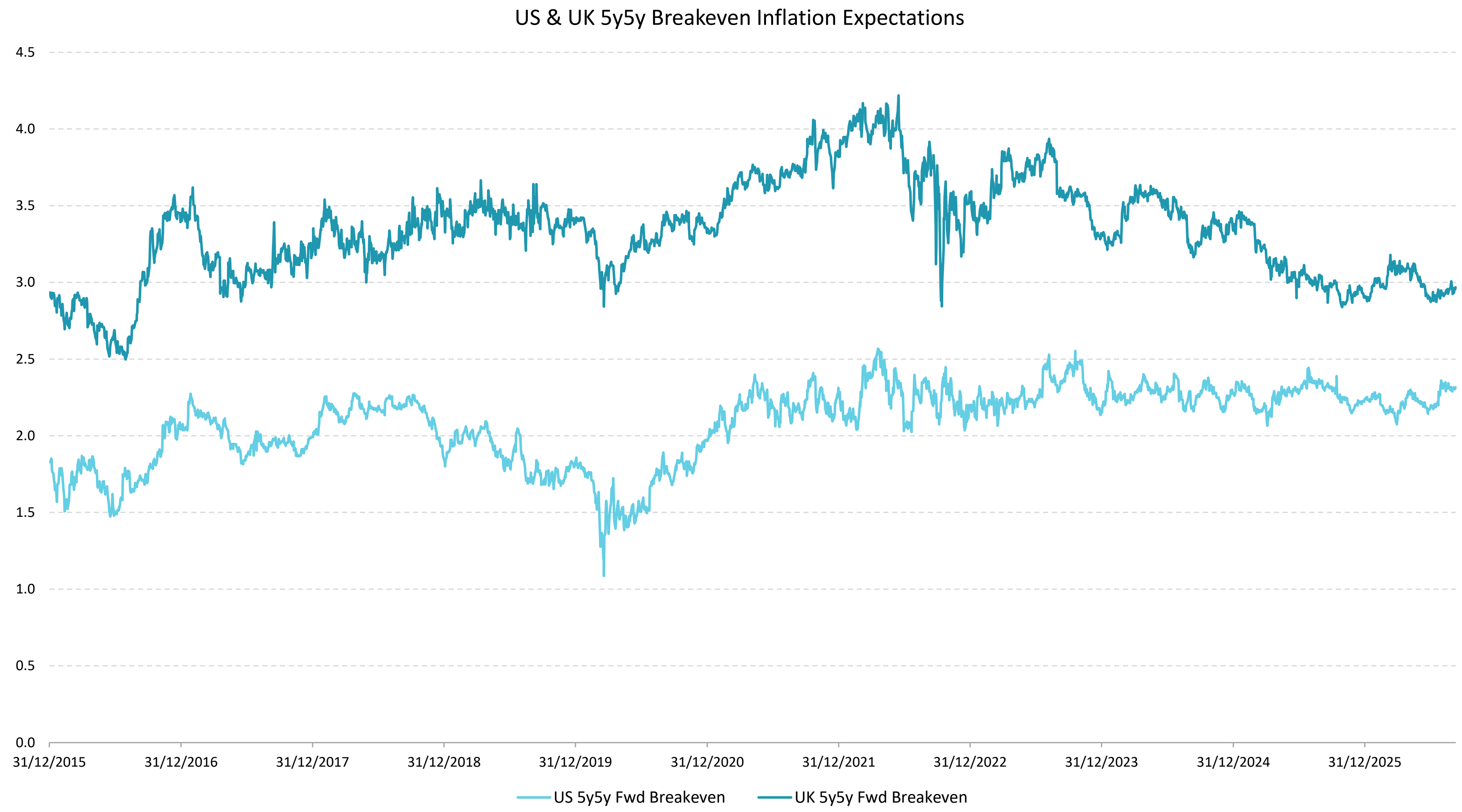
Market Metrics

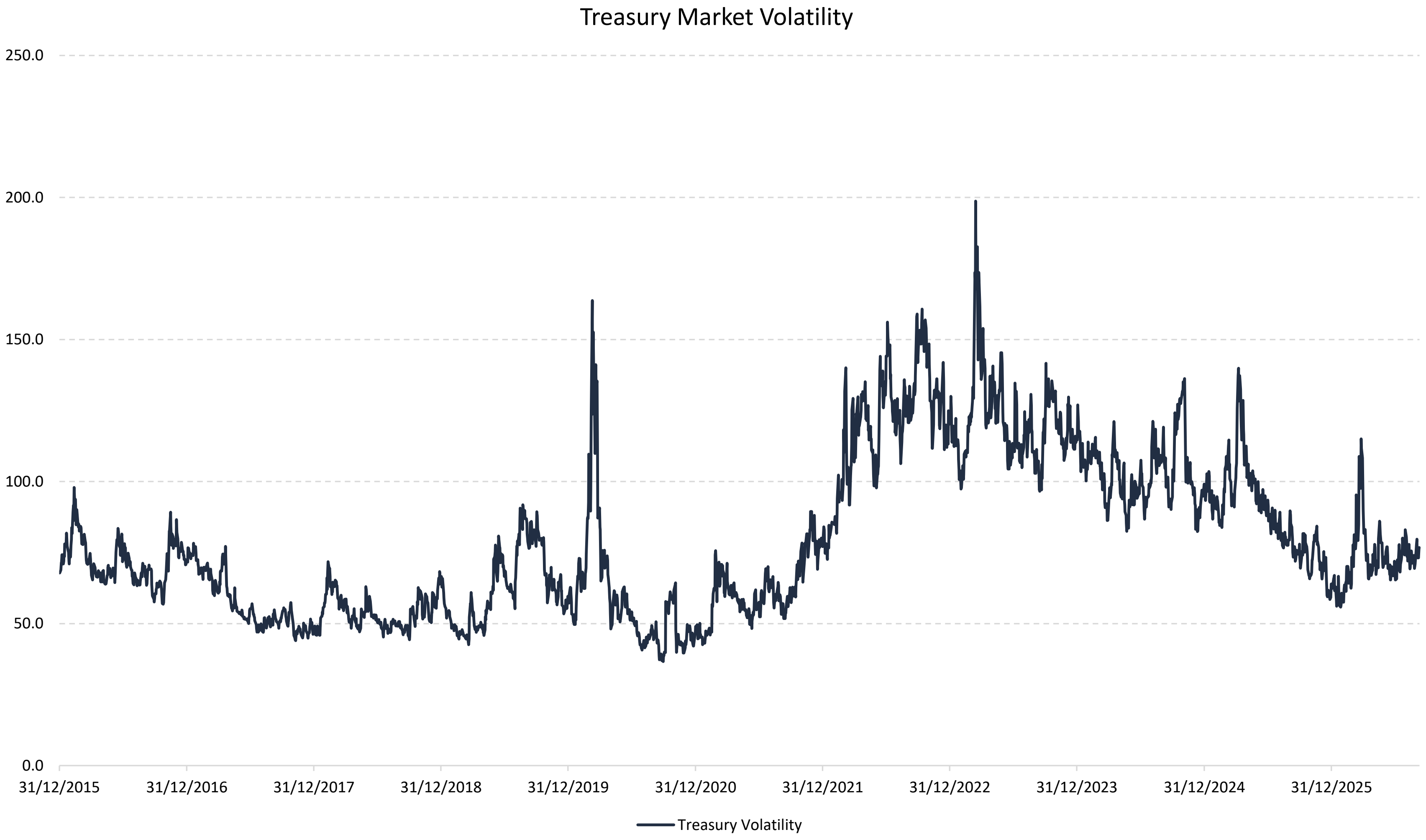
US & UK 5y5y Breakeven Inflation Expectations



Source: PortfolioMetrix, Bloomberg

Market Metrics

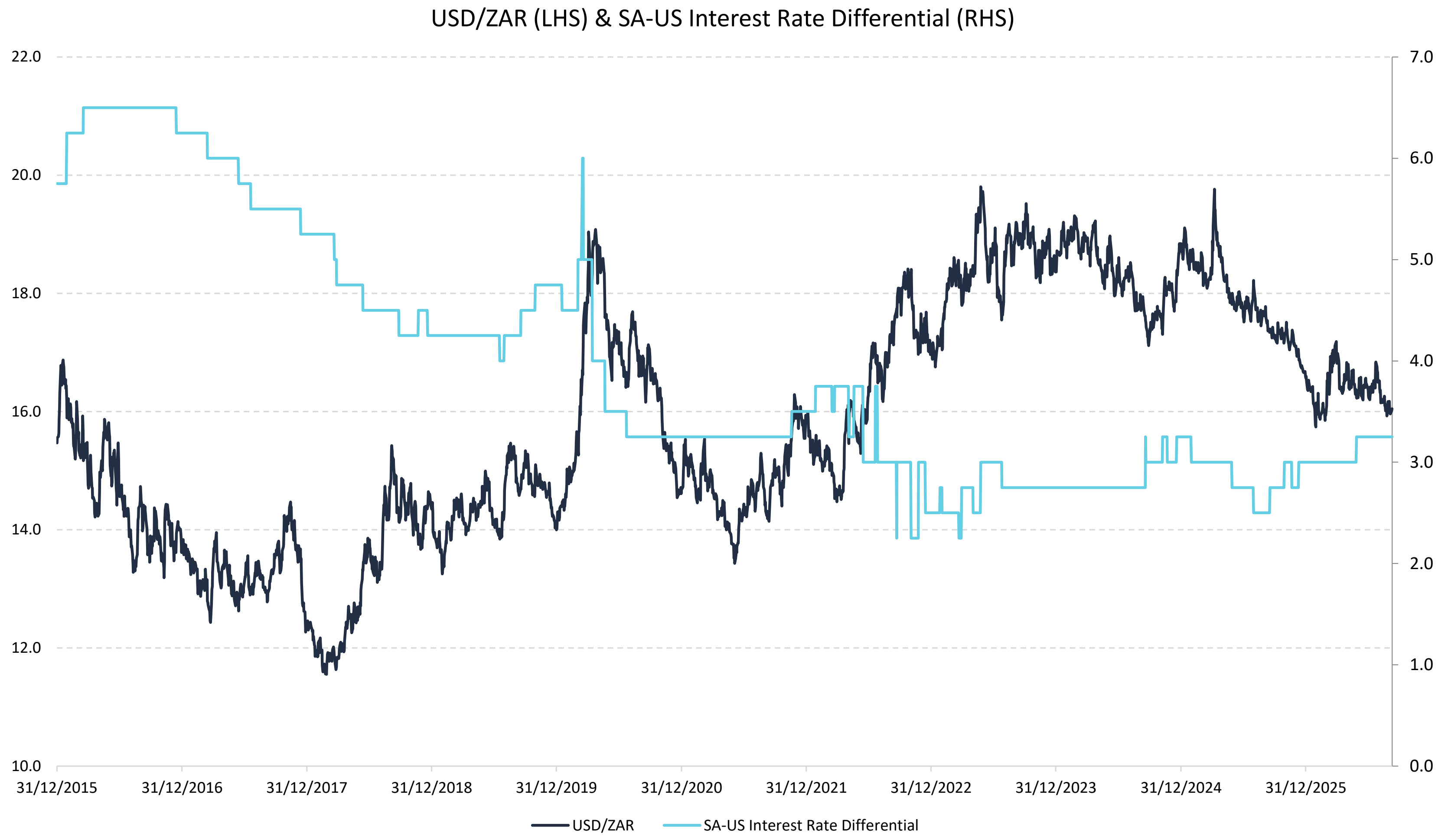
Treasury Market Volatility



Source: PortfolioMetrix, Bloomberg

Currencies

SA-US exchange rate and interest rate differential



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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