SWAN CAPITAL SOLUTIONS

Weekly Market Commentary (25.09.2026)

Local Highlights

SEMDEX was up by 0.96% over the week, with total market turnover (TMT) rising by 151.6% w/w. Trading activity on the equity board was geared towards **MCBG**, which made up 39.8% of TMT, followed by **ALTG** (4.2%) and **SBMH** (2.1%). Overall, foreigners were **net purchaser** to the tune of Rs 66.4m. Accounting only for SEMDEX constituents, foreigners were net purchaser to the tune of Rs 53.3m, with **MCBG** being the main driver of foreign purchase, registering a net inflow of Rs 56.0m.

On the banking front, **MCBG** gained 0.86% to close the week at Rs 471.00. Likewise, **SBMH** gained 0.65% to end at Rs 6.18.

Within the conglomerate space, **ERL** gained 3.53% to Rs 19.05. Contrastingly, **IBLL** fell 0.47% to Rs 21.20. **CIEL** also fell by 0.79% to close the week at Rs 7.52.

Sugar conglomerates closed in the mix with **TERA** (-0.53%) ending the week lower at Rs 18.90, and **ALTG** rising by 0.93% to Rs 10.80.

As for the property sector, **MSE** (+2.29%) and **BLL** (+4.48%) closed higher at Rs 55.75, and Rs 0.70, respectively.

Hotels closed in the green with **SUN** (+0.52%), **RIVO** (+0.87%), **LUX** (+10.00%) and **NMHL** (+9.26%) closed the week higher at Rs 48.50, Rs 23.20, Rs 49.50 and Rs 14.75, respectively.

Regarding insurance companies, **MUAL** gained 1.61% to close the week at Rs 63.00. **SWAN** also gained 0.78% to Rs 388.00.

Top Performers

Lux Island Resorts	+ 10.00%
NMH	+ 9.26%
Almarys Limited	+ 7.53%
NIT	+ 6.32%
Bluelife	+ 4.48%

Main Detractors

PAD	- 3.43%
MDIT	- 1.60%
Lottotech	- 1.03%
Ciel	- 0.79%
Terra	- 0.53%

Most Traded Stocks	% of TMT
MCB Group	39.8%
Alteo	4.2%
SBM Holdings	2.1%
Afreximbank - USD	1.5%
Emtel Limited	1.4%

Financial Results

Phoenix Beverages Ltd (PBL) – FY ended June 2026.

- Revenue increased 26.0% to MUR 16.89bn, primarily driven by the consolidation of Seychelles Breweries, which contributed MUR 2.24bn, alongside stronger revenue in Mauritius despite broadly flat domestic sales volumes.
- Operating profit rose 5.7% to MUR 1.32bn, as improved profitability in Mauritius was partly offset by Réunion’s swing to an operating loss, reflecting production disruptions and higher costs ahead of the Coca-Cola operations launch.
- Profit after tax fell 48.1% to MUR 416.8m, weighed down by higher acquisition-related financing costs, foreign exchange losses and MUR 359.3m of impairment charges relating to Seychelles Breweries goodwill and the Kenyan joint venture. Profit attributable to shareholders declined 51.8% to MUR 387.2m.
- Outlook: Management remains confident in medium-term prospects, supported by regional synergies and the scheduled October 2026 launch of Coca-Cola bottling and distribution in Réunion. Near-term recovery will depend on resolving Réunion’s operational issues, with operations expected to progressively normalise by December 2026.

New Mauritius Hotels (NMHL) – FY ended June 2026

- Group revenue increased by 12.0% y/y from Rs 16.89bn in FY2025 to Rs 18.92bn in FY2026, despite the temporary closure of Shandrani Beachcomber and the closure of Trou aux Biches Beachcomber for renovation. Revenue was supported by sustained demand across the hospitality portfolio, improved pricing, and favourable movements in the euro and pound sterling. Mauritius remained the Group’s core market, contributing around 80% of Group revenue.
- EBITDA increased by 24.9% y/y from Rs 4.88bn to Rs 6.10bn. EBITDA margin strengthened from 28.9% to approximately 32.2%.
- Profit attributable to shareholders increased by 50.1% y/y from Rs 1.74bn to Rs 2.61bn, with EPS rising to Rs 4.75 from Rs 3.17 in FY2025.
- Net debt stood at Rs 12.2bn, with gearing improving to 40%.
- Management remains cautiously optimistic, with forward bookings for the first semester ahead. Trou aux Biches Beachcomber is scheduled to reopen in October 2026, while the Group plans to commence refurbishment of Dinarobin Beachcomber. Subject to regulatory approvals, the planned acquisition of a five-star resort in Zanzibar would further expand NMH’s international footprint.

International News – US Market

Wall Street started the week on a strong footing, as renewed optimism around artificial intelligence and easing pressure from oil prices and Treasury yields boosted investor sentiment. Advanced Micro Devices rose around 10%, becoming the latest chipmaker to reach a $1 trillion market capitalisation. The PHLX Semiconductor Index consequently jumped 4.3%. Meta Platforms also surged 11.4% following a price-target increase after the launch of its Muse AI assistant. Against this backdrop, the Dow Jones gained 0.71%, while the S&P 500 and Nasdaq advanced 1.49% and 2.26%, respectively.

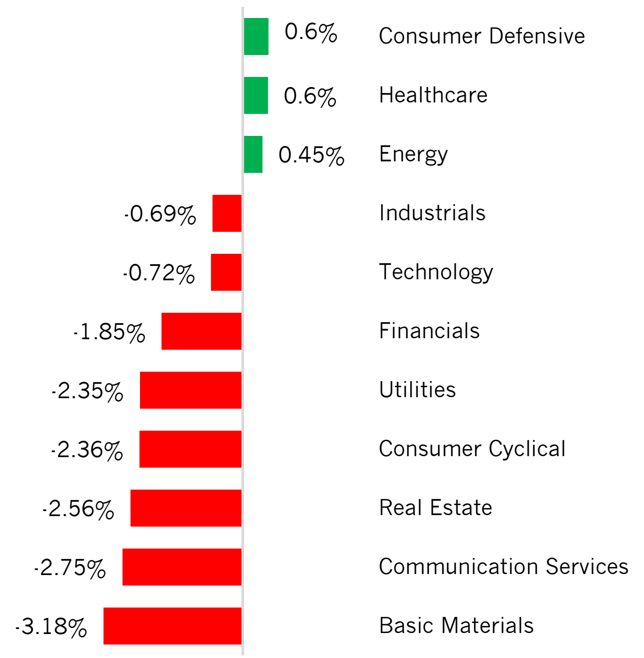
The technology-led rally extended into Tuesday, although performance across the broader market was mixed. The Nasdaq gained another 0.45%, supported by further strength in AI-related semiconductor stocks, including Micron Technology and Sandisk. However, the strong reception of Meta's Muse AI assistant raised concerns over potential disruption across consumer-facing industries, weighing on companies including Uber, Lyft, Charles Schwab and Airbnb. Meanwhile, oil prices remained volatile around $100 per barrel as geopolitical tensions persisted, while the 10-year Treasury yield hovered around 4.94%. The S&P 500 finished essentially unchanged, while the Dow Jones declined 0.36%.

Markets reversed course on Wednesday as a renewed rise in crude oil prices and Treasury yields weighed on risk appetite. Oil prices climbed almost 4% following comments from Iranian President Masoud Pezeshkian that heightened concerns over the Middle East conflict. At the same time, stronger-than-expected U.S. business activity reinforced expectations that monetary policy could remain restrictive, pushing the 10-year Treasury yield to its highest level since 2007 and the 2-year yield to its highest since 2024. Expectations for another Fed rate increase in October consequently climbed to 71%. The Dow Jones declined 0.68%, while the S&P 500 and Nasdaq fell 0.75% and 1.13%, respectively.

Trading remained subdued on Thursday as investors continued to assess developments in the Middle East and their implications for oil prices, inflation and interest rates. Brent crude climbed more than 3% to nearly $107 per barrel following a Houthi missile attack on Saudi Arabia, renewing concerns over potential supply disruptions. Equities recovered from their session lows following reports that U.S. and Iranian negotiators were exploring a phased path towards ending the conflict, which could involve Tehran reopening the Strait of Hormuz and Washington lifting its economic blockade. The Dow Jones declined 0.31%, the S&P 500 edged 0.02% lower, while the Nasdaq finished virtually unchanged with a 0.01% gain.

Wall Street ended the week higher on Friday as renewed buying of AI-related technology stocks outweighed concerns over elevated oil prices and Treasury yields. Microsoft rallied 3.7% after unveiling new capabilities for its Copilot platform, including a coding tool and an always-on AI agent. Akamai Technologies also gained following the announcement of an $11.6 billion cloud-services agreement with Anthropic. Sentiment received additional support from reports that U.S. and Iranian negotiators continued to explore a phased path out of the conflict. Nevertheless, inflation and monetary policy remained key concerns, with Brent crude staying above $100 per barrel and the benchmark 10-year Treasury yield reaching a fresh 19-year high of around 5.20%. Market-implied expectations for another 25-basis-point Fed rate increase in October rose to 66%, compared with around 50% at the beginning of the week. The Dow Jones gained 0.93%, while the S&P 500 and Nasdaq advanced 0.51% and 0.48%, respectively.

1 Week Performance



Valuation

	Forward P/E	PEG	P/FCF
Basic Materials	14.20	1.16	23.02
Communication Services	19.79	0.99	37.00
Consumer Cyclical	19.53	1.17	39.88
Consumer Defensive	19.56	2.69	21.83
Energy	12.12	0.89	13.72
Financial	13.64	1.19	9.84
Healthcare	18.48	2.19	22.49
Industrials	27.80	1.81	35.10
Real Estate	27.68	2.84	21.53
Technology	22.08	0.73	39.09
Utilities	14.99	1.66	135.63

The Week's Defining Stocks

Viking Therapeutics Inc. (VKTX)

Viking Therapeutics' shares surged, after the company reported positive results from a study of its experimental obesity drug, VK2735. The study showed that patients switching to less frequent dosing were able to maintain most of their previous weight loss. Patients receiving VK2735 every other week maintained up to 97% of the weight lost during an initial 21-week treatment period, while those switching to monthly dosing retained up to 90% over the following 12 weeks. Viking is developing flexible injectable and oral dosing options to reduce the treatment burden and strengthen its position in the fast-growing obesity market, currently dominated by Novo Nordisk and Eli Lilly. In a small group receiving weekly treatment for 33 weeks, patients lost an average 21.7% of their body weight. Viking also plans to study oral maintenance dosing later in the trial.

Viking Therapeutics Inc.

Closing Price (25.09.2026)	$35.56
Performance	
5 Day	+ 18.10%
1 Month	+ 8.48%
YTD	+ 1.08%
Analyst Estimates	
Average Recommendation	Buy
Median Target Price	$95.67

Meta Platforms Inc. (META)

Meta rose throughout the week with the launch of Muse, which is Meta's personal AI agent designed to perform tasks on behalf of users, including shopping, booking travel, sending emails and making payments. Launched earlier in September, the AI agent has rapidly gained popularity, topping the free-app rankings in the United States and Canada on Apple's App Store and Google Play. Meta is now adding a clearer safety warning within Muse after an external security researcher identified a vulnerability that could potentially allow an attacker to access users' sensitive personal information. The flaw, reported through Meta's bug bounty programme, could have provided access to a user's dedicated virtual machine, an individual cloud-based account containing information such as emails and files. According to an internal Meta incident report reviewed by The Information, the vulnerability was initially classified as "SEV-2," Meta's third-highest severity level on a five-point scale, typically used for incidents with significant impact.

Meta Platforms Inc.

Closing Price (25.09.2026)	$751.66
Performance	
5 Day	+ 1.41%
1 Month	+ 31.33%
YTD	+ 13.87%
Analyst Estimates	
Average Recommendation	Buy
Median Target Price	$788.79

Oracle Corp. (ORCL)

Oracle issued a "force majeure" notice to a Blue Owl unit developing Project Jupiter, a large data centre campus in New Mexico, citing potential delays in securing power for the project. Oracle shares fell 3.3% following the news. Under the contract, securing power for the site is Oracle's responsibility, while Blue Owl has around $3 billion in equity invested in the project and Oracle is responsible for paying the debt costs. The notice does not allow Oracle to terminate the lease but could delay payments if the data centre fails to become operational in 2028 as planned. Oracle maintained that Project Jupiter remains on schedule, while Blue Owl said the notice does not alter financial commitments to the multi-year project. The 1,400-acre campus, which reportedly secured $18 billion in loans, forms part of Oracle's agreement with OpenAI to provide AI computing capacity and the broader Stargate AI infrastructure initiative. The project has reportedly faced infrastructure setbacks, including delays to a natural-gas pipeline and legal challenges involving water and air-quality permits.

Oracle Corp.

Closing Price (25.09.2026)	$137.10
Performance	
5 Day	- 7.71%
1 Month	- 8.06%
YTD	- 29.66%
Analyst Estimates	
Average Recommendation	Overweight
Median Target Price	$244.47

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