BRENTHURST WEALTH

MONTH IN REVIEW | APRIL 2026

LOCAL MARKETS

- MIDDLE EAST TENSION HITS JSE

The JSE was almost completely defined by the trajectory of the Middle East conflict and its knock-on effects on oil prices, the rand, and commodity markets. While the South African equity market faced similar macro headwinds to the US, the JSE lacks a large tech sector to offset external shocks, leaving it more sensitive to the commodity cycle, currency movements, and global risk sentiment.

The local bourse entered the month reeling from its worst rout in 8 years. It recovered somewhat towards the second week of April, with the final week of the month proving difficult as broad-based weakness in resources and financials shares weighed on sentiment, with investors retreating from risk assets, and commodity prices remaining volatile. The JSE All Share Index (+1.0% MoM/-0.6% YTD) rose modestly but remained materially below its February highs with a confluence of factors weighing on sentiment.

Resources were the worst performers (Resi-10 -2.7% MoM/+2.7% YTD), while the SA Listed Property Index recorded good gains (+4.4% MoM/-1.2% YTD). Financials firmed (Fini-15 +2.6% MoM/+1.7% YTD), as did industrials (Indi-25 +2.6% MoM/-6.9% YTD). The rand gave up some ground following the Fed's decision to keep US rates on hold, but MoM, the local unit strengthened 1.6% (-0.7% YTD) against the US dollar.

The JSE winners included SA Inc recovery plays, infrastructure-linked companies, UK-exposed rand hedges and listed property, with April a clear rotation away from the precious metals shares that had driven the JSE's outperformance through much of 2025 and early 2026.

Montauk Renewables, which specialises in the management, recovery and conversion of biogas into renewable natural gas, has been a JSE laggard for some time now. However, in April, this outlier, which is also listed on the Nasdaq, was the best-performing share, soaring 33.7% MoM. Logistics and port terminals operator Grindrod (+19.7% MoM) was April's second-best-performing share, followed by diversified industrials Group, Kap Ltd (+19.1% MoM) in third place.

Resource shares dominated the losers' board, with most of the twenty worst-performing shares coming from the mining sector, as gold miners, PGM producers, and coal exporters accounted for seven out of the ten worst performers. After recording a 51.0% increase in March (last month's second best-performing share), Thungela Resources (-13.4%) was April's worst performer. Thungela was followed by diversified open-pit mining Group, Afrimat (-11.1% MoM), with Mondi in third place (-9.4% MoM).

INFLATION EDGES UP, PMI IMPROVES

SA headline inflation edged up to 3.1% YoY in March from 3.0% in February, in line with consensus expectations. However, the March data should be viewed as a pre-shock snapshot, with the energy picture still positive when the March inflation measurements were taken. This dynamic is set to reverse. As a net importer of refined petroleum, SA is highly exposed to rising global oil prices – rising fuel costs feed into transport and logistics, with broader second-round effects across food, manufacturing, and services. April fuel price increases, which the government tried to mitigate by reducing the fuel levy, will begin to filter into upcoming inflation figures.

The seasonally adjusted Absa Purchasing Managers' Index (PMI) rose above the neutral 50-point mark for the first time since September 2025, increasing to 52.6 in April from 49 in March. The improvement was driven by a rebound in both business activity and new sales orders, pointing to a stronger start to the second quarter following a weak first quarter. However, some of this improvement likely reflects front-loading of demand ahead of expected price increases, raising questions about the sustainability of the recovery.

BEST APRIL SINCE 2013 FOR VEHICLE SALES

South Africa's new vehicle market extended its positive domestic performance into April 2026, with domestic demand continuing to anchor overall industry activity despite a progressively uncertain global backdrop. The latest outcome reflects a market still benefiting from earlier cyclical support, even as external shocks continue to reshape the operating environment.

Aggregate domestic new vehicle sales in April 2026 reached 47,979 units, the best April performance since 2013, representing an increase of 5,512 units, or 13,0%, compared to the 42,467 vehicles sold in April 2025. In contrast, export volumes decreased to 30,939 units, a contraction of 4,0% relative to the 32,229 units shipped in April 2025.

The April performance largely reflects momentum built over preceding months, supported by improved financing conditions, and firmer sentiment. However, these supportive factors are now being confronted by headwinds in the macro-environment, characterised by elevated energy prices, looming rising inflation expectations, and a reversal in the interest rate outlook.

INTERNATIONAL MARKETS

- GLOBAL MARKETS SURVIVE THE TURMOIL

April was a month steeped in contradictions. Global equity markets remained broadly resilient (MSCI World +9.4% MoM/+5.2% YTD), despite continued elevated geopolitical risk from the US/Israel/Iran conflict, a persistently high oil price (Brent crude averaged US$107/bbl in April, surging to an intraday high of c. US$126/bbl on 30 April), rising bond yields and re-emerging inflation concerns. At the centre of this tension is a growing divergence between macro headwinds and corporate fundamentals.

A blowout 1Q26 US earnings season (led by technology and AI-linked companies) continued to anchor investor sentiment and support risk appetite. At the same time, intermittent optimism around potential de-escalation in the Middle East conflict and more resilient-than-expected US economic data helped stabilise markets through periods of volatility.

A hawkish US Federal Reserve (Fed) left rates unchanged amid concerns about inflation rising further as the oil price continues to climb. US macroeconomic data released in April were mixed. March headline inflation rose 3.3% YoY vs February's 2.4%, while core inflation, which strips out food and energy, increased 2.6% YoY from 2.5% previously. Consumer spending, accounting for over two-thirds of US economic activity, was 0.9% up in March (boosted by higher inflation) after advancing by 0.6% in February. 1Q26 GDP expanded at a 2% annualised pace, up from 0.5% in 4Q25 but lower than an initial 2.2% estimate.

GAINS FOR US MARKETS

US equities continued to lead global markets, with the three major US indices ending April well above where they began 2026. The S&P 500 (+10.4% MoM/+5.3% YTD) and the Nasdaq (+15.3% MoM/+7.1% YTD) notched new record closing highs and recorded their strongest monthly performances in six years. The Dow Jones closed 7.1% higher MoM and is now up 3.3% YTD. The US stock market seemed to be looking past the war because of the resilience in US 1Q26 corporate profits, while investor enthusiasm for the AI boom also helped the rally.

EUROPEAN AND UK MARKETS RESILIENT

European equity markets were less optimistic than the US (Euro Stoxx 50 +5.0% MoM/+0.5% YTD) but recovered meaningfully from their March losses on the back of resilient corporate earnings and policy stability from the European Central Bank (ECB). Still, sentiment remained sensitive to energy price volatility given Europe's structural dependence on imported energy. France's CAC rose 3.8% MoM (-0.4% YTD), and Germany's DAX jumped 7.1% MoM (-0.8% YTD). On the data front, March eurozone inflation printed at 2.6%, the highest since July 2024, and a sharp acceleration from February's 1.9%, driven largely by higher energy costs.

UK equity markets remained resilient, with modest gains (FTSE 100 +2.0% MoM/+4.5% YTD). March UK inflation rose 3.3% YoY, up from February's 3.0% print, with the main driver being transport costs (+4.7% YoY). Core inflation edged down marginally to 3.1% from 3.2% previously. At its April meeting, the Bank of England (BoE) held rates steady at 3.75%.

POSITIVE MONTH FOR ASIAN MARKETS

China's equity markets recorded a broadly positive month, although it was also marked by some meaningful volatility. The major indices ended higher with the Shanghai Composite up 5.7% MoM (+3.6% YTD), while Hong Kong's Hang Seng rose by 4.0% MoM (+0.6% YTD). Policy remained accommodative as the country's Politburo adopted a pro-growth stance, emphasising technological self-reliance, increased domestic demand, and stabilisation of the property sector to combat China's economic challenges. April manufacturing activity remained in expansionary territory, with the official manufacturing PMI standing at 50.3 in April vs 50.4 in March.

Japan was another standout performer with the benchmark Nikkei soaring 16.1% in April (+17.8% YTD), driven by strong momentum in tech and AI-related counters. At its April meeting, the Bank of Japan (BoJ) left rates unchanged, flagging rising energy costs as a risk to corporate profits and real household incomes. Japan headline inflation rose to 1.5% in March from February's 1.3%, remaining below the BoJ's 2% target for a second consecutive month.

VOLATILE MONTH FOR OIL PRICES

The oil price recorded extraordinary swings throughout April as the US and Iran continued to deliver contradictory messages regarding the Strait of Hormuz (through which one-fifth of global oil supply passed daily before 28 February), energy inventories in Asia and Europe were near depletion, and structural supply uncertainties in the Gulf continued. Brent crude (-3.7% MoM/+87.4% YTD) started the month at US$118/bbl, traded in a volatile US$100-US$126/bbl range and ended at c. US$114/bbl. The UAE announced that it was leaving OPEC, which is expected to weaken the cartel and has also sown the seed of doubt on what other members might do.

Outside of oil, commodity performance was mixed. Gold (-1.1% MoM/+6.9% YTD), a non-yielding asset, came under pressure as a firmer US dollar and rising bond yields proved more alluring to investors than traditional safe-haven assets. Platinum group metals (PGMs) had a dramatic month, with platinum recording a partial recovery (+1.7MoM/-3.5%YTD) as automakers increased their purchases of platinum for catalytic converters, and demand in Asian jewellery markets started to recover. However, towards the month-end, there was some late-selling on the back of surging energy costs tied to the prolonged closure of the Strait of Hormuz. Palladium fared better (+3.6% MoM/-5.4% YTD) despite suffering a late-month pullback.

Sources: Anchor Capital; BER; BusinessTech

CONTACT ANY OF OUR HIGHLY QUALIFIED FINANCIAL ADVISORS AT OUR NINE OFFICES COUNTRYWIDE TO DISCUSS YOUR INVESTMENT STRATEGY.

EMAIL US: invest@brenthurstwealth.co.za

Johannesburg	**+27 (0) 11 799 8100**	**Claremont**	**+27 (0) 21 100 3901**
Sandton	**+27 (0) 10 035 1391**	**Bellville**	**+27 (0) 21 914 9646**
Pretoria	**+27 (0) 12 347 8240**	**Stellenbosch**	**+27 (0) 21 882 8706**
CPT Waterfront	**+27 (0) 21 418 1236**	**Val de Vie Estate**	**+27 (0) 21 100 3901**
George	**+27 (0) 44 050 6057**	**Mauritius**	**+230 5843 5215**

SATELLITE OFFICES:
KWAZULU-NATAL: Arin Ruttenberg | +27 84 582 8581
FREE STATE: Iniel Van Zyl | +27 72 298 3212
LIMPOPO: Ruan Breed | +27 82 551 3299
MPUMALANGA: Marise Reinach | +27 72 795 3604
NORTH WEST: Maria Smit | +27 79 696 6860