

Weekly Market Commentary (12.06.2026)

Local Highlights

The **SEMDEX** was down by 2.33% over the week, with the total market turnover increasing by 82.83% compared to last week's adjusted turnover. Trading activity on the equity board was geared towards **MCBG**, which made up 13.9% of TMT, followed by **PBL** (3.8%) and **SHEL** (3.6%). Overall, foreigners were **net purchaser** to the tune of Rs 17.3m. Accounting only for SEMDEX constituents, foreigners were net buyers to the tune of Rs 8.2m, with **MCBG** being the main driver of foreign purchase, registering a net inflow of Rs 21.6m.

On the banking front, **MCBG** fell by 3.21% to Rs 406.50, as the stock traded ex-div on 08.06.2026. Similarly, **SBMH** fell by 2.37%, closing the week at Rs 5.76.

Within the conglomerate space, **ERL** fell by 2.40% to Rs 18.30. Likewise, **CIEL** fell by 0.26%, closing at Rs 7.60. **IBLL** also fell by 4.04% to Rs 24.95.

Sugar conglomerates closed lower with **ALTG** (-1.29%), **MTMD** (-4.35%) and **TERA** (-1.99%) fell by Rs 11.45, Rs 16.50 and Rs 17.25, respectively.

As for the property sector, **MSE** fell by 5.45% to Rs 52.00.

Among hotels, **NMHL** (-2.17%) and **NRL** (-2.65%) closed the week lower at Rs 13.50 and Rs 44.05, respectively. Similarly, **SUN** fell by 7.55% as the stock traded ex-div on 10.06.2026. Contrastingly, **RIVO** (+0.22%) closed the week higher at Rs 22.30.

On the ICT front, **EMTL** was up by 0.23% to close at Rs 22.00.

On the commodities side, **NewGold ETF - MUR** fell by 4.50% to close at Rs 1,910.00.

Top Performers

NMH – Preference Shares	+ 0.50%
Ertel Limited	+ 0.23%
Riveo Limited	+ 0.22%

Main Detractors

Sun Resorts	- 7.55%
Policy	- 7.49%
Medine	- 5.45%
NewGold ETF - MUR	- 4.50%
Omnican	- 4.35%

Most Traded Stocks

Most Traded Stocks	% of TMT
MCB Group	13.9%
PBL	3.8%
Vivo Energy	3.6%
Afreximbank - USD	1.3%
SBM Holdings	1.2%

Corporate Announcement

- **BlueLife Limited- Conversion of Bonds into Ordinary Shares**

On 08-Jun-2026, the Board announced that 5-Jul-26 marks the first date at which bondholders may opt to convert part or all of their bonds into ordinary shares issued under the Company's Programme Memorandum and the Applicable Pricing Supplement issued on 22-Feb-21. Conversion Date as per Bond Documents is set to 6-Jul-26 and the deadline for submission of conversion requests is 21-Jun-26 (i.e. at least 14 days prior to the Conversion Date).

- **MCB Group Limited- Option to Convert Preference Shares & Scrip Dividend Scheme**

On 08-Jun-2026, the Board of MCB Group Limited announced that the holders of Preference Shares may exercise their option to convert any or all of their Preference Shares into Ordinary Shares of the Company at a conversion price of Rs. 398.77. Holders of Preference Shares will be able to convert their Preference Shares into Ordinary Shares, provided that the Conversion Acceptance Notice, has been received by MCB Registry and Securities Ltd by the 1-Jul-26. The Conversion Date and Crediting of Ordinary Shares will be done on 8-Jul-26.

On 12-Jun-2026, the Board also announced that the SEM has approved the issue and listing, on the Official Market, of up to 6,800,000 new Ordinary Shares. Eligible shareholders will be able to elect for Scrip Shares, provided that their respective Election Form has been received by MCB Registry and Securities Ltd by latest the 24-Jun-26, and subject to their existing Ordinary Shares being dematerialised in a CDS account. The Scrip Price of a Scrip Share, for the purposes of the dividend declaration on the Company's Ordinary Shares dated 14-May-26, is Rs 394.72. Dividend payment/crediting/issue of Scrip Shares will be done on 8-Jul-26.

International News – US Market

Wall Street started the week on a positive note as investors returned to beaten-down technology and semiconductor stocks following the sharp selloff witnessed on the previous Friday. Sentiment improved after Iran and Israel announced a halt to attacks against one another, reducing fears of a broader regional conflict and supporting risk assets. The Nasdaq outperformed, gaining 0.86%, while the S&P 500 advanced 0.30%. The Dow Jones Industrial Average was the only major index to finish lower, declining 0.16%.

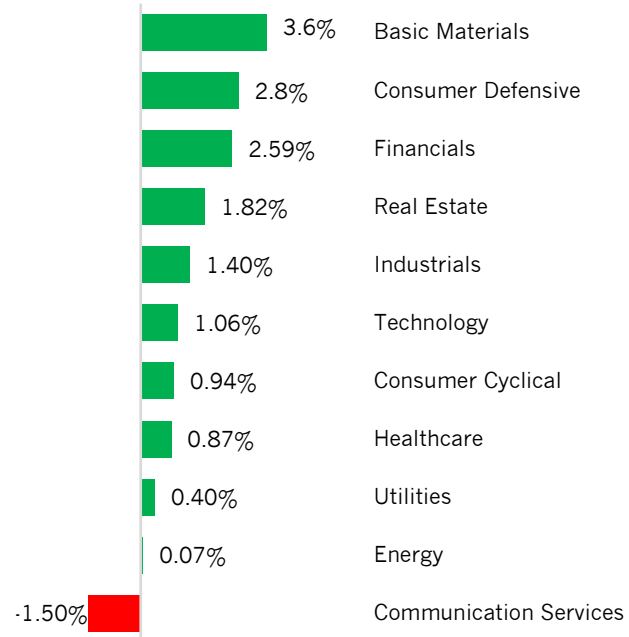
Markets turned cautious on Tuesday as optimism from the previous session faded. Investor sentiment weakened after President Donald Trump stated that Iran had shot down a U.S. Apache helicopter in the Strait of Hormuz and vowed that the United States would respond, reigniting concerns over the Middle East conflict. The Dow Jones to post a modest gain of 0.17%, the S&P 500 declined 0.26%, while the Nasdaq Composite fell 0.97%.

Selling intensified on Wednesday as concerns surrounding both the Middle East conflict and inflation weighed heavily on markets. President Trump warned that the U.S. could strike Iran again if a peace agreement was not reached, increasing geopolitical uncertainty. Meanwhile, inflation data showed U.S. consumer prices rose 4.2% year-over-year in May, the highest increase since April 2023. Although the figure matched expectations, elevated energy prices linked to the conflict continued to fuel concerns that inflation could remain stubbornly high. The Dow Jones fell 1.87%, while the S&P 500 and Nasdaq declined 1.62% and 1.98%, respectively.

Wall Street staged a strong rebound on Thursday after President Trump announced that planned U.S. strikes against Iran had been cancelled, raising hopes that a peace agreement could soon be reached. Investors welcomed signs that shipping traffic through the Strait of Hormuz could eventually normalise, easing concerns about energy-driven inflation. The market also turned its attention to SpaceX, which priced its record-breaking initial public offering at USD 135 per share, raising USD 75 billion and valuing the company at approximately USD 1.77 trillion. The Dow Jones gained 1.86%, while the S&P 500 rose 1.75% and the Nasdaq jumped 2.54%.

Markets ended the week on a positive note as investors continued to monitor developments surrounding a potential U.S.-Iran peace agreement while closely following the market debut of SpaceX. The aerospace and technology giant surged 19.2% on its first day of trading, closing at USD 160.95 per share and lifting its market capitalisation above USD 2.1 trillion. The successful listing became the largest public offering in U.S. history and reinforced investor enthusiasm towards high-growth technology and space-related companies. Investors also looked ahead to the Federal Reserve's upcoming policy meeting, where officials are expected to leave interest rates unchanged. However, markets continued to price in the possibility of a rate increase later in the year as inflation remains elevated. The Dow Jones gained 0.70%, the S&P 500 rose 0.50%, and the Nasdaq advanced 0.31%.

1 Week Performance



Valuation

	Forward P/E	PEG	P/FCF
Basic Materials	14.14	1.23	26.76
Communication Services	30.32	2.12	35.14
Consumer Cyclical	20.45	1.54	43.23
Consumer Defensive	20.78	2.94	24.68
Energy	12.48	1.32	18.75
Financial	14.40	1.50	10.20
Healthcare	17.17	2.07	23.14
Industrials	30.16	2.20	41.01
Real Estate	30.12	3.19	23.39
Technology	27.36	1.10	41.25
Utilities	15.99	1.74	110.91

Economic Calendar

	Time (GMT+4)	Indicator	Forecast	Prior
16.06.2026	16.30	Building Permits Prel	1.41M	1.423M
-	-	Housing Starts	1.44M	1.465M
17.06.2026	16.30	Retail Sales MoM	0.50%	0.50%
-	22.00	Fed Interest Rate Decision	3.75%	3.75%
18.06.2026	16.30	Initial Jobless Claims	232K	229K

The Week's Defining Stocks

Space Exploration Technologies Corp. (SPCX)

SpaceX made a strong Nasdaq debut on Friday, with its stock opening at \$150, above its IPO price of \$135, before closing at \$160.95, up 19.2%. The company raised a record \$75 billion by offering 555.6 million shares, making it the largest IPO ever. Demand was strong, with the offering reportedly four times oversubscribed, although actual demand remains uncertain. SpaceX is now among the largest U.S. companies, valued above Broadcom and Tesla. Retail investor interest was also significant, with reports suggesting retail orders exceeded \$100 billion and SpaceX becoming the most bought stock by retail investors on the day. However, analysts warned that the stock could remain volatile in the coming days as the market absorbs the scale of the listing.

Super Micro Computer Inc. (SMCI)

Super Micro Computer's shares fell sharply after the company announced plans to raise USD 7 billion through a combination of equity and equity-linked financing to support purchases of equipment needed to fulfil a recent surge in demand for its AI servers. The company disclosed that it had received approximately USD 39 billion in new AI server orders in recent weeks, highlighting strong demand for its products. However, investors reacted negatively to the announcement due to concerns that rising component costs could pressure profit margins, particularly if the company is unable to pass these higher costs on to customers amid intense competition from rivals such as Dell Technologies. The planned share issuance is also expected to dilute existing shareholders. Despite robust underlying demand, concerns over profitability and margin sustainability weighed heavily on investor sentiment.

Intel Corp. (INTC)

Intel's shares surged after reports indicated that Google and Nvidia are considering the company as an alternative manufacturer for advanced processors as Taiwan Semiconductor Manufacturing Company (TSMC) struggles to meet strong demand for chip production capacity. Investor sentiment was boosted by reports that Google had placed an order for more than 3 million Tensor Processing Units (TPUs) to be manufactured by Intel in 2028 following successful testing of Intel's advanced packaging technology. The news also reinforced Intel's efforts to expand its foundry business and position itself as a major contract chip manufacturer. In addition, growing demand for data centre CPUs driven by AI inference workloads has provided further support to the company's outlook. The potential foundry partnership with major technology companies and rising AI-related demand strengthened confidence in Intel's turnaround strategy, driving the stock sharply higher despite weakness across the broader semiconductor sector.

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

Space Exploration Technologies Corp.

IPO Price **\$135.00**

Closing Price (12.06.2026) **\$160.95**

Analyst Estimates

Average Recommendation **Overweight**

Median Target Price **\$189.25**

Super Micro Computer Inc.

Closing Price (12.06.2026) **\$30.46**

Performance

5 Day **- 30.76%**

1 Month **- 1.26%**

YTD **+ 4.07%**

Analyst Estimates

Average Recommendation **Hold**

Median Target Price **\$35.87**

Intel Corp.

Closing Price (12.06.2026) **\$124.57**

Performance

5 Day **+ 12.97%**

1 Month **+ 15.16%**

YTD **+ 237.59%**

Analyst Estimates

Average Recommendation **Hold**

Median Target Price **\$99.98**

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