

South African Focus

South African equities advanced strongly, with the JSE All Share gaining 1.05% to 109,488.65 points and the Top 40 rising 1.13% to 101,317.16 points. The rally came despite weaker domestic data, as manufacturing output contracted 4.3% year-on-year in May, underperforming consensus expectations for a 3.2% decline and worsening from April's 2.9% fall. The data reinforces concerns about industrial momentum, electricity reliability, logistics constraints and subdued domestic demand. Investor sentiment must also account for rising social tensions after anti-immigration groups conducted raids in Johannesburg and handed foreign nationals to police. While the equity market's resilience suggests support from global risk appetite and commodity exposure, persistent economic weakness and social instability could weigh on confidence, investment and South Africa's near-term risk premium.

South African Indicators

Selected Indicators	Close	1 Day %	1 Month	1 Year	2026
All Share	109488.65	1.05%	-1.48%	12.61%	-5.48%
Top 40	101317.16	1.13%	-1.81%	13.16%	-6.17%
Financial 15	25767.85	0.59%	1.78%	20.94%	3.60%
Industrial 25	129906.87	-0.34%	0.48%	-5.37%	-6.23%
Resource 10	104246.21	3.39%	-7.39%	34.29%	-15.69%
Alsi	101450.00	1.11%	-1.93%	13.13%	-6.28%
Mid Cap	103396.06	0.55%	-2.05%	4.82%	-8.89%
Small Cap	108126.45	0.84%	0.98%	15.91%	0.16%
Banks	16367.74	0.51%	2.16%	27.80%	6.14%

SENS Announcements

Capitec Bank (CPI) -0.01%

Capitec Bank has agreed to sell its wholly owned rental finance subsidiary, Capitec Rental Finance, to Sasfin Capital for R201 million in cash, subject to customary closing adjustments and regulatory approvals. The disposal reflects Capitec's continued focus on core banking activities, with management concluding that the business is better suited to a specialist operator. CRF, acquired through the 2019 Mercantile Bank transaction, has remained profitable and well managed, but falls outside Capitec's strategic priorities. Sasfin plans to integrate CRF with Sunlyn, strengthening its established rental finance platform. Alongside the sale, Capitec will provide CRF with a secured R1.6 billion credit facility to support its receivables book, retaining funding exposure while transferring operational ownership to a sector-focused operator following transaction completion.

Bytes Technology Group plc (BYI) +3.02%

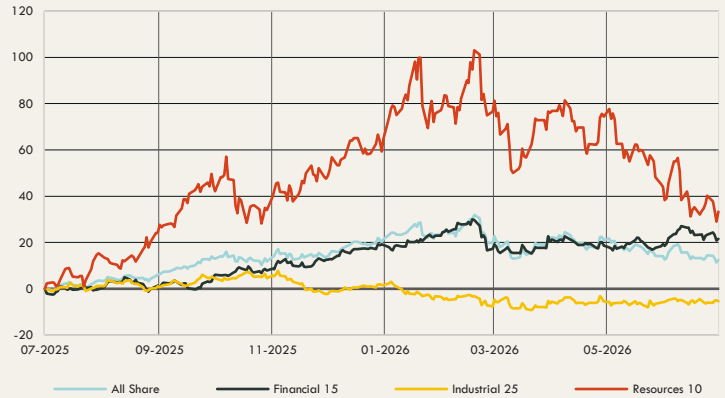
Bytes Technology Group delivered a solid start to its financial year, reporting double-digit year-on-year growth in gross invoiced income and gross profit during the first four months. Growth was achieved across private- and public-sector customers, indicating broad-based demand for the Group's software, security, artificial intelligence and cloud offerings. Operating profit was broadly unchanged, suggesting that investment and cost dynamics are tempering the conversion of top-line momentum into earnings growth. Management confirmed that trading remains consistent with the outlook issued alongside the full-year results. The Group continues to target market-share gains through deep vendor relationships, established customer partnerships and investment in its workforce. For investors, the update supports confidence in demand resilience, although margin progression remains an important metric to monitor.

Sappi (SAP) +14.78%

Sappi has upgraded its third-quarter FY2026 outlook following stronger-than-expected trading in North America and progress ramping up sales volumes from Somerset Mill PM2. Group adjusted EBITDA is now expected to be broadly in line with the second quarter, improving on management's previous guidance for a sequential decline. The revision indicates better operating momentum in the North American business and suggests that incremental volumes from the Somerset expansion are contributing more than anticipated. For investors, the update provides a positive read-through for near-term earnings resilience, although risks around global paper demand, pricing, input costs and currency movements remain relevant. Sappi is scheduled to release its third-quarter results on 6 August 2026, when margin trends and cash generation will be closely assessed.

All prices reflect the last trading day's performance.

Local Indices - Normalised % Performances



Equities Trading Close to 52-Week Highs and Lows

Company	Code	From High	From Low	Code	Company
PSG Fin Services Ltd	KST	0.00%	0.00%	WBC	We Buy Cars Hlds Ltd
Oceana Group Ltd	OCE	0.00%	1.16%	RNI	Reinet Investments S.C.A
Omnia Holdings Ltd	OMN	-1.15%	1.65%	CLS	Clicks Group Ltd
Premier Group Limited	PMR	-1.70%	1.99%	KIO	Kumba Iron Ore Ltd
OUTsurance Group Limited	OUT	-1.96%	3.22%	PPH	Pepkor Holdings Ltd

Expected Corporate Releases

Company	Code	Release	Date
Numeral	XII	Final	15 Jul
Visual International	VIS	Final	16 Jul
Numeral	XII	Quarterly	17 Jul

Best & Worst 1 Day % Price Performances

Company	Code	Best	Worst	Code	Company
Sappi Ltd	SAP	14.78%	-4.76%	WBC	We Buy Cars Hlds Ltd
Telkom SA SOC Ltd	TKG	6.42%	-3.15%	NPN	Naspers Ltd -N-
Karoo000 Ltd	KRO	6.23%	-2.98%	TGA	Thungela Resources Ltd

Best & Worst 1 Year % Price Performances

Company	Code	Best	Worst	Code	Company
Grindrod Ltd	GND	133.28%	-63.81%	SAP	Sappi Ltd
Sasol Limited	SOL	84.26%	-58.93%	SPP	The Spar Group Ltd
Pan African Resource plc	PAN	80.38%	-55.12%	TFG	The Foschini Group Limited

Dividend Watch

Company	Code	Dividend	Dividend	Code	Company
PBT Holdings	PBT	18.5 ZARc	33 ZARc	AFH	Alexander Forbes
TeleMasters Holdings	TLM	0.3 ZARc	225 ZARc	DTC	Datatec
The Foschini Group	TFG	140 ZARc	220.5 ZARc	FBR	Famous Brands
Nictus	NCS	18 ZARc	2.1 USDc	MMP	Marshall Monteagle plc
Karoo000	KRO	150 USDc	7 GBPP	BYI	Bytes Technology Group

Last Date to Trade

14 Jul



US Market Focus

US equities advanced as technology shares outweighed renewed geopolitical and inflation concerns, with the Nasdaq leading gains after Micron Technology rose 4.5%. The memory-chip producer outlined plans to invest more than \$250 billion in the United States through 2035, reinforcing optimism around artificial intelligence infrastructure demand. Meta Platforms also gained following reports that it plans to begin manufacturing AI chips in September. Investor attention is now shifting towards earnings season, with S&P 500 profits forecast to rise 24% year-on-year, led by technology. Meanwhile, weekly jobless claims declined, signalling labour-market resilience. Federal Reserve minutes showed some support for higher rates, and markets are pricing a probable 25-basis-point increase by December, keeping valuation sensitivity elevated despite the S&P 500's lower forward multiple.

US Indicators

Selected Indicators	Close	1 Day	1 Month	1 Year	2026
Dow Jones	52487.41	0.27%	3.18%	18.06%	9.20%
Nasdaq	26206.89	1.30%	2.06%	27.15%	12.76%
S&P 500	7543.64	0.81%	2.13%	20.44%	10.20%
Dollar Index	100.44	-0.41%	0.49%	3.38%	2.50%

International Companies

PepsiCo (PEP) -3.25%

PepsiCo reported stronger-than-expected quarterly revenue and earnings, but investor sentiment weakened as management warned that commodity, packaging and logistics costs would rise during the second half. Revenue increased 6.4% to \$24.18 billion, while core earnings per share rose to \$2.20 from \$2.12. However, North American food sales declined 2%, highlighting persistent pressure from value-conscious consumers, weaker snack demand and elevated fuel costs. PepsiCo is responding through price reductions of up to 15% on selected brands, increased marketing, product reformulation and healthier, protein-rich offerings. Management maintained its FY2026 outlook for organic revenue growth of 2% to 4% and constant-currency core EPS growth of 4% to 6%, supported by productivity savings and tariff refunds. Execution against these initiatives will determine margin resilience.

SK Hynix (000660) +5.30%

SK Hynix priced its Nasdaq-listed American Depositary Receipts at \$149, raising \$26.5 billion to fund new factories and equipment supporting artificial intelligence-driven memory demand. The offering was reportedly more than seven times subscribed and priced at a 2.7% premium to the recent Korean share average, signalling strong institutional appetite despite softer semiconductor sentiment. SK Hynix remains the leading supplier of high-bandwidth memory to Nvidia and other processor manufacturers, positioning it centrally within the AI infrastructure cycle. The US listing should broaden investor access and may help narrow the company's valuation discount to Micron, although governance concerns continue to weigh on Korean equities. With AI-related memory demand forecast to expand sharply, execution on capacity investment and pricing discipline will be key.

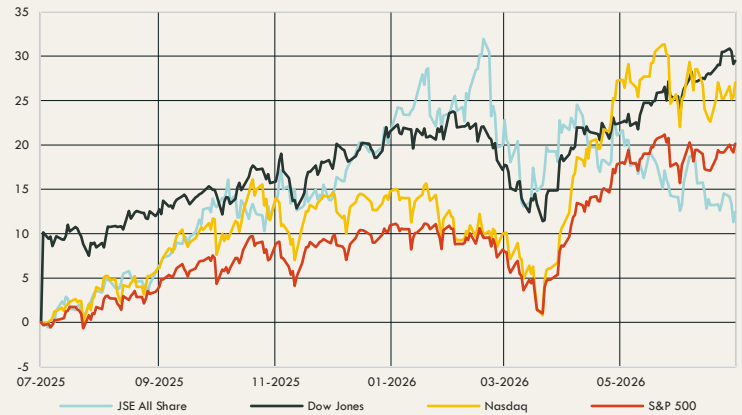
Expected International Corporate Calendar

Company	Code	Est. EPS	Last EPS	Date
Delta Air Lines	DAL	\$1.44	\$2.10	10 Jul
NioCorp Developments	NB	(\$0.06)	(\$0.16)	10 Jul
FB Finacial	FBK	\$1.14	\$0.88	13 Jul
Grupo Aeromexico	AERO	(\$0.37)	---	13 Jul
J P Morgan Chase	JPM	\$5.52	\$4.96	14 Jul
Bank of America	BAC	\$1.13	\$0.89	14 Jul
Goldman Sachs	GS	\$14.26	\$10.91	15 Jul

Local Otto1890 Funds

Funds	Factsheets	Close	1 Year	3 Years
Otto1890 BCI Balanced Fund		245.00	11.30%	10.09%
Sasfin BCI Balanced A		167.00	---	---
Otto1890 BCI Stable A		170.00	13.63%	13.65%
Otto1890 BCI Equity A		473.00	9.55%	8.38%
Otto1890 BCI Flexible Income A		111.00	13.49%	12.93%
Otto1890 BCI Optimal Income A		107.00	7.40%	7.64%
Otto1890 BCI Core Income Fund		103.00	9.11%	9.36%

US Indices - Normalised % Performances



Europe and Asian Markets Focus

Europe

French growth momentum improved during the second quarter, with June activity strengthening across industry and rebounding in services and construction, prompting the Bank of France to upgrade its outlook. Businesses largely maintained output despite a record heatwave by adjusting working hours, highlighting operational resilience after May's holiday-related weakness. In the UK, monetary policy risks turned more hawkish after Bank of England Chief Economist Huw Pill indicated that interest rates may need to rise over the coming year to contain inflationary pressure. Equity markets were subdued, with the FTSE 100 closing slightly lower as AstraZeneca's disappointing late-stage trial results weighed on the index, offsetting gains among miners and banks. Investors remain focused on inflation persistence, policy tightening and sector-specific earnings risks.

Asia

Asian equities advanced sharply, led by semiconductor and artificial intelligence stocks, as investors looked beyond renewed disruption risks in the Strait of Hormuz. Escalating US-Iran hostilities have weakened the recent ceasefire, raising concerns that higher oil prices could intensify inflation and delay global monetary easing. In Japan, producer prices rose 7.1% year-on-year in June, the fastest increase since March 2023 and above expectations, strengthening the case for further Bank of Japan rate increases. The central bank also warned that input-cost pass-through is accelerating and may lift consumer inflation later this year. Meanwhile, Taiwan's central bank acknowledged AI's importance to economic growth but cautioned that debt-funded capital expenditure could create speculative excesses, highlighting valuation and balance-sheet risks across the technology sector.

European & Asian Indicators

Selected Indicators	Close	1 Day	1 Month	1 Year	2026
CAC 40	8326.62	0.90%	1.50%	5.69%	2.17%
DAX 30	25118.27	0.89%	2.95%	2.32%	2.56%
Eurostoxx 50	6289.00	1.33%	3.50%	15.58%	8.59%
FTSE	10472.45	-0.16%	2.40%	18.11%	5.45%
Hang Seng	24030.18	-0.70%	-2.18%	0.58%	-6.24%
Nikkei 225	67743.85	1.38%	3.56%	70.12%	34.57%
Shanghai	4036.59	1.65%	0.66%	15.56%	1.71%

International Otto1890 Funds

Funds	Factsheets	Close	1 Year	3 Years
Otto1890 BCI Global Equity FF C		202.00	---	---
Otto1890 BCI Horizon Multi Mng Dvrs Gr D		165.00	14.22%	14.27%
Otto1890 BCI Horizon Multi Managed Acc D		159.00	15.46%	14.77%
Otto1890 BCI Horizon Multi Mng Prsrvt D		148.00	15.39%	14.80%



Commodities & Currencies

Commodities

Gold edged higher as the US dollar weakened, although bullion remained on course for a weekly decline as investors assessed the inflationary implications of renewed US-Iran hostilities. Escalating geopolitical tensions may sustain energy costs and reinforce expectations that the Federal Reserve will maintain a restrictive policy stance, limiting gold's near-term upside. Oil prices advanced and were positioned for weekly gains amid renewed fears of supply disruption through the Strait of Hormuz. Tanker traffic slowed to near standstill after fresh attacks involving US and Iranian forces, including strikes near key Gulf infrastructure and reports of explosions in southern Iran. With shipping risks elevated and regional supply routes constrained, energy markets remain vulnerable to sharp price volatility and widening inflation risk premiums.

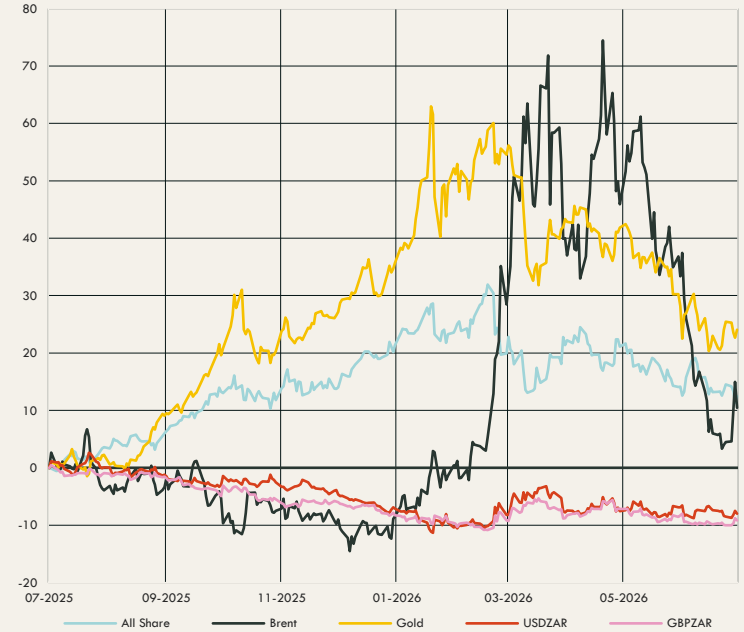
Currencies

Currency markets traded cautiously as the South African rand strengthened alongside higher gold prices, despite domestic manufacturing output contracting more sharply than expected. The Japanese yen also recovered after authorities outlined measures encouraging major pension funds, including the Government Pension Investment Fund, to increase allocations to domestic financial assets. Investors viewed the proposal as potentially more supportive than direct currency intervention by creating structural demand for yen-denominated assets. The US dollar was broadly unchanged over the week, with safe-haven demand offset by diminishing expectations of another Federal Reserve interest-rate increase. Sterling advanced towards a four-week high as the dollar retreated from recent peaks and oil prices eased modestly. Policy expectations, commodity prices and geopolitical risk remain central drivers for major currencies.

Commodities & Currencies

Selected Indicators	This Morning	Close	1 Day	1 Month	2026
Brent Crude	0.78%	76.05	-3.90%	-17.17%	24.86%
Gold	-0.11%	4123.71	1.14%	-3.20%	-4.51%
Palladium	1.50%	1252.93	2.81%	1.75%	-23.32%
Platinum	1.48%	1614.71	1.86%	-6.63%	-21.37%
Silver	0.88%	59.96	2.88%	-8.22%	-16.25%
USDZAR	-0.23%	16.33	-0.55%	-1.17%	-1.44%
GBPZAR	-0.02%	21.89	-0.40%	-0.94%	-1.85%
EURZAR	-0.07%	18.66	-0.42%	-2.12%	-4.15%
AUDZAR	0.02%	11.33	-0.39%	-2.37%	2.52%
EURUSD	0.15%	1.14	0.12%	-0.98%	-2.69%

Commodities & Currencies - Normalised % Performances



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Today's Expected Economic Calendar

Time	Area	Expected Today	Expected	Previous
10:00	EU	Italian Industrial Production m/m	-0.10%	0.50%
TNTV	US	Fed Monetary Policy Report	---	---
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10-Year Bond Yields

Region	Yield	1 Day	1 Month	1 Year
United States	4.54%	-4	2	21
United Kingdom	4.90%	-8	-1	29
Germany	3.08%	-1	4	41
Japan	2.78%	-7	11	128
South African 10Y	8.51%	-1	-13	-127

Last Session's Releases

Time	Area	Releases	Expected	Actual
08:00	EU	German Trade Balance	14.9b	19.1b
AD	EU	Eurogroup Meetings	---	---
13:00	SA	Manufacturing Production MoM	1.30%	1.10%
13:00	SA	Manufacturing Production YoY	-1.70%	-4.30%
14:30	US	Unemployment Claims	218k	215k

Interest Rates

Region	Changed	Current Rate	Previous Rate
United States	Dec '25	3.50% - 3.75%	3.75% - 4.00%
United Kingdom	Aug '24	4.00%	4.25%
European	Jun '26	2.40%	2.15%
SA Repo Rate	May '26	7.00%	6.75%
SA Prime Rate	May '26	10.50%	10.25%

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