CUSTODIAN
INSIDE THE CASTLE

JUNE 2026

A Guiding Light Starting to Dim?

A DEEPER LOOK INTO THE NEW FED CHAIR

WHAT HAPPENED

DEAFINING SILENCE

For much of the last two decades, investors have become accustomed to receiving regular guidance from the Federal Reserve. Markets would often move not only on interest rate decisions, but on speeches, interviews and subtle changes in language from policymakers.

Under new Fed Chair Kevin Warsh, that communication style is set to change.

Since taking office, Warsh has largely avoided the frequent public commentary that characterised previous Fed leadership, signalling a deliberate shift in communication strategy. Rather than attempting to guide market expectations through continuous messaging centred on lagging indicators, the new Fed leadership appears increasingly focused on allowing real-time economic data to speak for itself.

FEDERAL RESERVE CHAIR	STATEMENTS	TOTAL WORDS	AVERAGE WORDS	DOT PLOT	PRESS CONFERENCES PER YEAR
Alan Greenspan 1987–2006	52 2000–06 ONLY	12 110	233	NOT INTRODUCED	0
Ben Bernanke 2006–2014	70	28 903	413	INTRODUCED 2012	4 FROM 2011
Janet Yellen 2014–2018	32	19 467	608	YES	4
Jerome Powell 2018–2026	69	27 219	394	YES	8 FROM 2019 (4 IN 2018)
Kevin Warsh 2026–	1 PRELIMINARY	132	132	*DECLINED TO SUBMIT*	*Signalled intent to reduce over time*

Source: Federal Reserve Board (federalreserve.gov); FOMC statement text dataset, vtasca/fed-statement-scraping; author calculations.

STATEMENT WORD COUNTS
Computed directly from the full text of each postmeeting statement, including standard voting-record and discount-rate paragraphs where present. Greenspan figures cover statements from February 2000 onward only; the FOMC did not issue a statement after every meeting prior to 2000. Warsh reflects a single statement (17 June 2026) and should be read as preliminary, not a tenure average.

DOT PLOT & PRESS CONFERENCES
The Summary of Economic Projections "dot plot" was introduced January 2012, roughly six years into Bernanke's tenure. Quarterly press conferences began April 2011. Powell moved to a press conference after every meeting starting January 2019; 2018 itself followed the prior quarterly cadence. Warsh did not submit a dot at his first SEP and has indicated he intends to scale back formal communication tools, including a review of the SEP itself.

Importantly, however, less communication does not necessarily mean less certainty. If anything, it may encourage markets to place greater emphasis on fundamentals such as earnings, inflation and economic growth rather than attempting to anticipate policy intentions.

LESS NOISE MEANS FUNDAMENTALS WILL BE EASIER TO HEAR.

THE TECH TREND

HOW IS TECH EVOLVING

For years, global investors have associated technology exposure almost exclusively with the United States. The extraordinary success of companies such as Nvidia, Microsoft and Amazon reinforced that the AI investment theme was largely a US story.

Yet one of the more surprising developments of recent years has been the growing technology exposure within Emerging Markets.

Looking deeper, sector weights within major large cap equity indices, Emerging Markets now collectively carry a larger technology allocation than the United States. This shift has largely been driven by the strong performance of a small group of technology-related companies that have benefited from the AI rally.

	Top 10 Stocks				Full Index			
Sector Weights	S&P 100	Euro Stoxx50	FTSE 100	EM 50	S&P 100	Euro Stoxx50	FTSE 100	EM 50
Technology	32.69	15.58	0.00	48.55	42.98	18.51	0.31	54.13
Consumer Cyclical	7.57	2.89	0.00	6.97	9.82	9.87	4.87	12.57
Communication Services	11.23	0.00	0.00	8.25	13.46	2.17	2.35	10.56
Financial Services	0.00	7.18	12.19	4.11	10.81	25.17	24.48	15.84
Healthcare	0.00	0.00	10.90	0.00	8.42	5.01	12.60	0.41
Energy	0.00	3.56	10.04	0.00	2.28	4.51	10.25	2.47
Consumer Defensive	0.00	0.00	7.51	0.00	5.11	5.35	12.50	0.00
Industrials	0.00	10.81	4.65	0.00	5.30	21.04	13.34	0.00
Basic Materials	0.00	0.00	3.21	0.00	0.52	3.35	8.80	3.59
Utilities	0.00	2.84	0.00	0.00	0.82	4.56	4.67	0.00
Real Estate	0.00	0.00	0.00	0.00	0.33	0.00	0.92	0.00
Total	**51.49**	**42.87**	**48.49**	**67.87**	**100.0**	**100.0**	**100.0**	**100.0**

Source: Morningstar, Custodian. Data sources holdings of major Large Cap index ETFs and the Morningstar sector thereof. As of 18th June 2026

The result is that many investors may be holding more technology exposure through their Emerging Market allocations than they realise. Markets once viewed primarily as sources of commodity, manufacturing or financial sector exposure.

For investors, this serves as a reminder that market composition is constantly changing. Geographic diversification does not automatically translate into sector diversification, particularly when powerful themes such as artificial intelligence begin to dominate index returns.

THE NEXT DECADE OF TECHNOLOGY MAY BE MORE GLOBAL THAN THE LAST.

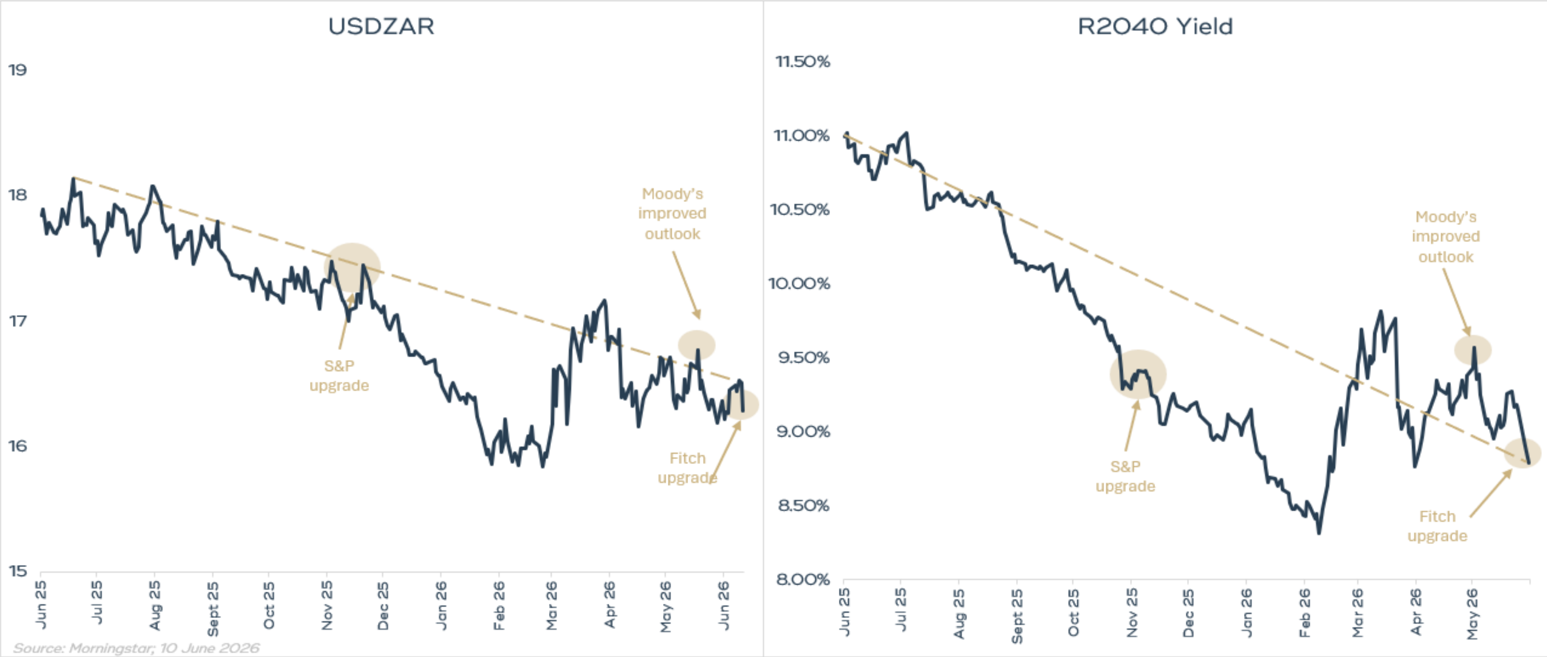
BACK HOME

A BETTER CREDIT STORY

South Africa has enjoyed a more constructive period from the major credit rating agencies. Better fiscal discipline, stabilising debt and progress on infrastructure have been noticed by ratings agencies.

Rating upgrades don't always grab attention, but they certainly matter. They improve confidence and support domestic assets as seen in the currency.

This can be seen in the government bond market. The R2040 bond has benefited from lower risk premiums as investors have become more comfortable with South Africa's trajectory.



Source: Morningstar; 10 June 2026

Active Income Funds like the Custodian BCI Income Plus can take advantage of moves like this to build performance over time.

A REWARD FOR DISCIPLNE

SPACEX

THE EMMM

BREAKING NEWS: Inside the Castle has officially applied to trademark a new financial term: EMMM™ (Elon Musk Magic Multiple™). Trademark pending...

Using a multiple of roughly where other space-tech companies are trading (26.6x earnings) we could only find a way to justify a valuation of around **$175 billion** for SpaceX, 10 times less that IPO price.

So what explains the gap?

EMMM™ is our term for the valuation premium investors assign to Elon Musk's ability to turn ambitious visions into extraordinary businesses.

Traditional valuation gets you to $175 billion. Elon gets you the rest.

The Elon Multiple.

HOW MUCH VALUE CAN ONE PERSON CREATE?

THE ELON MUSK MAGIC MULTIPLE

10x

This implies a valuation **10 times greater** than what extended fundamentals could make sense of.

Elon Musk's companies typically run at a valuation premium tied to him being a visionary.

IPO VALUATION (WITH A 10x EMMM)

$1.75 TRILLION

With a 10x Elon Musk Magic Multiple (EMMM) applied to current fundamentals, SpaceX's implied IPO valuation is $1.75 trillion.

SPACEX VALUATION (ESTIMATES)	AMOUNT (USD)
REVENUE	$18 670 000 000
ADJUSTED EARNINGS	$6 580 000 000
AVERAGE MULTIPLE	26.6x
IMPLIED VALUATION Based on approximate peer multiples.	$175.03 BILLION

WHAT IS THE ELON MUSK MAGIC MULTIPLE?

The Elon Musk Magic Multiple (EMMM) is the multiple increase of the valuation just by having Elon Musk tied to the company. Investors paying for innovation and future potential.

10x

The E.M.M.M

Elon Musk Magic Multiple

Source: Linas Beliunas, Financial fillings of SpaceX prior to listing

E.M.M.M. TRADEMARK PENDING

OTHER LINKS

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HAPPY INVESTING