



# SELECT MANAGER

## Newsletter

April 2026

### MARKETS AND ECONOMICS

Global financial markets recovered strongly in April as investor sentiment improved after heightened volatility in March. The rebound was driven by resilient corporate earnings and renewed optimism around artificial intelligence (AI) growth counters. While geopolitical risks remained elevated throughout the month, markets appeared more willing to look through near-term uncertainty and to refocus on the underlying strength of corporate fundamentals.

The dominant macroeconomic theme in April remained the interaction between inflation, energy markets, and monetary policy expectations. Tensions in the Middle East continued to produce sharp swings in oil prices. This reignited concerns about the potential inflationary impact of higher energy costs. In turn, this complicated the outlook for central banks, particularly as inflation across major developed economies had only recently begun to moderate. Policymakers, therefore, maintained a cautious tone, signalling that interest rates may need to remain higher for longer should energy-driven inflation pressures persist.

Despite this backdrop, global equity markets moved higher on the back of a strong first-quarter earnings season. This was, once again, led by United States (US) technology (+15.3%) and AI-related companies. The rally broadened beyond the US, with emerging markets (+14.7%) outperforming developed markets (+9.6%). This outperformance was driven largely by strong gains from North Asian technology exporters, such as Korea (+30.6%) and Taiwan (+23.9%), which were supported by semiconductor-related momentum.

South African assets benefitted from the improved global risk appetite, although gains remained more muted relative to global peers. Local listed property (+5.4%) was the standout performer in April, rebounding strongly as investors rotated back into more cyclical and rate-sensitive domestic sectors following the sharp weakness seen earlier in 2026. In equities, financials outperformed, followed by industrial counters. Resource shares remained under pressure as commodity performance became increasingly selective outside of energy markets.

Other highlights for the month included:

- + China's economy expanded 5%, surprising on the upside:** China's economy opened the year with surprising momentum. It expanded 5% year-on-year in the first quarter, beating expectations, as exports, fiscal support, and a surge in high-tech manufacturing offset weak domestic demand.
- + US inflation surged to a two-year high:** US inflation reaccelerated sharply, rising to 3.3% year-on-year. Fuel prices jumped 21.2% month-on-month, as disruptions in the Strait of Hormuz pushed oil prices sharply higher, lifting fuel, transport, and airline costs.

<b>JSE All Share</b> 1,65%   115 180,53	<b>MSCI World (USD)</b> 9,59%   4 660,70	<b>MSCI EM (USD)</b> 14,71%   1 600,21
<b>SA Bonds</b> 3,27%   1 367,23	<b>SA Property</b> 5,40%   481,62	<b>CPI (y/y)</b> 3,10%   104,80
<b>Gold</b> 0,82%   4 601,54	<b>Platinum</b> 0,61%   1 952,28	<b>Oil</b> 6,18%   110,40
<b>\$/R</b> - 1,60%   16,67	<b>€/R</b> - 0,05%   19,56	<b>£/R</b> 1,20%   22,68