INDEPENDENT ALTERNATIVES

IA Monthly Market Pulse

October 2026
1–30 October 2026
Internal Use Only

Brent **$116.05** (+12.09%) | USD/ZAR **16.7094** (+1.75%) | Gold **$3,874.62** (–6.80%) | SA 10Y **8.720%** (–18.5bp)
JSE Top40 **99,412.3** (–1.37%) | S&P 500 **7,580.07** (–0.93%) | US 10Y **4.918%** (–35.5bp) | ALBI **+2.13%** | STEFI **+0.57%**

All moves are measured from the 30 September 2026 close to the 30 October close. South African bond moves are the JSE's month-end mark-to-market. Currency change: positive = rand weaker. Yield change in basis points; negative = lower yield.

THE MONTH IN FIVE THEMES

- **The Iran war moved from the Strait of Hormuz to Saudi Arabia's energy infrastructure, and oil took another leg higher.** Brent rose 12.1% on the month to $116.05 and is up roughly 90% year-to-date, coming within a whisker of **$118 on the final morning** on renewed fears of a US strike. The escalation changed character rather than intensity: Houthi forces struck Riyadh's King Khalid International Airport three times in a week, the 10 October attack killing 12 and injuring more than 300 and closing the airport for a fortnight, then hit Aramco's headquarters, a Saudi oilfield and the Ras Tanura refinery. Iran reported **seven tankers struck or mined in Hormuz in a single night on 22 October**, and maritime security data put October's attacks on shipping around the strait at the highest monthly level since the series began in 2017. Trump rejected Tehran's seven-day reopening proposal as presented, and while a reported Vance contact with a senior Iranian security official briefly eased prices late in the month, a Wall Street Journal report said Washington had told Gulf states to prepare for a short but intense campaign after the midterms.
- **The MTBPS was the turning point for South African assets, and the rally came from Treasury's cuts to weekly issuance rather than from the fiscal forecasts themselves.** Treasury trimmed its 2026 growth forecast to 1.2% from 1.6% but held the main budget deficit on a path from 3.7% of GDP in FY26/27 to **2.5% by FY29/30**, with gross debt peaking at 78.4%, revenue R54.1bn above February's estimate and a principles-based fiscal anchor. The market response was to the issuance decisions rather than the forecasts: **weekly fixed-rate auctions fall R600m and ILB auctions R100m**, with a debt buyback programme announced alongside. SAGBs rallied 13–20bp on the day on record turnover of R110.8bn, swaps fell 11–18bp and the ALBI rose 0.98% in a single session. For the month the JSE mark-to-market curve is **14–26.5bp richer** and **11bp flatter**, with the R2030/R2048 spread closing at **111bp from 122bp, the tightest this year**; the ALBI returned **+2.13%** on its 31 October close of 1,448.509, and Nedbank CIB now expects S&P to upgrade South Africa a notch to BB+ at its November review.
- **The global long end peaked and then rallied hard, and the Fed's live meeting moved from October to December.** The US 10-year touched **5.32% on 14 October and the 30-year 5.696%, both 24-year highs**, before falling to 4.918% by month-end, a 35.5bp decline. The path turned on data: a 29k September payroll print on 2 October collapsed October hike odds from 70% to 20%, a hot CPI (3.7% y/y) and PPI (6.3% y/y) pushed them back toward 46%, and Chair Warsh's refusal to endorse tightening on 16 October settled it. The **Fed held 10 to 2 on 28 October**, leaving December priced at 82–87%, and Q3 GDP then printed 3.4% against a 3.2% survey. Bunds fell 23bp and JGBs 31bp; the outlier was France, where the 10-year touched 5% after riots and a contested budget.
- **South African activity data deteriorated sharply, inflation undershot, and then the statistics themselves changed.** August **mining production fell 12.7% y/y** against a 3.0% decline expected, with platinum output down 22.5%, and manufacturing fell 4.3% against a 0.4% gain expected. Against that, **September CPI printed 4.5% y/y against a 4.6–4.7% consensus** with core at 4.0%, despite the record 7 October fuel increase that took 95-octane in Gauteng to **R30.25 a litre**. September PPI then accelerated to 6.2% against a 5.7% survey and private sector credit growth slowed to 6.23%. On the 29th Stats SA's rebasing to a 2022 base year **lifted 2025 nominal GDP 5.3% to R8.044trn** while trimming real 2025 growth to 0.9% from 1.1%. Applied to Treasury's projections the larger denominator takes 2026 debt-to-GDP to **74.55% from 78.2%** and the deficit to 3.5% of GDP from 3.7%, leaving nominal debt unchanged — helpful for credit assessments but neither consolidation nor a guarantee of an upgrade. The month closed better than expected on the external accounts, with a September trade surplus of R19.8bn against a R16.4bn survey and the budget deficit narrowing to R22.1bn. The repo rate stayed at 7.25%; the next MPC is 19 November.
- **The AI trade broke, partially repaired, and then broke again on the last day of the month.** Chipmakers fell for eight straight sessions into 16 October, the longest slide since 2008, and on 22 October a near-7% plunge

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

in semiconductors wiped more than $1trn off US technology stocks after Meta's capital-expenditure plans revived fears of debt-funded AI spending. SK Hynix's record quarterly profit drove a 6.76% Kospi rebound on 27 October, before **Alphabet fell about 11.7% on 29 October** on disappointing search advertising and faster AI-related cash spending, erasing more than $464bn of market value. The month then ended on its worst session: on 30 October the **Nasdaq-100 fell 3.5% and the Nasdaq 2.86%** as doubts hardened over returns on AI capital spending increasingly funded with debt, dragging the S&P 500 down 1.82% and the JSE Top40 2.42%. October closes with the **Nasdaq 5.30% lower and the S&P 500 down 0.93%** against the Dow's +1.70%, and Korea 16.7% lower. Anthropic filed to list on the Nasdaq during the month.

MONTH IN REVIEW

October was a month of two halves divided by the MTBPS. Through the first three weeks the dominant forces were external: oil grinding higher on Gulf escalation, a US long end at 24-year highs, and an AI complex unwinding faster than anything in the domestic data. The rand weakened past R16.70 in the first week, the JSE spent most of the month within a point of flat, and local bonds drifted. From 21 October the domestic story took over, and it was a constructive one.

The fiscal numbers themselves were respectable rather than transformative, but the *supply* decision mattered more than the arithmetic. Cutting weekly nominal issuance by R600m a bond and ILB auctions by R100m, announcing a buyback programme, and then rebasing the economy 5.3% larger eight days later, produced the sharpest sustained SAGB rally of the year against a market that had absorbed heavy foreign selling for most of the month. The curve bull-flattened, with the R2053 26.5bp richer against the R2030's 14bp, taking the R2030/R2048 spread to 111bp from 122bp — 11bp of flattening on the month, the tightest this year and down from 181bp in January.

The equity market went the other way, and the last session did most of the damage. The Top40 ended **1.37% lower** having been up 1.08% with one day to run, after a 2.42% fall on 30 October. Beneath that the split is wide: **Resources lost 9.24%** on a brutal precious-metals tape, including 5.12% on the final day, while **Financials rose 2.86%, Industrials 1.29% and the Mid Cap index 4.39%**. Gold lost 6.80% and closed under $3,900, **platinum 16.37%, palladium 18.99% and silver 18.74%** — a terms-of-trade deterioration RMB flagged explicitly as a risk to its constructive rand view, and one that leaves Brent above $110 with gold below $3,900 as an unusually unfavourable commodity mix for South Africa. Average daily JSE turnover ran about 17% below the year's average.

The rand ended **1.75% weaker at R16.71** despite the fiscal news, which is the clearest evidence of how much work the oil price is doing. It traded as strong as R16.33 immediately after the MTBPS, gave the whole move back within two sessions as Brent pushed through $114, and touched R16.73 on the final day. November opens with four events in five days: the US AGOA decision on South Africa's eligibility on the 2nd, the US midterms on the 3rd, South African local elections on the 4th and the ALBI reconstitution on the 5th.

LOCAL FIXED INCOME COMPLEX

SAGBs

On the JSE's month-end mark-to-market the curve is 14–26.5bp richer, and the rally ran progressively harder further out: the R2030 and R213 both –14bp to 8.005% and 8.185%, the R2033 –14.5bp, the R209 –18.5bp to 8.710%, the R2035 –19bp, the R2038 –23bp, the R2040 –23.5bp, the R214 –24bp, the R2042 –26bp, the R2044 and R2048 both –25bp, and the **R2053 –26.5bp to 8.965%**. The very front end went the other way, with the R187 cheapening 12.5bp and the R188 5.5bp as the record fuel increase and the PPI surprise kept near-term inflation risk in the price. The **R2030/R2048 spread closed at 111bp against 122bp in September**, 11bp of flattening and the tightest level this year. Almost the entire move came after 21 October; before the MTBPS the curve had spent the month oscillating in a narrow band as oil and US yields pushed yields wider and bargain-hunting pulled them back.

Seen against the year, October's flattening is a partial retracement rather than a trend change. The front end is still materially cheaper year-to-date — the R2030 65bp, the R213 64bp, the R2032 63bp and the R188 56.5bp — while the R2044 and R2048 are 5bp richer and the R2053 4bp. The 4-year/22-year spread has come in from 181bp in January to 111bp, so roughly 70bp of flattening across the year, of which this month supplied 11bp.

Foreign flow was volatile and, on balance, unhelpful until the budget. Non-residents sold R3.96bn on 7 October, R4.91bn on 12 October, R2.48bn on 14 October, R6.31bn on 20 October and **R12.93bn on 22 October**, against net purchases of R7.01bn in the week to 9 October and R1.64bn on 19 October; month-to-date flows nonetheless

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

finished positive. Foreign holdings rose R33bn in September, lifting the foreign share to 25.9% from 25.4%, while banks cut holdings R24bn and pension funds added R15bn. Liquidity thinned markedly into month-end, with ETP turnover under R400m on 28 October, among the lowest on record, as the desk waited for the Fed and the local elections.

Primary market — government

Date	Auction	Cover	Outcome
6 Oct	Nominal — R2033/R2037/R2040	6.38x (R16.3bn)	Heavily oversubscribed; R2037 8.25x. Foreigners took 48%, primary dealers 41%, locals 11%
7 Oct	Govt FRN — RN2036	3.64x (R12.8bn)	R3.525bn allotted at ZARONIA+70bp, 2bp wide of mark but the tightest since issuance on 6 May; next FRN 4 November
15 Oct	Switch auction	—	**Weak**: only R110m of the R210 switched into about R182m of the I2038, with nothing allocated to the I2046 or I2050
16 Oct	ILB — I2031/I2043/I2058	R1.48bn bids	R995m issued, all three clearing at mark-to-market: I2031 4.31%, I2058 4.41%, I2043 4.36%
20 Oct	Nominal — R2039/R2040/R2042	4.05x (R10.33bn)	Foreigners took 44%; yields little changed on the day
23 Oct	ILB — I2031/I2043/I2058	R3.17bn bids	R1.18bn allotted, demand more than doubling: I2058 at 4.30% (3bp through mark), I2043 4.385%, I2031 4.29%
27 Oct	Nominal — R2039/R2040/R2042	above 5x	The last sale in the R850m-per-bond format; all three cleared about 5bp inside the market
30 Oct	ILB — I2031/I2043/I2058	R1.87bn bids	The first auction at the reduced R900m size: R455m of the I2058 at mark-to-market plus 1bp, R350m of the I2031 at mark less 3bp and R95m of the I2043 at mark; bids down from R3.17bn the week before

The sequence through the ILB auctions is the clearest read in the primary market this month. The 15 October switch found almost no takers at the long end, the 16 October auction cleared only at mark-to-market, and the 23 October sale — held two days after the MTBPS confirmed smaller ILB auctions — drew more than double the bids and cleared 3bp through at the ultra-long end. Supply guidance, rather than the inflation outlook, moved real-yield demand. Weekly nominal issuance is now R650m a bond and ILB auctions R900m, with a debt buyback programme running alongside.

Swaps and FRAs

The strip ends the month lower beyond six months and higher at the very front: the 1x4 rose 10bp to 7.330% while the 6x9 fell 10bp to 7.725%, the 9x12 7bp to 7.775% and the 21x24 5bp to 7.790%. The path was a round trip. Pricing peaked around 15 October, when FRAs almost fully discounted two 25bp SARB hikes by January, and unwound through the soft CPI print and the MTBPS before firming again at the front end on the PPI surprise. Views among the desks remain split: CJS's base case is an unchanged 7.25% repo at the 19 November meeting, while RMB forecasts one more 25bp hike in January 2027 to a 7.50% peak. The final session ran the other way, with interbank paying interest leaving the belly and long end 3–7bp cheaper and the 10-year rate 5.5bp higher as energy-driven inflation concerns reasserted themselves.

ILBs

Linkers spent the first half of the month under pressure, with short-end real yields 15–20bp weaker on the seasonal turn to negative inflation carry from September to October, which triggered pronounced secondary selling and left short-end breakevens at levels the desks flagged as an entry point in the I2031. The second half reversed that, and by the final week the rotation was running the other way: liability-driven investors were buying the ultra-long end persistently enough to push its real yields *below* those of the less-supported intermediate bonds, the I2058 ending the month at 4.260% against the I2046 at 4.300% and the I2050 at 4.305%. Lower borrowing needs and the buyback programme leave the asset class better supported into November than it was in early October, though the first auction at the reduced R900m size drew R1.87bn of bids against R3.17bn the week before, and sellers appeared in longer-dated linkers after their run. Foreign investors cut inflation-linked holdings by R3bn in September and own 3.1% of the outstanding stock.

On the JSE marks the real curve nonetheless cheapened across the month, and the front end bore most of it: the

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

I2029 **+15bp** to 4.230% and the I2031 **+13bp** to 4.250%, against the I2033 unchanged at 4.290%, the I2038 –2bp, the I2043 +1.5bp, the I2046 +3bp, the I2050 +5bp and the I2058 +8bp to 4.260%. Set against nominals that richened 14–26.5bp, that is a substantial compression in breakevens: roughly **27bp at the 2030/2031 point, 21bp at 2038, 28bp at 2046/2048 and 34bp at 2053/2058**. The market read the fiscal and supply news as a duration story and simultaneously marked down the inflation compensation it was prepared to pay for — the opposite of what the oil price alone would have implied, and the single most instructive cross-asset move of the month.

FX & COMMODITIES

Rand

USD/ZAR is 1.75% weaker on the month at 16.7094, and the path was wide: a first-week slide to R16.73 as the dollar index pushed above 102, a recovery to R16.39 into the MTBPS, a post-budget high of about R16.33, then a complete give-back as Brent cleared $114, and a final slide of 0.5% on 30 October to touch R16.73 again. The crosses show how much of this is dollar and oil rather than rand: **EUR/ZAR is only 0.18% weaker** against the dollar cross's 1.75%, and EUR/USD fell 1.50%, with the euro hitting a 17-month low near $1.1161 mid-month on French fiscal strain. RMB's year-end forecast stays at R16.30 while its near-term technicals point to R16.67–16.75; Nedbank puts fair value at R17.00–17.50 and sees a tactical R16.50–17.00 range. SA five-year CDS widened to 135bp from 115bp in September, against 121bp for Brazil and 263bp for Turkey.

Commodities

Brent's 12.09% gain dominates, and the diesel market is the sharper story: US diesel reached **$6.28 a gallon, up 70% since the war began**, US heating oil is forecast 34% higher this winter, and the G7 agreed a 100m-barrel release prioritising distillate, which several analysts noted is part of a previously announced 400m-barrel programme rather than new supply. The US Strategic Petroleum Reserve is at about 282m barrels, its lowest since 1982. Precious metals went the other way in a reversal that matters directly for South Africa, and it accelerated into month-end: gold fell **6.80%** to close at $3,874.62, **platinum lost 16.37%** to $1,435 — its weakest since November 2025 — **palladium 18.99%** and **silver 18.74%**. Copper slipped 2.11% despite BHP's 19% quarterly output drop and Glencore guiding to the low end of its range, and wheat fell 10.69%.

EQUITY MARKET

Index performance

The Top40 closed the month **1.37% lower** and the All Share 0.82%, having been positive on both until the final session. The dispersion beneath is the month's defining equity feature: **Mid Caps gained 4.39% and Small Caps 2.03%** against the large-cap benchmark, while at sector level **Financials rose 2.86% and Industrials 1.29% against Resources at –9.24%**. The index traded in a narrow band for most of the month — it was negative for October as late as 22 October, recovered to a high of 102,553 on the 20th, and finished at 99,412, within a few points of the 7 October low of 99,394. The Top40 is 7.93% lower year-to-date.

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

Name	Summary

Principal company news

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Sasol	The month's standout single name. First-quarter FY27 saleable mining output jumped 15% q/q to a six-year high of 8.5Mt with third-party coal purchases down 48%, offsetting a 10% q/q fall in Synfuels volumes and a 30% drop at Natref. Liquid fuels sales rose 21% y/y. The share gained 6.9% on 22 October; RMB Morgan Stanley lifted FY27–29 EPS forecasts 43%, 14% and 11% and raised its target to **R230 from R180**.
PGM sector	The month's richest corporate thread. **Northam** reported revenue up 64% to R54bn, headline earnings of R12bn against R1.5bn, record cash generation of R17.6bn and a record 1,000c final dividend taking the year to 1,700c, with the minimum payout policy lifted to 40% of headline earnings; GCR upgraded it to AA(ZA) and the share rose 2.76% to a roughly R96bn market value. It also confirmed an unsolicited approach — Implats and Sibanye-Stillwater have both denied making it, pointing to Valterra — with **expressions of interest due by 1 December**. Against that, **Valterra's** Q3 output fell 6% with refined production down 41%, and **Implats'** September-quarter 6E output fell 3% after five fatalities and a four-day Rustenburg suspension. Platinum's 14.9% monthly fall took the whole sector lower.
Sanlam / Santam	The month's largest corporate action. Sanlam made a firm cash offer of **R505 a share** for the 37.3% of Santam it does not own, valuing the buyout at about R16bn (later put at R21bn) on a roughly 27% premium; Santam rose 19.1% and Sanlam fell 1.5%. No competition approval is required and Santam's 62-year JSE listing ends in Q1 2027. S&P affirmed Sanlam Life at zaAAA.
Capitec	Record interim results to open the month: headline earnings up 19% to R9.5bn, ROE at 31%, active clients up 7% to 26.6m and business banking earnings up 52% to R609m, though the credit-loss ratio climbed to 8.4% and the shares fell 1.8% as management flagged a tougher environment. S&P later assigned a zaAA national-scale rating, in line with FirstRand.
Harmony Gold	Record adjusted free cash flow of **R17.1bn** in FY2026, revenue up 34% to R99.24bn and HEPS up 87% to 4,363c, with a record 750c final dividend taking the year's payout to 1,280c (R8.15bn). FY27 guidance is 1.3–1.4moz of gold and 28,000–30,000t of copper following the $1bn MAC Copper acquisition; gold guidance was met for an 11th year.
Anglo American	Q3 copper output fell 5% to 174,900t and rough diamonds 11%, with guidance broadly maintained. De Beers' carrying value was cut to **$2.3bn after a third impairment**, with Botswana reportedly close to lifting its stake to about 25% in a $1bn deal; the Teck merger awaits only Chinese antitrust approval for a March 2027 completion. The share fell 5.4% on 19 October.
Nedbank	The R13.9bn acquisition of about 66% of Kenya's NCBA went unconditional on 15 October with 77.54% acceptance, to be settled 20% cash and 80% in about 43.6m new Nedbank shares and completed around 3 November. NCBA keeps its brand, Nairobi headquarters and listing.
ArcelorMittal SA	Bloomberg reported an initial agreement for the **IDC to acquire the company for about R10bn** — R3bn cash and R7bn of assumed debt — subject to a shareholder vote and targeted to close by year-end.
Retail	A heavy reporting month. **Clicks** passed R50bn of turnover (+5.4%) with HEPS up only 4.4% as margins narrowed, drawing a target cut to R278 from R318. **Pick n Pay's** interim headline loss narrowed to R299m from R439m with trading profit up 58.1% to R490m, taking the share to a five-month high and Nedbank's target to R23.60 from R20.00. **Dis-Chem** fell **12.63% to a three-year low** on 30 October, its steepest one-day fall since 2018, as interim HEPS dropped 12.8% and the dividend was cut 12.9% despite 8% revenue growth; group expenses rose 12.1%. **Boxer** delivered HEPS up 9.2% and named Justin Galloway CEO from March 2027 — four of the five main grocers are now changing chief executives.
Bidvest	FY revenue to June rose 2.9% to R130.3bn with trading profit up 8.4% to R13.1bn and free cash flow up 26.9% to R12.5bn. The group will pause major acquisitions in FY2027 to focus on organic growth and deleveraging toward 1.5 times, having sold 13.25% of Adcock Ingram for R1.8bn, with the Bidvest Bank sale still in progress.
Vodacom	Guided half-year HEPS up 22–27% to 570–593c, with EPS up about 275% on a **R23.2bn tax-neutral gain** from remeasuring its earlier Safaricom stake. The R36bn purchase of a further effective 20% took effect on 30 June, but Kenya's Court of Appeal has fast-tracked the challenge to the 15 September High Court judgment.

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

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Afrimat	The month's worst result: profit after tax for the six months to August fell **87% to R22.6m** in what management called its toughest conditions since listing in 2006, with a headline loss of 58c against earnings of 101.9c and no interim dividend. Bulk commodities operating profit collapsed to R8.6m from R445.1m on weaker iron ore, a 49.1% rise in Iran-related shipping costs and the stronger rand.
ARM	Headline earnings rose 19% to R3.2bn on higher dollar PGM prices, with ARM Platinum swinging from a R1.29bn loss to R1.35bn of earnings, net cash up to R10.2bn and the dividend lifted to R12.00. About **R16bn of expansion** is planned: R15.2bn at Bokoni Platinum and R753m to restart Nkomati. ARM is separately heading for litigation with Assore over management rights at Assmang.
Poultry	The clearest beneficiaries of cheaper feed and a firmer rand. **Astral** guided FY HEPS up 95–105% to 4,277–4,496c and **Quantum Foods** FY HEPS up 17–29%, both citing lower maize and soya costs, better volumes and no major disease outbreaks.
Other	**Standard Bank** fell 5.0% after nine-month earnings growth of 8.5% met guidance but flagged modest risk to FY26 forecasts. **OUTsurance** is buying the 7.17% of OUTsurance Holdings it does not own in an all-share deal worth about R10.2bn. **Aspen** guided group normalised EBITDA to at least R9bn from R7.7bn. **Premier** fell about 6% after the Competition Commission asked the Tribunal to revoke approval of its R6bn RFG acquisition. **Tongaat Hulett** will be delisted in early November after 74 years. **Sibanye-Stillwater** ended the Stillwater strike that began on 3 September.

ECONOMIC RELEASES — RESULT AND MARKET IMPACT

Date	Cty	Release	Result vs survey	Market impact
1 Oct	SA	Absa Manufacturing PMI (Sep)	**50.7** vs 46.5	Back in expansion for the first time since May on a jump in new orders; both Absa and the BER cautioned a sustained run above 50 is needed
1 Oct	SA	PPI (Aug)	**5.0%** from 5.7%	Cooled ahead of the fuel shock; the trade surplus widened to R20.5bn and the August budget deficit of R29.0bn was the smallest for the month since FY18/19
2 Oct	US	**Nonfarm payrolls (Sep)**	**+29k** vs +90k; Aug cut to 133k; u/e 4.2%	The month's first pivot. October hike odds collapsed to about 20% from 70%; the Nasdaq 100 closed at a record, though the Treasury rally unwound into the weekend
5 Oct	SA	S&P Global SA PMI (Sep)	**49.0** from 50.5	Back into contraction and the year's low as new orders fell on fuel costs — a direct contradiction of the Absa print four days earlier
5 Oct	EC	CPI (Sep)	**3.8%** vs 3.7%; core 2.5%	Energy prices up 18.8%. The euro fell to a 17-month low near $1.1185 as Spanish election reports compounded French fiscal strain
5 Oct	US	ISM Services (Sep)	54.9; **prices paid 74.0**	The highest prices-paid reading on a series dating to 1997 outside Katrina and 2008; the US 10-year pushed above 5.31%
6 Oct	SA	**SARB Monetary Policy Review**	Hawkish	The Bank said it will act decisively to stop temporary inflation becoming entrenched and sees inflation above the target band into 2027
7 Oct	SA	**Fuel price adjustment**	**95 petrol +R3.33 to R30.25/l**	A 12% increase and a record, with diesel up to +R3.24. Became the central input to the CPI and MTBPS debates for the rest of the month
7 Oct	US	FOMC minutes (15–16 Sep)	One more hike seen as appropriate	September's 25bp framed as insurance rather than the start of a cycle; markets moved to favour an October hold with December near 78%
8 Oct	SA	Manufacturing production (Aug)	**–4.3%** vs +0.4%; –3.1% m/m	A broad-based miss across key industries, and the data predate the fuel increase
13 Oct	SA	**Mining production (Aug)**	**–12.7%** vs –3.0%	Far worse than expected, platinum output down 22.5% — yet SAGBs rallied 4–8bp, the clearest sign the bond market was trading supply rather than growth

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

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14 Oct	US	**CPI (Sep)**	**3.7%** vs 3.6%; core 2.6%	The fastest in five months. The 10-year touched 5.32%, the S&P 500 fell 1.11% to end a 53-session run without a 1% decline, and October hike odds jumped to about 46%
15 Oct	US	PPI (Sep)	**6.3%** vs 5.3%; +1.3% m/m	Highest since December 2022, driven by energy (+10.8%) and gasoline (+20.3%). Retail sales also beat at +0.8%
16 Oct	US	**Warsh remarks**	Declined to back tightening	Cut October hike odds to about 15%; the dollar index retreated from 102.85 to below 102 and the 10-year fell back under 5.10%
19 Oct	CH	GDP (Q3)	**4.5%** vs 4.4%	Exports and AI-related manufacturing offset a property slump, with investment down 20.6% YTD; September exports later printed +36.3% y/y
21 Oct	SA	**CPI (Sep)**	**4.5%** vs 4.6–4.7%; core 4.0%	An undershoot despite the fuel increase. Supported the bond rally into the MTBPS and took pressure off the November MPC
21 Oct	SA	**MTBPS**	Deficit 3.7% to 2.5% by FY29/30; debt peak 78.4%; revenue +R54.1bn	The decisive local event. Bonds rallied 13–20bp and swaps 11–18bp on the issuance cuts, record R110.8bn turnover, ALBI +0.98% on the day. Up to R10bn of fuel levy relief from 4 November
22 Oct	US	— (market event)	Semiconductors −7%	More than $1trn wiped off US tech after Meta's capex plans; Treasuries posted their biggest rally in over a year, the 10-year down 12bp to 4.96%
27 Oct	US	Conf. Board confidence (Oct)	**91.7** vs 81.0	A large upside surprise, with new home sales at 676k and durable goods +1.8%, firming the case for the Fed to signal December
28 Oct	US	**FOMC decision**	**Hold at 3.75–4.00%, 10 to 2**	A hawkish hold. December hike odds moved to 82–87%; the Bank of Canada hiked 25bp to 2.50% the same day
29 Oct	SA	**GDP rebasing**	**2025 nominal GDP +5.3% to R8.044trn**	Base year moves to 2022; mining revised up 12.5%, the unobserved economy to 8.7% of GDP. Real 2025 growth trimmed to 0.9%. Mechanically lowers debt-to-GDP; supported the bond rally
29 Oct	SA	PPI (Sep) / private credit	**6.2%** vs 5.7%; credit **6.23%** vs 7.31%	PPI capped the bond rally and kept payers active in 1- and 2-year swaps; credit growth slowed materially
29 Oct	US	GDP (Q3) / core PCE	**3.4%** vs 3.2%; core PCE 3.1% y/y	Faster than the pace Fed officials see as consistent with stable inflation, keeping December firmly in play
29 Oct	EC	**ECB decision**	**Hold at 2.50%**	Markets price three more hikes to a 3.25% deposit rate by end-2027. Lagarde announced she will leave on 7 February 2027; markets reacted little
30 Oct	JP	**BoJ decision**	**Hold at 1.25%**	Core CPI forecast unchanged at 2.5%; Tokyo October CPI rose 2.8% against a 2.7% survey
30 Oct	SA	Trade and budget balance (Sep)	**R19.8bn** vs R16.4bn; deficit **−R22.1bn** vs −R23.2bn	Both beat. Exports rose 5.1% m/m on precious and base metals, taking the year-to-date surplus to R169bn against R118bn in 2025
30 Oct	—	— (market event)	Nasdaq-100 −3.5%	The month's worst session. Doubts over returns on debt-funded AI spending took the S&P 500 down 1.82%, the JSE Top40 2.42% and Resources 5.12%, flipping October negative for both local and US large-cap indices

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

Central banks — where policy stands

The **SARB** held at 7.25% throughout (prime 10.75%), having hiked 50bp across 2026 including a unanimous 25bp in September; its Monetary Policy Review was explicitly hawkish, and the next MPC is 19 November, where CJS expects a hold and RMB a further 25bp in January 2027 to a 7.50% peak. The **Fed** held 10 to 2 on 28 October with December priced at 82–87%; RMB Morgan Stanley's US economists forecast 25bp hikes in December and March. The **ECB** held at 2.50% with markets pricing three further increases to 3.25% by end-2027, and announced Lagarde's departure on 7 February 2027 alongside Schnabel's exit in January and Lane's in May. The **BoJ** held at 1.25%. Elsewhere the **Bank of Canada** hiked 25bp to 2.50%, the **RBI** 25bp to 5.50% (its first in four years), the **Bank of Namibia** 25bp to 7.00%, and **Zambia** cut 250bp to 10.75%, more than triple the expected move; **Kenya** held at 8.75% and the **RBNZ** at 2.75%.

CREDIT

Primary market

A heavy month for bank and insurance capital, and it priced well. **FirstRand** raised R1.651bn of 5.5-year Tier 2 on R5.251bn of orders, the floating FSR05 at ZARONIA+143bp and the fixed FSR06 at 9.33% (R2032+73bp), both inside guidance. **Standard Bank** returned with a five-tranche FLAC deal raising R2.902bn from a R4.888bn book, investors favouring the fixed tranches at R2032+75bp (7y) and +49bp (5y). **Old Mutual Life Assurance** priced R1.7bn of Tier 2 at ZARONIA+104bp (5y) and +110bp (7y); **Sanlam Life's** R2bn subordinated auction cleared 2bp inside that comparable on 2.1x cover with no bank participation; and **Momentum Metropolitan Life** closed the month seeking up to R1.5bn across a 5.5-year floater (Z+105–115bp) and 5.5- and 7-year fixed tranches. **Absa** upsized its FLAC auction to R2.053bn from R1.7bn on R6.695bn of orders, with IFC anchor allocations taking total issuance to R3.753bn. **Toyota Financial Services** raised R1.555bn of senior paper at ZARONIA+79bp (3y) and +89bp (5y), 2bp and 8bp tighter than its February issue on a CAS-adjusted basis. Around R4.7bn of credit-linked notes referencing the Republic came to market in the final week as wider asset-swap levels made them more attractive. Year-to-date issuance excluding the big five banks, conduits and government stands at **R261.2bn**.

On the benchmark transition, the RN2030 and RN2032 have moved to ZARONIA with a 16.19bp credit adjustment spread ahead of JIBAR's cessation on 31 December, with second-round consent votes under way for the RN2027 and RN2035. Trading has concentrated in ZARONIA-linked swaps as JIBAR volumes decline.

Issuer	Arranger	Date	Size	Tenor / seniority
Momentum Metropolitan Life	TBC	30 Oct	up to R1.5bn	5.5y FRN, 5.5y and 7y fixed — Tier 2
Equites Property Fund	TBC	Pending	up to R500m	7y — Senior (Z+120–130bp guidance)
Nedbank Group	Nedbank	11 Nov	up to R1.5bn	5y fixed and floating — Tier 2

Secondary market

Two-way flow with a bias toward bank paper, and a recurring data-quality problem. Demand was consistent in Transnet government-guaranteed FRNs, Life Healthcare, Netcare, Redefine and bank AT1s, with the government FRN RN2030 bought persistently in the final week after being sold through the first. Notable moves included Nedbank's NGT112 AT1 36bp tighter on R43.5m, Toyota's TFS178 58bp tighter on a late trade, Vukile's VKE28 26bp tighter and Absa's Tier 2 AGL04 11bp tighter, against widenings in Daimler Truck's DTP014 (+11bp) and Nedbank's NBKB70 (+9bp). Volumes thinned into month-end, with the final sessions mostly bookovers.

The quality issue is worth flagging to the desk. On 2 October BNP Paribas Personal Finance's BPPF56 showed a 77bp widening that was corrected after a query to the JSE; on 7 October Northam's NHM027 was marked 150bp wider without a trade, exactly reversing a 150bp tightening recorded on 30 September; and on 26 October **six Nedbank instruments showed widenings of 21bp to 102bp with no regular-session trades**, each having traded after 16h00 the previous day at its closing spread, with the matter referred to the JSE. Marks without trades carried a material share of this month's reported spread moves.

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

MARKET MOVES SUMMARY — MONTH TO DATE

30 September 2026 close against the 30 October close. South African bonds are the JSE month-end mark-to-market; the ALBI is its 31 October index close. Currency change: positive = rand weaker vs 30 September. Commodity change: positive = price higher. Bond and rate changes in basis points; negative = lower yield.

CURRENCIES

Pair	30 Sep	30 Oct	MTD
USD/ZAR	16.4226	16.7094	+1.75%
GBP/ZAR	21.7834	22.3745	+2.71%
EUR/ZAR	18.6076	18.6408	+0.18%
EUR/USD	1.1330	1.1160	–1.50%
GBP/USD	1.3265	1.3391	+0.95%
JPY/ZAR	0.1044	0.1060	+1.53%

INTERNATIONAL COMMODITIES

Asset	30 Sep	30 Oct	MTD
Brent $/bbl	103.53*	116.05*	+12.09%
WTI $/bbl	90.42	104.12	+15.15%
Gold $/oz	4,157.41	3,874.62	–6.80%
Platinum	1,716.22	1,435.23	–16.37%
Palladium	1,207.97	978.61	–18.99%
Silver $/oz	60.425	49.100	–18.74%
Copper $/t	662.15	648.20	–2.11%
Wheat USc/bu	675.75	603.50	–10.69%

**Brent is measured on the December contract, front month through October: $103.53 at the September settle against $116.05 on 30 October.*

JSE INDICES

Index	30 Sep	30 Oct	MTD
Top 40	100,790.1	99,412.3	–1.37%
Mid Cap	102,826.8	107,342.7	+4.39%
Small Cap	107,192.3	109,369.1	+2.03%
All Share	108,506.9	107,621.7	–0.82%

JSE SECTORS

Sector	30 Sep	30 Oct	MTD
Resources	119,184.6	108,166.6	–9.24%
Industrials	35,578.87	36,036.47	+1.29%
Financials	63,047.18	64,850.87	+2.86%

BENCHMARK INDICES

Index	30 Sep	Month-end	MTD
STEFI	672.279	676.087	+0.57%
ALBI†	1,418.324	1,448.509	+2.13%

†ALBI at its 31 October month-end close; the 30 October level was 1,448.847.

SA AGRICULTURAL COMMODITIES (ZAR/t)

Contract	30 Sep	30 Oct	MTD
White Maize	4,102	3,837	–6.46%
Yellow Maize	4,127	3,822	–7.39%
SA Wheat	6,030	5,950	–1.33%
Soybeans	9,000	8,912	–0.98%
Sunflower Seed	9,986	10,420	+4.35%

GLOBAL EQUITIES

Index	30 Sep	30 Oct	MTD
S&P 500	7,651.54	7,580.07	–0.93%
Nasdaq	26,861.06	25,437.00	–5.30%
Dow Jones	50,906.05	51,770.31	+1.70%
Russell	2,796.86	2,811.84	+0.54%
Nikkei	68,679.35	63,284.49	–5.20%†
Hang Seng	24,613.27	23,367.61	–5.06%†
DAX	25,199.19	25,818.21	+2.46%
FTSE 100	10,606.00	10,729.78	+1.17%
Kospi	6,947.66	5,695.57	–16.71%†
Euro Stoxx	634.89	646.75	+1.87%

†Asian levels are 30 October live intraday snapshots rather than closes; % is Bloomberg's MTD and does not tie to the two levels shown.

SA GOVT BONDS — JSE MTM YIELD

Bond	30 Sep	30 Oct	MTD	YTD
R187	7.065%	7.190%	+12.5bp	+13.0bp
R188	7.465%	7.520%	+5.5bp	+56.5bp
R2030	8.145%	8.005%	–14.0bp	+65.0bp
R213	8.325%	8.185%	–14.0bp	+64.0bp
R2032	8.510%	8.365%	–14.5bp	+63.0bp
R2033	8.605%	8.460%	–14.5bp	+59.5bp
R2035	8.760%	8.570%	–19.0bp	+34.5bp
R209	8.895%	8.710%	–18.5bp	+29.5bp
R2037	8.985%	8.775%	–21.0bp	+17.0bp
R2038	9.125%	8.895%	–23.0bp	+16.0bp
R2039	9.235%	9.015%	–22.0bp	+11.5bp
R2040	9.295%	9.060%	–23.5bp	+8.0bp
R214	9.330%	9.090%	–24.0bp	+6.0bp
R2042	9.400%	9.140%	–26.0bp	+3.5bp
R2044	9.415%	9.165%	–25.0bp	–5.0bp
R2048	9.365%	9.115%	–25.0bp	–5.0bp
R2053	9.230%	8.965%	–26.5bp	–4.0bp

JSE month-end mark-to-market. Negative = lower yield. On a Bloomberg mid basis the month's moves read 2–4bp wider.

INFLATION-LINKED BONDS — JSE MTM REAL YIELD

Bond	30 Sep	30 Oct	MTD	YTD
I2029	4.080%	4.230%	+15.0bp	+6.0bp
I2031	4.120%	4.250%	+13.0bp	+1.0bp
I2033	4.290%	4.290%	0.0bp	+10.0bp
I2038	4.310%	4.290%	–2.0bp	+6.0bp
I2043	4.240%	4.255%	+1.5bp	+8.5bp
I2046	4.270%	4.300%	+3.0bp	+8.5bp
I2050	4.260%	4.305%	+5.0bp	+10.0bp
I2058	4.180%	4.260%	+8.0bp	+8.0bp

R2030/R2048 spread: 111bp at month-end against 122bp in September and 181bp in January.

INTERNATIONAL RATES

Instrument	30 Sep	30 Oct	MTD
US 10Y	5.273%	4.918%	–35.5bp
UK 10Y	5.361%	5.230%	–13bp
Bund 10Y	3.562%	3.297%	–26.5bp
Japan 10Y	3.086%	2.770%	–31.5bp
SA 10Y	8.895%	8.710%	–18.5bp

SA 10Y proxied by the R209, at JSE mark-to-market; the other rates are Bloomberg mids.

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.

SA RATES & MONEY MARKET

Rate	30 Sep	30 Oct	MTD
Repo	7.2500%	7.2500%	0bp
Prime	10.7500%	10.7500%	0bp
SABOR	7.2230%	7.2210%	−0.2bp
ZARONIA	7.1080%	7.1060%	−0.2bp
NCD 3M	7.175%	7.250%	+8bp
NCD 1Y	8.100%	8.050%	−5bp
T-bill 3M	7.050%	7.290%	+24bp
T-bill 12M	8.100%	8.060%	−4bp

FRA STRIP — MID YIELD

FRA	30 Sep	30 Oct	MTD
1x4	7.230%	7.330%	+10bp
2x5	7.358%	7.355%	0bp
3x6	7.377%*	7.580%	+20bp*
6x9	7.821%	7.725%	−10bp
9x12	7.846%	7.775%	−7bp
12x15	7.847%	7.805%	−4bp
21x24	7.842%	7.790%	−5bp

**The 30 September 3x6 print sits well below the rest of the strip and moved 26bp the next session; treat the change as unreliable.*

INTO NOVEMBER — KEY EVENTS

Date	Cty	Event
Mon 2 Nov	US	**AGOA eligibility decision** on South Africa for 2027. Two-way trade was $28.8bn in 2025 and US firms operating locally support about 134,600 jobs; Trade Minister Tau says South Africa has exhausted its options
Tue 3 Nov	US	**Midterm elections.** Republicans hold the House 218–214 and the Senate 53–47, with Trump's approval at a record-low 32%
Wed 4 Nov	SA	**Local government elections**, with more than 29.2m registered voters and 510 soldiers deployed to KwaZulu-Natal. **Fuel prices fall the same day** on R10bn of temporary levy relief — Absa forecasts 33c/l off petrol and R1.68/l off diesel, against increases of R1.17 and R1.42 without it
Wed 4 Nov	SA	Monthly government FRN auction
Thu 5 Nov	SA	**ALBI and GOVI reconstitution** — the R188 and TN27 drop out and the TN30 and HWAY34 come in, adding about 0.18 years of index duration, far more than a typical reweighting
Fri 6 Nov	US	October payrolls
Tue 10 Nov	SA	Vodacom interim results; Nedbank Tier 2 auction on the 11th
Thu 19 Nov	SA	**SARB MPC** — CJS expects a hold at 7.25%, RMB a further 25bp in January 2027; SA CPI and the FOMC minutes land on the 18th
1 Dec	SA	Deadline for expressions of interest in **Northam Platinum**

Moody's and S&P review the sovereign rating on 27 November. Nedbank CIB expects S&P to move South Africa to BB+ with a stable outlook, pointing to primary surpluses widening to 2.9% of GDP by FY29/30 and gross debt easing to 76.6%, while it sees Moody's holding Ba2 with a positive outlook into the first half of 2027.

QUICK GLOSSARY

bp — basis point; 0.01%. | SARB — SA Reserve Bank. | MPC — Monetary Policy Committee. | MPR — Monetary Policy Review. | MTBPS — Medium-Term Budget Policy Statement. | FOMC — Federal Open Market Committee. | AGOA — African Growth and Opportunity Act. | JIBAR / ZARONIA — Johannesburg Interbank Average Rate / SA overnight rate benchmark. | CAS — Credit Adjustment Spread (JIBAR-to-ZARONIA). | ALBI / GOVI / STEFI — All Bond / Government Bond / Short-Term Fixed Interest Index. | ILB — Inflation-Linked Bond. | FRA — Forward Rate Agreement. | FRN — Floating Rate Note. | AT1 / T2 — Additional Tier 1 / Tier 2 capital. | FLAC — loss-absorbing capital. | HEPS / DIPS / DPS — Headline Earnings / Distributable Income / Dividend Per Share. | MTD — Month-to-date (vs 30 September 2026 close). | CPI / PPI — Consumer / Producer Price Index. | PMI — Purchasing Managers' Index. | SAFEX — South African Futures Exchange.

Sources: Bloomberg; BVG; Business Day; RMB Research; RMB Morgan Stanley; Absa Research; Standard Bank Research; Nedbank CIB Research; Lefika Securities; CJS Group; Kpler; Investec; Moneyweb; Stats SA.