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How oilfields, algorithms and ballot boxes are reshaping markets

Sanisha Packirisamy

Tshiamo Masike

Earlier optimism tested by **geopolitical uncertainty**

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AI, tariffs, elections and conflict are creating a more challenging global backdrop

Source: ChatGPT

Shallower growth **and** steeper inflation trajectories

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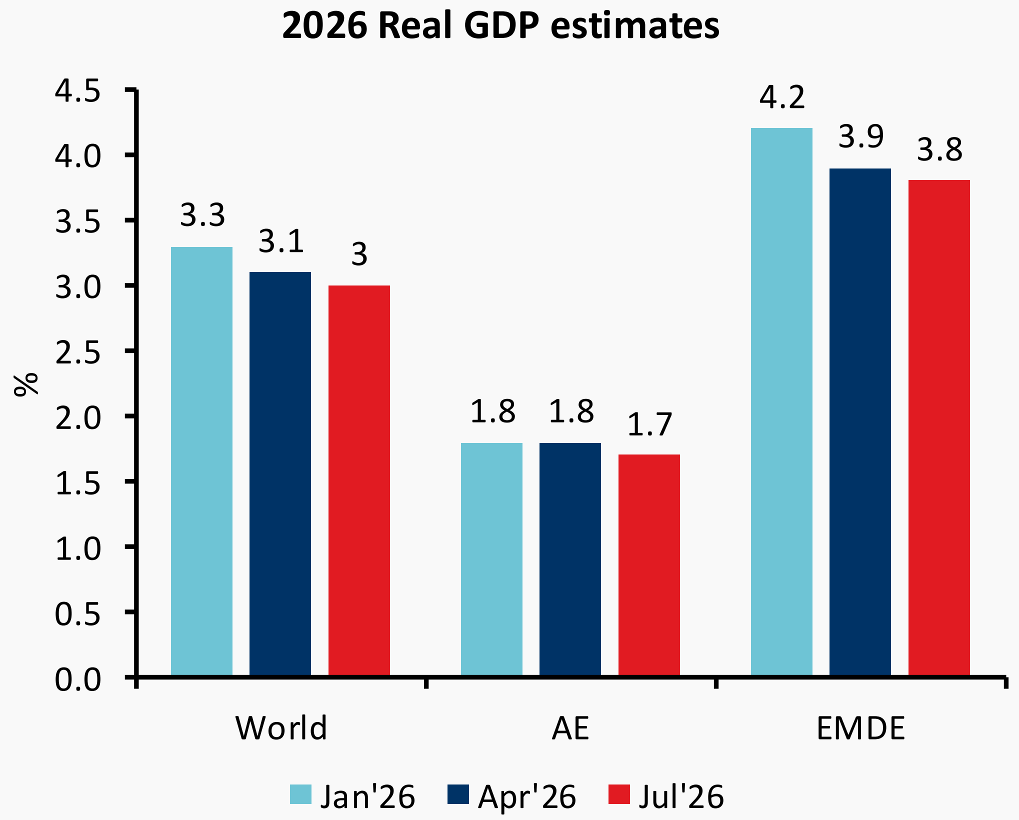
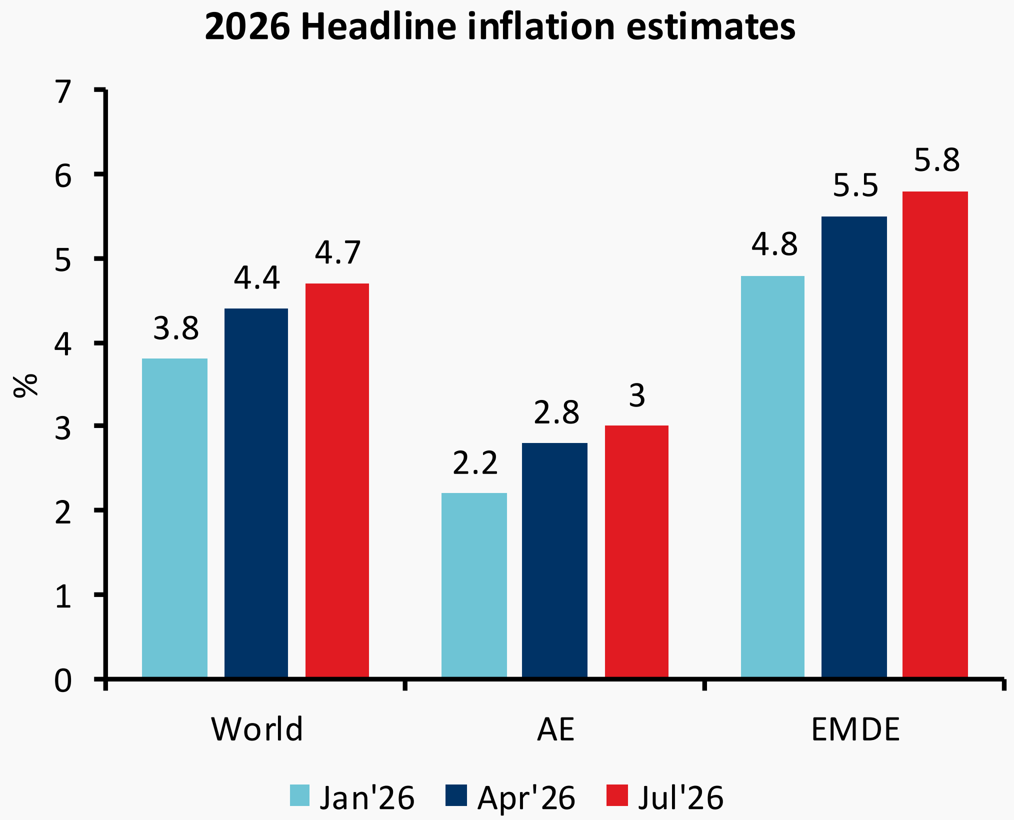
Middle Eastern war weighs on growth and reignites inflation risks





Source: International Monetary Fund (IMF), Momentum Group
GDP = Gross Domestic Product, AE = Advanced Economies, EMDE = Emerging Market and Developing Economies

AI boom is consuming capital faster than it is generating cash

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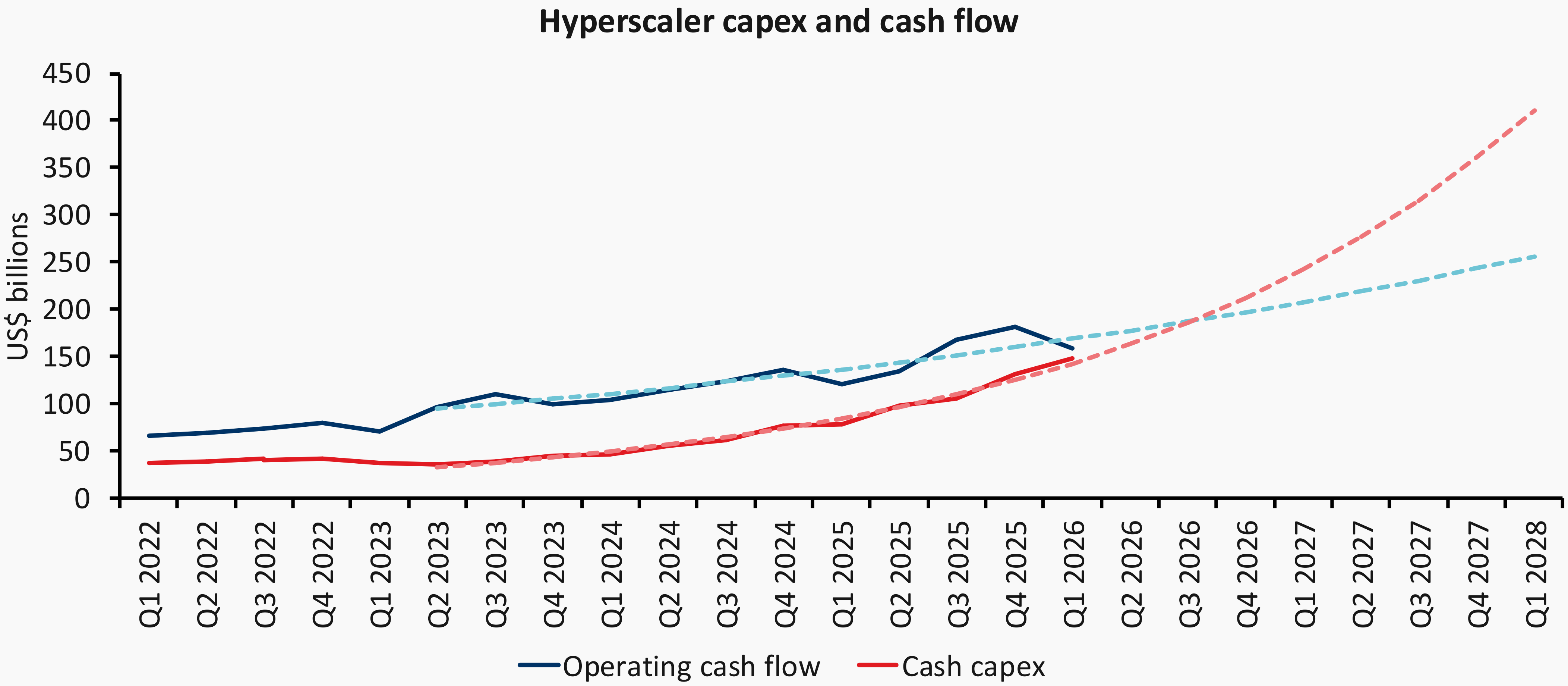
AI infrastructure spending is expected to continue accelerating



Source: Epoch AI, Momentum Group
Quarterly sums across Microsoft, Amazon, Alphabet, Meta and Oracle

Mounting leverage across advanced and emerging markets

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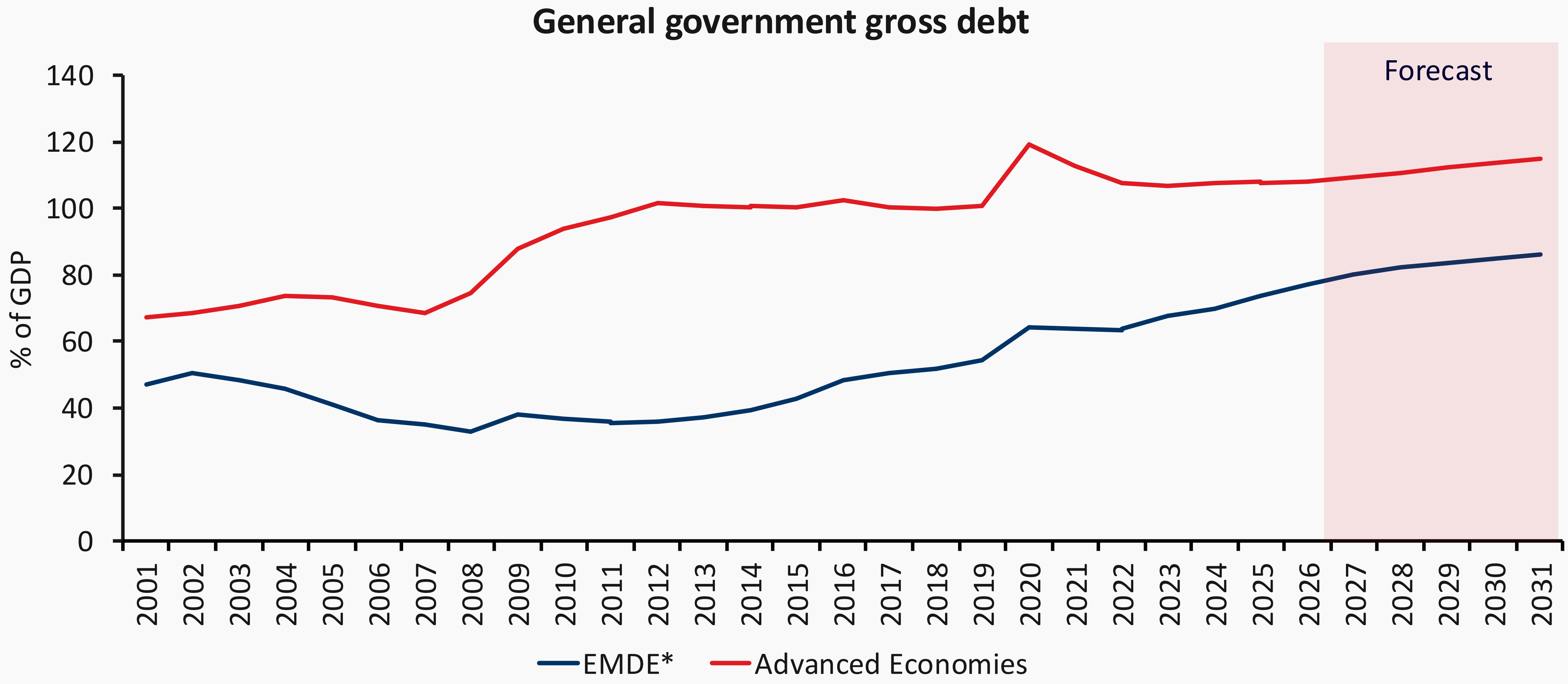
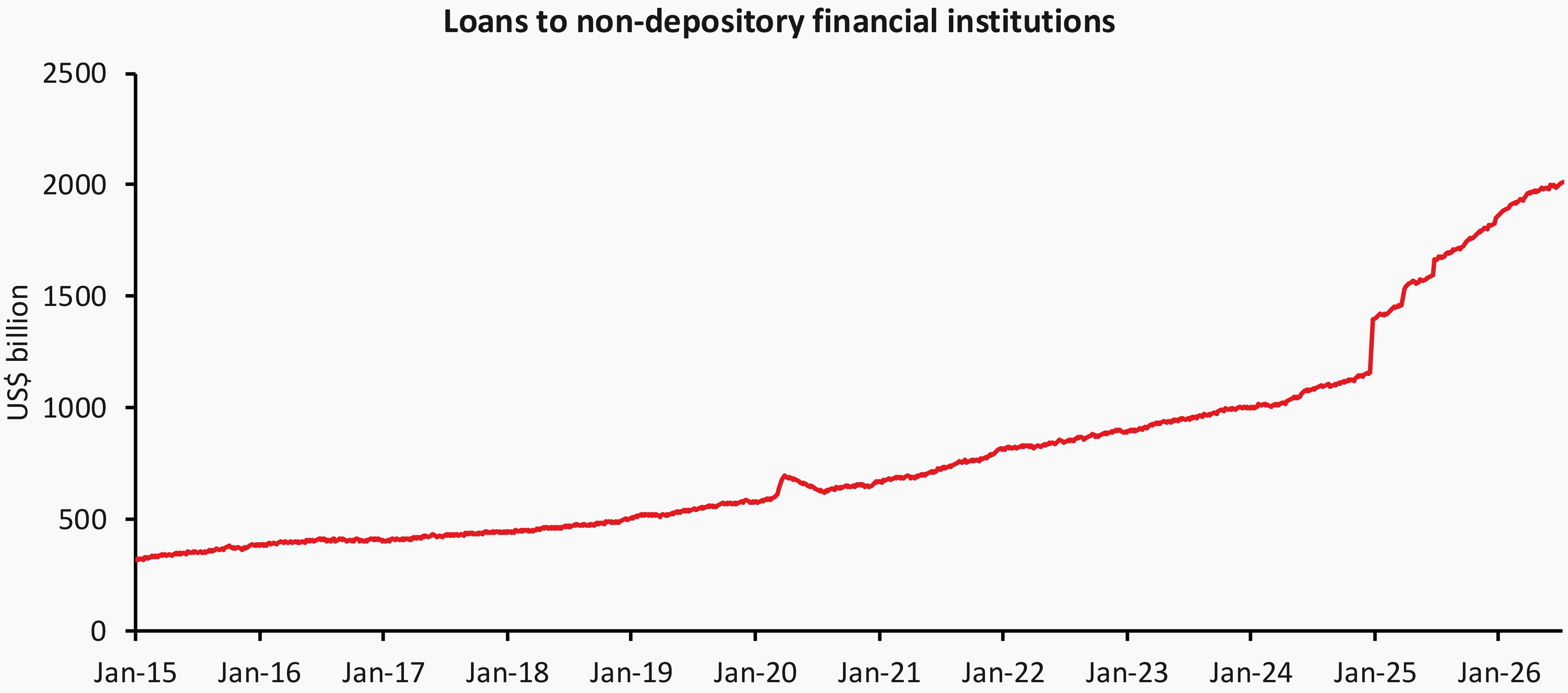
Elevated government debt increases sensitivity to higher borrowing costs and refinancing pressures



Source: IMF, Momentum Group
* Emerging Market and Developing Economies

Secondary private credit channels could expose banks

Rising bank exposure to non-bank lenders could amplify financial stress



Source: St. Louis Fed, Momentum Group
Weekly data up to 15 July 2026

Trump is entering midterms on a **lower approval rating**

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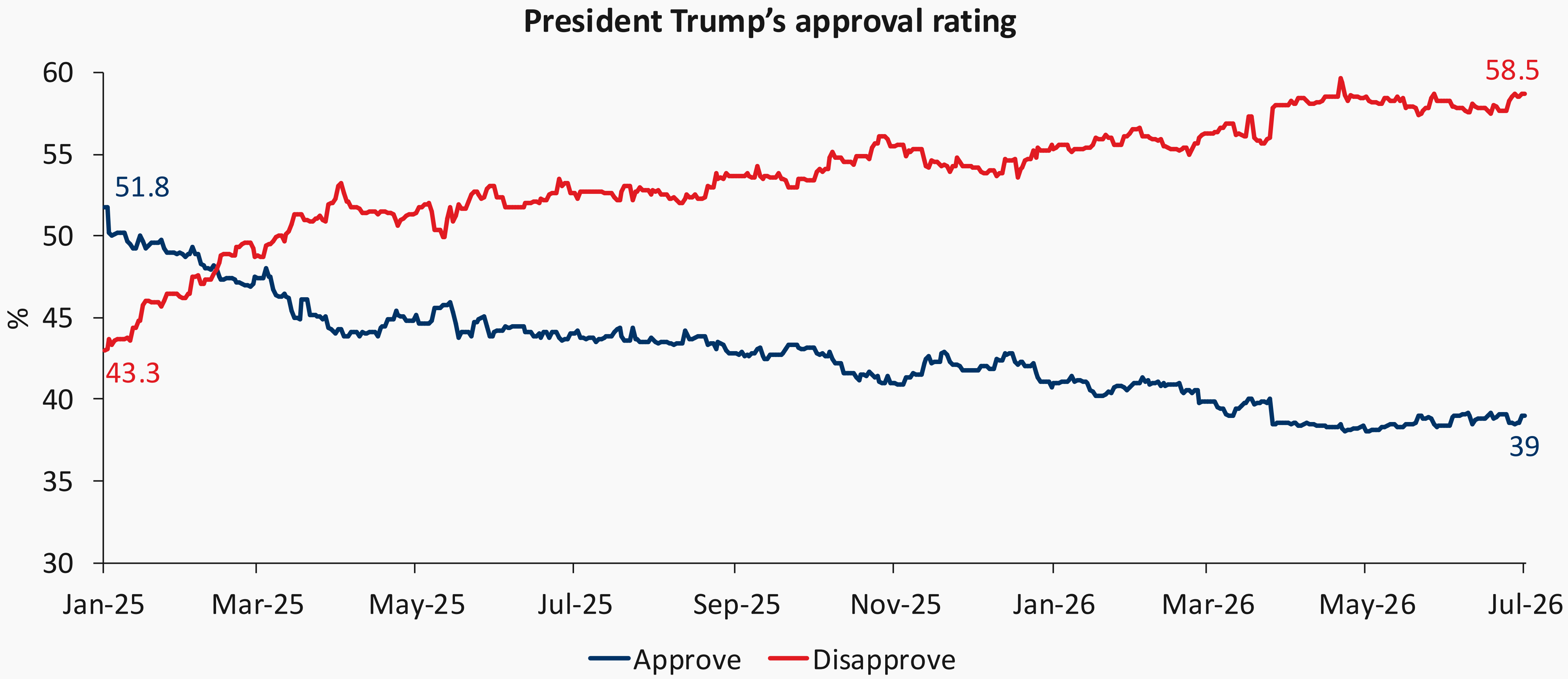
Affordability concerns continue to erode public support



Source: The New York Times, Momentum Group
Data up to 27 July 2026

Agile sourcing defuses SA's fuel supply threat

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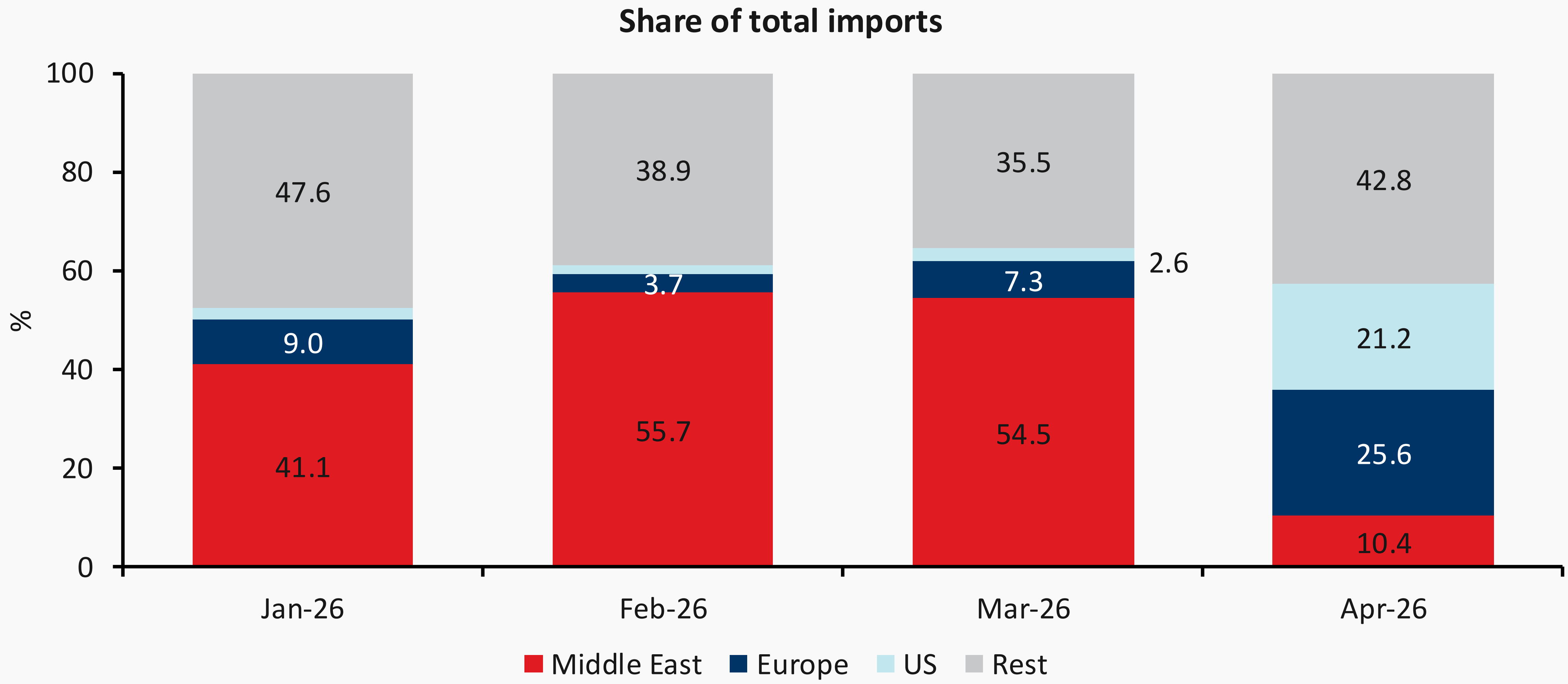
Diversified fuel imports from the US and Europe have reduced SA's reliance on the Middle East



Source: ABSA, Momentum Group

SA's **reform momentum** turned negative for the first time

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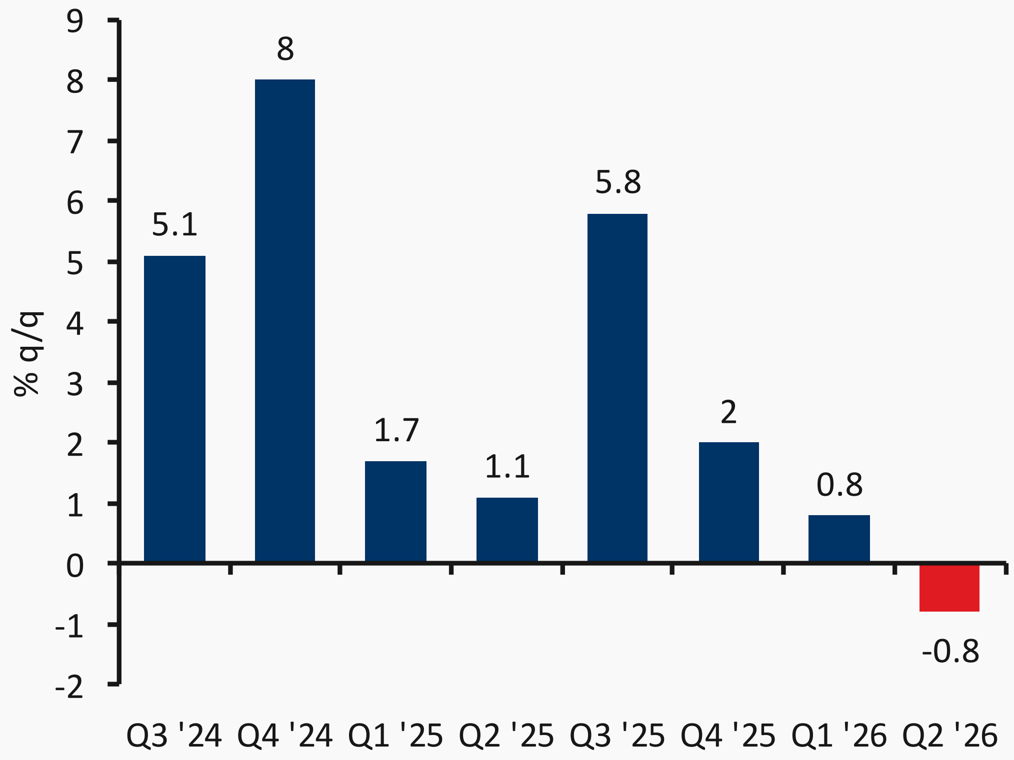
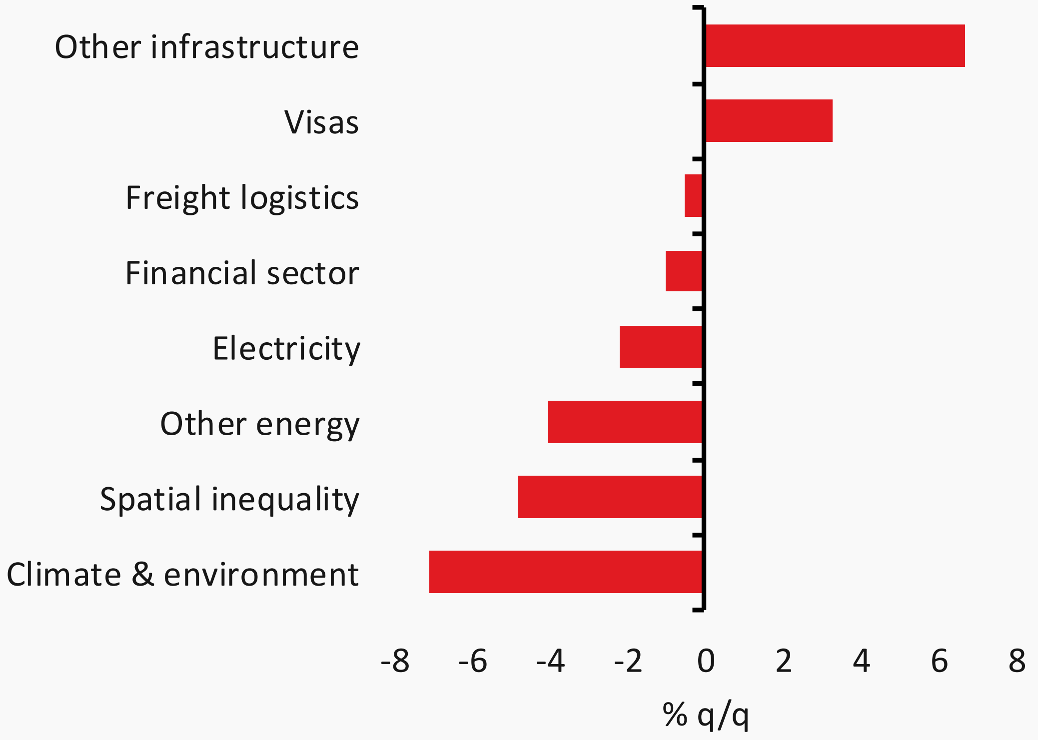
Slower economic reform progress weighed on the overall index, given its dominant share (74.4%)

Reform momentum indicator



Economic reforms



Source: Business Leadership South Africa (Q2 update), Momentum Group

The era of **coalition politics**

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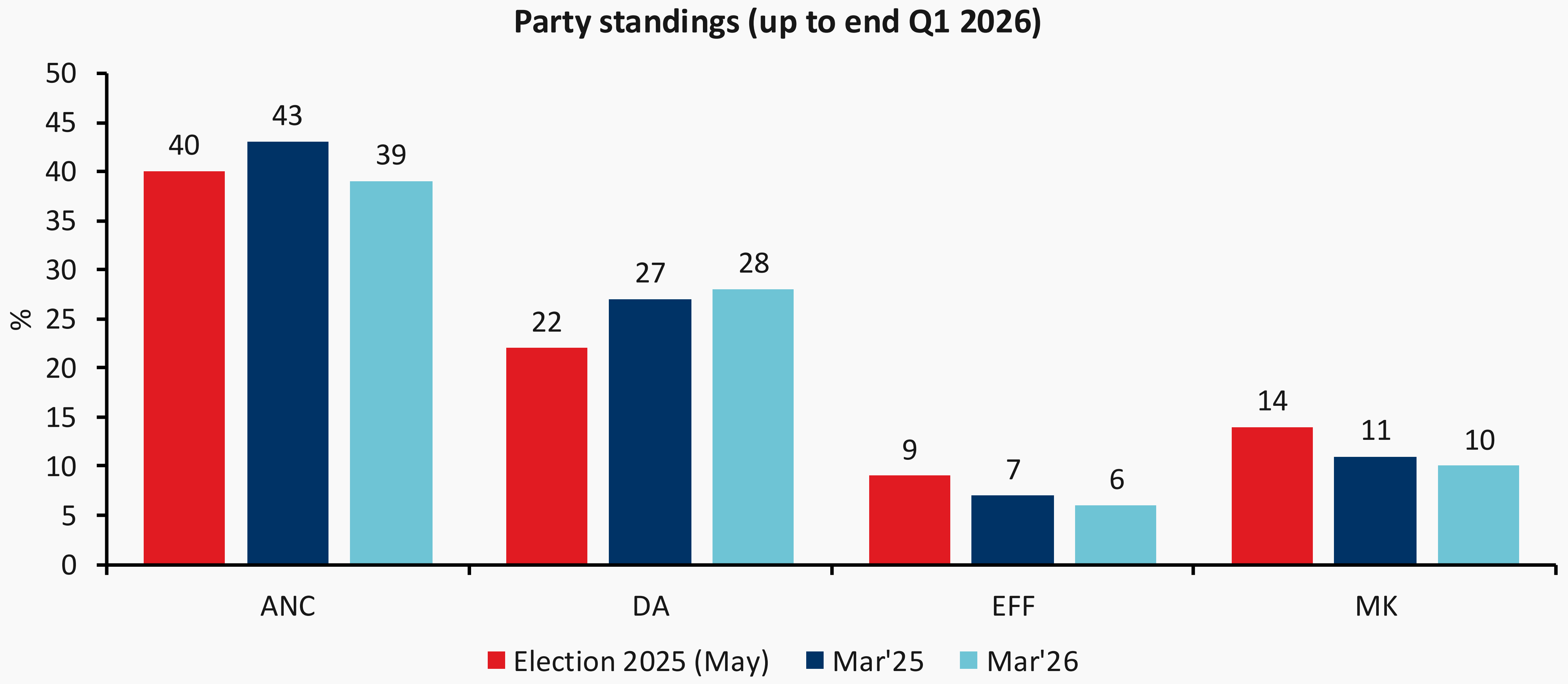
Polling points to a more fragmented political landscape ahead of the local government election



Source: Social Research Foundation, Momentum Group
ANC = African National Congress, DA = Democratic Alliance, EFF = Economic Freedom Fighters, MK = uMkhonto weSizwe

Global conflict leaves its mark on **SA's inflation**

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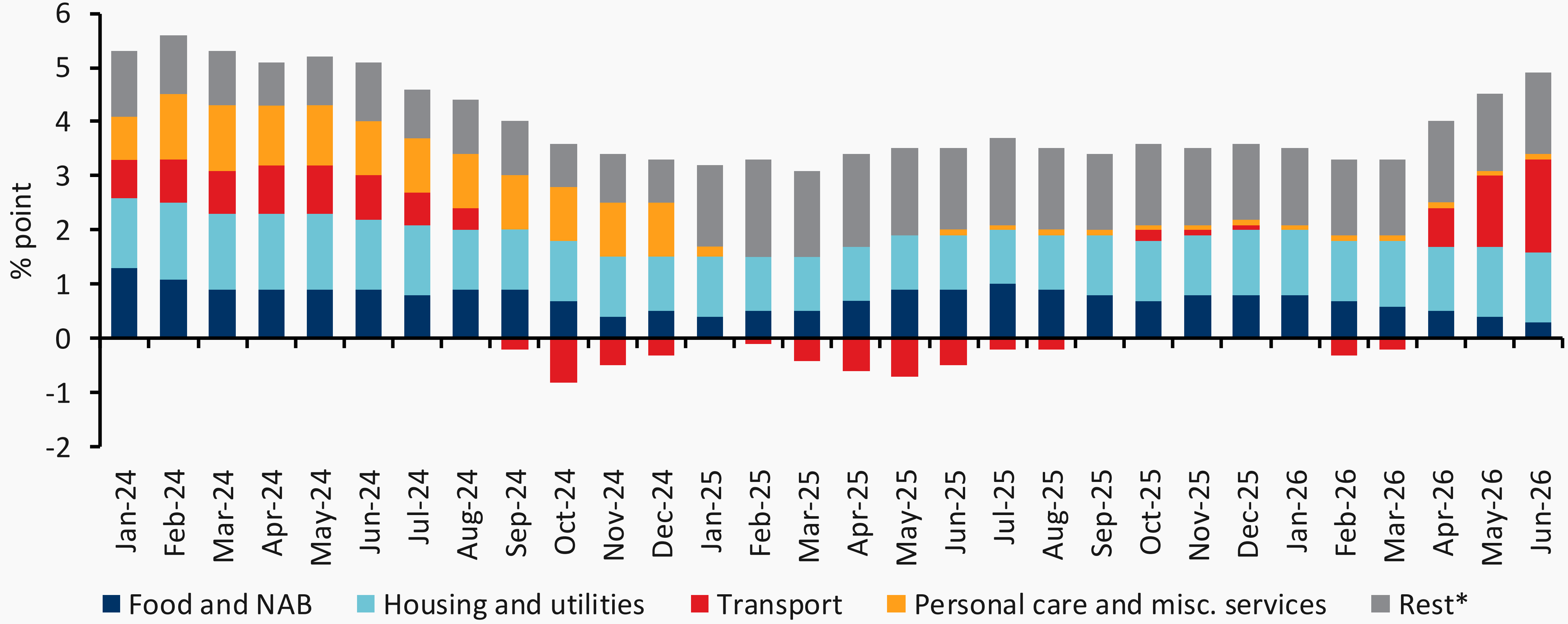
Higher international energy prices are increasingly feeding into local transport inflation

Contribution of the different categories to headline inflation



Source: Stats SA, Momentum Group * Includes alcoholic beverages and tobacco, clothing and footwear, furnishings, household equipment, health, information and communication, recreation and culture, education, restaurants and hotels, insurance and financial services, residual

Rand has not buckled under global risk-off pressures

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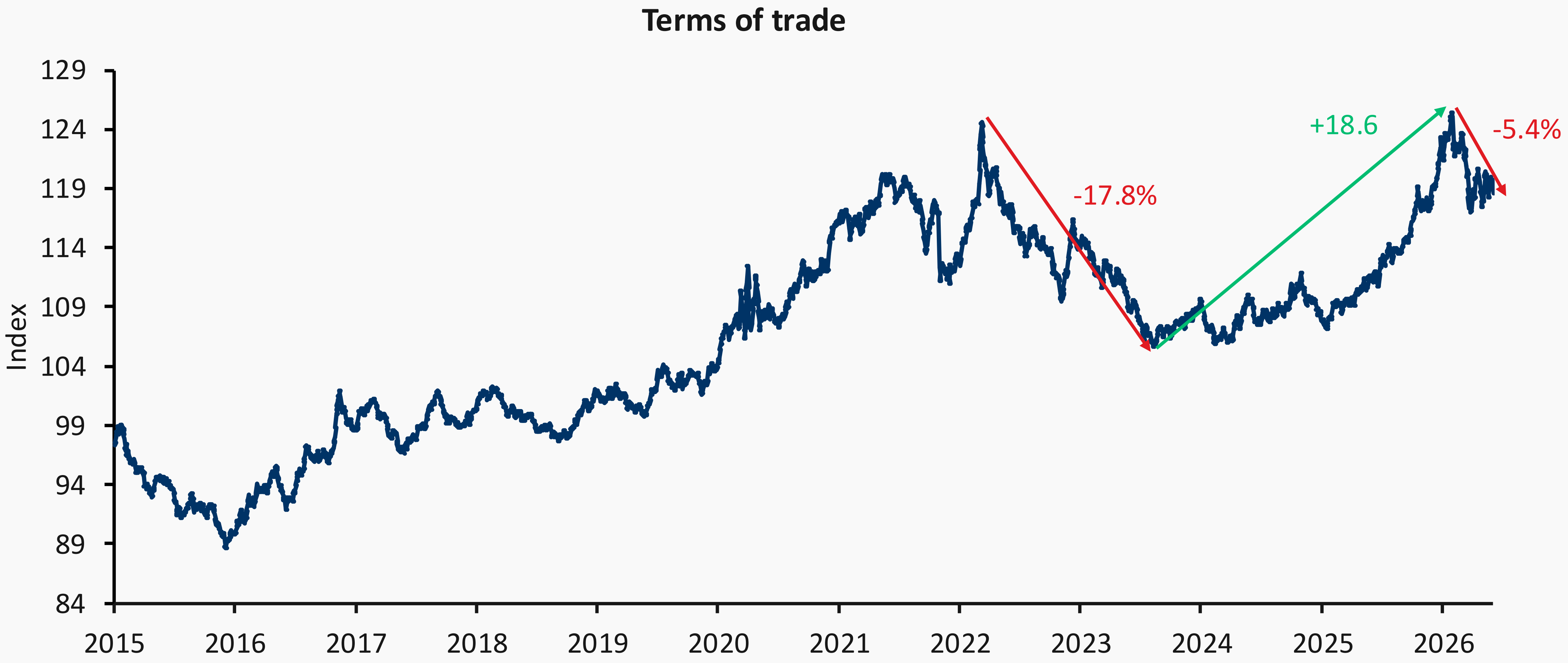
Terms of trade has retraced but only slightly, providing continued support to the local currency



Source: Bloomberg, Momentum Group
Data up to 3 June 2026

Thank you