

MONTHLY market overview

**AUGUST 2025
IN REVIEW**

ECONOMIC AND MARKET OVERVIEW

Central banks in major economies - including the United States, Eurozone, and Japan - held interest rates steady, signalling a pause in their rate cycles. Inflation continued to ease, with consumer price indices trending below prior peaks, allowing policymakers to focus on growth without stoking price pressures.

Global employment remained robust, with unemployment rates near historic lows in several regions. Wage growth was moderate, balancing inflation concerns with sustained labour demand.

Jerome Powell's August 2025 Jackson Hole speech - his final as chairperson of the US Federal Reserve - was a nuanced reflection on the evolving US economic landscape and the Fed's policy stance. He signalled a shift away from the 2020-era Flexible Average Inflation Targeting (FAIT). The Fed is now embracing a more flexible inflation goal and a qualitative approach to assessing maximum employment. Following his speech, the market seemed to price for an interest rate cut being announced at the Federal Open Market Committee meeting in September.

In Europe, macro-economic news was mixed. GDP rose marginally, indicating a fragile recovery. In addition to this, retail trade sales increased, suggesting resilient consumer demand despite broader economic uncertainty. Industrial production and construction output unfortunately declined across most EU states. Unemployment rate remained unchanged overall, but the silver lining is that youth unemployment decreased in the euro area.

The South African Reserve Bank (SARB) revised its 2025 GDP growth forecast down to 1.0% (from 1.2%). Weak external demand and domestic investment constraints contributed to the downgrade. There was some good news, though as inflation remained below the 4.5%

midpoint target. The Reserve Bank, however, flagged potential upside risks due to electricity price adjustments. Despite disinflation, the governor signalled limited room for rate cuts, citing currency volatility and US policy spillovers.

China reaffirmed its 5% GDP growth target despite mounting headwinds. In this pursuit Beijing announced a record-high fiscal deficit (4% of GDP) and launched ¥4.4 trillion (over USD 600 billion) in local government bonds for infrastructure and housing. In addition, they also issued ¥1.3 trillion (USD 180 billion) in ultralong treasury bonds for national security and innovation, as well as ¥500 billion (USD 70 billion) in sovereign bonds to recapitalize state-owned banks.

Immigration remains a sensitive matter in Europe and the United Kingdom. The UK signed a new bilateral agreement with Iraq to expedite the return of failed asylum seekers. This is part of a broader strategy to curb Channel crossings, which surged to over 27 000 attempts year-to-date. This is up from 18 000 in the same period last year. In the rest of Europe many countries are struggling with the integration of migrating people from the Middle East, Eastern Europe and North Africa. Immigration policy is likely to be central to the next general elections in Western Europe and the United Kingdom.

MARKET PERFORMANCE

Global equity markets extended their gains in August 2025, supported by resilient corporate earnings, firm commodity prices, and growing expectations of monetary easing in the United States. The MSCI All Country World Index (ACWI) rose 2.6%, marking its fifth consecutive monthly advance and reflecting strength across both developed and emerging markets.

The S&P 500 gained 2.0%, buoyed by strong Q2 earnings and dovish Fed signals following soft labour market data. The NASDAQ advanced 2.2%, with standout performances from Intel (+21%), Applovin (+21%), and IDEXX Laboratories (+21%). Small-cap stocks rebounded sharply, with the Russell 2000 up 7.0%, its best monthly performance since late 2024.

In Europe, the EUROSTOXX 50 edged up 0.6%, as investors looked past political noise and focused on the ECB's steady policy stance. The UK's FTSE 100 rose 0.6%, underpinned by commodity-linked sectors and upward earnings revisions in energy and materials. Japan's Nikkei 225 surged 4.0%, lifted by corporate reform momentum and continued support from US trade agreements.

China's Shanghai Composite jumped 8.0%, driven by robust export data and optimism around easing trade tensions. South Africa's JSE All Share Index gained 3.5%, marking its sixth consecutive monthly rise. Gold miners led the charge (+4.8%), while listed property (+2.8%) and financials (+1.1%) also contributed. Local bonds added 0.7%, as easing inflation and lower inflation targeting supported sentiment.

Gold rose 4.8% to USD3 429/oz, subsequently breaking above the USD3 500 threshold in September amid rising expectations of a Fed rate cut. Brent crude oil declined 6.0% to USD67.48/barrel, reversing July's gains due to demand concerns. Platinum rose 5.8%, continuing its strong run and closing the month at USD1 409/oz, supported by supply constraints and green energy demand.

MARKET INDICES¹

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(All returns in Rand except where otherwise indicated)	3 months	12 months	5 years ²
SA equities (JSE All Share Index)	8.4%	25.8%	17.2%
SA property (S&P SA REIT Index)	6.6%	21.8%	21.1%
SA bonds (SA All Bond Index)	5.8%	15.1%	11.3%
SA cash (STeFI)	1.9%	7.9%	6.4%
Global developed equities (MSCI World Index)	6.3%	15.8%	14.4%
Emerging market equities (MSCI Emerging Markets Index)	7.7%	17.3%	6.6%
Global bonds (Bloomberg Barclays Global Aggregate)	-0.2%	3.1%	-0.9%
Rand/dollar ³	-2.0%	-0.3%	0.9%
Rand/sterling	-1.8%	2.4%	1.1%
Rand/euro	1.0%	5.4%	0.4%
Gold Price (USD)	5.6%	39.3%	12.0%
Oil Price (Brent Crude, USD)	6.6%	-13.6%	8.5%

1. Source: Factset

2. All performance numbers in excess of 12 months are annualised.

3. A negative number means fewer rands are being paid per US dollar, so it implies a strengthening of the rand.



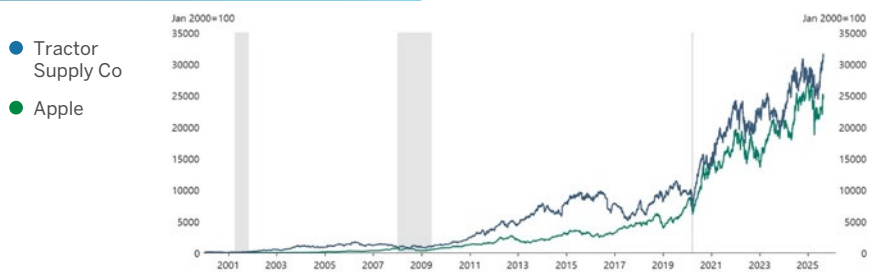
BORING BEATS BRILLIANT - A CASE FOR THE UNFANCIED STOCK

“Form is temporary, class is permanent!”

- Many a sports fan

The featured charts compare the stock performance of Tractor Supply vs. Apple, Domino's Pizza vs. Google, and Old Dominion vs. Amazon.

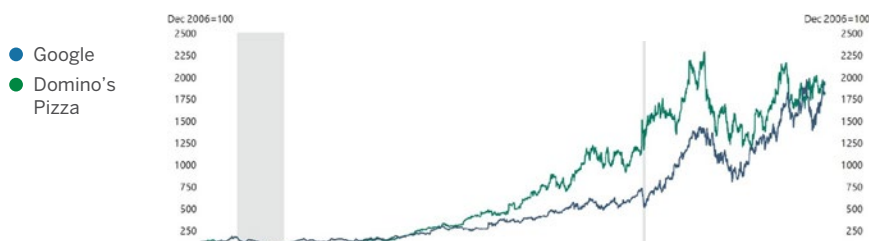
Tractor supply versus Apple



Source: Apollo Global Management

While tech giants dominate headlines and investor conversations - with endless debates about product launches and moonshot strategies - some of the market's most consistent performers are hiding in plain sight. They don't promise the next revolution. They just deliver.

Domino's Pizza versus Google



Source: Apollo Global Management

For all the adrenaline that comes with chasing the latest shiny toy, it's often the "boring" stocks - those with predictable earnings, disciplined capital allocation, and resilient business models - that quietly compound wealth over time. Less hype, fewer sleepless nights.

Old Dominion versus Amazon



Source: Apollo Global Management

In investing, excitement is optional. Returns are not. Just ask your adviser.

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Helfin Global Capital (Pty) Ltd; FSP No 43809 is an Authorised Financial Services Provider; Tel: (012) 346 3001; www.helfinglobalcapital.com

Return (* annualised)					
Portfolio	1m	3m	6m	1 year	3 years*
Helfin Conservative Reg 28	0.87	3.39	5.66	10.70	11.15
Helfin Cautious Reg 28	1.20	5.32	8.91	14.00	12.12
Helfin Balanced Reg 28	1.33	5.85	9.62	15.50	13.47
Helfin Moderately Aggressive Reg 28	1.35	6.22	10.12	16.15	14.62
Helfin Offshore (ZAR)	0.22	5.15	5.51	13.02	15.29

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Source Morningstar Direct.

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