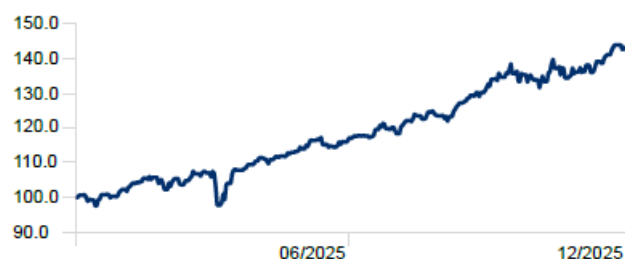


## PCAM Perspectives: Monthly market review

January 2026

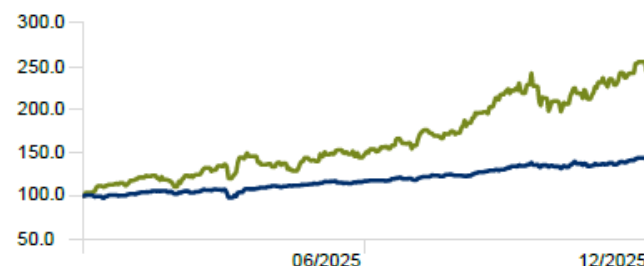
by PCAM Investment Team

All Share: 2025/01/01 to 2025/12/31



FTSE/JSE All Share TR ZAR

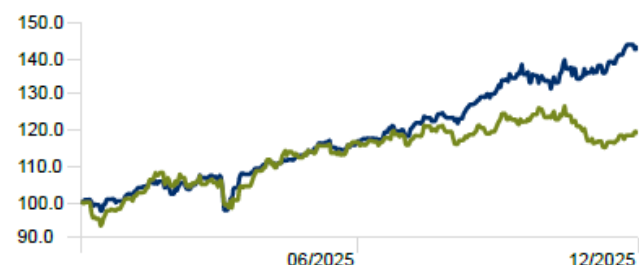
Resources: 2025/01/01 to 2025/12/31



FTSE/JSE Resources 10 TR ZAR

FTSE/JSE All Share TR ZAR

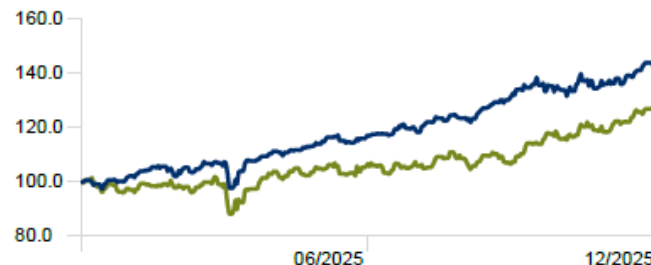
Industrials: 2025/01/01 to 2025/12/31



FTSE/JSE Industrials 25 TR ZAR

FTSE/JSE All Share TR ZAR

Financials: 2025/01/01 to 2025/12/31



FTSE/JSE Financials 15 TR ZAR

FTSE/JSE All Share TR ZAR

### Local markets: A constructive 2025

The JSE ALSI (All share index) closed 2025 on a firm footing, delivering a 4.6% gain in December and setting a constructive tone to kickstart 2026. Mining stocks were the dominant driver of returns, particularly platinum miners, following a 21.3% spike in the platinum spot price in December. This price strength lifted local mining counters with the likes of Implats (+22.2%), Northam (+10.3%), and Sibanye Stillwater (+8.8%) trading higher into the close of the year.

Platinum prices rose significantly in 2025, driving platinum miners shares higher. These companies benefit from operational leverage to the underlying commodity price, allowing them to adjust production levels in response to PGM prices. Implats, Northam and Sibanye Stillwater rose 201.2%, 249.5%, and 303.9% respectively over the year. This was underpinned by renewed demand for platinum from the automotive and jewellery sectors, as well as increased investor appetite for hard commodities amid heightened geopolitical tensions.

Gold miners experienced a quieter December, with more modest share price movements. AngloGold Ashanti declined 0.8% m/m (month over month), while Harmony and Gold Fields edged higher by 0.9% and 1%, respectively. Despite the more subdued month, gold counters delivered exceptional returns in 2025, with AngloGold Ashanti up 258.2%, Gold Fields gaining 202.6% and Harmony rising 126.6%. Gold prices were supported by policy uncertainty, sustained central bank buying and diversification away from US Treasuries as investors' concerns around the US fiscal deficit became rife.

Beyond commodities, several other sectors also delivered notable returns for South African investors. Telecommunication stocks featured prominently among the top performers, with Telkom and MTN rising 77.1% and 90.4% y/y (year-over-year). Telkom's rally was supported by disposing of noncore assets, improved operational performance and a streamlined, data-focused strategy that proved increasingly profitable. MTN also delivered strong returns as its long-term investments across Africa started to pay off, easing earlier investor concerns around the scale of capital deployment in the region with limited visibility on profitability.

Local REITs were also among the standout performers in 2025, benefiting from a more supportive economic backdrop, operational improvements and stronger balance sheets. These factors contributed to attractive dividend yields and re-ratings across several listed property names. Growthpoint Properties and Resilient REIT were the top performers ending the year 47.6% and 47.5% higher.

In the healthcare sector, Aspen Pharmacare delivered a December rally after a subdued year for the stock, climbing 24% in December, yet still down 27.6% by year end. The share price reacted positively to the announcement of the planned sale (upon shareholder approval) of its Asia-Pacific operations (excluding China) to Australian firm, BGH Capital, at a premium valuation with the transaction valued at R26.5 billion.

### **Domestic economic conditions: A review of 2025**

On the macro front, South Africa's economic backdrop improved meaningfully over the course of 2025. Inflation trended lower, with November headline inflation easing to 3.5% y/y from 3.6% in October, while core inflation remained relatively stable at 3.2%. The improving inflationary environment allowed the SARB (South African Reserve Bank) to establish a new inflation target of 3% and deliver cumulatively 100bps (basis points) of interest rate cuts during the year.

Structural reforms under Operation Vulindlela gained traction in 2025, with tangible progress at Eskom, Transnet and South African ports bolstering confidence in the domestic economic outlook heading into 2026. Investor sentiment was further strengthened by South Africa's removal from the FATF (Financial Action Task Force) grey list and the country's first upgrade to its foreign-currency sovereign credit rating by the S&P in nearly two decades. These positive outcomes were reflected in the financial account, which recorded a net capital inflow of R67.4 billion in the third quarter of 2025, driven by direct investment, portfolio inflows and reserve asset accumulation as non-residents increased purchases of domestic debt securities. Financial markets responded favourably, with the local bond market rallying throughout 2025 on the back of these structural improvements, easing monetary policy and stronger fiscal dynamics.

These developments, alongside the rally in commodity prices, led to a notable strengthening of the rand, which outperformed many peer currencies in 2025 despite broader US dollar weakness.

### **Global markets: From fear to greed, a positive end to 2025 for global markets**

2025 was characterised by heightened geopolitical and policy uncertainty, alongside elevated equity valuations. Despite these headwinds, global financial markets delivered another year of strong performance, with the MSCI World Index reaching record highs and closing the year up 21.6%. Notably, emerging markets significantly outperformed developed markets. The MSCI Emerging Markets Index gaining 34.4% over the year, reversed several years of relative underperformance to developed market peers. The year was also marked by a substantial weakening in the US dollar, with the dollar index declining 9.4% over the course of 2025.

AI (Artificial Intelligence) remained the dominant investment theme throughout the year and continued to drive US equity markets higher. However, despite the ongoing enthusiasm around AI, investor sentiment towards large global technology stocks softened as valuations became increasingly stretched. As a result, only two of the "Magnificent Seven" stocks outperformed the S&P 500 in 2025, namely Alphabet (+65.3%) and Nvidia (+38.9%).

A significant portion of market attention during the year focused on Trump's trade policy proposals, which brought increasing market volatility, particularly in the first half of 2025. While investors were initially concerned about the potential inflationary impact of renewed trade tensions, these fears did not materialise meaningfully. This allowed the US Federal Reserve to continue along its rate-cutting path.

In the latter part of the year, investor focus shifted towards the key drivers of the Federal Reserve's policy decisions. Inflation concerns related to tariffs became less prominent, while increasing attention was paid to signs of a slowing US labour market. These concerns were amplified by a sudden US government shutdown after Congress failed to pass a government spending bill. The shutdown lasted longer than anticipated, complicating policy decision-making due to the temporary unavailability of labour market data. Nonetheless, by year-end, the government had resumed operations and the Federal Reserve continued its easing cycle, lowering the federal funds rate to a range of 3.5%-3.75% in December.

## Economic outlook for 2026

Global investment banks remain broadly constructive on the outlook for global growth in 2026. Goldman Sachs expects the US economy to outperform consensus forecasts, supported by easier financial conditions and a smaller-than-expected drag from trade tariffs. These easier financial conditions are further underpinned by anticipated tax cuts, with consumers expected to receive approximately \$100 billion in tax refunds in early 2026.

The outlook for China remains more mixed. On the positive side, some analysts argue that China has successfully mitigated the impact of trade tariffs in 2025 and continues to demonstrate its ability to produce increasingly high-quality goods at competitive prices. This is expected to support robust growth in the Chinese manufacturing sector. Conversely, other market participants remain cautious, pointing to ongoing weaknesses within parts of the domestic Chinese economy. In particular, the continued drag from the property sector downturn is expected to weigh on Chinese GDP growth in 2026.

In Europe, Germany announced a substantial fiscal spending programme in 2025, with a strong emphasis on defence spending and infrastructure development. This was accompanied by broader commitments across Europe to increase defence spending to 3.5% of GDP by 2035. This fiscal stimulus has the potential to enhance productivity and gradually feed into improved economic outcomes across the region. These developments have filtered into equity markets, particularly within the defence sector, with shares of Rolls-Royce and Rheinmetall rising by 104% and 155%, respectively in 2025.

## Geopolitics

In early January 2026, the US military conducted a strike in Venezuela that resulted in the capture of President Nicolás Maduro and his wife, Cilia Flores, following federal indictments in the US on narcotics and related charges. The operation, described by the US government as targeting narco-terrorism networks, involved coordinated strikes on military sites and the extraction of Maduro, who was flown to the US to face trial. The intervention, one of the most significant US military actions in Latin America in decades, has drawn international criticism for potentially violating international law and Venezuelan sovereignty, even as some US officials defended the action as necessary to disrupt transnational criminal activity.

Markets have reacted primarily through volatility in oil prices, given Venezuela's status as one of the world's largest holders of proven oil reserves. Cuba who has historically been reliant on subsidised Venezuelan oil and economic support, now faces economic strain amid the disruption to this longstanding supply dynamic.

## Fun fact for the month of December

The S&P 500 has historically been the global equity market of choice for investors pursuing superior returns. In 2025, that narrative broke down, with the index emerging as one of the worst-performing major global equity markets for the first time in 20 years. In contrast, equity markets across Europe, China and broader Asia delivered materially stronger returns in US dollar terms, signalling a meaningful rotation away from US equity dominance.

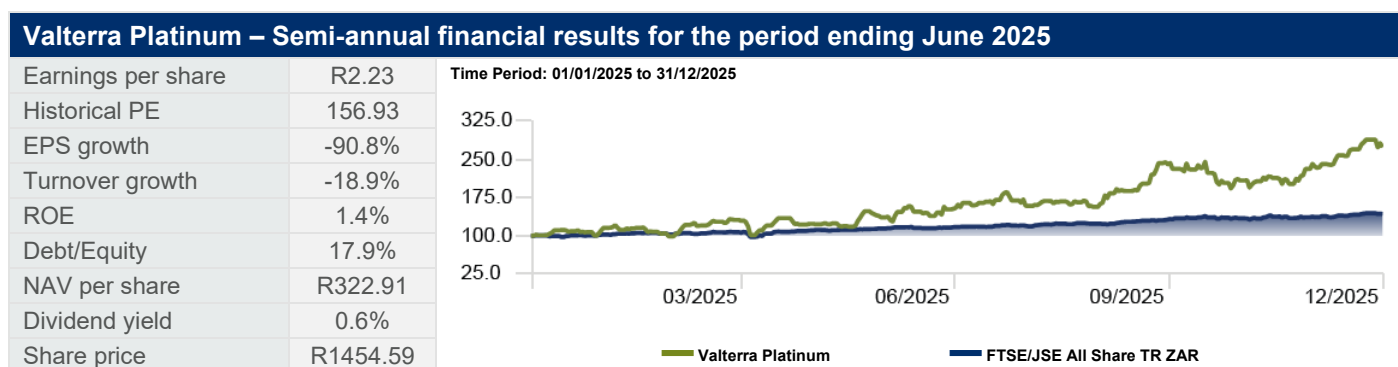
## Market indicators

Index	Value		Dec (%)		YTD (%)
All Share	115,832	▲	4.6%	▲	42.4%
S&P 500	6,846	▲	0.1%	▲	17.9%
FTSE 100	9,931	▲	2.3%	▲	25.8%
Rand/USD	16.57	▼	-3.3%	▼	-12.2%
Rand/GBP	22.287	▼	-1.8%	▼	-5.7%
Gold (\$)	4,326	▲	2.5%	▲	64.5%
Platinum (\$)	2034.5	▲	21.3%	▲	127.6%
Brent Crude (\$)	60.85	▼	-3.7%	▼	-18.5%

## CCM rates

		INDIVIDUALS	NON-FINANCIAL ENTITIES	FINANCIAL ENTITIES
Fund	Balance	NETT RATE	NETT RATE	NETT 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

Valterra Platinum Ltd. is a holding company, which engages in the supply of platinum group metals. The firm specialises in mined, recycled, and traded metal which include palladium, platinum, rhodium, ruthenium, iridium, and osmium. The company was founded on July 13, 1946, and is headquartered in Johannesburg, South Africa.

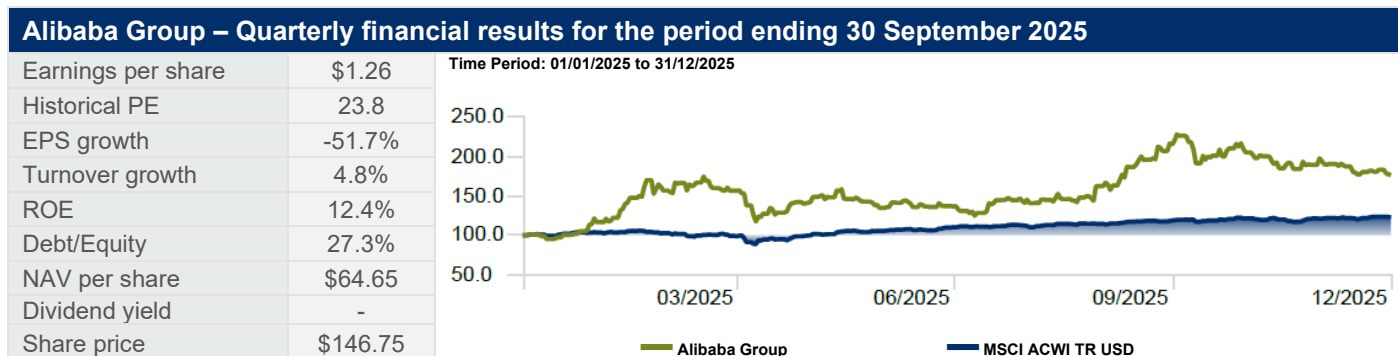
## Latest results

In 2025, metal prices staged a strong recovery, providing a significant tailwind to metal and mining stocks. Platinum prices surged by 127.6%, while rhodium and palladium rose by 100.2% and 80.4%, respectively. This broad-based strength across the PGM basket supported producers such as Valterra, positioned to leverage rising metal prices. The rally was driven by renewed demand from the automotive sector following cutbacks in tax relief for electric vehicles, alongside persistent supply-demand imbalances. The PGM market remained in a structural deficit, and the combination of constrained supply and rising demand pushed prices higher, driving platinum miners share prices sharply upward over the year.

While Valterra recently incurred short-term restructuring and once-off costs following Anglo American's exit, its operational performance remains robust. Despite these non-recurring expenses, the company's interim results (June 2025) indicated solid execution, with R2 billion in cost savings achieved in H1 2025 and management remaining on track to deliver their R4 billion annual 2025 target. However, despite management's execution, H1 2025 revenue was down 23.8% y/y from H1 2024. This was largely impacted by flooding at their Amadebult mine, causing a 12% decline in own mined PGM production and leading to a lower EBITDA of R7 billion vs H1 2024 of R12 billion.

## Dividend

Valtera maintained their dividend policy payout ratio of 40%, declaring an H1 dividend in 2025 of R2.00 per share.



## Nature of business

Alibaba Group Holding Ltd. engages in providing technology infrastructure and marketing reach. It operates through the following business segments: China Commerce, International Commerce, Local Consumer Services, Cainiao, Cloud, Digital Media and Entertainment, and Innovation Initiatives. The Core commerce segment consists of platforms operating in retail and wholesale. The China commerce segment includes China commerce retail and wholesale businesses. The International commerce segment focuses on international commerce retail and wholesale businesses. The Local consumer services segment is involved in "To-Home" businesses, which includes Ele.me, local services and delivery platform and Taoxianda, and "To-Destination" segment businesses, which include Amap, the provider of mobile digital map, navigation and real-time traffic information, and restaurant and local services guide platform. The Cainiao segment has Cainiao Network offering domestic and international one-stop-shop logistics services and supply chain management solutions. The cloud segment includes Alibaba Cloud and DingTalk. The company was founded by Chung Tsai and Yun Ma (Jack Ma) on 28 June, 1999 and is headquartered in Hangzhou, China.

## Latest results

Alibaba's most recent financial results presented a mixed picture. In their China e-commerce segment, revenue rose 16% y/y, while their international digital commerce group's revenue grew 10% y/y, with the standout performance coming from the Cloud Intelligence division, which surged 34% y/y. Consolidated group revenue increased by 5% y/y. However, profitability painted a different story: consolidated adjusted EBITA fell 78% y/y, despite a 35% y/y rise in its Cloud Intelligence EBITA. The sharp decline in overall EBITA was largely caused by investments in quick commerce, user experience and technology. Within the international digital commerce segment, EBITA improved due to enhanced operating efficiency across AliExpress and other businesses. Cloud EBITA remained the star performer, reflecting continued operational momentum from this division due to broader AI adoption.

Looking ahead, the Cloud Intelligence segment is expected to be a major growth driver, with analysts projecting it will contribute a significant portion of total revenue by 2030. While macro headwinds continue to challenge Alibaba's Chinese e-commerce business, amid a murky macro-outlook for this region, investments in quick commerce may help mitigate losses by better addressing weaker consumer demand. Amid this softer e-commerce environment, the strength of the Cloud division positions Alibaba at the forefront of the AI revolution in a historically innovative Chinese economy, making the company a significant beneficiary of the AI trend.

## Dividend

Alibaba's most recent dividend payment in 2025 was \$1.05 per share (dividend payout ratio of 14.46%). The company typically reinvests the majority of its earnings, with a strategic focus on supporting growth in its Cloud Intelligence and broader technology platforms.

## Snippets

### Mark MacSymon CFP® excels in CITYWIRE Advisers Award

CITYWIRE South Africa recently announced the winners of the 2025 Adviser Awards, recognising the outstanding achievements of South Africa's leading independent financial advisers. The awards, celebrated advisers who embody the highest standards of integrity, technical skill and client-focused advice.

The awards recognise individuals who demonstrated exceptional dedication to their clients, an unwavering commitment to fiduciary excellence and a forward-thinking approach to the evolving landscape of independent financial advice.

These awards featured seven categories that reflect the cornerstones of the profession: financial planning process; practice management; investment process; charity and community; transformation, mentorship and ESG initiatives; innovation; and the overall CITYWIRE Financial Adviser of the year title.

We are delighted that Private Client Holdings wealth manager Mark MacSymon CFP® was announced the winner in the Practice Management category.



**Mark MacSymon CFP® winner in CITYWIRE Awards for best Practice Management in South Africa.**

### Take action this financial year end...

The financial year end is fast approaching and now is the time to take advantage of the 2025/2026 tax exemptions. These transactions must be made before the 27<sup>th</sup> of February 2026.

You could consider any of the following or alternative efficient tax planning and investment options:

#### 1. Annual donations tax exemption

The annual donations tax exemption for individuals is currently R100 000 per annum. Any natural person can make the donation, so if you and your spouse make a donation the annual amount would increase to R200 000. If you want to reduce your loan account to a trust using your annual donations tax exemption, please inform your accountant so they can complete the necessary paperwork.

#### 2. Retirement Annuity (RA) contributions

Retirement annuity contributions made before the tax year end may be tax-deductible within the legislative limit. Contributions to all retirement funds (Pension, Provident and Retirement Annuities) are deductible up to 27.5% of the greater of remuneration or taxable income, capped at an annual limit of R350 000. RA's are only accessible at retirement (under normal circumstances) and you must buy an annuity with at least two-thirds of the accumulated value. Contribution amounts must reflect in the product bank account on or before 26 February 2025 for processing the following day.

#### 3. Tax-Free Saving Account (TFSA) contributions

TFSA's provide South African investors with a flexible way to save towards a specific goal or to supplement their retirement savings. As TFSA's are not subject to income or capital gains tax, they can be a useful instrument to grow savings over the long term. The current annual contribution limit is R36 000 (if paid by debit order the maximum monthly amount is R3 000) and the lifetime contribution limit is R500 000. You can withdraw from a TFSA at any time, and there is no tax on withdrawals. Remember that while an RA will not form part of your estate, a TFSA will.

It is generally considered good practice to use a TFSA to supplement your retirement savings, even if you have not reached your maximum allowable contribution to an RA.

If you would like to take advantage of any of the above exemptions, please contact Mark MacSymon (Mark.MacSymon@privateclient.co.za) or a Private Client Holdings Wealth Manager as soon as possible on 021 671 1220 or via our website [www.privateclient.co.za/who-we-are](http://www.privateclient.co.za/who-we-are).

## Dividends payable

Dividends in LDT order					
Company	Decl	LDT	Pay	Amt	Curr
Alexander Forbes Group Holdings Ltd. (AFORBES)	01-Dec	06-Jan	12-Jan	24	ZARc
Marshall Monteagle plc (MARSHALL)	15-Dec	06-Jan	23-Jan	2	USDc
Schroder European Real Estate Investment Trust plc (SERE)	05-Dec	06-Jan	05-Feb	1.48	EURc
NV Properties Ltd. (NV PROPERTIES)	26-Nov	13-Jan	19-Jan	11.58	ZARc
Adcorp Holdings Ltd. (ADCORP)	30-Oct	13-Jan	19-Jan	24.78	ZARc
African Media Entertainment Ltd. (AME)	27-Nov	13-Jan	19-Jan	120	ZARc
Astral Foods Ltd. (ASTRAL)	17-Nov	13-Jan	19-Jan	880	ZARc
Pepkor Holdings Ltd. (PEPKORH)	25-Nov	13-Jan	19-Jan	52.95	ZARc
Tiger Brands Ltd. (TIGBRANDS)	26-Nov	13-Jan	19-Jan	1229	ZARc
Mobile Telecommunications Ltd. (MTC LTD)	04-Dec	16-Jan	06-Feb	62.28	NADc
Clicks Group Ltd. (CLICKS)	23-Oct	20-Jan	26-Jan	648	ZARc
Lewis Group Ltd. (LEWIS)	20-Nov	20-Jan	26-Jan	337	ZARc
Netcare Ltd. (NETCARE)	24-Nov	20-Jan	26-Jan	49	ZARc
Premier Group Ltd. (PREMIER)	11-Nov	20-Jan	26-Jan	159	ZARc
Primeserv Group Ltd. (PRIMESERV)	01-Dec	20-Jan	26-Jan	3.5	ZARc
Quantum Foods Holdings Ltd. (QUANTUM)	28-Nov	20-Jan	26-Jan	34	ZARc
RFG Holdings Ltd. (RFG)	19-Nov	20-Jan	26-Jan	70	ZARc
Reunert Ltd. (REUNERT)	20-Nov	20-Jan	26-Jan	293	ZARc
Rex Trueform Group Ltd. (REX TRUE6%)	29-Dec	20-Jan	26-Jan	0.86	ZARc



### CONTACT US

[www.pcam.co.za](http://www.pcam.co.za)  
[investing@privateclient.co.za](mailto:investing@privateclient.co.za)  
 Tel +27 21 671 1220

PCH is an Authorised Financial Services Provider (Licence #613)  
 [Read Disclaimer]

### FSPs & LICENCES

PCH is an Authorised Financial Services Provider.  
 The licences we hold:

Private Client Holdings - FSP 613  
 Private Client Asset Management - FSP 399 78  
 Private Client Wealth Management - FSP 399 79  
 Private Client Financial - Reg No: 1990/004177/07