



South African Market

South African equities extended their winning streak in November, marking a ninth consecutive monthly gain as the FTSE/JSE All Share Index rose 1.70% and briefly breached the 115,000 level mid-month. After retreating in October, miners rebounded sharply, with the Resources Index gaining 10.45% on the back of firmer gold and platinum prices. Financials also advanced, adding 2.22%. By contrast, Industrials, particularly SA-Inc. names, fell (5.32%), weighed by softness in technology and retail counters. Heavyweights Naspers (12.32%) and Prosus (1.18%) were the largest drags on the overall market, reflecting profit-taking and a weaker global tone toward tech. Into year-end, the equity risk-reward is anchored by commodity trends and local interest rate expectations, while rotation toward domestically exposed shares will likely depend on clearer signs of demand recovery and progress on logistics reforms.

Headline consumer inflation rose to 3.6% y/y in November up from 3.4%, nudging toward the upper end of the new 3% target (with a 1 percentage point tolerance band) that formally replaced the prior 3%-6% range during the month. Price pressures were higher for transportation rising 1.5% (the first increase in over a year), driven by a sharp rebound in fuel prices. Offsetting some of that pressure, core inflation eased unexpectedly to 3.1%, pointing to cooler underlying price momentum outside energy-sensitive categories.

Asset Class Performance (ZAR):

As of 30 th November 2025	MTD	YTD	1 Year	3 Years*	5 Years*	10 Years*
Global Equity	(1.03)	10.15	12.02	18.83	14.37	13.58
Global Property	0.65	(0.12)	(3.03)	7.00	6.79	6.20
Global Bond	(1.14)	(3.12)	(1.12)	3.11	(1.02)	2.46
Global Cash	(0.85)	(5.55)	(0.95)	5.26	5.36	3.98
SA Equity	1.70	36.18	35.79	18.16	18.68	11.70
SA Property	7.71	30.44	30.97	23.28	23.72	4.43
SA Bond	3.45	20.97	20.54	16.09	12.48	10.42
SA Cash	0.56	6.67	7.35	7.74	6.26	6.30
ZAR/USD (negative = Rand strength)	(1.24)	(9.36)	(5.23)	0.31	2.09	1.69
Gold	4.33	38.67	42.70	27.22	16.63	13.18
Brent Crude Oil	(4.02)	(22.31)	(17.41)	(9.33)	8.01	5.34

*Returns more than 1 year are annualized.



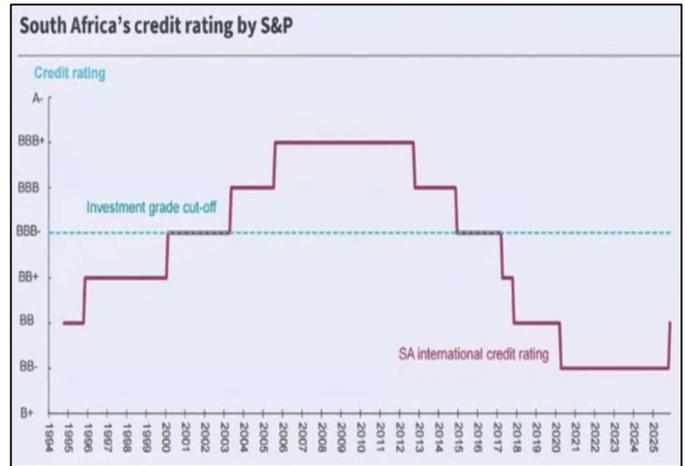
Source: Morningstar (Returns more than 1 year are annualized)

At its final meeting of 2025, the **South African Reserve Bank's Monetary Policy Committee** cut the repo rate by 25 bp to 6.75%, lifting the cumulative easing to 150 bp since the cycle began in September 2024. The decision was broadly in line with expectations, with roughly 70% of economists anticipating a quarter-point move, supported by Finance Minister Enoch Godongwana's formal confirmation of the shift to a 3% inflation target, which helped align National Treasury and the Reserve Bank and reduced policy uncertainty. Looking ahead, the Committee signalled a cautious, data-dependent approach, with any further easing likely to be gradual and contingent on inflation staying close to the new anchor and fiscal risks remaining contained.



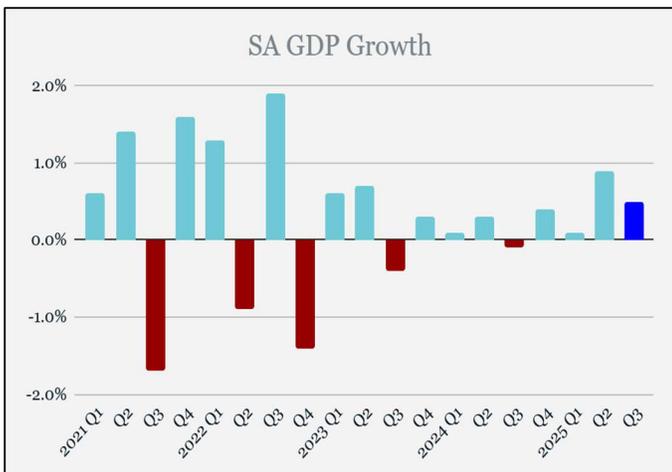
The Rand firmed marginally in November, tracking broader emerging market currencies against a softer US Dollar. It rose 1.24% versus the greenback and briefly broke below R17/US\$ to R16.95, the first sub-R17 print in two years, following National Treasury’s Medium-Term Budget Policy Statement, before settling at R17.11 by month-end. Year-to-date the currency is up 9.36% and has averaged R17.89/USD so far for 2025, better than 2024’s R18.33/USD average. Sentiment was also buoyed by S&P’s first South African upgrade since 2005, lifting the country’s rating to BB (still two notches below investment grade) with a positive outlook on improving growth and fiscal trajectories. The combination of a friendlier fiscal path, lower local yields, and resilient terms of trade continued to underpin Rand performance into year-end.

South African bonds extended their positive run in November, supported by the SARB’s rate cut and an improving sovereign credit backdrop. The FTSE/JSE All Bond Index (ALBI) returned 3.45%, its best month of 2025, lifting year-to-date gains to 20.97%. The government’s 10-year yield fell a further 33 bp to 8.67% p.a., its lowest level in almost five years, and is down more than 160 bp over the past twelve months. The Medium-Term Budget Policy Statement (MTBPS) also landed against a firmer domestic backdrop than at the May National Budget. Under Finance Minister Enoch Godongwana, the MTBPS reaffirmed a third consecutive primary surplus, an important signal that fiscal consolidation is taking hold, while lower borrowing costs should begin to free up fiscal space and support capital spending, reinforcing a virtuous cycle for growth.



Source: S&P

South Africa’s real GDP grew 0.5% q/q in Q3, marking a fourth consecutive quarterly rise and broadly matching expectations. The gain followed an upward revision to Q2 growth to 0.9% from 0.8%. Beneath the softer headline, the sector mix was constructive as nine of ten industries on the production side expanded, including mining and construction, both of which had been under pressure in prior quarters. Mining output rose 2.3%, led by platinum-group metals, while the only contraction came from electricity, gas and water as generation slipped. Forecasts for 2025 have firmed in the second half, with most economists now projecting 1.0% to 1.2% growth. With quarterly prints of 0.1%, 0.9% and 0.5% so far, the year-to-date average is 0.5%, leaving full-year GDP likely to finish below 1% even with an above-trend fourth quarter. The MTBPS also set out a prudential and conservative policy mix aimed at safeguarding long-run growth and addressing rising debt-service costs, including a focus on sustaining primary surpluses, disciplining non-core expenditure, and prioritising infrastructure outlays that can lift potential growth.



Source: Trading Economics



Global equities were broadly muted in November, with a late-month rally helping the MSCI ACWI claw back into positive territory to finish the month up 0.16%. However the year-to-date backdrop has remained strong with the ACWI up 21.36%. Equities also proved somewhat resilient through the federal shutdown, with investors looking past political noise amid solid, broad-based company results; sentiment improved further after a bipartisan funding deal in mid-November ended the shutdown and removed a key tail risk into year-end. The third-quarter reporting season wrapped up and largely reaffirmed the strength seen in Q2: in the US, 81% of S&P 500 companies beat earnings expectations. Even so, stellar results from NVIDIA did little to ease concerns about stretched valuations and optimistic profit assumptions across the AI ecosystem. Technology was the month’s weakest sector, weighing on style leadership as growth fell (2.68%) while value edged up 0.61%. Emerging markets underperformed developed peers, slipping (2.38%) in USD terms versus a 0.46% gain for developed markets.

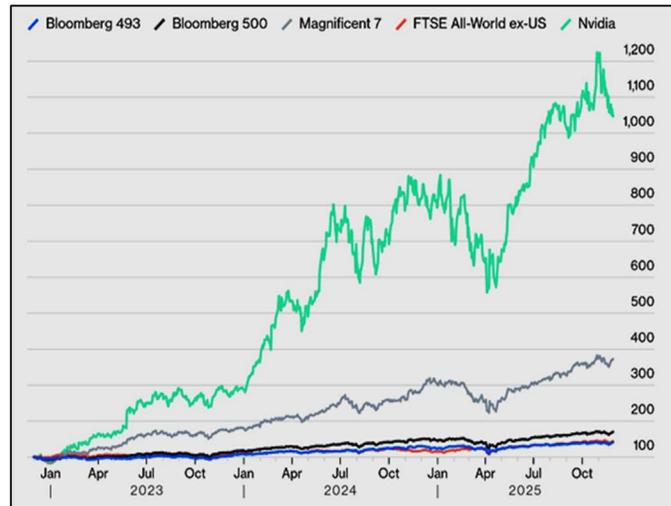
The US Bureau of Labor Statistics cancelled the November CPI release due to the federal government shutdown, saying it could not “retroactively collect” the data needed once the shutdown ended earlier this month. The agency noted it will rely on “nonsurvey data sources” to compile estimates that will be incorporated into a future report for November. The gap heightened uncertainty for policymakers, pushing investors to lean more on private gauges until official inflation figures are updated.

Asset Class Performance (USD):

As of 30 th November 2025	MTD	YTD	1 Year	3 Years*	5 Years*	10 Years*
Global Equity	0.16	21.36	18.15	18.53	12.07	11.65
Global Property	1.86	10.04	2.27	6.73	4.64	4.39
Global Bond	0.04	6.74	4.28	2.85	(3.01)	0.71
Global Cash	0.33	4.06	4.46	5.00	3.25	2.21
SA Equity	2.92	50.03	43.21	17.86	16.30	9.79
SA Property	9.00	43.71	38.13	22.97	21.24	2.64
SA Bond	4.69	33.27	27.13	15.80	10.22	8.53
SA Cash	1.76	17.52	13.22	7.46	4.13	4.48

ZAR/USD (negative = Dollar strength)	1.25	10.33	5.51	(0.31)	(2.04)	(1.66)
Gold	5.58	52.77	50.50	26.90	14.29	11.25
Brent Crude Oil	(2.87)	(14.41)	(12.90)	(9.56)	5.84	3.54

*Returns more than 1 year are annualized.



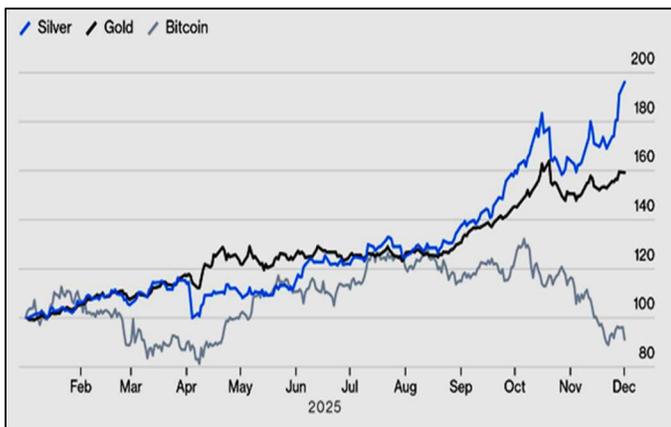
Source: Bloomberg

The Federal Reserve will hold its final policy meeting of the year on 9-10 December 2025. After two cuts earlier in 2025, one in September and another in October that lowered the target range to 3.75%-4.00%. The key question is whether policymakers deliver another reduction or pause to await clearer signals. With quantitative tightening winding down and growth slowing, the policy path is less straightforward, and Fed Chair Powell has stressed a data-dependent, flexible approach. The complication is the scarcity of official statistics: multiple releases were delayed, leaving the Fed to operate with an incomplete read on the economy. Unsurprisingly, market pricing has been volatile, with the implied odds of a December cut swinging between roughly 40% and 95% as traders parse limited data and guidance.



European markets adopted a more cautious tone in November. The ECB kept policy rates on hold but underscored rising global risks, from geopolitics to softer worldwide manufacturing. Even so, Eurozone equities edged higher, with the EURO STOXX 50 up 0.11%. Credit markets were generally stable. European investment-grade spreads tightened, though high-yield sectors, experienced mild volatility amid uncertain global demand. In Asia, Japan's Nikkei 225 slipped (4.12%) as investors took profits after October's exceptional surge to a 35-year high. Chinese equities remained choppy as momentum from earlier stimulus faded. The MSCI China Index fell just over 3% despite strong year-to-date gains, with investors refocusing on structural headwinds.

The US Dollar retraced in November, slipping (0.39%) against most major peers after October's bounce, and leaving the index down (8.39%) year-to-date. The greenback briefly printed new cycle highs during the US government shutdown, but momentum faded once funding was restored as markets pivoted toward a more dovish December outcome. Positioning also played a role, with investors trimming long-Dollar exposure as US real yields eased and volatility eased. Across commodities, returns were modest on aggregate but varied widely by sector. Precious metals led: silver outperformed and gold extended gains as safe-haven demand persisted amid policy uncertainty and elevated geopolitical risk. After a powerful multi-month run, gold's rise was more measured, finishing November up 5.58%, underpinned by ongoing central-bank accumulation. Oil, by contrast, was comparatively steady as ample global supply and OPEC+ discipline helped counterbalance Middle East headline risk, keeping benchmark prices contained through month-end.



Source: Bloomberg



Source: Morningstar (Returns more than 1 year are annualized)

Global government bonds were broadly flat in November, returning 0.04%. In a reversal of October's trend, rates markets wrestled with uncertainty stemming from missing US data and questions around the Fed's policy path. US Treasuries saw mild swings amid the shutdown, with the 10-year yield ending the month at 4.02%. The prolonged closure meant few key indicators were published, leaving a considerable gap in the data flow and fewer signals to gauge the near-term trajectory. As funding prospects improved late in the month, curves whipsawed between mild bull- and bear-steepening, reflecting a tug-of-war between soft growth signals and lingering inflation risk.

The US government ended its record 43-day shutdown on 13 November, approving stop-gap funding through end-January 2026 and buying time to negotiate a longer-term deal. The closure sidelined government economists and statisticians from early October, leaving investors without key releases for much of the autumn. By many estimates, the outage shaved a little over a tenth of a percentage point from GDP for each of its roughly six weeks, though most of that lost output is expected to be recouped in the months ahead. The first post-shutdown jobs print showed nonfarm payrolls rising by 119k versus 51k expected, while the unemployment rate ticked up to 4.4% from 4.3%, the highest since October 2021. As the first BLS report since the August count published in September, it reinforced the year's central theme: a slow, steady labour market in which firms remain cautious, reluctant to add aggressively to headcount but equally hesitant to shed workers amid an unusually uncertain backdrop.



Historic Asset Class Performance Matrix

The performance matrix below shows returns (colour coded) for the 4 main indicative sources of return per asset class and separated for SA and Global. **All performance figures here shown in ZAR.** The performances show the one-year performance of each asset class up to the displayed date (X-axis) except for the column showing YTD returns up to 30th November 2025.

	YTD	11/2025	11/2024	11/2023	11/2022	11/2021	11/2020	11/2019	11/2018	11/2017	11/2016	11/2015	11/2014
Best	SA Equity 36.2	SA Equity 35.8	SA Prop- erty 41.2	Global Equity 24.3	SA Equity 11.1	SA Prop- erty 44.3	Global Equity 21.8	Global Property 23.0	SA Fixed Income 13.1	SA Equity 22.5	SA Cash 6.8	Global Property 32.7	Global Property 31.2
	SA Prop- erty 30.4	SA Prop- erty 31.0	Global Equity 20.4	Global Cash 17.2	Global Cash 7.5	Global Property 31.0	Global Fixed Income 14.7	Global Equity 20.2	SA Cash 6.6	Global Equity 21.8	SA Fixed Income 6.1	Global Cash 30.7	SA Prop- erty 26.5
	SA Fixed Income 21.0	SA Fixed Income 20.5	SA Fixed Income 19.3	Global Fixed Income 12.6	SA Prop- erty 7.2	SA Equity 28.5	SA Fixed Income 8.0	Global Fixed Income 13.7	Global Property 4.4	SA Prop- erty 17.2	Global Equity 1.9	Global Equity 28.7	Global Equity 17.3
	Global Equity 10.2	Global Equity 12.0	SA Equity 16.0	Global Property 9.4	SA Fixed Income 6.4	Global Equity 24.1	Global Cash 6.2	SA Equity 13.1	Global Cash 3.5	Global Property 9.1	Global Fixed Income 0.7	Global Fixed Income 23.8	SA Equity 14.4
	SA Cash 6.7	SA Cash 7.3	Global Property 15.5	SA Fixed Income 8.8	SA Cash 4.7	SA Fixed Income 8.1	SA Equity 6.0	SA Fixed Income 9.0	Global Equity 0.6	SA Cash 6.9	Global Property 0.0	SA Prop- erty 16.3	SA Fixed Income 13.1
	Global Property -0.1	Global Cash -1.0	SA Cash 8.2	SA Cash 7.7	Global Equity -6.1	Global Cash 3.6	SA Cash 4.8	Global Cash 8.1	Global Fixed Income -1.2	SA Fixed Income 6.0	SA Equity -0.1	SA Equity 6.8	Global Cash 8.8
	Global Fixed Income -3.1	Global Fixed Income -1.1	Global Cash 0.5	SA Equity 4.7	Global Fixed Income -12.7	SA Cash 3.5	Global Property -6.2	SA Cash 6.6	SA Equity -12.6	Global Fixed Income 3.5	SA Prop- erty -0.8	SA Cash 5.8	Global Fixed Income 7.3
Worst	Global Cash -5.6	Global Property -3.0	Global Fixed Income -1.6	SA Prop- erty 1.4	Global Property -13.5	Global Fixed Income -0.7	SA Prop- erty -43.6	SA Prop- erty 3.0	SA Prop- erty -21.3	Global Cash -1.8	Global Cash -2.3	SA Fixed Income 1.4	SA Cash 5.3

Source: Morningstar Direct