

DAILY GLOBAL MARKET UPDATE

20 May 2026



SKYBOUND
CAPITAL

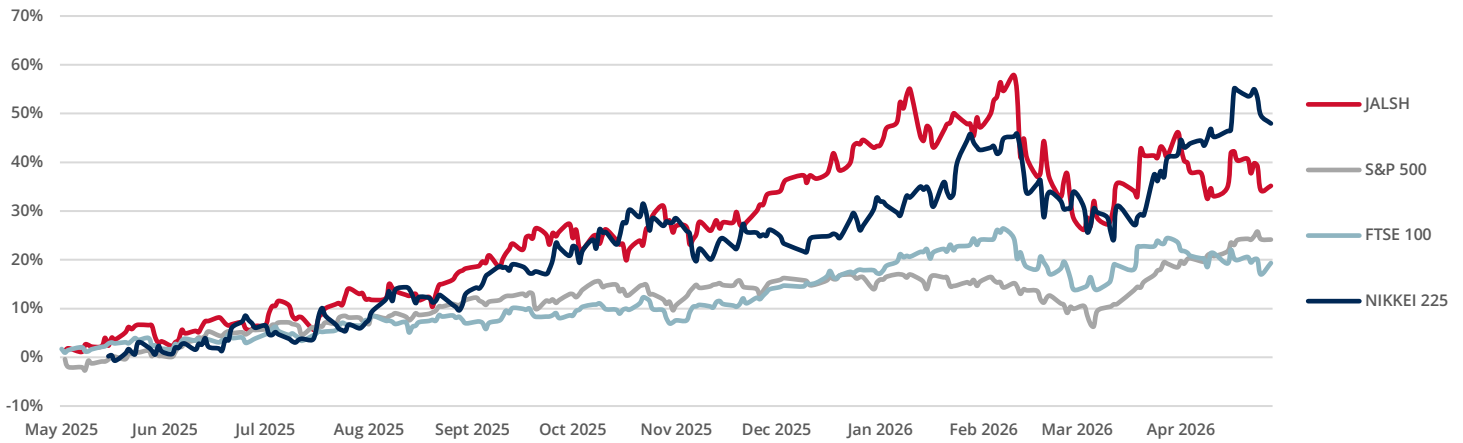
SNAPSHOT

GBP/USD	1.34	EUR/USD	1.16	AUD/USD	0.71	USD/JPY	159.08
USD/ZAR	R 16.70	EUR/ZAR	R 19.38	GBP/ZAR	R 22.37	AUD/ZAR	R 11.87

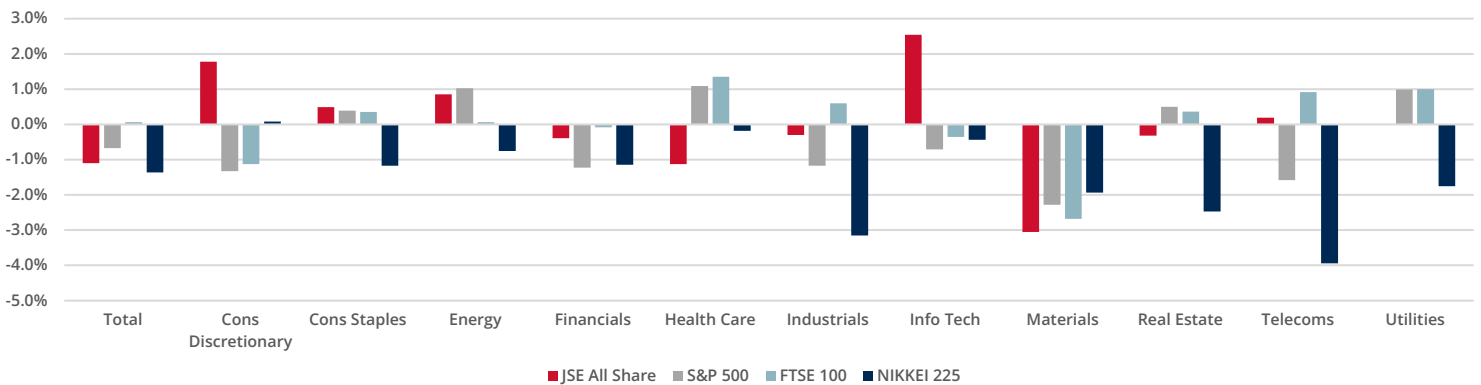
GLOBAL INDICES

	Close	Daily % Change	MTD % Change	YTD % Change	12 MTH % Change		Close	Daily % Change	MTD % Change	YTD % Change	12 MTH % Change
MSCI World	4,717.73	-0.47%	1.22%	6.49%	21.90%	JP Morgan EMBI	1,021.19	-0.40%	-1.02%	0.32%	10.67%
MSCI Emerging Market	1,638.75	-1.45%	2.41%	16.69%	40.37%	Bloomberg Global Aggregate	495.57	-0.35%	-1.30%	-1.14%	2.44%
United States						Asia					
S&P 500	7,353.61	-0.67%	2.01%	7.42%	23.79%	Nikkei 225	60,550.59	-0.44%	0.74%	18.64%	59.14%
Dow Jones	49,363.88	-0.65%	-0.58%	2.71%	15.67%	S&P/ASX 200	8,604.70	1.17%	-1.94%	-2.49%	1.85%
Nasdaq	25,870.71	-0.84%	3.93%	11.31%	35.15%	Hang Seng	25,797.85	0.48%	-0.62%	-0.05%	8.17%
Russell 2000	2,747.07	-1.01%	-1.89%	10.68%	30.47%	CSI 300	4,852.88	0.40%	0.96%	4.83%	24.51%
Europe						South Africa					
Stoxx Euro 50	5,851.16	0.04%	-0.52%	1.03%	7.27%	All Share	113,654.20	-1.10%	-1.33%	-1.88%	22.52%
FTSE 100	10,330.55	0.07%	-0.47%	4.02%	17.65%	Africa Resource 20	122,326.60	-3.79%	-3.65%	-1.07%	74.59%
DAX 30	24,400.65	0.38%	0.45%	-0.37%	1.52%	Africa Industrial 25	130,108.20	0.96%	0.86%	-6.09%	-2.14%
CAC 40	7,981.76	-0.07%	-1.64%	-2.06%	0.50%	Africa Finance 15	24,933.08	-0.52%	-1.47%	0.24%	20.68%

NORMALISED % PERFORMANCE | USD TERMS



DAILY RETURNS



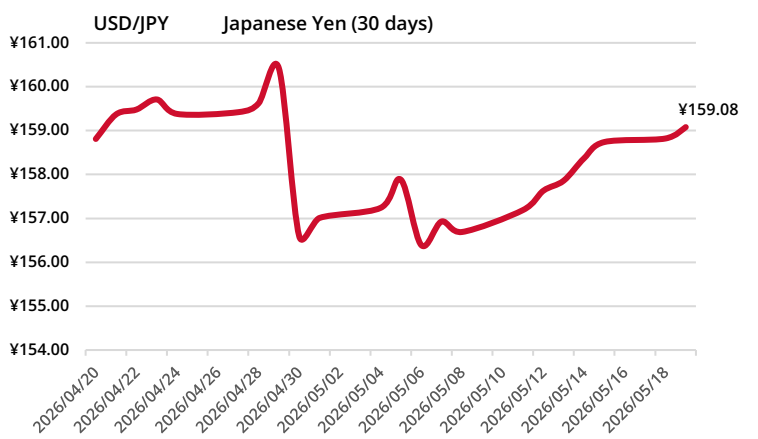
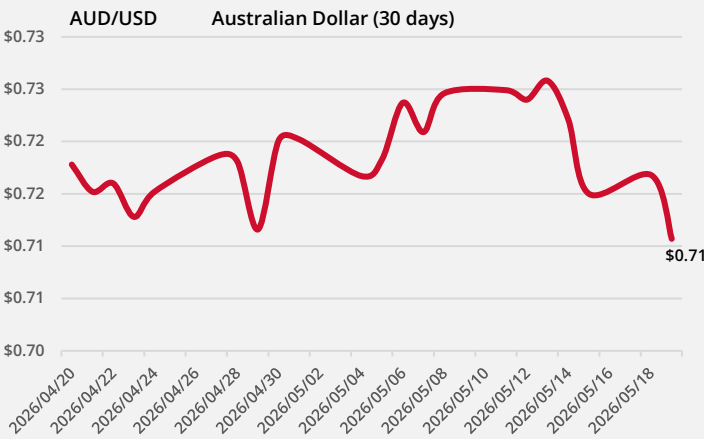
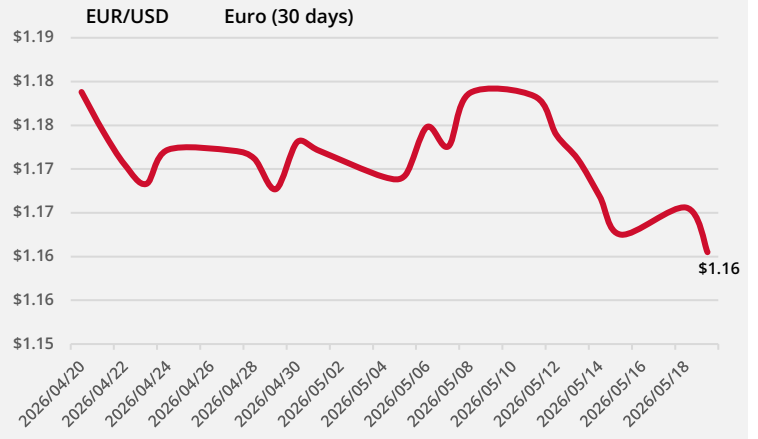
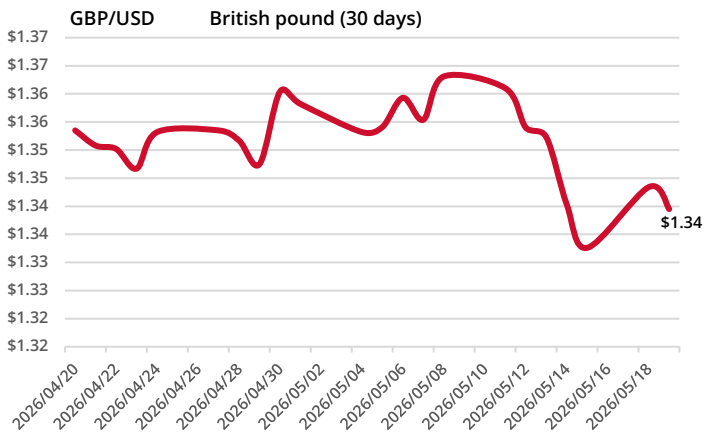
10 YEAR BOND YIELDS

	Yield %	1d Change	1m Change	1y Change
United States	4.67	0.08	0.29	0.17
United Kingdom	5.13	0.03	0.12	0.47
Germany	3.19	0.05	0.16	0.61
Japan	2.79	0.06	0.27	1.29
Australia	5.06	-0.05	0.02	0.68
South Africa	9.09	0.09	0.16	-1.36

GLOBAL INTEREST RATES

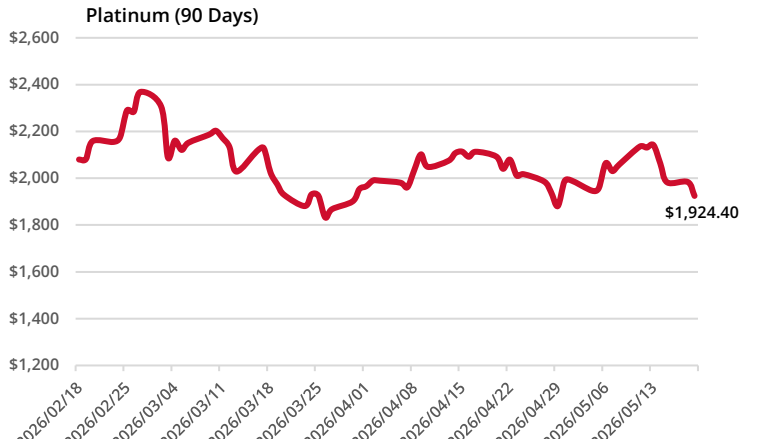
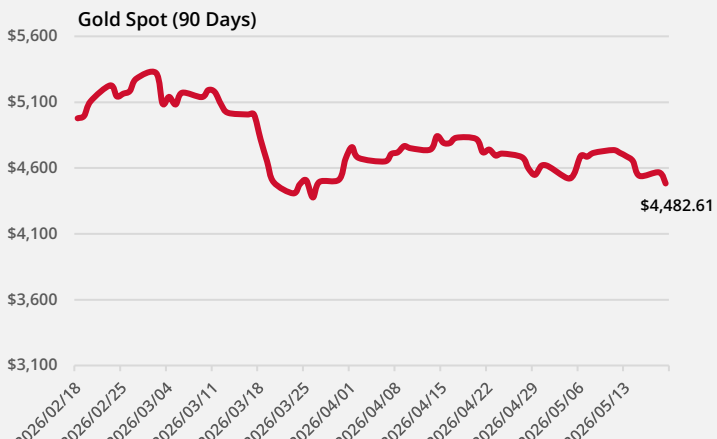
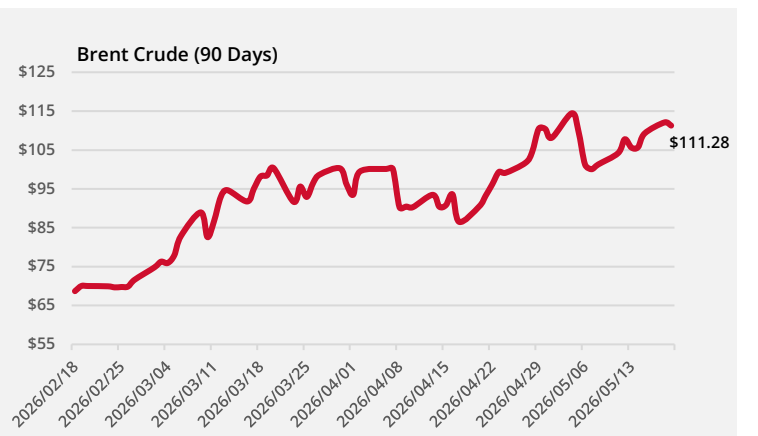
	Rate
European Central Bank Main Refinancing Rate	2.15%
United States Fed Funds Rate	3.50%-3.75%
Bank of England Rate	3.75%
Bank of Japan rate	0.75%
Reserve Bank of Australia Rate	4.35%
South Africa Repo Rate	6.75%

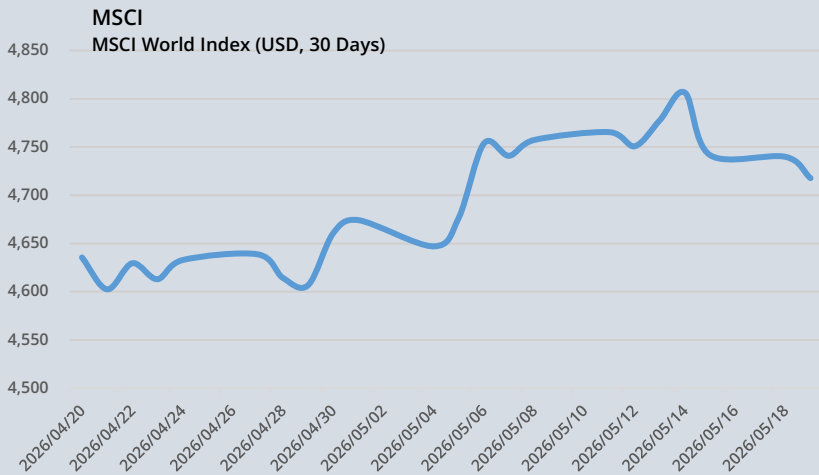
CURRENCIES



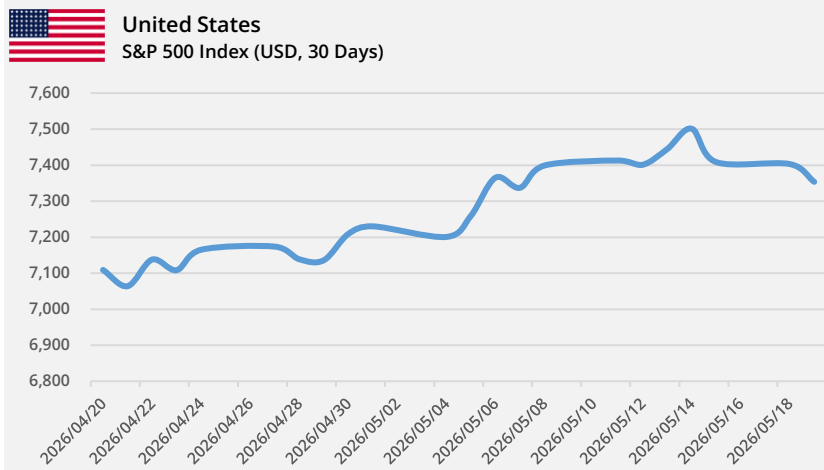
COMMODITIES

	Close	Daily % Change	MTD % Change	YTD % Change
Brent Crude	111.28	-0.73%	0.37%	84.01%
Gold	4,482.61	-1.84%	-3.20%	3.48%
Platinum	1,924.40	-3.01%	-3.04%	-6.47%
Silver	73.73	-5.13%	0.78%	3.71%
Palladium	1,362.99	-4.16%	-10.56%	-15.36%
Copper	620.65	-1.73%	3.36%	6.74%
Natural gas	3.11	2.98%	12.29%	-9.44%

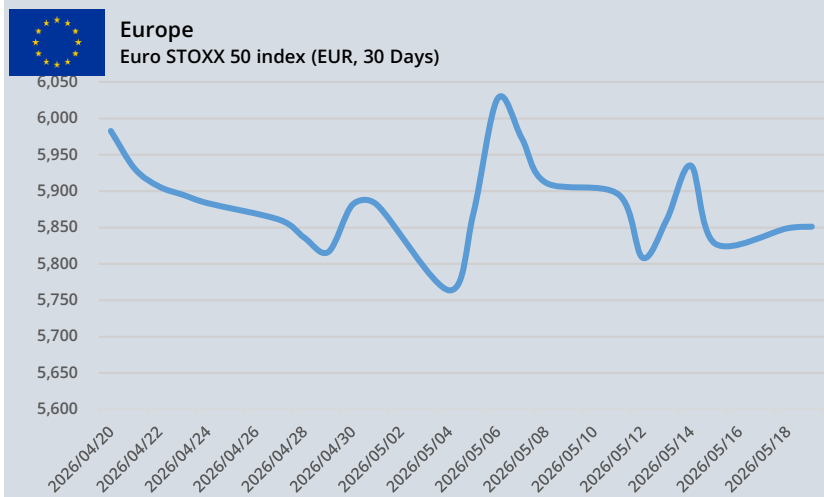




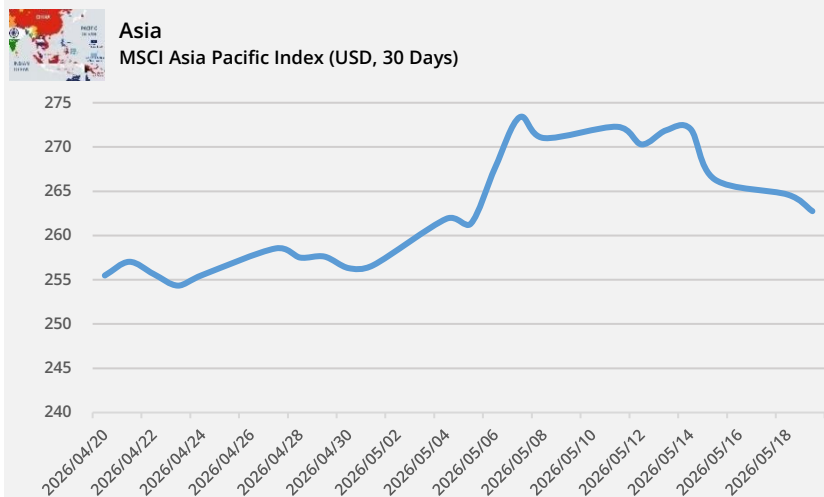
Oil prices fell on Tuesday after U.S. Vice President JD Vance said Washington and Tehran had made progress in negotiations, easing fears of renewed military conflict in the Middle East. Vance said both sides appeared willing to reach an agreement, while President Donald Trump confirmed he had paused a planned military strike on Iran to allow talks to continue. However, Trump warned that the U.S. remained prepared to resume military action if negotiations failed. Meanwhile, gold prices declined more than 1% as a stronger U.S. dollar and rising Treasury yields reduced demand for the precious metal. Investors continued to price in the possibility of a more hawkish Federal Reserve stance in response to persistent energy-driven inflation pressures. The benchmark 10-year U.S. Treasury yield remained near a more than one-year high, while the stronger dollar made gold more expensive for holders of other currencies. Higher bond yields also increase the opportunity cost of holding non-yielding assets such as gold.



U.S. markets closed lower on Tuesday, with the Nasdaq leading declines as rising Treasury yields and persistent inflation concerns weighed on investor sentiment. The benchmark 10-year U.S. Treasury yield climbed to its highest level since January 2025, reaching 4.687% before easing slightly, as elevated oil prices and uncertainty around a U.S.-Iran peace agreement fuelled fears of prolonged inflation. The S&P 500 and Nasdaq both recorded a third consecutive day of losses as investors took profits following a strong rally that began in late March. Markets also increasingly considered the possibility that the Federal Reserve's next move could be interest rate hikes if inflation remains elevated. According to CME FedWatch data, markets are now pricing in a 41.7% probability of a 25-basis point rate hike by December, while the likelihood of a 50-basis point increase has risen to 15.7%, up sharply from 4.7% a week ago. Investors are now focused on the release of minutes from the Federal Reserve's latest policy meeting for further guidance on the interest rate outlook. Attention is also turning to Nvidia's quarterly earnings results, due after Wednesday's market close. As the world's most valuable company and a key driver of the AI rally, Nvidia's results are expected to provide an important test of whether AI-related demand remains strong enough to support elevated semiconductor valuations.



European markets closed slightly higher on Tuesday after reports that the United States had paused a planned attack on Iran, raising hopes for a potential peace agreement and improving investor sentiment. According to Iranian state media, Tehran's latest proposal includes ending hostilities, the withdrawal of U.S. forces from areas near Iran, and compensation for damage caused during the conflict. The pan-European STOXX 600 rose 0.2% to 611.34 points, although it remained below levels seen before the outbreak of the war. European equities have underperformed global peers due to the region's reliance on oil imports and limited exposure to AI-related technology stocks. Bond markets stabilised after recent heavy selling, though Germany's benchmark bond yield remained near a 15-year high as investors continued to price in at least two European Central Bank interest rate hikes by year-end. Defensive sectors outperformed, with Food & Beverage and Healthcare stocks both gaining more than 1.5% as investors remained cautious about the global economic outlook.

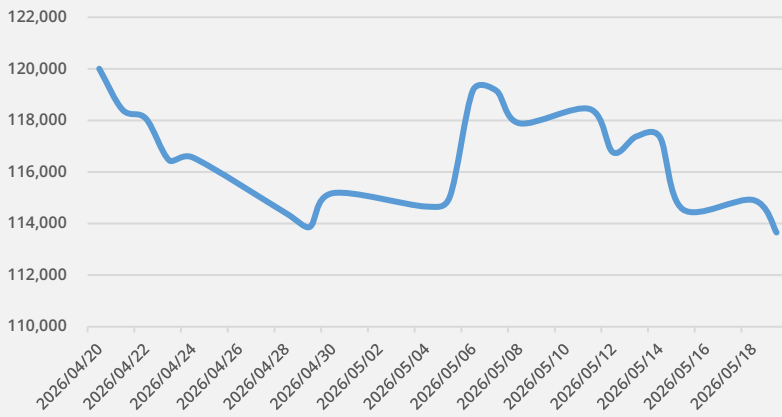


Bond yields remained elevated as markets increased expectations that the U.S. Federal Reserve may need to raise interest rates later this year in response to persistent inflation pressures. Geopolitical tensions also remained in focus, with Chinese President Xi Jinping meeting Russian President Vladimir Putin in Beijing and calling for an end to the conflict in the Middle East following U.S. President Donald Trump's recent visit to China. MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.7%, marking a fourth consecutive day of declines. Japan's Nikkei dropped 1.5%, extending its losing streak to five sessions. South Korea's KOSPI declined 1.7%, with Samsung Electronics falling 1.4% after its labour union announced plans for an 18-day strike starting Thursday, raising concerns over potential disruptions to global semiconductor supply chains. China's CSI300 index was broadly unchanged, while Hong Kong's Hang Seng Index fell 0.6%.

SOUTH AFRICA

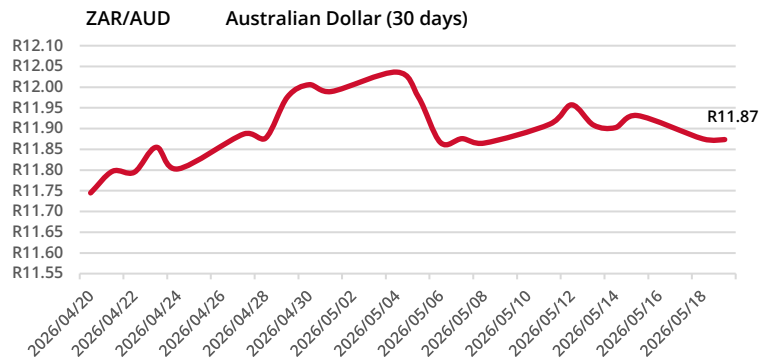
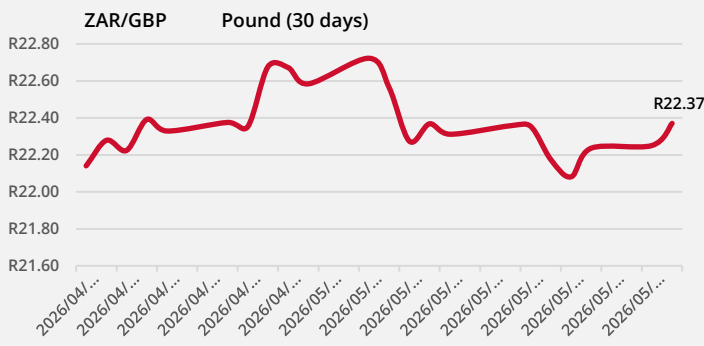
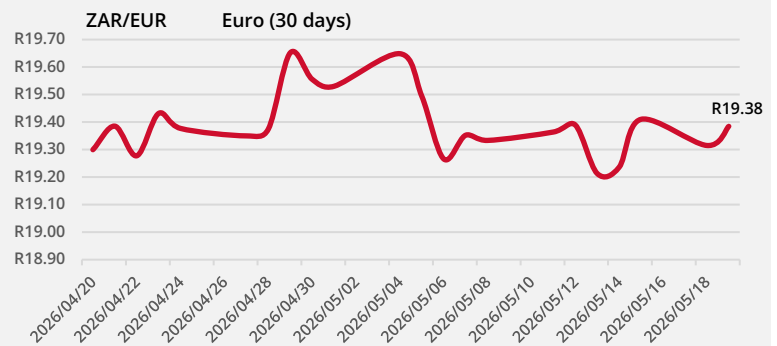
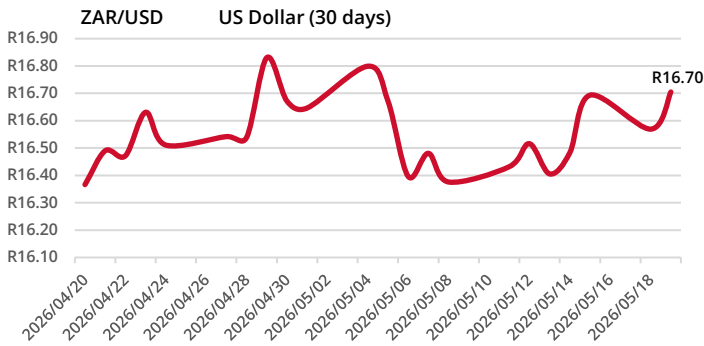


South Africa
JSE All Share Index (ZAR, 30 Days)

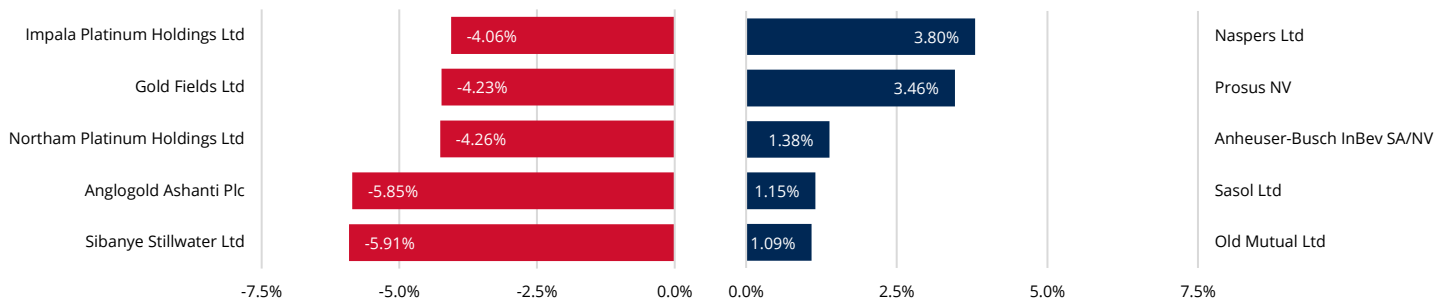


South African markets closed lower yesterday, pressured by declines in mining and retail stocks, while the rand weakened as investors monitored developments in the Middle East. Market sentiment remained cautious after U.S. President Donald Trump paused a planned military strike on Iran to allow time for renewed negotiations aimed at ending the conflict. The U.S. dollar strengthened 0.4% against a basket of major currencies, while gold prices (an important driver for South African exports) fell 0.6%. Investor focus now shifts to South Africa's April inflation data, due on Wednesday. Economists surveyed by Reuters expect annual inflation to accelerate to 3.9% from 3.1% in March, reflecting the impact of rising global energy prices linked to the Middle East conflict. Statistics South Africa will also release March retail sales figures, although analysts expect the data to show limited impact from the war, as it predates the full escalation of the conflict.

CURRENCIES



JSE TOP 40 | TOP FIVE GAINERS AND LOSERS



THE WEEK AHEAD

- **May 20:** UK CPI (YoY) (Apr); SA CPI (YoY) (Apr)