Market Smarts

Monthly Market Brief

May 2026

Amity INVESTMENT SOLUTIONS

01 | At a Glance

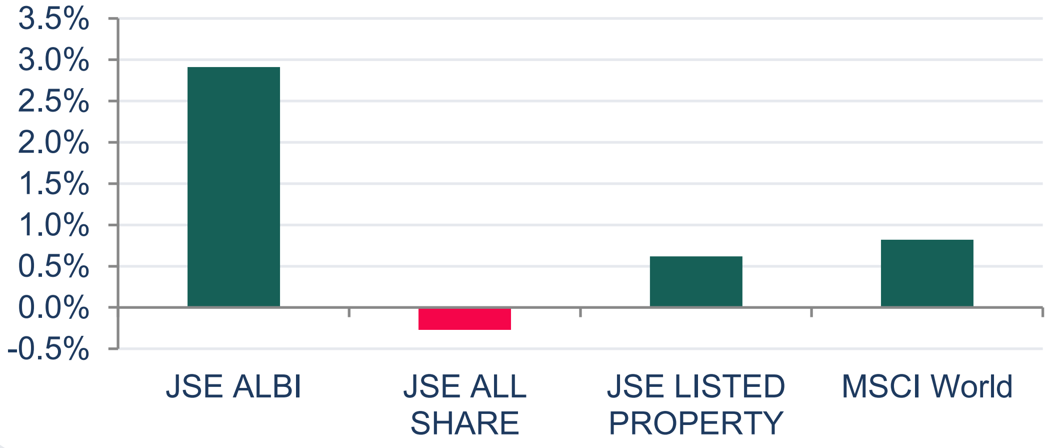
Key numbers and market moves for the month

Key numbers (South Africa)

	May 2025	May 2026
CPI (y/y)	2.8%	4.0%*
USD/ZAR	18.00	16.22
Repo rate	7.25%	7.00%
JSE All Share	94,331	114,632
Brent Crude Oil (USD)	62.78	91.12
Gold (USD)	3,278	4,546

** April 2026*

Market moves (MAY'26, ZAR)



Monthly highlights

- Global risk assets rebounded: global equities surged, led by EM (MSCI EM +9.5% USD) while MSCI World rose ~+4.6% (USD) on strong tech and an extended ceasefire.
- Commodities cooled: Brent fell from ~$118 to ~$91/bbl (about –22.8%) as Middle East tensions eased; gold slipped ~–1.5%, holding around $4,500/oz.
- SA: bonds beat equities: ALBI +2.9% vs ALSI –0.3%, while the rand strengthened ~3.6% (16.83 → 16.22) and the repo rate rose to 7.0% amid higher inflation risk.

02 | South Africa

Key developments

Activity | Absa PMI

- [Apr 2026, released in May] Headline PMI rose to 52.6 from 49.0 in March, moving back above the neutral 50 mark for the first time since September 2025.
- [Apr 2026] Business activity and new sales orders rebounded, while inventories also increased.
- [Apr 2026] Purchasing prices rose sharply to 85.6, pointing to higher oil-linked input costs and some front-loading of demand.

Inflation

- [Apr 2026, released 20 May / 28 May] Headline CPI accelerated to 4.0% y/y from 3.1% in March; CPI rose 1.1% m/m.
- [Apr 2026] Goods inflation rose to 3.4% y/y and services inflation to 4.6% y/y; CPI ex food, NAB, fuel & energy was 3.6% y/y.
- [Apr 2026] Final manufactured-goods PPI rose to 4.8% y/y from 2.3% in March, with a 3.0% m/m increase.

Rates | SARB

- [May 2026 MPC, announced 29 May] The SARB increased the repo rate by 25 bps to 7.0%, effective 29 May.
- [May 2026] The MPC cited higher oil prices, rising inflation and increased risk of second-round effects.
- [May 2026 outlook] SARB now expects headline inflation to average 4.4% in 2026 and 3.7% in 2027, with the 3% target only reached in 2028.

Currency | ZAR

- [May 2026 market month] USD/ZAR moved from 16.83 to 16.22, meaning the rand strengthened by about 3.6% m/m.
- [May 2026] Support came from improved global risk sentiment and easing Middle East tensions.
- [May 2026 portfolio implication] A firmer rand helped contain imported inflation pressure, but reduced the ZAR translation benefit on offshore assets.

Equities | JSE

- [May 2026 market month] Local bonds outperformed equities: the FTSE/JSE All Bond Index returned +2.9%, versus -0.3% for the FTSE/JSE All Share Index.
- [May 2026] Local equities underperformed the strong rebound in global markets.
- [1-year context to May 2026] The ALSI was still up 25.8% y/y in ZAR terms.

GDP

- [Apr 2026 trade, released 29 May] South Africa recorded a preliminary trade surplus of R15.2bn, with exports of R190.6bn and imports of R175.4bn.
- [Mar 2026 manufacturing, released 12 May] Manufacturing output rose 0.9% y/y and 0.8% m/m.
- [Mar 2026 retail, released 20 May] Real retail sales rose 2.6% y/y and 0.1% m/m; for Q1 2026, retail sales were 2.8% higher than Q1 2025.

03 | Global

Key developments and portfolio implications

United States | PMIs

- [May 2026] ISM Manufacturing PMI rose to 54.0 (from 52.7 in Apr), its highest reading since May 2022.
- [May 2026] ISM Services PMI rose to 54.5 (from 53.6 in Apr); Business Activity improved to 57.7.
- US activity remained in expansion, with manufacturing strengthening and services still resilient.

US Inflation

- [Apr 2026; released in May] Headline CPI rose 3.8% y/y (from 3.3% in Mar).
- [Apr 2026; released in May] Core CPI (ex food & energy) rose 2.8% y/y (from 2.6% in Mar).
- Inflation re-accelerated in April, with energy a key driver.

US Dollar

- [May 2026] The Fed's Nominal Broad Dollar Index stood at 118.7792 in May.
- The dollar remained firm, supported by elevated uncertainty and still-restrictive US rates.

US Interest Rates

- [Apr 28–29 meeting; relevant through May 2026] The Fed kept the target range at 3.50%–3.75%.
- Statement noted solid activity, soft job gains and elevated inflation; Middle East developments added uncertainty.
- The Fed remained cautious and data-dependent.

US Stock Markets

- [May 2026] US equities were resilient through the month despite geopolitical and inflation concerns.
- Risk appetite held up, with major indices holding near record highs.

Europe

- [Apr 2026; released in May] Euro area inflation rose to 3.0% y/y (from 2.6% in Mar).
- [May 2026 flash PMI] Euro area activity contracted again in May, with Europe described as the hardest-hit major region in the latest flash PMI survey.
- [30 Apr 2026 ECB decision] ECB kept rates unchanged: deposit 2.00%, refi 2.15%, marginal lending 2.40%.

UK

- [Apr 2026; released in May] UK CPI slowed to 2.8% y/y (from 3.3% in Mar); CPIH slowed to 3.0% (from 3.4%).
- [May 2026 flash PMI] UK activity moved into contraction in May, the first decline since April last year.
- [Apr 2026 MPC decision] Bank of England kept Bank Rate at 3.75%.

China

- [Apr 2026; released 1 May] Official manufacturing PMI was 50.3 (from 50.4 in Mar).
- [Apr 2026] Services/business activity softened, with the services business activity index at 49.6.
- Manufacturing remained marginally expansionary, but services softened.

China

- [Apr 2026; released in May] Trade: total imports + exports 4,377.8bn yuan (+14.2% y/y); exports +9.8%, imports +20.6%.
- [Apr 2026; released in May] Industrial production +4.1% y/y; retail sales +0.2% y/y.

Amity INVESTMENT SOLUTIONS

04 | Asset Class Returns

Calendar year index returns (periodic table view)

Periodic Table - Calendar Year Index Returns

As of Date: 31/05/2026 Currency: BASE

	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Best	Foreign Equity 12,1	Local Equity 42,4	Local Property 29,0	Foreign Equity 22,2	US Dollar 7,9	Local Property 36,9	Foreign Equity 16,3	Foreign Equity 26,6	Local Bond 7,7	Foreign Equity 24,0	Local Bond 15,4
	Local Cash 2,8	Local Property 30,6	Foreign Equity 17,5	Local Property 10,1	SA Inflation 7,5	Local Equity 29,2	Foreign Bonds 10,1	Local Equity 12,0	Local Cash 7,2	Local Equity 21,0	Local Property 10,2
	Local Bond 2,7	Local Bond 24,2	Local Bond 17,2	Local Bond 9,7	Local Cash 5,2	Foreign Equity 18,5	Local Bond 8,7	Local Bond 10,3	SA Inflation 5,1	Local Property 17,2	Foreign Equity 7,9
	SA Inflation 2,5	Foreign Equity 22,3	Local Equity 13,4	Local Equity 9,3	Local Bond 4,3	Local Bond 8,4	Local Equity 7,0	Local Cash 7,3	US Dollar 4,4	Local Bond 10,2	Local Cash 7,4
	Local Property 0,8	Foreign Bonds 7,5	Local Cash 8,5	Local Cash 8,1	Local Equity 3,6	US Dollar 6,7	Local Cash 5,4	Foreign Bonds 5,9	Foreign Cash 2,4	Local Cash 7,5	SA Inflation 6,6
	Local Equity 0,8	Local Cash 7,5	US Dollar 7,1	SA Inflation 5,5	Foreign Cash 1,7	SA Inflation 5,4	SA Inflation 3,2	SA Inflation 3,6	Foreign Bonds -0,8	Foreign Bonds 7,5	US Dollar 3,6
	US Dollar 0,6	Foreign Cash 4,4	Foreign Cash 5,4	Foreign Cash 5,2	Local Property 0,5	Local Cash 3,8	Foreign Cash 0,7	Foreign Cash 2,4	Local Equity -8,5	SA Inflation 4,6	Local Equity 2,6
	Foreign Bonds 0,4	SA Inflation 3,5	SA Inflation 2,9	Foreign Bonds 5,2	Foreign Bonds -18,3	Foreign Cash 0,2	US Dollar -6,7	Local Property 1,9	Foreign Equity -9,4	Foreign Cash 1,3	Foreign Bonds 1,6
Worst		US Dollar -9,4	Foreign Bonds -2,9	US Dollar -2,1	Foreign Equity -18,4	Foreign Bonds -7,0	Local Property -34,5	US Dollar 0,2	Local Property -25,3	US Dollar -9,9	Foreign Cash 0,8

Local Bond
SA Inflation
Foreign Bonds
Local Equity
Foreign Equity
US Dollar
Local Property
Local Cash
Foreign Cash

Source: Morningstar Direct

05 | Number Snapshot

Returns, yields and rates — selected indicators

ASSET CLASS RETURNS

	1Y	3Y	5Y	7Y
Global Property	2.64%	4.27%	6.14%	5.55%
SA Flex Inc	8.04%	10.26%	7.92%	8.00%
SA Bond	22.41%	19.00%	12.29%	11.27%
SA Equity	25.84%	19.41%	15.46%	15.03%
SA Property	23.95%	25.46%	17.40%	7.47%
Global Equity	16.83%	14.34%	15.21%	16.20%

AMITY CIS SOLUTIONS

	1Y	3Y	5Y	7Y
Amity BCI Diversified Income A	10.07%	11.29%		
Amity BCI Global Diversified FoF A	13.36%	7.91%	8.48%	9.23%
Amity BCI Equity A	18.64%			

YIELD CORNER

	Jun-25	Jun-26
Retail Bond 5Y	10.00%	8.50%
RSA 5Y Bond	8.46%	8.08%
RSA 10Y Bond	9.95%	8.64%
US 10Y Bond	4.23%	4.54%

AMITY OUTCOMES-BASED MODEL PORTFOLIOS

	1Y	3Y	5Y	7Y
Stable Income	10.34%	11.13%	8.89%	
Balanced Income	17.13%	14.35%	10.38%	10.23%
Balanced Hedged	15.14%	13.25%	11.07%	11.96%
Steady Growth	14.41%	12.61%	9.83%	9.76%
Guarded Growth	17.63%	13.83%	10.96%	11.59%
Optimal Growth	17.56%	13.89%	11.16%	12.56%
Hedged Growth	11.13%	13.52%	11.39%	13.02%
TFSA High Growth	18.54%	13.94%	12.60%	12.65%
Global Balanced ^	14.33%	9.97%	2.12%	6.09%
Global Growth^	21.46%	14.35%	4.77%	9.13%
Global Growth Feeder	25.38%	20.89%	11.26%	13.12%

^Returns in USD

MONEY MARKET RATES

	32Day MM	12MoFixed*	60MoFixed*
	Jun-26	Jun-26	Jun-26
Nedbank	7.50%	7.25%	8.00%
Capitec		7.25%	8.00%
FNB	6.80%	6.85%	7.40%
Discovery	7.20%	7.40%	8.00%

Nominal rates on amounts between R 250 000 - R 1 000 000

SECTORAL RETURNS

	1Y
Resources	23.95%
Financials	25.84%
Industrials	26.17%

AMITY MODEL PORTFOLIOS: OTHER SOLUTIONS

	1Y	3Y	5Y	7Y
CPI+3% Portfolio Discovery	11.86%	11.08%	8.66%	8.24%
CPI+5% Portfolio Discovery	11.97%	11.64%	9.88%	10.21%
Offshore Growth Feeder Portfolio	0.74%	5.15%	8.06%	9.45%
Optimal Hedge Portfolio (PPS)	17.26%	14.20%	12.31%	
Optimal Blend Portfolio (PPS)	17.86%	14.39%	11.45%	12.78%

06 | Range of Investment Solutions

		Model Portfolios			CIS
Investment Horizon	**Equity Exposure**	**Accumulation**	**Decumulation**	**Offshore**	**Premier Choice Managers**
1–3 Yrs	0%	**Stable Income Portfolio**	**Stable Income Portfolio**	—	**Amity BCI Diversified Income Fund**
3–5 Yrs	Max 40%	**Steady Growth Portfolio**	—	—	—
5–7 Yrs	Max 50%	**Guarded Growth Portfolio**	**Balanced Income Portfolio** **Balanced Hedged Portfolio**	—	—
7+ Yrs	Max 65%	**Optimal Growth Portfolio** **Hedged Growth Portfolio**	—	—	—
7+ Yrs	Max 100%	**High Growth Portfolio**	—	**Global Growth Feeder (ZAR)** **Global Growth Portfolio (USD)**	**Amity BCI Equity Fund** **Amity BCI Global Diversified FoF**

Reg 28 compliant portfolios: Stable Income, Steady Growth, Guarded Growth, Optimal Growth

07 | Four Pillars – Stable Income

Performance over relevant time periods

Deliver Outcomes

R100 invested in the Stable Income model 1-year ago will now be worth:

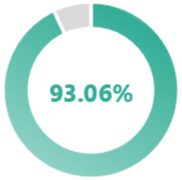
R 110.34

Stefi Composite	R 107.13
ASISA MA Income	R 110.77

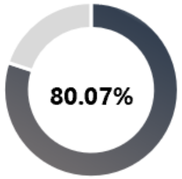
Achieve Consistency

Percentage of times the strategy achieved or exceeded money-market returns over rolling 1-year periods since inception?

Stable Income



ASISA MA Income



Manage Risk

How often did the strategy deliver a negative return over 1-year and what was the worst 1-year return since inception?

	% Negative 1-Year Return*	Worst 1-Year Return
Stable Income	**0.00%**	**3.80%**
Asisa MA Income	0.00%	4.31%

Capital Preservation

The strategy delivered a 1-year return of:

10.34%

CPI	4.02%
ASISA MA Income	10.77%

Amity INVESTMENT SOLUTIONS

06 | Four Pillars – Steady Growth

Performance over relevant time periods

Deliver Outcomes

R100 invested in the Steady Growth model 3-years ago will now be worth:

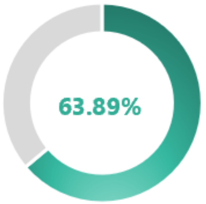
R 142.79

CPI+3%	R 122.96
ASISA MA Low Equity	R 141.18

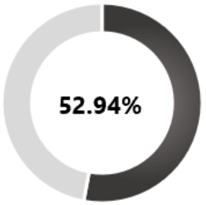
Achieve Consistency

Percentage of times the strategy achieved or exceeded returns of CPI + 3% over rolling 3-year periods since inception?

Steady Growth



ASISA MA Low Equity



Manage Risk

How often did the strategy deliver a negative return over 1-year and what was the worst 1-year return since inception?

	% Negative 1-Year Return*	Worst 1-Year Return
Steady Growth	**0.72%**	**-3.46%**
Asisa MA Low Equity	1.07%	-3.10%

Capital Preservation

Over the last 3 years the strategy delivered an annualized return of:

12.61%

CPI	4.01%
ASISA MA Low Equity	12.18%

Amity INVESTMENT SOLUTIONS

06 | Four Pillars – Guarded Growth

Performance over relevant time periods

Deliver Outcomes

R100 invested in the Guarded Growth model 5-years ago will now be worth:

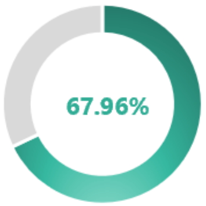
R 168.24

CPI+4%	R 154.81
ASISA MA Med Equity	R 166.23

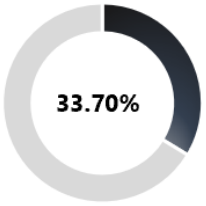
Achieve Consistency

Percentage of times the strategy achieved or exceeded returns of CPI + 4% over rolling 5-year periods since inception?

Guarded Growth



ASISA MA Med Equity



Manage Risk

How often did the strategy deliver a negative return over 1-year and what was the worst 1-year return since inception?

	% Negative 1-Year Return*	Worst 1-Year Return
Guarded Growth	**4.35%**	**-8.34%**
ASISA MA Med Equity	6.76%	-12.91%

Capital Preservation

Over the last 5 years the strategy delivered an annualized return of:

10.96%

CPI	4.94%
ASISA MA Med Equity	10.70%

06 | Four Pillars – Optimal Growth

Performance over relevant time periods

Deliver Outcomes

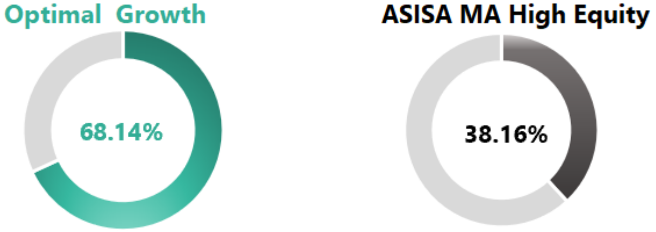
R100 invested in the Optimal Growth model 7-years ago will now be worth:

R 228.98

CPI+5%	R 192.70
ASISA MA High Equity	R 204.23

Achieve Consistency

Percentage of times the strategy achieved or exceeded returns of CPI + 5% over rolling 7-year periods since inception?



Manage Risk

How often did the strategy deliver a negative return over 1-year and what was the worst 1-year return since inception?

	% Negative 1-Year Return*	Worst 1-Year Return
Optimal Growth	**6.16%**	**-13.41%**
ASISA MA High Equity	9.61%	-14.75%

Capital Preservation

Over the last 7 years the strategy delivered an annualized return of:

12.56%

CPI	4.59%
ASISA MA High Equity	10.74%

06 | Four Pillars – Balanced Income

Performance over relevant time periods

Deliver Outcomes

R100 invested in the Balanced Income model

5-years ago will now be worth:

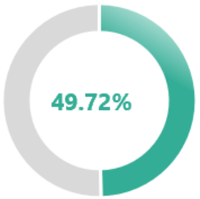
R 163.87

CPI+4%	R 154.81
ASISA MA Med Equity	R 166.23

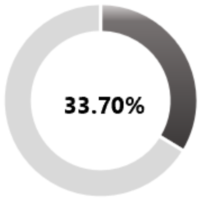
Achieve Consistency

Percentage of times the strategy achieved or exceeded returns of CPI+4% over rolling 5-year periods since inception?

Balanced Income



ASISA MA Med Equity



Manage Risk

How often did the strategy deliver a negative return over 1-year and what was the worst 1-year return since inception?

	% Negative 1-Year Return*	Worst 1-Year Return
Balanced Income	**7.64%**	**-10.42%**
Asisa MA Med Equity	6.76%	-12.91%

Capital Preservation

Over the last 5 years the strategy delivered an annualized return of:

10.38%

CPI	4.94%
ASISA MA Med Equity	10.70%

Amity INVESTMENT SOLUTIONS

06 | Four Pillars – Balanced Hedged

Performance over relevant time periods

Deliver Outcomes

R100 invested in the Balanced Hedged Portfolio 5-years ago will now be worth:

R 169.02

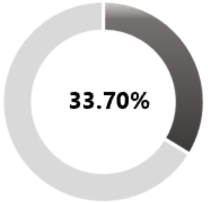
CPI+4%	R 154.81
ASISA MA Med Equity	R 166.23

Achieve Consistency

Percentage of times the strategy achieved or exceeded returns of CPI+4% over rolling 5-year periods since inception?

Balanced Hedged

ASISA MA Med Equity



Manage Risk

How often did the strategy deliver a negative return over 1-year and what was the worst 1-year return since inception?

	% Negative 1-Year Return*	Worst 1-Year Return
Balanced Hedged	**0.00%**	**0.30%**
Asisa MA Med Equity	6.76%	-12.91%

Capital Preservation

Over the last 5 years the strategy delivered an annualized return of:

11.07%

CPI	4.94%
ASISA MA Med Equity	10.70%

Amity INVESTMENT SOLUTIONS

07 | Amity & Team

Marius van der Merwe

Chief Executive Officer

Ian Hutton

Chief Operating Officer

Jessica Fannin

Investment Research Manager

Wiehan Dul

Investment Analyst

Ingrid Breed

Advisor Experience Manager

Dedicated professionals driving your investment outcomes

Reduce Uncertainty With Outcomes-based Investing