Issue 2 | September, 2026 | **Global Edition**

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AWARDS AND ACCOLADES

India's Best Chief Investment Office, 2026

—

India's Best for Alternative Investments, 2026

—

Best for Discretionary Portfolio Management in India, 2024

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Best for Ultra High Networth in India, 2023

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Best for Ultra High Networth in India, 2022

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Best for Investment Research in India, 2021

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Asia Private Banker League Tables
Featured in Asia Private Banker League Tables for Top 20 Private Bank / Wealth Management in India, 2021-2026

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AsiaMoney Polls
Best Private Banking in India, 2013-16

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POLICY DISSONANCE


U.S. Equities –
Economy, Earnings & an AI Tech Wave


Central Bank & Treasury:
Yen Intervention, Treasury Buyback and Jackson Hole


The AI Tech Wave is Real


Fixed Income –
Rates are Rising Globally across DM, Creating a Headwind


Emerging Markets –
Macro Outlook H2 2026


Structural Shifts in EM |
Surprising Resilience, Subdued Growth in Europe


Precious Metals –
Gold and Silver


Outlook


Our Key Calls for H2 2026


Ambit Global Private Client -
Asset Allocation & Investment Committee


Publication

Indices:
S&P 500
Nasdaq 100
Nifty 50
MSCI EM

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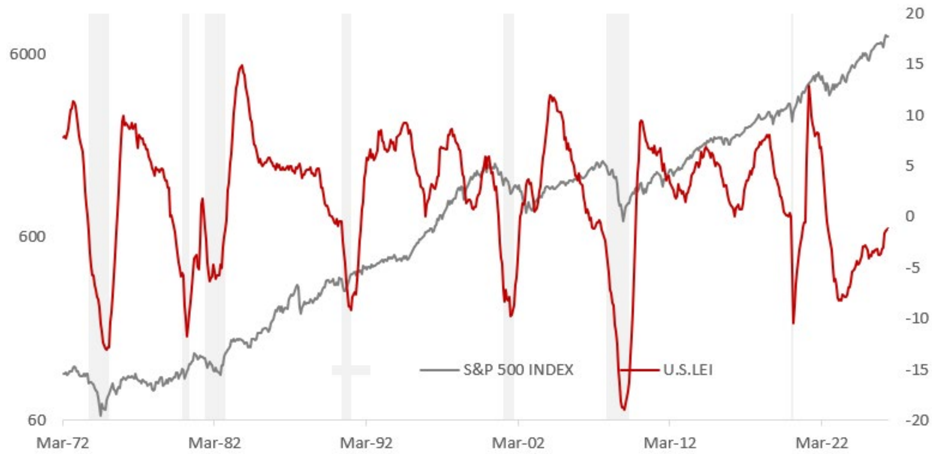
MUMBAI DELHI BANGALORE DUBAI

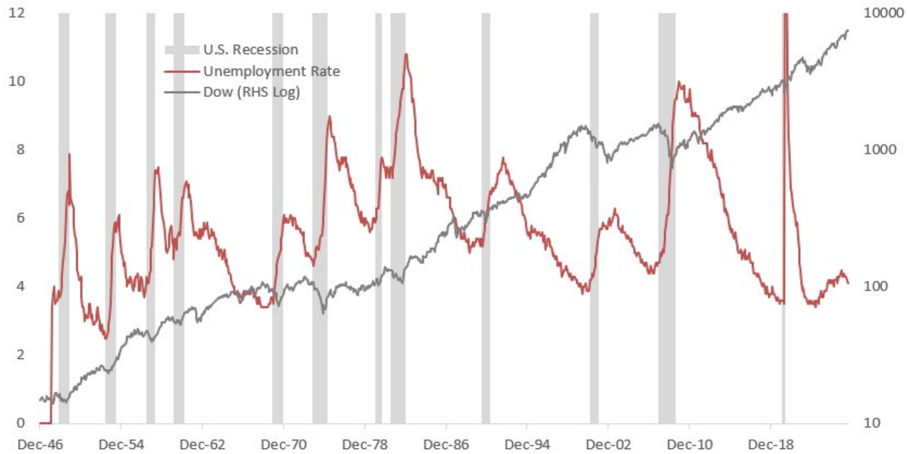
U.S. – Economy, Earnings & the AI Tech Wave

- **The State of the U.S. Economy** – The U.S. LEI – or Leading Economic Indicator – has been around for many decades. It's made its way out of the doldrums, and rising. The unemployment rate, rather than accelerating as is typical of recessionary environments – has started to fall again. Moreover, temporary payrolls are rising, typically associated with a growing economy.

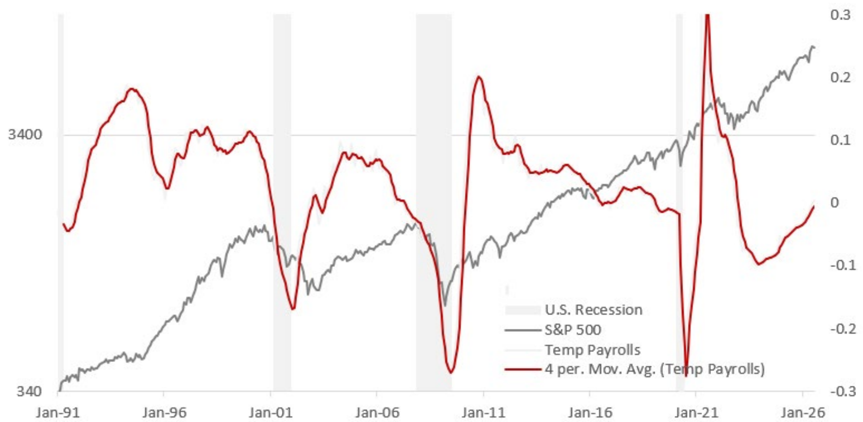
The U.S. Leading Economic Indicator is Rising, Signaling an Ongoing Recovery



The U.S. Unemployment Rate is Falling



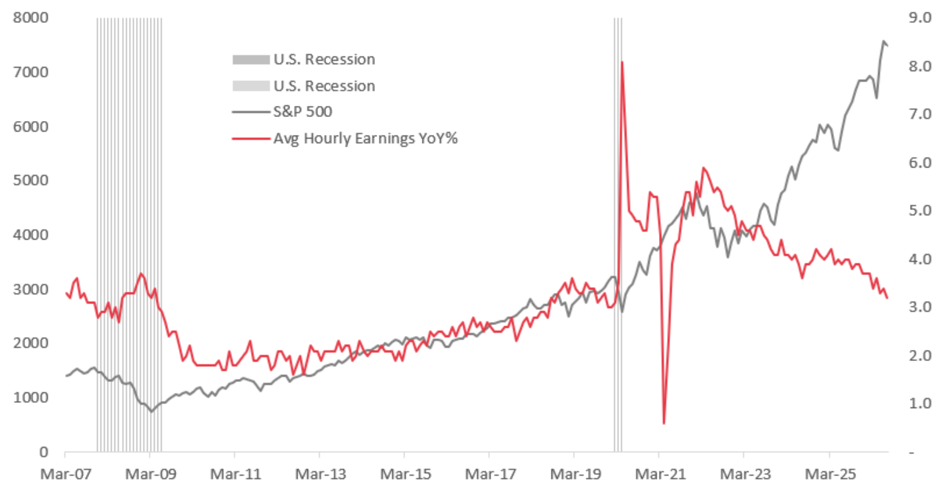
Surprisingly, Temporary Payrolls Continue to Rise



The Bottom of the K-Shape - The labor force participation rate has dropped quite sharply. A portion of the workforce is dropping out, possibly, or being replaced. The move lower is quite sharp in recent months, and the participation rate is the lowest (ex covid) in five decades. Additionally, incomes have not risen in line with price increases, and that's largely what's given rise to the affordability angst in the U.S.

Labor Force Participation Rate is the Lowest (ex Covid) in Five Decades

Furthermore, Average Hourly Earnings Growth is Slowing, As Higher Prices Bite



Meanwhile, Net Worth as a Percent of Disposal Income Continues to Rise Sharply

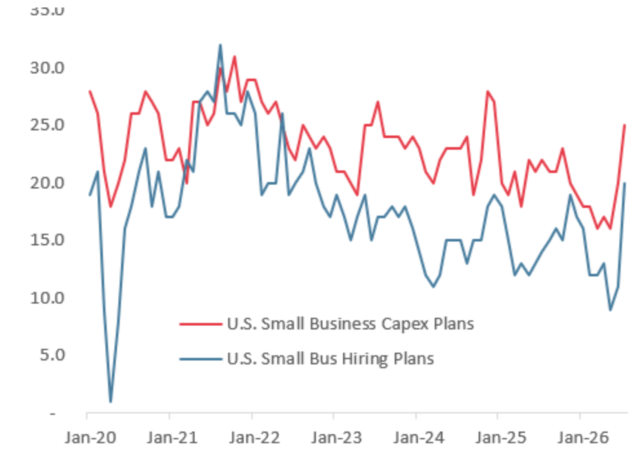
Again, highlighting the K-shaped nature of the economy, asset owners continue to thrive. Net worth as a percentage of disposable personal income continues to rise, at its highest levels in 2 decades, at roughly 8 times disposable income.

Consumers at the top end of the economy are doing just fine. The stock market wealth effect and sticky real estate prices have been key contributors.

Net Worth of U.S. Households as a Percent of Disposable Income is at 8 Times

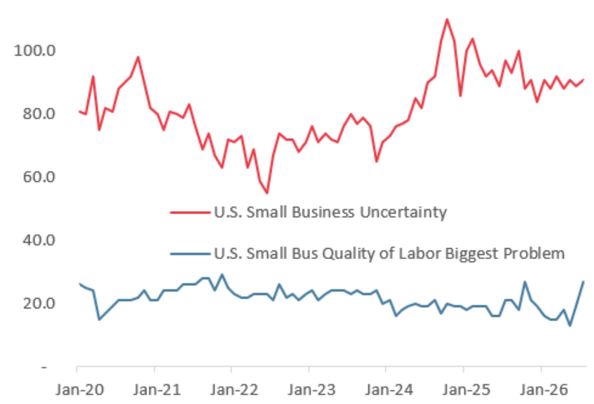
- **Small Business Pulse** – Small businesses optimism is rising. Business uncertainty worries are starting to ebb, and plans for capex are rising to the highest since Trump won the election around Dec '24. Finding qualified candidates remains a challenge; however.

Small Business Capex & Hiring Plans are Rising



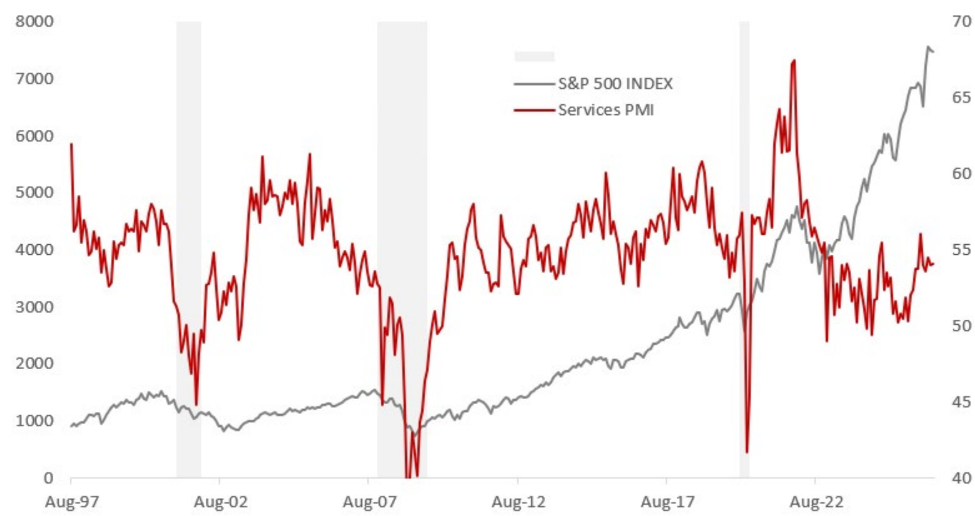
Source: Ambit Global Private Client, Bloomberg

... And Business Uncertainty is Starting to Ebb... Quality of Labor Remains a Big Problem

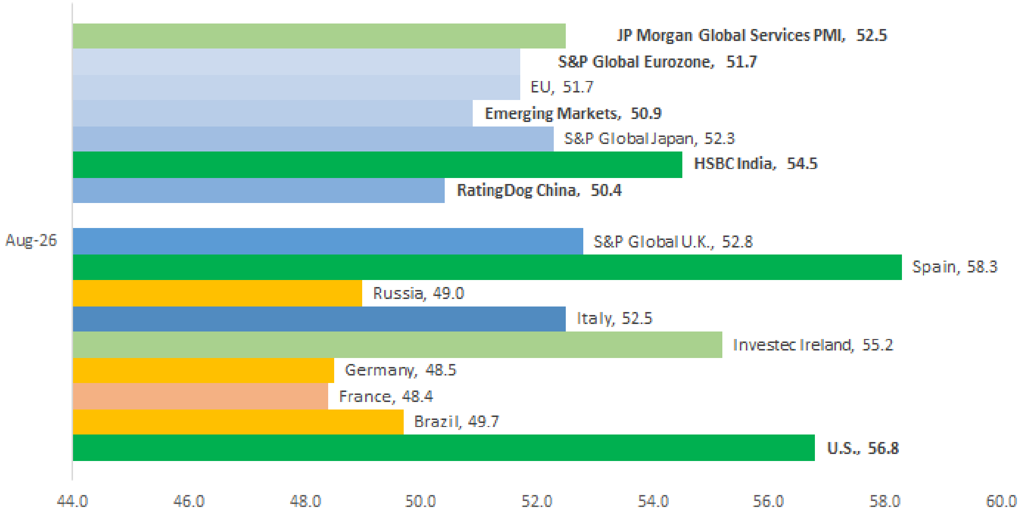


Source: Ambit Global Private Client, Bloomberg

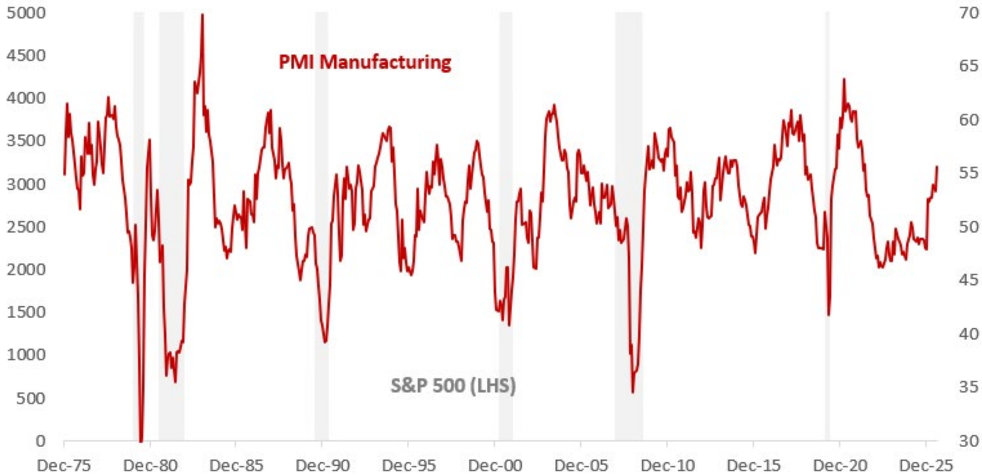
U.S. Services PMI is in Expansion Mode...



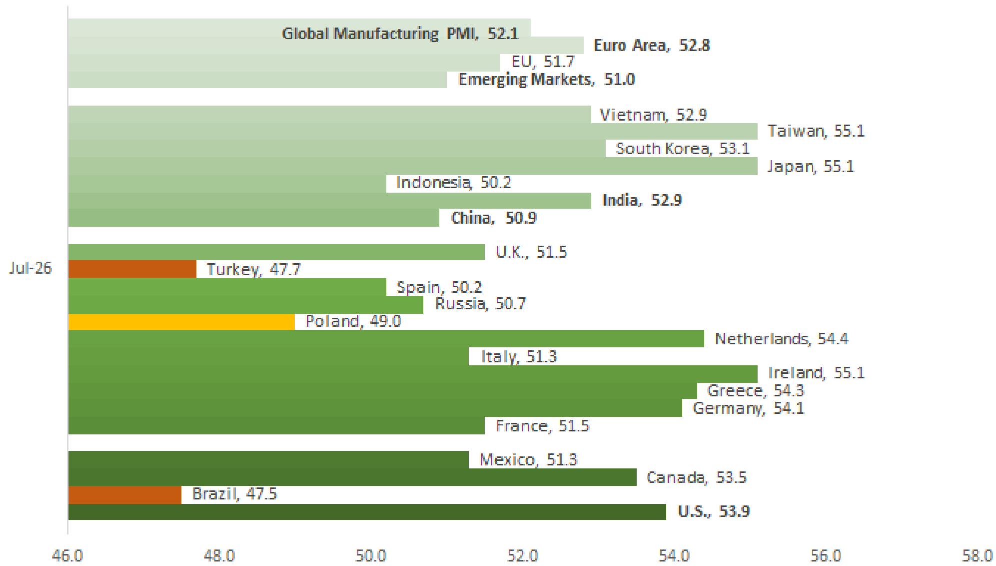
... Alongside Much of the World, including the Eurozone, India and EM ...



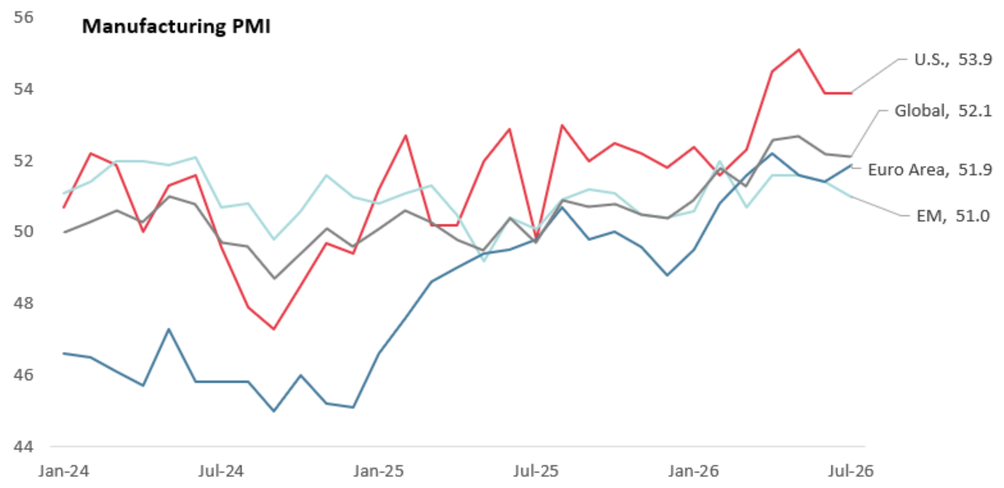
U.S. Manufacturing Surveys Are Also Showing Rising Momentum...



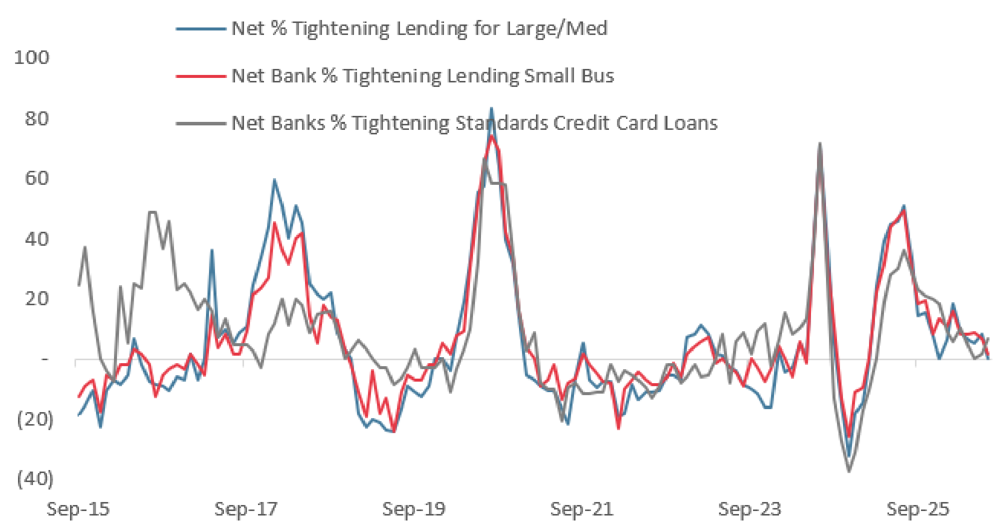
Alongside Strong Manufacturing Momentum Across Much of the Global Economy



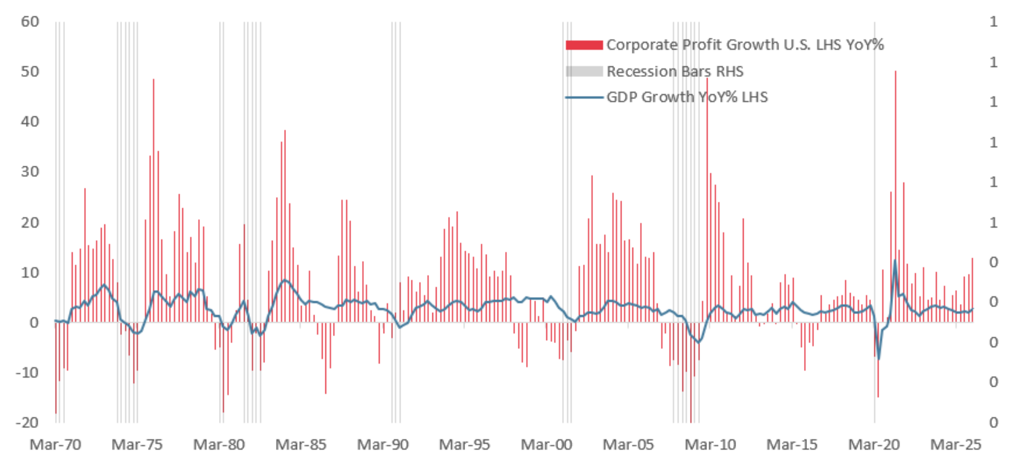
The Major Regions of the World Are Showing a Rising Trend in Manufacturing...



...Lenders Are *Loosening* Lending Conditions for Businesses & Credit Card Loans

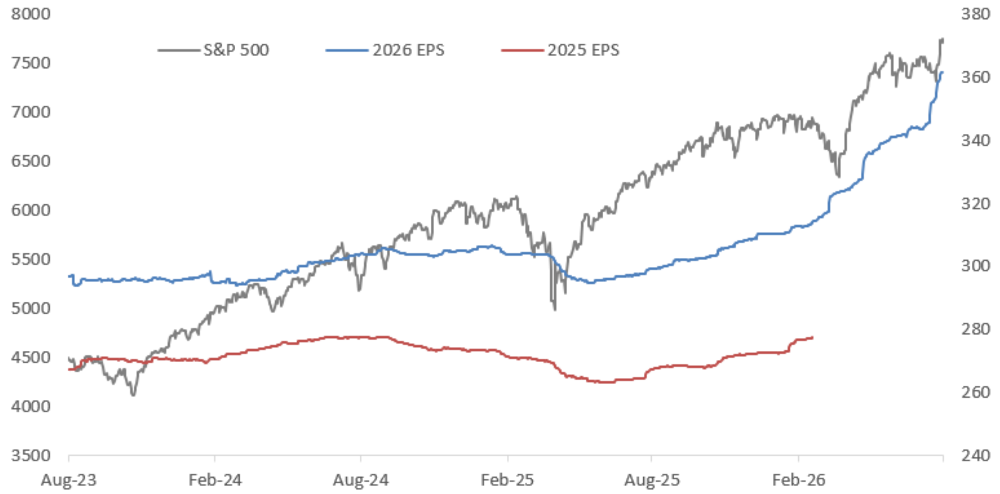


Meanwhile, Corporate Profit Growth is Growing Much Faster than GDP



The AI Driven Productivity Impact - We consider productivity impact in a number of ways. First, S&P 500 earnings growth are growing multiples faster at approximately 30% a year than GDP, which is in the 2-3% range. The acceleration in earnings in this cycle began in 2023, coincident with the launch of ChatGPT.

S&P 500 Earnings are Soaring

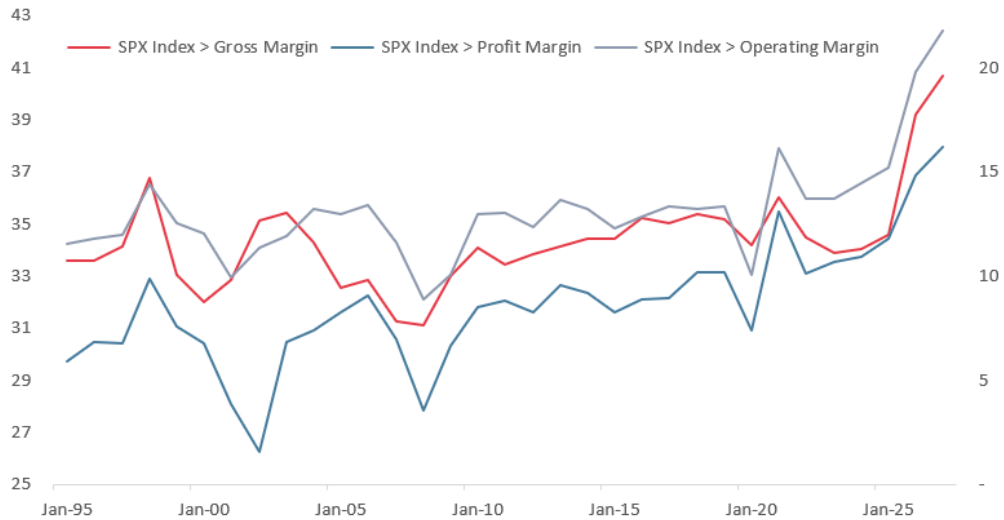


Second, the IT sector has clearly led the way. **IT firms are capturing a disproportionate share of earnings**, alongside rising operating leverage. Margins are rising for IT, a hallmark of genuine productivity gains. Operating margins for the Mag 7 in particular have risen each year.

Third, massive capital investment is underway. A genuine productivity wave is largely sustained by capital investment. U.S. private nonresidential fixed investment has accelerated. We've shared capex numbers from the hyperscalers surpassing $800 billion in 2026.

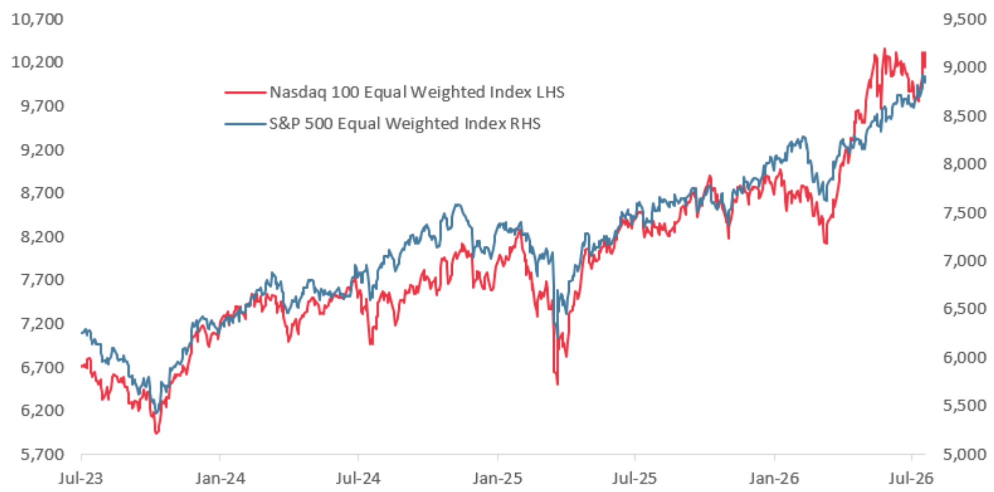
The re-acceleration in IP investment points to an AI-led investment cycle that is driving earnings and margins. Next, we've looked at output per hour in past outlooks and again, there has been a marked improvement.

S&P 500 Profit Margins Are Surging to Multi-Decadal Highs… Courtesy AI

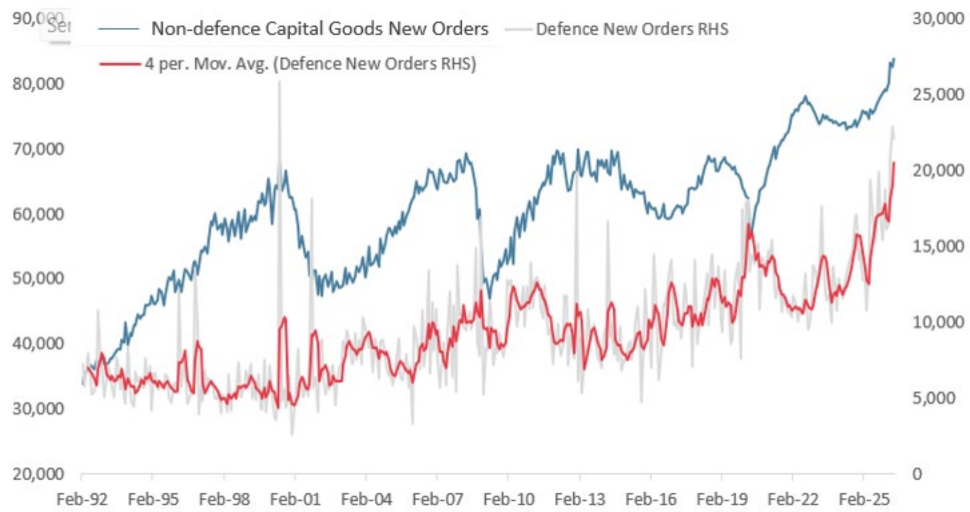


Both the S&P & Nasdaq Equal Weighted Indices are Near New Highs…

... Performance Has Broadened Beyond the Mag 7



Non-Defence & Defence New Orders are Rising Sharply



The productivity premium is beginning to diffuse beyond the pure-play AI names. The equal weight S&P and Nasdaq provide evidence that the broader market is finally starting to hold its own, rather than the heavily concentrated Mag 7 market of the early 2020s.

The equity market is clearly pricing a productivity wave in AI with EPS growth, margin expansion, and sector outperformance. The rally appears to be broadening.

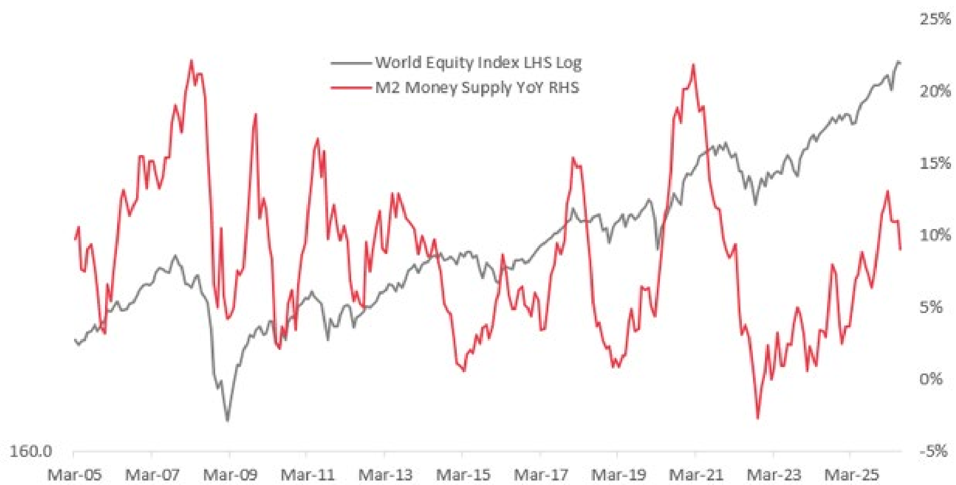
US financials don't look too shabby either, with a payout ratio of 84% and a cash yield of 5%. A Wall Street boom fueled by red-hot stock-market debuts and volatility that kept trading floors bustling is leading to surging profits at the nation's biggest banks. Banks in the second quarter also benefited from the ravenous appetite across Wall Street for AI financing.

Compared with high yield spreads which remain near cycle lows 268 bps, equity valuations for the market are relatively attractive. Breadth is solid with 71% of equities trading above their 200-day moving average, and sentiment remains muted.

Financials Are Finally Rallying Hard — Largely a Byproduct of AI Led M&A, IPO Activity

Bank executives view the build-out "remains in its early stages" and should drive more financing activities. Banks reaped the rewards of the historic initial public offering of SpaceX, with other blockbuster stock-market debuts such as OpenAI in the pipeline. Goldman led the SpaceX IPO, which helped the bank more than double its fees from equity underwriting to nearly $1 billion

World M2 Remains Supportive

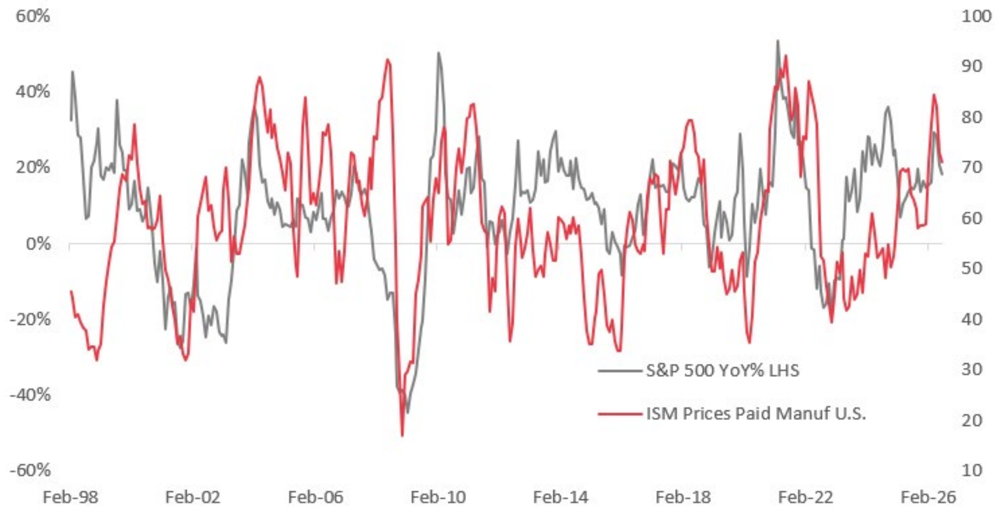


AI Capex, Revenue Growth & Margin Improvements are Driving Equity Markets Higher - Oil remains a risk, as prices threaten to cross $100 on Brent. More oil is reportedly flowing through the Straits of Hormuz, roughly 2/3rds of pre-war levels. The impact of weekend tweets on global markets appears to have declined.

Froth - The Situational Awareness sell-off marked a bottom in U.S. markets. Moreover, frenzied speculation and extreme volatility have also died down. Markets are recovering and moving to a comparably more stable wicket.

Earnings the Main Event - Companies are delivering impressive earnings growth, and that's driving equities higher. Equities and commodities remain key inflation hedges.

In Other Welcome News, ISM Prices Paid Dipped in July to Below 70



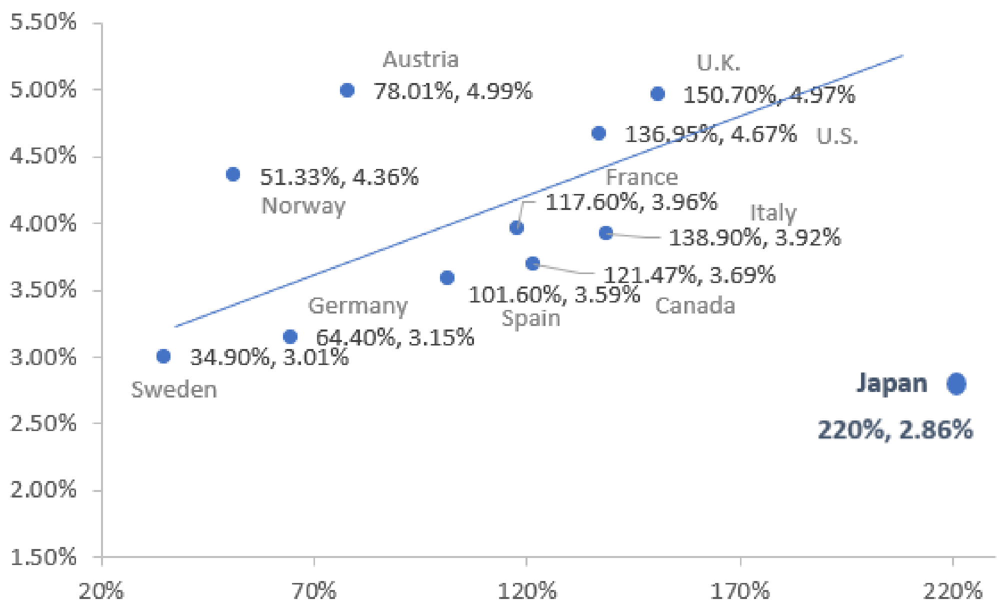
INVESTMENT OUTLOOK

Central Bank & Treasury: Yen Intervention, Treasury Buyback and Jackson Hole

- **The Yen Conundrum -** Japan has kept interest rates artificially low for years, they were the pioneers of yield curve control in the modern era, with the central bank routinely purchased its own government bonds. Today, Japan is highly indebted; inflation has made a comeback on the heels of wage hikes, massive plans for stimulus. Rates on the long end have risen steadily, to the highest level in 20 years. Debt service is roughly 25% of the entire budget, social security and debt service consume over half of all government spending. An aging population puts additional burden on the government finances.

- **The pressure on the yen is structural -** The Yen isn't falling because of speculators. It's falling because government bond yields are much lower than where market pricing dictates they should be. This has created a steady outflow that one-off interventions can't fix. Even if intervention sparks a temporary rally, dollar demand — including from importers such as auto manufacturers — is likely to keep pressuring it lower.

Japan's Bond Yields Have Been Suppressed at Artificially Low Levels for Years



Source: Bloomberg

If the central bank hikes rates to defend the weakening yen, public debt service payments will rise painfully. If the bank holds rates, the currency is likely to continue to depreciate. A depreciating yen is also inflationary, for a country that imports 90% of its energy, as well as food and goods.

- The Proposed Solution - Japan, sitting on 1.19 trillion of Treasuries as the largest foreign holder, decided it would have to sell U.S. treasuries to address issues: defend the currency, manage the debt, and allocate towards program funding.

The Yen Stopped Tracking Interest Rates Post Liberation Day 2025

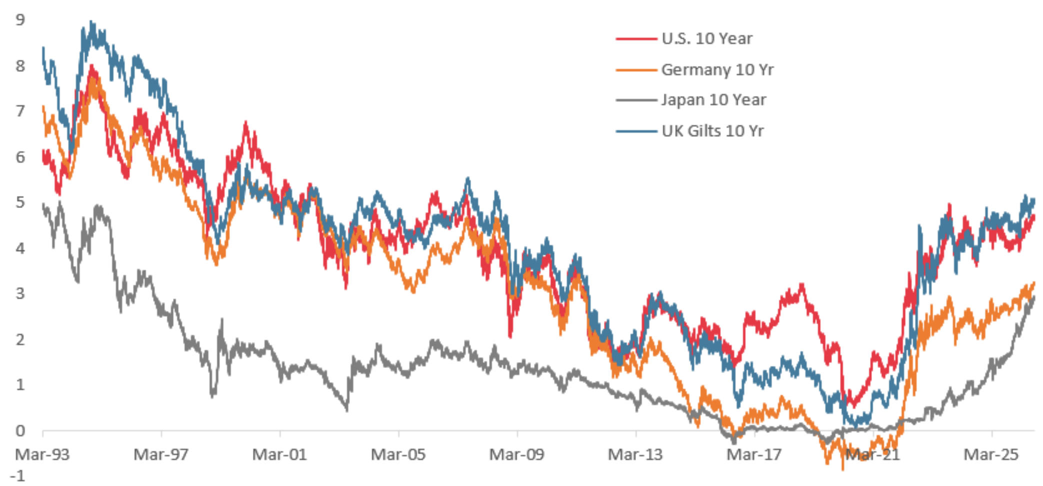
- **U.S. Japan Coordinated Response -** The Bank of Japan selling U.S. Treasuries created pressure on U.S. treasury bond yields, prompting the U.S. to coordinate a currency intervention with Japan. A weaker yen would ignite domestic inflation in Japan, pushing up JGB yields, in turn leading to potentially higher U.S. yields. Washington wanted to avoid the resulting upward pressure on U.S. yields. Ironically, the U.S. move is largely a consequence of the war on Iran, which caused a surge in energy prices and a related strengthening in the dollar.

- **Currency Volatility -** Japan also isn't the only net energy importer that's impacted. The South Korean won, Indonesian rupiah, Indian Rupee and other currencies have all had volatile years.

- **The Takeaway – Currency Control and Implied Yield Curve Control**

  The new policy appears to include currency volatility control, at least for the yen. By extension, one can make the case it's essentially yield curve control. That is what gold and silver noticed.

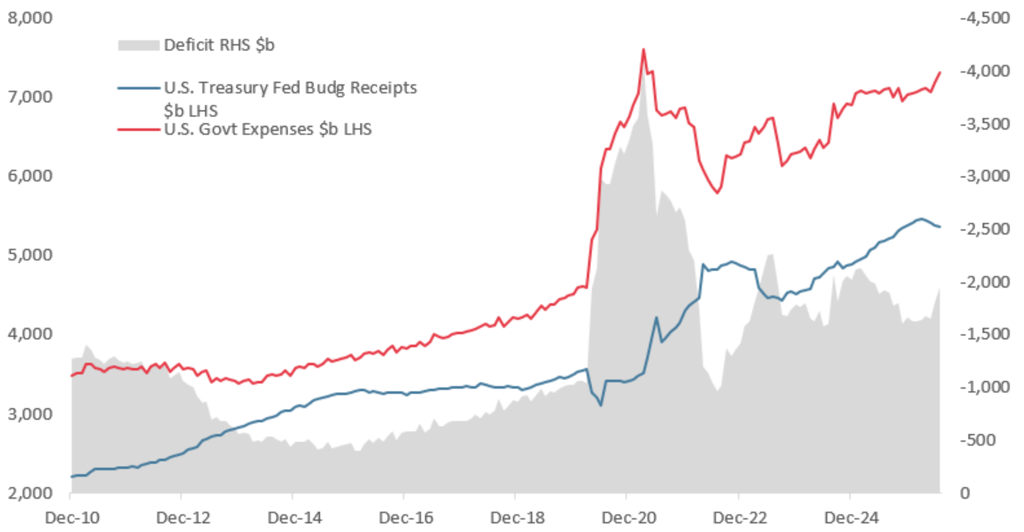
Rising Rates on the Long End, the U.S. Treasury Response and Jackson Hole



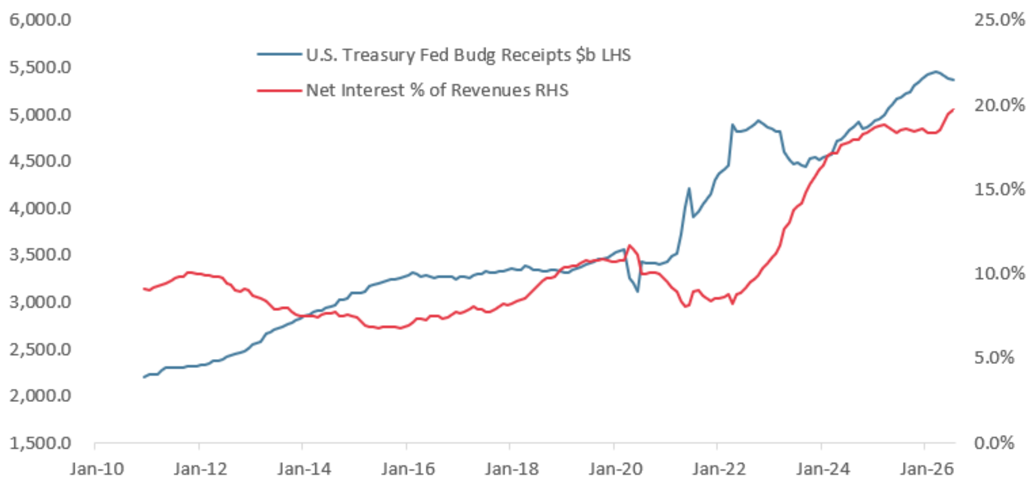
- **Rising U.S. Rates and the Treasury Signal -** The U.S. treasury with its buyback has signaled sensitivity and vulnerability to rising interest rates. Understandably so. The charts below highlight the key area of concern for the U.S. economy – the public debt.

- **The Alarming Rise in U.S. Public Net Interest Payments -** The trajectory of the rise in interest payments is unsustainable. Add in the large refinancing coming up in 2027 and 2028, rising interest rates, and it becomes abundantly clear that the U.S. would want to **keep interest rates under control.** The question is how. One way to achieve that is by reigning in inflation, allowing for a reduction in interest rates. That was the crux of Warsh's remarks.

U.S. Govt Expenditures Have Risen Much Faster Than Receipts over the Past 10 Years



Net Interest Payments Have Doubled to Almost 20% of Treasury Receipts... in 4 Years



Talk is cheap, even if you happen to be the Fed Chairman. DOGE failed miserably. With midterms approaching, no politician will be keen to raise budget cuts as a political issue. AI demand for credit continues to soar. The Fed Chairman has honorable and good intentions. **Actions matter,** and the **action we're witnessing is $6b a month in Treasury long end buybacks.** Until proven otherwise, we continue to expect the U.S. to follow the path of Japan.

The AI Tech Wave

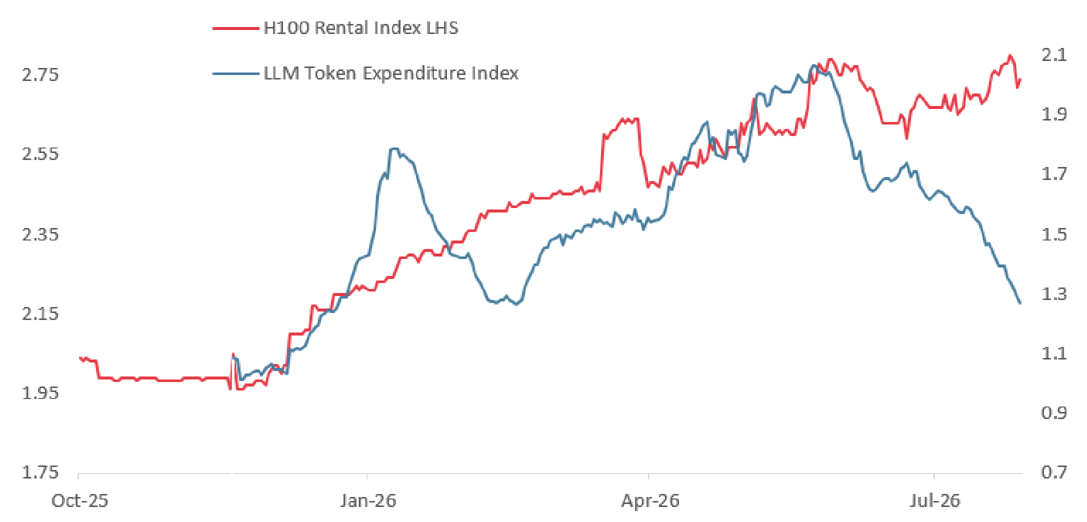
- **Magic with Electricity & Sand –** The IT industry is truly incredible, taking sand and converts it into silicon, and electricity to convert that silicon into intelligence. With the recent sharp sell-off, it's worthwhile to get a sense for demand and supply trends in AI.

- **AI Demand is Exploding & Usage Is Shifting –** The original worry was that supply would outrun demand. The concern was whether revenue would show up fast enough. That is no longer the case. Demand is soaring. If models keep improving and costs stay controlled, the demand for AI is uncapped.

  The chart below demonstrates two proxies for demand. The H100 – one of the older GPUs - rental index price continues to move higher and hold its rates, despite fears of obsolescence. YTD, the rise in the rental index is a proxy for ongoing AI demand.

  What has changed however, is that the demand may be shifting across a broader set of models, towards open source and low cost models. The token expenditure index has dropped, which suggests rising token usage of cheaper tokens. However, this does not imply declining token usage.

The LLM Token Expenditure Index Suggests Token Usage is Rising, But Spreading to Cheaper Tokens



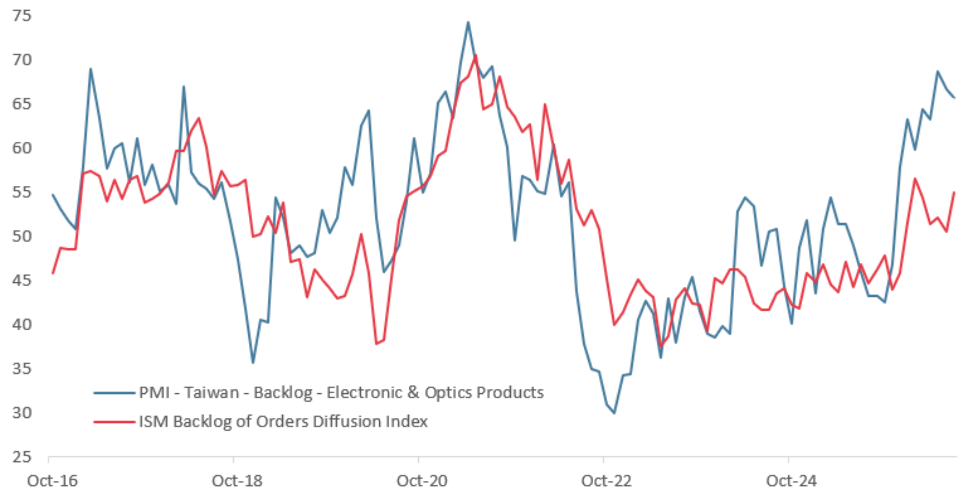
Source: Bloomberg

- **Value Shifting to Application, A Race for Compute & Energy –** Moonshot Kimi K3 matches Opus 4.8 and ChatGPT 5.6 in performance, at 50% lower cost. LLMs appear to be commoditizing faster than expected, and value is potentially shifting to the application layer.

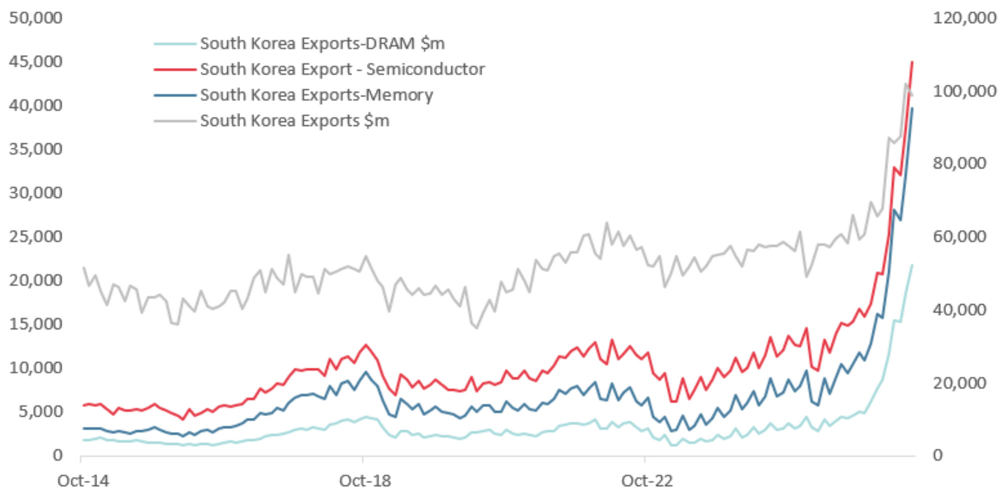
  The intelligence to build LLMs is available on the internet and it's a race for compute and energy. China looks to have a significant advantage on energy. China's strategy could be to commoditize frontier models, weaken U.S. tech innovation leadership, and focus on retaining leadership in manufacturing, automation and robotics.

- **AI Related Demand is Rising –** The Taiwan PMI on backlogs of electronic and optical products tracks the volume of uncompleted or outstanding orders at electronic and optical manufacturers in Taiwan – i.e., work that has been received but not yet fulfilled. Above 50, the backlog of orders is expanding (more firms reporting an increase than a decrease). Demand is outpacing capacity. Manufacturers are receiving orders faster than they can fulfill them, providing revenue visibility, potential output acceleration, and pricing power.

Order Backlogs Continue to Rise Sharply

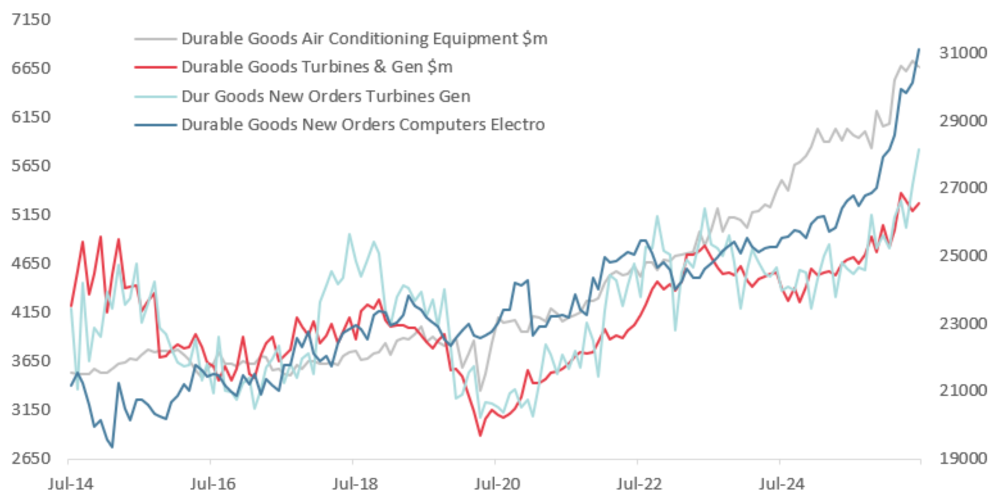


There is No Sign of a Letup in South Korean Memory, Semi & DRAM Exports

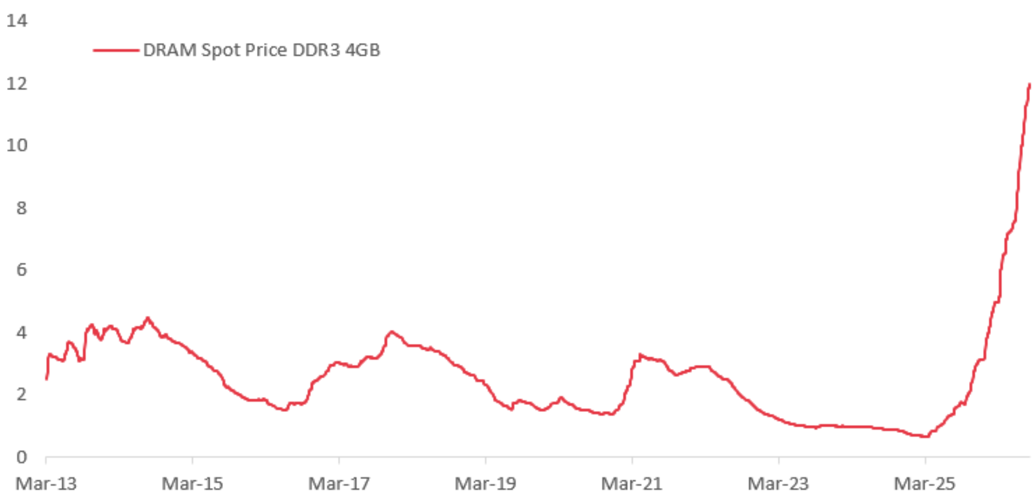


- **Orders for Data Center Soaring —** Turbines, generators, cooling equipment, electronics, computer equipment have all broken higher since 2022. There's no evidence of cooling in the recent data.

Data Center Buildout Demand Is Rising Sharply



DRAM Spot Prices Continue to Rise – Complimenting the backlog data, DRAM spot prices continue to rise.



Compute remains the bottleneck - There is nowhere near enough compute to satisfy demand. AI sector remains structurally supply constrained. The value add will be building intelligence on top of the compute.

AI demand remains strong. Meta, Google, Microsoft remain supply constrained. Incremental units of compute are absorbed almost immediately. Amazon raised its 2026 capex to $220 billion. The capex spending is still not enough to eliminate the supply constraint.

Amazon believes this dynamic will hold in 2027 as well as 2028. The lion's share of Amazon's 2027 compute capacity is already reserved. Amazon has a clear line of sight to strong financial returns. Amazon also mentioned that FCF looks weak prior to revenue arriving.

- **AI – Robotics – Energy –** The end goal appears to be to continue to build data centers, build inference, move to robotics to automate the manufacturing supply chain, and eventually consumer robotics. Compute is increasingly moving towards solar and nuclear. The scale to build data centers is enormous. Thousands of construction workers, GWs of power, metals, cables, servers, cooling and on and on. Ultimately agents will be always on, track communications, meetings, documents, think while you sleep. Eventually, robots will create the electricity that drives the robots.

- **The Risks –** So as not to be accused of wearing rose colored glasses, we note that we have in the past raised concerns around circularity, depreciation, cash flow, earnings quality etc. The bond market is questioning the ROI as CDS for Oracle has risen dramatically. It could be a case of differing horizons. The hyperscalers are investing to win the long race. The CDS market is pricing risk that this all does not go to plan.

- **Outlook –** From our perch, increasing recognition globally is underway of the **productivity enhancing benefits**, opportunities and potential **of AI**. That also suggests that the AI wave is now bigger than the hyperscalers as increasingly corporates are pursuing deployments independent of large LLMs.

  The AI capex outlook for 2026 is now seen rising 78% year over year, 2027 by +35%. The four major US hyperscalers, Google, Microsoft, Amazon, and Meta, have reported stronger multi-year spending plans. Hyperscale capex is tracking above $860 billion in 2026, up 80% year over year, and heading toward $1.2 trillion by 2027. The spending is backed by more than $2.3 trillion in multi-year customer cloud commitments and backlog, which rose 16% quarter over quarter.

P.S. - Dario Amodei's Comments – As we go to print, Dario Amodei posted a blog post about reigning in AI models, slowing down, because the models pose a threat to humanity.

Our initial take on this is that **AI is here to stay**. An open source AI community will continue to prosper.

This appears more to be an Anthropic and OpenAI issue around massive valuations, possibly decelerating growth, and disruption from open source. On disruption, the irony is truly ironic.

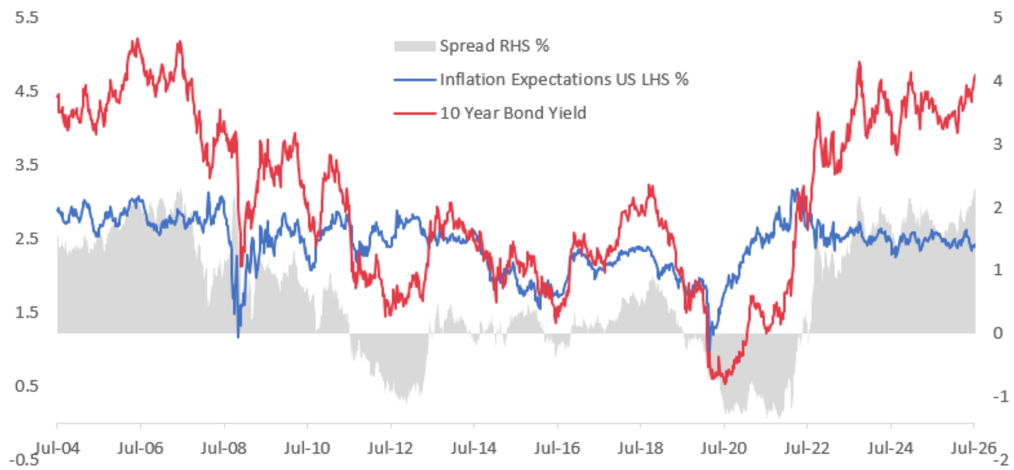
Google is likely to continue to invest in and develop AI related initiatives. It's seeing success. World over, corporations are increasingly deploying capital into building and implementing AI within their organizations. Nvidia appears aligned with open source. Amazon will continue to invest in AI aggressively. And so on.

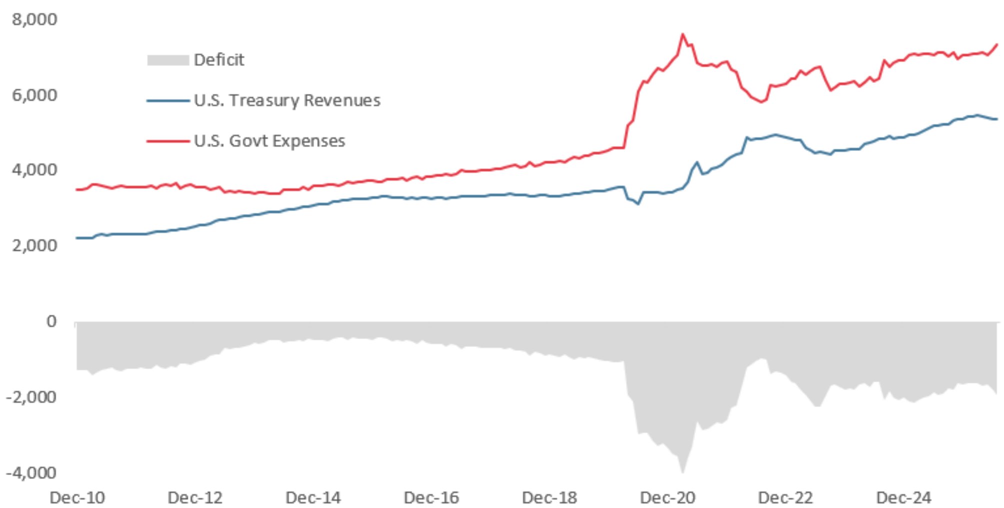
The **open source disruption** suggests there is likely a reckoning underway for over-valued and over-hyped businesses. This could certainly extend into private equity and hyped up AI beneficiaries. Large dominant players with visible and predictable, profitable businesses and earnings appear to be the best place to be.

The executive branch, and the Treasury remain supportive of AI and markets. The central bank will get the memo, if it has not already done so. Our investment outlook is laid out in the Investment Outlook section.

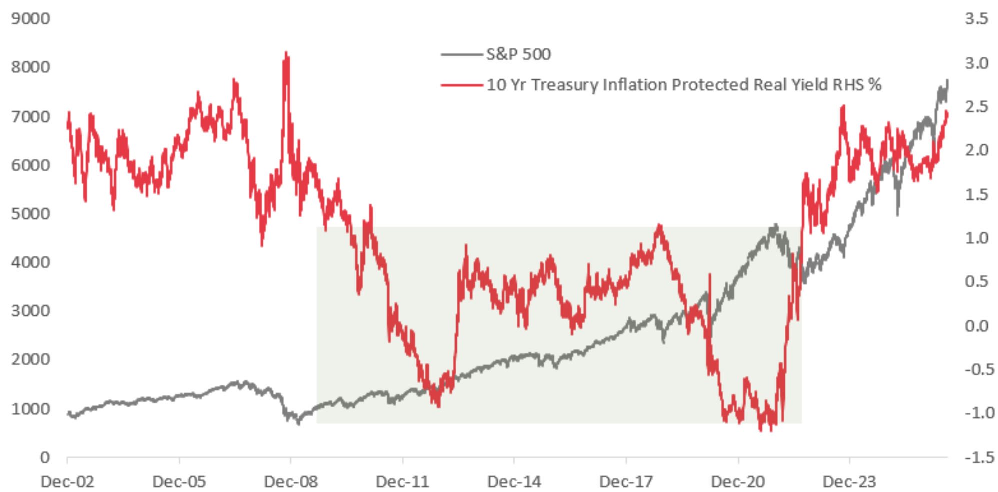
Fixed Income — Rates are Rising Globally across DM, Creating a Headwind

The chart below highlights the average yield of the 10-year U.S. Treasury Inflation-Protected Securities (TIPS). Unlike a nominal treasury yield, this is a real yield — the return an investor earns after inflation is stripped out. If this index reads 2%, investor are expecting 2% above whatever the inflation rate turns out to be. A negative reading means investors are willing to accept a loss in purchasing power.





Real Yields Are Rising in the U.S.



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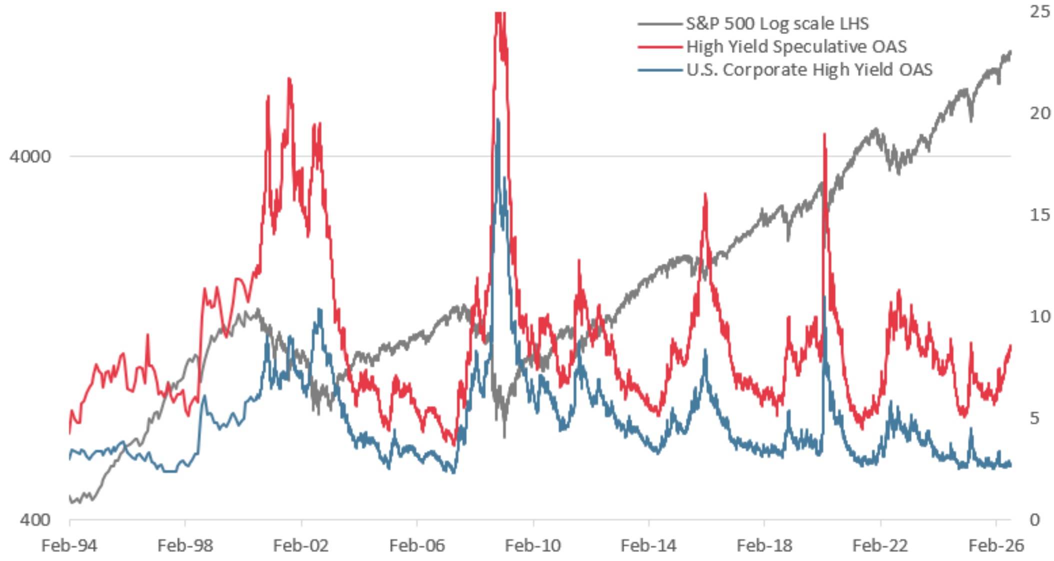
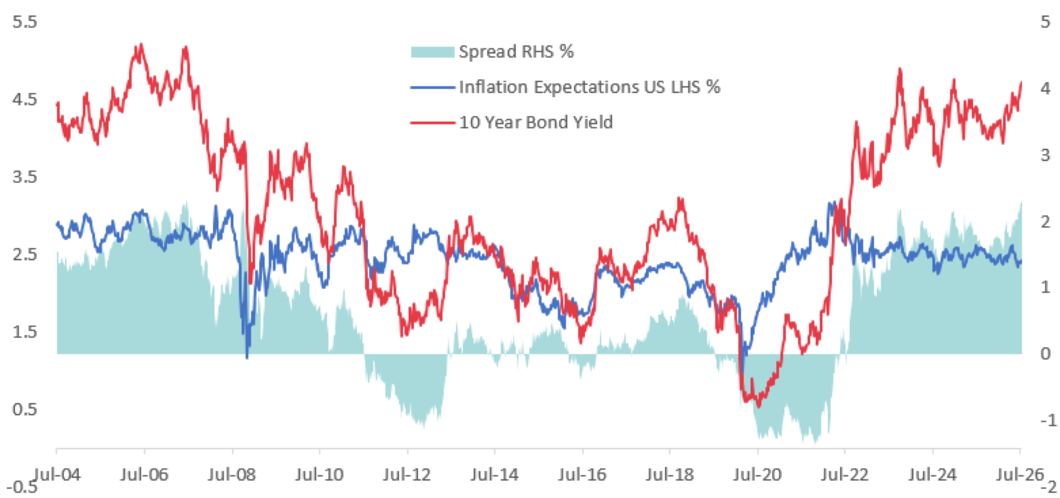


Real Yields Back to Pre GFC Levels - QE1/QE2 led to falling real yields in the years following the GFC. Real rates were artificially suppressed to close to zero. 2012-2015 was the era of deep financial repression, as the Fed conducted multiple rounds of purchasing trillions of dollars of treasuries and MBS. This pushed bond yields down, and real yields down as well. We are not in a yield suppression era anymore. Rates were kept below inflation to ensure debts remained manageable. Covid came, and with it came maximum financial repression, as the real yield briefly turned negative. The low real yields were designed for cheap money, cheap borrowing, stimulating growth, reducing debt burdens for borrowers and stimulating investment.

Today real yields are 2.4%. The era of financial repression 2009 2021 is in the rearview mirror. Interest rates exceed inflation rates. The TIPS real yield is a clean signal of the true cost of money in the U.S. economy. Near-zero or negative readings meant the Fed has effectively suppressed the cost of capital. Said repricing has affected real estate and private credit, loans etc.

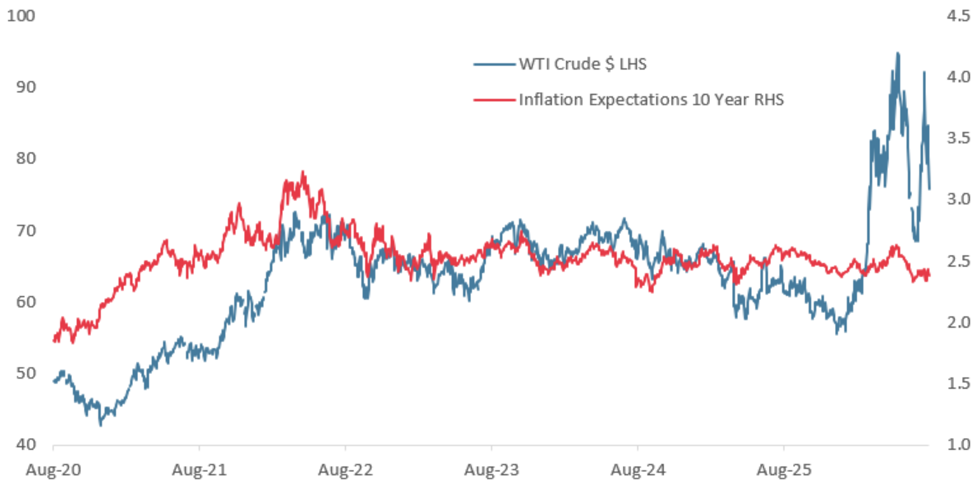
The regime has shifted and capital now has a real cost. Meanwhile the market's best estimate of what average annual inflation will be over the next decade has dropped below 2%.

Inflation Expectations Continue to Decline Slowly



Source: Bloomberg. 10 year bond yield on the RHS, inflation expectations on the LHS.

Inflation Expectations Remain Surprisingly Anchored Despite Rising Crude Prices



Directional Uncertainty on Fed Policy: With AI spending, war and tariffs are a triple whammy of inflationary pressures, just as Fed Chairman Kevin Warsh's end to forward guidance forces investors to read tea leaves. The greatest directional uncertainty in more than two years.

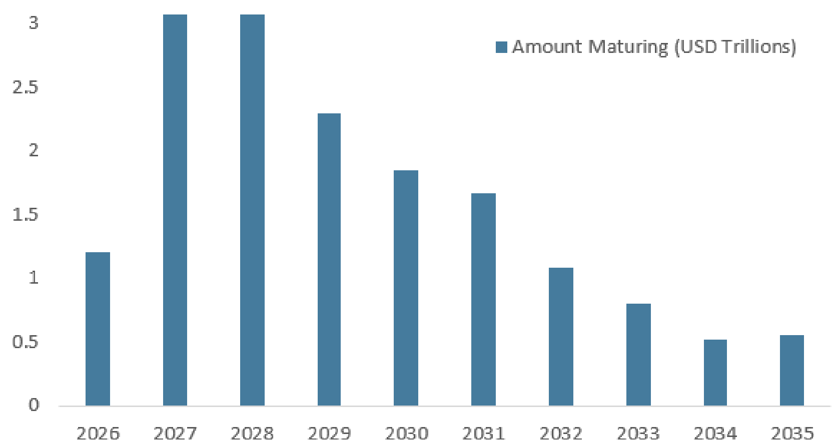
Having said that, the Fed's credibility remains intact: If inflation swaps were surging toward 3%+, it would signal the market doubts the Fed's ability to control inflation. At 2.377%, that credibility is broadly preserved. After nearly 3 years of shifting issuance to the front end to prevent a long end spike, annual UST roll is now looming large, which makes raising rates a very tenuous proposition.

The market expects ~2.38% average inflation over the next 10 years, which is close to the Fed's target, but the 10Y Treasury yield at 4.61% implies a real rate of ~2.23% — meaning the dominant market concern right now is not inflation, but historically tight monetary conditions. Elevated real rates are a headwind for leveraged borrowers, particularly private credit.

The U.S. dollar remains well below the highs of recent years despite high American interest rates, a favourable yield differential and an unusually fraught geopolitical environment.

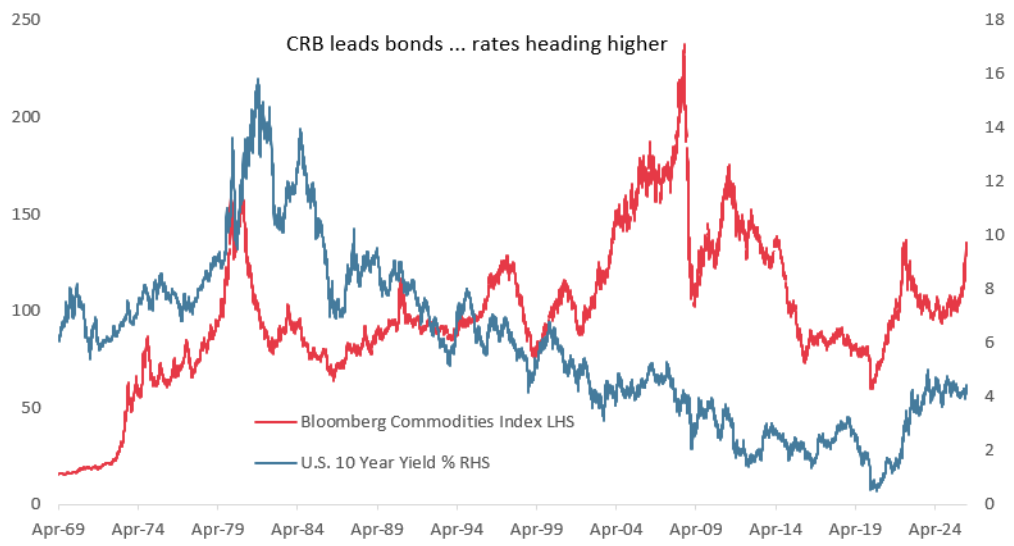
Long-term Treasury yields remain elevated as the United States prepares to refinance an extraordinary volume of maturing debt while continuing to run very large fiscal deficits.

The Upcoming Treasury Maturity Wall – Raising Rates is Not an Attractive Option



Commodities – Base Metals and Agri Prices are Rising Uncomfortably

Commodity prices are rising across composite, metals, agri & livestock.



Industrials Metals Prices are Rising

Agriculture & Livestock Prices Have Also Started Rising of Late

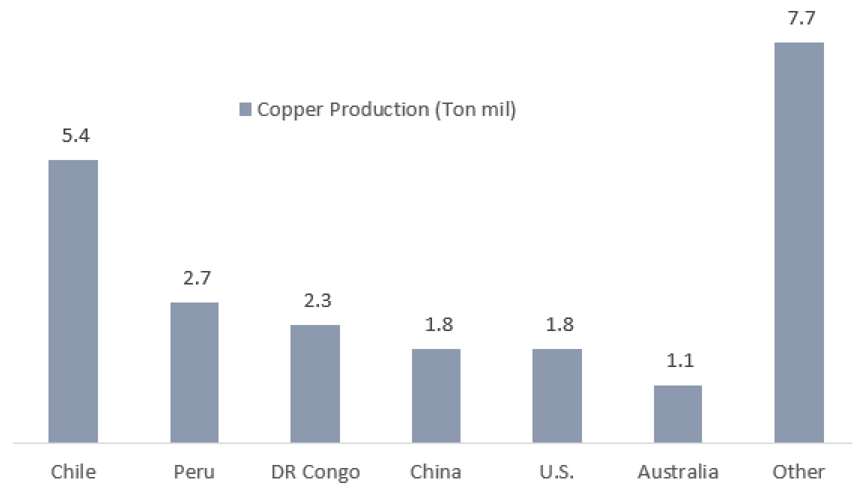
- **Copper Demand & Supply - Major regions of the world –** U.S., Europe, Asia, and the Middle East – are lining up capex spending on largely overlapping themes: AI, defence, energy, infra. Where is all the copper going to come from? The Congo has halted concentrate exports and the U.S. has been draining global inventories as AI demand soars.

  The U.S. contract is at $6.7, up 8.7% over the past month and 52.4% year on year. More than 200,000 tonnes arrived at US ports in July, the largest monthly inflow in over a decade. Kinshasa's (Congo) order banning copper and cobalt concentrate exports applies immediately, escalating its push to force domestic processing; Congo exported 696,725 tonnes of copper cathode in the first quarter against 53,926 tonnes of concentrate.

  Ex-US stocks are unusually thin heading into a deficit year. The Congolese volume impact is modest but the precedent is not: resource nationalism is now compounding Western export controls to fragment supply chains at both ends.

  Copper supply disruptions continue. Chile is dealing with strikes and water shortages. Permit delays and protests are disrupting operations in Peru. Indonesia has in place export regulations. Meanwhile the demand outlook remains strong, with power grids, AI data centers, EVs and infrastructure driving robust demand.

Major Copper Producers in the World



Copper Prices are Up 3X Since 2020

- **Orders for Grid, Data Center, EVs Soaring —** Turbines, generators, cooling equipment, electronics, computer equipment have all broken higher since 2022. There's no evidence of cooling in the recent data. Grid buildout, EVs, and AI data centers are all pulling on the same finite supply… and the deficit everyone's been forecasting hasn't even shown up in the price yet.

  The U.S. and China are competing for copper supply as the AI race heats up. The zinc situation is getting pretty bad, ditto aluminum as well. Commodities continue to look attractive for the foreseeable future, metals in particular. Copper price reflects a combination of constrained supply, and rising demand. According to Google, approx. 10,000 data centers are planned to be built by 2030. Annual refined copper production is 27Mt (including scrap recycling). The math does not add up.

Structural Shifts in EM: Surprising Resilience, Subdued Growth in Europe

- **EM Performance:** EM performance remains heavily concentrated in AI infrastructure beneficiaries - Taiwan, South Korea – as well as earnings momentum and investor optimism on growth initiatives in Japan. Broader EM re-rating is supported by improved fundamentals (external balances, governance, earnings quality), but leadership is narrow.

- **Structural shift:** Over the past year, emerging markets have **shifted from global-growth beta** towards **structural drivers**; namely, AI semiconductors/memory, nearshoring, and domestic reforms. AI and related is reshaping EM benchmark composition. Taiwan and South Korea have overtaken China as the largest weight in the MSCI EM index.

  While AI remains the dominant near-term driver, structural improvements – spending plans, governance reform, ROE and shareholder reform, and infrastructure spending - support a multi-year case.

- **Monetary policy divergence:** Alongside AI, a dominant macro theme is monetary policy bifurcation. While Korea, Philippines are actively tightening to combat inflation, China and select LatAm markets are pivoting towards easing to spur growth. India remains on hold with a neutral stance. Differing growth prospects are creating distinct risk/return profiles across the EM complex. A country-by-country approach makes more sense today rather than broad EM exposure.

- **Energy/geopolitical Easing**: With crude oil prices rising again, despite reports that Hormuz traffic is back to two-thirds of pre-war numbers, and other items we've highlighted with respect to the war, energy costs remain a watchlist item and cause for concern.

- **Commodities:** While energy prices have settled down of late, metals prices remain elevated, and non-metals commodities have also begun to head higher (see Commodities section). While there is subdued domestic demand in China, there are multiple demand drivers – AI, energy infra, defence – that are long term demand commodity drivers. Separately, supply constraints continue to loom.

- **Valuations:** EM equities trade at meaningful discounts to developed markets, with strong earnings growth prospects.

- **EM debt:** With global inflation projected to ease to 3.7% in FY2027, EM local currency bonds — particularly India and Mexico — offer compelling real yields. Local-currency debt and high-quality corporates offer carry where real rates remain high. More vulnerable near-term if the Fed leans hawkish; carry trades funded in dollars face a less favorable backdrop than in H1.

- **Outlook** (overweight selectively, active approach): Attractive on valuations, AI beneficiaries, strong earnings growth, and structural themes. We prefer AI beneficiaries, Taiwan, Korea, Japan on stimulus, earnings recovery and reforms, China selective tech plays, India on structural growth opportunities across infra, energy independence, defence, global supply chain integration. Brazil remains attractive on monetary easing and commodities. The weak dollar tailwind is settling down. EM assets rallied hard in H1 2026 on a weak dollar thesis; since then, the dollar has firmed and Fed hike odds have risen.

- **Taiwan, Japan, Korea -** We remain positive on the semiconductor boom with Taiwan a key beneficiary.

- **India –** We remain constructive on India on a selective basis. The large cap index isn't representative of the opportunities and market performance. (See Know the Now – India, Learnings from Macrochondriacs, Sep 2026 where we break down reasons why the large cap benchmark Nifty 50 has struggled) We favor a mid and small cap focused, selective large cap, thematic approach to investing in India, via active managers.

- India remains the world's fastest-growing major economy, with real GDP expanding at 7.5%+ clip in FY26, supported by urban and rural consumption, services activity, and government capital expenditure.

  With the rising traffic flowing out of Hormuz, India's energy imports dependence situation has improved. Industrial production hit a multi year high, credit growth is soaring, manufacturing and services momentum remains healthy. The RBI remains in a neutral stance. India remains the fastest growing large economy.

  Forex reserves hit $730 billion, a record; FPIs have turned marginal buyers since late June. India remains an AI hedge, as in not hugely exposed to the large capex on frontier models, but emerging increasingly as a key player in the application layer and consulting to bring about AI implementation. Valuation premiums to other EMs has largely dissipated, and the domestic growth story is driven by structural drivers. Earnings growth has been stellar at the mid and small cap level.

  The government remains committed to infrastructure investment, with capital expenditure of ₹12.2 lakh crore in FY27. India suffered from massive FI selling, as investors chased the AI trade. With AI frenzy dissipating, and a hawkish central, there is a strong likelihood of outperformance in 2027.

- **Gulf/MENA (Saudi Arabia, UAE):** Directly exposed to Hormuz disruption, near-term volatility is elevated with Houthi attacks on Saudi infrastructure, and complications related to the ongoing ME conflict, remain risk factors.

Europe

- **Performance:** The STOXX Europe 600 posted a marginal monthly gain in August.

- **Macro -** The macro narrative is subdued growth, surprising resilience, and persistent inflation. Growth has relied on domestic demand and fiscal impulse, primarily from Germany. Europe is no longer cheap on valuations, but remains attractive relative to the U.S., while offering diversification. First half earnings growth of ~14% despite a challenging environment and improving foreign inflows.

- **Energy costs** continue to be a concern, with natural gas overtaking oil as the primary inflation risk, especially with winter approaching. European gas storage and LNG imports will be an important variable on European inflation, ECB policy and bond yields.

- **The ECB** raised rates 25bps in June 2026 to a deposit rate of 2.25%, then held in July. The ECB continues to walk the tightrope between managing growth and inflation. The growth resilience is largely fiscal – defence and infra – alongside a restrictive monetary positioning.

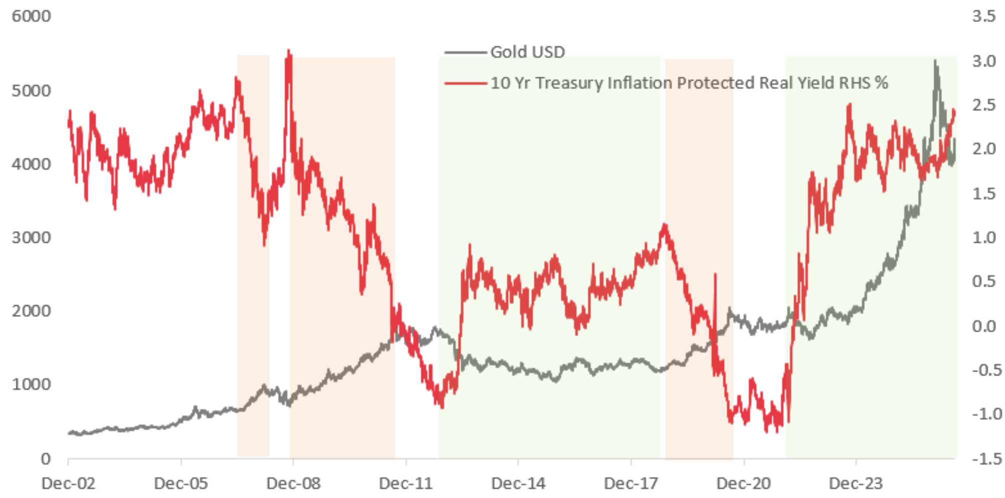
  AI and defense fiscal multiplier: Fiscal spending on infrastructure, energy security, and defense alongside AI investment are structural tailwinds for European growth into 2027.

- **Outlook -** Maintain over-weight EM allocation for structural growth and diversification; maintain underweight for Europe, as long end yields rise across Germany, France, Italy, Spain and U.K.

  Natural gas supply will increasingly come into focus as winter approaches. Geopolitical uncertainty remains a concern. Focus on earnings resilience and relative value. Underweight duration across the curve – the ECB is not done and natural gas is the new inflation wildcard. France is a key political risk to monitor into 2027.

Precious Metals – Gold and Silver

Gold Has Done Well Despite Rising Real Yields … The Relationship Broke in 2022



Gold has a well-established inverse relationship with real yields — when real yields rise, gold tends to fall, and when real yields fall, gold tends to rise. This is one of the most watched macro relationships in financial markets. That relationship has broken down since 2022.

Despite a high opportunity cost of holding gold – giving up high real yields – gold has soared since 2022. New drivers - central bank buying, dollar diversification, geopolitical risks and rising monetization of public debt – are driving gold higher.

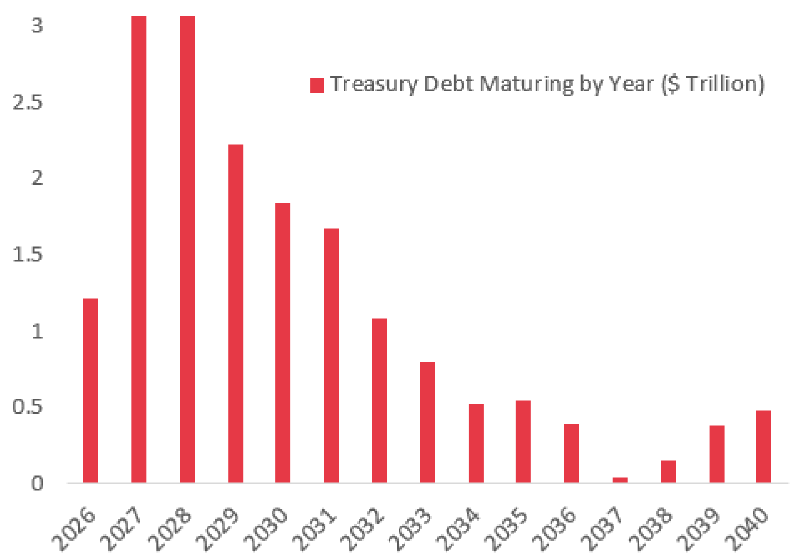
Take the U.S. treasury's decision to enter the currency control regime. The yen intervention was largely a pre-emptive move to control the impact on U.S. treasury yields. Gold doesn't see it as that. Rather, it's intervention to suppress the natural movement of an important global currency. And this likely will not be a one-time scenario, currency interventions rarely are.

Should real yields head lower, and that's a fairly big if, it will only add fuel to the fire. With a housing market that's struggling with rising mortgage rates in the 7% handle, an avalanche of treasury refinancings coming up, dramatic AI financing needs, **fiscal dominance is likely up next,** i.e. yield curve control. The U.S. has already transmitted a preference for inflation as the path of least resistance. We think that is the likely path. Gold and silver seem to concur.

Gold may be sniffing upcoming yield curve control. Gold speculators have also increased their position in recent weeks, and ETF holdings have also increased. It's an early turnaround, remains to be seen whether it sustains.

A structural shift by emerging markets in global reserves toward gold is highly visible in China's buying pattern. China aggressively bought the gold dip throughout the first half of 2026. Strikingly, the vast majority of the purchases was deployed during the second quarter as prices cratered. Bullion held by the People's Bank of China rose by 480,000 troy ounces, the most in three years, to 75.44 million ounces in June, bringing the buying streak to 20 months.

A Large Amount of Treasury Debt Maturing in 2027 and 2028



In a survey of 74 central banks, 45% said they plan to buy in the coming year, the biggest-ever share in data collected by the World Gold Council since 2018.

The bull market will resume once the current corrective phase is complete and challenges around resource inflation and access are addressed, and sovereigns can revert to focusing on surplus reserve allocations. Yen intervention may have added a second pillar to the gold thesis.

Gold and silver **retain their portfolio hedge** characteristics. We continue to remain comfortable with gold and silver's inflation hedging and geopolitical risk hedging, and an overweight position in gold and silver.

Outlook

- **Macro:** The prevailing macro sentiment today is a worry about rising interest rates and public debt in developed markets. These are **known knowns**.

- P.S. - As we head to print, **Dario Amodei's** comments about reigning in AI, supported by Altman and Musk have just hit the headlines.

- The government, central banks, Treasury, ECB, BoJ et al will be working towards ensuring a medium plan is in place. There is a bond buyback in place on the long end, the size of which could be increased. The yen is being stabilized. Bessent is adept at understanding market behavior and Powell remains a part of the central bank. For many of us that have been part of markets pre-2000, rates upwards of 7-8% were the norm in the U.S. Having said that, rising bond yields in DM do pose a headwind as well as a headache for central banks, and increasingly, markets.

- Alongside the above, the global macro environment in H2 2026 is defined by **strong growth, capex, rising commodity prices** and divergent central bank cycles. Equity returns are increasingly earnings driven, the AI productivity, innovation theme remains intact but uncertainties have risen, particularly on hyperscaler debt and profitability of frontier models.

- Valuations are rich in the U.S., but supported by strong earnings momentum; valuations are reasonable in Europe with slower growth, and EM offers attractive pockets for growth. Credit spreads are tight.

- Commodities across the metals and non-metals, gold and real assets offer attractive diversification.

- **AI Remains the Dominant Theme Globally –** The dominant investment theme remains AI-driven capital expenditure, which is supporting nominal growth, corporate earnings, and select equity markets globally. The U.S. narrative is largely structured around massive capex driving an AI technology wave, which increasingly extends to parts of Asia as well as Europe.

- **Irony of Ironies** - Dario and Co have graced us with their expert views on how AI would destroy all programming jobs by 2026, destroy software companies, and now destroy humanity. None of these predictions has come to pass. The irony of ironies, is that open source AI may in fact be disrupting egregiously priced tokens-based models of the disrupters. Notably, China's foreign ministry has dismissed the safety concerns as fear mongering.

- We prefer a conservative positioning with regards to AI looking ahead, and **prefer to own the dominant tech names with attractive valuations and visible earnings** streams that are well placed to survive potential volatile market action in coming weeks.

- **U.S. Equities - Earnings momentum** tailwinds are well-priced at 20.3x forward PE, a premium to the historical range. AI-capex cycle and ~25% consensus 2026 EPS growth are real, but mega-cap concentration is at a record.

- **U.S. Rate Policy See-Saw –** We would surmise markets are somewhat bewildered by a Treasury looking to control the long end of the yield curve, and central bank that has signaled intent to raise on the short end. Moreover, the central bank signaled inflation hawkishness while the Treasury appears to be signaling a "run it hot" growth mantra as the means of dealing with burgeoning debt. Markets hoping for a dovish Fed are increasingly realizing that may not be the case.

- **Europe Policy Divergence May End Soon -** ECB hiked into slowing growth and rising energy, food inflation. Post Jackson Hole, it looks increasingly likely that the Fed is leaning towards a rate hike as well.

- **Europe Equities -** European equities offer compelling valuations at 15.6x forward PE, a 20%~ discount to the S&P 500, albeit with slower growth. FY26 EPS estimates are rising. Q2 earnings beat estimates by the largest margin in four years. While attractive on valuations, and earnings less AI-levered, but margins are also exposed to energy costs creating risks of a value trap. Selective sector based exposure, targeting defence, AI beneficiaries, banks offering attractive dividend yields and similar, would be a more preferable approach to passive, broad index exposure.

- **EM Equities -** AI demand in high-tech manufacturing will be a structural driver. Favor China technology, Korea/Taiwan semiconductors. Discounted valuations relative to DM offer a combination of domestic growth and defensive monetary policy. Direct exposure to the global semi cycle supply chain. Attractive valuations, and structural growth.

- **Japan Equities -** Exceptional YTD performance has stretched valuations to 22.6x forward PE, high versus peer group. BoJ rate normalization is a headwind for multiples. BOJ normalization supports bank margins; corporate governance reform and buybacks continue. PM Takaichi's ~$92bn stimulus is near-term supportive, the weak yen aids exporters. The risk to monitor will be policy error, such as a faster-than-expected BOJ hike path.

- **EM LatAm (Brazil, Mexico) -** Energy/commodity exporters benefit from the Mideast risk premium in oil, but country-level political risk keeps us at benchmark rather than adding overweights. Commodity exposure provides an attractive inflation hedge. Weaker USD has been a structural tailwind for EM assets. Commodity upcycle supports long term thesis.

- **EM Asia (India) -** Fastest growing economy. AI diversification trade. Valuations have compressed relative to EM. Strong earnings growth and strong economic acceleration underway. FI selling has abated.

- **U.S. Treasuries –** An increasingly hawkish Fed creates an unfavorable risk/reward for duration. Fiscal pressures and supply dynamics are pushing long-end yields gradually higher. Prefer front-end over long duration.

- **U.S. Investment Grade -** Corporate fundamentals, and balance sheets, remain strong. IG credit offers portfolio resilience and quality carry in a higher-for-longer rate environment. Prefer IG over government bonds for the additional spread pickup. Carry looks to be a primary return driver in 2026. Shorter to intermediate maturities offer the best risk/return trade-off, avoid, reduce duration exposure.

- **High Yield -** On high yield, stagflation risks are real, and spreads are thin. Asymmetric risk/reward at current spread levels — tight spreads offer limited compensation for risk in a higher-rate environment. We see limited value in DM HY relative to DM IG. We would prefer EM IG. Spreads near cycle tights offer little cushion for a late-cycle, rising rates, stagflation scenario.

- **Commodities** – Base metals – particularly copper – continue to be buoyed by strong demand and increasing supply constraints. Increasingly we are witnessing rising non-metals prices. Structural trends globally are driving commodity demand, including AI, data centers, energy independence, defence, energy transition, and infra. Metals and non-metals, alongside precious metals provide attractive diversification, low correlation and hedge characteristics to equity heavy portfolios.

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- **Net Positioning –** U.S. growth remains resilient, driven by AI capex, the high-end consumer, and fiscal support. Global growth remains uneven across regions. Evolving hawkish central bank policy, rising interest rates across DM, rising commodity prices, sticky inflation remain a concern, leaving us **cautiously optimistic, and watchful.**

  We prefer modest, somewhat cautious positioning (earnings momentum still dominates), with commodities and precious metals providing some protection against stagflation and hawkish Fed policy, trimming duration and rate-sensitives (Europe, JGB duration, long-duration USTs), and rotating incremental allocations toward Japan and EM Asia growth where policy, valuation and earnings mix remains favorable. Additional details on asset allocation are laid out in the tactical asset allocation table on following page.

Key Risks to the View

We list substantial factors to watch out for. Oil remains a primary concern, particularly for energy importing regions and nations. Markets weren't pricing a hawkish central bank, and that is a concern. A move higher on rates would be a headwind for equities and negative for spreads. AI uncertainty around Mr. Amodei's comments and the repurcussions is clearly a risk.

China growth has slowed, and remains a primary risk to the overweight EM thesis. Additionally, volatility in the yen, over-tightening or overly hawkish bank policy, could spur unwind of the yen carry and risk assets selling off globally. U.S. fiscal, rising interest rates, and debt maturity wall remain on the radar, with the market pushing the envelope, a policy response may come forth in coming weeks. Additional risks include European fiscal risk, geopolitical risk.

- **A Holistic Approach to Portfolio -** A holistic approach to portfolio management, across geography, asset class, public and private, alpha and beta remains our preferred approach. In a noisy and fast paced world, the pace of change is rapid. Benign oversight and action is necessary. Buy and hold allocated to the wrong assets can be a death knell to long term growth objectives. Just ask the Japanese investor in the late 1980s, the Korean investor this year, the U.S. investor in the 2000s and on and on. With risks emanating on, it seems, a weekly basis, a diversified portfolio allocated to structural trends with earnings visibility, at acceptable valuations will ensure long term objectives are met.

Tactical Positioning vs. Strategic Asset Allocation

Weights are expressed relative to a 60/40 balanced benchmark. Strategic weights reflect a 3–5 year horizon; tactical weights reflect a 6–12 month view. Overweight, underweight, neutral are relative to strategic asset allocation weight.

	Tactical Positioning								
	Under-Weight			Neutral			Over-Weight		
Equities									
U.S. Equities					●				
Europe Equities			●						
Japan Equities						●			
Emerging Market Equities							●		
China			●						
Fixed Income									
Short U.S. Treasuries					●				
Long U.S. Treasuries			●						
Euro Area Government Bonds		●							
Japanese Government Bonds		●							
Global Investment Grade Credit			●						
Global High Yield Credit					●				
Emerging Market Debt						●			
Commodities									
Precious Metals						●			
Industrial Metals						●			
Real Assets									
REITS							●		
Listed Infrastructure						●			

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Global Index Performance

15-Sep-26	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	Mar '26 Trough	1 YR %	% from 52 Wk Hi	3 Yr CAGR%
Nifty 50	23,498	0.4	-1.2	-2.4	-3.6	-1.5	-1.5	1.5	-10.1	2.6	-6.3	-10.9	6.6
NIFTY 50 TR	35,553	-0.3	-1.6	-2.8	-3.9	-1.6	-1.4	1.9	-9.6	3.0	-5.6	-10.3	6.3
SENSEX	75,137	0.5	-1.3	-2.4	-3.7	-1.8	-1.5	0.8	-11.8	1.4	-8.1	-12.8	4.9
Nifty Next 50 TR	104,418	-0.6	-0.7	-2.3	-3.2	0.9	0.9	12.1	4.8	16.3	6.0	-3.5	17.1
Nifty 200 TR	18,380	-0.4	-1.3	-2.8	-3.5	-0.8	-0.5	5.6	-5.2	7.2	-1.6	-6.2	9.4
Nifty 500 TR	36,781	-0.4	-1.2	-2.5	-3.1	-0.3	0.3	7.6	-3.5	9.2	-0.6	-4.4	10.0
NIFTY Midcap 100 TR	84,809	-0.3	-0.9	-3.1	-2.4	0.9	1.3	13.9	3.3	15.4	7.0	-3.1	15.7
Nifty Midcap 150 TR	29,205	-0.2	-0.9	-2.9	-2.4	0.5	1.4	13.3	3.1	15.0	6.1	-2.9	15.1
NIFTY Smallcap 100 TR	25,855	-0.6	-1.0	-0.1	0.9	5.8	8.5	25.7	12.9	29.0	10.5	-1.1	16.6
Nifty Smallcap 250 TR	23,424	-0.5	-0.8	-0.2	0.4	3.8	6.4	23.9	10.4	26.3	6.9	-1.0	14.9
Microcap	51,422	-0.8	-1.3	1.3	4.0	5.1	8.1	35.9	15.4	39.2	4.2	-1.5	11.6
Nifty Microcap 250 (MOS)	19	0.1	0.7	0.4	2.5	6.0	14.6	30.3	17.6	35.9	10.7	-0.2	16.6
Americas													
S&P 500 Index	7,620	-0.5	-1.3	-0.9	-2.1	1.6	0.9	14.9	11.3	16.2	15.2	-2.5	21.2
S&P500 Equal Weighted Ix	8,690	0.0	-1.9	-2.1	-3.6	0.7	1.1	11.1	11.9	11.7	14.1	-3.9	15.4
Dow Jones Indus. Avg	52,421	-0.3	-1.9	-1.4	-2.4	0.2	1.5	12.6	9.1	13.7	14.2	-4.2	16.9
Nasdaq 100 Stock Indx	29,127	-0.8	-1.4	-1.1	-3.1	-3.8	-4.6	19.5	15.4	21.4	19.9	-5.3	25.1
Nyse Fang+ Index	18,669	0.3	-0.4	-0.4	0.1	10.4	5.7	27.8	18.1	32.0	14.9	-1.8	34.7
Bbg Magnificent 7 Pr Usd	34,601	0.3	0.9	1.9	2.7	8.6	4.9	17.0	6.6	20.0	12.8	-1.7	33.8
Russell 2000 Index	2,892	-0.4	-2.8	-2.2	-5.7	-4.4	-2.5	16.6	16.5	15.4	20.3	-5.8	17.7
Dow Jones Trans. Avg	20,730	0.5	-1.3	-2.7	-4.9	-4.7	-7.3	16.9	19.4	13.1	33.1	-16.5	12.2
Canada	35,703	0.0	-2.2	-1.6	-2.8	2.4	1.2	9.7	12.6	11.8	21.3	-3.7	23.4
Mexico	64,217	0.5	-0.8	-1.9	-0.3	-4.1	-5.9	-2.2	-0.1	-2.4	3.4	-10.9	11.5
Brazil Bovespa	185,501	-0.9	0.2	4.6	11.1	7.8	8.9	4.4	15.1	1.6	29.2	-6.9	16.0
Phila Semiconductor Indx	11,131	-5.9	-5.1	-3.5	-10.4	-21.9	-21.1	45.6	57.2	41.4	83.7	-24.0	48.6
Europe													
STXE 600 (EUR) Pr	636	-0.5	-2.1	-2.3	-3.3	-0.9	0.2	6.7	7.4	9.8	14.1	-4.1	15.0
Euro Stoxx 50 Pr	6,260	-1.0	-2.2	-2.5	-4.3	-1.1	0.5	9.5	8.1	12.2	15.1	-4.8	16.9
FTSE 100	10,698	0.4	-1.2	-1.2	-0.5	1.9	2.6	4.3	7.7	7.3	15.3	-2.7	15.4
CAC 40 Paris	8,118	-0.8	-2.3	-2.6	-6.0	-3.4	-3.2	2.6	-0.4	4.8	2.8	-7.3	6.5
DAX Germany	25,441	-0.5	-2.2	-3.1	-3.8	1.8	2.2	8.5	3.9	12.4	7.1	-4.4	17.0
MIB Italy	51,629	-1.7	-1.2	-1.9	-3.6	-0.1	-0.4	16.5	14.9	19.0	19.9	-4.5	27.3
Norway OSEBX	2,110	-0.0	0.6	-0.4	1.2	10.7	7.6	8.4	25.0	7.9	26.8	-0.9	17.5
Asia													
MSCI EM	1,698	-1.4	-3.1	-1.2	-0.2	-1.5	-3.7	15.5	20.9	17.6	27.8	-6.1	23.0
Japan - Nikkei 225	63,818	0.5	-2.2	-3.8	-7.1	-8.9	-7.9	18.6	26.8	22.1	42.6	-12.4	26.2
Hang Seng	24,851	-0.3	-1.8	-2.8	-1.1	8.6	0.0	-2.4	-3.0	-0.9	-6.0	-11.4	15.1
Hang Seng Tech	4,350	0.7	-2.4	-5.9	-7.6	-2.7	-8.7	-12.6	-21.1	-10.0	-28.0	-35.2	3.2
China CSI 300	4,479	-0.0	-1.7	-3.1	-4.0	-10.0	-8.4	-4.1	-3.2	0.1	-1.2	-11.5	9.3
Australia	8,684	-0.8	-2.7	-4.3	-4.7	-1.1	-2.6	0.8	-0.4	3.6	-1.9	-6.6	10.9
Taiwan	45,807	-0.1	-2.8	-0.7	-0.0	-0.7	0.9	37.1	58.2	40.5	80.6	-5.0	42.6
Korea	6,665	-0.3	-4.2	-2.3	-4.5	-21.4	-22.0	21.5	58.2	20.0	95.6	-29.0	39.4
Nifty 50	23,498	0.4	-1.2	-2.4	-3.6	-1.5	-1.5	1.5	-10.1	2.6	-6.3	-10.9	6.6
Singapore	5,660	-1.0	-1.9	-1.7	-1.4	9.5	11.5	16.9	21.8	16.4	30.5	-2.9	25.8
Vietnam	1,803	0.8	-1.5	-1.6	4.3	-3.1	0.2	6.3	1.0	11.7	7.0	-6.9	15.8
Indonesia	6,473	-0.9	-3.2	-0.8	1.1	14.7	3.5	-9.3	-25.1	n/a	-18.4	-29.4	1.3
Thailand	1,583	-0.5	-2.4	-0.8	-1.6	-0.5	-0.6	12.3	25.6	12.2	21.8	-4.5	5.1
Malaysia	1,688	-0.6	-1.6	-2.2	-2.3	1.4	-0.2	-0.7	0.5	-1.2	5.5	-4.7	9.2
Phillipines	6,036	-0.6	-1.1	1.3	-4.1	-0.0	-3.8	-0.4	-0.3	1.7	-0.4	-9.6	2.8
Latin America													
MSCI EM	3,110	-1.6	-1.4	1.9	5.6	5.4	3.1	5.9	14.8	4.2	23.5	-8.2	15.5
Brazil	185,501	-0.9	0.2	4.6	11.1	7.8	8.9	4.4	15.1	1.6	29.2	-6.9	16.0

Crude Oil, Commodities & Currency

15-Sep-26	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	Mar '26 Trough	1 YR %	% from 52 Wk Hi
Crude												
Brent Crude	107.0	1.2	9.3	18.2	20.9	46.7	28.6	3.7	75.8	2.4%	58.6	-18.2
WTI Crude	102.8	1.4	10.5	19.9	24.8	48.0	27.4	4.2	79.1	11.4%	62.5	-16.2
India Crude Basket	119.7	3.2	18.4	32.2	29.8	69.6	29.3	5.4	93.7	-18.7%	71.5	n/a
Coal	146.9	0.1	-0.6	3.6	13.6	13.3	-1.4	8.9	36.6	7.6%	45.8	-3.7
Commodity Indices												
Commodity Index	145.6	0.2	1.3	3.0	7.6	18.2	13.4	7.9	32.8	11.3%	39.1	-1.1
Commodity ex Prec Metals	113.6	0.3	1.9	4.2	9.4	20.5	16.7	13.6	39.9	14.6%	36.8	-1.1
Industrial Metals	175.6	0.1	-4.6	-2.5	-2.2	2.7	-3.1	2.8	7.5	7.9%	19.9	-8.4
Metals												
Copper LME	13,915.3	-2.2	-4.6	-3.7	-4.5	4.2	2.0	9.8	11.7	15.9%	39.2	-7.2
Aluminum	3,290.3	0.4	-0.7	1.7	1.3	7.2	-6.9	-5.2	10.9	-0.5%	22.1	-17.2
Nickel	16,183.4	-0.8	-2.2	-3.1	-2.6	0.6	-8.1	-5.1	-1.9	-3.4%	6.3	-21.1
Zinc	3,932.2	-2.6	-4.9	-3.7	1.8	10.0	9.9	20.9	27.6	30.3%	31.6	-6.4
Lead	1,836.5	-0.7	-1.2	-2.0	-0.8	-0.0	-6.5	-1.3	-6.7	-1.1%	-7.1	-12.1
Tin	51,603.8	-2.8	-5.9	-5.9	-7.7	0.8	-3.3	9.8	27.0	17.3%	47.7	-14.0
Iron Ore SGX	95.3	-0.4	-5.7	-4.1	-0.7	-3.4	-6.2	-7.5	-6.2	-7.7%	-2.0	-14.6
Non-Metal												
Food	494.1	-0.2	0.3	6.1	6.1	4.1	4.1	-1.7	4.1	0.3%	-3.2	n/a
Agriculture	63.6	-0.3	-1.0	-2.6	5.7	15.7	16.9	11.4	19.0	12.0%	13.6	-4.0
Grains	280.31	0.2	-1.4	-2.0	7.9	21.8	20.6	13.5	29.8	17.7%	31.0	-3.5
Lumber	13,915.3	-2.2	-4.6	-3.7	-4.5	4.2	2.0	9.8	11.7	15.9%	39.2	-7.2
Urea	430.0	4.9	4.9	7.5	-3.4	5.5	-19.2	-33.8	9.6	n/a	-13.8	n/a
Palm Oil	4,597.0	1.0	-2.1	-0.7	1.5	2.7	4.8	1.6	15.0	2.1%	4.9	-4.6
Lumber	1,298.0	-0.5	-0.3	1.8	10.6	16.2	16.0	7.2	26.0	12.4%	24.5	-1.6
Wheat	717.8	-0.6	-1.7	-5.1	6.4	23.6	21.7	16.0	41.6	21.7%	36.7	-8.1
Cocoa	5,995.0	1.0	-1.4	-9.8	4.6	19.9	58.6	87.1	-1.2	85.3%	-18.0	n/m
Raw Sugar	18.16	0.1	0.5	2.0	9.4	26.6	32.6	26.4	21.0	14.4%	15.0	-4.0

15-Sep-26	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	52 Wk High	1 YR %	% from 52 Wk Hi
Currency												
Dollar Spot	99.59	0.2	0.8	0.2	-0.1	-1.6	-0.0	-0.8	1.3	101.8	2.4	-2.2
Euro (1 Euro in USD)	1.15	-0.1	-0.7	-0.7	-0.4	1.0	-0.5	0.3	-1.8	1.2	-1.9	-4.5
British Pound Spot	1.35	-0.1	-0.4	-0.5	-0.4	1.7	0.5	1.2	0.1	1.4	-0.8	-2.9
Swiss Franc Spot	0.82	-0.1	-1.1	-1.2	-0.9	-1.2	-2.9	-3.7	-3.1	0.8	-2.9	0.4
Japanese Yen	154.7	-0.2	-0.4	3.3	3.1	5.1	3.7	2.8	1.3	164.0	-4.7	5.9
China Offshore Yuan Spot	6.7	-0.0	-0.1	0.1	0.5	1.2	0.7	2.7	3.9	7.2	6.1	6.6
China Yuan Spot	6.7	-0.0	0.0	0.1	0.5	1.2	0.7	2.7	4.1	7.1	6.1	6.4
Thai Baht Spot	33.3	0.0	-1.0	-0.3	-0.8	-0.1	-2.1	-2.2	-5.2	33.8	-4.1	1.7
Taiwan Dollar Spot	31.8	-0.3	-0.9	-0.5	0.0	0.1	-0.9	0.4	-1.3	32.5	-5.1	2.0
South Korean Won Spot	1,354.1	-0.5	-0.8	1.1	4.4	14.4	11.9	10.2	6.3	1,562.2	2.4	14.9
Singapore Dollar Spot	1.3	-0.1	-0.5	-0.1	0.5	1.7	0.9	0.5	1.1	1.3	0.7	2.9
Philippines Peso Spot	62.9	-0.0	-0.4	-1.0	-2.2	-2.4	-3.8	-4.8	-6.4	62.9	-9.0	0.1
Malaysian Ringgit Spot	4.1	-0.1	-0.4	-1.4	-0.5	0.1	-0.7	-3.7	-0.5	4.2	3.0	3.7
Vietnamese Dong Spot	26,001.0	-0.1	-0.0	0.3	0.8	1.2	1.1	1.1	1.1	26,429.0	1.5	1.7
Indonesian Rupiah Spot	17,677.0	-0.2	-0.3	0.2	0.8	1.2	0.1	-3.9	-5.6	18,190.0	-7.2	2.8
Indian Rupee Spot	95.8	-0.3	-1.0	-0.7	-0.2	-1.2	-1.1	-3.5	-6.2	97.0	-7.9	1.1
Hong Kong Dollar Spot	7.8	-0.0	-0.0	-0.1	0.0	-0.0	-0.1	-0.2	-0.8	7.8	-0.8	0.1
Turkish Lira Spot	48.6	-0.0	-0.4	-0.8	-1.5	-4.1	-4.8	-9.2	-11.7	48.6	-15.0	0.0

Interest Rates - Global

15-Sep-26	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	52 Wk High	1 YR %	% from 52 Wk Hi
U.S. Yields & CPI												
U.S. 30 Year	5.37	5.34	5.25	5.24	5.26	4.95	4.98	4.90	4.84	5.39	4.66	(2)
Home Mortgage 30 Yr Fixed	6.81	6.80	6.75	6.73	6.77	6.55	6.57	6.15	6.25	6.81	6.52	-
U.S. 10 Year	5.01	4.99	4.79	4.75	4.69	4.47	4.47	4.28	4.17	5.01	4.04	(0)
U.S. 5 Year	4.84	4.82	4.56	4.50	4.36	4.23	4.19	3.86	3.73	4.84	3.61	(0)
U.S. 3 Year	4.77	4.76	4.46	4.40	4.25	4.18	4.11	3.74	3.54	4.77	3.50	-
U.S. 2 Year	4.67	4.66	4.39	4.34	4.17	4.17	4.07	3.72	3.47	4.68	3.54	(1)
U.S. 1 Year	4.15	4.36	4.14	4.15	3.97	3.98	3.84	3.64	3.48	4.36	3.64	(21)
U.S. 3 MO T-BILL	3.92	4.04	3.87	3.83	3.79	3.82	3.71	3.69	3.63	4.04	3.99	(12)
T Bill 90 Day	3.92	4.04	3.87	3.83	3.79	3.82	3.71	3.69	3.63	4.04	3.99	(12)
T Bill 30 Day	3.78	3.86	3.72	3.75	3.68	3.67	3.66	3.69	3.60	4.14	4.14	(36)
Federal Funds Target Rate - Up	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	4.50	4.50	(75)
Spread 10-2	0.34	0.33	0.39	0.41	0.52	0.29	0.41	0.56	0.69		0.50	
Spread 10-3mo	1.08	0.95	0.92	0.92	0.91	0.65	0.77	0.59	0.53		0.04	
Spread Fed Funds Vs 1 Year												

15-Sep-26	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	52 Wk High	1 YR %	% from 52 Wk Hi
High Yield & Inflation												
Bloomberg US Corporate High Y	2.71	2.65	2.67	2.61	2.66	2.70	2.66	3.11	2.66	3.35	2.70	(64)
Bloomberg Pan-European High	2.88	2.86	2.84	2.77	2.79	2.84	2.83	3.25	2.81	3.49	2.89	(61)
KDP High Yield Daily Yield	6.95	6.86	6.64	6.57	6.51	5.90	5.87	5.97	5.60	6.95	5.66	-
High Yield Index	78.53	78.60	79.16	79.81	79.71	79.97	80.04	79.20	80.63	81.36	81.19	(283)
U.S. CPI	3.40			3.40	3.40	3.50	4.20	2.40	2.70	4.20	2.90	(80)
China CPI	0.80			0.8	0.5	1.0	1.2	1.3	0.8		-0.4	
VIX												
U.S. VIX	17.10	15.84	14.53	14.92	14.25	16.45	16.20	27.19	14.95	35.30	15.69	(52)
VIX VOL	94.9	91.3	84.4	86.3	87.5	86.9	87.6	131.1	92.7	147.14	99.6	(36)
Europe Asia Yields												
Japan Govt 30 Year	4.10	4.09	3.97	4.14	4.03	3.94	3.75	3.53	3.40	4.22	3.22	(12)
Japan Govt 10 Year	3.00	3.01	2.90	2.96	2.89	2.68	2.58	2.26	2.07	3.04	1.59	(3)
Japan Govt 2Y Simple Yield	1.85	1.85	1.85	1.73	1.67	1.37	1.40	1.30	1.18	1.87	0.87	(2)
China Govt Bond 2 Yr	1.25	1.26	1.25	1.26	1.25	1.25	1.29	1.35	1.37	1.54	1.45	(29)
China Govt Bond 10 Yr	1.68	1.69	1.69	1.69	1.68	1.73	1.74	1.83	1.86	1.92	1.80	(24)
Euro Generic Govt Bond 2 Year	3.26	3.20	3.01	2.94	2.80	2.53	2.62	2.44	2.12	3.33	2.02	(6)
Euro Generic Govt Bond 10 Yea	3.52	3.50	3.39	3.32	3.20	2.86	3.00	2.98	2.86	3.56	2.72	(4)
Germany Govt Bnd 30 Yr	3.86	3.90	3.85	3.81	3.73	3.42	3.55	3.53	3.48	3.92	3.30	(6)
Germany Govt Bnd 10 Yr	3.52	3.50	3.39	3.32	3.20	2.86	3.00	2.98	2.86	3.56	2.72	(4)
Uk Gilts 30 Year	5.89	5.91	5.82	5.78	5.79	5.47	5.54	5.50	5.21	5.95	5.50	(5)
Uk Gilts 10 Yr	5.37	5.34	5.18	5.06	5.04	4.76	4.84	4.82	4.48	5.43	4.67	(7)
Italy Govt 10Y Yield	4.39	4.35	4.21	4.15	3.98	3.63	3.72	3.79	3.55	4.85	3.52	(46)
Italy Govt 30 Year	5.00	5.02	4.95	4.92	4.79	4.44	4.57	4.60	4.40	5.06	4.48	(7)
Spanish Govt Generic Bonds 2 Y	3.29	3.23	3.03	2.97	2.84	2.59	2.69	2.59	2.27	3.63	2.12	(34)
Swiss Govt Bonds 2 Year	0.41	0.30	0.15	0.14	0.12	0.06	0.09	0.10	(0.05)	0.42	(0.09)	(1)

Ambit Global Private Client - Global Asset Allocation Committee

The Ambit GPC Global Asset Allocation Committee is comprised of the Chief Executive Officer, Managing Director & Chief Investment Strategist, Director – Investments, Head – Product & Proposition, DIFC and Senior Executive Officer, DIFC. The team has over 100 years of collective investment experience in markets. The Global Allocation Committee meets monthly and as necessary during periods of market volatility to discuss the economy and markets. The committee determines the investment outlook that guides our advice to clients. The Global Allocation Committee continually monitors developing economic and market conditions, reviews tactical outlooks and recommends asset allocation model changes, as well as analysis, investment commentary, portfolio recommendations, and reports.


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