SWAN CAPITAL SOLUTIONS

Weekly Market Commentary (21.08.2026)

Local Highlights

The **SEMDEX** was down by 0.36% over the week, with total market turnover (TMT) increasing by 18.6% w/w. Trading activity on the equity board was geared towards **MCBG**, which made up 28.1% of TMT, followed by **NGLD-MUR** (10.6%) and **ALTG** (5.2%). Overall, foreigners were **net purchaser** to the tune of Rs 53.9m. Accounting only for SEMDEX constituents, foreigners were net sellers to the tune of Rs 2.0m, with **SBMH** being the main driver of foreign sales, registering a net outflow of Rs 2.2m.

On the banking front, **MCBG** gained 0.11% to close at Rs 442.00. Likewise, **AEIB - USD** gained 3.08% over the week to close at USD 3.35. Contrastingly, **SBMH** fell by 2.25%, closing the week at Rs 6.08.

Within the conglomerate space, **ERL** fell by 1.56% to Rs 18.95. Likewise, **CIEL** fell by 0.76%, closing at Rs 7.80. **IBLL** also fell by 1.81% to Rs 21.65.

Sugar conglomerates closed in the red with **ALTG** (-2.65%) and **TERA** (-3.21%) closing at Rs 11.00, and Rs 18.10 respectively.

As for the property sector, **BLL** fell by 2.82% to Rs 0.69. Likewise, **ASCE** fell by 0.56% to Rs 17.90. **MSE** also fell by 0.85% to Rs 58.00.

Hotels also closed the week in the red with **LUX** (-2.77%), **NMHL** (-0.73%) and **SUN** (-0.21%) closing at Rs 45.65, Rs 13.65 and Rs 47.90, respectively.

Regarding industries, **PBL** gained 1.72% to close the week at Rs 59.00.

Concerning investment trusts, **POL** gained 4.17% to Rs 3.50. Contrastingly, **NITL** fell by 0.21% to Rs 9.40.

On the commodities side, **NewGold ETF - MUR** gained 0.72% to close at Rs 2,003.59.

Top Performers	
POLICY	+ 4.17%
Afreximbank - USD	+ 3.08%
Gamma	+ 3.03%
Innodis	+ 2.63%
PAD	+ 2.38%

Main Detractors	
Terra	- 3.21%
MCB Group - Pref Shares	- 2.91%
Bluelife	- 2.82%
Lux Island Resorts	- 2.77%
Alteo	- 2.65%

Most Traded Stocks	% of TMT
MCB Group	28.1%
NewGold ETF - MUR	10.6%
Alteo	5.2%
CIEL	3.5%
Lux Island Resorts	2.7%

International News – US Market

Wall Street started the week on a weaker note on Monday as rising oil prices and uncertainty surrounding U.S.-Iran negotiations weighed on investor sentiment. Crude prices climbed by more than $2 per barrel amid growing concerns over global supply. The Dow Jones fell 0.51%, while the S&P 500 and Nasdaq declined 0.52% and 0.31%, respectively.

The selloff intensified on Tuesday as continued uncertainty in the Middle East pushed oil prices and Treasury yields higher, fuelling concerns over inflation and borrowing costs. Home Depot slipped 0.1% despite beating second-quarter sales estimates. The Dow Jones declined 0.22%, the S&P 500 lost 0.69%, and the Nasdaq fell 1.33%.

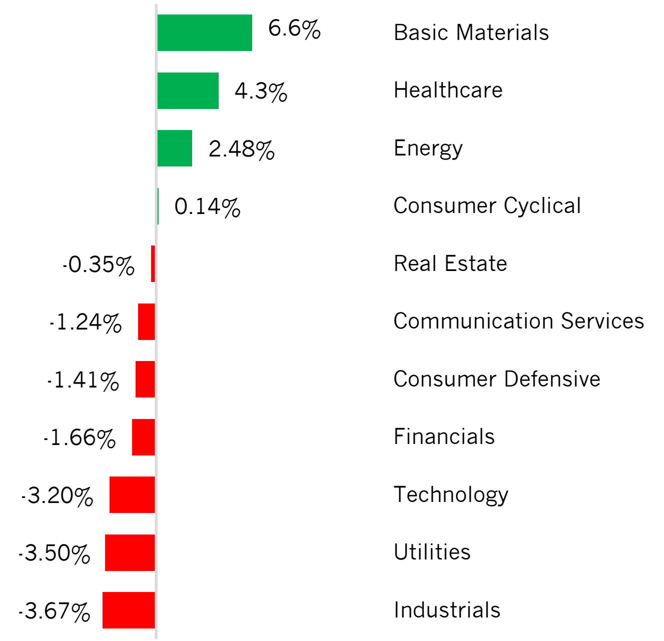
Wall Street snapped its three-day losing streak on Wednesday as a sharp decline in long-term Treasury yields provided some relief to equities. The U.S. Treasury announced that it would double the size of its buyback operations for longer-dated securities from $2bn to $4bn per operation, sending the 30-year Treasury yield lower after it had reached its highest level since June 2007 a day earlier. However, gains were tempered by the minutes of the Federal Reserve's July meeting, which showed that many policymakers viewed further rate hikes as likely if inflation failed to ease, with the Middle East conflict adding uncertainty to the inflation outlook. Semiconductor stocks remained under pressure, although Marvell Technology surged nearly 10% following an expanded agreement with Alphabet's Google to develop custom AI chips. Moderna soared around 177% after its experimental mRNA melanoma treatment, developed with Merck, succeeded in a late-stage trial, while Merck gained 12.6%. On the retail front, Target advanced 4.3% after raising its annual sales target, while Lowe's gained 2.3% despite lowering its full-year sales guidance. The Dow Jones, S&P 500 and Nasdaq each advanced around 0.2%.

Markets resumed their decline on Thursday as Treasury yields moved higher again and disappointing results from Walmart raised fresh concerns over the resilience of U.S. consumers. Walmart plunged 9.2% after missing quarterly comparable-sales expectations, with higher gasoline prices weighing on consumer spending. The weakness spread across the retail sector, while consumer staples fell 1.93% and consumer discretionary declined 1.8%. Rising oil prices added to inflation concerns, with U.S. crude climbing above $87 per barrel as stalled U.S.-Iran negotiations and Middle East supply disruptions pushed oil higher. The Dow Jones dropped 1.32%, while the S&P 500 and Nasdaq declined 0.87% and 1.00%, respectively.

Wall Street rebounded on Friday as concerns over the recent surge in Treasury yields eased and stronger U.S. business activity data supported sentiment. U.S. services activity recorded its strongest growth in nearly two years in August, driving an acceleration in overall business activity despite slower manufacturing growth. However, oil prices continued to rise amid renewed concerns over Iranian supply after President Trump threatened sanctions against Iran's trading partners. The Dow Jones rose 0.98%, while the S&P 500 and Nasdaq gained 0.43% and 0.44%, respectively.

For the week, the S&P 500 fell 1.43% and the Nasdaq declined 2.05%, while the Dow Jones lost 0.85%. Brent crude gained 6.39% over the week, while U.S. crude rose 5.66%.

1 Week Performance



Valuation

	Forward P/E	PEG	P/FCF
Basic Materials	15.69	1.28	25.98
Communication Services	19.47	0.99	36.42
Consumer Cyclical	20.84	1.26	42.86
Consumer Defensive	20.04	2.74	22.37
Energy	13.13	0.96	13.91
Financial	14.13	1.22	10.43
Healthcare	19.12	2.29	23.37
Industrials	28.56	1.92	36.23
Real Estate	30.11	3.11	23.20
Technology	21.39	0.81	37.77
Utilities	15.89	1.77	144.16

Earnings Calendar

	Time (GMT+4)	Ticker	Company	Estimate EPS (USD)
27.08.2026	00.00	NVDA	NVIDIA Corporation	2.09
-	00.01	CRM	Salesforce, Inc.	3.27
28.08.2026	00.05	MRVL	Marvell Technology, Inc.	0.93

The Week's Defining Stocks

Marvell Technology Inc. (MRVL)

Marvell Technology announced an expanded partnership with Google to develop custom AI chips, a deal that could generate around $120bn in revenue through fiscal 2033 if Google meets specified targets. As part of the agreement, Google received warrants to purchase up to 58.97m Marvell shares at $206.58 each, representing a potential $12.2bn stake that would make Google Marvell's fifth-largest investor. The partnership covers technologies supporting Google's Tensor Processing Units (TPUs), including processors used to run AI models, manage data storage and transfer information across networks. Demand for custom chips has increased as companies seek cheaper and more specialised alternatives to Nvidia's GPUs. The agreement could strengthen Marvell's position against larger rival Broadcom, although Morningstar noted that the deal may reflect Google diversifying its suppliers rather than replacing Broadcom. Marvell shares rose nearly 8% following the announcement.

Marvell Technology Inc.

Closing Price (21.08.2026)	$237.04
Performance	
5 Day	+ 1.61%
1 Month	+ 25.31%
YTD	+ 178.94%
Analyst Estimates	
Average Recommendation	Buy
Median Target Price	$274.69

Moderna Inc. (MRNA)

Moderna shares more than doubled after its personalised mRNA cancer therapy, developed with Merck, delivered promising results in a late-stage trial, adding around $30bn to the company's market value. The vaccine, intismeran, combined with Merck's Keytruda, reduced the risk of recurrence and spread of skin cancer. The results strengthened investor confidence in Moderna's ability to expand its mRNA technology beyond COVID-19 and infectious disease vaccines and build a more durable revenue base. Leerink Partners subsequently raised its estimate for the therapy's potential sales to around $1.4bn by 2032, from up to $1.2bn previously.

Moderna Inc.

Closing Price (21.08.2026)	$145.13
Performance	
5 Day	+ 125.15%
1 Month	+ 160.88%
YTD	+ 392.13%
Analyst Estimates	
Average Recommendation	Hold
Median Target Price	$87.21

Walmart Inc. (WMT)

Walmart shares fell 9% despite reporting better-than-expected quarterly revenue and earnings, as slowing U.S. same-store sales raised concerns over consumer spending. Revenue increased nearly 6% to $187.9bn, while adjusted EPS of $0.81 exceeded expectations. However, U.S. same-store sales grew just 2.6%, below the 3.7% forecast and the slowest pace since Q4 2020. Management noted that higher fuel prices, particularly when gasoline exceeded $4 per gallon, prompted consumers to make spending trade-offs. E-commerce remained strong, rising 23%, including 24% growth in the U.S., while operating income increased around 21%. Walmart raised its FY2027 outlook, forecasting revenue growth of 4%-5% and adjusted EPS of $2.80-$2.87, although the guidance remained below Wall Street expectations.

Walmart Inc.

Closing Price (21.08.2026)	$103.70
Performance	
5 Day	- 9.30%
1 Month	- 7.20%
YTD	- 6.92%
Analyst Estimates	
Average Recommendation	Overweight
Median Target Price	$129.55

Swan Securities Ltd
Swan Centre
10 Intendance Street
Port Louis, Mauritius
T (230) 208 7010
F (230) 212 9867
W swanforlife.com
BRN C06007932