

Monthly Market Update

Markets and economic indicators

Index	1 Month (% change)	Year to date (% change)	1 year (% change)	3-year (% change per year)
JSE Top40	-4.0	0.5	12.1	11.7
JSE Mid cap	-2.5	4.3	20.0	8.0
JSE Small cap	2.3	6.4	32.3	16.9
All Share Index (ALSI)	-3.7	0.0	13.2	11.3
All Bond Index (ALBI)	-1.7	0.1	8.4	7.5
Resources Index	-5.4	11.8	21.1	25.3
Industrial Index	-1.8	-15.4	-5.1	4.8
Financial Index	-6.4	12.5	37.8	2.7
Listed Property Index	-1.4	-2.7	12.2	-5.3
MSCI World Index*	-8.3	-12.9	-3.1	11.0
S&P 500*	8.7	-12.9	0.2	13.9
Dow Jones*	-4.8	-8.7	-0.8	9.8
FTSE 100*	-3.9	-3.9	1.9	3.1
Hang Seng Index*	-4.3	-10.1	-25.4	-0.8
Nikkei 225 Index*	-9.6	-16.4	-19.9	3.2

(Source: Fundhouse) *Returns in USD

Currency	1 Month (% change)	Year to date (% change)	1 year (% change)	3-year (% change per year)
Rand/Dollar	-8.2	0.9	-9.0	-3.3
Rand/Euro	-2.6	8.1	4.5	-1.3
Rand/GBP Pound	-3.2	8.1	1.1	-2.0

(Source: Fundhouse)

Interest rates

Repo rate	4.25%
Prime rate	7.75%

(Source: SARB)

Inflation rates (April 2022)

Headline Inflation (CPI)	5.9%
Producer Price Index (PPI)	10.5%

(Source: SARB)

April overview

In the beginning of April, President Cyril Ramaphosa announced the much-anticipated end to the country's state of disaster that was implemented on the 15th of March 2020. April also brought about one of the worst natural disasters South Africa has seen, causing great economic and social damage. Heavy rainfall and flooding in KwaZulu-Natal and parts of the Eastern Cape caused extensive damage to infrastructure and resulted in an estimated 500 deaths and the destruction of more than 5000 homes. The provincial government has estimated that infrastructure repair alone will cost about R17 billion.

Exports for March were a whopping 32% higher than in February and 10% higher than the previous record in March 2021. The sharp rise in the country's export earnings has been fuelled by further upward pressure on the prices of several of South Africa's key export commodities. At the end of April, the price of coal had more than doubled from its level of \$157 per ton at the beginning of the year.

Global markets sold off in April as uncertainty grew around the impact that ongoing inflationary pressures, the strict lockdowns in parts of China, Russia's continued attack on Ukraine, and supply chain disruptions will have on global economic growth. The broad sell-off posed a challenge to investors as there was no place to hide with even safe havens assets such as gold and US Treasuries performing poorly in April. Bond yields continued to rise, resulting in further negative returns.

Central banks across the globe increased interest rates in April. The US Federal Reserve maintained a hawkish stance and raised rates by 50 bps to a range of 0.75% to 1%, in line with market expectations. The US dollar surged to its highest level in two decades and the US Dollar Index reached new 52-week highs in April. The ongoing conflict in Ukraine continued to weigh on energy prices in April.

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