

ACCRESCO

AIM higher. AIM better.

Analytics. Insights. Markets.

Our Monthly Lens on the World of Investing

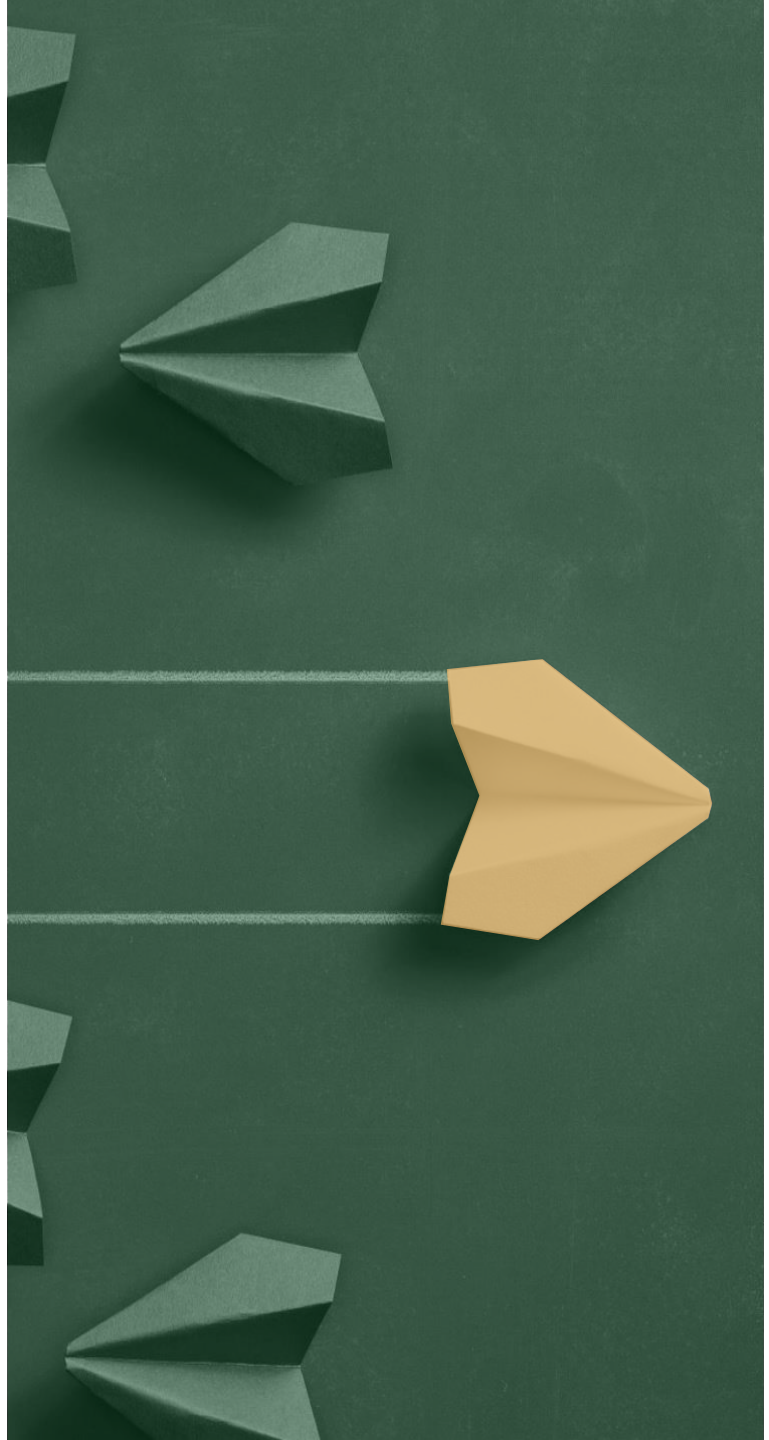
November 2026

Signatory of:

PRI PRINCIPLES FOR RESPONSIBLE INVESTMENT

CONTENTS

MARKET REVIEW	3-9
Market Pulse	4
Performance	5-9
ACCRESCO	10-15
Strategy	11
Solutions	12-15
FEATURE INSIGHT	16-17
AI Stocks – Too Much of a Good Thing?	17
THE AIM AHEAD	18-20
APPENDIX	21





MARKET REVIEW

October 2026

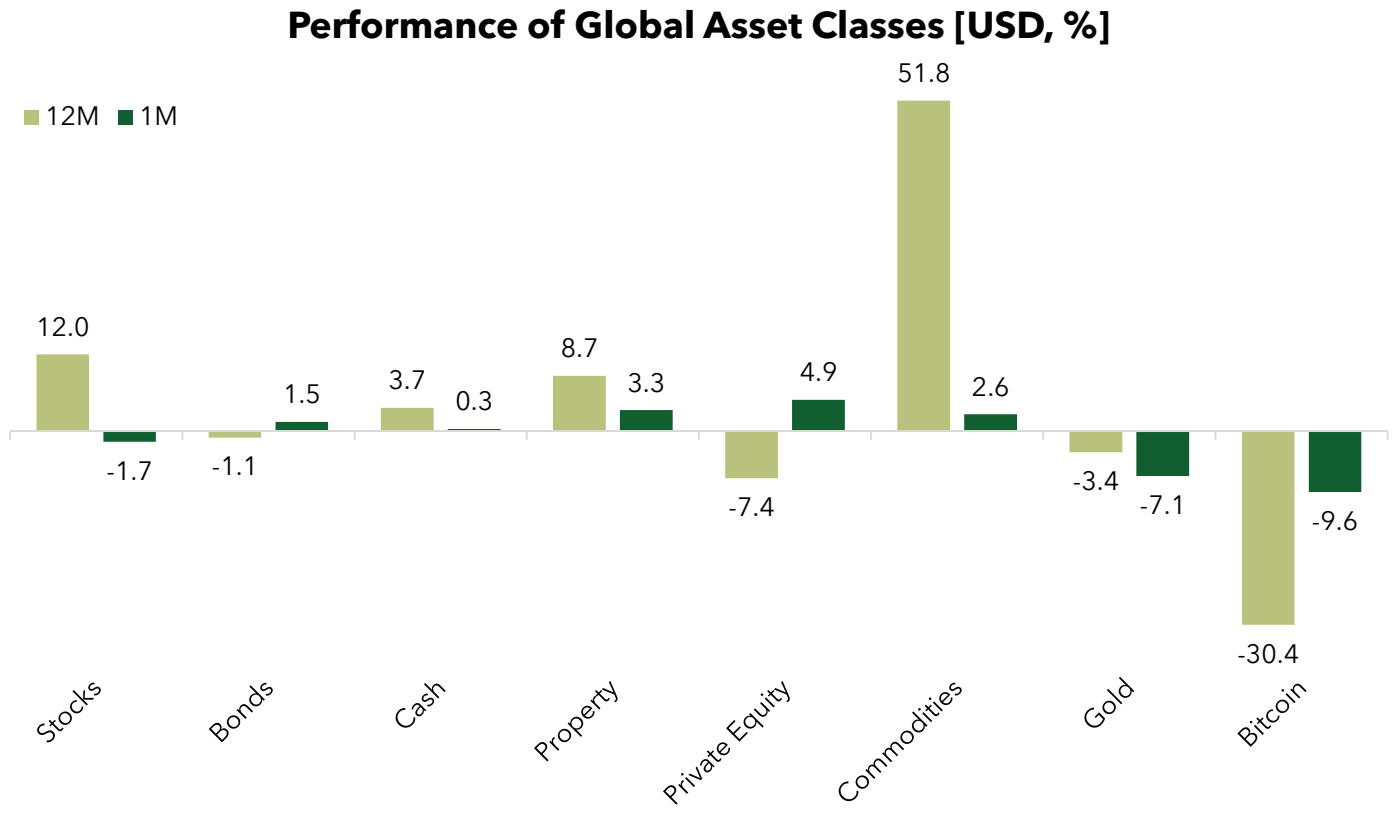
ACCRESCO

MARKET PULSE – October 2026

OUTPERFORMERS			UNDERPERFORMERS	
Private Equity	+4.9%	ASSET CLASSES	**Bitcoin**	-9.6%
Switzerland	+9.4%	EQUITY REGIONS	**China**	-5.8%
Energy	+11.7%	EQUITY SECTORS	**Technology**	-9.3%
Dividend	+5.4%	EQUITY FACTORS	**Momentum**	-11.5%
Emtel	+2.5%	MAURITIAN STOCKS	**Cim Fin Svcs**	-11.0%

ACCRESCO

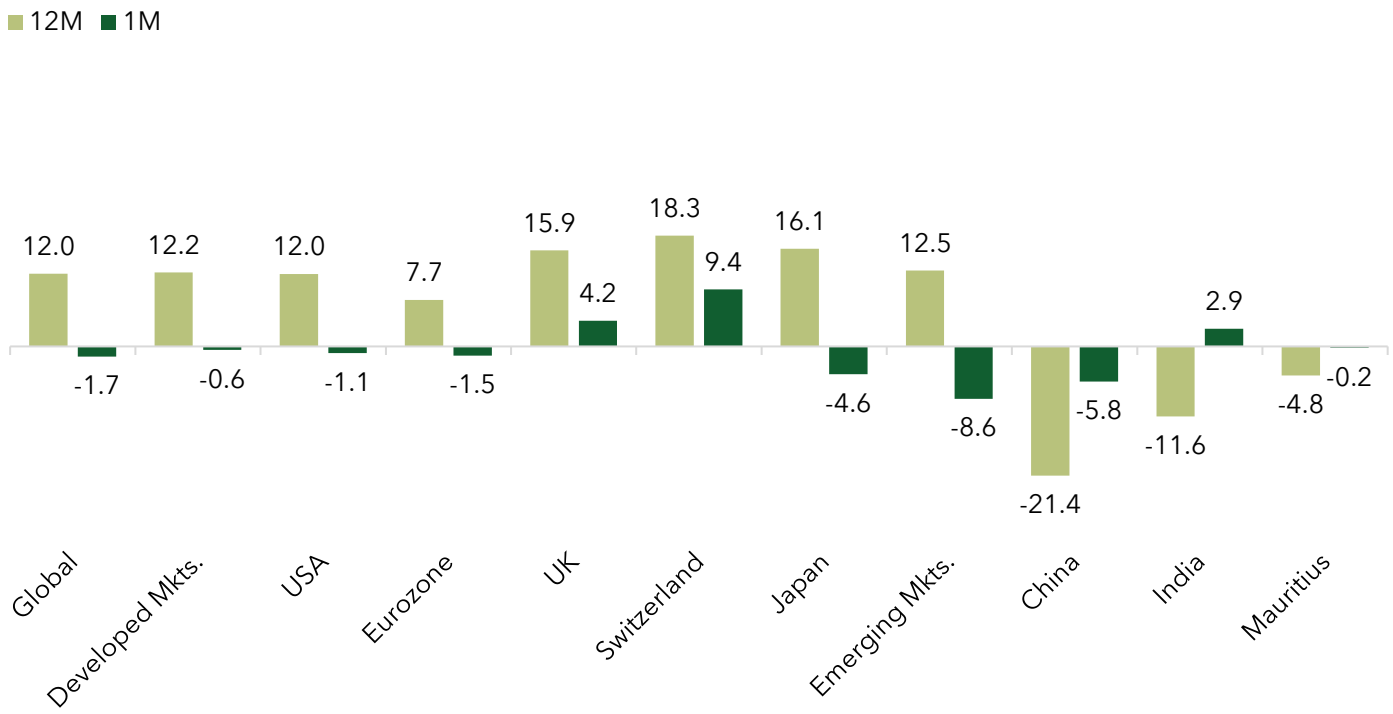
PERFORMANCE – Asset Classes



AI-related concerns and earnings guidance drove market volatility

- **Equities** declined -1.7% in October but remained up +12% over the 12 months, as concerns over AI-related spending and earnings guidance weighed on major technology stocks, partly offset by gains in defensive and energy stocks.
- **Commodities** maintained their positive momentum over the month (+2.6%), supported primarily by elevated energy prices amid escalating geopolitical tensions in the Middle East.
- **Gold** declined sharply (-7.1% 1M) on the back of tighter financial conditions and changing expectations surrounding monetary policy. **Bitcoin** fell -9.6% over the month, as the Binance security breach weighed on sentiment.

PERFORMANCE – Equity Regions



Swiss and UK equities stood out amid widespread regional market weakness

- **US equities** declined -1.1% over the month, as concerns over elevated AI-related valuations and technology companies' substantial capital expenditure triggered a rotation away from major technology stocks.
- **UK equities** gained +4.2% (1M), supported by energy and defensive stocks, and **Switzerland equities** surged +9.4%, led by pharmaceutical heavyweights Roche and Novartis.
- **Indian equities** gained +2.9% over the month, supported by resilient earnings and strength in IT services stocks.

PERFORMANCE – Equity Sectors

Performance of US Equity Sectors [USD, %]

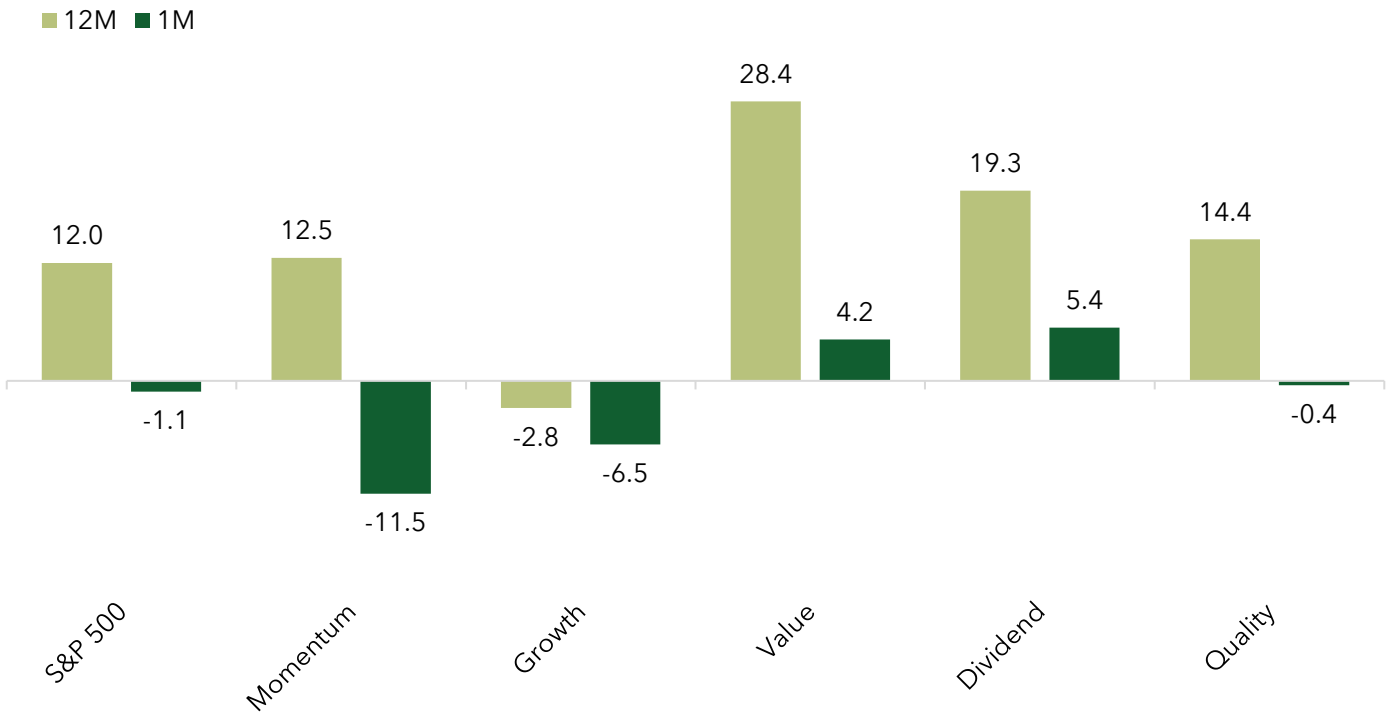


Rotation from Growth to Value

- **Technology** (-9.3% 1M) and **Communications** (-9.1% 1M) lagged amid concerns over AI spending and elevated valuations.
- **Staples** (+11%), **Healthcare** (+11%) and **Utilities** (+9.5%) outperformed during the month as investors favoured defensive and resilient earnings.
- **Materials** (+8.7% 1M) and **Financials** (+5.7% 1M) benefited from the value rotation. **Property** (+6.1% 1M) and **Discretionary** (+6.0% 1M) gained on improved investor sentiment and lower yields.
- **Energy** (+12% 1M) was supported by higher oil prices and geopolitical tensions while **Industrials** remained broadly flat amid growth concerns.

PERFORMANCE – Equity Factors

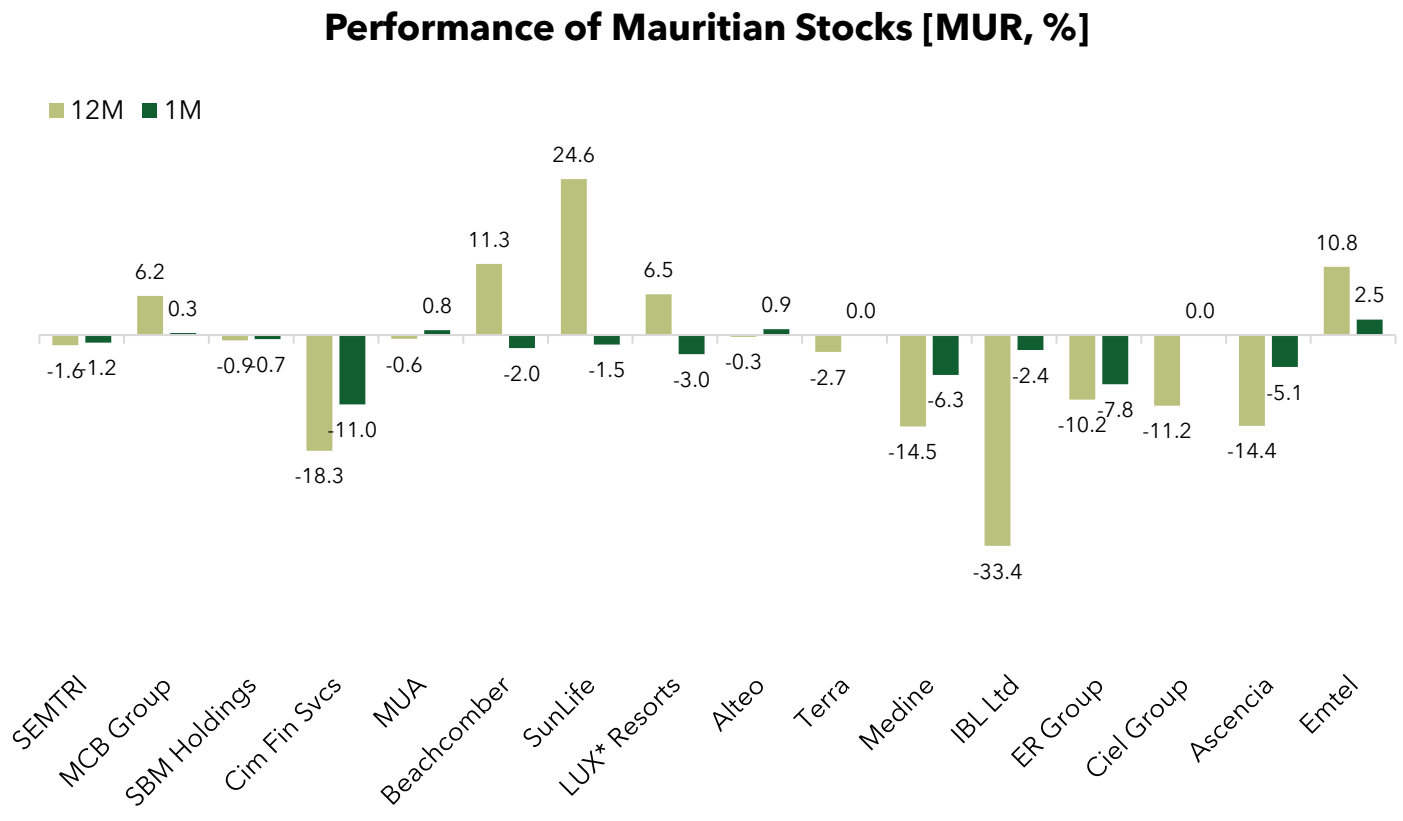
Performance of US Equity Factors [USD, %]



Dividend and Value outperform

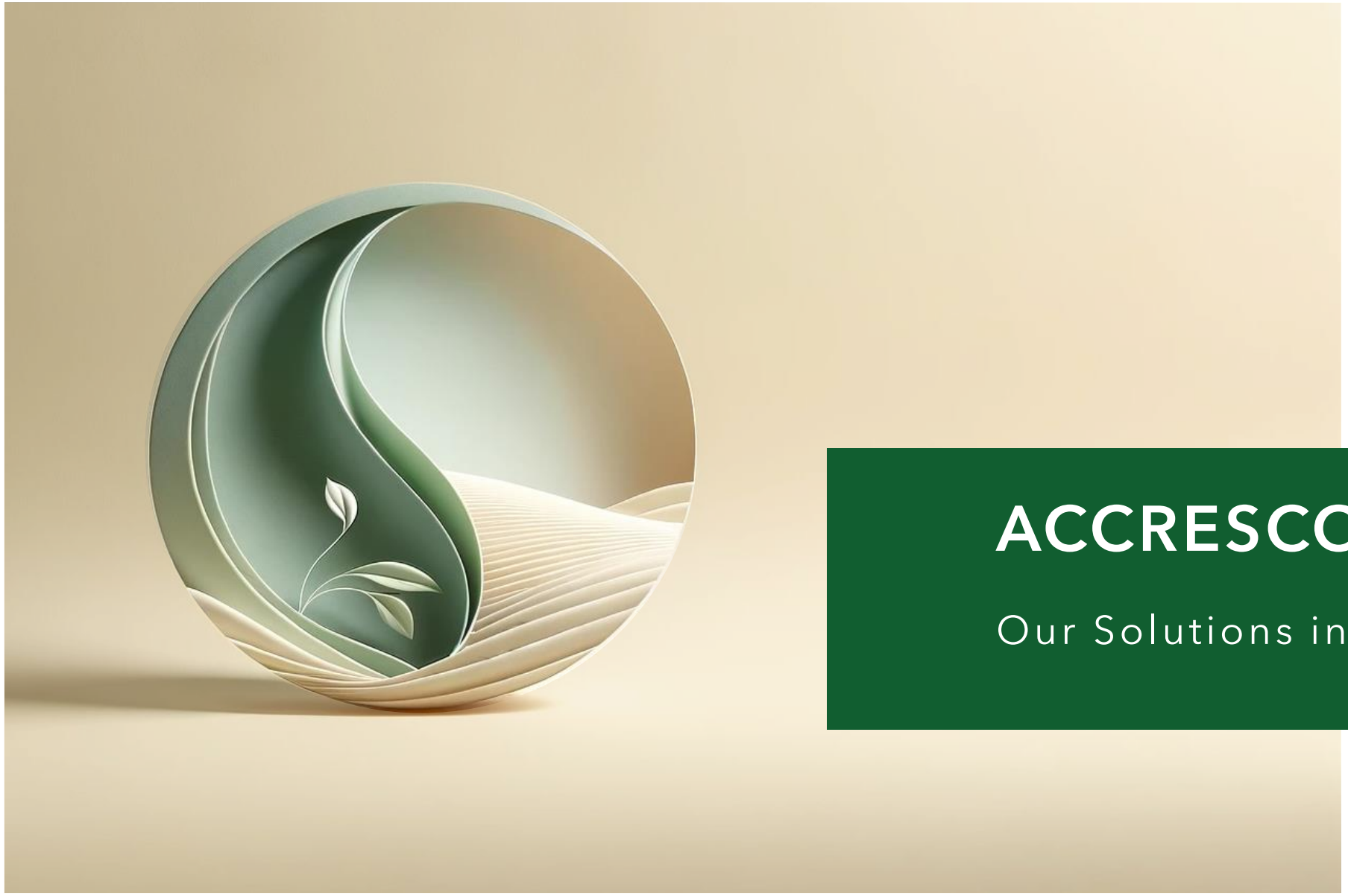
- **Momentum** (-12% 1M) and **Growth** (-6.5% 1M) came under pressure as investors moved away from high-valued technology stocks amid concerns around future earnings growth.
- **Value** (+4.2% 1M) was supported by a pronounced rotation away from expensive growth stocks towards relatively undervalued companies.
- **Dividend** (+5.4% 1M) outperformed reflecting preference for stable companies with predictable earnings and stable cash flows.
- **Quality** proved relatively resilient, declining only marginally during the month.

PERFORMANCE – Mauritian Stocks



Emtel emerged as the top-performing stock over the month

- **MCB Group** edged up +0.3% over the month, advancing +6.2% over the 12 months, while SBM Holdings lagged, declining -0.7% (1M) and -0.9% (12M), respectively.
- **Emtel** proved resilient, gaining +2.5% in October and delivering a solid +11% return over the past 12 months.
- **Hotel stocks** closed lower in October, with Beachcomber (-2.0%), Sunlife (-1.5%) and LUX* Resorts (-3.0%) all posting losses. Nevertheless, all three maintained positive returns over the past 12 months.

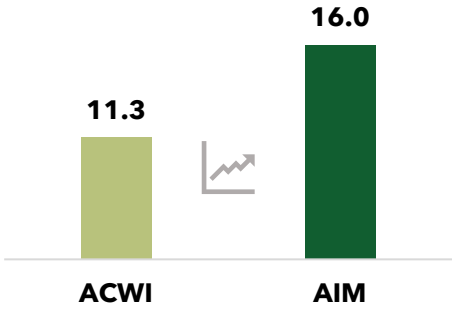


ACCRESCO

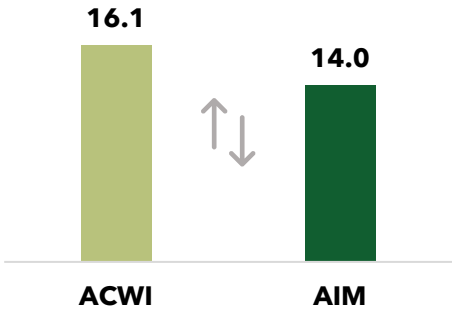
Our Solutions in Context

RETURN / RISK – Our Strategy vs Market

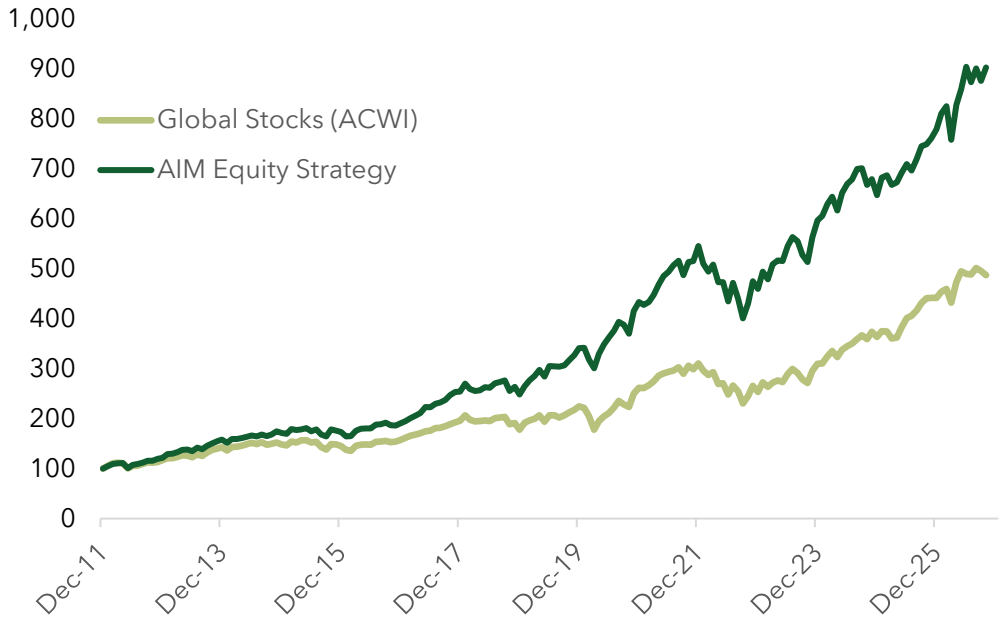
Annualized Return [%]



Annualized Risk [%]

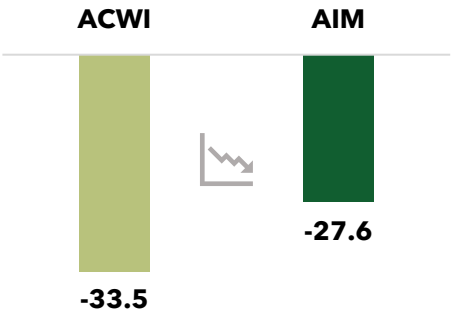


AIM Equity Strategy vs Global Stocks (ACWI)



- **Accresco**'s disciplined equity strategy has delivered **higher returns** with **lower volatility** than global equities over time.

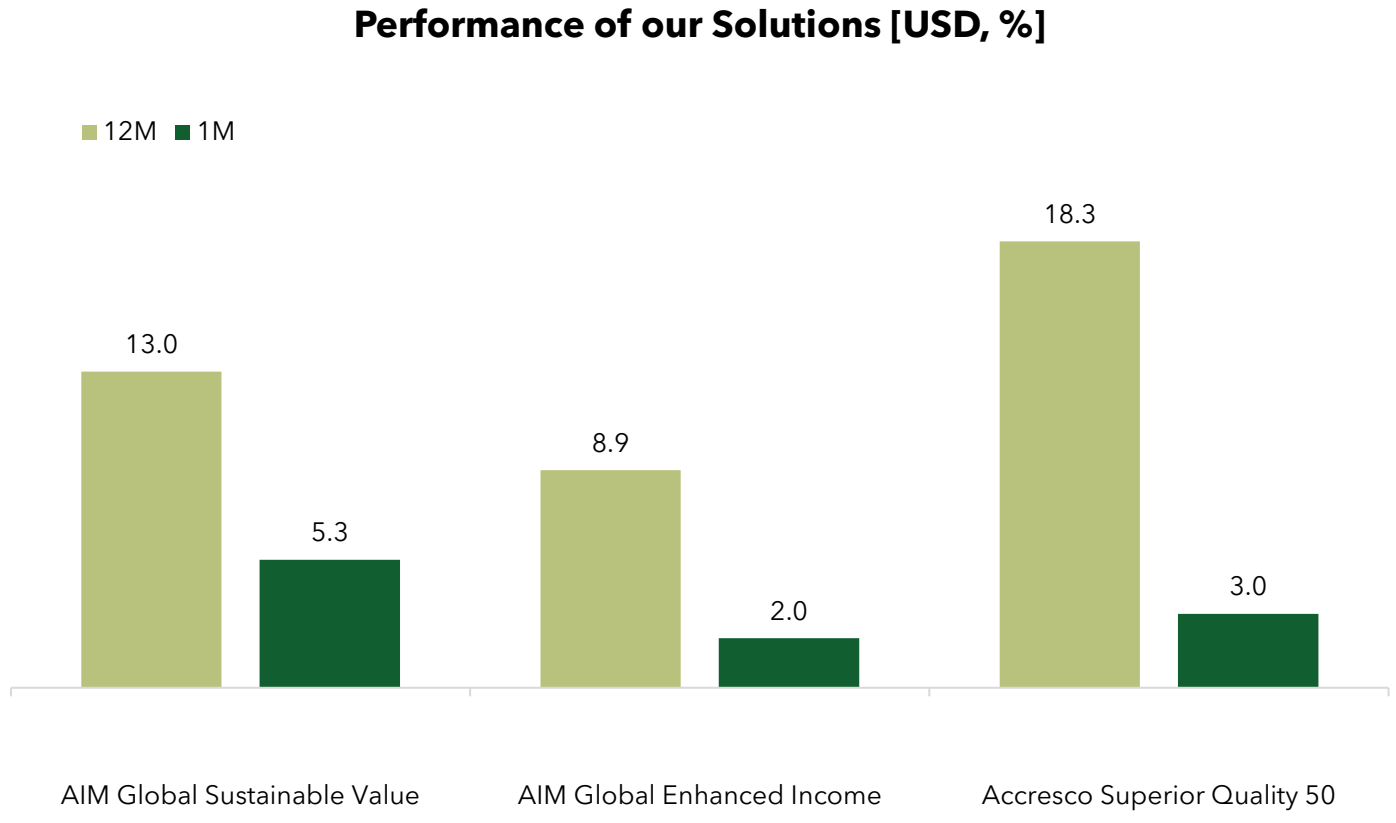
Max. Drawdown [%]



Beta [β]



PERFORMANCE – Our Solutions



Strong performance across all strategies

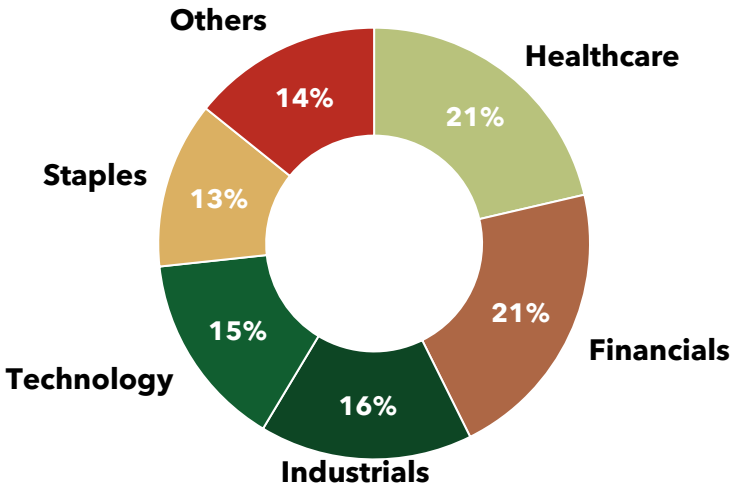
- The **AIM Global Sustainable Value** Cell, an equity fund focused on a concentrated portfolio of undervalued, high-quality, responsibly managed businesses, is up +5.3% in October +13% over the 12 months.
- The **AIM Global Enhanced Income** Cell, a balanced fund with focus on dividend strategies and investment grade bonds, rose +2.0% during the month and is up +8.9% for the year.
- The **Accresco Superior Quality 50** Portfolio, our core equity strategy, also gained +3.0% in October, while delivering a +18% return over the past 12 months.

AIM Global Sustainable Value – Snapshot

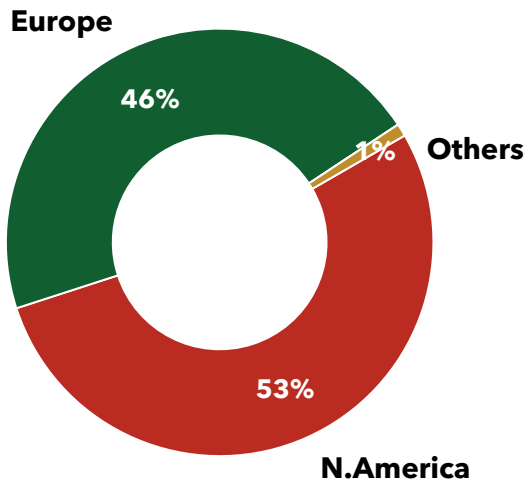
Top 5 Holdings

PayPal | AstraZeneca | Roche | ZURICH | RELX

by Sector



by Geography

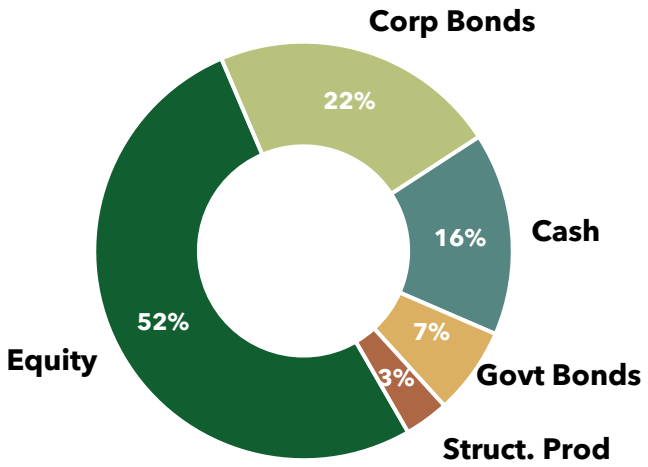


AIM Global Enhanced Income – Snapshot

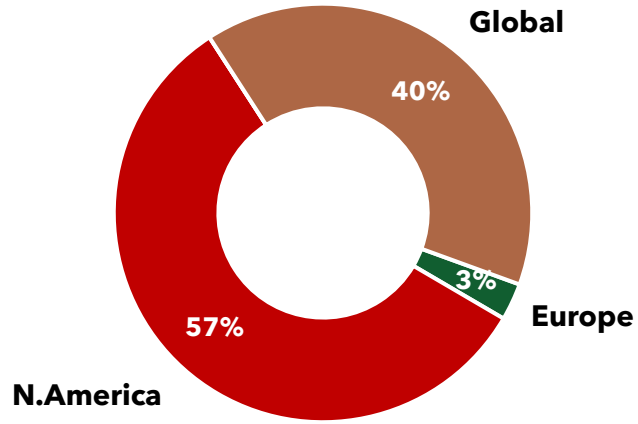
Top 5 Holdings

MERCK | NOVARTIS | P&G | Lilly |

by Sector



by Geography

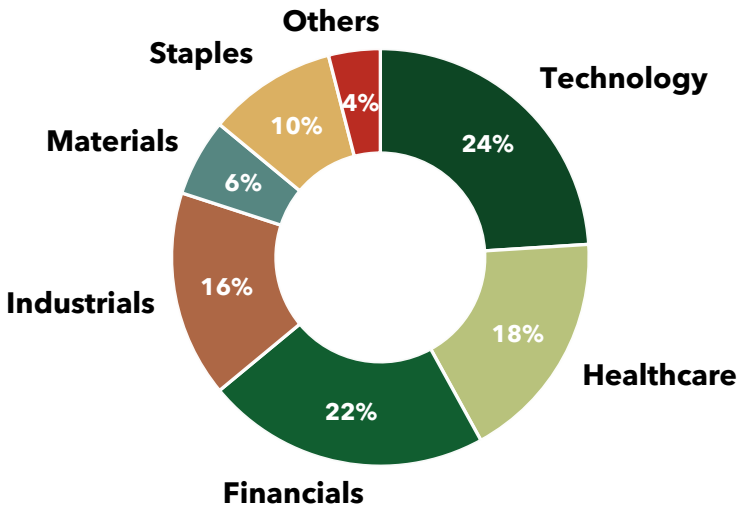


Accresco Superior Quality 50 – Snapshot

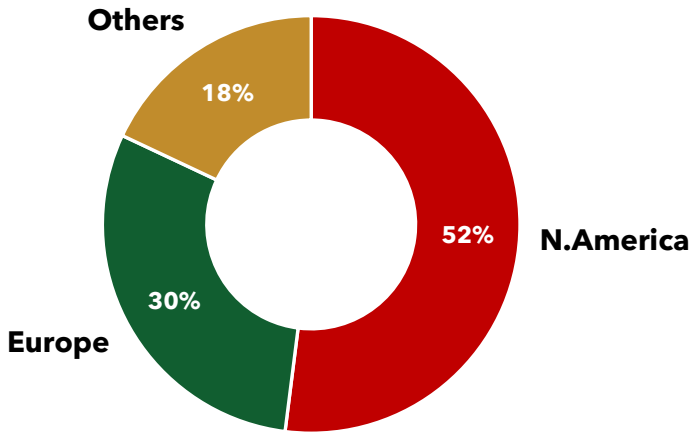
Top 5 Holdings

NVIDIA | Microsoft | Lilly | VISA | ASML

by Sector



by Geography





FEATURE INSIGHT

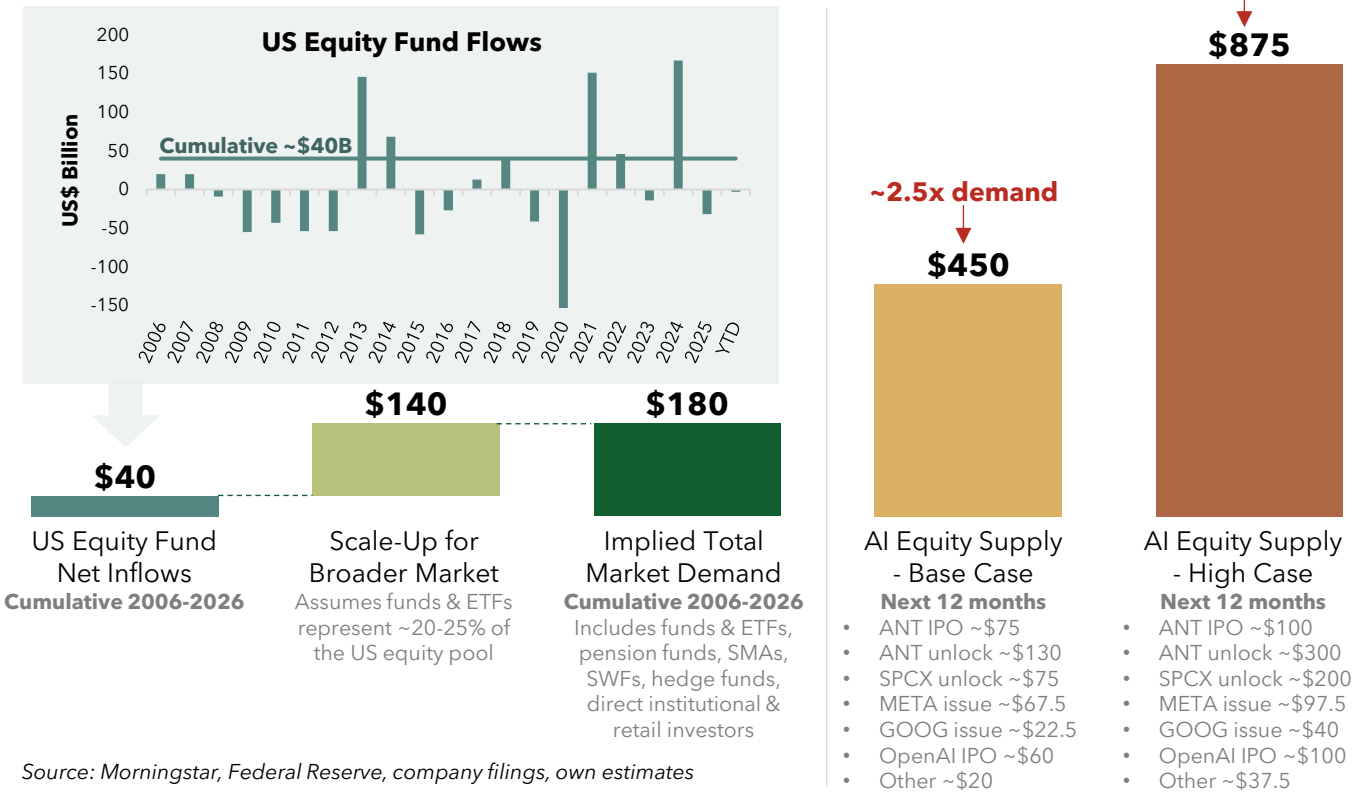
AI Stocks
– Too Much of a Good Thing?

ACCRESCO

AI Stocks – Too Much of a Good Thing?

AI Equity Supply vs Historical Incremental Demand ($B)

20 years of US-equity fund flows compared with
estimated AI-related equity supply over the next 12 months



Source: Morningstar, Federal Reserve, company filings, own estimates

Fresh money may not be enough to absorb coming AI equity supply

- **Twenty years of total equity demand:** US equity fund flows since 2006 imply ~$180B of incremental market demand across the broader investor universe.
- **One year of AI equity supply:** We estimate ~$450B in our base case and ~$875B in our high case could come to market over the next 12 months – roughly 2.5–5x the incremental demand of the previous 20 years.
- **Something has to give:** Either investors sell existing holdings to fund the new supply – pressuring market levels and valuations – or supply is curtailed through smaller offerings, delayed IPOs or lower post-lock-up sales.



THE AIM AHEAD

Outlook – Global & Mauritius



OUTLOOK – Global

−	**Equity**	Valuations of Momentum and Growth stocks leave no room for earnings disappointments. Value and Quality stocks positioned to deliver superior risk adjusted returns.
+	**Fixed Income**	Yields are likely to remain elevated as inflation proves persistent, providing an attractive income backdrop.
−	**Commodities**	Geopolitical tensions should keep energy prices volatile, with supply disruptions posing upside risks. Higher real yields could weigh on precious metals.
−	**USD v/s Currencies**	The USD is expected to consolidate around current levels following its recent appreciation, supported by elevated US yields.



OUTLOOK – Mauritius

+	**Equity**	Tourism has proven to be more resilient than expected, which coupled with rising commodity prices is likely to result in improved H2-2026 profits.
+	**Fixed Income**	The energy price shock has started impacting global economies. Developed countries have resumed raising interest rates. Mauritius will likely have to follow suit.
+	**Commodities (Agriculture)**	Having stabilized in recent months, Sugar prices are rising again amid weather related supply-side shocks.
–	**Rupee**	Punctual Central Banks interventions have kept the MUR rather range bound in recent months; as Reserves continue to hover at ~14 months worth of imports.



APPENDIX

INVESTING THROUGH ACCRESCO



Get your personalized investment proposal in **four simple steps**

- Discover how our **Sustainable Value** framework is grounded in decades of investment experience which can guard and grow your legacy over generations

1. Express interest by emailing us
2. Complete our investment questionnaire
3. Receive your tailored proposal
4. We fine-tune together with you

GLOSSARY

The glossary below highlights the ETFs/ Indices used as reference for the performance of each asset class, region, sector and factor.

Term	ETF/ Index
Stocks	iShares ACWI ETF
Bonds	iShares Global Bond ETF
Cash	SPDR 1-3 Month T-Bill ETF
Property	iShares Global REIT
Private Equity	Invesco Global Private Equity ETF
Commodities	Invesco DB Commodity ETF
Gold	SPDR Gold Trust ETF
Bitcoin	iShares Bitcoin ETF
Global	iShares ACWI ETF
Developed Mkts.	iShares MSCI World ETF
USA	SPDR S&P 500 ETF
Eurozone	iShares Eurozone ETF
UK	iShares UK ETF
Switzerland	iShares MSCI Switzerland ETF
Japan	iShares Japan ETF
Emerging Mkts.	iShares MSCI EM ETF
China	iShares MSCI China ETF
India	iShares MSCI India ETF

Term	ETF/ Index
Mauritius	SEMTRI
S&P 500	SPDR S&P 500 ETF
Discretionary	SPDR Consumer Discretionary ETF
Staples	SPDR Consumer Staples ETF
Energy	SPDR Energy ETF
Financials	SPDR Financial ETF
Health Care	SPDR Health Care ETF
Industrials	SPDR Industrial ETF
Materials	SPDR Materials ETF
Real Estate	SPDR Real Estate ETF
Technology	SPDR Tech Sector ETF
Communications	SPDR Communication Services ETF
Utilities	SPDR Utilities ETF
Momentum	iShares USA Momentum ETF
Growth	iShares Russell 1000 Growth
Value	iShares Russell 1000 Value ETF
Dividend	Vanguard High Div ETF
Quality	iShares USA Quality ETF

ACCRESCO

IMPORTANT NOTICES

Disclaimer

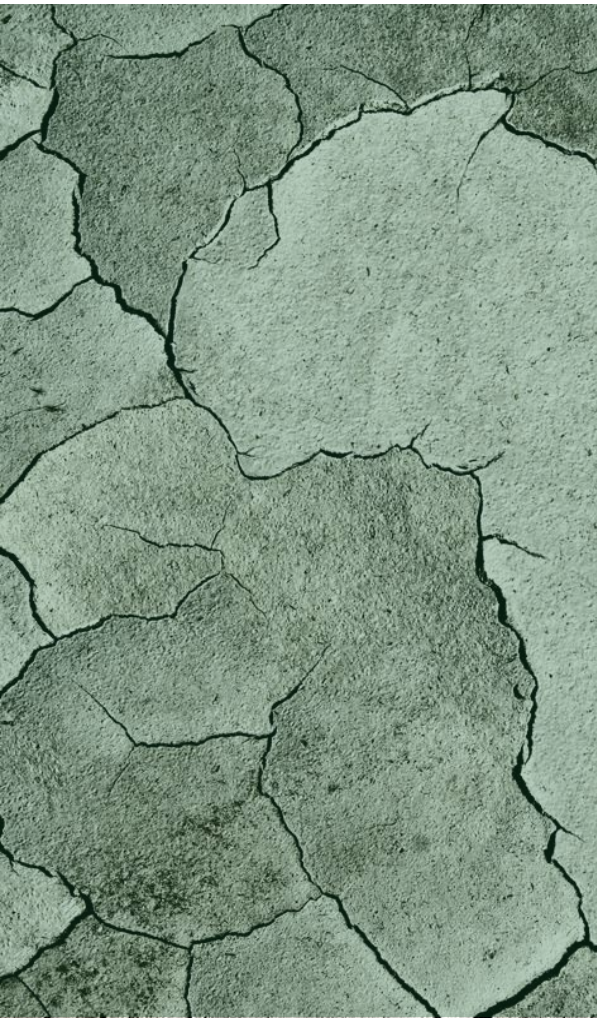
Investors should carefully consider their investment objectives, risk factors as well as charges and expenses before investing. The information contained within the document is provided for informational and illustrative purposes only and does not purport to show actual results. The information in this document is based on both publicly available data as well as on such information as may have been made available to Accresco Investment Management Ltd ("Accresco"). Accresco assumes no warranty for unintentional errors or the absence of completeness of the information provided herein. Neither Accresco nor its officers, employees, or other agents acting on behalf of Accresco assume any liability for the assertions made in this document. The performance represented in this presentation is historical; past performance is not a reliable indicator of future results and investors may not recover the full amount invested. All investments entail risks. There is no guarantee that investment strategies will achieve the desired results under all market conditions, and each investor should evaluate their ability to invest for the long term, especially during periods of a market downturn.

Non Solicitation

This document is provided for informational purposes only and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation for any securities or investment products. Any such offer or solicitation will be made only by means of a prospectus or offering memorandum, and in accordance with applicable securities laws and regulations. The information contained herein is not intended to provide, and should not be relied upon for, accounting, legal, or tax advice, or investment recommendations. Potential investors are advised to consult with their own financial, legal, and tax advisors before making any investment decisions

Conflict of Interest

Accresco maintains a rigorous policy for identifying and managing potential conflicts of interest, ensuring unbiased and objective advisory services. Full disclosure will be provided in the event of any potential conflicts.



Contact Us

Level 5, Alexander House,
35 Cybercity, Ébène, Mauritius

+230 402 6880

info@accresco.mu

accresco.mu

Accresco Investment Mgmt

