

## Weekly Market Commentary (29.05.2026)

### Local Highlights

The **SEMDEX** was up by 0.34% over the week. On 26.05.2026, 859,364,140 shares of **BLL** were crossed on the special crossing board at Rs 0.75 for a total value of Rs 644,523,105.00, pertaining to the voluntary offer made by Bloomage Ltd to acquire its shares. As such adjusted total market turnover (TMT) (excluding the above-mentioned transaction) increased by 119.7% w/w. Adjusted trading activity on the equity board was geared towards **MCBG**, which made up 61.8% of TMT, followed by **PBL** (4.6%) and **SBMH** (4.0%). Overall, foreigners were **net seller** to the tune of Rs 16.4m. Accounting only for SEMDEX constituents, foreigners were net seller to the tune of Rs 21.8m, with **MCBG** being the main driver of foreign sales, registering a net outflow of Rs 14.9m.

On the banking front, **MCBG** gained 1.65% to Rs 416.75. Contrastingly, **SBMH** fell by 1.76%, closing the week at Rs 6.70.

Regarding insurance stocks, **MUAL** (-3.00%) and **SWAN** (-3.85%) closed lower at Rs 48.50 and Rs 375.00, respectively.

Within the conglomerate space, **ERL** fell by 1.27% to Rs 19.45. **CIEL** also fell by 1.01%, closing at Rs 7.82. Contrastingly, **IBLL** gained 0.38% to Rs 26.10.

Amid sugar conglomerates, **ALTG** gained 5.94%, closing at Rs 11.60. Contrastingly, **MTMD** fell by 1.13% to Rs 17.50. **TERA** also fell by 0.28% to Rs 17.80.

As for the property sector, **UTDL** gained 2.15% to Rs 95.00. Contrastingly, **ASCE** fell by 0.82% to Rs 18.10.

Among hotels, **SUN** (+7.66%) closed the week higher at Rs 46.40. Contrastingly, **LUX** (-1.75%) and **NMHL** (-1.07%) closed the week lower at Rs 45.00 and Rs 13.90, respectively.

On the ICT front, **EMTL** was up by 2.00% to close at Rs 23.00.

Concerning construction companies, **UBP** (-2.91%) and **GCL** (-1.25%) closed lower at Rs 40.00 and Rs 31.50, respectively.

On the commodities side, **NewGold ETF - MUR** fell by 0.01% to close at Rs 2,138.50.

### Top Performers

Sun Resorts	+ 7.66%
Alteo	+ 5.94%
MCB - Preference Shares	+ 4.50%
United Docks	+ 2.15%
Emtel Limited	+ 2.00%

### Main Detractors

Fincorp	- 4.52%
NIT	- 4.26%
Bluelife	- 4.11%
Swan General	- 3.85%
PBL	- 3.41%

### Most Traded Stocks (Adj) % of TMT

MCB Group	61.8%
PBL	4.6%
SBM Holdings	4.0%
United Docks	2.7%
Medine	1.9%

### Dividend Announcement

- Sun Limited

On 26-May-2026, the Board of Sun Limited has declared a dividend of Rs 3.45 per share to all shareholders registered at close of business on 12 June 2026, in respect of the financial year ending 30 June 2026. The dividend will be paid on or about 25 June 2026. The shares of the Company will be traded cum-dividend up to and including the market day of 09 June 2026, and ex-dividend as from 10 June 2026.

## International News – US Market

On Monday, U.S. markets were closed for the Memorial Day public holiday.

On Tuesday, Wall Street resumed trading on a strong note, with the S&P 500 (+0.61%) and Nasdaq (+1.19%) closing at record highs, while the Dow Jones Industrial Average declined 0.23%. Investor sentiment was buoyed by renewed optimism surrounding artificial intelligence (AI), which helped offset concerns over Middle East tensions following recent U.S. strikes on Iran. Semiconductor stocks led gains, with Micron surging 19% after UBS tripled its price target, propelling the company into the US\$1 trillion market capitalisation club.

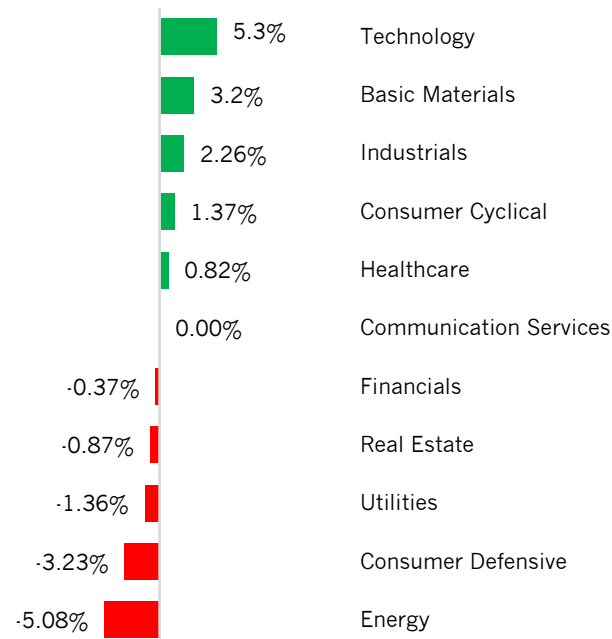
On Wednesday, Wall Street extended its gains, although the pace of the rally moderated. The Dow gained 0.36% to a record closing high, while the S&P 500 (+0.02%) and Nasdaq (+0.07%) also registered fresh closing records. Investors paused following the sharp AI-driven rally earlier in the week, while continuing to monitor developments in U.S.-Iran negotiations.

On Thursday, the S&P 500 (+0.58%) and Nasdaq (+0.91%) reached new record closing highs, while the Dow edged 0.05% higher, after reports indicated that the U.S. and Iran had reached a draft agreement to extend their ceasefire for an additional 60 days. Investors also digested inflation data showing that U.S. inflation rose at its fastest pace in three years during April, largely driven by higher energy prices linked to the Iran conflict. Technology and healthcare shares led gains. Microsoft climbed after reports that it plans to launch a suite of in-house AI models, while Eli Lilly advanced after CVS restored coverage of its weight-loss drug Zepbound and added its new obesity pill, Foundayo. Snowflake surged 36% after raising its annual revenue outlook and announcing a US\$6 billion AI infrastructure partnership with Amazon Web Services, reinforcing optimism around AI-related investments.

By Friday, Wall Street closed the week at fresh record highs, with the Dow gaining 0.72%, the S&P 500 rising 0.22%, and the Nasdaq adding 0.21%. Technology shares remained the primary driver of market gains after Dell Technologies surged nearly 33% following stronger-than-expected guidance, lifting sentiment across the broader AI ecosystem. Investors remained focused on developments surrounding a potential U.S.-Iran agreement, while balancing concerns over persistent inflation pressures. Economic data released during the week showed inflation accelerated to its fastest pace in three years, while first-quarter GDP growth was revised down to 1.6%. Federal Reserve officials signalled that inflation risks remain elevated, leading markets to expect interest rates to remain higher for longer.

For the week, the S&P 500 advanced 1.43%, the Nasdaq gained 2.39%, and the Dow rose 0.90%.

### 1 Week Performance



### Valuation

	Forward P/E	PEG	P/FCF
Basic Materials	14.51	1.27	27.36
Communication Services	32.05	2.21	37.10
Consumer Cyclical	21.41	1.59	45.53
Consumer Defensive	20.14	2.85	23.88
Energy	12.32	1.29	18.47
Financial	13.98	1.48	9.86
Healthcare	16.94	2.03	22.84
Industrials	23.22	1.70	32.05
Real Estate	29.10	3.26	22.66
Technology	28.85	1.21	43.16
Utilities	15.94	1.72	109.83

### Earnings Calendar

	Time (GMT+4)	Ticker	Company	Estimate EPS (USD)
02.06.2026	00.00	PANW	Palo Alto Networks, Inc.	0.79
04.06.2026	00.15	AVGO	Broadcom Inc.	2.40
-	00.00	CRWD	CrowdStrike Holdings, Inc.	1.07

### Economic Calendar

	Time (GMT+4)	Indicator	Forecast	Prior
02.06.2026	18.00	JOLTs Job Openings	6.87M	6.866M
04.06.2026	16.30	Initial Jobless Claims	211K	215K
05.06.2026	16.30	Non Farm Payrolls	96K	115K
-	16.30	Unemployment Rate	4.30%	4.30%

## The Week's Defining Stocks

### Qualcomm Inc. (QCOM)

Qualcomm shares rose on Tuesday following a Bloomberg report that the company secured a major AI chip supply agreement with ByteDance, the owner of TikTok. According to sources cited in the report, ByteDance is expected to purchase millions of Qualcomm's application-specific integrated circuits (ASICs) to support its AI agent software. The deal would make ByteDance one of the first major customers for Qualcomm's AI-focused chips and represents an important step in the company's strategy to diversify beyond its traditional smartphone processor business. The agreement is seen as a significant win for Qualcomm as it seeks to expand its presence in AI infrastructure. Qualcomm CEO Cristiano Amon had previously indicated that the company was engaging with several potential customers for its AI chips, although no names were disclosed at the time.

### Microsoft Corp. (MSFT)

Microsoft shares rose after a report indicated that the company plans to unveil a new suite of in-house artificial intelligence models at its Build developer conference. The new lineup is expected to include a coding model aimed at strengthening GitHub Copilot's competitiveness against rivals, as well as models focused on reasoning, speech, transcription, and image generation. The initiative forms part of Microsoft's broader strategy to reduce its reliance on external AI providers such as OpenAI and Anthropic, which currently power many of its AI offerings. According to the report, restrictions that previously limited Microsoft's ability to train advanced AI models were renegotiated in April, allowing the company to accelerate internal development efforts. Microsoft intends to position its new models as lower-cost alternatives to competing offerings, while also reducing the expense of integrating AI capabilities across its software products, including Office applications.

### Snowflake Inc. (SNOW)

Snowflake shares surged after the cloud data company reported better-than-expected quarterly results, supported by accelerating enterprise demand for artificial intelligence solutions. Fiscal first-quarter revenue increased 33% year-over-year to US\$1.39 billion, with management noting that AI products generated the strongest sequential product revenue dollar growth in the company's history. Investor sentiment was further boosted by Snowflake's expanded partnership with Amazon Web Services through a new multi-year US\$6 billion agreement aimed at accelerating global enterprise AI adoption, alongside a deeper collaboration with OpenAI. Following the results, Wedbush Securities reaffirmed its Outperform rating and raised its price target on the stock. The strong performance reflects growing optimism that software companies are beginning to monetize AI investments, as investors increasingly favour firms viewed as direct beneficiaries of AI-driven productivity gains and enterprise adoption.

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

### Qualcomm Inc.

Closing Price (29.05.2026) **\$251.02**

#### Performance

5 Day **+ 5.40%**  
1 Month **+ 49.08%**  
YTD **+ 46.75%**

#### Analyst Estimates

Average Recommendation **Hold**  
Median Target Price **\$182.33**

### Microsoft Corp.

Closing Price (29.05.2026) **\$450.24**

#### Performance

5 Day **+ 7.57%**  
1 Month **+ 8.85%**  
YTD **- 6.90%**

#### Analyst Estimates

Average Recommendation **Buy**  
Median Target Price **\$559.33**

### Snowflake Inc.

Closing Price (29.05.2026) **\$255.55**

#### Performance

5 Day **+ 48.40%**  
1 Month **+ 77.21%**  
YTD **+ 16.50%**

#### Analyst Estimates

Average Recommendation **Buy**  
Median Target Price **\$285.38**

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