



Monthly market commentary | April 2026

Markets soared to reach new highs in April, despite the ongoing geopolitical turbulence and inflationary concerns. Tensions between the United States (US) and Iran continued to dominate headlines, with the Strait of Hormuz remaining severely disrupted, resulting in oil prices surging higher. The dominant market story was that of renewed confidence as global equities staged a powerful risk-on rally, primarily driven by a rotation back into artificial intelligence (AI) stocks.

Technology and financials drove a strong earnings season in developed markets, with the S&P 500 ending the month with its first positive return in three months, up 10.5%¹ in US dollar (USD) terms. The Nasdaq Composite also followed suit, moving higher and adding a commendable 15.3%¹ in USD terms. For investors who had rotated out of these markets during the geopolitical tensions, which commenced in February, April represented a sharp reversal.

Japan's TOPIX also participated in the risk-on move but was limited by its bounded direct exposure to the AI theme, up 8.2%¹ in USD terms for the month. Global equities (MSCI ACWI) were back up after a volatile and negative March, returning 10.2%¹ in USD terms, for a return of 31%¹ over the last 12 months in USD terms.

Emerging markets (MSCI EM) were the standout performers again, outperforming their developed market counterparts for the third time this year, up 14.7%¹ in USD terms. Gains were mostly concentrated in Taiwan and South Korea, where the AI semiconductor supply chain is most deeply embedded. Global property (FTSE EPRA Nareit) also recovered well after a volatile March, clawing back most of the previous month's losses, up 8.5%¹ in USD terms.

Global bonds (FTSE WGBI) lagged to end the month 1.1%¹ higher in USD terms, amid volatile equity markets and inflation concerns due to higher energy prices. The rand saw a mix of gains and losses, remaining resilient to end the month 2.4%¹ stronger against the USD.

Local equities (FTSE/JSE Capped All Share) lagged both emerging market peers and developed markets, up 1.6%¹ for the month, and are still comfortably in positive territory over the last 12 months, returning 30.8%¹. The Resources sector lost further ground, after the significant sell-off in March, ending the month 2.3%¹ lower, but still positive over the last 12 months, with a notable return of 82.8%¹. Industrials also ticked up, ending the month 2.3%¹ higher. Financials followed suit but were unable to fully recoup March's losses, up 4.4%¹ for the month. Listed property (FTSE/JSE All Property) was the best performing sector in April, up 5.8%¹ for the month, for a return of 26.8%¹ over the last 12 months.

Local bonds (FTSE/JSE All Bond) rebounded firmly, outperforming global peers despite the impact from increasing inflation concerns, ending the month 3.3%¹ higher for a return of 22.2%¹ over the last 12 months. Bonds in the one to 3-year spectrum contributed the least, marginally up 0.6%¹ for the month. Longer-dated instruments in the three to 7-year and seven to 12-year maturities ended the month 1.6%¹ and 3.2%¹ higher, respectively, while bonds in the 12+ year spectrum were the best performers, ending the month 4.8%¹ higher. Local cash (STeFI Composite) was 0.5%¹ higher in April and 7.2%¹ over the last 12 months.

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