Hewett Wealth

FINANCE MATTERS

Monday | 28 July 2025

SOUTH AFRICAN MARKET SUMMARY

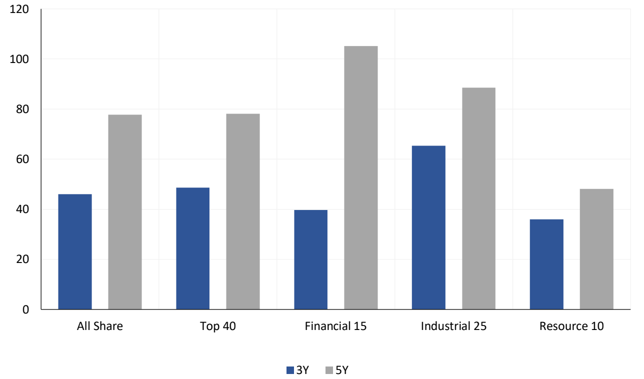
Political stability returned midweek when Parliament passed the Appropriation Bill on 23 July, ending a prolonged coalition impasse. This paved the way for Treasury to launch a US$500 million foreign-currency funding auction, encouraging ESG-linked instruments and liability diversification to address a projected 4.8% fiscal deficit and expected gross debt of 77.4% in 2026. Platinum prices firmed, bolstering mining royalties and investor confidence, though broader economic momentum remained subdued. Market focus is now on the auction results and their implications for sovereign spreads and bond funding costs.

EUROPEAN MARKET SUMMARY

European equity indices rose after the U.S.–EU struck a preliminary trade deal, capping most EU exports at a 15% tariff and pledging substantial investment in U.S. energy and military goods. While easing trade uncertainty supported sentiment, corporate earnings projections remain under pressure, with Q2 earnings expected to shrink slightly. The ECB maintained its policy rate at 2%, emphasising data dependency and signalling that only one further cut may occur this year. Strong Q2 results from NatWest, including a £750 million buyback, lifted financial sentiment, while executive remuneration at UK listed firms drew increasing scrutiny.

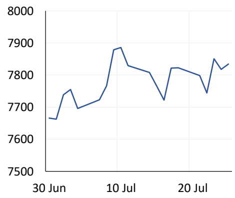
LOCAL INDICES

3-YEAR AND 5-YEAR PERCENTAGE PERFORMANCES

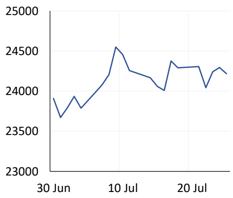


EUROPEAN INDICATORS	CLOSE	1W%	1M%	YTD%
CAC 40	7834.58	0.15	3.66	6.15
DAX 30	24217.5	-0.30	3.06	21.64
Eurostoxx 50	5350.05	-0.22	1.74	9.27
FTSE	9120.31	1.43	4.61	11.59

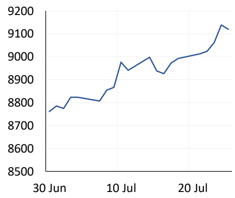
CAC 40



DAX



FTSE



LOCAL INDICATORS	CLOSE	1W%	1M%	YTD%
All Share	98918.87	0.23	3.79	17.63
Top 40	91303.40	0.36	4.02	21.12
Financial 15	21105.90	-1.46	0.79	2.41
Industrial 25	139353.09	0.81	2.73	17.42
Resource 10	82228.35	1.51	10.07	58.41
Mid Cap	100227.08	-0.61	5.47	12.08
Small Cap	93824.01	-0.33	2.38	0.47
Banks	12723.40	-1.51	0.42	0.47
Retailers	6646.65	-4.18	-3.79	-21.95

AMERICAN MARKET SUMMARY

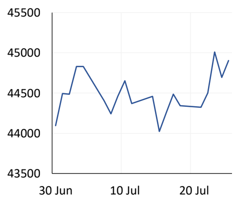
U.S. capital markets posted record highs midweek, aided by trade optimism and encouraging Q2 earnings surprises—over 80% of S&P 500 companies beat expectations. However, headlines from Tesla, Intel and GM weighed on Friday. Fed policymakers held rates steady amid mixed data: PMI readings ticked higher, but durable goods orders disappointed. Jobless claims eased modestly. Investors are now preparing for key releases including the PCE inflation and non-farm payrolls, and the FOMC press conference for cues on the timing of potential rate cuts.

AMERICAN INDICATORS	CLOSE	1W%	1M%	YTD%
Dow Jones	44901.92	1.26	4.47	5.54
Nasdaq	21108.31641	1.02	5.68	9.31
S&P 500	6388.64	1.46	4.87	8.62

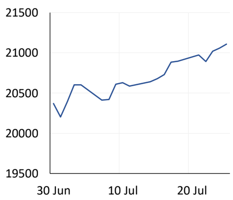
JSE ALL SHARE vs SELECTED INTERNATIONAL INDICES

1-YEAR NORMALISED PERCENTAGE PERFORMANCES

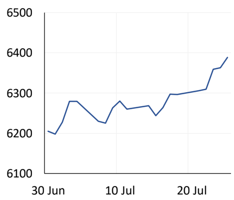
DOW JONES



NASDAQ



S&P 500

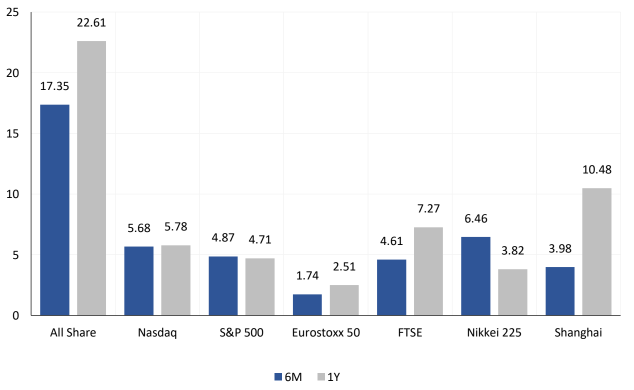


ASIAN MARKET SUMMARY

Asian equities saw mixed performance: while trade deal optimism lifted Chinese and broader Asia-Pacific markets, Japan's Nikkei slipped on local election-related volatility. Hong Kong and Taiwan posted modest gains in export-sensitive sectors, though risk appetite remained cautious amid rising dollar strength. Discussions between U.S. and China in Stockholm on extending their tariff truce helped temper downside risk. Investors retained a selective bias, focusing on cyclical and tech stocks likely to benefit from stabilising global trade narratives.

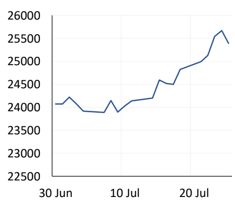
INTERNATIONAL INDICES

6-MONTH & 1 YEAR PERCENTAGE PERFORMANCES

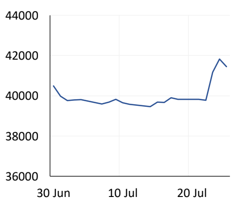


ASIAN INDICATORS	CLOSE	1W%	1M%	YTD%
Hang Seng	25388.35	2.27	3.73	26.56
Nikkei 225	41456.23	4.11	6.46	3.91
Shanghai	3593.6553	1.67	3.98	7.22

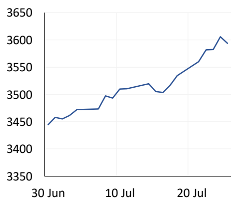
HANG SENG



NIKKEI



SHANGHAI



CURRENCY MARKET SUMMARY

The U.S. dollar strengthened as economic indicators supported delayed rate cuts. The euro rallied modestly to around $1.175 following the trade agreement, though economic growth remains tepid. Sterling eased amid soft UK consumer data and IMF warnings over fiscal headroom. The yen weakened, pushing USD/JPY above the 147 threshold ahead of the BOJ meeting. The South African rand held steady at roughly R17.80/USD—supported temporarily by Treasury developments and commodity strength—while broader emerging-market currencies, including the Indian rupee, lost ground amid risk-off flows and tightening global financial conditions.

COMMODITY MARKET SUMMARY

Oil reversed early-week gains to close slightly lower, pressured by a sharp build in U.S. crude inventories. Gold declined, weighed down by reduced safe-haven demand as equity markets advanced. Copper and base metals posted modest gains, with improving industrial signals offsetting lingering tariff anxieties around green-tech imports. Rubber prices rose sharply in Asia on supply constraints. Cocoa and soft commodity markets remained steady, though cocoa showed softness amid emerging geography-specific political risks. Commodities now remain especially sensitive to trade policy momentum and macroeconomic surprises.

CURRENCY PAIRS	CLOSE	1W%	1M%	YTD%
USDZAR	17.7624	0.29	0.05	-5.72
GBPZAR	23.8755	0.50	-1.59	1.04
EURZAR	20.8637	1.28	0.80	6.79
AUDZAR	11.6633	1.17	0.87	-0.11
EURUSD	1.1741	1.04	0.70	13.41
USDJPY	147.6700	-0.78	1.66	-6.09
GBPUSD	1.3437	0.19	-1.66	7.38
USDCHF	0.7949	-0.82	-1.23	-12.41

COMMODITIES	CLOSE	1W%	1M%	YTD%
Brent Crude	68.38	-1.24	1.11	-8.62
Gold	3337.21	-0.38	0.15	27.16
Palladium	1223.26	-1.81	14.40	37.68
Platinum	1406.21	-1.34	3.61	57.38
Silver	38.17	-0.05	5.24	32.17

USDZAR
1-YEAR

GOLD
1-YEAR

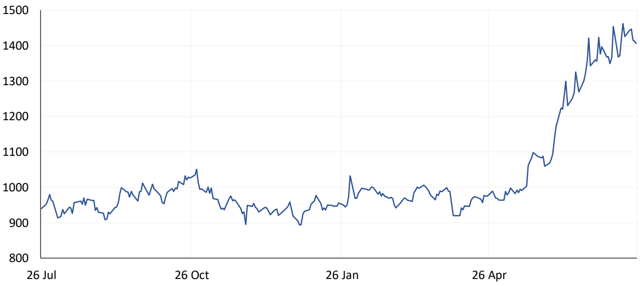
10-YEAR BOND YIELD | SELECTED ITEMS (Basis Point Change)

REGION	YIELD	1M	1Y
United States	4.39%	11	19
United Kingdom	4.63%	13	54
Germany	2.71%	13	31
Japan	160.00%	17	54
South African 10Y	9.84%	-11	36

South African 10-Year
2024 V 2025 TO DATE

BRENT CRUDE
1-YEAR

PLATINUM
1-YEAR



GLOBAL INTEREST RATES | SELECTED ITEMS

REGION	CURRENT RATE	DATE CHANGED
United States	4.50%-4.75%	Nov '24
United Kingdom	4.25%	May '25
European	2.15%	Jun '25
SA Repo Rate	7.25%	May '25
SA Prime Rate	10.75%	May '25

BANK & OTHER SELECTED PREFERENCE SHARES

COMPANY	CODE	CLOSE	CLEAN YIELD	APPROX. NEXT LDT
Investec Limited	INPR	10150	8.93	Tue, 10 Jun '25
Standard Bank	SBPP	10000	8.80	Wed, 03 Sept '25
Capitec	CPIP	10763	8.79	Wed, 17 Sept '25
Grindrod	GNDP	10100	9.99	Wed, 17 Sept '25
Netcare	NTCP	9000	10.43	Wed, 12 Nov '25
Discovery	DSBP	12499	9.11	Wed, 17 Sept '25