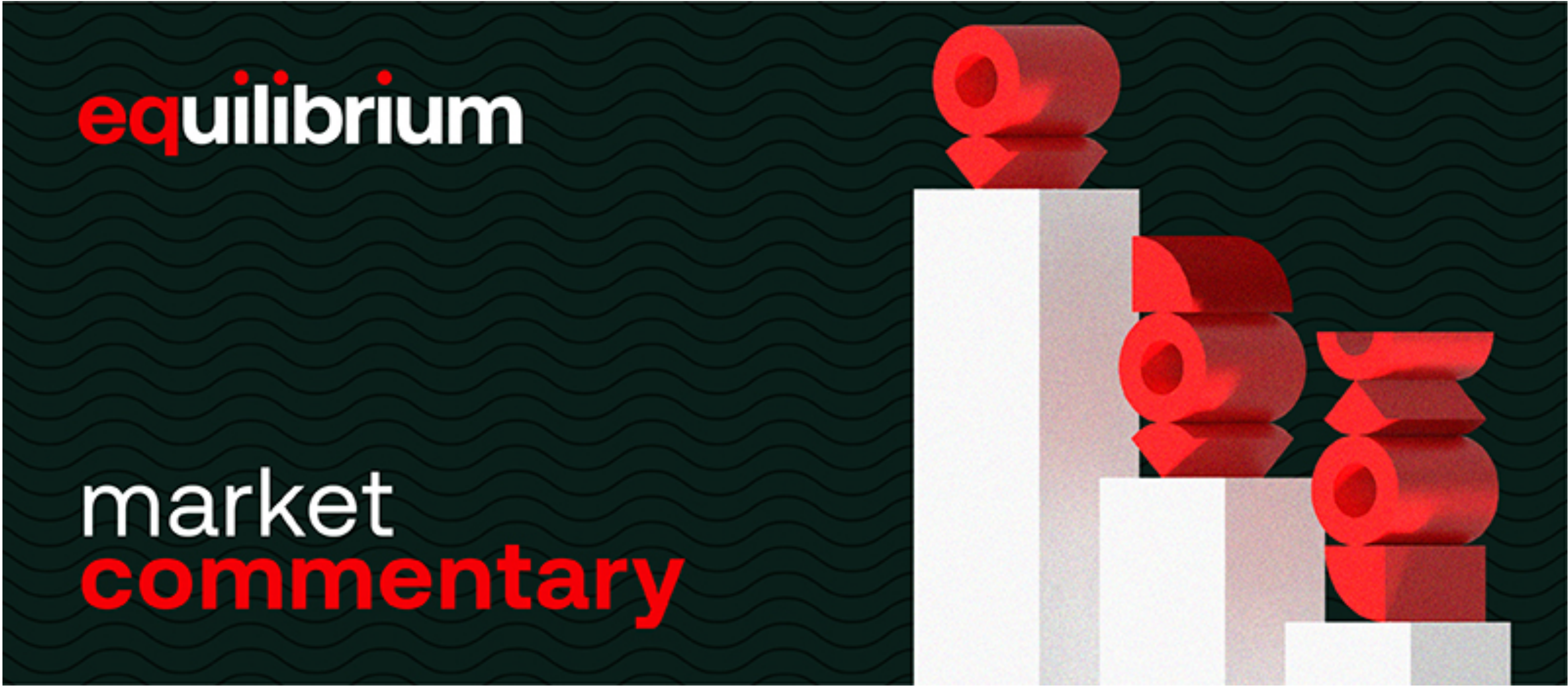

Monthly market commentary | November 2025

Global markets took a breather in November from the strong returns in previous months, closing broadly flat across the board. The longest US government shutdown ended during the month, lasting 43 days, with market uncertainty regarding the ambiguous data environment, impact on growth and the progress of monetary policy weighing heavily on sentiment. Emerging markets equities (MSCI EM) recorded their worst month in a year and underperformed their developed market counterparts, ending the month 2.4%[1] lower in US dollar (USD) terms. Developed market equities (MSCI World) ended the month 0.3%[1] higher in USD terms.

Strong results from US technology company, NVIDIA, weren't sufficient to put to rest concerns regarding high valuations and fears of overly optimistic profit expectations surrounding the AI ecosystem in the broader US market. Most of the companies in the S&P 500 beat consensus earnings, with the S&P 500 closing the month marginally higher, up 0.2%[1] in USD terms. The Nasdaq Composite delivered its first negative return in eight months, down 1.4%[1] in U.S. dollar terms.

Brazil (MSCI Brazil) drove emerging market returns higher, up 7.7%[1] for the month in USD terms. Following strong performance in the third quarter, the Chinese Index (MSCI China) returned a consecutive negative figure, ending the month 2.5%[1] lower in USD terms. This was primarily due to the continued US-China trade tensions, weak local demand and underwhelming manufacturing and service sector growth. Global property (FTSE EPRA Nareit) was up 2%[1] in USD terms for the month.

Global fixed income markets struggled due to the uncertainty created by the lack of data from the US and the vague future policy path of the US Federal Reserve (Fed). By the end of November, the motion leaned more towards favouring a cut in the Fed interest rate at the next meeting in December. US Treasury yields fell, driven by the Fed's previous interest rate cut and easing inflation expectations. Overall, global bonds (FTSE WGBI) delivered a positive return of 0.3%[1] in USD terms in November. The rand strengthened by 1.5%[1] against the USD.

Local equities (FTSE/JSE Capped SWIX) outperformed both their developed and emerging market counterparts, ending the month 2.3%[1] higher and remains ahead on a yearly basis, delivering a return of 36%[1] over the last 12 months. The Resources sector was up 9.6%[1] for the month while Financials delivered 2.6%[1]. Industrials ended the month 4.8%[1] lower. Listed property (ALPI) was the standout performer, up 7.8%[1] for the month and 31.3%[1] over the last 12 months.

Local bonds (FTSE/JSE ALBI) benefited from the strong global backdrop as well as local drivers, the Medium-Term Budget Policy statement also aligned with the market's optimistic expectations, delivering a positive return of 3.4%[1] for November and 20.5%[1] over the last 12 months. The most significant contribution was again from bonds in the 12+ year spectrum, delivering a return of 5.4%[1]. Local cash (STeFI) was 0.6%[1] higher for the month and 7.6%[1] over the last year.

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