

APRIL 2024

MONTHLY MARKET WRAP



GLOBAL MARKETS RATTLED – ‘HIGHER-FOR-LONGER’ INTEREST RATES



UNITED STATES
Inflation remains stubborn.

UNITED STATES

- US economic growth slid to an almost two-year low, while a measure of underlying inflation advanced more than forecast, damping hopes of a soft landing.
- The US Fed kept the target range for the federal funds rate unchanged.
- The S&P 500 Index declined 4.1% for the month. The market has become more concerned about an escalation of the conflict in the Middle East as well as the possibility of US interest rates remaining ‘higher-for-longer’.
- The yield on the US 10-year government bond weakened to 4.69%, with the Bloomberg Barclays Global Aggregate Index down another 2.5% for April.

UK/EUROPE

- The ECB held interest rates steady for a fifth consecutive meeting, while sending its clearest signal yet that cooling inflation will soon allow it to commence cuts.
- Consumer prices in the UK rose by an annual 3.2% in March 2024, the lowest level since September 2021.

ASIA

- The Bank of Japan held interest rates steady after the yen hit a fresh 34-year low at month end. The currency recovered slightly, after traders cited yen-buying intervention by the authorities.
- Chinese equities rose after better-than-expected GDP growth numbers. The CSI 300 Index is up over 5% year-to-date.

SOUTH AFRICA

- CPI slowed for the first time this year, dropping to 5.3% in March.
- Within commodity markets, copper continued its upwards charge, hitting its highest level since June 2022.
- BHP made a non-binding conditional all-share offer to take over Anglo American PLC. Anglo American rejected the takeover offer, stating it undervalued the miner and its prospects.
- The JSE/ All Share Index ended the month up 3.0%, as investors re-entered the market at attractive levels following a recent sell-off. Big index stocks gained ground. Anglos was up 27%, and Naspers gained 8% after Tencent nailed down an earlier-than-anticipated debut of one of the year’s most eagerly awaited mobile games.



UK/EUROPE
UK inflation fell to lowest since 2021.



ASIA
Yen under pressure.



SOUTH AFRICA
Positive month for equities.



-3.3% ↓
MSCI AC World Index (S)

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-2.5% ↓
Bloomberg Global Aggregate Bond Index (S)

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+3.0% ↑
ALSI Index

ALSI Index

+1.4% ↑
All Bond Index

All Bond Index



11.75% →
SA Prime Rate
(unchanged)

SA Prime Rate (unchanged)

9.57%
INN8 Invest Flexible Income: YIELD (net of fees)

INN8 Invest Flexible Income: YIELD (net of fees) (31 March 2024)



\$/R18.79
Exchange rate

Exchange rate



\$85.96
Oil price
(Settlement price: 30/04/24)

Oil price (Settlement price: 30/04/24)

Annualised returns (%)	1m	1yr	3yr	5yr	10yr
MSCI AC World Index (S)	-3.30	17.46	4.27	9.44	8.19
S&P 500 Index (S)	-4.08	22.66	8.06	13.19	12.41
Nasdaq Composite (S)	-4.38	29.08	4.71	15.07	15.44
Bloomberg Global Aggr. Bond Index (S)	-2.52	-2.47	-5.93	-1.61	-0.44
JSE All Share	2.95	1.14	8.81	9.41	8.11
Property Index	-0.48	13.24	8.77	-0.74	1.59
Bonds (ALBI)	1.37	6.81	7.22	7.18	7.80
Money Market (STeFI Composite)	0.68	8.46	6.22	6.02	6.53
Rand/dollar (depreciation +)	0.65	2.75	9.03	5.61	5.98
SA inflation (1 month lag)	0.79	5.32	6.11	5.13	5.04

Source: Morningstar