Hewett Wealth

FINANCE MATTERS

Monday | 08 December 2025

SOUTH AFRICAN MARKET SUMMARY

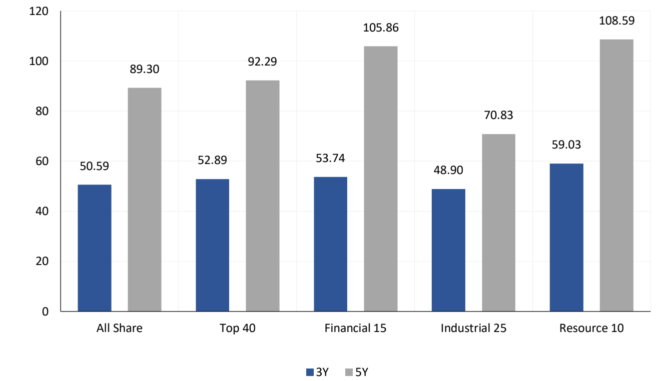
South Africa's macro backdrop showed mixed signals, with November foreign reserves rising to $70 billion and the Q3 current account deficit narrowing to 0.7% of GDP. GDP grew 0.5% q/q, while fixed investment improved 1.6%, supporting a 2.1% y/y expansion. Political and diplomatic tensions persisted, though capital flows benefited from improved fiscal discipline. Manufacturing remained weak, with the Absa PMI sliding to 42.0, while new-vehicle sales rose 12.5% y/y. BYD announced plans to expand its EV network, and the UK is considering extending a $1 billion guarantee to support South Africa's green-transition financing.

EUROPEAN MARKET SUMMARY

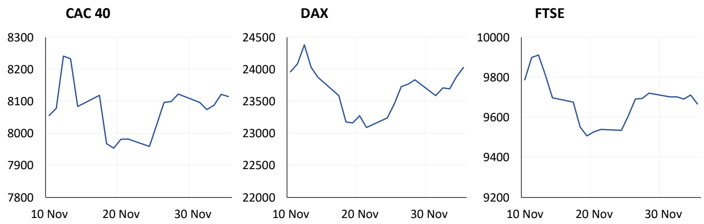
European data signalled stabilising conditions, with the eurozone composite PMI hitting a 2.5-year high as services strength offset manufacturing softness. Poland indicated an end to its easing cycle after cutting rates to 4.00%, while Ireland's economy remained resilient, supported by 2.3% Q3 domestic-demand growth and a services PMI jumping to 58.5. Inflation in the eurozone firmed unexpectedly, tempering expectations for further ECB cuts. The European Commission's proposal to leverage frozen Russian assets for €90 billion in Ukraine funding drew caution from ECB President Lagarde. In the UK, shop-price inflation eased but business confidence fell sharply as cost pressures persisted.

LOCAL INDICES

3-YEAR AND 5-YEAR PERCENTAGE PERFORMANCES



EUROPEAN INDICATORS	CLOSE	1W%	1M%	YTD%
CAC 40	8114.74	-0.10	0.50	9.94
DAX 30	24028.14	0.80	-0.09	20.69
Eurostoxx 50	5725.05	0.91	1.59	16.93
FTSE	9667.01	-0.55	-1.13	18.28



LOCAL INDICATORS	CLOSE	1W%	1M%	YTD%
All Share	112479.92	1.37	3.39	33.75
Top 40	104797.39	1.49	3.35	39.02
Financial 15	23975.97	3.36	4.55	16.34
Industrial 25	136248.47	-0.18	-6.07	14.80
Resource 10	118925.64	1.53	15.73	129.11
Mid Cap	109193.01	0.43	5.74	22.10
Small Cap	106105.40	0.00	4.38	13.62
Banks	14717.88	4.36	5.06	16.22
Retailers	6666.09	3.45	3.80	-21.72

AMERICAN MARKET SUMMARY

US data continued to point toward a softening economic backdrop, with September consumer spending rising 0.3% and core PCE increasing 0.3% m/m and 2.8% y/y, reinforcing steady disinflation. Consumer sentiment improved to 53.3 as shutdown-related delays cleared, while jobless claims hit a three-year low, though seasonal effects may have contributed. Factory orders rose a modest 0.2% amid tariff pressures, and the ISM index signalled a ninth month of contraction. Speculation that Kevin Hassett could replace Jerome Powell added to policy uncertainty, though markets now price an 89% probability of a 25 bp December cut.

AMERICAN INDICATORS	CLOSE	1W%	1M%	YTD%
Dow Jones	47954.99	0.50	1.36	12.72
Nasdaq	23578.12891	0.91	0.33	22.10
S&P 500	6870.4	0.31	1.09	16.81

JSE ALL SHARE vs SELECTED INTERNATIONAL INDICES

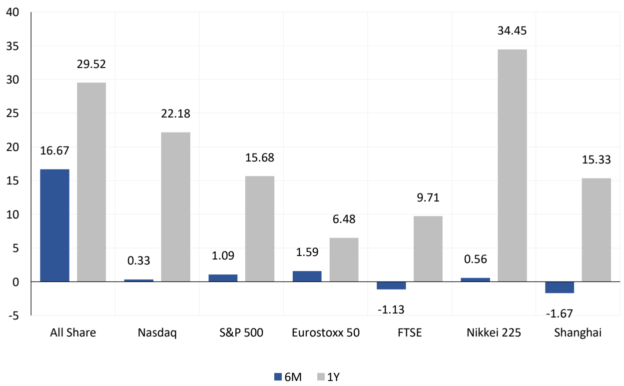
1-YEAR NORMALISED PERCENTAGE PERFORMANCES

ASIAN MARKET SUMMARY

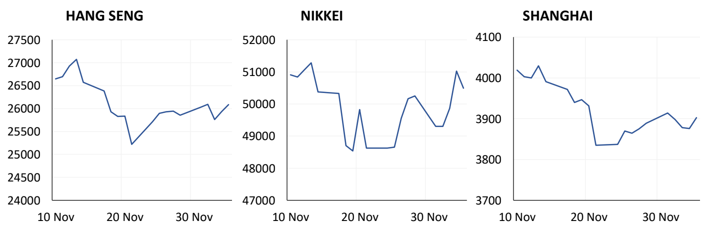
Asia-Pacific data painted a mixed picture, with Japan's Q3 GDP revised to a deeper 2.3% annualised contraction and household spending down 3% y/y, complicating the Bank of Japan's path toward policy normalisation. China is expected to retain its 5% 2025 growth target amid continued fiscal and monetary support, though services PMIs softened. Semiconductor enthusiasm remained strong, with Moore Threads soaring over 400% on debut. Regional growth readings were steadier elsewhere, with South Korea's GDP revised to 1.8% y/y and Australia expanding 2.1% y/y, slightly below expectations.

INTERNATIONAL INDICES

6-MONTH & 1 YEAR PERCENTAGE PERFORMANCES



ASIAN INDICATORS	CLOSE	1W%	1M%	YTD%
Hang Seng	26085.08	0.87	0.58	30.04
Nikkei 225	50491.87	0.47	0.56	26.56
Shanghai	3902.8076	0.37	-1.67	16.44



CURRENCY MARKET SUMMARY

The rand maintained its break below 17.00/USD ahead of Moody's credit review, while the US dollar traded near a five-week low as markets priced an 87% chance of a Fed rate cut. The dollar index steadied around 99.065 after briefly touching its weakest level since October. US jobless claims fell to a three-year low, though analysts warned holiday distortions likely influenced the reading.

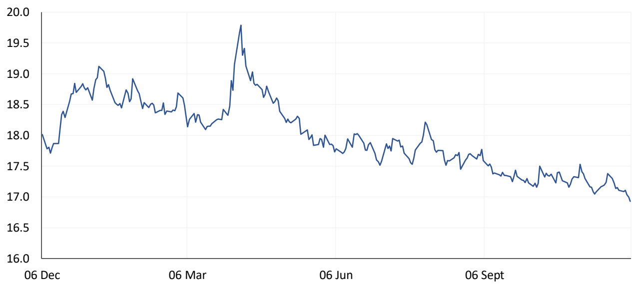
COMMODITY MARKET SUMMARY

Oil hovered near two-week highs as expectations of a forthcoming U.S. Federal Reserve rate cut improved the demand outlook, while geopolitical tensions kept supply risks elevated. Slow Ukraine peace talks, potential G7–EU maritime restrictions on Russian exports and rising U.S. pressure on Venezuela lifted risk premiums, with any disruption threatening around 1.1 million barrels per day. Chinese refiners increased purchases of sanctioned Iranian crude, helping absorb oversupply, while Saudi Arabia cut January Arab Light prices to five-year lows. Fitch lowered its medium-term price assumptions, and gold ticked lower as firmer risk sentiment weighed on safe-haven demand.

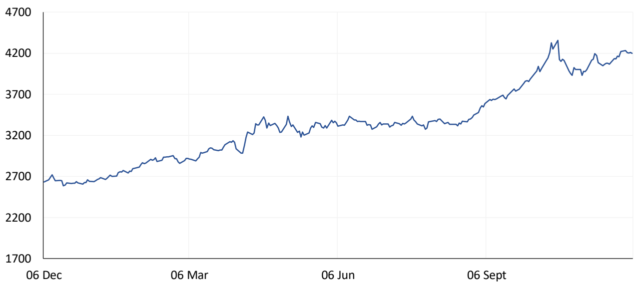
CURRENCY PAIRS	CLOSE	1W%	1M%	YTD%
USDZAR	16.9282	-1.05	-2.76	-10.15
GBPZAR	22.5652	-0.37	-0.67	-4.51
EURZAR	19.7102	-0.64	-1.49	0.89
AUDZAR	11.2410	0.30	-0.74	-3.73
EURUSD	1.1643	0.40	1.31	12.46
USDJPY	155.3130	-0.54	0.78	-1.23
GBPUSD	1.3331	0.72	2.14	6.53
USDCHF	0.8047	0.12	-0.69	-11.33

COMMODITIES	CLOSE	1W%	1M%	YTD%
Brent Crude	63.76	0.90	0.35	-14.79
Gold	4196.63	-0.54	5.46	59.91
Palladium	1470.5	1.11	3.55	65.50
Platinum	1648	-1.61	5.36	84.44
Silver	58.271	2.73	21.35	101.78

USDZAR
1-YEAR



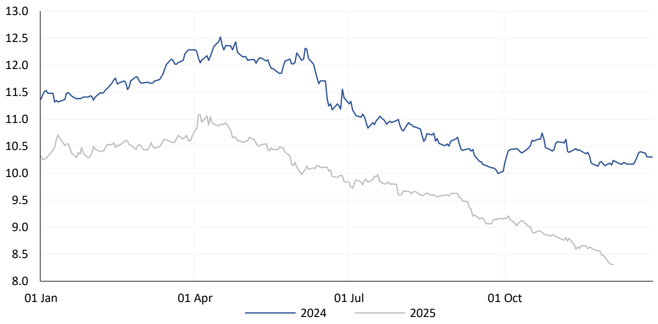
GOLD
1-YEAR



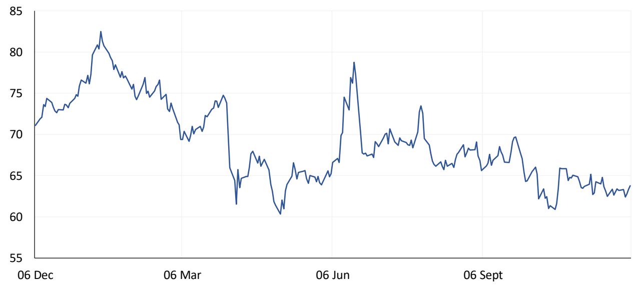
10-YEAR BOND YIELD | SELECTED ITEMS (Basis Point Change)

REGION	YIELD	1M	1Y
United States	4.13%	4	-2
United Kingdom	4.48%	1	20
Germany	2.80%	13	69
Japan	1.95%	28	90
South African 10Y	8.32%	-45	-61

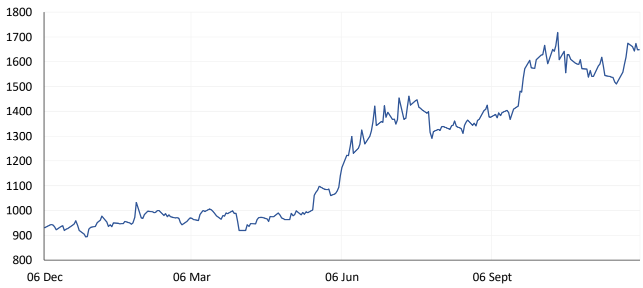
South African 10-Year
2024 V 2025 TO DATE



BRENT CRUDE
1-YEAR



PLATINUM
1-YEAR



GLOBAL INTEREST RATES | SELECTED ITEMS

REGION	CURRENT RATE	DATE CHANGED
United States	3.75% - 4.00%	Oct '25
United Kingdom	4.00%	Aug '24
European	2.15%	Jun '25
SA Repo Rate	6.75%	Nov '25
SA Prime Rate	10.25%	Nov '25

BANK & OTHER SELECTED PREFERENCE SHARES

COMPANY	CODE	CLOSE	CLEAN YIELD	APPROX. NEXT LDT
Investec Limited	INPR	9900	9.49	Tue, 10 Jun '25
Standard Bank	SBPP	9700	9.39	Wed, 03 Sept '25
Capitec	CPIP	11700	8.31	Wed, 17 Sept '25
Grindrod	GNDP	9900	10.60	Wed, 17 Sept '25
Netcare	NTCP	9400	10.35	Wed, 12 Nov '25
Discovery	DSBP	12613	9.33	Wed, 17 Sept '25