

Weekly Market Commentary (13.03.2026)

Local Highlights

The **SEMDEX** was down by 0.98% over the week, with a decrease of 34.82% w/w in the total market turnover (TMT). Overall, foreigners were **net seller** to the tune of Rs 62.8m. Accounting only for SEMDEX constituents, foreigners were net seller to the tune of Rs 63.7m, with **MCBG** being the main driver of foreign sale, registering a net outflow of Rs 63.8m. Trading activity on the equity board was geared towards **MCBG**, which made up 51.3% of TMT, followed by **SBMH** (15.5%) and **ERL** (5.3%).

On the banking front, **MCBG** fell by 2.09% to close the week at Rs 410.00. Likewise, **SBMH** fell by 3.33% to Rs 6.38.

Within the conglomerate space, **ERL** gained 3.90% to Rs 20.00. Contrastingly, **CIEL** fell by 0.48% to Rs 8.24. **IBLL** also fell by 0.93% to Rs 26.50.

Amid sugar conglomerates, **MTMD** fell by 8.00% to Rs 18.40. Contrastingly, **TERA** gained 0.28%, closing at Rs 17.95.

As for the property sector, **ASCE** fell by 1.11% to Rs 17.80. Likewise, **MSE** fell by 3.33% to Rs 58.00.

Hotels closed in the mixed with **LUX** (+3.30%), **SUN** (-0.71%), and **NMHL** (-1.50%) closing the week at Rs 47.00, Rs 41.70 and Rs 13.10, respectively.

On the commodities side, **NewGold-MUR** gained 0.69% to close at Rs 2,330.00.

Top Performers

GRIT- USD	+ 14.29%
Lottotech	+ 7.95%
PAD	+ 4.76%
ER Group	+ 3.90%
Lux Island Resorts	+ 3.30%

Main Detractors

Omnican	- 8.00%
SBM Holdings	- 3.33%
Medine	- 3.33%
MCB Group	- 2.09%
NIT	- 2.04%

Most Traded Stocks

Most Traded Stocks	% of TMT
MCB Group	51.3%
SBM Holdings	15.5%
ER Group	5.3%
Medine	4.4%
IBL Ltd	4.2%

Financial Results- Lottotech YE 2025

- Revenue increased by 15.7% to Rs 1,677.9m for the year ended December 2025 (FY2024: Rs 1,450.9m). The growth was mainly driven by higher aggregate jackpots which boosted ticket sales. In addition, Loto Vert second draw and Hot Picks generated an additional Rs 93m in revenue, reflecting strong player engagement with the expanded game portfolio. The price increase implemented for Loto and Loto Plus on 18 December 2025 generated an additional MUR 28m in revenue.
- Operating Profit increased by 45.0% to Rs 177.5m (FY2024: Rs 122.5m), resulting in the operating profit margin improving to 10.6% from 8.4% in FY2024.
- Finance Cost increased by 80.5% to Rs 1.26m (FY2024: Rs 0.7m). Despite this increase, the company maintained a strong interest cover of 140.7x, although this declined from 175.2x in FY2024 due to the higher finance cost.
- PAT increased by 43.3% to Rs 143.4m (FY2024: Rs 100.1m). Consequently, the PAT margin improved to 8.5% from 6.9% in FY2024.
- Looking ahead, in March 2026, the Board of Directors approved a capital investment estimated at USD 9 million for the upgrade of the Company's lottery technology infrastructure, which includes the central lottery system, retailer equipment and digital platforms. The implementation is expected to take approximately 18 months, with the upgraded system anticipated to go live in 2027. In addition, the price increase for Loto and Loto Plus recently implemented will be fully reflected in the upcoming financial year.

Dividend Announcement

- On 06-Mar-26, **Lottotech Ltd** has declared a final dividend of Rs 0.22 per share in respect of the financial year ending 31-Dec-25. The dividend will be paid on or about 27-Apr-26, to shareholders registered at close of business on 30-Mar-26.

International News – US Market

U.S. equity markets experienced a highly volatile and predominantly weaker week, as investors reacted to escalating geopolitical tensions in the Middle East. On Monday equities rebounded from sharp early losses triggered by a surge in oil prices amid developments in the U.S.–Iran conflict. Oil surged past USD 100 per barrel, testing the USD 120 mark, before retreating sharply after reports that the G7 could coordinate a release of strategic oil reserves to stabilise supply. The decline in oil prices supported a broad market rebound, with the Nasdaq rising 1.4%, the S&P 500 gaining 0.8%, and the Dow advancing 0.5%.

Tuesday saw choppy trading with the S&P 500 (-0.2%), Nasdaq Composite (flat), and DJIA (-0.1%) finishing near their flatlines. Oil prices fell sharply following comments suggesting the conflict involving Iran could approach a resolution, although uncertainty persisted after reports that Iran could maintain its blockade of the Strait of Hormuz unless military strikes ceased. The International Energy Agency also held an emergency meeting to review supply conditions and the possibility of releasing strategic reserves.

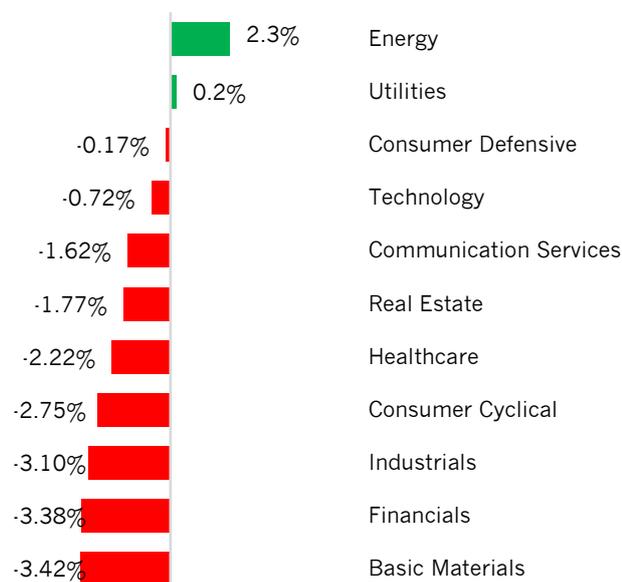
Midweek the stock market had a choppy session amid a rebound in oil prices, with the S&P 500 (-0.1%), Nasdaq Composite (+0.1%), and DJIA (-0.6%) finishing mostly lower. Oil prices rebounded following reports of further disruptions in the Strait of Hormuz, including cargo ships being struck. Energy stocks outperformed as given the rebound in oil prices, while broader equities remained under pressure. February inflation data showed total CPI rising 0.3% month-on-month, in line with expectations, and was up 2.4% year-over-year.

Selling pressure intensified on Thursday as crude oil futures surged 10% to around USD 96 per barrel amid reports of additional tanker attacks and continued disruptions in the Strait of Hormuz. The rise in crude prices increased concerns about supply shortages and renewed inflationary pressures, prompting investors to reassess expectations for Federal Reserve rate cuts. The S&P 500 fell 1.5%, the Nasdaq declined 1.9%, and the Dow dropped 1.6%.

Markets ended the week on a weaker note on Friday with the S&P 500 (-0.6%), Nasdaq (-0.9%), and DJIA (-0.3%) finishing lower amid a renewed surge in oil prices. Oil settled the session 3.0% higher at USD 98.56 per barrel, after reports that the Pentagon was deploying additional Marines and warships to the Middle East to support tanker security operations. The rise in crude prices erased early gains in equities and reinforced concerns about energy-driven inflation.

Economic data released during the week presented a mixed picture. The Fed's preferred inflation gauge showed the core PCE price index rising 0.4% month-on-month in January, slightly reinforcing concerns around persistent inflation. Meanwhile, Q4 GDP growth was revised down sharply to 0.7% from the initial estimate of 1.4%, pointing to slowing economic momentum. Durable goods orders remained broadly flat, although business investment showed resilience, while job openings rose to 6.95 million. Consumer sentiment weakened slightly in early March.

1 Week Performance



Valuation

	Forward P/E	PEG	P/FCF
Basic Materials	14.11	1.45	28.80
Communication Services	28.89	2.46	30.92
Consumer Cyclical	19.85	1.67	40.07
Consumer Defensive	20.40	2.90	25.88
Energy	15.35	1.77	16.98
Financial	12.97	1.39	10.84
Healthcare	16.93	2.11	23.23
Industrials	21.67	1.84	30.89
Real Estate	28.57	3.15	21.98
Technology	24.58	1.29	34.17
Utilities	16.02	1.84	118.47

Earnings Calendar

	Time (GMT+4)	Ticker	Company	Estimate EPS (USD)
18.03.2026	-	TCEHY	Tencent Holding Ltd.	0.99
19.03.2026	00.00	MU	Micron Technology, Inc.	9.06
19.03.2026	14.39	ACN	Accenture plc	2.85
20.03.2026	00.00	FDX	FedEx Corporation	4.14

The Week's Defining Stocks

Sandisk Corp. (SNDK)

Sandisk and SK Hynix have formed a consortium to develop and standardise High Bandwidth Flash (HBF), a next-generation memory technology designed to support artificial intelligence inference workloads. The initiative aims to create a global HBF standard positioned between high bandwidth memory and high-capacity SSDs, addressing both performance and cost challenges as AI infrastructure expands to support growing data volumes and user demand. The collaboration reflects increasing efforts within the semiconductor industry to develop memory solutions suited for large-scale AI data centres. HBF could influence how future AI servers are configured, particularly those built around processors from companies such as NVIDIA, AMD and Intel. The technology remains at an early stage, with broader industry adoption expected later in the decade.

Hims & Hers Health Inc. (HIMS)

Shares of telehealth company Hims & Hers rose more than 40% on Monday after Novo Nordisk agreed to sell its weight-loss and diabetes treatments, Wegovy and Ozempic, through the company's platform, bringing an end to a dispute between the two firms. The agreement follows a patent-infringement lawsuit filed by Novo Nordisk roughly a month earlier after Hims launched, and later cancelled, a low-cost copy of Novo's obesity pill. Analysts viewed the development positively for Hims, as it removes the risk of a prolonged and costly legal battle and reduces potential regulatory scrutiny. Under the partnership, Hims will offer FDA-approved Wegovy and Ozempic products to U.S. consumers at Novo's self-pay prices. In return, the company will stop advertising compounded GLP-1 drugs, although such treatments may still be offered when deemed clinically necessary by healthcare providers.

Alphabet Inc. Cl A (GOOGL)

Alphabet announced an expanded collaboration between Waystar and Google Cloud aimed at advancing artificial intelligence capabilities in healthcare payment systems. Waystar, a provider of healthcare payment software, will further integrate Google Cloud's infrastructure and Gemini AI models into its platform to accelerate the development of agentic AI solutions. The enhanced partnership is expected to support hyperscale deployment across complex healthcare revenue cycle workflows, enabling Waystar to launch new automation capabilities and advance its innovation roadmap. By combining financial and clinical data intelligence, the collaboration seeks to unlock new use cases for autonomous revenue cycle management within the healthcare sector.

Paramount Skydance Corp. Cl B (PSKY)

Shares of Paramount declined on Tuesday after Bank of America lowered its price target on the company to USD 11 from USD 13 while maintaining an "underperform" rating. The downgrade added to investor concerns surrounding Paramount's financial position following its agreement to acquire Warner Bros. Discovery. The acquisition has raised concerns about the combined company's debt levels, prompting credit rating agencies to react. Fitch Ratings downgraded the company's credit rating to "junk" status, while S&P Global Ratings placed it on "negative watch." The deal has also drawn political scrutiny, particularly regarding the involvement of sovereign wealth funds from the Middle East in financing the transaction.

Sandisk Corp.

Closing Price (13.03.2026) **\$661.62**

Performance

5 Day **+ 12.38%**
1 Month **+ 5.60%**
YTD **+ 178.72%**

Analyst Estimates

Average Recommendation **Overweight**
Median Target Price **\$777.80**

Hims & Hers Health Inc.

Closing Price (13.03.2026) **\$24.77**

Performance

5 Day **+ 11.78%**
1 Month **+ 51.96%**
YTD **- 23.71%**

Analyst Estimates

Average Recommendation **Overweight**
Median Target Price **\$24.54**

Alphabet Inc. Cl A

Closing Price (13.03.2026) **\$302.28**

Performance

5 Day **- 1.33%**
1 Month **- 1.13%**
YTD **- 3.42%**

Analyst Estimates

Average Recommendation **Buy**
Median Target Price **\$379.12**

Paramount Skydance Corp. Cl B

Closing Price (13.03.2026) **\$9.72**

Performance

5 Day **- 13.14%**
1 Month **- 5.81%**
YTD **- 27.46%**

Analyst Estimates

Average Recommendation **Hold**
Median Target Price **\$11.00**

The Week's Defining Stocks

Oracle Corp. (ORCL)

Shares of Oracle rose on Wednesday after the company issued an upbeat revenue forecast that helped ease investor concerns over its significant spending on artificial intelligence infrastructure. The company has been expanding its cloud and AI capabilities by rapidly building data centers equipped with advanced processors to support major customers such as Meta and OpenAI. Oracle has relied on substantial borrowing to finance these data center investments and recently indicated plans to raise up to USD 50bn in debt and equity to expand capacity. Despite concerns about financing risks, analysts noted that many AI contracts are structured with upfront payments or customer-provided hardware, allowing Oracle to expand future revenue commitments without bearing the full cost. The company also reported a sharp increase in remaining performance obligations, a key indicator of future contracted revenue, which rose significantly year-on-year, highlighting strong demand for its AI and cloud services.

Carnival Corp. (CCL)

Shares of Carnival Corp declined on Thursday as escalating tensions between the United States and Iran pushed oil prices higher, raising concerns about operating costs for the cruise operator. Reports indicated that disruptions near the Strait of Hormuz have significantly affected oil supply, with exports from the Persian Gulf falling sharply. Goldman Sachs described the situation as the largest oil supply shock on record and raised its Brent crude forecast to an average of USD 98 for March and April, while warning prices could climb further if disruptions persist. Higher oil prices are particularly significant for Carnival as fuel represents one of the company's largest operating expenses. A sustained increase in fuel costs could pressure margins if the company is unable to fully offset the increase through ticket prices, onboard spending, or hedging. The rise in oil prices has also raised broader concerns about inflation and potential delays in Federal Reserve rate cuts, which could weigh on travel demand.

Tesla Inc. (TSLA)

Tesla shares declined by around 3.1% during the session on Thursday despite the company securing a regulatory approval to supply electricity in the United Kingdom. The approval from UK energy regulator Ofgem allows Tesla Energy Ventures Limited to supply electricity directly to residential and commercial customers across England, Scotland and Wales. The move represents a strategic step in Tesla's expansion into the energy sector, allowing the company to extend beyond hardware products such as batteries and solar panels to potentially operate as a full electricity provider. However, investor sentiment remained pressured by challenges in Tesla's core automotive business, including increased competition and declining electric vehicle sales in the UK, which fell significantly year-on-year.

Morgan Stanley (MS)

Shares of Morgan Stanley declined on Thursday after the bank limited redemptions from its North Haven Private Income Fund following a surge in investor withdrawal requests. The measure comes amid broader concerns in the approximately USD 2 trillion private credit market, where several financial institutions have faced increased redemption pressure. Morgan Stanley indicated that limiting withdrawals helps prevent forced asset sales during periods of market volatility and supports long-term risk-adjusted returns for investors.

Oracle Corp.

Closing Price (13.03.2026) **\$155.11**

Performance

5 Day **+ 2.34%**
1 Month **- 3.14%**
YTD **- 20.42%**

Analyst Estimates

Average Recommendation **Overweight**
Median Target Price **\$250.32**

Carnival Corp.

Closing Price (13.03.2026) **\$23.99**

Performance

5 Day **- 9.09%**
1 Month **- 24.49%**
YTD **- 21.45%**

Analyst Estimates

Average Recommendation **Overweight**
Median Target Price **\$37.70**

Tesla Inc.

Closing Price (13.03.2026) **\$391.20**

Performance

5 Day **- 1.88%**
1 Month **- 6.29%**
YTD **- 13.01%**

Analyst Estimates

Average Recommendation **Hold**
Median Target Price **\$426.61**

Morgan Stanley

Closing Price (13.03.2026) **\$154.87**

Performance

5 Day **- 3.48%**
1 Month **- 9.51%**
YTD **- 12.76%**

Analyst Estimates

Average Recommendation **Overweight**
Median Target Price **\$197.65**

The Week's Defining Stocks

Adobe Inc. (ADBE)

Shares of Adobe fell more than 7% on Friday after the company reported its fiscal first-quarter results, as investors focused on a weaker-than-expected profit outlook for Q2 and news of a planned leadership transition despite stronger headline earnings. The company reported revenue of USD 6.4bn for the quarter ended February 27, representing 12% year-on-year growth and exceeding analyst expectations. Earnings also beat estimates, with Adobe reporting earnings per share of USD 6.06 compared to forecasts of around USD 5.87. Subscription revenue, which forms the core of Adobe's recurring revenue model, reached USD 6.17bn, up 13% year-on-year. Management highlighted artificial intelligence as a key growth driver, noting that AI-related annual recurring revenue more than tripled during the quarter. However, the company projected second-quarter earnings per share of USD 4.35–4.40, significantly below analyst expectations, which weighed on investor sentiment. Adobe also announced that CEO Shantanu Narayen plans to step down once a successor is appointed, ending an 18-year tenure.

Meta Platforms Inc. (META)

Shares of Meta Platforms fell about 3.8% on Friday amid heavy trading activity after reports that the company's next-generation artificial intelligence model, "Avocado," had been delayed. The decline followed reports that internal testing showed the Avocado model underperforming relative to competing systems from companies such as Google, OpenAI and Anthropic, particularly in tasks such as logical reasoning, programming, and writing. As a result, the release of the model has been pushed back from March to at least May 2026. The delay has increased investor scrutiny of Meta's artificial intelligence strategy, especially given the company's projected USD 115bn–135bn in AI-related capital expenditures in 2026. Investors remain focused on whether these investments will translate into competitive technological advancements.

Mosaic Co. (MOS)

Shares of fertilizer producer Mosaic gained momentum on Friday as rising demand for agricultural inputs coincided with tightening global supply conditions. The increase comes as the Northern Hemisphere's spring planting season boosts demand for fertilizers such as phosphate, nitrogen and potash, while soil nutrient depletion following strong harvests last year has increased the need for replenishment. At the same time, geopolitical tensions and trade disruptions have constrained global fertilizer supply chains, supporting higher prices for phosphate and potash products. Elevated energy prices have also contributed to the trend, as ammonia production, a key component in fertilizer manufacturing, is energy intensive, allowing producers to maintain pricing power. Mosaic, a vertically integrated producer of phosphate and potash fertilizers, is benefiting from these dynamics, with stronger fertilizer prices supporting margins and improving the company's earnings and cash flow outlook.

All the stocks mentioned in this report are available for trading through Swan Securities Ltd

Adobe Inc.

Closing Price (13.03.2026)	\$249.32
<i>Performance</i>	
5 Day	- 11.73%
1 Month	- 5.55%
YTD	- 28.76%
<i>Analyst Estimates</i>	
Average Recommendation	Overweight
Median Target Price	\$334.82

Meta Platforms Inc.

Closing Price (13.03.2026)	\$613.71
<i>Performance</i>	
5 Day	- 5.20%
1 Month	- 4.07%
YTD	- 7.03%
<i>Analyst Estimates</i>	
Average Recommendation	Buy
Median Target Price	\$860.08

Mosaic Co.

Closing Price (13.03.2026)	\$29.31
<i>Performance</i>	
5 Day	+ 8.88%
1 Month	- 1.15%
YTD	+ 21.67%
<i>Analyst Estimates</i>	
Average Recommendation	Overweight
Median Target Price	\$31.07

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