

PCAM Perspectives: Monthly market review

August 2025

by PCAM Investment Team

All Share: 2024/07/31 to 2025/07/31



Resources: 2024/07/31 to 2025/07/31



Industrials: 2024/07/31 to 2025/07/31



Financials: 2024/07/31 to 2025/07/31



Local markets: A green month, despite an echoing uncertain geopolitical background

The JSE ALSI enjoyed another month in the green, adding 2.3% to its year-to-date (YTD) gains. The resources sector continued its strong run, rising 5.1% over the course of the month (+54.4% YTD), driven by the ongoing rally in Platinum Group Metal (PGM) miners, with the likes of Sibanye Stillwater and Northam Platinum up 18.9% and 9% month-on-month (m/m), respectively. Rhodium, one of the three key PGM metals, reached one-year highs breaking through the \$7000/ounce mark, providing a meaningful boost to the broader PGM basket price.

The local listed property sector was also a significant contributor to the JSE ALSI during the month. Resilient (+8.7%) and Growthpoint Properties (+6.6%) were the top performers among the sector, continuing to benefit from the tailwinds of a deepening interest rate cutting cycle.

A snapshot of the local economy

Near the end of the month, the SARB announced a 25bps rate cut, bringing the repo rate down to 7% (effective from 1 August). This was largely priced in by the market and for many, it was seen as a step in the right direction, particularly given that local interest rates have remained elevated for an extended period of time.

On the consumer front, the May retail trade sales rose 4.2% y/y, slowing slightly from a hefty 5.2% increase in April. The biggest positive contributors included: textiles, clothing, footwear and leather goods. General dealers grew 3.6% y/y contributing positively to headline retail growth. Household furniture, appliances and equipment delivered healthy growth of 4.4%, however its overall contribution to retail sales remains small. The only category of spend that saw a contraction was food, beverages and tobacco, with real sales falling 1.9%, detracting from the final headline reading.

For the three months ended May, retail sales rose by 3.5% compared to the same period last year (three-month rolling period comparison). This growth has been supported by several tailwinds, including higher wage settlements, lower inflation and reduced interest rates.

Although the annual growth rate showed a slight loss of momentum, the three-month rolling figure has strengthened, suggesting sustained and potentially improving retail activity. This bodes well for discretionary retailers in the clothing and furniture business (such as Foschini, Pepkor and Mr Price), moving into the latter part of the year.

South Africa in the hot seat: As a proposed trade deal with the US is left unanswered

The South African minister of trade, industry and competition, led by Parks Tau, currently finds himself on the back foot in trade talks with the US. The original trade proposal submitted in May has gone largely unanswered. As a result, an enhanced trade offer was made on the 31st of July, increasing the commitment to purchase US liquefied natural gas (LNG) and increasing South Africa's pledged investment in the US private sector.

The lack of response and the quiet pushback from the US has largely been due to diplomatic tensions surrounding South Africa's affirmative action policies and its geopolitical stance relating to the genocide case against Israel at the World Court. As things stand, a 30% effective tariff on South African exports to the US will come into effect from midnight on the 8th of August, which could have a knock-on effect for the economy down the line. If common ground cannot be reached, key industries such as the wine, fruit and automotive sector could come under pressure, putting approximately 100,000 jobs at risk. However, a cloud of uncertainty with regards to what this may hold for the local economy still hangs.

Offshore markets: The US remains resilient amongst concerns of potential tariff headwinds

The US market continued to demonstrate resilience, despite ongoing concerns around tariff-related news flow throughout the year. In July, the S&P 500 and Nasdaq Composite gained 2.2% and 3.7% respectively, reinforcing the strength of the US equity market. A supportive macroeconomic backdrop remains in place, illustrative of limited evidence of a full-scale downturn in economic growth (IMF recently upgraded global GDP forecast to 3%), although one or two macro data points seem to have slipped through the cracks.

US retail sales in June exceeded expectations, a positive sign for the economy given that consumer spending accounts for roughly 70% of US GDP. However, not all indicators were upbeat. Nonfarm payrolls for July missed expectations considerably, rising by just 73,000 m/m versus consensus of 115,000 m/m. The unemployment rate came in line with expectations of 4.2% but was up slightly from the previous months 4.1%. The unemployment rate remained relatively in line with expectations at 4.1%, although it rose to 4.2% m/m. As a result, the probability of a rate cut at the next Federal Open Market Committee (FOMC) meeting has risen, with both Waller and Bowman releasing statements suggesting they see no reason for the Fed to keep rates at current levels, noting that delaying cuts could prove detrimental to future employment levels.

Earnings season kicks off on a positive note

The US earnings season was in full swing towards the end of July, with many US companies reporting earnings. The earnings season kicked off on a strong note, particularly among the large-cap global names.

Visa reported third-quarter FY25 results that exceeded expectations, with earnings per share (EPS) rising 23% y/y. The company experienced a rise in marketing, administrative, and labour expenses as it continues its expanding market share efforts. Management reaffirmed their focus on innovation and product development, particularly in areas like AI and stablecoins, reinforcing Visa's positioning as a forward-thinking leader in the evolving digital commerce space.

Microsoft also delivered a robust set of results, extending its positive operational momentum. Diluted EPS rose 24% y/y to \$3.65, beating Bloomberg consensus estimates of \$3.37. The outperformance was underpinned by broad-based revenue growth and margin expansion, with strong execution across all business segments.

Fellow "Mag 7" peer, Meta, also posted results that were well received by the market. While earnings came in slightly below expectations, sentiment remained largely positive. Meta shares were up 12% in pre-market trading (on the 31st of July), highlighting the continuation of investors' confidence in the growth potential of some of these major tech names. Meta continues to push the limits with regards to research and development (R&D), and CAPEX (capital expenditure) spending, while impressively continuing to expand their operating margin (FY25 Q2: 43% vs FY24 Q2: 38%), despite the heavy investment.

Update of the Eurozone

The Eurozone successfully secured a new framework trade deal with the US, reducing the effective tariff rate on European exports to a cap of around 15%. As part of the framework, Trump announced that the EU had committed to purchasing USD 750 billion worth of US energy and investing an additional USD 600 billion into the US economy. The agreement also included a pledge to buy significant volumes of US military equipment, with the Eurozone continuing its firm stance on national defence spending as a fiscal priority.

At its late-July meeting, the European Central Bank (ECB) left interest rates unchanged and provided mixed forward guidance, offering limited clarity on its policy outlook. This uncertainty reflects the mixed signals from the European economy, where recent data has been a blend of positive and negative indicators. Nonetheless, the Euro Stoxx 600 posted marginal gains, closing 1% higher m/m.

July sees positive momentum across Asian equities

Amid easing geopolitical tensions between the US and China, most Asian equity indices ended the month on a positive note. The Hang Seng rose 2.9% m/m, while the Nikkei gained 1.4% m/m. Key developments in the region included Nvidia's resumption of H20 chip sales to China following a relaxation of US export restrictions. Additionally, China's GDP growth surprised to the upside, expanding 5.2% y/y. Despite the strong print, economists caution that growth may moderate in the second half of the year due to ongoing tariff pressures. However, potential fiscal stimulus targeting the property sector and industries affected by tariffs, could provide some upside growth potential.

Fun fact for the month of June

This Women's Month, we take a moment to reflect on the significance of this occasion. Women's Month in South Africa stems from a powerful moment in 1956, when approximately 20 000 women marched to the Union Buildings in a historic stand against the injustices of apartheid. Their courage and determination created a lasting legacy of resilience and strength.

Today, we commemorate that pivotal moment and celebrate the invaluable contributions, achievements, and presence of women in our society.

Market indicators

Index	Value	Jul (%)	YTD (%)
All Share	98,520	▲ 2.3%	▲ 19.3%
S&P 500	6,339	▲ 2.2%	▲ 8.6%
FTSE 100	9,133	▲ 4.3%	▲ 14.2%
Rand/USD	18.083	▲ 1.8%	▼ -4.2%
Rand/GBP	23.929	▼ -1.7%	▲ 1.3%
Gold (\$)	3,293	▼ 0.0%	▲ 25.3%
Platinum (\$)	1286.4	▼ -3.6%	▲ 43.9%
Brent Crude (\$)	72.53	▲ 7.3%	▼ -2.8%

CCM rates*

Fund	Balance	Rate
CALL ACCOUNT	0.00 – 9 999.99	6.9%
	10 000 – 24 999.99	6.9%
	25 000 – 49 999.99	6.9%
	50 000 – 99 999.99	6.9%
	100 000 – 249 999.99	6.9%
CALL MONEY FUND: <i>Individuals</i>	250 000 – 999 999.99	7.09%
	1 000 000 – 9 999 999.99	7.09%
	10 000 000 upwards	7.09%

Company results

Northam Platinum – Interim results for the period ending December 2024 (next report date 22 Aug 2025)

Earnings per share	R3.85	<p>Time Period: 01/08/2024 to 31/07/2025</p>
Historical PE	25.23	
EPS growth	>100%	
Turnover growth	-12.36%	
ROE	4.94%	
Debt/Equity	33.81%	
NAV per share	R78.1	
Dividend yield	0.87%	
Share price	R216.44	

Nature of business

Northam Platinum Holdings Ltd. engages in mining of platinum and other minerals. Its products include platinum, palladium, and rhodium. It operates the Zondereinde, Booyensdal, and Eland mines. The company was founded in December 2020 and is headquartered in Waterfall City, South Africa.

Latest results

Northam Platinum is one of South Africa's leading producers of Platinum Group Metals (PGMs). PGM miners have had a solid YTD run, with broad-based share price rallies across the sector. This momentum has largely been driven by a spike in the platinum price, with the likes of PGM miners such as Northam emerging as the ultimate beneficiaries.

The performance of PGM miners is well documented as being cyclical and sensitive to global geopolitical developments and this year has been no exception. Market sentiment has oscillated between risk-on and risk-off environments, but overall, the risk-on tone has dominated, supporting both equity markets and commodity-linked sectors like PGMs.

A key driver of the rise in the PGM basket price has been a persistent global supply deficit in the platinum market. At the same time, growing demand, particularly in the automotive and jewellery sectors, have contributed to a further imbalance, creating upward price pressure.

The recovery in auto catalyst demand has played a particularly important role. As China and the EU have scaled back incentives for battery electric vehicles (BEVs), this has led to a shift to internal combustion engine vehicles, which rely on PGMs for the manufacturing of their catalytic converters.

In parallel, platinum demand for jewellery has also picked up, especially in China. With gold prices remaining elevated, platinum may have become a more attractive and affordable alternative, further supporting demand, which could result in the continuation of local PGM miner rally.

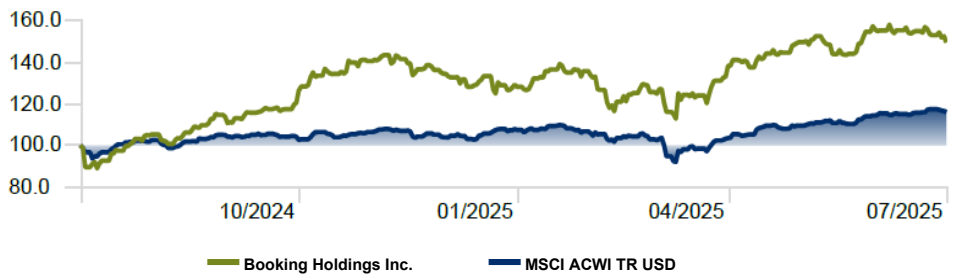
Dividend

Northam pays a modest dividend, currently paying a 0.87% dividend yield.

Booking Holdings – Financial results for the period ending 30 Jun 2025

Earnings per share	\$143.8
Historical PE	40.27
EPS growth	0.67%
Turnover growth	11.72%
ROE	-
Debt/Equity	-
NAV per share	-\$205.3
Dividend yield	0.63%
Share price	\$5457.86

Time Period: 01/08/2024 to 31/07/2025



Nature of business

Booking Holdings, Inc. engages in the provision of online travel and related solutions. The firm offers services through the following platforms/brands: Booking.com, Priceline, Agoda, KAYAK, and OpenTable. It provides accommodation reservations including hotels, hostels, apartments, vacation rentals, and other properties.

Latest results

Booking Holdings is, without question, a high-quality business. This quality is reflected in the consistency of its financial performance, even amid global uncertainty and macroeconomic headwinds. Its business model monetises nearly every segment of the travel value chain, and with its global footprint and diversified platform offerings, the company continues to generate subscription-like, recurring revenue streams.

The company's strong fundamentals were once again evident in its Q2 earnings release. Revenue grew 16% y/y to \$6.8 billion, driven by double-digit growth in room nights booked and gross bookings, alongside broad-based expansion across the travel ecosystem. Notably, airline ticket sales rose by 44.2% y/y, highlighting Booking's ability to extract value across the travel ecosystem.

Top-line growth was matched by strong operating leverage with adjusted EBITDA increasing 32% y/y and adjusted EPS rising 32.2% y/y to \$55.40 per share (well ahead of Bloomberg consensus estimates of \$50.38 per share).

Earnings quality remains a standout feature, as the company's cash generation continues to impress. Cash flow from operations grew 26.8% y/y, while free cash flow rose 32% y/y to \$3.1 billion.

This robust cash generation has supported meaningful capital returns to shareholders, including a higher dividend and substantial share repurchases (retiring approximately 5% of ordinary shares in issue since 2017). We continue to view Booking Holdings as a long-term compounder with high-quality fundamentals, making it a compelling investment in our portfolio.

Dividend

Booking Holdings has recently increased its dividend. Over and above this dividend, they have also been repurchasing/retiring shares consistently over the last seven years, returning large amounts of capital back to shareholders.

Snippets

Private Client Holdings: Celebrating Women's Month

Private Client Holdings is proud to celebrate Women's Month by highlighting the incredible contributions made throughout the company by our female colleagues, four of whom were featured in this month's edition of Money Marketing. [Read More](#)

Dividends payable

Dividends in LDT order					
Company	Decl	LDT	Pay	Amt	Curr
Crookes Brothers Ltd. (CROOKES)	27-Jun	05-Aug	11-Aug	150	ZARc
enX Group Ltd. (ENXGROUP)	09-Jul	05-Aug	11-Aug	130	ZARc
Hudaco Industries Ltd. (HUDACO)	03-Jul	05-Aug	11-Aug	350	ZARc
Adcorp Holdings Ltd. (ADCORP)	29-May	12-Aug	18-Aug	50.02	ZARc
Greencoat Renewables plc (GRP)	29-Jul	12-Aug	05-Sep	1.7	EURc
Investec Ltd. (INVLTD)	22-May	12-Aug	29-Aug	20	GBPp
Investec plc (INVPLC)	22-May	12-Aug	29-Aug	20	GBPp
Karoo Ltd. (KAROO)	23-Jul	12-Aug	18-Aug	125	USDc
Omnia Holdings Ltd. (OMNIA)	09-Jun	12-Aug	18-Aug	400	ZARc
Omnia Holdings Ltd. (OMNIA)	09-Jun	12-Aug	18-Aug	275	ZARc
Assura plc (ASSURA)	15-Jul	13-Aug	26-Aug	0.84	GBPp
NWK Holdings Ltd. (NWKH)	28-Jul	15-Aug	18-Aug	34	ZARc
Anglo American plc (ANGLO)	31-Jul	19-Aug	30-Sep	7	USDc
AngloGold Ashanti plc (ANGGOLD)	01-Aug	19-Aug	05-Sep	80	USDc
Invicta Holdings Ltd. (INVICTA)	30-Jun	19-Aug	25-Aug	115	ZARc
Kumba Iron Ore Ltd. (KUMBA)	29-Jul	19-Aug	25-Aug	1660	ZARc
Mondi plc (MONDIPLC)	31-Jul	19-Aug	26-Sep	23.33	EURc
Shaftesbury Capital plc (SHBCAP)	29-Jul	19-Aug	01-Oct	1.9	GBPp
TeleMasters Holdings Ltd. (TELEMASTR)	31-Jul	19-Aug	25-Aug	0.01	ZARc
Valterra Platinum Ltd. (VALTERRA)	28-Jul	19-Aug	25-Aug	200	ZARc
AECI Ltd. (AECI)	30-Jul	26-Aug	01-Sep	100	ZARc
Argent Industrial Ltd. (ARGENT)	26-Jun	26-Aug	01-Sep	67	ZARc
Glencore plc (GLENCORE)	19-Feb	26-Aug	19-Sep	5	USDc
Mpact Ltd. (MPACT)	04-Aug	26-Aug	01-Sep	30	ZARc



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