CORION CAPITAL

SEPTEMBER '26

# DECODING **THE MONTH**

## GLOBAL ASSETS ($)

| | |
|---|---|
| EQUITY | -1.1% |
| PROPERTY | -5.4% |
| BONDS | -2.3% |

## GLOBAL EQUITY REGIONS ($)

| | |
|---|---|
| USA | -0.3% |
| EUROPE | -4.6% |
| CHINA | -4.6% |

## COMMODITIES ($)

| | |
|---|---|
| GOLD | -6.2% |
| PLATINUM | -9.0% |
| OIL | 11.7% |

## CURRENCIES ($)

| | |
|---|---|
| RAND | -1.6% |
| EURO | 2.3% |
| YEN | 1.6% |

## SA ASSETS (R)

| | |
|---|---|
| EQUITY | -5.8% |
| PROPERTY | 0.5% |
| BONDS | 0.0% |

## SA SECTORS (R)

| | |
|---|---|
| FINANCIALS | -3.5% |
| INDUSTRIALS | -5.4% |
| RESOURCES | -9.8% |

## THE GOOD

| | |
|---|---|
| SASOL | 17.5% |
| OLD MUTUAL | 10.5% |
| SHOPRITE | 5.9% |

## THE BAD

| | |
|---|---|
| GOLD FIELDS | -17.7% |
| ANGLOGOLD | -14.6% |
| PAN AFRICAN | -11.4% |

Corion Capital (Pty) Ltd is an Authorised Financial Services Provider Data Source: Morningstar, FTSE/JSE Indices. Best and worst shares are selected from the Top 40.

**SEPTEMBER** '26

# THE RETURN OF THE **RATE-HIKING CYCLE**

September was the month in which inflation, rather than growth, took back control of the market narrative. The US Federal Reserve raised rates for the first time since 2023, the Bank of Japan tightened and a hotter-than-expected run of inflation and activity data pushed bond yields to multi-decade highs. With energy prices elevated by ongoing disruption around the Strait of Hormuz, investors priced in a "higher for longer" world almost everywhere at once.

Global equities ended the month modestly lower, but the headline figure disguises one of the narrowest markets in recent memory. In the US, the Nasdaq 100 posted a strong gain while the S&P 500 finished roughly flat. The equal-weighted S&P 500, mid-caps and small caps all fell sharply. Leadership came almost entirely from information technology and communication services, energized by the rapid uptake of Meta's new consumer AI agent and what the arrival of agentic AI could mean for demand for computing infrastructure.

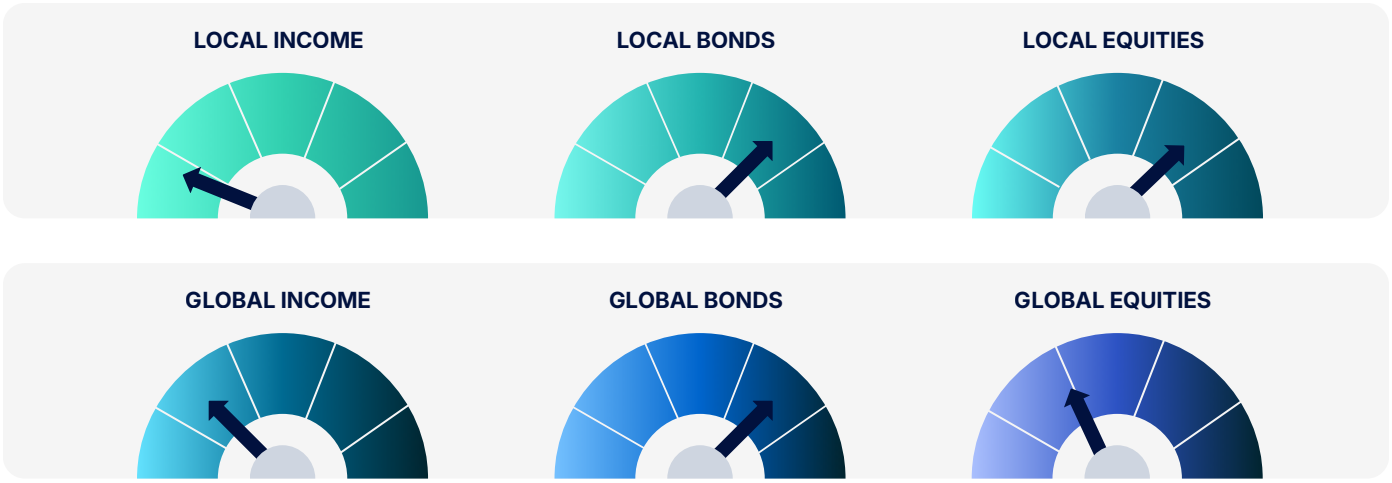
European markets fell more meaningfully, with Germany and France among the weakest major markets as the European Central Bank delivered its second hike of the year and bond yields rose to multi-decade highs. The UK also declined, weighed down by slowing activity and weak retail data.

Emerging markets outperformed developed markets slightly, but with extreme dispersion continuing. Taiwan and Korea were standout performers as global AI spending continued to drive chip demand and export growth while China and India remained amongst weakest markets.

Locally, South African equities also had a difficult month, with the All Share and Top 40 falling sharply and the market ranking among the weakest in emerging markets. The damage was concentrated in large-cap resources, where the slide in gold, silver and platinum prices reversed much of August's rally in precious-metals miners. The bond market held up relatively well given the global sell-off: the All Bond Index was marginally lower as the 10-year yield rose above 9%, but short-dated bonds delivered positive returns and inflation-linked bonds outperformed across all maturities as investors sought protection against a renewed inflation threat.

Looking ahead, October markets will be shaped by inflation data and its implications for monetary policy, with US PCE and payrolls key to Fed expectations, bond yields and gold. Geopolitical developments, particularly the Strait of Hormuz, remain critical to oil prices and inflation risks, while the breadth of the AI rally, US-China trade relations and US midterm elections add further uncertainty.

## POSITIONING




Data: Reuters. Indices are the FTSE/JSE, the MSCI and the WGBI. Corion Capital is an Authorised Financial Services Provider 44523 | Registration No: 2007/002166/07