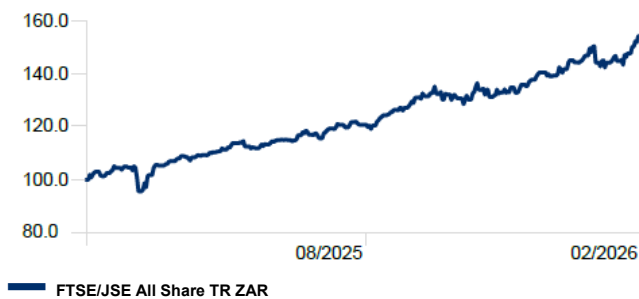


## PCAM Perspectives: Monthly market review

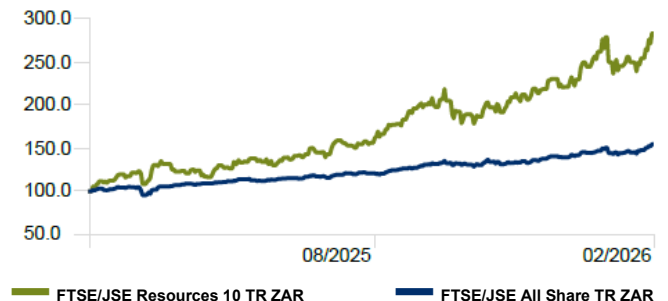
March 2026

by PCAM Investment Team

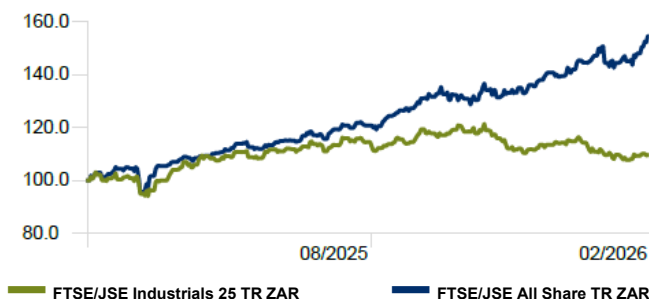
**All Share: 2025/03/01 to 2026/02/28**



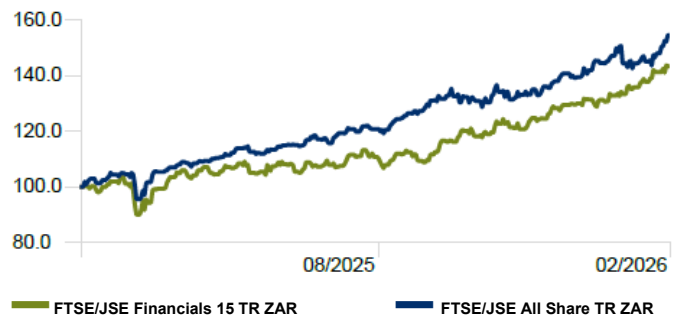
**Resources: 2025/03/01 to 2026/02/28**



**Industrials: 2025/03/01 to 2026/02/28**



**Financials: 2025/03/01 to 2026/02/28**



### Local market: Budget optimism & structural reform propel local equities forward in February

February saw continued strength across the local market, with the JSE ALSI (All Share Index) recording another consecutive month of strong gains. Commodities, particularly precious metals, were a key driver, with gold and platinum prices advancing 11% and 12.5%, respectively, leading precious metal names higher as well as the JSE Resources Index (+13.4%).

Broad-based advances were evident with the JSE Financials Index, JSE Property Index and JSE Mid Cap Index closing 7.4%, 6.3% and 5.4% higher, respectively, in February. Notable contributors within the financials index came from Nedbank (+18.7%) and Discovery Limited (+11.1%), following the release of favourable trading updates from both companies. Nedbank's trading statement exceeded bearish market expectations and Discovery reported stronger-than-expected growth across its core operations, guiding HEPS (headline earnings per share) growth within the range of 24% - 29%, well ahead of Bloomberg's consensus forecast of 14% y/y (year over year). A supportive domestic economic backdrop and improved investor sentiment further underpinned gains across local financial counters and the broader market, contributing to a firmer rand, which closed February at R15.92/\$ and R21.15/GBP.

## Retail sales and headline inflation data

December 2025 retail sales data, released in February, showed 2.6% y/y growth, marking the slowest pace since August 2025. This moderation occurred despite overall retail sales for the year remaining relatively strong, with 3.7% growth recorded for 2025. While December typically benefits from a festive season spending surge, the softer outcome suggests that consumer spending may have been front-loaded, as shoppers took advantage of Black Friday and earlier festive season promotions, thereby diluting the traditional December peak. In addition, a shift in consumer spending behaviour among South African consumers has become increasingly evident, particularly with a growing share of spending directed towards gambling, which has created a more challenging environment for local retailers. Despite these pressures, consumer purchasing power during 2025 received some support from a lower inflationary environment and a stronger rand, which helped sustain retail activity throughout the year.

From an inflation perspective, January headline inflation ticked slightly higher to 3.5% y/y, marginally above the 3.4% consensus forecast, but still broadly in line with the SARB's (South African Reserve Bank's) medium-term target range (2% - 4%). The modest upside surprise was mainly driven by persistent pressures in core inflation, with meat and vegetable prices contributing most to the uptick. Nevertheless, declining fuel prices continued to provide some relief, with fuel costs falling 3.4% m/m (month-on-month) and 3.7% y/y, supporting the containment of overall inflation.

## The South African budget delivers a fiscal turning point

During the month, Enoch Godongwana, South Africa's Minister of Finance, delivered South Africa's 2026 Budget speech. This was the first budget since 2008 where public debt, as a percentage of GDP, has been projected to stabilise. National Treasury forecasts that public debt will decline from 78.9% of GDP in 2025/2026 to 76.5% by 2028/2029, marking a key fiscal turning point.

In his address, Godongwana emphasised that the medium-term fiscal framework will be anchored by primary surpluses, with a primary surplus of 0.9% of GDP projected for 2025/2026. National Treasury also plans to introduce principles-based obligations to anchor fiscal sustainability in law.

Additionally, several measures are expected to provide relief for South Africans. A major budget headline was the removal of the previously proposed R20 billion tax increase. This was due to improved revenue collection, driven by the recent upswing in commodity prices, which provided National Treasury with additional fiscal space to withdraw the initial proposal.

Furthermore, for the first time since the 2023/24 financial year, National Treasury adjusted personal income tax brackets for inflation to address inflationary tax bracket creep, while medical tax credits were also increased. In addition, significant relief was proposed for small businesses, including an increase in the VAT compulsory registration threshold from R1 million to R2.3 million.

Overall, financial markets responded positively to the fiscally conservative budget. The rand strengthened, bond yields declined and equities moved higher, reflecting improved investor confidence in the budget's conservative consolidation stance, as well as the relief measures aimed at supporting consumers and small businesses.

## Global markets: From AI fears to a full-blown war in the Middle East

Offshore markets continued to see flows directed toward the emerging markets space, with the MSCI EM Index (Emerging Markets Index) climbing 5.5%, outperforming developed market peers, which gained 0.8% in February. Global software businesses continued their selloff in February amid heightened concerns around the potential disruption that Agentic AI and Anthropic's Claude models may pose to traditional software businesses as well as software consulting firms. Investors increasingly questioned the longevity of the competitive "moats" underpinning these business models. As a result, tech-heavy indices traded broadly lower during February, with the Nasdaq Composite and the tech-heavy Hang Seng Index declining 3.3% and 2.8%, respectively. Individual counters, which sold off as a result of this negative sentiment included Microsoft (-8.7%), Oracle (-11.7%) and Accenture (-20.8%).

Global markets also continued to experience tariff-related uncertainty during the month following the US Supreme Court ruling against the use of the IEEPA (International Economic Emergency Powers Act) to justify Trump's April 2025 reciprocal tariffs. The ruling has reshaped the narrative around tariff risk, as it could potentially allow businesses to claim refunds on tariffs already paid, while also opening the door to further legal and policy uncertainty regarding the implementation of future trade measures.

## Middle East conflict

The final weekend of February delivered another dramatic twist in global geopolitics. Tensions in the Middle East escalated sharply after the US launched missile strikes on key Iranian leadership and command as well as military facilities, triggering full-scale regional conflict.

In response, Iran carried out retaliatory attacks, further intensifying instability across the Middle East and escalating the tensions into a full-blown war. The conflict spread into the United Arab Emirates and the Persian Gulf region, heightening fears of the continuation of the broader confrontation as Israel entered the conflict alongside the US.

Energy infrastructure quickly became a focal point. Qatar, one of the world's largest exporters of liquefied natural gas (LNG), was forced to halt production after Iranian drone strikes targeted critical facilities at Ras Laffan Industrial City and Mesaieed Industrial City. The disruption sent European gas prices soaring more than 39% (following the news flow) driven by concerns over supply interruptions and the strategic transport route through the Strait of Hormuz.

Oil markets faced similar pressure. Saudi Arabia's Ras Tanura Refinery was reportedly shut down following a drone attack. Additional closures at oil and gas facilities in Iraqi Kurdistan and Israel increased concerns over an imminent tightening of the global oil supply. When global markets opened the following Monday, investors reacted nervously. Oil prices surged, while gold climbed sharply as markets absorbed the shock of a weekend that once again was reshaping the global geopolitical landscape.

## Fun fact for the month of February

Countries where stock market capitalisation exceeds government debt have historically outperformed countries where government debt is larger than the stock market capitalisation (Taylor, 2026). According to Taylor 2026, there are two primary explanations for this relationship.

Firstly, strong financial markets may actively contribute to economic growth. When stock prices rise, companies can raise additional capital by issuing shares at a higher price. This enables them to invest in expansion, increase productivity and improve profitability, which in turn further boosts market capitalisation.

Secondly, the causality may run in the opposite direction. Strong economic growth and rising corporate profits can drive higher share prices, thereby increasing overall stock market capitalisation. In practice, the relationship is likely mutually reinforcing, with growth and market performance supporting one another.

**Source:** Five financial eras: How financial markets transformed the world, Bryan Taylor, 2026

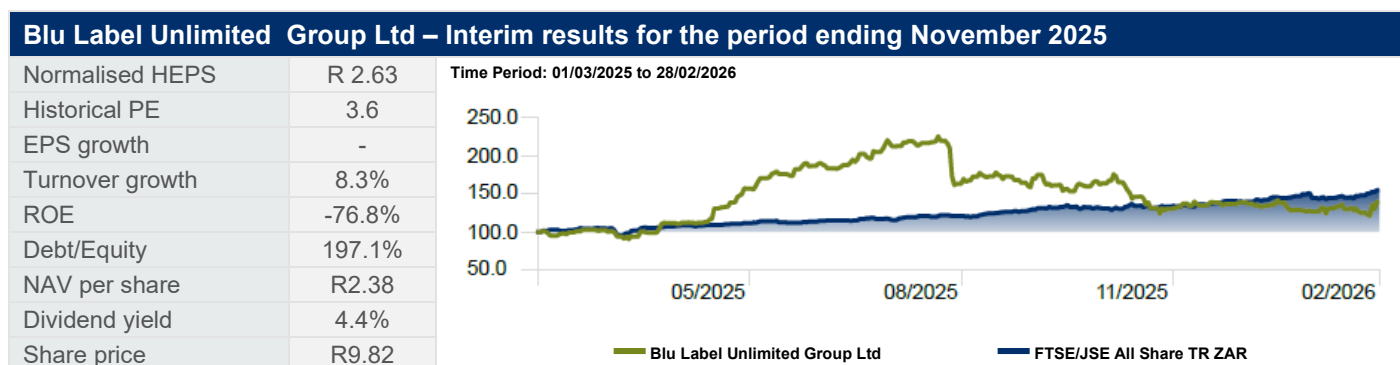
## Market indicators

Index	Value		Feb (%)		YTD (%)
All Share	128,456	▲	7.0%	▲	11.0%
S&P 500	6,879	▼	-0.8%	▲	0.7%
FTSE 100	10,911	▲	7.0%	▲	10.2%
Rand/USD	15.92	▼	-0.7%	▼	-3.9%
Rand/GBP	21.40	▼	-2.8%	▼	-4.0%
Gold (\$)	5,231	▲	11.0%	▲	20.9%
Platinum (\$)	2365.60	▲	12.5%	▲	16.3%
Brent Crude (\$)	72.48	▲	2.5%	▲	19.1%

## CCM rates

		INDIVIDUALS	NON-FINANCIAL ENTITIES	FINANCIAL ENTITIES
Fund	Balance	NET RATE	NET RATE	NET RATE
CALL ACCOUNT (ZAR):	0.00 – 9 999.99	4.80%	4.50%	4.10%
	10 000 – 24 999.99	5.30%	5.00%	4.60%
	25 000 – 49 999.99	5.55%	5.25%	4.85%
	50 000 – 99 999.99	5.80%	5.50%	5.10%
	100 000 – 249 999.99	5.95%	5.65%	5.25%
MONEY FUND (ZAR):	250 000 – 999 999.99	6.18%	5.88%	5.48%
	1 000 000 – 9 999 999.99	6.28%	5.98%	5.58%
	10 000 000 upwards	6.38%	6.08%	5.68%
PRIME MONEY FUND (ZAR):	1 000 000 – 25 000 000	6.90%	NA	NA
	25 000 000 upwards	6.70%	NA	NA
FCA ACCOUNT (USD):	0.1 - 10 000	0.00%	NA	NA
	10 0001 upwards	2.00%	NA	NA

## Company results



## Nature of business

Blu Label Unlimited Group Ltd. engages in the virtual distribution of secure electronic tokens of value and transactional services. It operates through the following segments: Africa Distribution, Solutions and Corporate. The Africa Distribution segment includes the distribution of prepaid airtime, starter packs and electricity of the South African network operators and utility suppliers as well as the distribution of ticketing, universal vouchers, handsets, tablets and other devices within South Africa and certain African countries. The Solutions segment focuses on marketing cellular and financial products and services through outbound telemarketing and other channels and providing inbound customer care, technical support, market data and analytics services. The Corporate segment performs the head office administration function. The company was founded by Mark Steven Levy and Brett Marlon Levy in 2001 and is headquartered in Johannesburg, South Africa.

## Latest results

Blu Label' s most recent trading update was, as expected, largely dominated by the strategic restructuring and separate listing of Cell C. As a result of this restructuring, EBITDA swung from a R8.6 billion profit in the comparable period (HY 2025) to a R4.1 billion loss (HY 2026), culminating in a R5 billion bottom-line loss. This was primarily driven by the loss experienced when the Group reduced its controlling stake in Cell C to a non-controlling interest during Cell C's IPO in November 2025.

Importantly, looking through the numbers, management has emphasised (as part of the restructuring) that these significant financial swings are IFRS-driven accounting impacts, non-operational in nature and stem from the disposal and separate listing of Cell C rather than the underlying operational trading performance of the core business.

On a normalised basis, the core business delivered strong operational performance. Revenue came in at R5 billion, while effective gross transaction value increased 11% to R50.9 billion. Gross profit reached R1.35 billion, with EBITDA

of R535 million and net income of R389 million, reflecting continued resilience in the underlying operations of the business.

Strategically, BluEnergy (a subsidiary of Blu Label Unlimited) secured a multi-year NERSA energy trading licence. This positions the group to participate in South Africa’s evolving power market reforms and reinforces management’s strategic pivot towards infrastructure and enablement programmes. Encouragingly, the management team, which is founder led and holds significant stakes in Blue Label, is materially aligned with shareholder interests. This provides a degree of comfort during this restructuring phase. Once the dust settles following the Cell C IPO, the Group is expected to emerge with a cleaner balance sheet, simplified corporate structure and greater earnings visibility, positioning the business to unlock meaningful shareholder value over time.

## Dividend

BLU’s most recent interim results release for the period ending November 2025, showed management declaring an interim dividend of 43.56 ZARc per ordinary share, reflecting their confidence in the Group’s current financial position and future cash generating ability, despite the losses from the restructuring and separate listing of Cell C.



## Nature of business

Amazon.com Inc. is a multinational technology company, which engages in the provision of online retail shopping services. It operates through the following segments: North America, International and Amazon Web Services (AWS). The North America segment offers the retail sale of consumer products (including that from sellers) as well as advertising and subscription services through North American-focused online and physical stores. The International segment focuses on the retail sale of consumer products (including sellers) and advertising and subscription services through internationally focused online stores. The AWS segment is composed of the global sale of computers, storage, databases and other services for start-ups, enterprises, government agencies and academic institutions. The company was founded by Jeffrey P. Bezos in July 1994 and is headquartered in Seattle, WA.

## Latest results

Amazon recently delivered a reasonable set of financial results. Group revenue, excluding currency movements, grew 12% y/y. In the fourth quarter of 2025, Amazon Web Services (AWS) revenue increased by 24% y/y to \$35.6 billion. This represented a significant acceleration from the 19% growth recorded in Q4 2024 and was the segment’s fastest growth rate in 13 quarters. As a higher-margin business, AWS continued to make a meaningful positive contribution to overall operating profit.

Although the company has faced increasing competition from lower-cost platforms such as Temu and Shein, management has focused on driving efficiency through robotics and automation. By minimising fulfilment and logistics costs, Amazon aims to strengthen its cost structure and maintain its speed of delivery. According to management, this operational efficiency and velocity represent a key competitive moat that lower-cost peers struggle to replicate.

More notably, Amazon raised its capital expenditure guidance for 2026 to \$200 billion, roughly 50% more than the amount spent in 2025. This has renewed concerns about the scale of investment being directed towards data centre expansion. Nevertheless, management highlighted a sustained and growing backlog, which increased 40% y/y to reach \$244 billion, supporting the case for continued infrastructure investment to keep up with demand.

## Dividend

Amazon currently does not pay a dividend. Management has alluded to using capital to deploy into AI infrastructure, signalling a strategic focus on positioning the business to benefit from the growing demand for AI-related capabilities.

## Snippets

### PCH Insight newsletter Vol 36

The 36<sup>th</sup> edition of our PCH Insight newsletter provides a snapshot of all the service pillars at Private Client Holdings and what our team members have been up to over the past few months. We are proud of our wonderful team and their fantastic achievements. [READ MORE HERE](#)

## Dividends payable

### Dividends in LDT order

Company	Decl	LDT	Pay	Amt	Curr
BHP Group Ltd. (BHP)	17-Feb	03-Mar	26-Mar	73	USDc
South32 Ltd. (SOUTH32)	12-Feb	03-Mar	02-Apr	3.9	USDc
The Foschini Group Ltd. (TFG PREF)	07-Nov	03-Mar	09-Mar	6.5	ZARc
Anglo American plc (ANGLO)	20-Feb	10-Mar	06-May	16	USDc
AngloGold Ashanti plc (ANGGOLD)	20-Feb	10-Mar	27-Mar	173	USDc
Caxton and CTP Publishers and Printers Ltd. (CAXTON)	20-Feb	10-Mar	16-Mar	100	ZARc
City Lodge Hotels Ltd. (CITYLDG)	19-Feb	10-Mar	16-Mar	8	ZARc
DRDGOLD Ltd. (DRDGOLD)	18-Feb	10-Mar	16-Mar	50	ZARc
Gold Fields Ltd. (GFIELD5)	19-Feb	10-Mar	16-Mar	1850	ZARc
Gold Fields Ltd. (GFIELD5)	19-Feb	10-Mar	16-Mar	450	ZARc
Kumba Iron Ore Ltd. (KUMBA)	19-Feb	10-Mar	16-Mar	1543	ZARc
Pan African Resources plc (PAN-AF)	18-Feb	10-Mar	17-Mar	0.55	GBPp
Exchange Traded Funds (RFIAME5F)	03-Mar	10-Mar	16-Mar	1.17	ZARc
Transpaco Ltd. (TRNPACO)	18-Feb	10-Mar	16-Mar	70	ZARc
FirstRand Namibia Ltd. (FNB HOLDINGS)	19-Feb	13-Mar	02-Apr	221.77	NADc
Blu Label Unlimited Group Ltd. (BLU)	25-Feb	17-Mar	23-Mar	43.56	ZARc
Discovery Ltd. (DSY B P5REF)	27-Feb	17-Mar	23-Mar	528.77	ZARc
Italtile Ltd. (ITLTILE)	02-Mar	17-Mar	23-Mar	24	ZARc
Sibanye Stillwater Ltd. (SIBANYE-S)	20-Feb	17-Mar	23-Mar	131	ZARc
Spur Corporation Ltd. (SPURCORP)	24-Feb	17-Mar	23-Mar	120	ZARc
Truworths International Ltd. (TRUW5THS)	26-Feb	17-Mar	23-Mar	321	ZARc
Bowler Metcalf Ltd. (BOWCALF)	03-Feb	24-Mar	30-Mar	29	ZARc
Bid Corporation Ltd. (BIDCORP)	25-Feb	24-Mar	30-Mar	615	ZARc
British American Tobacco plc (BATS)	12-Feb	24-Mar	07-May	61.26	GBPp
The Bidvest Group Ltd. (BIDVEST)	02-Mar	24-Mar	30-Mar	495	ZARc
Hammerson plc (HAMMERSON)	25-Feb	24-Mar	08-May	8.56	GBPp
Mondi plc (MONDIPLC)	19-Feb	24-Mar	07-May	4.92	EURc
Motus Holdings Ltd. (MOTUS)	25-Feb	24-Mar	30-Mar	300	ZARc
Shoprite Holdings Ltd. (SHOPRIT)	03-Mar	24-Mar	30-Mar	307	ZARc
Valterra Platinum Ltd. (VALTERRA)	25-Feb	24-Mar	30-Mar	2300	ZARc
Valterra Platinum Ltd. (VALTERRA)	25-Feb	24-Mar	30-Mar	2000	ZARc
AECI Ltd. (AECI)	25-Feb	30-Mar	07-Apr	128	ZARc
Discovery Ltd. (DISCOVERY)	03-Mar	30-Mar	07-Apr	111	ZARc



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