

South African Focus

South African equities advanced on Thursday, with the JSE All Share rising 1.53% to 110,171.85 points and the Top 40 gaining 1.68% to 102,392.50. Reserve Bank Governor Lesetja Kganyago warned that rising global energy and food costs posed upside inflation risks. Inflation is forecast to average 4.4% this year, ease into the tolerance band in 2027 and return to the 3% target in 2028, suggesting policy could remain restrictive after September's rate increase to 7.25%. Investors await Finance Minister Enoch Godongwana's medium-term budget policy statement next week amid expectations of an improving fiscal balance and ratings outlook. Government also plans to phase out existing semi knocked-down vehicle assembly operations and withhold policy support for new facilities, encouraging deeper local automotive manufacturing.

South African Indicators

Selected Indicators	Close	1 Day %	1 Month	1 Year	2026
All Share	110171.85	1.53%	-3.38%	-1.31%	-4.89%
Top 40	102392.50	1.68%	-3.85%	-1.79%	-5.17%
Financial 15	25262.42	1.69%	-2.02%	12.42%	1.57%
Industrial 25	120615.06	1.27%	-0.20%	-16.06%	-12.94%
Resource 10	118891.00	2.08%	-8.57%	1.93%	-3.85%
Alsi	103015.00	2.28%	-3.01%	-1.21%	-4.83%
Mid Cap	106217.73	1.18%	0.28%	-0.55%	-6.41%
Small Cap	108040.35	0.94%	1.90%	6.16%	0.08%
Banks	15770.14	1.71%	-3.38%	14.52%	2.26%

SENS Announcements

Mondi plc (MNP) -9.07%

Mondi reported third-quarter underlying EBITDA of €196 million, compared with €167 million in the second quarter, which included a €43 million forestry fair value loss. Excluding forestry valuations, EBITDA declined sequentially, mainly owing to planned maintenance shuts. Good order books supported higher selling prices, offsetting input cost inflation, although energy-related costs rose more than expected and wood costs increased in Central and Eastern Europe. Further paper price increases should benefit performance towards year-end and into 2027. Corrugated Solutions margins remained under pressure, while Uncoated Fine Paper faced seasonally weaker demand. Consumer Solutions performed well. Mondi continued plant network optimisation, selling one solid board converting plant and agreeing another sale. Fourth-quarter forestry fair value gains are expected to remain nil if current energy prices persist.

Famous Brands (FBR) -4.17%

Famous Brands expects earnings per share of 157–205 cents for the six months ended 31 August 2026, down 13%–33% from 236 cents a year earlier. Headline earnings per share are forecast at 205–252 cents, representing a decline of 13% to growth of 7%. Revenue remained resilient, supported by value-chain improvements, but elevated fuel prices linked to the Middle East conflict and higher interest rates weighed on profitability. Earnings include a R40.9 million goodwill impairment relating to Botswana's Retail Group. Famous Brands plans to reduce its holding from 51% to 30%, limiting exposure to operating losses while retaining master licence fees. Completion is expected in the 2027 financial year, subject to conditions including regulatory approvals. Interim results are due on or about 21 October 2026.

ASP Isotopes (ISO) +0.19%

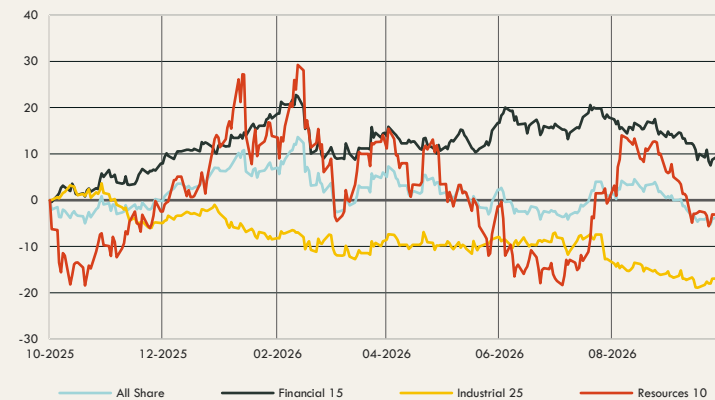
ASP Isotopes announced that its Quantum Leap Energy subsidiary signed binding heads of agreement with Necsa to establish a joint venture producing high-assay low-enriched uranium at Pelindaba, South Africa. QLE will hold approximately 80%, lead operations and arrange capital, while Necsa will hold approximately 20% and provide site access, safeguards and regulatory support. The framework covers a test bench and commercial-scale facility, with TerraPower supply agreements securing anticipated offtake. Initial approvals were received in July 2026, and refurbishment of infrastructure housing the test bench is underway. The parties also intend to establish an engineering, procurement and construction arrangement. QLE has yet to apply its enrichment technologies to uranium-235, with testing permissions limited to activities contemplated under its Necsa services contract.

PSG Financial Services (KST) -4.47%

PSG Financial Services reported a 5% increase in recurring headline earnings per share to 60.9 cents for the six months ended 31 August 2026, with return on equity of 26.5%. The interim dividend rose 10% to 22.0 cents per share. Total assets under management increased 15% to R594.1 billion, comprising R504.9 billion at PSG Wealth and R89.2 billion at PSG Asset Management, up 12% and 30%, respectively. Gross written premium grew 5% to R4.2 billion. Less favourable securities markets weighed on results, with lower performance fees affecting Asset Management and reduced investment income constraining Insure. Western Cape storms also hurt underwriting performance. Performance fees contributed 1.9% of headline earnings, down from 7.3%. Technology and infrastructure expenditure increased 4%, while fixed remuneration costs rose 10%.

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
ADvTECH Ltd	ADH	0.00%	1.30%	NY1	Ninety One Limited
Remgro Ltd	REM	-0.02%	1.34%	N91	Ninety One Plc
Shoprite Holdings Ltd	SHP	-0.60%	3.18%	DTC	Datatec Ltd
Sasol Limited	SOL	-0.73%	3.22%	GRT	Growthpoint Prop Ltd
Santam Limited	SNT	-1.03%	3.37%	KIO	Kumba Iron Ore Ltd

Expected Corporate Releases

Company	Code	Release	Date
Karooooo Limited	KRO	Interim	19 Oct
Zeder Investments	ZED	Interim	21 Oct
Afrimat Limited	AFT	Interim	22 Oct

Best & Worst 1 Day % Price Performances

Company	Code	Best	Worst	Code	Company
We Buy Cars Hlds Ltd	WBC	4.23%	-9.07%	MNP	Mondi plc
Optasia Limited	OPA	3.82%	-4.47%	KST	PSG Fin Services Ltd
Valterra Platinum Ltd	VAL	3.53%	-4.17%	FBR	Famous Brands Ltd

Best & Worst 1 Year % Price Performances

Company	Code	Best	Worst	Code	Company
Sasol Limited	SOL	157.74%	-84.29%	ISO	ASP ISOTOPES INC.
KAP Limited	KAP	100.68%	-56.66%	TFG	The Foschini Group Limited
Grindrod Ltd	GND	73.00%	-54.38%	SPP	The Spar Group Ltd

Dividend Watch

Company	Code	Dividend	Dividend	Code	Company
Alphamin Resources	APH	151.68c	422.00c	REM	Remgro Limited
Bowler Metcalf	BCF	47.80c	550.00c	REM	Remgro Limited
Capitec Bank Holdings	CPI	3,110.00c	18.45c	TEX	Texton Property Fund
Heriot REIT	HET	76.18c	320.00c	WBO	Wilson Bayly Holmes-Ovcon
Mustek Limited	MST	37.50c	---	---	---

Last date to trade

20 Oct



US Market Focus

US equities recovered from early losses on Thursday as investors rotated from AI-related technology shares into healthcare and consumer stocks. Eli Lilly gained over 3%, UnitedHealth rose 2.8% and Walmart added 1.4%, while Dell and Hewlett Packard Enterprise fell 6.9% and 7.1%, respectively, amid concerns over borrowing costs. September producer prices jumped 1.3% month on month, exceeding forecasts of 0.5%, while annual inflation accelerated to 6.3%, signalling broader price pressures and sustaining debate over another Federal Reserve rate increase. Retail sales rose 0.8%, above expectations of 0.3%, although higher petrol prices contributed and other spending remained moderate. Initial unemployment claims increased by 1,000 to 199,000. Third-quarter economic growth estimates stood around 3.0%, compared with the second quarter's 2.2% pace, despite concerns over consumer spending momentum.

US Indicators

Selected Indicators	Close	1 Day	1 Month	1 Year	2026
Dow Jones	52177.69	1.08%	0.16%	12.81%	8.56%
Nasdaq	26713.03	0.08%	2.82%	17.83%	14.93%
S&P 500	7744.06	0.33%	2.09%	16.08%	13.13%
Dollar Index	101.82	-0.48%	2.47%	3.45%	3.91%

International Companies

Charles Schwab (SCHW) -2.73%

Charles Schwab reported record third-quarter earnings per share of \$1.62, while adjusted EPS increased 29% to \$1.69, exceeding the \$1.66 consensus estimate. Revenue rose 17% to \$7.17 billion, broadly matching expectations. Adjusted operating expenses increased 8.6% to \$3.24 billion, below forecasts, supporting adjusted operating income of \$3.93 billion and a 54.8% margin. Jefferies described the revenue mix as disappointing, with net interest, trading and bank deposit account revenue below consensus, partly offset by stronger asset management and other revenue. Client activity remained robust, with new brokerage accounts exceeding one million for an eighth consecutive quarter. Total client assets increased 15% to \$13.3 trillion, while active brokerage accounts rose 6% to 40.3 million. September net new asset inflows reached \$67.6 billion.

U.S. Bancorp (USB) +2.01%

U.S. Bancorp reported third-quarter adjusted earnings per share of \$1.34, exceeding the \$1.32 consensus estimate, while revenue increased 8.7% to \$7.97 billion, narrowly below forecasts. Net income rose 10% to \$2.20 billion. Net interest income increased 5.6%, with the net interest margin widening nine basis points to 2.84%, while fee revenue grew 14.9%. Capital markets revenue surged 69.3% to \$640 million, supported by the BTIG acquisition. Average loans increased 8.0% to \$409.5 billion and deposits rose 2.9% to \$526.6 billion. Noninterest expenses climbed 7.1% to \$4.49 billion. Credit loss provisions increased 14.5% to \$654 million, including \$135 million associated with an acquired credit card portfolio, although the net charge-off ratio improved to 0.51%. The Common Equity Tier 1 capital ratio stood at 10.8%.

Expected International Corporate Calendar

Company	Code	Est. EPS	Last EPS	Date
Travelers	TRV	\$7.23	\$10.04	16 Oct
Truist Financial	TFC	\$1.14	\$1.23	16 Oct
GE Aerospace	GE	\$2.00	\$2.02	20 Oct
Netflix	NFLX	\$0.82	\$0.80	20 Oct
Tesla	TSLA	\$0.46	\$0.33	21 Oct
Meta Platforms	META	\$6.67	\$6.18	21 Oct
Procter & Gamble	PG	\$1.88	\$1.43	22 Oct

Local Otto1890 Funds

Funds	Factsheets	Close	1 Year	3 Years
Otto1890 BCI Balanced Fund		243.00	4.98%	10.09%
Otto1890 BCI Stable A		168.00	6.88%	13.15%
Otto1890 BCI Equity A	Factsheets	471.00	0.81%	9.31%
Otto1890 BCI Flexible Income A		109.00	9.16%	12.38%
Otto1890 BCI Optimal Income A	Factsheets	107.00	7.15%	7.48%
Otto1890 BCI Core Income Fund		103.00	8.88%	9.32%

US Indices - Normalised % Performances



Europe and Asian Markets Focus

Europe

European shares reached their highest level in more than two weeks on Thursday, supported by solid earnings and healthcare stocks as investors sought alternatives to the AI trade. Ericsson gained 6.8% after reporting better-than-expected third-quarter results. Britain's economy expanded 0.1% in August, beating forecasts for a 0.1% contraction, with computer programming contributing to growth. Finance Minister John Healey highlighted banks' economic importance when questioned about a possible windfall tax ahead of his 28 October budget. Increasing the existing 3% bank surcharge could raise billions of pounds. French EU-harmonised inflation accelerated to 3.4% in September from 2.6% in August, its highest since January 2024. Markets priced an 87% probability of a quarter-point European Central Bank rate increase in December, following two increases earlier this year.

Asia

Asian equities rebounded on Friday after Thursday's technology sell-off, triggered by concerns about CoreWeave's debt and the financing underpinning the AI boom. In Japan, a Reuters poll forecast September core inflation at 2.1%, up from 1.7% in August, as higher energy costs fed through to households. This would take inflation above the Bank of Japan's 2% target for the first time since December. Japan will reportedly avoid explicitly adopting a defence spending target of 3.5% of GDP, instead favouring broader security expenditure increases over five years. In Australia, 3M plans to challenge the legal basis of a government claim seeking more than A\$2 billion over PFAS contamination at 28 military bases, alleging the company failed to warn of environmental and health risks.

European & Asian Indicators

Selected Indicators	Close	1 Day	1 Month	1 Year	2026
CAC 40	7934.70	0.78%	-1.92%	-1.76%	-2.64%
DAX 30	25382.62	0.33%	-0.08%	4.97%	3.64%
Eurostoxx 50	6143.30	-0.88%	-1.51%	9.54%	6.08%
FTSE	10840.35	1.08%	1.71%	15.02%	9.15%
Hang Seng	24062.72	-1.03%	-2.45%	-7.13%	-6.12%
Nikkei 225	64425.95	-4.90%	1.48%	35.14%	27.98%
Shanghai	3707.48	-1.59%	-4.06%	-5.23%	-6.59%

International Otto1890 Funds

Funds	Factsheets	Close	1 Year	3 Years
Otto1890 BCI Global Equity FF C		198.00	---	---
Otto1890 BCI Horizon Multi Mng Dvrs Gr D		168.00	6.71%	14.81%
Otto1890 BCI Horizon Multi Managed Acc D		162.00	8.33%	15.16%
Otto1890 BCI Horizon Multi Mng Prsrvt D		148.00	9.04%	14.98%





Commodities & Currencies

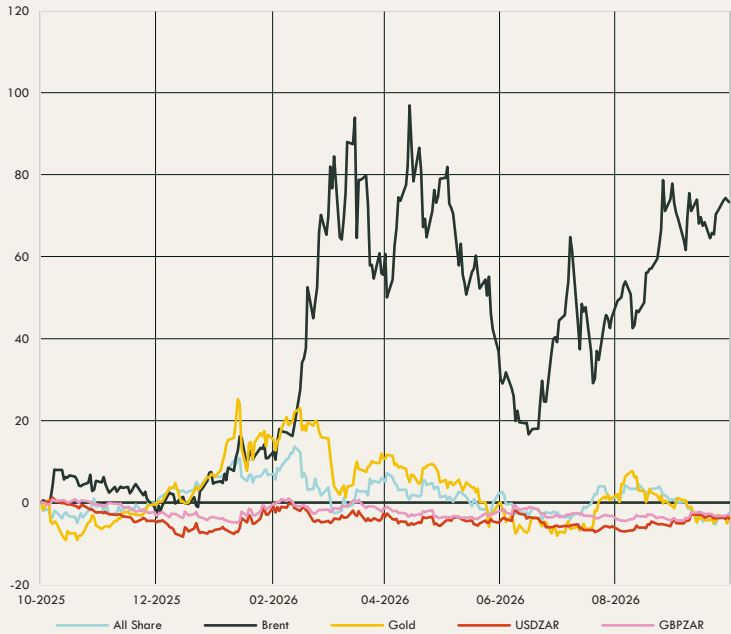
Commodities
Oil prices eased on Friday morning as investors balanced Middle East supply risks against potential US measures to reduce shipping costs. The International Energy Agency agreed on Thursday to release more than 20 million barrels of diesel and remaining oil from emergency reserves pledged in March. Washington is considering lifting sanctions on selected shadow fleet tankers to lower record freight rates, following its temporary removal of restrictions on Russian diesel. However, escalating conflict between Saudi Arabia and Yemen’s Houthis, alongside renewed attacks on regional shipping, continued to support prices. Iran said it was intensifying strikes in response to the US blockade and tighter sanctions. Gold was flat after gaining more than 1% on Thursday as the dollar and US Treasury yields declined.

Currencies
The rand strengthened in early trade on Thursday as the dollar retreated from an 18-month peak, while investors awaited next week’s medium-term budget for guidance on South Africa’s fiscal outlook and credit rating prospects. On Friday, the dollar headed towards its first weekly decline in five weeks as concerns over AI investment and falling US Treasury yields weakened support for the currency, helping the euro recover from a 17-month low. Selling across AI shares spread into credit markets amid doubts about whether data centre operators could generate sufficient profits to service debt. Investors sought safety in Treasuries, putting the US 10-year yield on course for its largest weekly decline in over a year. The dollar index stood at 102.07, down 0.14% for the week.

Commodities & Currencies

Selected Indicators	This Morning	Close	1 Day	1 Month	2026
Brent Crude	-0.53%	105.72	-0.33%	-2.54%	73.57%
Gold	0.16%	4170.73	1.59%	-2.86%	-3.42%
Palladium	0.98%	1132.65	3.21%	-13.67%	-30.68%
Platinum	0.52%	1632.48	1.85%	-8.48%	-20.50%
Silver	0.61%	57.42	3.19%	-9.82%	-19.80%
USDZAR	-0.26%	16.50	-0.58%	1.55%	-0.39%
GBPZAR	-0.16%	21.91	0.08%	0.07%	-1.75%
EURZAR	-0.20%	18.51	-0.01%	-1.38%	-4.91%
AUDZAR	0.01%	11.42	-1.27%	-1.42%	3.34%
EURUSD	0.06%	1.12	0.57%	-2.81%	-4.48%

Commodities & Currencies - Normalised % Performances



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Today's Expected Economic Calendar

Time	Area	Expected Today	Expected	Previous
11:00	EU	Final Core CPI y/y	2.50%	2.50%
11:00	EU	Final CPI y/y	3.80%	3.80%
11:00	EU	Trade Balance	4.5b	5.0b
TNTV	US	Federal Budget Balance	-34.7b	-166.8b
Day 5	All	IMF Meetings	---	---

10-Year Bond Yields

Region	Yield	1 Day	1 Month	1 Year
United States	5.07%	-11	6	104
United Kingdom	5.37%	-5	-1	83
Germany	3.41%	-5	-12	84
Japan	2.93%	-6	-10	129
South African 10Y	8.87%	-5	-4	-16

Last Session's Releases

Time	Area	Releases	Expected	Actual
08:00	UK	GDP m/m	-0.10%	0.10%
14:30	US	Core PPI m/m	0.30%	0.70%
14:30	US	Retail Sales m/m	0.30%	0.80%
14:30	US	Philly Fed Manufacturing Index	28.2	20.9
14:30	US	Unemployment Claims	199k	199k

Interest Rates

Region	Changed	Current Rate	Previous Rate
United States	Sep ' 26	3.75% - 4.00%	3.50% - 3.75%
United Kingdom	Aug '24	4.00%	4.25%
European	Sep ' 26	2.65%	2.40%
SA Repo Rate	Sep ' 26	7.25%	7.00%
SA Prime Rate	Sep ' 26	10.75%	10.50%

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