



NEWSLETTER

1ST QUARTER 2026



For the first two months of the year, it was all calm seas and plain sailing. Locally, conditions were especially encouraging: the rand strengthened, inflation remained contained, interest rates began to fall, South Africa was removed from the grey list, our investment status was upgraded, and the Government of National Unity continued to hold together.

Then came the storm.

The US and Israel's invasion of Iran, and the subsequent restriction of the Strait of Hormuz, sent oil prices surging beyond \$100 a barrel. Global markets came under pressure as the risk of renewed inflation took hold. Since then, markets have remained volatile, with substantial "noise" driving short-term movements and little certainty around when — or how — the conflict will end.

The JSE is up just over 3% YTD and the S&P 500 is down around 3.95%, but both are still over 20% up over a 1-year period.

As with every storm, it too will pass. In the meantime, the appropriate response is to batten down the hatches and ride it out. This reinforces our longstanding belief that a well-diversified investment strategy is the most reliable approach. Attempting to time the market or making knee-jerk decisions in response to short-term events seldom delivers positive long-term outcomes.



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USD/ZAR = 17.01

GBP/ZAR = 22.47

FTSE/JSE and S&P 500

5 516,5 ↑ 20,86% past year

As of 02 Apr, 10:07 SAST • Disclaimer



S&P 500 (.INX)

6 575,32 ↑ 21,84% past year

As of 01 Apr, 22:47 SAST • Disclaimer



The 2026 Budget - A Positive Surprise

We were expected a boring Budget, but it was clear that taxes were better than expected and along with the inflation related increase of personal income tax brackets, we also got an increase in many tax thresholds and limits.

Here are 5 of the changes we think will have a significant impact on your financial planning:



Single foreign discretionary allowance increased from R1m to R2m



Tax-Free investments annual contribution has increased from R36 000 to R46 000



Maximum annual tax-deductible contribution to retirement funds increased from R350 000 to R430 000



Tax-free annual donation amount has increased from R100 000 to R150 000



Capital gains exclusion has increased to R50 000 annually and R440 000 on death. Primary residence CGT exclusion has increased from R2m to R3m

Market Roundup

Local Indices					
	SA Listed Property	SA Bonds	STeFI +1%	C-SWIX / C-ALSI	ALSI
1 Week	-1.1%	-1.1%	0.1%	3.4%	3.4%
1 Month	-11.4%	-6.8%	0.6%	-10.6%	-10.5%
3 Months	-4.9%	-3.4%	1.9%	-0.5%	-0.6%
6 Months	10.5%	5.3%	4.0%	8.4%	7.4%
1 Year	28.6%	19.2%	8.3%	34.1%	33.6%
3 Years	22.9%	14.3%	9.1%	19.2%	18.6%
5 Years	17.9%	12.2%	7.8%	15.4%	15.7%
10 Years	3.6%	10.4%	7.9%	9.7%	11.9%
Offshore Indices					
	Global Equities	US Equities	Developed Equities	EM Equities	Global Gov Bonds
1 Week	-0.4%	-0.1%	0.0%	-3.0%	0.1%
1 Month	-0.2%	2.2%	0.6%	-6.4%	4.1%
3 Months	-0.1%	-1.6%	-0.5%	2.7%	2.1%
6 Months	-0.8%	-3.3%	-1.3%	3.1%	-2.3%
1 Year	11.5%	9.0%	10.6%	19.2%	-4.3%
3 Years	15.1%	16.4%	15.3%	12.9%	-0.4%
5 Years	12.7%	14.4%	13.5%	7.1%	-0.4%
10 Years	13.0%	15.3%	13.4%	9.8%	0.8%

In the last 3 months the JSE all share is 0.6% down, fairing better than US equities but slightly worse than global equities. After a strong 2025, SA property and bonds have come under pressure but emerging market equities, and global government bonds have strengthened. Global indices returns have been somewhat cushioned by the recent weakening of the rand.



Quote:

Money is like a bar of soap, the more you handle it, the smaller it gets.

Tip of the Day - Check those Debit Orders!

Once a Quarter: Audit things like - Insurance premiums, Mobile/data plans, Subscriptions, Bank fees. Negotiating or switching providers can yield surprisingly large savings without sacrificing quality.

The Provest Wealth Team

