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BEKKER INVESTMENTS

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ASSURANCE + INVESTMENTS

News from Paul's Desk

This is probably the most volatile period we have had in 10 years. Everything is up, down, sideways, down, up, sideways. So, what do we do in these frothy times? "Sit still" and wait for currencies, shares and funds to find direction. They always do. And then off we go on a growth spurt again. A wise man once said "People are like sheep". When markets are going through the roof, they want to pour money in (time to sell or hold). When markets crash, they want to sell, (that's the time to buy).

I have always said, that if you are in good shares / funds they will fall less in a crash and give you good growth on the rise. A good share / fund over time will always put money in your pocket.

So, my job is to make sure that you are always in good shares / funds and that you stay there.

Inside this issue:

MONTHLY REVIEW | GLOBAL OVERVIEW

INTERNATIONAL INDICATORS	CLOSE	JAN 2026	DEC 2025	YTD	12 MONTHS	2025
MSCI World	4,527.59	2.19%	0.73%	2.19%	18.01%	19.49%
MSCI Emerging Market	1,528.09	8.81%	2.74%	8.81%	39.76%	30.58%
JP Morgan EMBI	1,023.57	0.56%	0.52%	0.56%	12.70%	13.45%
Bloomberg Global Aggregate	505.98	0.94%	0.26%	0.94%	8.56%	8.17%

UNITED STATES						
S&P 500	6,939.03	1.37%	-0.05%	1.37%	14.87%	16.39%
Dow Jones	48,892.47	1.73%	0.73%	1.73%	9.76%	12.97%
Nasdaq Composite	23,461.82	0.95%	-0.53%	0.95%	19.54%	20.36%
Russell 2000	2,613.74	5.31%	-0.74%	5.31%	14.25%	11.29%

EUROPE						
Stoxx Euro 50	5,947.81	2.70%	2.17%	2.70%	12.50%	18.29%
FTSE 100	10,223.54	2.94%	2.17%	2.94%	17.86%	21.51%
DAX 30	24,538.81	0.20%	2.74%	0.20%	12.92%	23.01%
CAC 40	8,126.53	-0.28%	0.33%	-0.28%	2.22%	10.42%

ASIA	CLOSE	JAN 2026	DEC 2025	YTD	12 MONTHS	2025
Nikkei 225	53,322.85	5.93%	0.17%	5.93%	34.75%	26.18%
S&P/ASX 200	8,869.15	1.78%	1.16%	1.78%	3.95%	6.80%
Hang Seng	27,387.11	6.85%	-0.88%	6.85%	35.41%	27.77%
CSI 300	4,706.34	1.65%	2.28%	1.65%	23.30%	17.66%

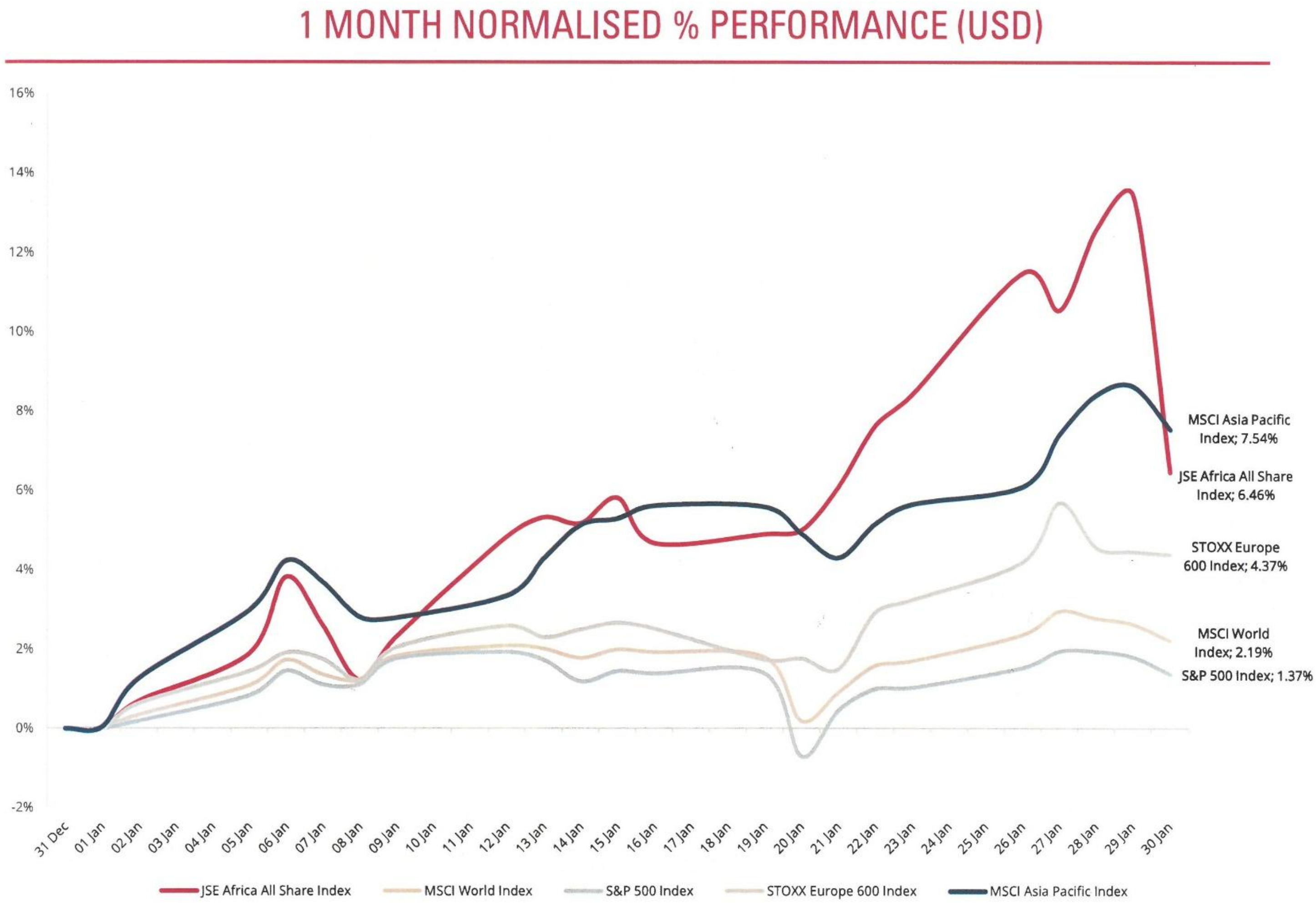
SOUTH AFRICA						
All Share	120,045.70	3.64%	4.39%	3.64%	39.66%	37.74%
Africa Resource 20	139,925.00	13.16%	5.56%	13.16%	128.62%	138.21%
Africa Industrial 25	132,924.90	-4.05%	1.50%	-4.05%	11.02%	16.73%
Africa Finance 15	25,594.69	2.90%	7.23%	2.90%	27.64%	20.69%

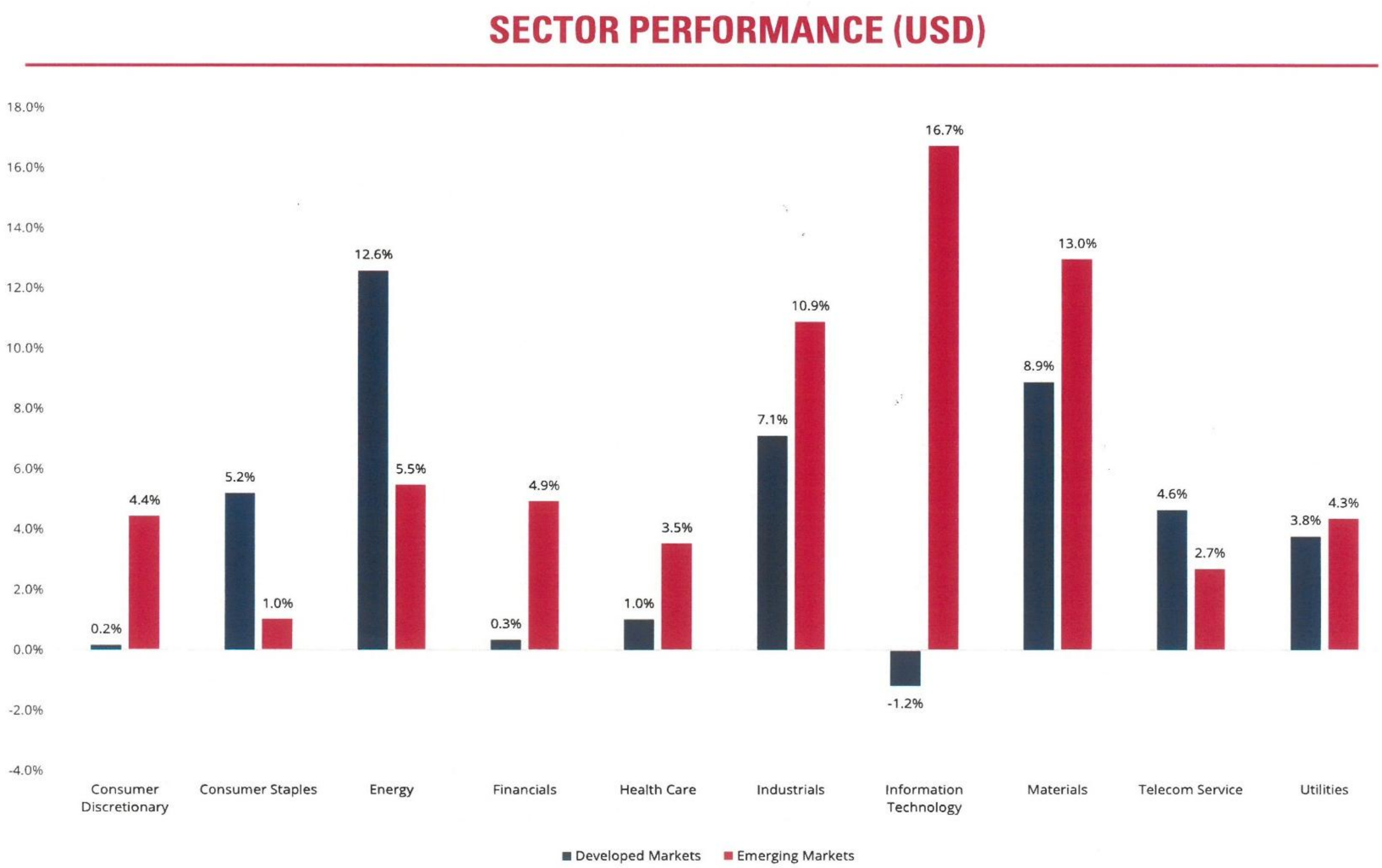
CURRENCIES						
GBP/USD	1.37	1.57%	1.81%	1.57%	10.41%	7.66%
EUR/USD	1.19	0.89%	1.28%	0.89%	14.36%	13.46%
AUD/USD	0.70	4.36%	1.88%	4.36%	12.00%	7.84%
USD/JPY	154.78	-1.23%	0.34%	-1.23%	-0.26%	-0.31%

MONTHLY REVIEW | GLOBAL OVERVIEW

10 YEAR BOND YIELDS	CURRENT MONTH YIELD (%)	PREVIOUS MONTH YIELD (%)	PREVIOUS YEAR YIELD (%)
United States	4.24	4.17	4.54
United Kingdom	4.52	4.48	4.54
Germany	2.84	2.86	2.46
Japan	2.25	2.07	1.25
Australia	4.81	4.74	4.43
South Africa	8.05	8.20	10.40

GLOBAL INTEREST RATES	RATE
United States Fed Funds Rate	3.50% - 3.75%
European Central Bank Main Refinancing Rate	2.15%
Bank of England Rate	3.75%
Bank of Japan Rate	0.75%
Reserve Bank of Australia Rate	3.85%
South Africa Reserve Bank Rate	6.75%


1 MONTH NORMALISED % PERFORMANCE (USD)
16%
14%
12%
10%
8%
6%
4%
2%
0%
-2%
31 Dec
01 Jan
02 Jan
03 Jan
04 Jan
05 Jan
06 Jan
07 Jan
08 Jan
09 Jan
10 Jan
11 Jan
12 Jan
13 Jan
14 Jan
15 Jan
16 Jan
17 Jan
18 Jan
19 Jan
20 Jan
21 Jan
22 Jan
23 Jan
24 Jan
25 Jan
26 Jan
27 Jan
28 Jan
29 Jan
30 Jan
MSCI Asia Pacific Index; 7.54%
JSE Africa All Share Index; 6.46%
STOXX Europe 600 Index; 4.37%
MSCI World Index; 2.19%
S&P 500 Index; 1.37%
JSE Africa All Share Index
MSCI World Index
S&P 500 Index
STOXX Europe 600 Index
MSCI Asia Pacific Index


SECTOR PERFORMANCE (USD)
18.0%
16.0%
14.0%
12.0%
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
-2.0%
-4.0%
0.2%
4.4%
5.2%
1.0%
12.6%
5.5%
0.3%
4.9%
1.0%
3.5%
7.1%
10.9%
-1.2%
16.7%
8.9%
13.0%
4.6%
2.7%
3.8%
4.3%
Consumer Discretionary
Consumer Staples
Energy
Financials
Health Care
Industrials
Information Technology
Materials
Telecom Service
Utilities
Developed Markets
Emerging Markets

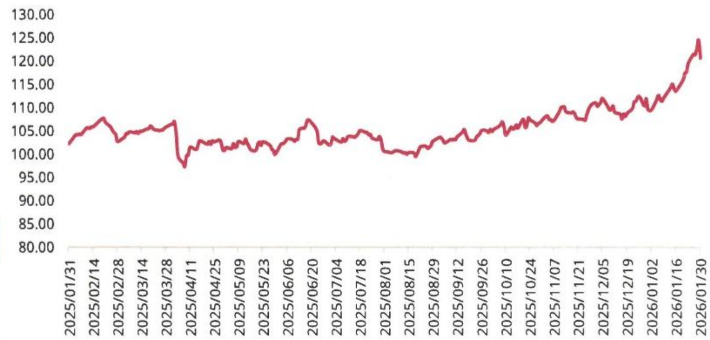
COMMODITIES

Commodities ended the month of January higher, with Natural Gas and Copper leading the gains.

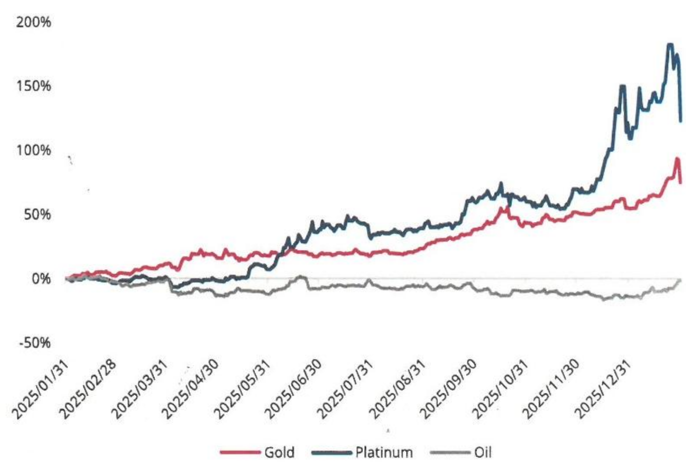
- The Bloomberg Commodity Index reached 120.70 at the end of January, the index tracks 23 commodities.

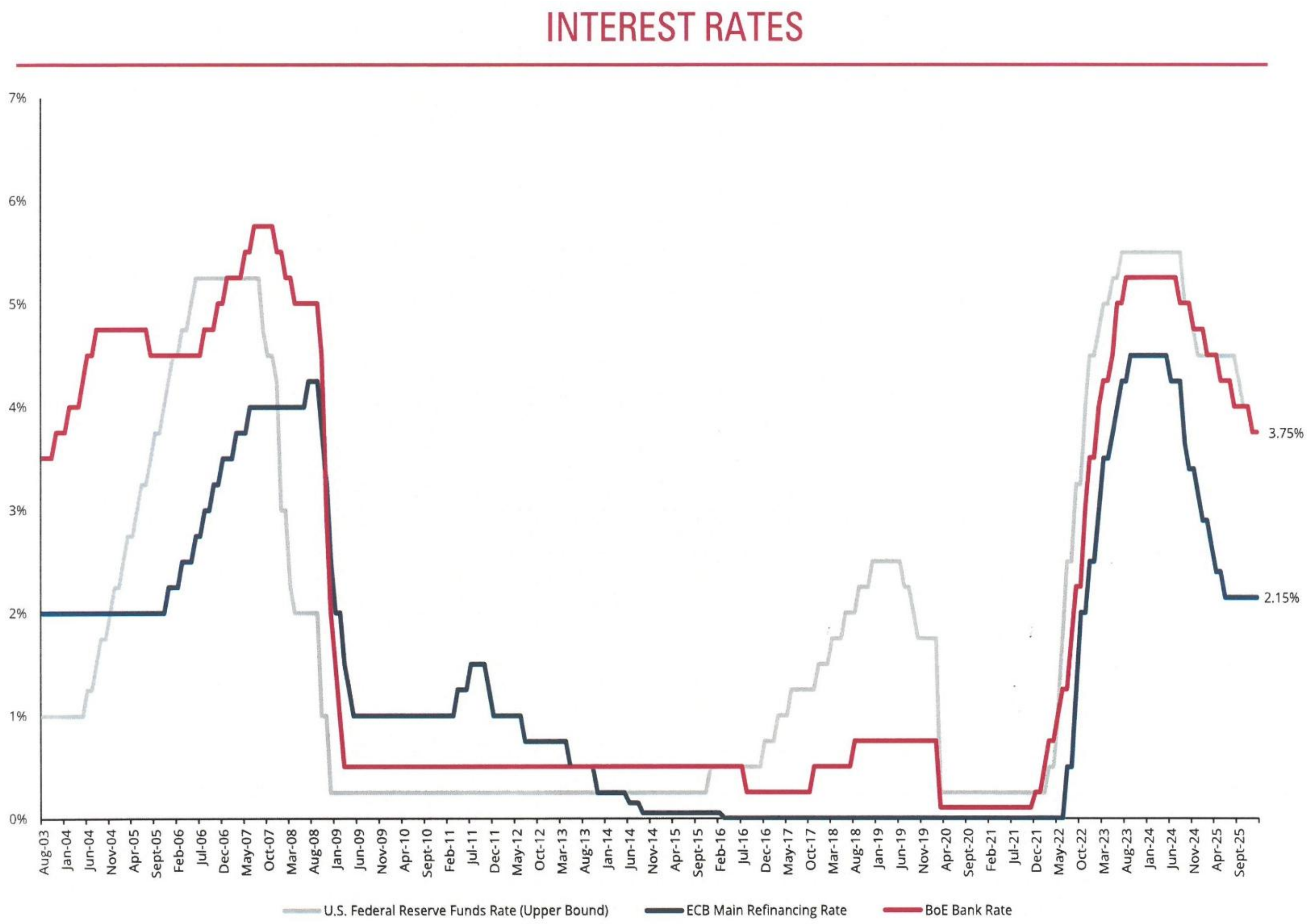
USD	CLOSE	JAN 2026	DEC 2025	YTD	12 MONTHS	2025
Gold	4,894.23	13.31%	1.89%	13.31%	74.89%	64.58%
Platinum	2,195.31	6.54%	23.31%	6.54%	123.43%	127.04%
Silver	1,712.50	5.71%	11.38%	5.71%	68.50%	77.51%
Palladium	598.20	4.25%	7.91%	4.25%	33.80%	37.40%
Copper	85.20	18.89%	26.84%	18.89%	172.16%	147.95%
Aluminium	3,129.01	5.04%	4.42%	5.04%	20.22%	17.44%
Oil Spot	69.32	14.60%	-2.01%	14.60%	-1.44%	-14.71%
Coal	108.90	1.30%	-3.24%	1.30%	-5.71%	-14.17%
Natural Gas	4.35	39.11%	-18.13%	39.11%	15.98%	-17.13%
Sugar	14.27	-4.93%	-1.31%	-4.93%	-26.25%	-22.07%
Coffee	332.25	-4.73%	-15.56%	-4.73%	-12.07%	9.07%
Wheat	546.00	5.30%	-5.17%	5.30%	-14.99%	-16.74%
Corn	435.75	-2.79%	-1.65%	-2.79%	-8.84%	-2.87%

1 Year | Bloomberg Commodities Index



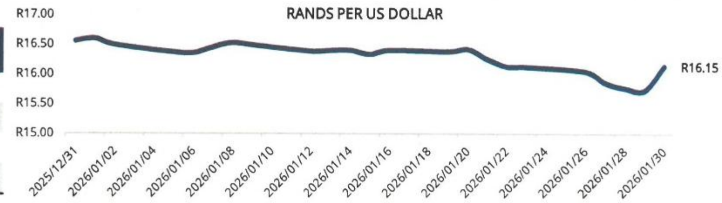
1 Year |Gold, Platinum, Oil

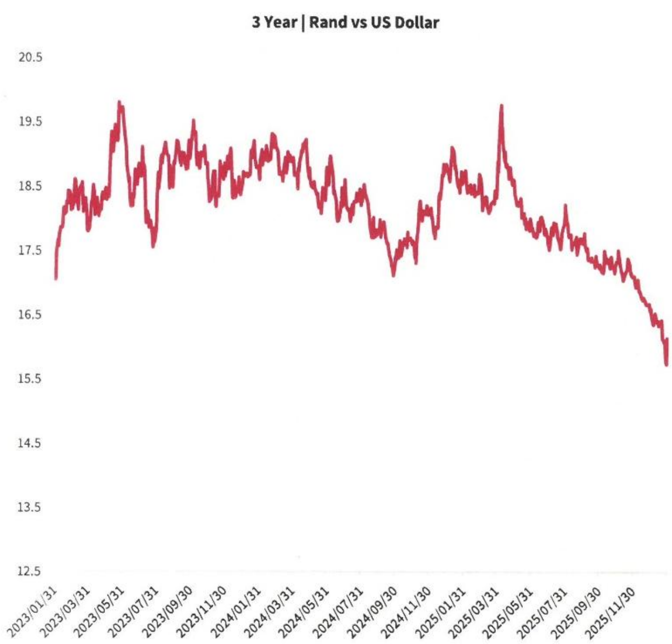


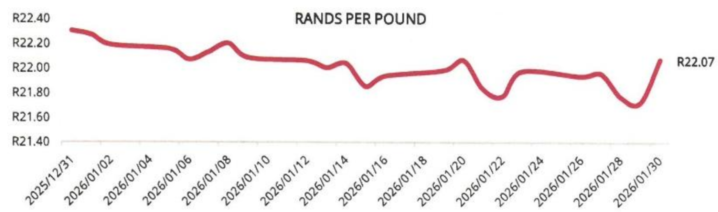

INTEREST RATES
7%
6%
5%
4%
3%
2%
1%
0%
3.75%
2.15%
Aug-03
Jan-04
Jun-04
Nov-04
Apr-05
Sept-05
Feb-06
Jul-06
Dec-06
May-07
Oct-07
Mar-08
Aug-08
Jan-09
Jun-09
Nov-09
Apr-10
Sept-10
Feb-11
Jul-11
Dec-11
May-12
Oct-12
Mar-13
Aug-13
Jan-14
Jun-14
Nov-14
Apr-15
Sept-15
Feb-16
Jul-16
Dec-16
May-17
Oct-17
Mar-18
Aug-18
Jan-19
Jun-19
Nov-19
Apr-20
Sept-20
Feb-21
Jul-21
Dec-21
May-22
Oct-22
Mar-23
Aug-23
Jan-24
Jun-24
Nov-24
Apr-25
Sept-25
U.S. Federal Reserve Funds Rate (Upper Bound)
ECB Main Refinancing Rate
BoE Bank Rate

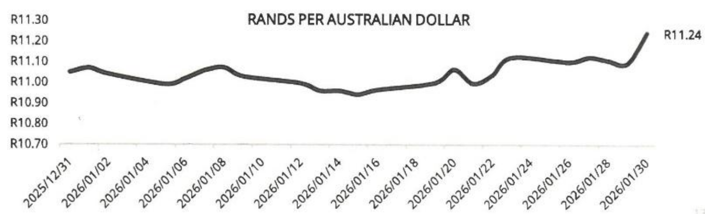
SOUTH AFRICAN RAND

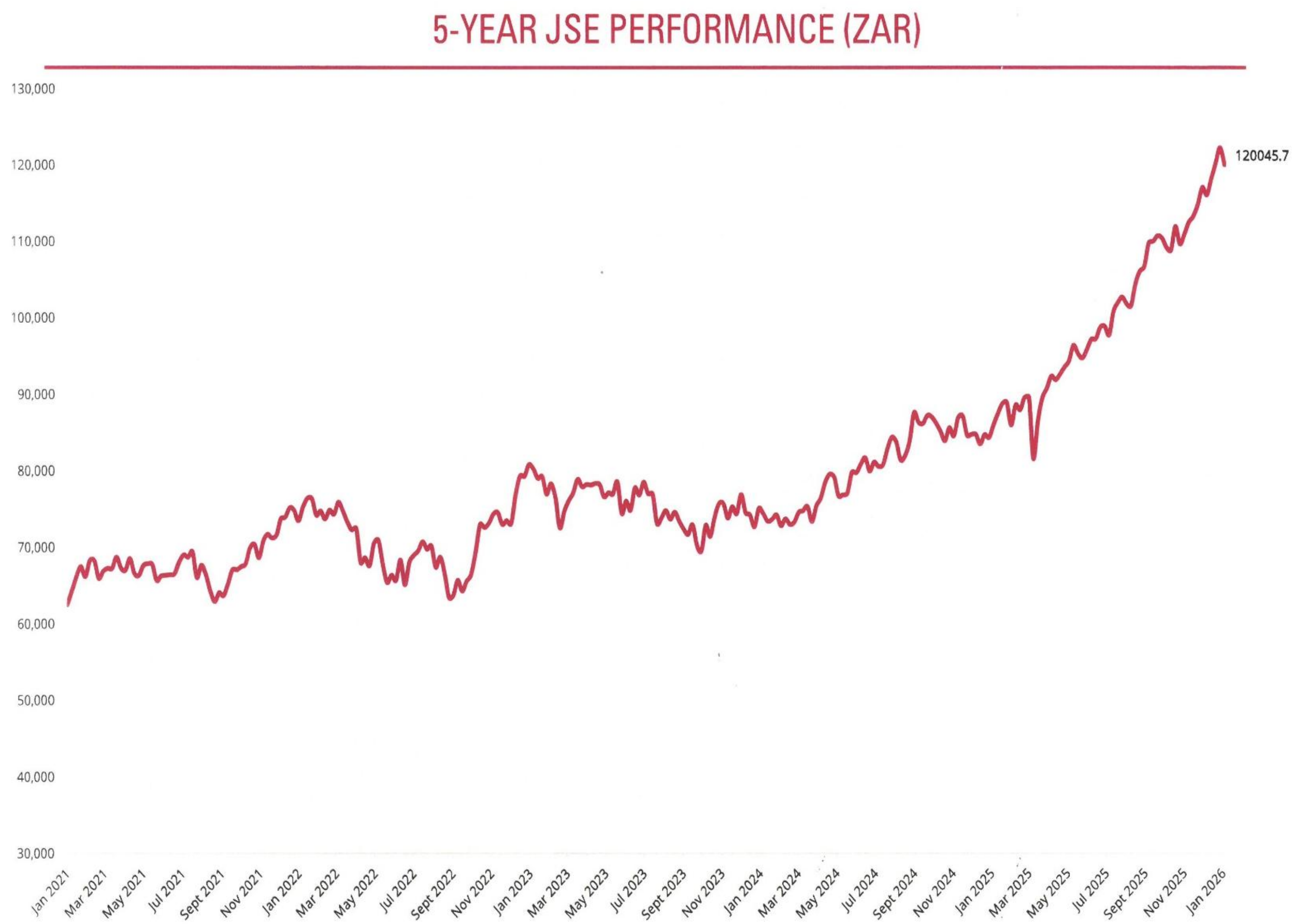
	CLOSING PRICE	JAN 2026	DEC 2025	YTD	2025
US Dollar / ZAR	R16.15	-2.50%	-3.23%	-2.50%	-12.11%
Euro/ ZAR	R19.11	-1.75%	-1.96%	-1.75%	-0.26%
Pound / ZAR	R22.07	-1.03%	-1.46%	-1.03%	-5.32%
AU Dollar / ZAR	R11.24	1.73%	-1.41%	1.73%	-5.19%





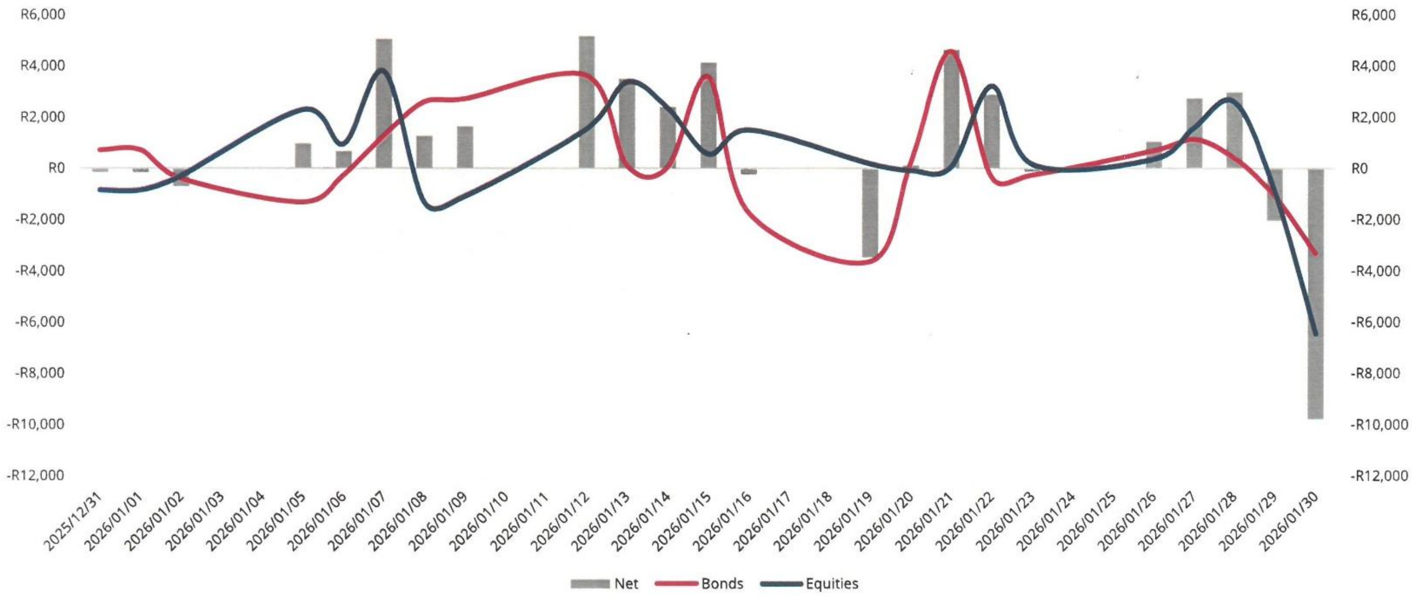




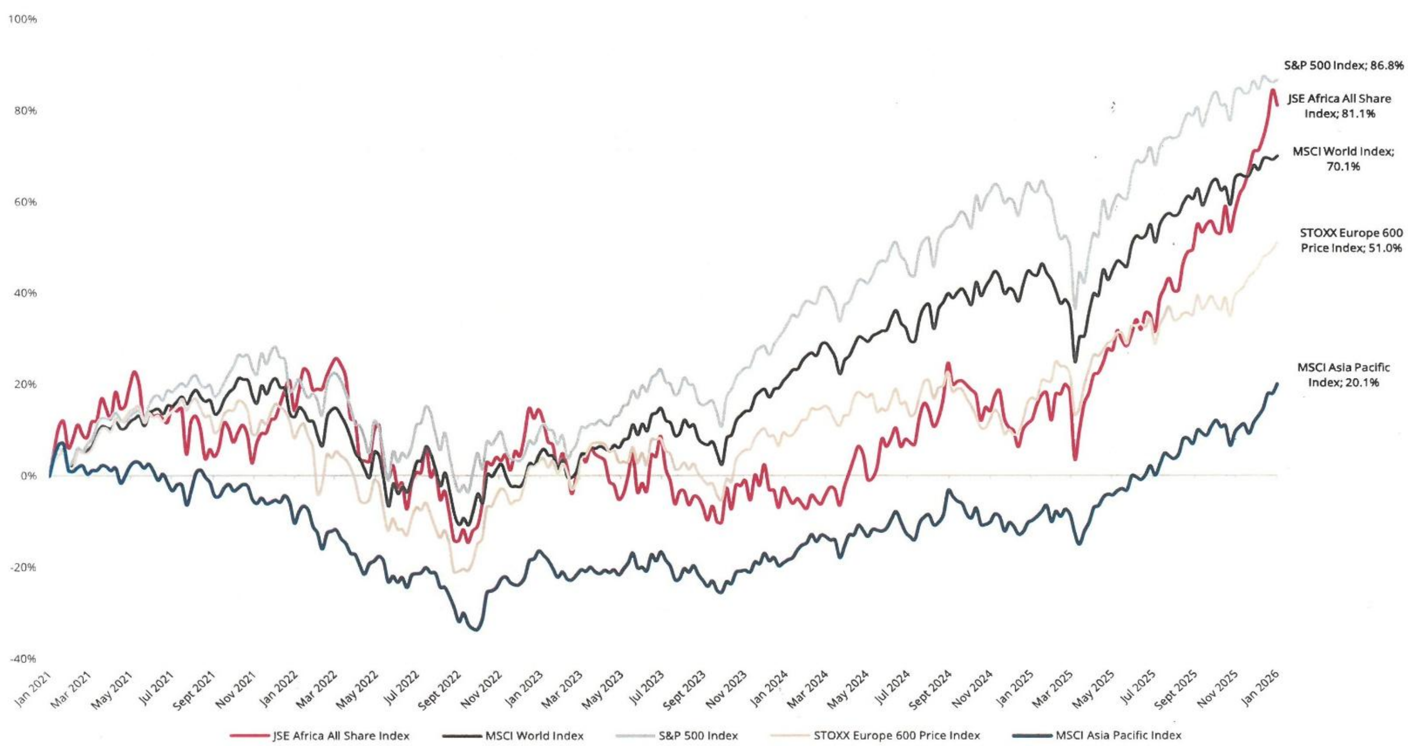

5-YEAR JSE PERFORMANCE (ZAR)
130,000
120,000
110,000
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
120045.7
Jan 2021
Mar 2021
May 2021
Jul 2021
Sept 2021
Nov 2021
Jan 2022
Mar 2022
May 2022
Jul 2022
Sept 2022
Nov 2022
Jan 2023
Mar 2023
May 2023
Jul 2023
Sept 2023
Nov 2023
Jan 2024
Mar 2024
May 2024
Jul 2024
Sept 2024
Nov 2024
Jan 2025
Mar 2025
May 2025
Jul 2025
Sept 2025
Nov 2025
Jan 2026

INTERNATIONAL FLOWS (MILLIONS ZAR)

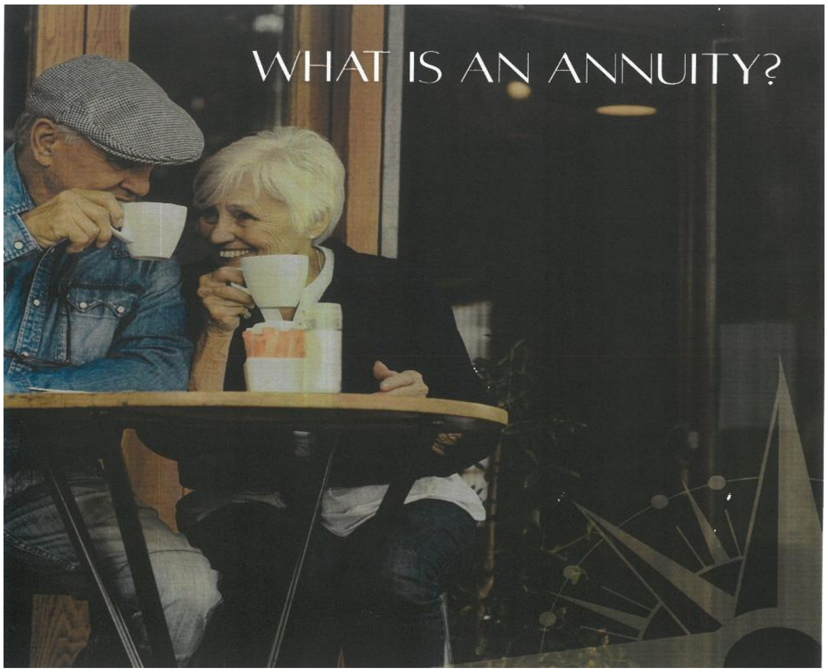
	LAST PRICE	1-MONTH	YEAR-TO-DATE	1 YEAR
SA Equity Sales to Foreigners	-6,439.55	13,805.92	13,805.92	-184,477.96
SA Bond Sales to Foreigners	-3,338.74	9,048.32	9,048.32	-98,901.17
Net	**-9,778.28**	**22,854.24**	**22,854.24**	**-283,379.13**



5-YEAR JSE vs LEADING GLOBAL INDICATORS (USD)



What is an Annuity



What is an annuity?

An annuity is a financial product designed to provide a stream of income — often used for retirement planning.

One of the key features of annuities is flexibility. They can be structured in different ways depending on your goals:

- Payments can be guaranteed for your lifetime
- Payments can continue as long as you or your spouse is alive
- Or payments can be set for a fixed period such as 20 years regardless of how long you live

The structure you choose determines how long the income lasts and how it supports your overall financial plan.

DIVERSIFICATION IS KEY

OLDMUTUAL

INVESTMENT GROUP

Diversification is the one free lunch in investments; use it. That's because it pays to invest across different asset classes, geographies and economies. After time in the market, diversification is the second most valuable tool you can use to manage risk, as it reduces the impact that a single poorly performing asset has on your overall portfolio. Not putting all your eggs in one basket is one of the lessons in our Long-Term Perspectives publication downloadable here.

By having a diversified portfolio, you don't remove the volatility, but you can drastically reduce it by spreading your risk across different asset classes. As shown below by the performance of the various unit trust categories from year to year, a diversified portfolio is not without volatility. Yet over time it has a more stable return path than many of the riskier asset classes. A diversified portfolio also has the potential to provide returns, which are in line or above inflation, when invested for the long-term.

AVERAGE UNIT TRUST CATEGORY RETURNS TO END JANUARY 2026

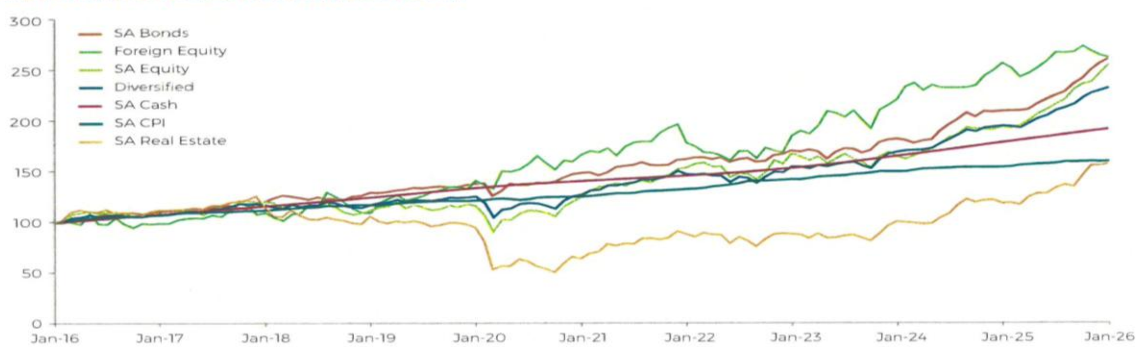
1 Year Returns																	
Jan-12	Jan-13	Jan-14	Jan-15	Jan-16	Jan-17	Jan-18	Jan-19	Jan-20	Jan-21	Jan-22	Jan-23	Jan-24	Jan-25	Jan-26	5 Year Return	10 Year Return	15 Year Return
SA Real Estate 16.2%	Foreign Equity 30.6%	Foreign Equity 41.0%	SA Real Estate 42.8%	Foreign Equity 23.1%	SA Real Estate 12.0%	SA Equity 10.5%	SA Bonds 7.5%	Foreign Equity 29.4%	Foreign Equity 18.1%	SA Real Estate 37.1%	SA Equity 9.0%	Foreign Equity 19.2%	SA Real Estate 18.2%	SA Real Estate 32.6%	SA Real Estate 19.6%	Foreign Equity 10.1%	Foreign Equity 13.3%
SA Bonds 12.7%	SA Real Estate 26.8%	SA Equity 13.5%	SA Bonds 18.2%	SA Cash 6.4%	SA Bonds 10.6%	Foreign Equity 10.5%	SA Cash 7.4%	SA Cash 7.4%	SA Bonds 7.7%	SA Equity 25.3%	SA CPI 7.2%	SA Real Estate 13.6%	SA Equity 17.9%	SA Equity 31.5%	SA Equity 15.4%	SA Bonds 10.1%	SA Equity 10.0%
SA Equity 10.3%	Diversified 18.8%	Diversified 11.6%	Diversified 17.4%	SA CPI 5.0%	SA Equity 8.9%	SA Bonds 8.7%	SA CPI 4.5%	Diversified 7.0%	SA Equity 7.4%	Diversified 15.8%	SA Bonds 5.2%	Diversified 9.2%	Foreign Equity 16.4%	SA Bonds 24.4%	Diversified 12.8%	SA Equity 9.8%	Diversified 9.9%
Diversified 9.7%	SA Equity 18.2%	SA CPI 5.6%	SA Equity 15.5%	Diversified 4.1%	Diversified 7.9%	Diversified 8.3%	Diversified 0.2%	SA Bonds 6.8%	SA Cash 5.2%	SA Bonds 9.0%	SA Cash 5.1%	SA Cash 7.6%	Diversified 15.3%	Diversified 19.1%	SA Bonds 11.9%	Diversified 8.8%	SA Bonds 9.1%
SA CPI 6.0%	SA Bonds 13.2%	SA Cash 5.1%	Foreign Equity 6.9%	SA Real Estate -0.3%	SA Cash 7.7%	SA Cash 7.7%	Foreign Equity -0.2%	SA Equity 4.0%	SA CPI 3.0%	Foreign Equity 7.0%	Diversified 5.1%	SA Bonds 6.7%	SA Bonds 15.2%	SA Cash 7.3%	Foreign Equity 9.5%	SA Cash 6.7%	SA Real Estate 8.4%
SA Cash 5.5%	SA CPI 5.7%	SA Real Estate 1.4%	SA Cash 5.9%	SA Bonds -3.6%	SA CPI 6.8%	SA CPI 4.8%	SA Equity -7.2%	SA CPI 4.0%	Diversified 1.3%	SA CPI 5.9%	Foreign Equity 3.8%	SA CPI 5.2%	SA Cash 8.2%	SA CPI 3.6%	SA Cash 6.4%	SA CPI 4.8%	SA Cash 6.4%
Foreign Equity 3.1%	SA Cash 5.4%	SA Bonds -2.1%	SA CPI 5.3%	SA Equity -4.6%	Foreign Equity -1.3%	SA Real Estate 2.7%	SA Real Estate -7.9%	SA Real Estate -10.1%	SA Real Estate -32.5%	SA Cash 3.7%	SA Real Estate 0.2%	SA Equity -1.8%	SA CPI 5.0%	Foreign Equity 2.1%	SA CPI 5.0%	SA Real Estate 4.6%	SA CPI 5.0%

Diversified returns are calculated using the sectors* weighted evenly at 20%

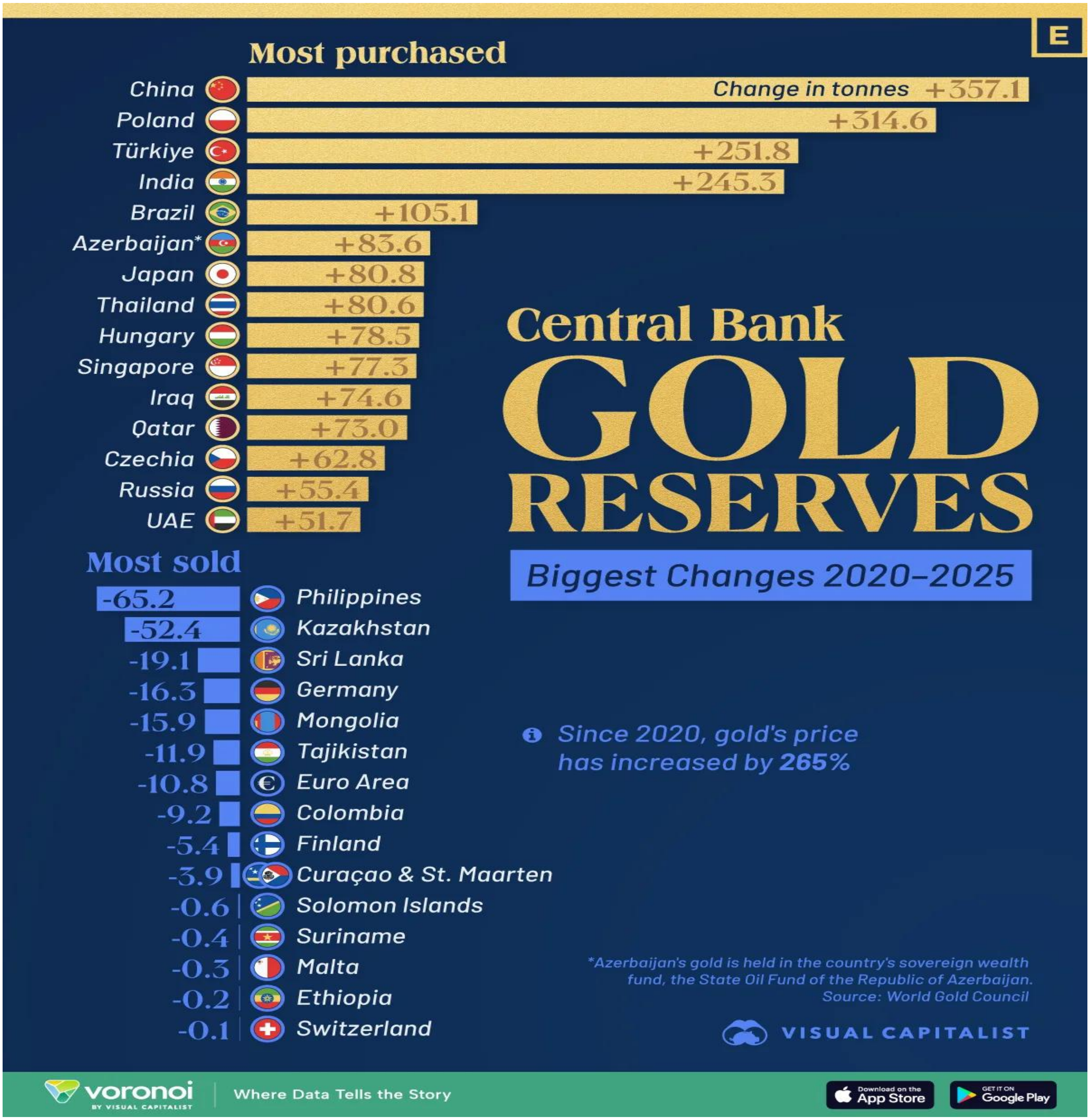
Source: Morningstar

* Sectors used are: SA Equity – ASISA SA Equity General, SA Real Estate – ASISA SA Real Estate General, Foreign Equity – ASISA Global Equity General, SA Bonds: ASISA – SA Interest Bearing Variable Term, SA Cash ASISA – SA Interest Bearing Money Market

ASSET CLASS RETURNS: 10 YEARS TO 31 JANUARY 2026



RANKED: THE COUNTRIES BUYING (AND SELLING) THE MOST GOLD SINCE 2020



Key Takeaways

- China, Poland, and Türkiye were the largest gold buyers among central banks between 2020 and 2025.
- Gold prices surged more than 230% over the period, fueling one of the strongest official-sector buying waves in decades.
- A smaller group of countries reduced holdings, highlighting divergent reserve strategies.

As gold prices surged more than 230% since 2020, central banks around the world launched one of the largest gold-buying waves in modern history.

For many countries, bullion became more than just a hedge—it became a strategic reserve asset amid rising geopolitical tensions, currency volatility, and growing efforts to diversify away from the U.S. dollar.

Yet not every nation followed the same playbook: some were accumulating gold aggressively, while others were trimming reserves.

This chart ranks the countries that made the biggest net additions and the largest reductions in gold reserves over the past five years. The data comes from the World Gold Council.

China and Eastern Europe Lead Gold Buying

Together, the top 15 buyers added nearly 2,000 net tonnes of gold to their reserves over the period, underscoring a broad shift in official sector strategy.

China recorded the largest increase in gold reserves over the period, adding more than 350 tonnes. This move aligns with Beijing's long-running push to diversify reserves away from the U.S. dollar and reduce exposure to Western financial systems, reinforcing gold's role as a politically neutral anchor within global reserves.

Rank	Country	Net change in tonnes (2020-2025)
1	CN China	357.1
2	PL Poland	314.6
3	TR Türkiye	251.8
4	IN India	245.3
5	BR Brazil	105.1

Rank	Country	Net change in tonnes (2020-2025)
6	AZ Azerbaijan	83.6
7	JP Japan	80.8
8	TH Thailand	80.6
9	HU Hungary	78.5
10	SG Singapore	77.3
11	IQ Iraq	74.6
12	QA Qatar	73.0
13	CZ Czech Rep.	62.8
14	RU Russia	55.4
15	AE United Arab Emirates	51.7

Several European countries, including Germany and Finland, posted modest reductions. Switzerland's change was minimal, underscoring its generally stable approach to gold management compared with more active buyers elsewhere.

Taken together, the data shows how gold has reasserted itself as a cornerstone of global reserves, even as countries take sharply different paths in preparing for an uncertain monetary future.

Source: Visual Capitalist – By Niccolo Conte

Out of the Grey, Not Yet in the Clear: What EU Delisting Really Means for South Africa

South Africa is clearing regulatory hurdles, but foreign investors are still deciding what that is worth.

From 29 January, the country will be removed from the European Union's list of "high-risk third-country jurisdictions", a move that marks a decisive step out of the greylisting era and lifts one of the most intrusive constraints on cross-border financial activity. Yet delisting does not guarantee capital inflows, nor does it erase deeper structural concerns.

The EU decision, published on 9 January 2026, follows South Africa's removal in October 2025 from both the Financial Action Task Force's greylist and the United Kingdom's list of high-risk jurisdictions for money laundering and terror financing. South Africa's delisting coincides with the removal of Burkina Faso, Mali, Mozambique, Nigeria and Tanzania from the EU list, after all six countries exited the FATF greylist in 2025.

South Africa was added to the EU list in August 2023 as an automatic consequence of its FATF greylisting earlier that year. Under EU law, the designation required EU-based financial institutions to apply enhanced due diligence to South Africa-related transactions, introducing heavier documentation, continuous monitoring and senior management sign-off – friction that weighed on trade, payments and investment flows.

In announcing the removals, the European Commission acknowledged that South Africa and the other affected countries had strengthened their AML/CFT regimes and addressed the strategic deficiencies identified by the FATF.

National Treasury, however, stressed that the change is enabling rather than prescriptive: EU institutions are not compelled to adjust their risk assessments, but may do so at their discretion. Treasury also cautioned that delisting does not mean South Africa's AML/CFT challenges are fully resolved, and that further work is required to strengthen enforcement, investigation and prosecution.

Moonstone asked Johann Els, group chief economist at PSG Financial Services, Mandisa Zavala, head of asset allocation at Alexforbes, and Sanisha Packirisamy, chief economist at Momentum Investments, to assess what the EU delisting could mean for the economy, international investment and South Africa's broader financial landscape.

Short-term investor response

All three economists temper expectations of an immediate reaction from international investors.

Packirisamy is explicit that behaviour will lag regulation.

"Although the legal requirement for EU institutions to apply enhanced due diligence is being lifted, an immediate surge in capital inflows is unlikely," she said.

Large European banks and asset managers rely on "sophisticated, largely automated risk-rating systems", and recalibrating those frameworks "is not instantaneous". During the greylisting period, many institutions went beyond minimum requirements, and are now likely to maintain "a cautious, wait-and-see posture until there is clear evidence that legislative reforms can translate into consistent enforcement and credible prosecutions".

Zavala similarly cautioned that regulation changes faster than institutional behaviour.

"It is difficult to be exact on timelines, as behaviour tends to adjust more gradually than the regulation itself," she said.

Drawing on the experience of countries such as the UAE and Nigeria, she noted that European institutions typically conducted internal risk reviews "over several quarters before adjusting exposure and onboarding thresholds".

This could result in a split response: institutions already active in South Africa may ease controls sooner, while those with no prior exposure may retain enhanced screening "until more positive macro or governance signals emerge".

Els reinforced this point, saying: “I don’t think there will be any immediate positive reaction.” Instead, the EU decision should be seen as part of a broader sequence that includes greylist removal and ratings upgrades, which together are slowly reshaping investor perceptions.

Trade and capital flows

On trade and capital flows, the emphasis shifts to marginal but meaningful gains.

Zavala described the delisting as a removal of friction rather than a trigger for a surge.

“Reduced regulatory friction can incrementally improve the ease of financial transactions and cross-border flows,” she said.

While it does not automatically unlock capital, it removes “a key procedural hurdle, particularly for correspondent banking relationships and investment mandates constrained by risk classifications”. Discretionary risk assessments will still matter, but “the direction is positive”.

Packirisamy pointed to tangible operational benefits.

“The most immediate economic gain from delisting lies in lower compliance costs and reduced uncertainty in cross-border financial transactions,” she said. With mandatory enhanced due diligence removed, routine trade finance and payments should face fewer information requests, improving speed and reliability.

Although some South African firms may still incur higher costs than peers in low-risk jurisdictions, she added that “the formal removal of South Africa’s high-risk designation strengthens the hand of domestic banks in correspondent banking negotiations”, supporting a gradual normalisation of flows, particularly in banking and insurance.

Els linked these developments to a broader reassessment of risk. Reduced regulatory drag, combined with improving growth prospects, is gradually feeding into foreign investors’ calculations, even if the benefits accrue over time rather than immediately.

Long-term credibility and investment climate

On long-term credibility, Packirisamy drew a clear distinction between removing a negative and creating a new positive. “While the delisting marks a meaningful improvement in South Africa’s investment standing, it should be viewed as a return to baseline rather than an upgrade akin to a sovereign rating action,” she said. It removes a major red flag but does not, on its own, transform long-term investment decisions.

That said, she stressed that the reform process itself mattered. Completing the FATF’s 22 action items within 33 months demonstrated “strong technical capacity and inter-agency coordination”, helping to rebuild reputational capital with multilateral institutions. This credibility dividend, she said, is less visible than headline inflows but economically significant—especially as investors look ahead to the next mutual evaluation in 2026/27 and assess whether reforms are permanent.

Zavala was more emphatic about the signal to global investors. “Yes, the delisting materially improves South Africa’s long-term investment credibility,” she said, particularly in how the integrity of the financial system is perceived. Being removed from the EU’s high-risk list signals compliance with international AML/CFT standards, which “carries significant weight in risk-based capital allocation frameworks”. Over time, this should unlock broader mandates, ranging from development finance to pension and insurance capital, improving South Africa’s competitiveness relative to peers.

Els echoed this longer-term framing, positioning South Africa favourably within the emerging market universe. Compared with competitors such as Argentina, Mexico, Brazil and Turkey, he said South Africa is “not seen as a failed state” but as “a far better, safer, more steady investment environment”, underpinned by strong institutions, a well-regulated financial sector and embedded checks and balances.

Remaining risks and investor caution

Despite the regulatory progress, all three stressed that caution will persist.

Zavala noted that while one reputational overhang has been removed, “other factors may continue to weigh on investor sentiment”. These include public sector efficiency, logistics constraints, policy uncertainty and crime.

Capital allocators, she said, are likely to differentiate between “headline regulatory improvements and deeper, system-wide reforms that shape long-term return potential and risk-adjusted outcomes”. Sustained momentum on energy, logistics and fiscal governance will therefore remain critical.

Packirisamy broadened the lens further.

“Despite progress on the regulatory front, investor caution is likely to persist due to structural challenges beyond the scope of the reforms undertaken to get off the greylist,” she said. While the financial system’s “plumbing” has improved, long-term investors remain focused on real-economy constraints, fiscal sustainability and policy predictability. High debt levels, uncertainty around the social wage and future election cycles all influence perceptions of sovereign risk and long-term returns.

Els acknowledged these limitations candidly.

“Of course, there’s constraints still,” he said, pointing to the need for labour market reform, improvements in education, and making it easier and cheaper to start and run businesses.

Beyond financial regulation

Packirisamy shifted attention to the global backdrop, warning that regulatory rehabilitation is unfolding in a more hostile external environment.

“Beyond financial regulation, South Africa now faces a shifting external landscape marked by rising trade protectionism and heightened geopolitical risk,” she said.

From 2026, the EU’s Carbon Border Adjustment Mechanism will impose additional costs on exporters in carbon-intensive sectors. While framed as a climate policy, CBAM “also functions as a trade barrier”, meaning some of the friction recently removed from finance could reappear through trade channels. Investment credibility, she argued, will increasingly depend not only on financial compliance, but also on climate credentials, strategic alignment and supply-chain security.

Zavala highlighted a quieter but potentially powerful effect at home.

“One of the most important, yet often underappreciated, effects of South Africa’s delisting is the boost it provides to domestic business confidence,” she said. These signals are closely watched by local businesses, banks and asset managers, and could encourage greater domestic investment, support capital reallocation toward local opportunities and ease compliance burdens for firms operating across jurisdictions.

Els tied these threads together with a cautiously optimistic outlook. Growth remains weak but is improving, supported by lower inflation, lower interest rates and easing structural constraints as the private sector plays a larger role in electricity, logistics and infrastructure.

“We’ve come a long way, and we don’t always acknowledge the positives that we’ve done,” he said. “We’re certainly moving in the right direction, and I think that action by the European Union will certainly aid in that.”

South Africa will enter its next round of evaluation by the Financial Action Task Force in the coming months, with the final assessment report due to be presented to the FATF plenary in October 2027.

Source: Moonstone - *by* ***N**ettalie Viljoen*

RANKED: THE WORLD'S MOST PROFITABLE COMPANIES IN 2025

Key Takeaways

- Alphabet, Apple, and Microsoft lead global profitability, each earning over $100B in net income.
- U.S. companies dominate the list, but major Asian and European giants also rank among the top earners.

The ranking of the world's most profitable companies in 2025 highlights a powerful concentration of earnings across technology, finance, and energy.

The data for this visualization comes from FinanceCharts.com. It ranks companies by trailing 12-month net income as of November 2025 and shows the profit margins behind those earnings.

Tech Giants Lead by a Wide Margin

As in previous years, technology firms dominate the top of the ranking, with Alphabet earning $124.3 billion and Apple and Microsoft close behind. These companies benefit from high-margin digital services, advertising platforms, and enterprise software, all of which scale efficiently.

Rank	Name	TTM Net Income	TTM Net Profit Margin
1	Alphabet	$124.3B	30.1%
2	Apple	$112.0B	24.8%
3	Microsoft	$104.9B	35.7%
4	NVIDIA	$99.2B	53.7%
5	Saudi Aramco	$95.6B	21.7%
6	Amazon.com	$76.5B	9.8%
7	Berkshire Hathaway	$67.5B	22.0%
8	Meta Platforms	$58.5B	36.7%
9	JPMorgan Chase & Co	$56.7B	20.1%
10	Taiwan Semiconductor	$50.5B	41.6%
11	Industrial and Commerci..	$49.9B	21.7%
12	China Construction Bank	$46.4B	23.4%
13	Agricultural Bank of Ch..	$38.5B	18.8%
14	Bank of China	$31.4B	16.3%

NVIDIA stands out with a remarkable 53.7% profit margin, underscoring how demand for AI chips continues to reshape the semiconductor industry. Together, the top U.S. tech firms account for several hundred billion dollars in annual profit, more than entire sectors in some countries.

Financial Institutions Are Global Profit Engines

JPMorgan Chase, Bank of America, and Wells Fargo all appear in the top 50, contributing tens of billions in profit.

China's "Big Four" banks—ICBC, China Construction Bank, Agricultural Bank of China, and Bank of China—also rank highly thanks to scale and extensive domestic networks.

European firms such as HSBC, BNP Paribas, and Santander add further evidence that financial services remain one of the world's most profitable industries.

Energy, Pharmaceuticals, and Retail Show Mixed Results

Saudi Aramco remains the world's most profitable non-tech operator, generating $95.6 billion from energy production despite market volatility. Pharma companies like Merck, Eli Lilly, and Novo Nordisk show strong margins driven by high-value therapeutics and blockbuster drug pipelines.

In contrast, retail giants such as Walmart and Home Depot post lower margins due to their cost-intensive structures, though their absolute profits still place them among the world's leaders.

Source: Visual Capitalist – Marcus Lu

THE ANC DESTROYED BLACK BUSINESSES

Professor William Gumede said the ANC was hostile towards black businesses as they were seen as sellouts, which were connected to the apartheid government.

This formed part of his discussion with The Truth Report about black economic empowerment (BEE) and its impact on South Africa.

Gumede is an associate professor at the University of Witwatersrand's School of Governance.

He is also the founder and executive chairperson of Democracy Works Foundation and the founder of the Institute for Social Dialogue.

He served as the independent chairperson of the negotiations to establish a multiparty coalition of opposition parties for the 2024 elections.

Gumede is one of South Africa's foremost political and economic experts, having won numerous awards in both South Africa and internationally.

Gumede has been following and researching black economic empowerment since its early days in the nineties, making him an expert in the field.

In his discussion, he stated that BEE would have been far more successful if it had been aimed at empowering black businesspeople.

However, he argues that the government opted to empower and enrich politicians and politically connected individuals instead.

This should not come as a surprise, as the ANC subscribed to Marxist doctrines, which were inherently anti-business and favoured political control over the economy.

He said that by the 1970s and 1980s, the ANC's ideological direction was heavily influenced by the South African Communist Party (SACP).

This means that successful black entrepreneurs were viewed as sellouts or collaborators with the apartheid government.

During protests in the eighties, black-owned businesses in townships were frequently targeted and destroyed.

They became targets during the protests because they were perceived as being outside the ideological fold of the liberation movement.

"They looked at successful black businesses and entrepreneurs as anti-ANC because at that time, the party's ideology was very anti-business," Gumede said.

This is why, when BEE started gaining traction in the mid-1990s, he said that the ANC opted to empower its own politicians instead of businesspeople.

It also aligned with the National Democratic Revolution (NDR) goals, which are rooted in Marxist-Leninist theory and the ideology of the South African Communist Party (SACP).

The NDR's goals include the state controlling every aspect of society. "They ANC wanted its own leaders to control business," he said.

Gumede argues that BEE was flawed from the start because it prioritised empowering politicians rather than businesspeople with skin in the game.

Source: Newsday.

EQUITIES - GLOBAL

DESCRIPTION	INDEX	CURRENCY	INDEX VALUE	WEEK	MONTH-TO-DATE	YEAR-TO-DATE	1 YEAR
Global	MSCI World	US$	4 555.0	1.00%	0.60%	2.82%	16.97%
United States	S&P 500	US$	6 910.0	1.08%	-0.42%	0.93%	12.95%
Europe	MSCI Europe	US$	2 825.0	1.62%	2.39%	6.89%	28.12%
Britain	FTSE 100	US$	14 407.0	1.00%	2.97%	7.66%	31.26%
Germany	DAX	US$	2 535.0	0.84%	2.55%	3.14%	26.88%
Japan	Nikkei 225	US$	363.7	-2.48%	5.55%	13.18%	40.68%
Emerging Markets	MSCI Emerging Markets	US$	1 567.0	0.77%	2.55%	11.61%	38.43%
Brazil	MSCI Brazil	US$	2 021.0	3.27%	5.26%	22.78%	48.71%
China	MSCI China	US$	82.1	-0.95%	-5.02%	-0.61%	13.01%
India	MSCI India	US$	1 022.5	-0.18%	2.25%	-3.08%	6.73%
South Africa	MSCI South Africa	US$	825.0	1.85%	2.61%	11.04%	71.52%

EQUITIES - SOUTH AFRICA (TOTAL RETURN UNLESS INDICATED OTHERWISE)

DESCRIPTION	INDEX	CURRENCY	INDEX VALUE	WEEK	MONTH-TO-DATE	YEAR-TO-DATE	1 YEAR
All Share (Capital Only)	All Share (Capital Index)	Rand	123 022.0	2.02%	2.48%	6.21%	38.42%
All Share	All Share (Total Return)	Rand	23 268.0	2.02%	2.48%	6.29%	43.07%
JSE Capped ALSI	Capped ALSI Total Retu	Rand	134 043.9	2.03%	2.58%	6.53%	44.09%
TOP 40/Large Caps	Top 40	Rand	21 399.0	2.02%	2.32%	6.39%	45.46%
Mid Caps	Mid Cap	Rand	35 005.0	2.22%	0.05%	6.31%	39.65%
Small Companies	Small Cap	Rand	56 073.0	1.53%	3.15%	4.25%	33.68%
Resources	Resource 20	Rand	12 689.4	1.86%	1.83%	15.23%	130.53%
Industrials	Industrial 25	Rand	29 756.0	1.45%	-0.29%	-4.13%	6.21%
Financials	Financial 15	Rand	21 748.0	2.51%	5.85%	8.92%	40.56%
Listed Property	SA Listed Property	Rand	3 353.2	2.53%	5.81%	6.86%	42.81%

FIXED INTEREST - GLOBAL

DESCRIPTION	INDEX	CURRENCY	INDEX VALUE	WEEK	MONTH-TO-DATE	YEAR-TO-DATE	1 YEAR
IBOXX Global Government Overall (USD Unhedged)	S&P	US$	77.6	-0.22%	0.57%	1.19%	3.92%

FIXED INTEREST - SOUTH AFRICA

DESCRIPTION	INDEX	CURRENCY	INDEX VALUE	WEEK	MONTH-TO-DATE	YEAR-TO-DATE	1 YEAR
All Bond	BESA ALBI	Rand	1 416.4	0.08%	1.44%	3.40%	28.60%
Government Bonds	BESA GOVI	Rand	1 390.4	0.08%	1.47%	3.42%	28.17%
Inflation Linked Bonds	BESA CILI	Rand	448.3	-0.88%	1.79%	3.13%	17.97%
Cash	STEFI Composite	Rand	645.5	0.13%	0.38%	0.94%	7.38%

COMMODITIES

DESCRIPTION	INDEX	CURRENCY	INDEX VALUE	WEEK	MONTH-TO-DATE	YEAR-TO-DATE	1 YEAR
Brent Crude Oil	Brent Crude ICE	US$	71.8	5.92%	4.00%	17.64%	-5.58%
Gold	Gold Spot	US$	5 029.0	-0.30%	2.91%	16.74%	70.24%
Platinum	Platinum Spot	US$	2 113.0	1.73%	-0.42%	5.18%	116.05%

CURRENCIES

DESCRIPTION	INDEX	CURRENCY	INDEX VALUE	WEEK	MONTH-TO-DATE	YEAR-TO-DATE	1 YEAR
ZAR/Dollar	ZAR/USD	Rand	16.04	-0.55%	0.64%	3.25%	14.29%
ZAR/Pound	ZAR/GBP	Rand	21.62	0.69%	2.17%	3.15%	7.45%
ZAR/Euro	ZAR/EUR	Rand	18.89	0.14%	1.20%	2.94%	1.88%
Dollar/Euro	USD/EUR	US$	1.18	0.85%	0.42%	-0.51%	-11.02%
Dollar/Pound	USD/GBP	US$	1.35	1.29%	1.62%	0.14%	-5.79%
Dollar/Yen	USD/JPY	US$	0.01	2.33%	0.97%	-0.27%	4.44%

Source: I-Net, figures as at 20 February 2026

The Old Mutual Wealth Investment Note is published on a weekly basis to keep our clients and financial planners informed of what is happening in financial markets and the economy and to share our insights. Markets are often very volatile in the short term and similarly, economic data releases or central bank actions may cause concerns for investors. This does not mean that investors should take action based on the most recent events. It is better to be disciplined and remain invested in well-diversified portfolios that are designed to achieve long-term objectives. Our Strategy Funds are actively managed, with asset allocation changes based on valuations and in anticipation of future real returns, and not in response to the most recent market noise. The future is always uncertain and that is why our Strategy Funds are diversified and managed with a long-term focus.

WEALTH

Fund	Year To Date Performances 1st Jan to 31st January 2025	Current Performances as at 31 January 2026
Allan Gray Balanced	3.16%	3.16%
Allan Gray Stable	1.27%	1.27%
Coronation Balanced Plus	-0.08%	-0.08%
Ninety One Managed	3.75%	3.75%
M&G Balanced	0.48%	0.48%
M&G Inflation Plus	0.90%	0.90%
Peregrine Capital High Growth H4 Hedge fund	1.65%	1.65%
Peregrine Capital Pure Hedge H4 Hedge fund	1.07%	1.07%

Skybound Capital Funds

South Africa

Fund	Year To Date Performances 1st Jan to 31st December 2025	Current Performances as at 31 January 2026
The Apello Fund	0.6 %	0.55%
The Azacus Fund	0.52%	0.52%

Skybound Capital Funds

INTERNATIONAL - GBP

	Year To Date Performances 1st Jan to 31st December 2026	Current Performances as at 31 January 2026
Prism Income	6.54%	0.63%
Prism Income Australian	6.54%	0.63%
The Willow Tree	5.23%	0.63%

WHAT A JOKE

Thorn in the flesh

I finally found a use for my old TV.

Quick thinker

A little old lady is pulled over for speeding.

“Is there a problem, officer?”

“Yes, ma’am, you were speeding. Can I see your licence please?”

“I’d give it to you, but I lost it four years ago for drunk driving.”

“I see. Vehicle registration please.”

“No, I can’t do that either. This car is stolen.”

“You stole it?” “Yes, and I killed the owner.”

“You what?”

“I killed him and dismembered him. His body parts are in the boot in plastic bags.”

The officer calls for back-up. Within minutes, six police cars circle the old woman’s car. A senior officer slowly approaches with his hand on his gun.

“Ma’am, step out of your vehicle, please!”

She steps out of her vehicle.

“Is there a problem, sir?”

“My patrol officer said you stole this car and murdered its owner.”

“Stole the car and murdered the owner?”

“Yes. Open the boot of your car, please.”

The little old lady opens the boot. It’s empty.

“Is this your car, ma’am?”

“Yes, here’s the registration.”

“My patrol officer said you lost your licence.”

“No, here it is.”

The senior officer examines her licence.

“Sorry for the misunderstanding, ma’am. For some reason, my patrol officer reported that you lost your licence for drunk driving, stole this car, and that you murdered and dismembered its owner.”

“Wow. I bet that lunatic told you I was speeding, too.”

Paul Bekker

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