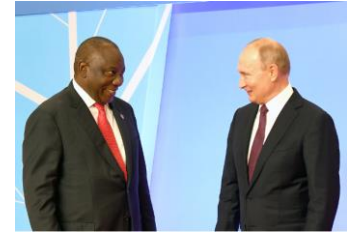


Russian President Vladimir Putin won't attend next month's summit of BRICS leaders and will instead be represented by his foreign minister, South Africa's presidency said. The rand pared its earlier losses. Putin's decision means the South African authorities will avoid having to execute an International Criminal Court warrant for the Russian leader's arrest. Russian Foreign Minister Sergei Lavrov will attend the summit in Putin's stead, the presidency said in a statement on Wednesday. The decision for Putin not to attend was by mutual consent, it said.

. Source: Daily Investor . Photo: Bloomberg



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- **South Africa's annual consumer price inflation (CPI) cooled in June**, continuing its downward trend in recent months. StatsSA announced today that annual CPI was 5.4% in June 2023, significantly down from the 6.3% recorded in May 2023. This is the lowest inflation the country has seen since October 2021. This is the first time the inflation has been in the South African Reserve Bank's target range of 3% to 6% since April 2022. According to StatsSA, the consumer price index increased by 0.2% in June 2023. Despite positive inflation data, experts predict that the South African Reserve Bank will remain cautious and hike the rate by another 25 basis points, bringing the repo rate to 8.50%.

- **The closure of Koeberg's Unit 1 since January 2022 has cost the South African economy R120 billion** so far on top of the cost of refurbishing the power plant. This is according to energy analyst Clyde Mallinson who spoke to Newzroom Afrika following the Electricity Minister's update on South Africa's Energy Action Plan. Mallinson has previously argued that Koeberg should not be refurbished at all, as the country desperately needs its reliable supply of electricity. Each of Koeberg's units can generate 920MW of electricity, roughly equivalent to one stage of load-shedding. South Africa's only nuclear plant could help the deterioration of Eskom's coal fleet, while other energy experts have warned that Eskom's grid cannot operate without the stabilising influence of Koeberg.

- Nearly half of the projects awarded under the relaunch of SA's Renewable Independent Power Producer Programme (REIPPP) have failed, two government sources told Reuters, undermining plans to use wind and solar to ease the nation's power crisis. Regular breakdowns at Eskom's ageing coal-fired plants mean the continent's most developed economy faces daily load-shedding. President Cyril Ramaphosa has said the country needs to fill a 4,000MW-6,000MW electricity production deficit. Source:businesslive.co.za








- **Bonitas Medical Fund said it is illegal and unconstitutional for people to be prevented from purchasing healthcare should they have the means to.** This is what the draft National Health Insurance (NHI) Bill in its current form would do. Bonitas principal officer Lee Callakoppen said critics of the proposed NHI do not oppose the concept of Universal Health Care (UHC) but believe the Bill's flaws could jeopardize citizens' right to healthcare. "They object to a Bill that is so inherently flawed that

it will jeopardise citizens' rights to healthcare," he said. "What is important to remember is that this means there is a responsibility and duty to provide quality healthcare." Callakoppen said he finds the lack of detail around implementing the national health blueprint worrying. Currently, Section 33 of the draft NHI Bill states that when the NHI is fully implemented, medical schemes will be limited to playing a "complementary role". They will, therefore, not be allowed to provide services that the NHI already covers. "However, at this stage, the Bill is still unclear on what will and will not be offered by NHI and the role – if any – private medical aids will play," said Callakoppen. "What is of concern is that the Bill suggests the scrapping of medical aids in its current form and only refers to complimentary services. What this means is unknown." He said there would be significant ramifications for curtailing the role of medical aids. These aids and their associated services make "an enormous contribution" to the annual fiscus.

- **The South African Reserve Bank's (SARB) Monetary Policy Committee (MPC)** has its meeting 20 July, and experts believe this meeting will see the SARB implement its final interest rate hike of this cycle. The MPC has hiked the country's interest rate ten times since November 2021, when the current hiking cycle started. It has implemented a cumulative 475 basis points of hikes, bringing the repo rate to a 14-year high of 8.25%. The interest rate was increased to rein in South Africa's high inflation, which had reached decade-highs over the past few years. While local and global inflation has been sticky, the SARB's efforts have yielded positive results in the past few months, with both April and May's CPI data showing a downward trend in inflation.

- **Goldman Sachs' latest Global FX Forecasts predict that the rand will strengthen to R14 to the US dollar by 2026.** The Global FX Forecasts provide an overview of where Goldman Sachs sees currencies trade over the next three years. The global investment bank forecasts that the Rand will trade at R18.25/USD within the next three months. It will then strengthen to R17.75 to the greenback in six months and to R17.50 within the next twelve months. Goldman Sachs expects this trend to continue, strengthening to R16.00/USD in 2024, R15.00/USD in 2025, and R14.00/USD in 2026. The South African Reserve Bank (SARB) warned about sanctions by the United States as a new risk in its new Financial Stability Review (FSR). The SARB said South Africa's desire to remain politically neutral might not be perceived as such, potentially resulting in secondary sanctions imposed by the US. The South African financial system will not function if it cannot make international payments in US dollars. After getting close to R20/USD, the rand strengthened to close to R18/USD after tensions with the United States started to ease.

Source: Daily Investor. www.dailyinvestor.com

Market Indicators and Returns as of 19 July 2023					
Equity Index		Spot Price	Month to date Return	YTD	Last 12 Months
JSE (All Share)		77,098.55	1.4%	5.5%	15.0%
SP 500		4,554.98	2.4%	18.6%	18.9%
FTSE		7,455.82	-1.2%	0.1%	3.3%
DAX		16,130.98	-0.2%	14.9%	24.7%
CAC 40		7,320.99	-1.3%	11.3%	20.3%
Nikkei		32,493.89	-2.1%	24.5%	21.3%
Shanghai		3,197.82	-0.1%	3.5%	-2.4%
MSCI Emerging		1,022.12	3.3%	6.9%	4.2%
MSCI Developed		3,042.53	2.6%	16.7%	18.5%
Commodity		Spot Price	Monthly Movement	YTD	Last 12 Months
Gold \$		\$ 1,978.69	3.1%	8.5%	15.8%
Brent \$		\$ 79.90	1.9%	-7.0%	-24.4%
Indicators		Spot Price	Monthly Movement	YTD	Last 12 Months
ZAR/USD		\$17.84	-5.4%	5.1%	4.3%
ZAR/GBP		R 23.25	-2.8%	13.7%	13.6%
ZAR/EUR		R 20.03	-2.6%	10.6%	15.3%
CPI		5.4%	June 2023		
Prime Rate		11.75%	Repo Rate	8.25%	

- Remember to visit our website for fact sheet data: www.cumulusrp.co.za

FTSE/JSE All Share

J203

77080.97

▼ 35.25% 5Y

