



MT FORT

ADVISERS



Investment Strategy Update

June 2026

With the contribution of Prof. Michel Girardin

Multi-Family Office

Geneva & Singapore



MT FORT

ADVISERS

I. H1 2026 Review

Risk-off to Risk-on shift



The first half of 2026 was marked by a sharp reversal in market leadership. After a volatile start to the year with -7.72%, the **S&P 500 rebounded strongly from April**, exiting its correction phase and moving toward new highs around **7,550 or +20%**. This was not merely a technical recovery, but a clear shift in investor psychology from fear to renewed confidence in growth assets.

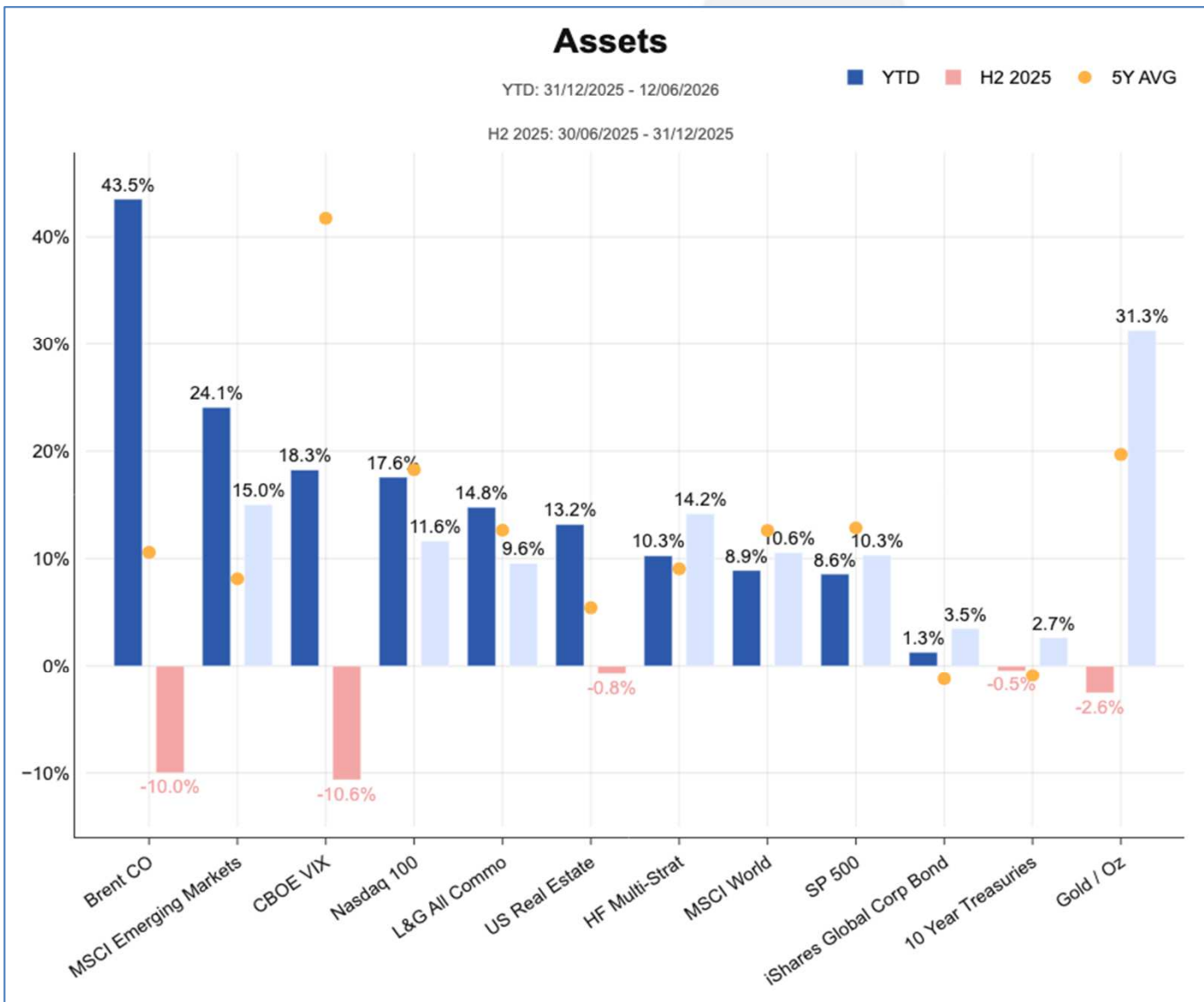
The turning point came as markets looked through **the Iran conflict**. Early-year fears of geopolitical escalation, higher oil prices and stickier inflation gave way to resilient US data and better-than-feared earnings, prompting investors to price a soft landing. A strong **AI-driven earnings** narrative, combined with defensively positioned portfolios, then forced investors to rebuild equity exposure, amplifying the rebound.

Gold moved in the opposite direction. After a strong early-year rally driven by geopolitical risk and safe-haven demand, it gradually lost momentum. The correction was reinforced by the rise in **oil prices** linked to the Iran conflict, which pushed inflation expectations and interest-rate expectations higher. As gold does not generate income, higher yields increased its opportunity cost. This encouraged profit-taking and a rotation away from defensive hedges toward risk assets.

Crucially, the rally was **exceptionally narrow**. Semiconductors — about 18% of the S&P 500 — drove close to **70% of the index's market-cap gains**, and the top 10 stocks delivered roughly **5.1pts of its ~5.7% return**, with the equal-weight index lagging badly. Leadership was uneven even within the **Magnificent 7** — Nvidia and Alphabet led while Meta and Apple lagged — and AI split the market into winners and losers, lifting chip and infrastructure names while parts of software de-rated.

The key message is clear: **H1 2026 marked a transition from hedging geopolitical and inflation risk to participating in growth again**. For H2, the sustainability of the rally will depend on whether earnings can continue to justify already elevated equity valuations.

Impact on Asset Classes



- **Commodities dominated — Brent +43.5%.** The H1 oil shock from the Strait of Hormuz disruption drove the broad commodity complex (L&G All Commodities +14.8%) and reset the inflation and rate outlook for every other asset.
- **Risk assets stayed strong — Nasdaq +17.6%, EM +24.1%.** The AI-semiconductor complex reasserted leadership after a weak first quarter, while EM equities rode the same chip theme; US Real Estate (+13.2%) held up despite higher yields, supported by data-centre and logistics demand tied to AI infrastructure.
- **Safe havens lost their bid — Gold -2.6%, Treasuries -0.5%.** The oil-led inflation scare lifted real yields and the dollar and priced out Fed cuts, pushing bonds negative and reversing gold after its January record near \$5,600.
- **Volatility and hedge funds rose — VIX +18.3%, HF multi-strat +10.3%.** Elevated volatility and wide asset dispersion rewarded diversified relative-value and macro books through the turbulence.

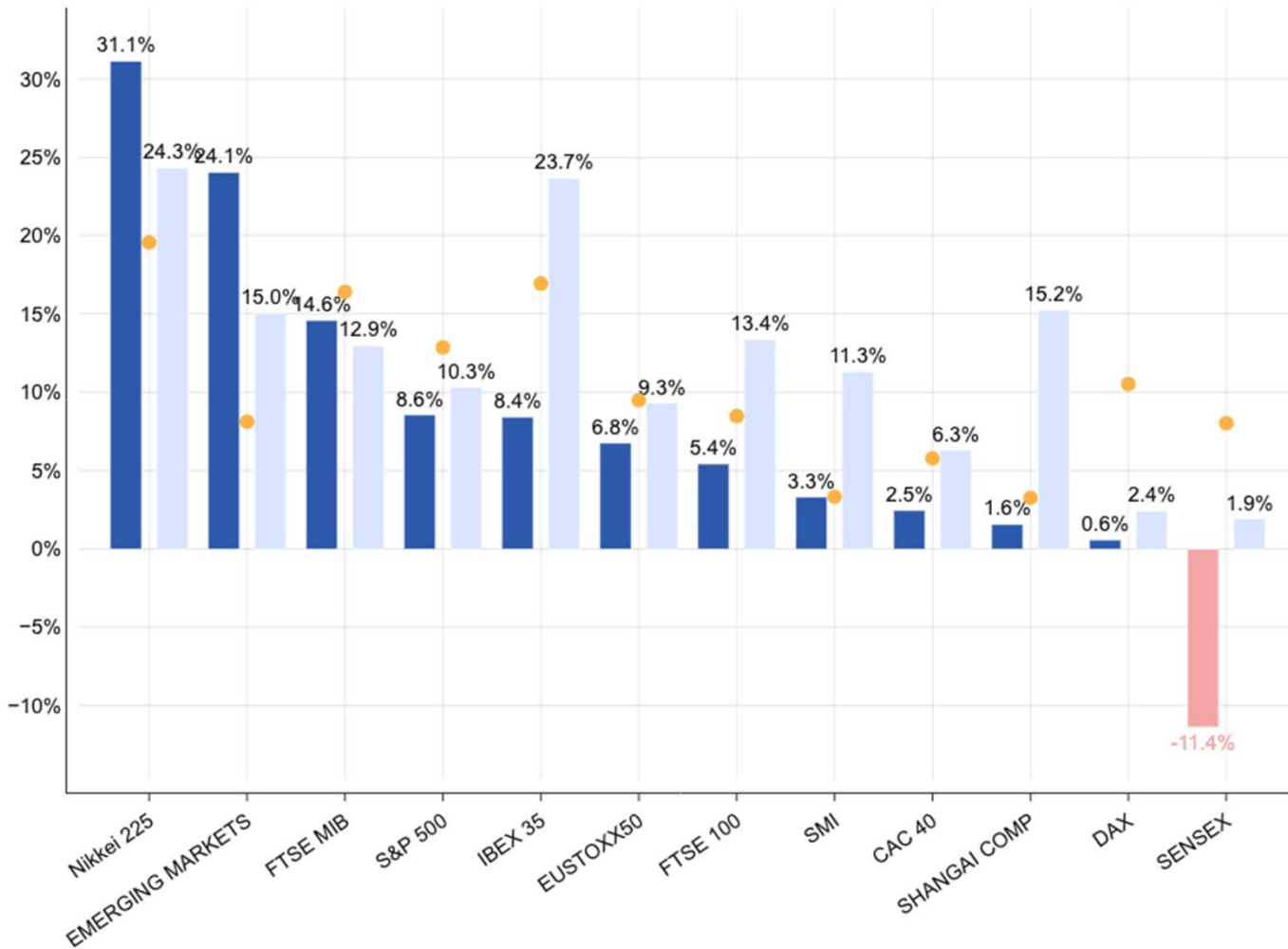


Country Indices

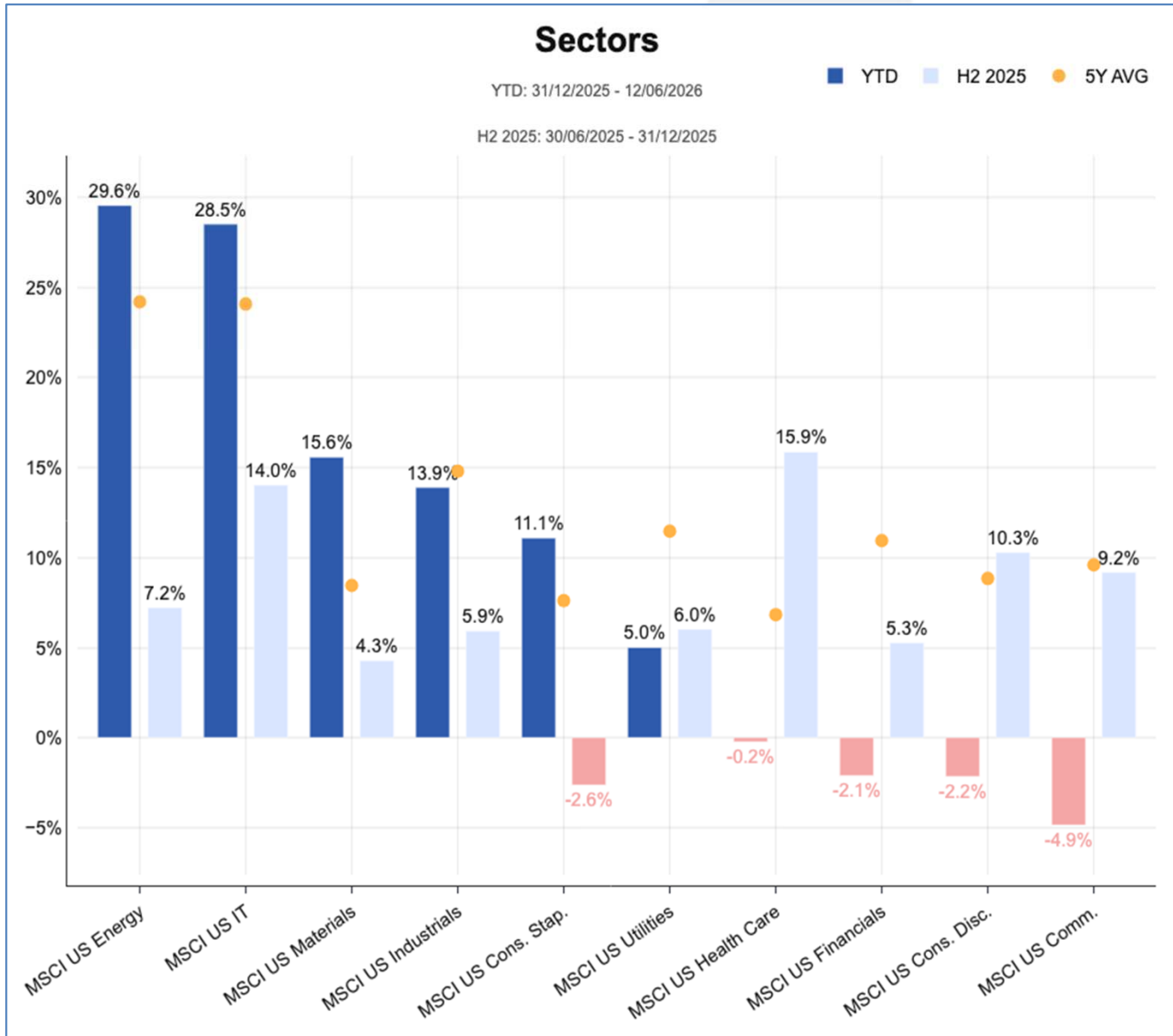
YTD: 31/12/2025 - 12/06/2026

■ YTD ■ H2 2025 ● 5Y AVG

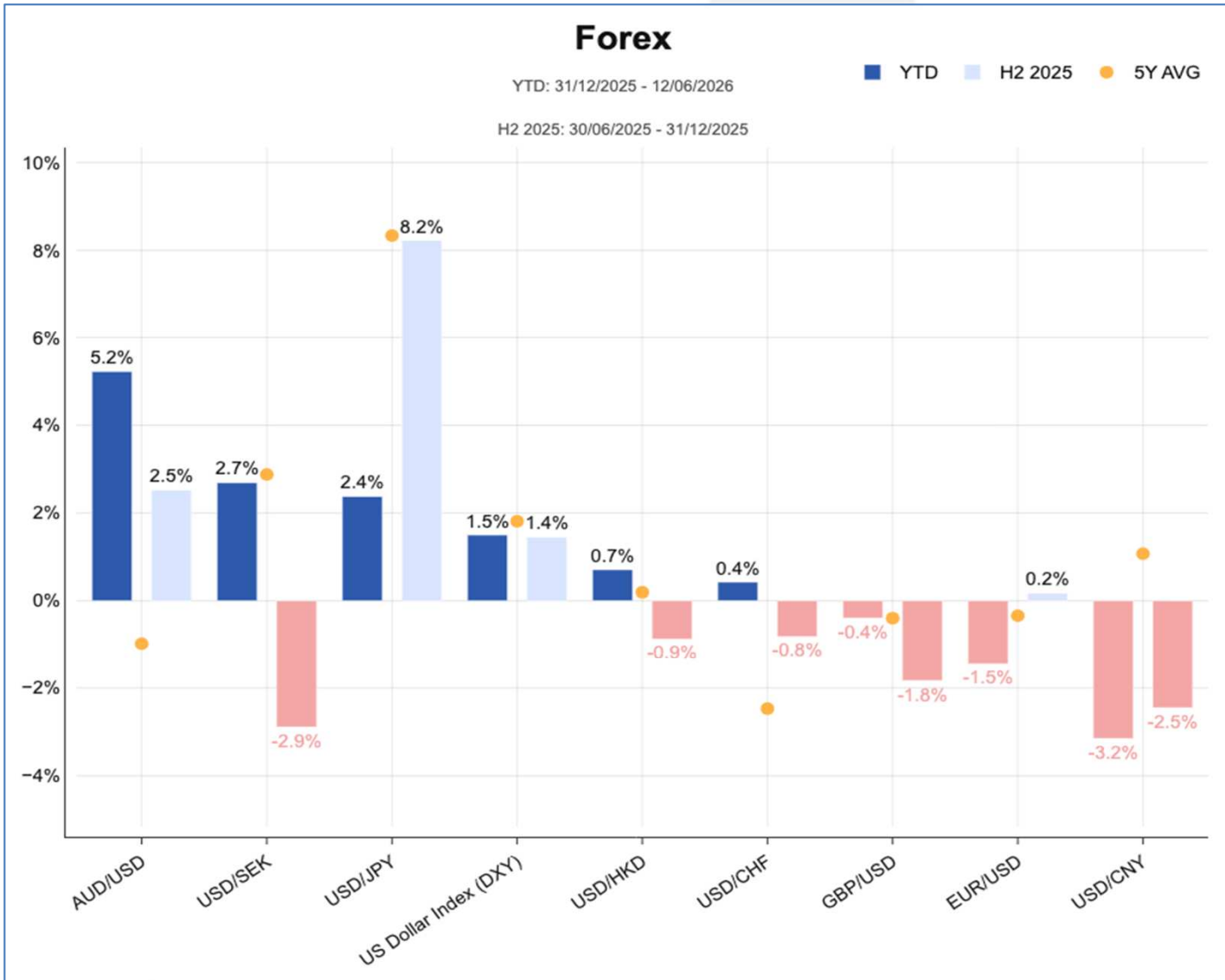
H2 2025: 30/06/2025 - 31/12/2025



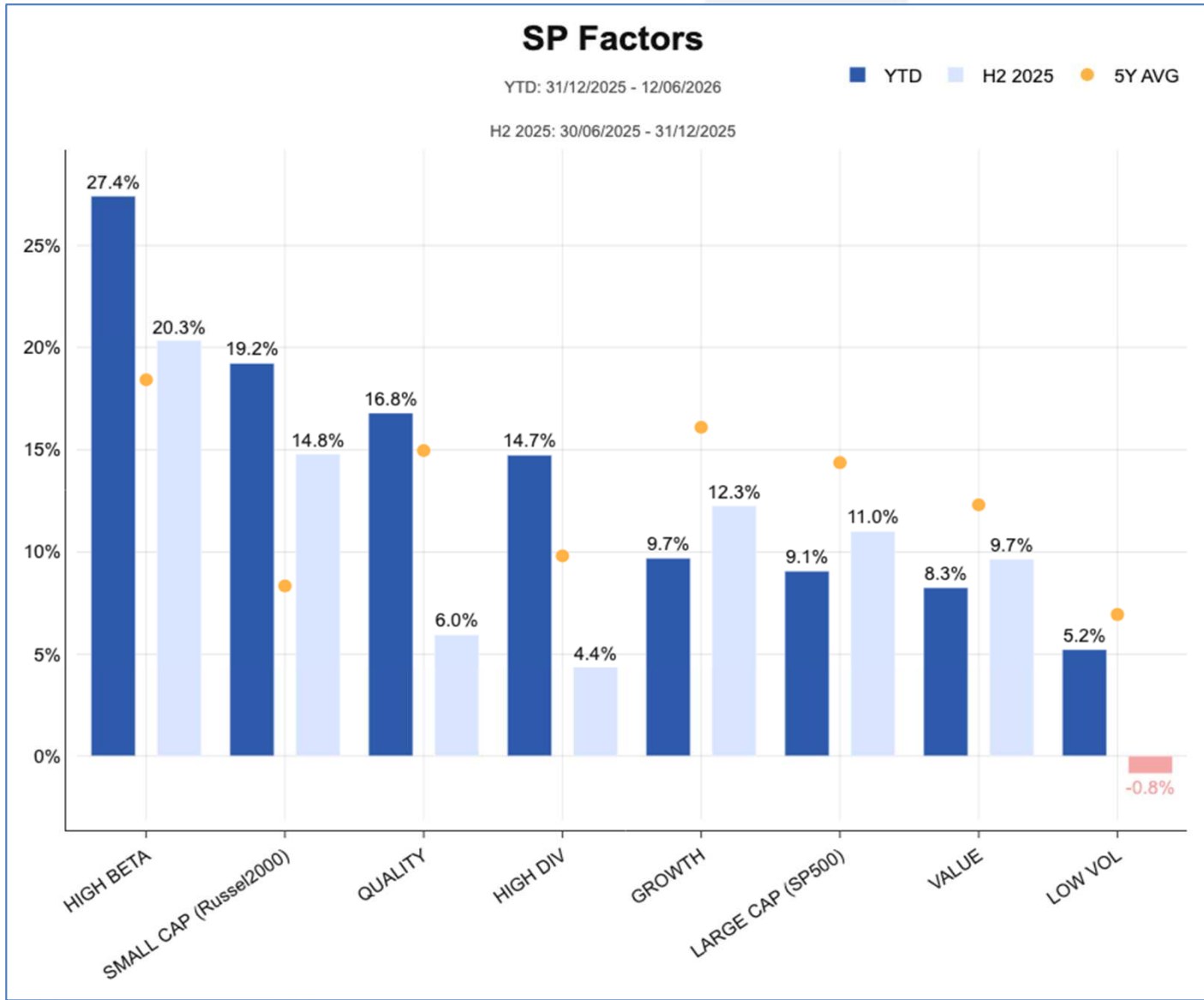
- **Japan led developed markets (Nikkei +31.1%).** Powered by the global AI-capex boom, exceptional Asian semiconductor earnings and a persistently weak yen lifting exporters.
- **EM's +24.1% advance was narrow, not broad.** The gain was concentrated in a handful of AI-chip names — TSMC in Taiwan, Samsung and SK Hynix in Korea — alongside a softer dollar, rather than a broad regional rally.
- **The US and core Europe sat mid-pack (+5-9%).** The S&P 500 (+8.6%) rebounded from a weak first quarter on the US-Iran de-escalation; Southern Europe (FTSE MIB +14.6%, IBEX +8.4%) outperformed, while the DAX and CAC 40 lagged on weak autos, softening luxury and China sensitivity.
- **India and China were the clear laggards.** The SENSEX (-11.4%) was the worst major market — an oil importer hit by the crude spike and heavy foreign outflows — while Chinese equities (Shanghai +1.6%) barely advanced as stimulus hopes met soft domestic demand.



- **Energy led all sectors (+29.6%).** The Strait of Hormuz disruption drove crude higher, boosting producer earnings, margins and dividends across the large integrated oil majors.
- **Technology was the other engine (+28.5%).** After a first-quarter stumble, Nvidia and the broader semiconductor complex rebounded powerfully on exceptional earnings and relentless AI-infrastructure spending — the same concentration driving the index.
- **Cyclicals and defensives diverged.** Materials (+15.6%) and Industrials (+13.9%) gained on firm commodities and infrastructure and defence spending; Consumer Staples (+11.1%) drew defensive flows, while Health Care (-0.2%) lagged on drug-pricing and policy uncertainty.
- **The only decliners were rate- and consumer-sensitive.** Communication Services (-4.9%), Consumer Discretionary (-2.2%, including luxury) and Financials (-2.1%) fell on cooling mega-cap-platform sentiment, cautious consumers and the oil-driven inflation scare.



- **The dollar firmed only modestly — DXY +1.5%.** It started soft on rate-cut hopes, then reversed after the February Middle East shock as the oil-led inflation surge priced out Fed cuts and lifted real yields, before easing on the May de-escalation.
- **AUD was the standout gainer (AUD/USD +5.2%).** The oil and broad commodity rally lifted the high-beta Australian dollar, more than offsetting the early-year risk-off.
- **USD rose against funding and high-beta currencies — JPY +2.4%, SEK +2.7%.** Elevated US real yields weighed on the low-yielding yen and the Nordic krona; the franc (USD/CHF +0.4%), euro (EUR/USD +0.2%) and sterling (GBP/USD -0.4%) were broadly flat.
- **The renminbi was the dollar's biggest loss (USD/CNY -3.2%).** A firmer renminbi reflected steady PBoC support, targeted fiscal stimulus and gradually improving investor sentiment toward Chinese equities and the economy.



- **High Beta led every factor (+27.4%).** The spring rebound after the US-Iran de-escalation rewarded risk-taking, amplified by short-covering and returning retail flows into the most volatile, economically-sensitive names — the same concentration dynamic seen at index level.
- **Small Caps recovered strongly (+19.2%).** More than simple rotation: a genuine broadening of leadership away from the mega-caps, a rebound in domestic rate-sensitive names, and hopes that eventual Fed easing would disproportionately help smaller firms carrying floating-rate debt.
- **Quality and High Dividend proved resilient (+16.8% / +14.7%).** Cash-generative, defensive profiles offered downside protection through the first-quarter geopolitical and inflation turmoil.
- **Low Volatility lagged (+5.2%); Growth edged Value (+9.7% vs +8.3%).** Low-beta defensives were left behind in the risk-on rebound as yields rose, while the long-running growth-versus-value debate stayed unresolved.



- ✓ US growth remains steady, but the recovery is K-shaped : AI Investment to drive both economic growth and stock market returns, at the expense of consumption and other non-AI driven sectors.
Correct
 - No recession materialized despite tight monetary policies
 - Equity markets continued to reward investment over consumption.

- ✓ Trade imbalances to be now addressed by Trump’s policy geared at US firms “reshoring” and foreign companies massively investing in the US
Incorrect
 - The market climbed the wall of worry despite geopolitical shocks; Tariffs and the Iran-related oil shock delayed the easing narrative.

- ✓ Central banks to ease further, especially in Europe. Fed will err on the cautious side. Japan will tighten its policy slightly to normalize it in the face of steadying inflation pressure and yen extreme weakness
 - Correct, The BoJ raised its policy rate to 1% in June, the highest level in 31 years!

- ✓ Government bond yields need to recede to ensure debt sustainability
 - Correct, Government bond yields failed to rise materially

- ✓ The bubble in AI is more visible in the myriad of small companies which surf on the AI wave, rather than the AI leader of NVIDIA: still, the ultra-heavy weight of the Tech giants warrants some caution
 - Correct, AI remained the dominant market theme

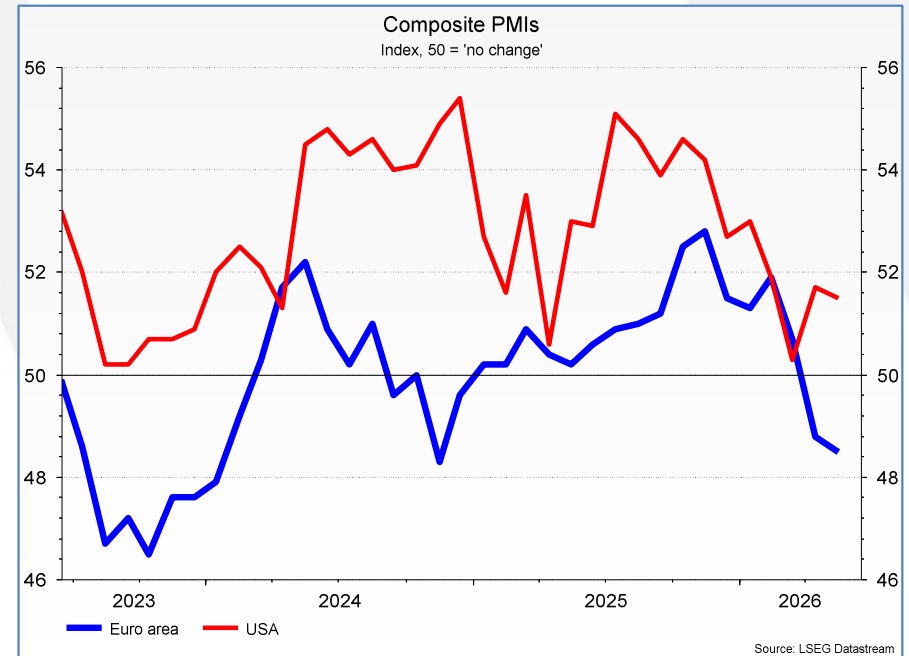
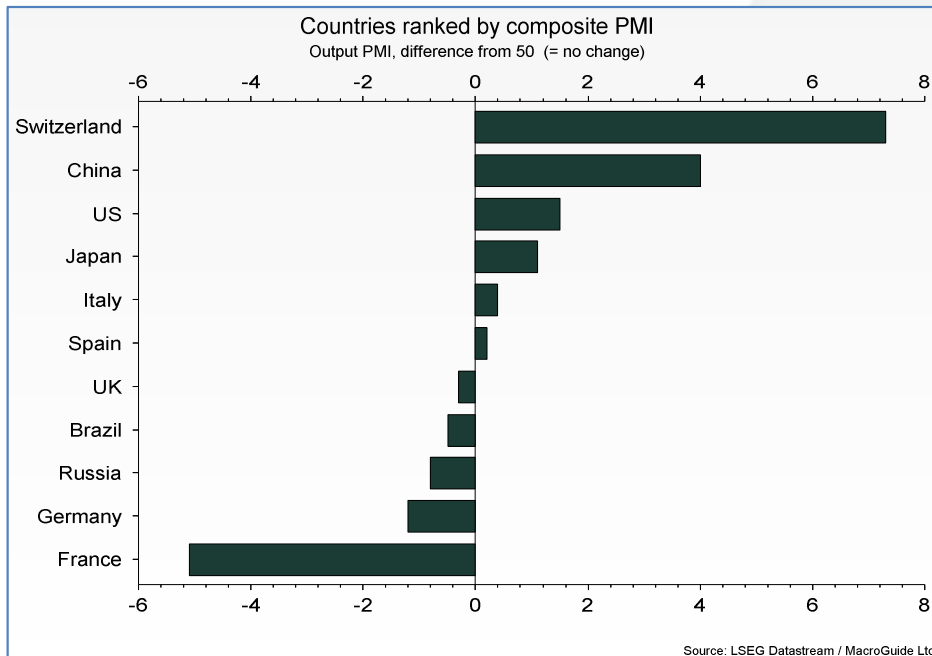
- ✓ Cautious on US equities, bullish on Europe and EM equity markets as well as gold. A balanced portfolio should be slightly underweight risky assets and overweight cash with bonds on neutral
Correct
 - European equities performed relatively well versus pessimistic expectations.
 - Emerging markets outperformed thanks to semiconductor exposure.
 - Despite giving back some of its record gains through March, gold remained a strategic winner.**Incorrect, we were too cautious on US equities**



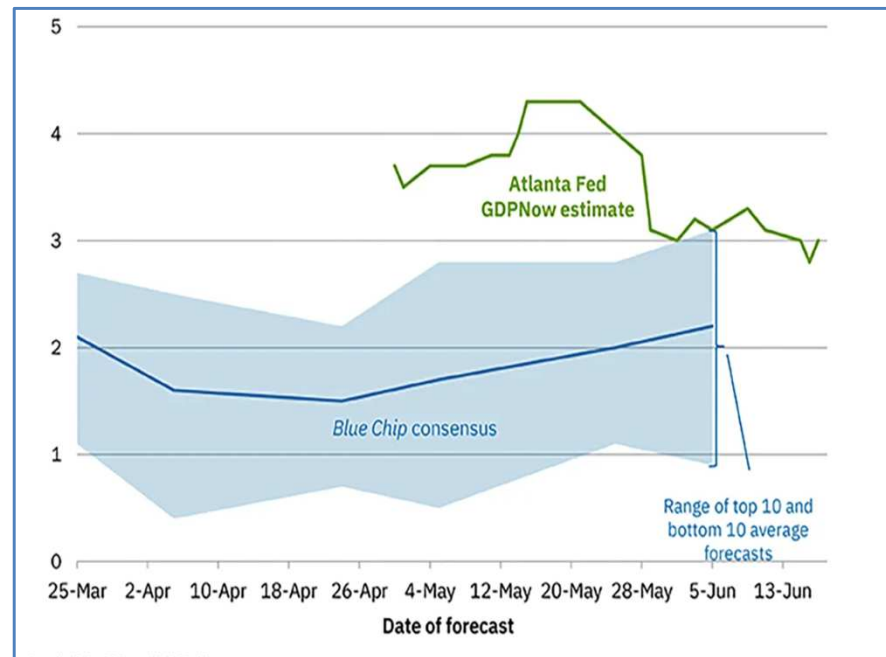
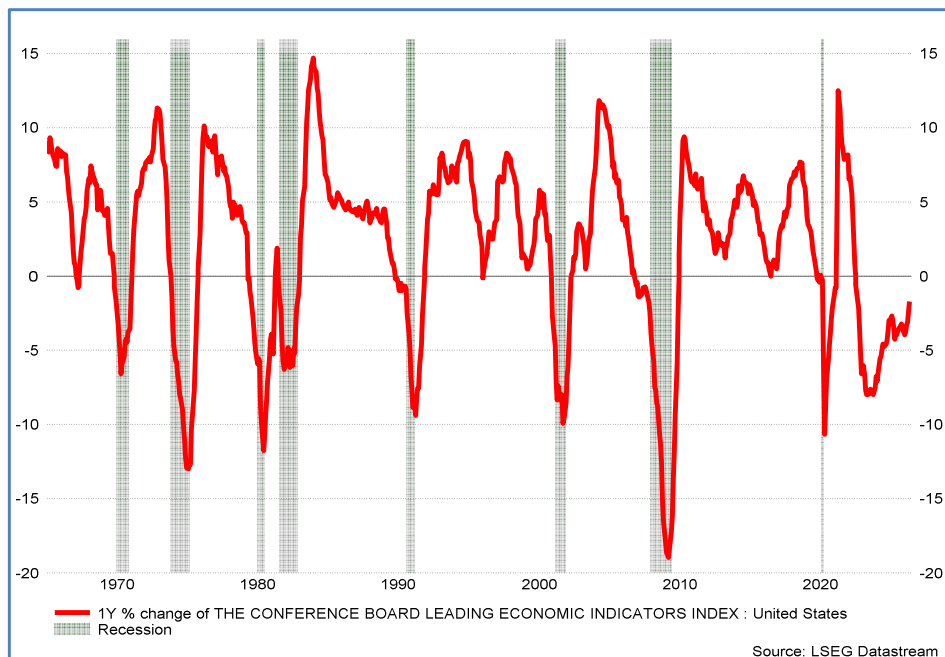
MT FORT

ADVISERS

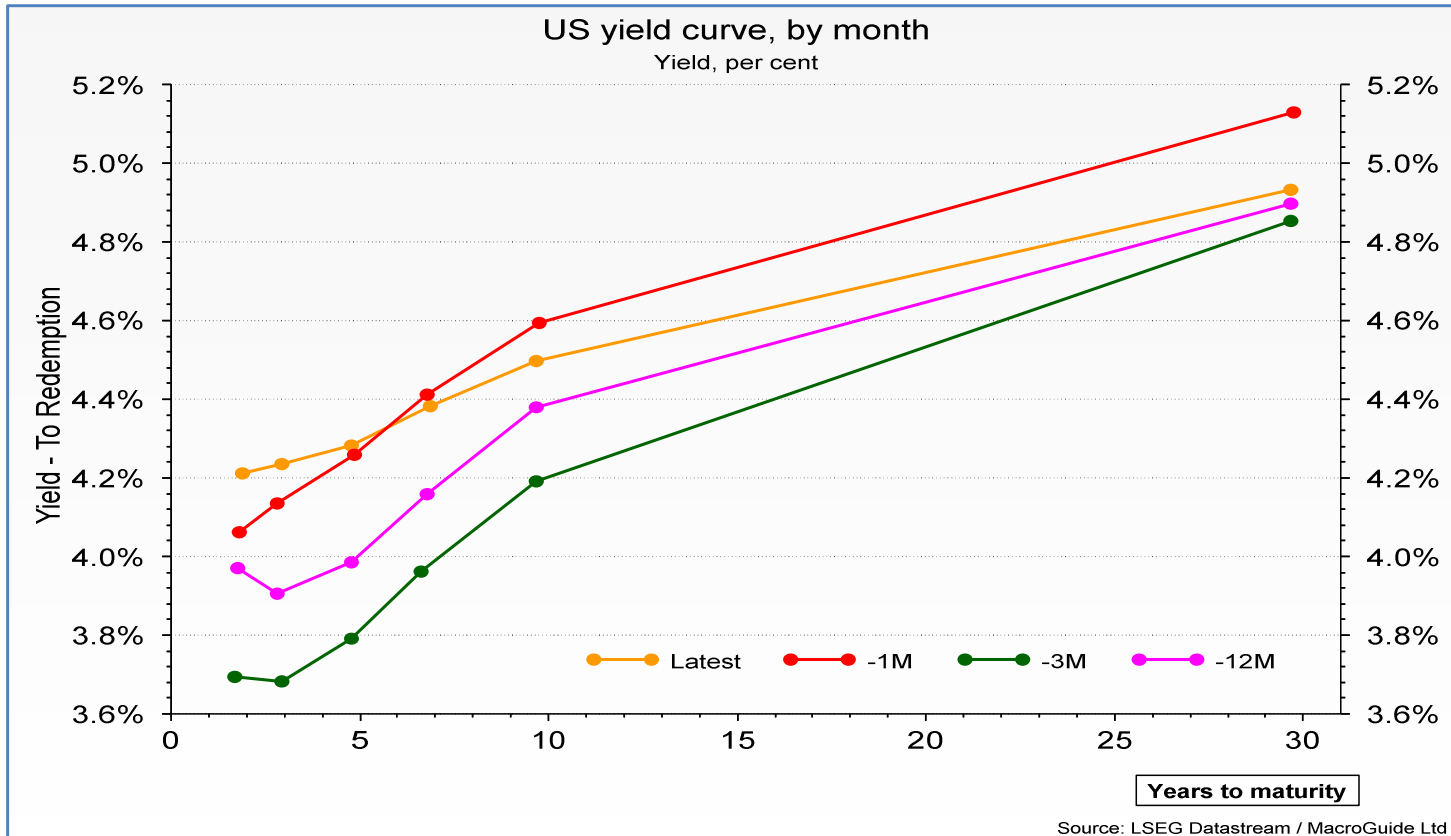
II. Macroeconomic outlook



- Global manufacturing is stabilizing as energy-related disruptions gradually fade.
- Receding oil prices should support industrial margins and business confidence.
- AI, automation and digitalization remain the main drivers of investment spending.
- Trade uncertainty remains a headwind but no longer dominates the outlook.
- Productivity gains rather than trade volumes remain the principal source of growth.
- Global growth prospects for 2027 have improved modestly as geopolitical risks recede.

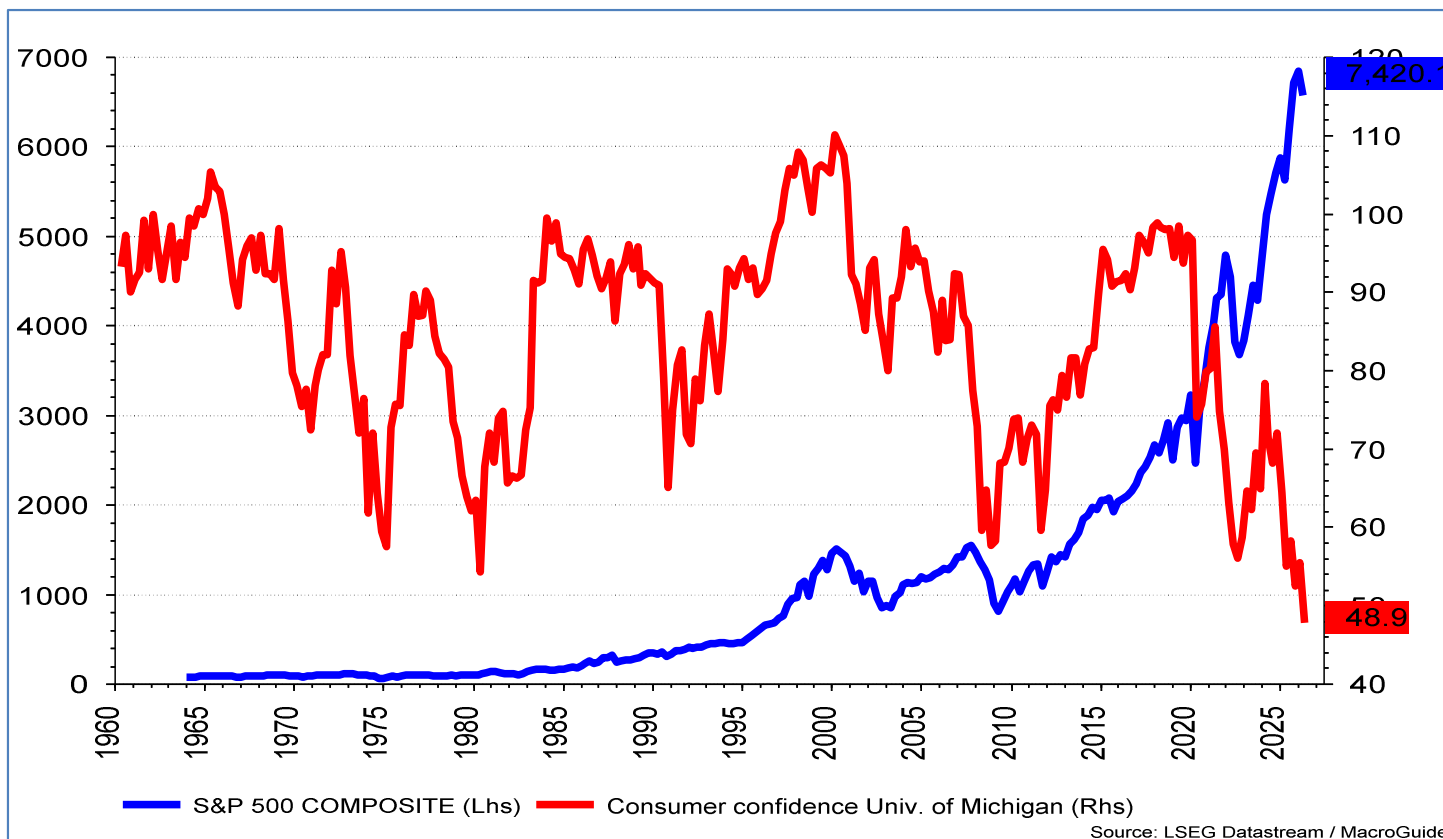


- The US economy remains resilient despite restrictive monetary conditions.
- Growth is increasingly supported by investment rather than consumption.
- AI-related spending continues to provide a significant boost to activity.
- Trade policy uncertainty and tariffs create inflationary risks.
- Markets would prefer somewhat weaker economic activity to keep inflation risks at bay.



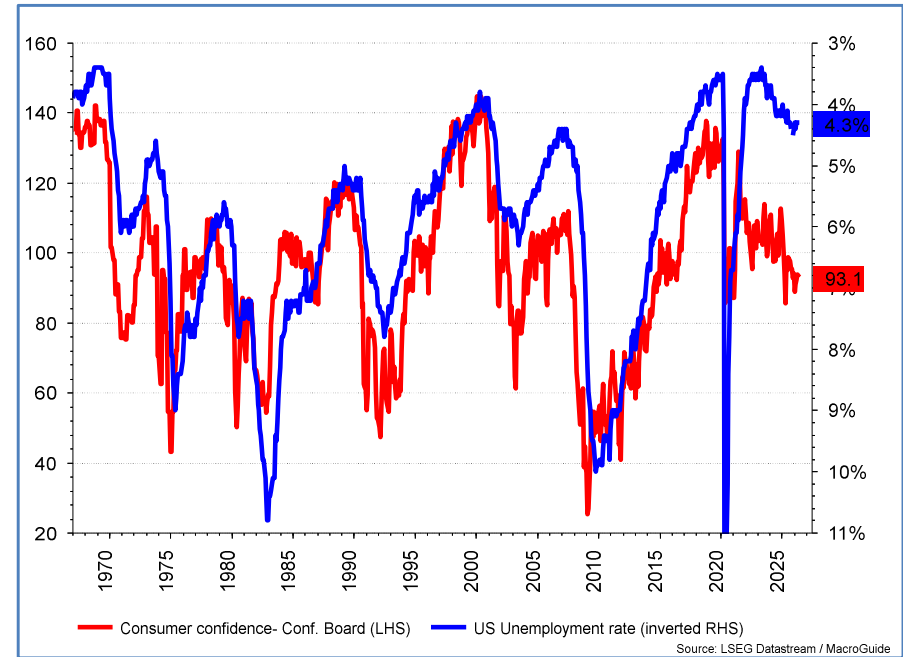
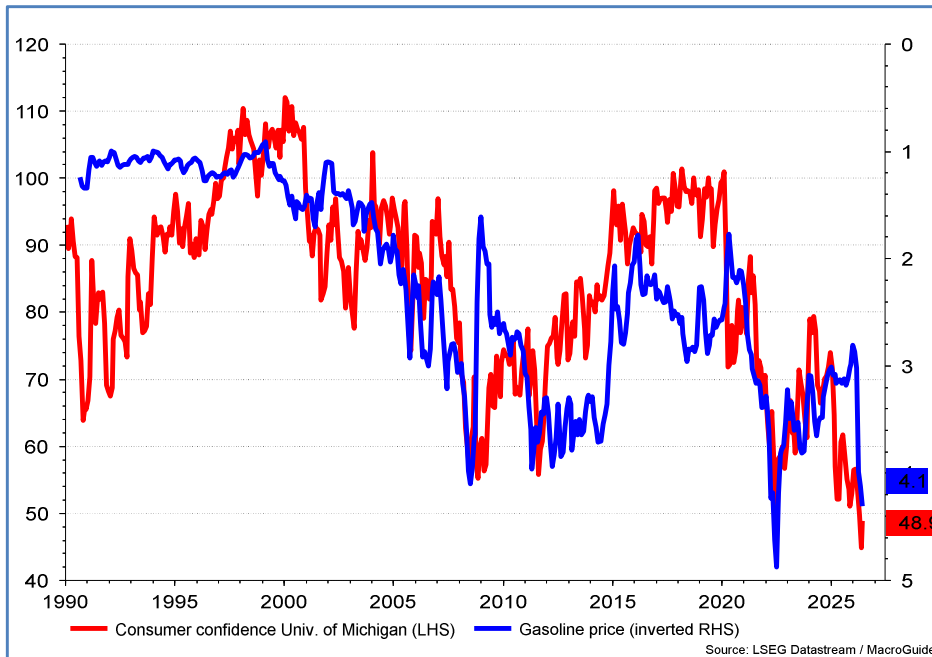
- The yield curve no longer signals an imminent recession.
- Markets are pricing stronger nominal growth prospects.
- Inflation expectations have stopped falling and constraining the long-end of the yield curve
- The case for Fed easing is contingent on lasting peace accord with Iran and associated lower cost-push inflation
- Higher long-term yields reflect both growth and fiscal concerns.

Stock markets all time high whilst consumer confidence all time low ...



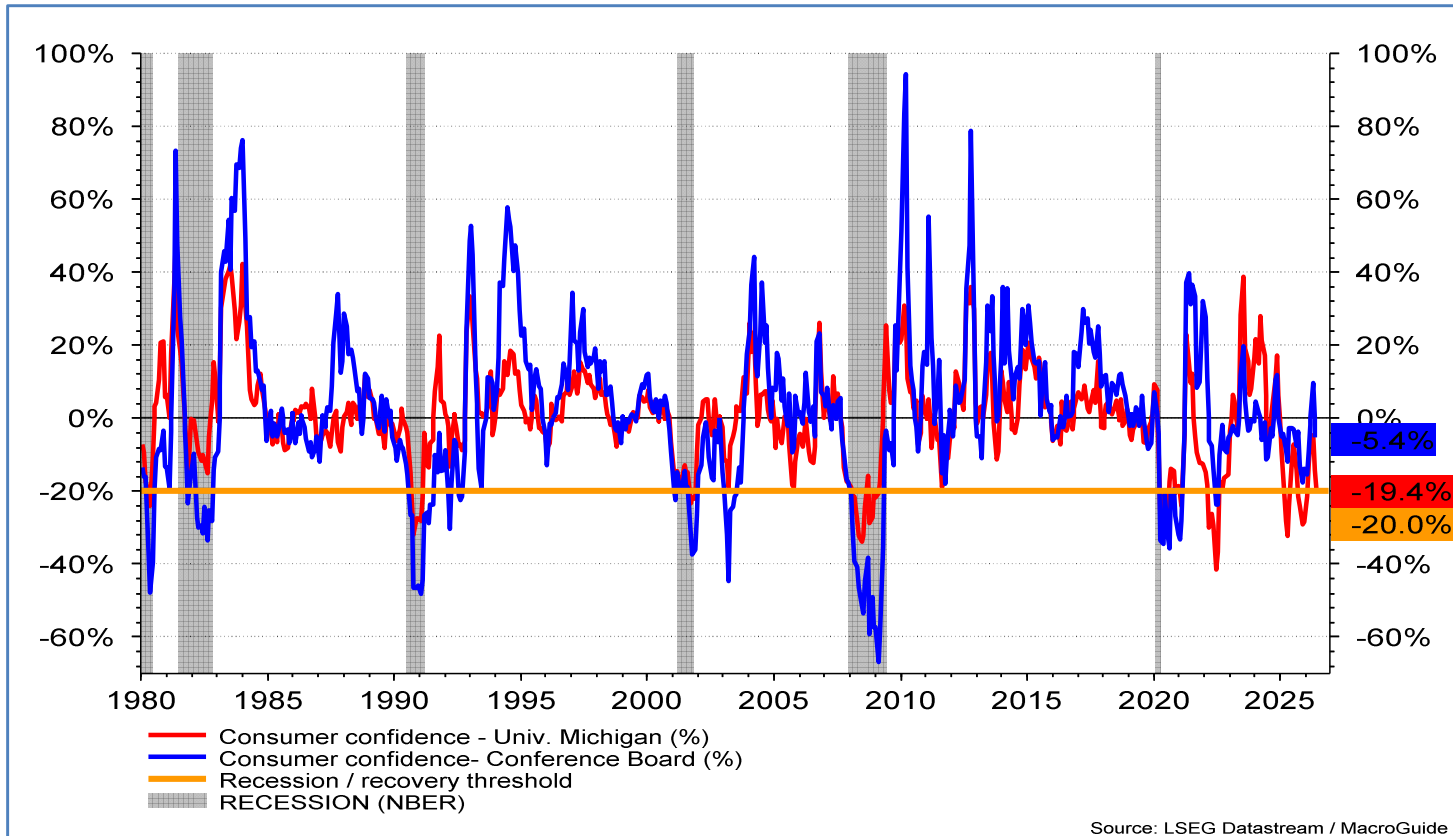
- Equity markets and households are sending very different signals.
- Investors focus on earnings growth, AI and productivity gains.
- Consumers remain concerned about affordability and living costs.
- Confidence remains depressed despite record stock prices.
- The divergence illustrates the increasingly K-shaped nature of the recovery.
- Historically, such gaps tend to narrow through either stronger confidence or weaker markets.

Which consumer confidence should we trust ?



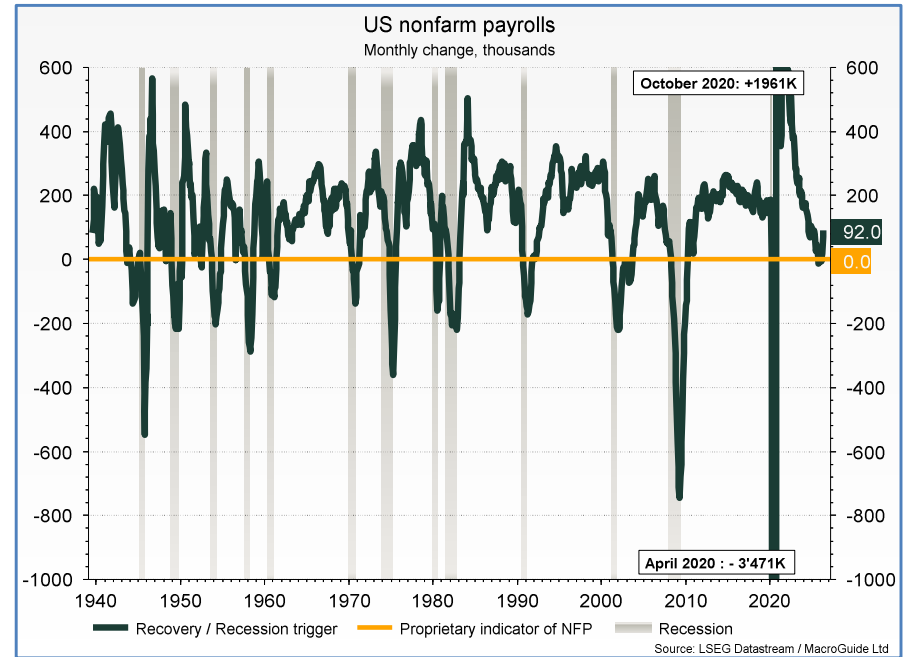
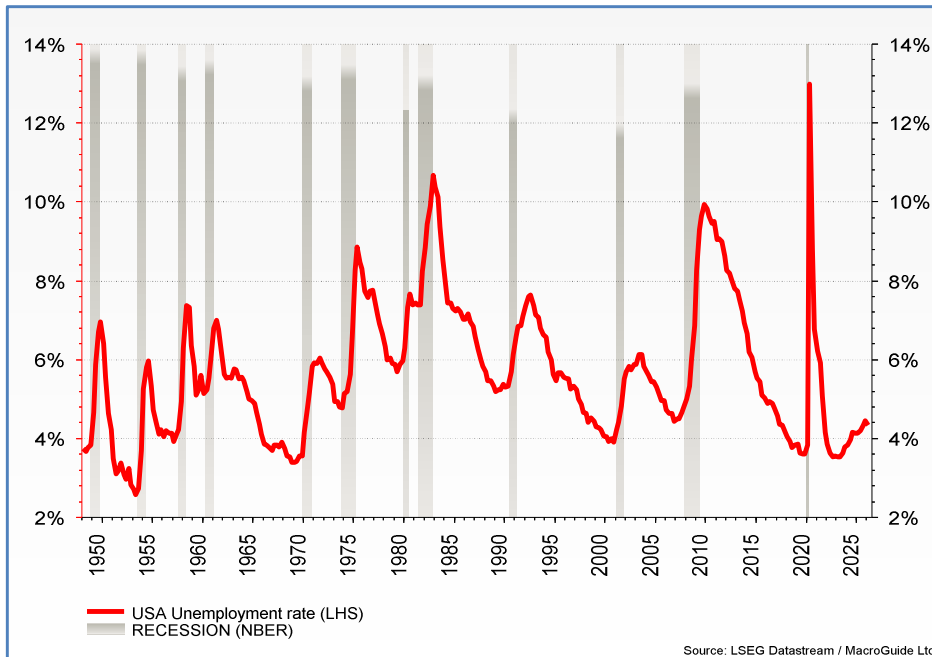
- Consumer confidence indicators currently provide conflicting messages.
- The Michigan survey appears highly sensitive to inflation perceptions and expectations.
- The Conference Board survey is more closely linked to labor-market conditions.
- Employment prospects remain the key driver of spending decisions.
- Labor-market indicators continue to suggest slower growth rather than outright recession.
- The Conference Board signal therefore deserves greater attention.

Conference Board has a better track record

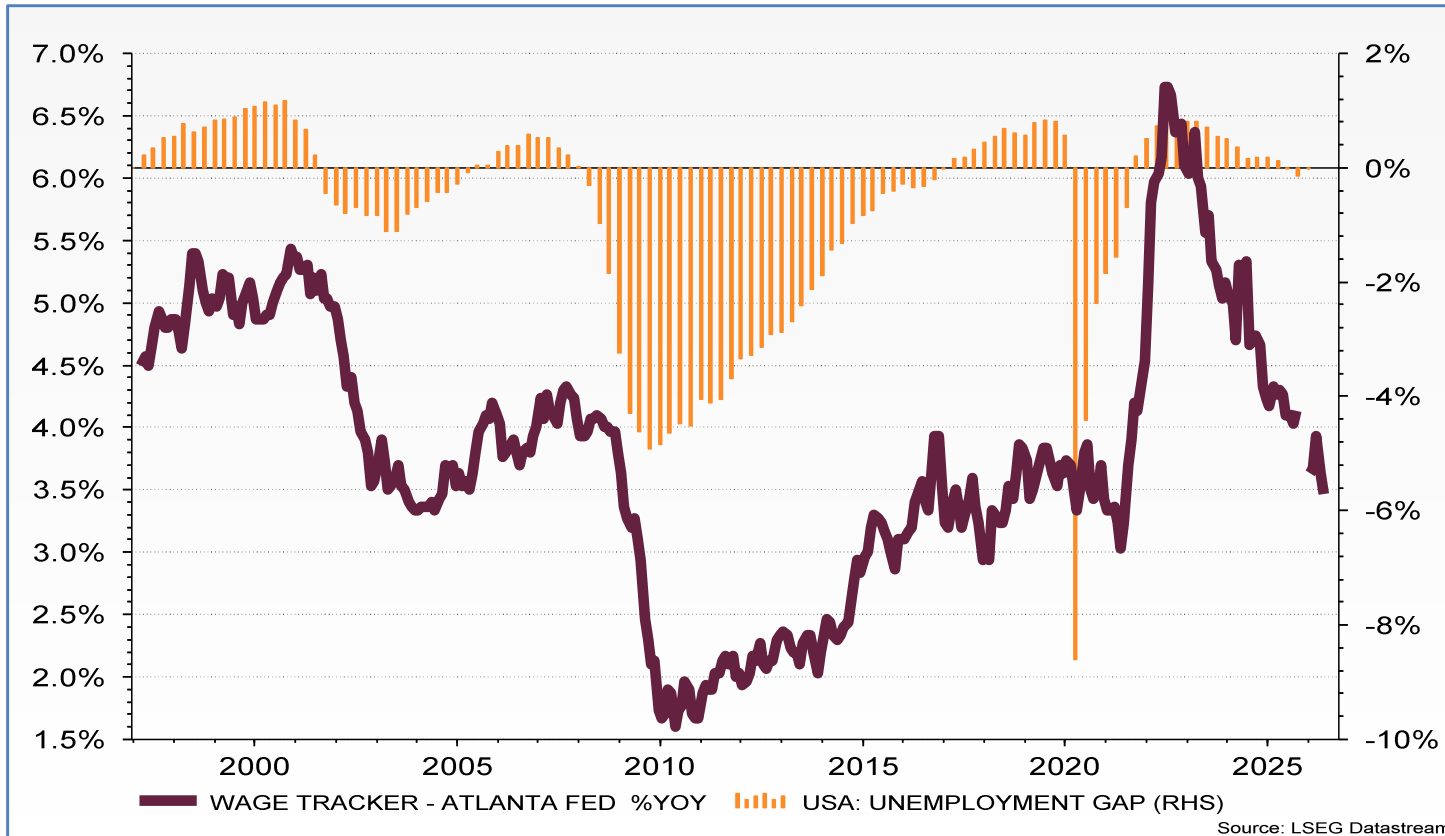


- Historically, the Conference Board survey has provided better recession (indicated by the grey vertical bars) signals, depicted by our proprietary indicator (orange line marking the threshold between expansion and recession)
- Labor income remains the primary support for consumer spending.
- Current readings are consistent with steady growth, not contraction.
- Household spending remains supported by a still-solid labor market.

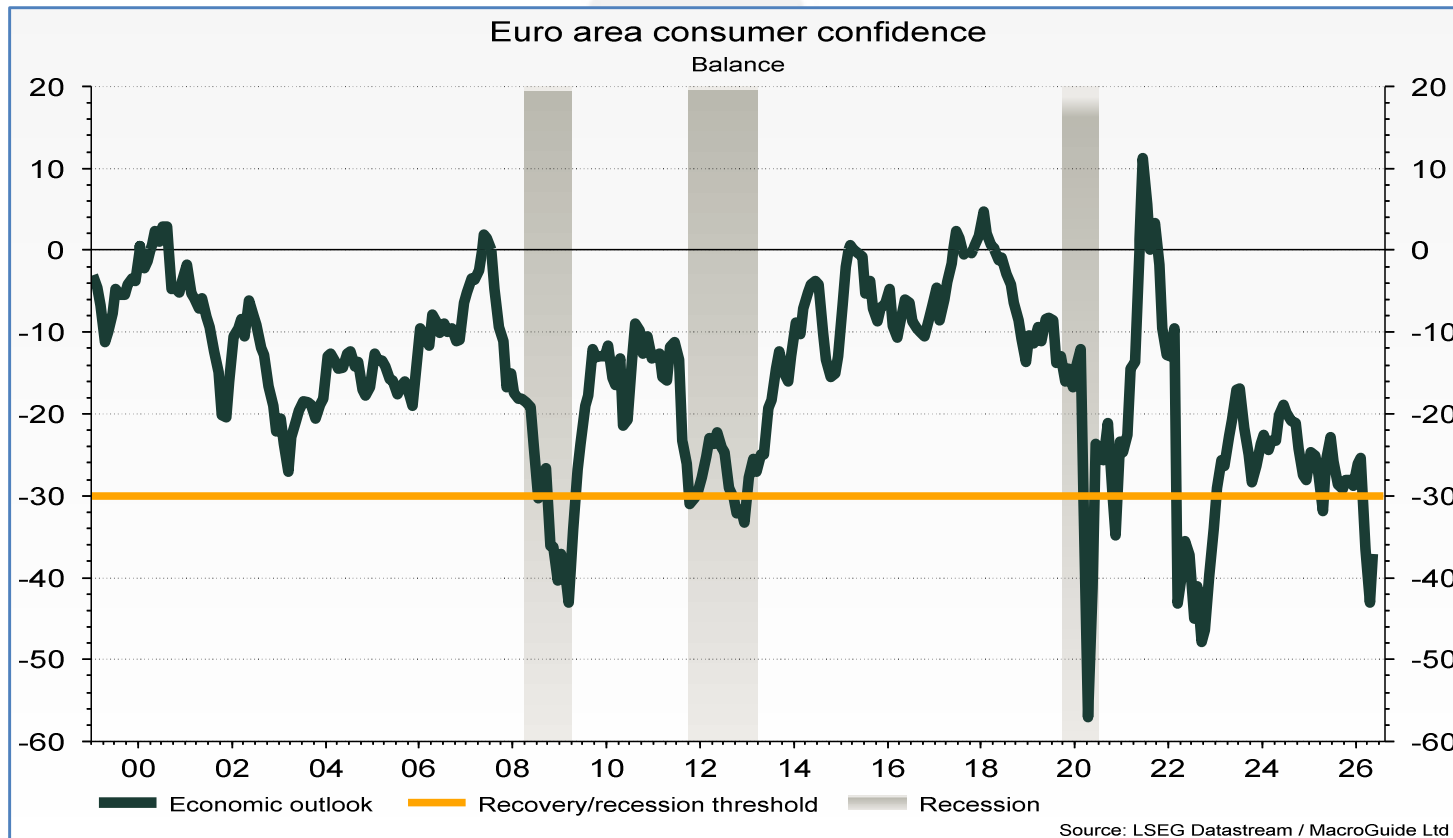
US labour market cooling but not pointing towards recession



- Labor-market conditions continue to normalize after the post-pandemic boom.
- Job openings have declined substantially from their peak.
- Payroll growth remains positive despite slowing momentum.
- Unemployment remains historically low.
- Current trends are consistent with moderation rather than recession, signaled by the orange line threshold of our proprietary indicator built with non-farm payroll data.
- Labor-market resilience remains the key support for US growth.

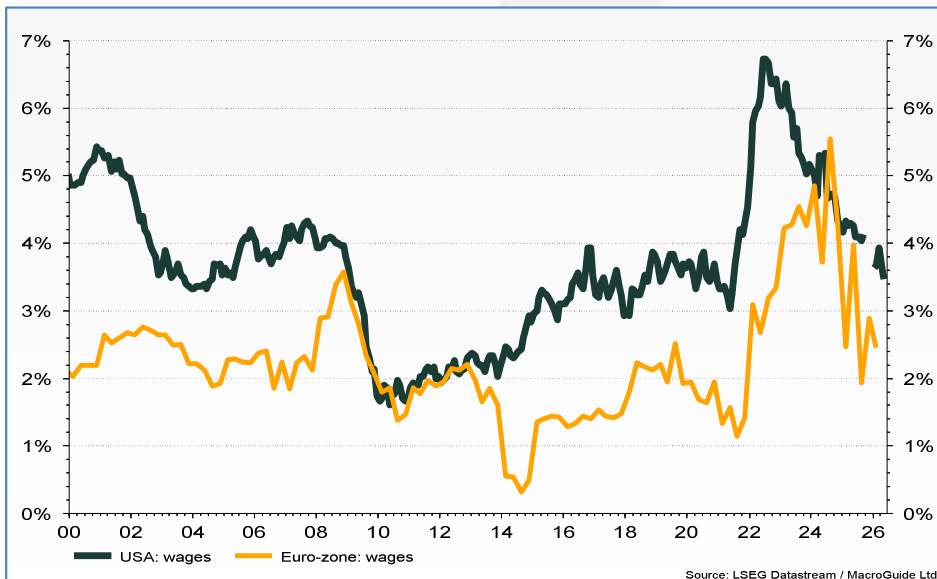
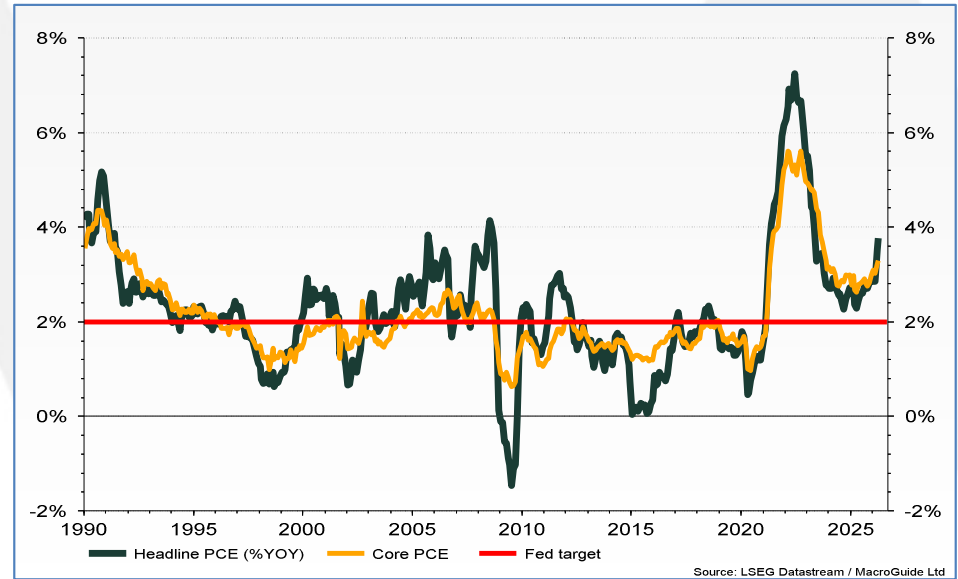
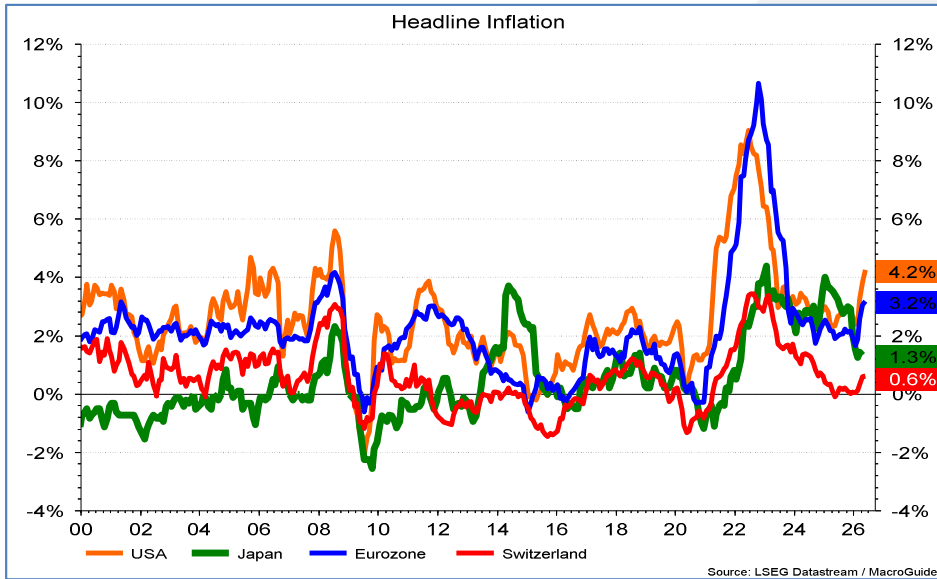


- Labor-market tightness is gradually easing.
- Wage growth continues to moderate from elevated levels, diminishing second-round effects of the oil shock, thus giving the Fed greater flexibility in managing policy.
- The unemployment gap (defined as the non-accelerating inflation rate of unemployment – NAIRU – and the actual unemployment rate) has moved away from overheating territory.
- Inflation expectations remain the key variable to monitor.



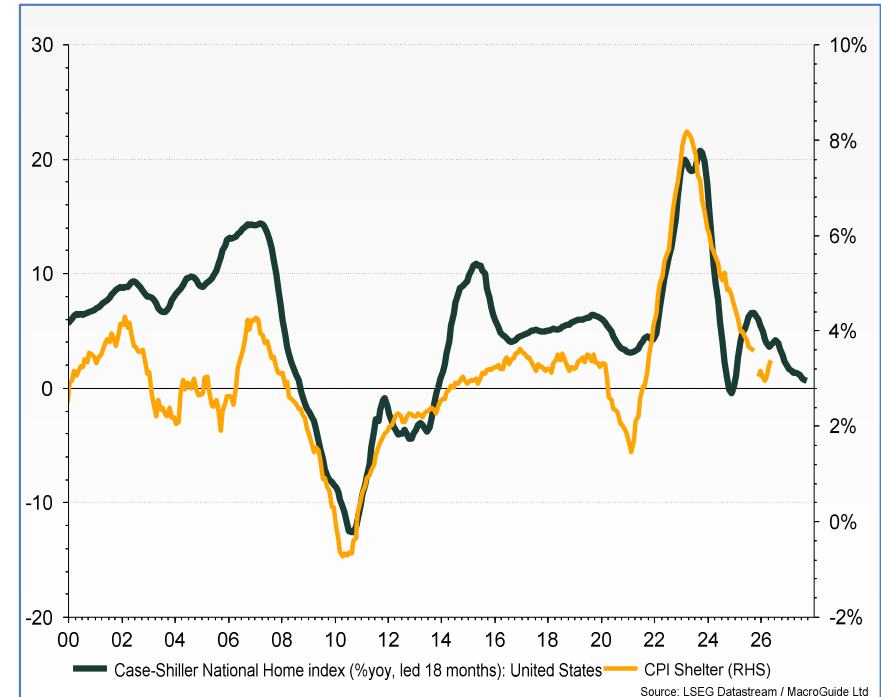
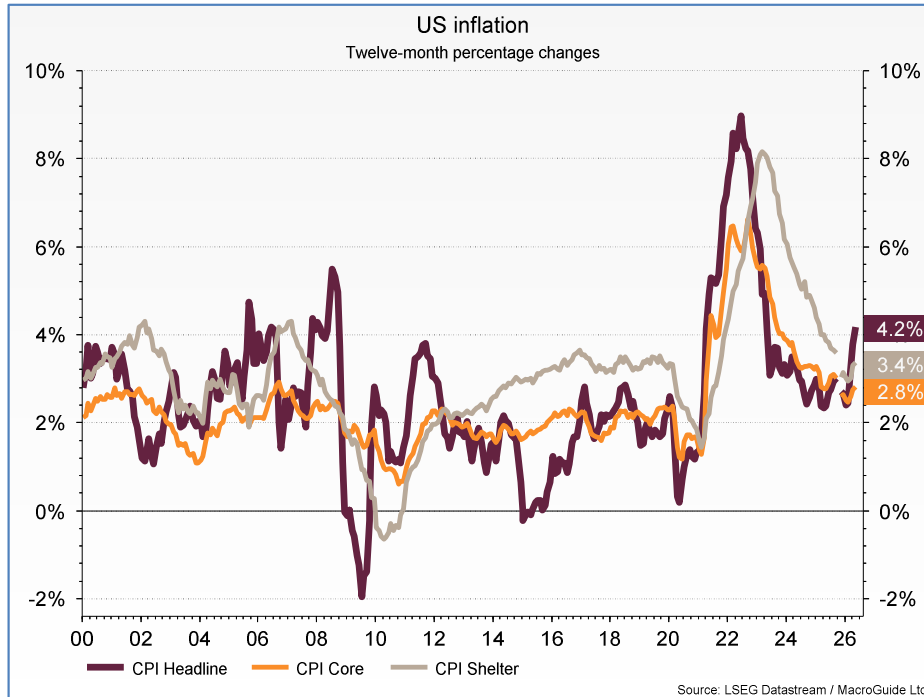
- Europe continues to avoid recession despite weak momentum.
- Domestic demand remains soft but relatively stable.
- Lower inflation is supporting household purchasing power.
- Fiscal spending provides a partial offset to weak private demand.

From cost push inflation to sticky inflation?

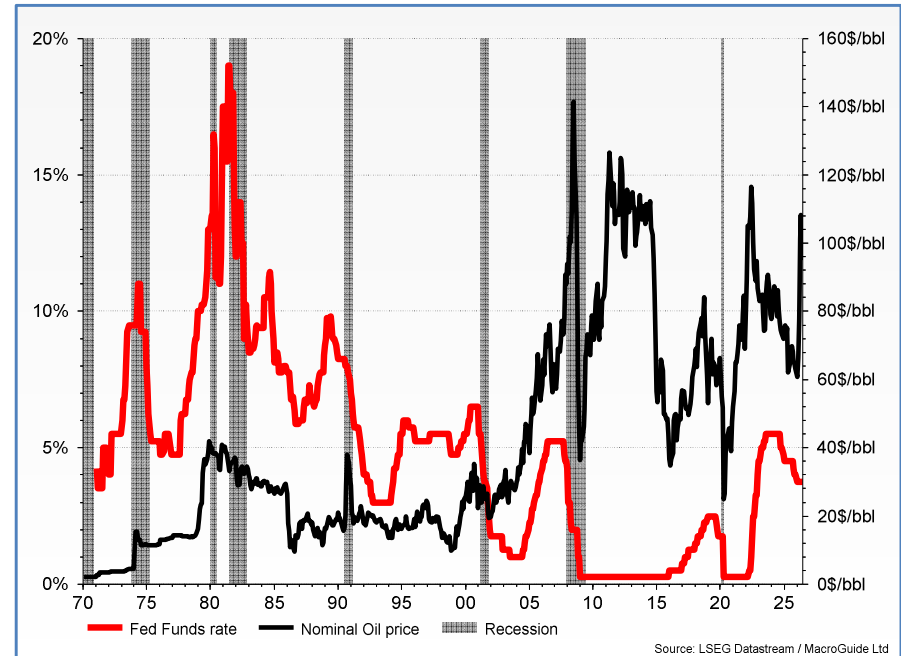
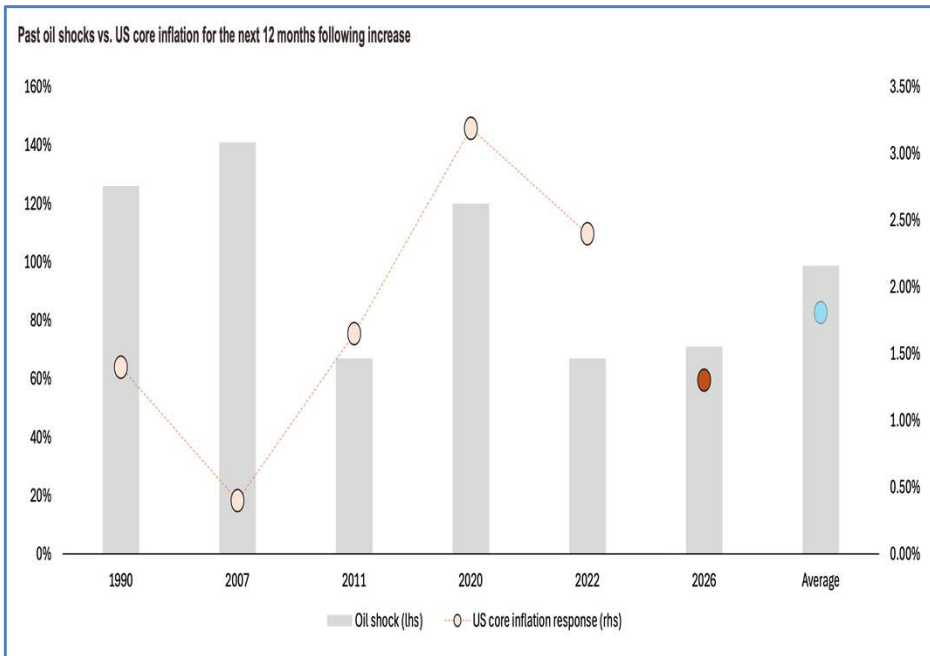


- The Iran peace agreement has reduced energy-driven inflation risks.
- However, services inflation remains elevated.
- Inflation expectations have become the key concern for policymakers.
- The Fed appears unwilling to declare victory too early.
- Core inflation may prove more persistent than markets anticipated.
- The inflation battle is shifting from energy prices to domestic price pressures.

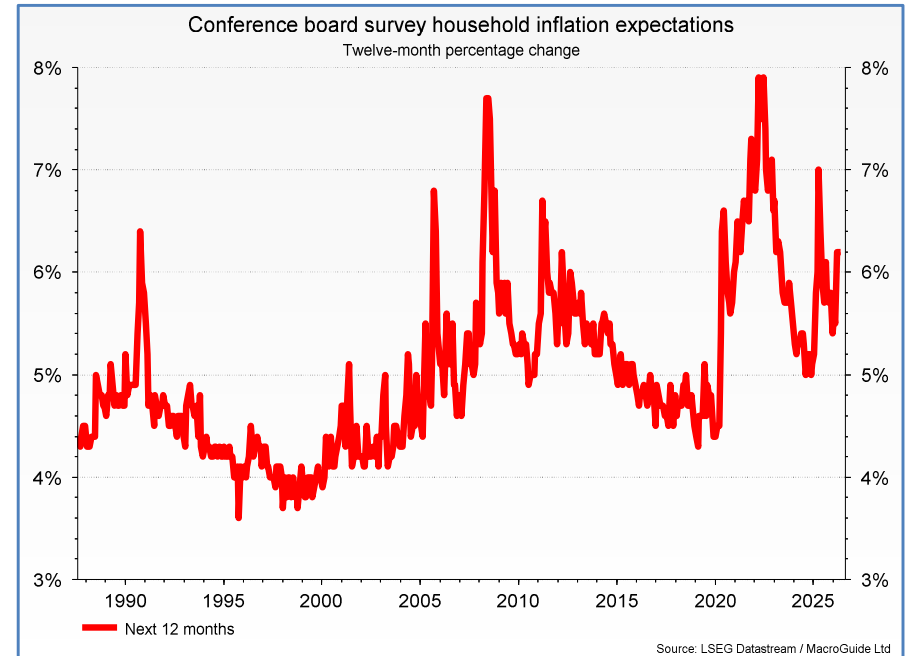
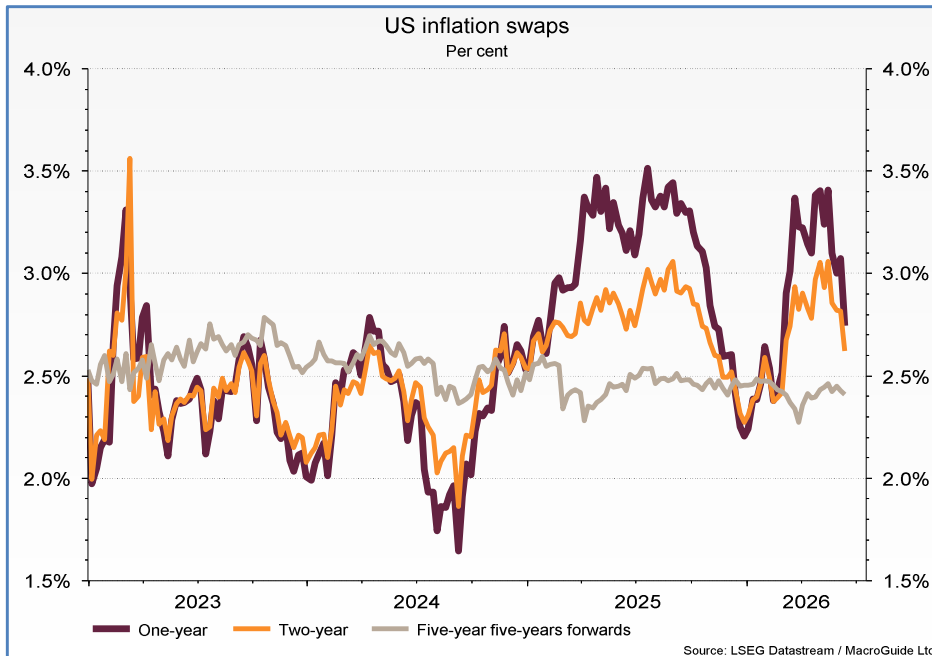
Housing is the key to further disinflation



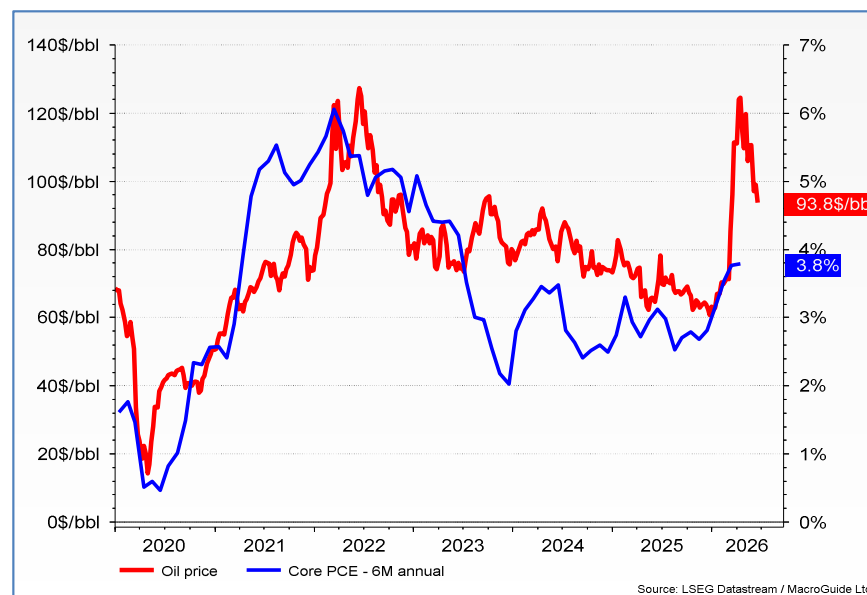
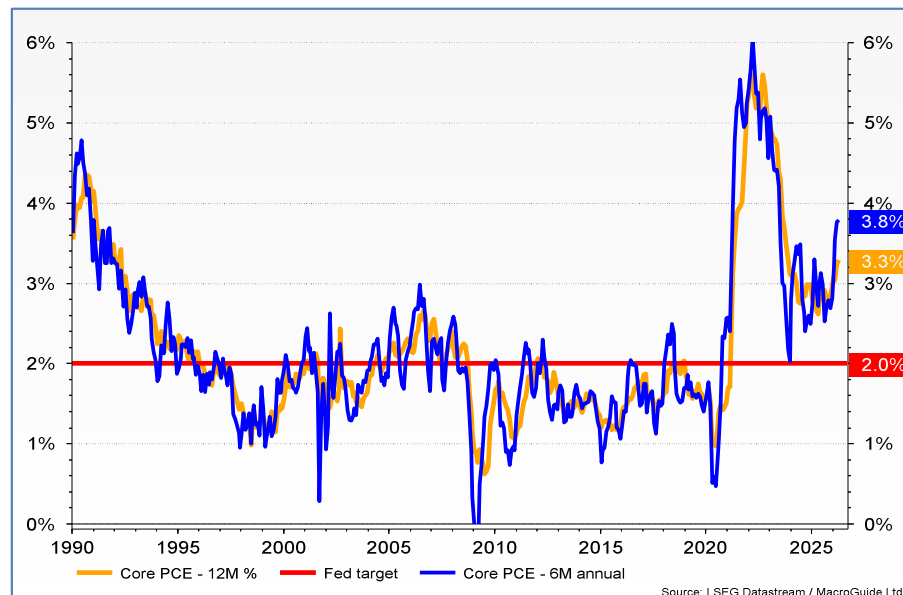
- Shelter inflation remains the largest component of core CPI and therefore a key determinant of future disinflation.
- House-price dynamics tend to feed into official shelter inflation with a lag of roughly 12–18 months.
- The earlier slowdown in housing-price growth continues to exert downward pressure on inflation.
- However, the recent stabilization—and in some regions rebound—of house prices suggests that disinflationary forces may fade in 2027.
- This helps explain why the Fed remains cautious despite improving energy prices.



- Lower oil prices remove one source of inflation pressure.
- The new Fed Chair nevertheless emphasized upside inflation risks.
- Policymakers remain concerned that inflation expectations could become unanchored.
- Strong economic activity reduces the urgency for rate cuts.
- The hurdle for monetary easing has risen materially.
- Markets must now contemplate a longer period of restrictive policy.

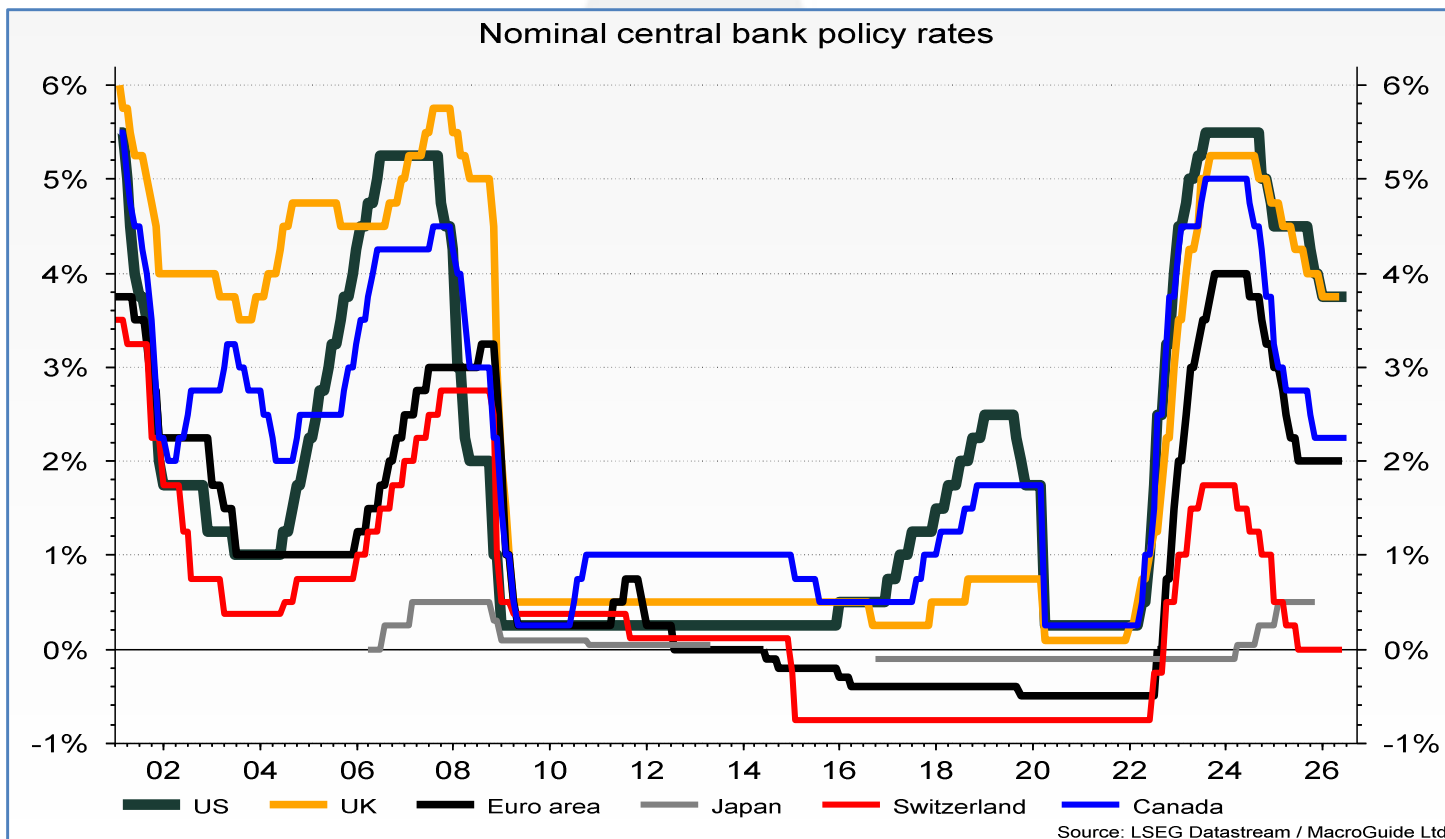


- The Fed has clearly elevated inflation expectations as its primary policy focus.
- Policymakers appear willing to tolerate slower growth rather than risk a resurgence of inflation.
- Recent improvements in energy prices are viewed as insufficient evidence of durable disinflation.
- Anchoring expectations remains central to policy credibility.
- Markets may underestimate the Fed's determination to keep rates restrictive.
- Expected inflation matters more than current inflation prints

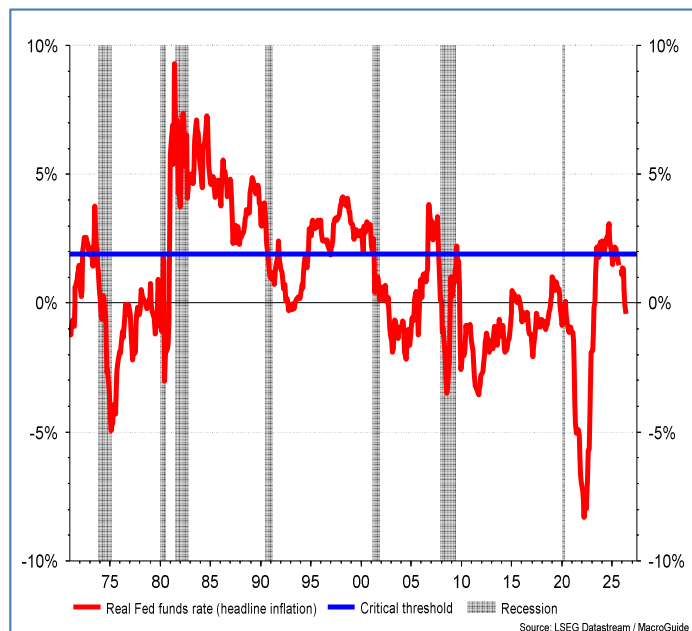


- The recent rebound in Core PCE has raised concerns that disinflation may be stalling.
- Much of the acceleration appears linked to temporary factors, including the earlier energy shock and tariff-related price adjustments.
- Six-month annualized Core PCE has moved higher, attracting particular attention from Fed officials.
- Longer-term measures remain more reassuring and continue to point toward gradual disinflation.
- Labor-market cooling and moderating wage growth argue against a sustained inflation resurgence.
- Easing energy cost will also contribute to a lower Core PCE as suggested by the chart to the right
- Our base case remains that the current uptick proves temporary rather than the start of a new inflation cycle.

Central banks : from synchronised easing to synchronised vigilance



- Lower oil prices have reduced stagflation risks.
- Yet both the ECB and the Fed remain concerned about inflation persistence.
- The battle has shifted from energy inflation to wage and service inflation.
- Inflation expectations remain the key policy variable.
- Central banks are signaling patience rather than urgency to cut rates.
- Financial conditions may therefore remain tighter for longer than markets currently discount.



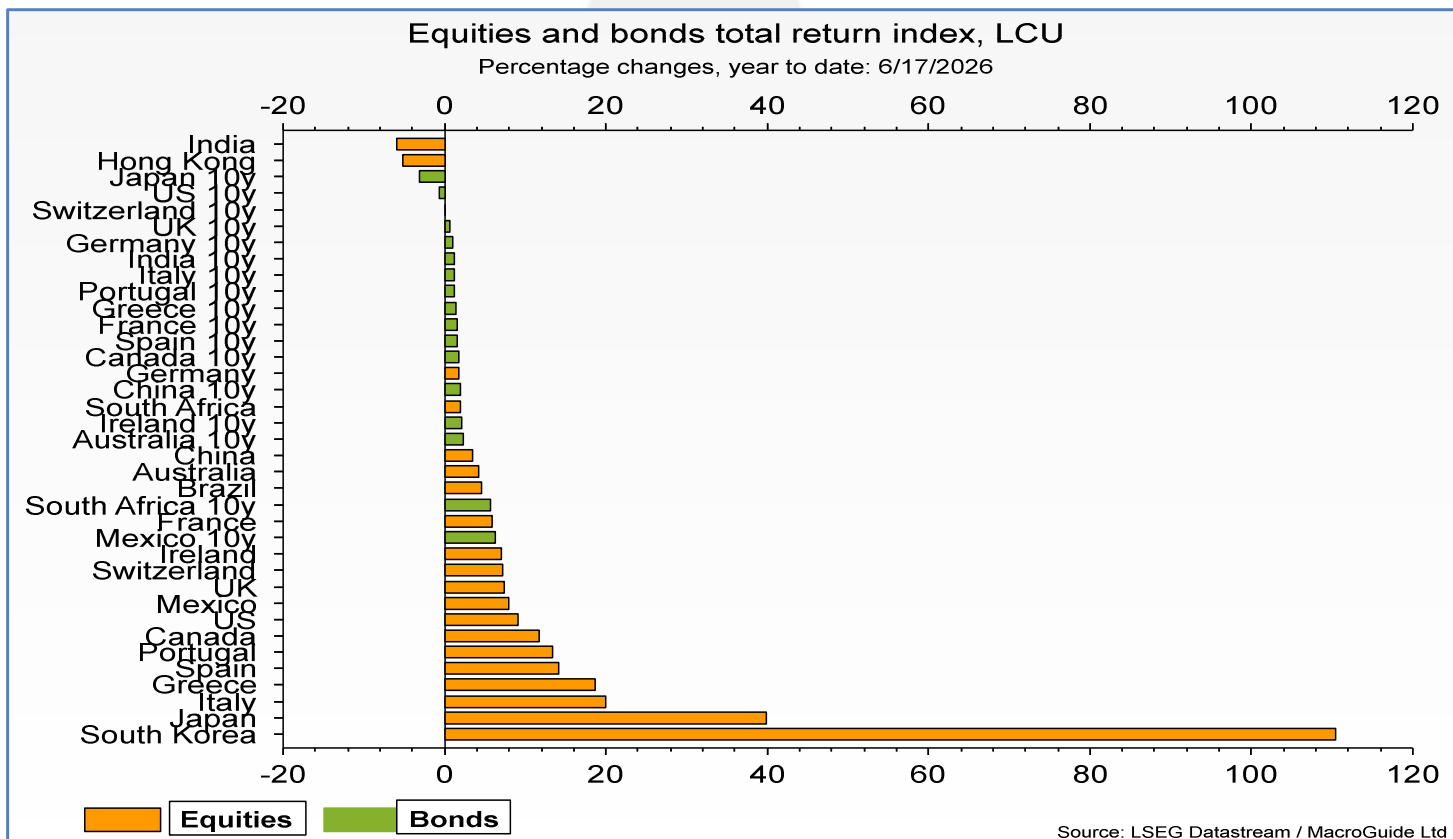
- Financial markets remain highly sensitive to changes in expected Fed policy rates.
- Expectations regarding the timing and magnitude of future rate cuts continue to dominate asset-price movements.
- Equity valuations, particularly in technology sectors, remain closely linked to real interest-rate expectations.
- Recent hawkish Fed communication has led markets to reassess the path of monetary easing.
- The concentration of market leadership reflects investors' preference for long-duration growth assets.
- Renewed declines in inflation expectations could quickly revive expectations of policy easing and support risk assets.
- Conversely, persistent inflation expectations would justify a higher-for-longer policy stance and challenge current valuations.



MT FORT

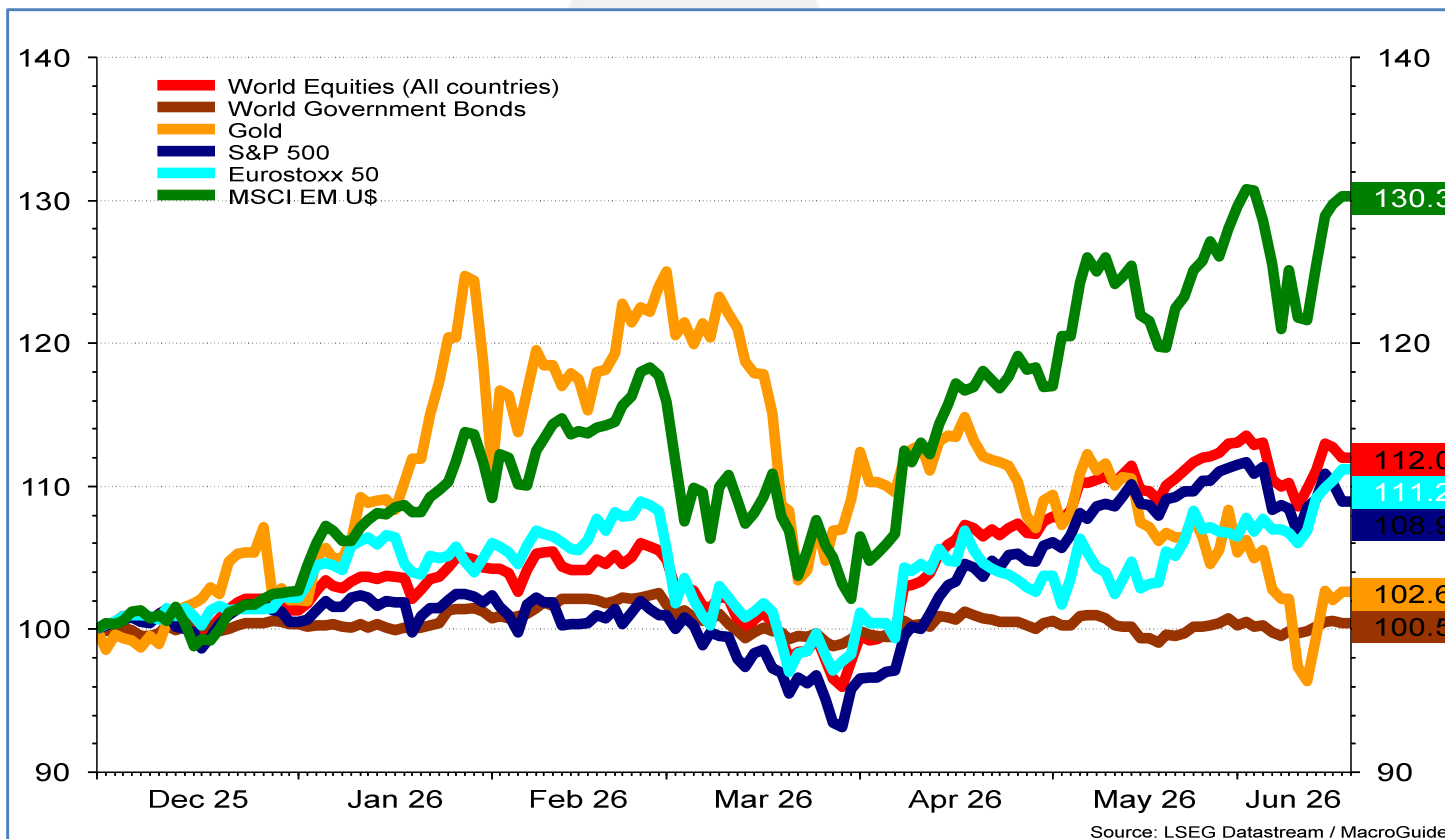
ADVISERS

III. Financial Markets



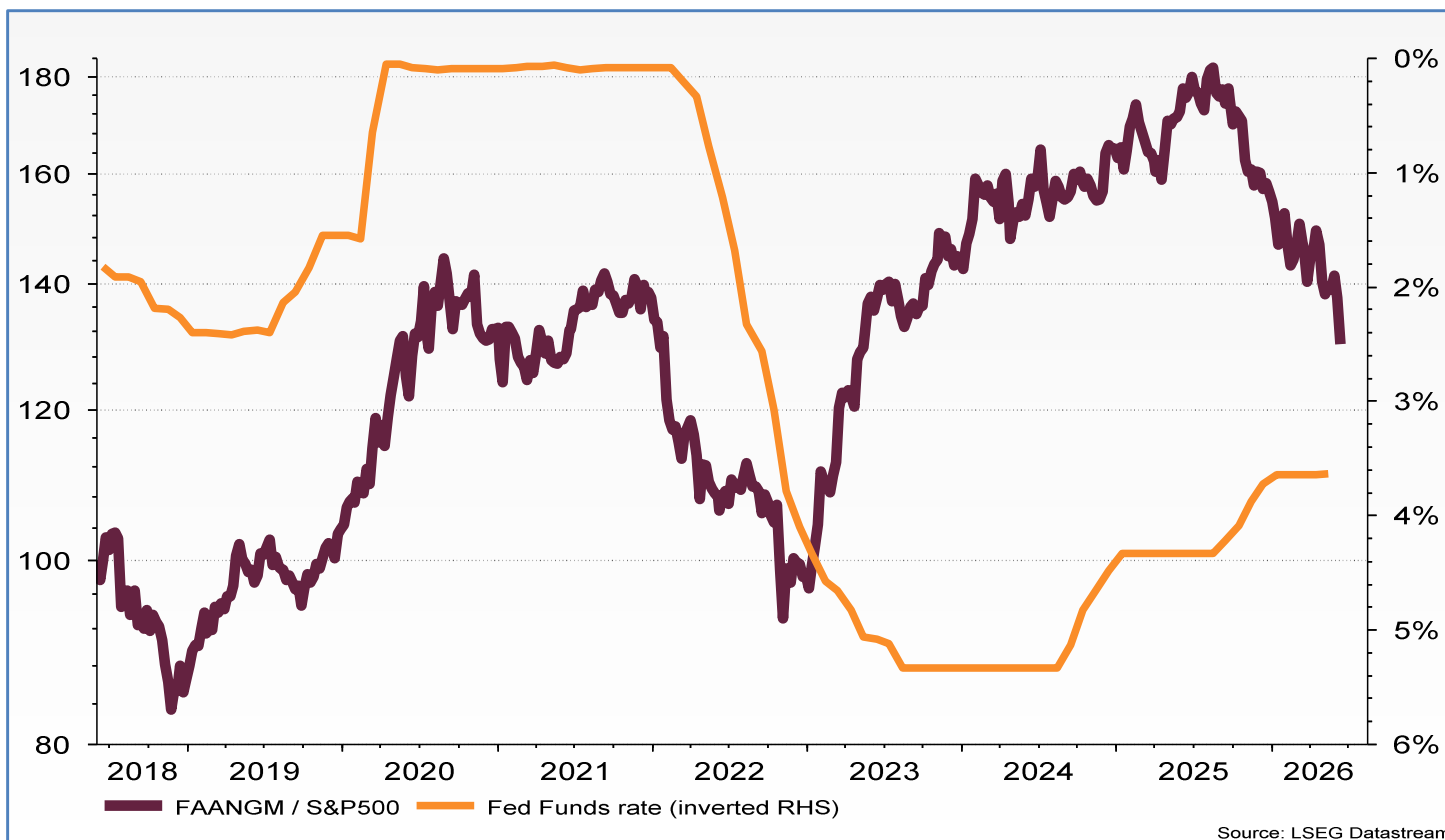
- The peace agreement removes a significant tail risk for global markets.
- Lower energy prices support both earnings and consumer purchasing power.
- Reduced inflation concerns improve the outlook for valuation multiples.
- Earnings growth rather than valuation expansion remains the key driver of future returns.
- Equities can continue to perform despite elevated valuations.
- The principal risks have shifted from geopolitics to growth and valuation sustainability.
- Market leadership remains concentrated in a limited number of sectors and companies.
- Selectivity will become increasingly important as valuations rise.

Emerging markets outperformed



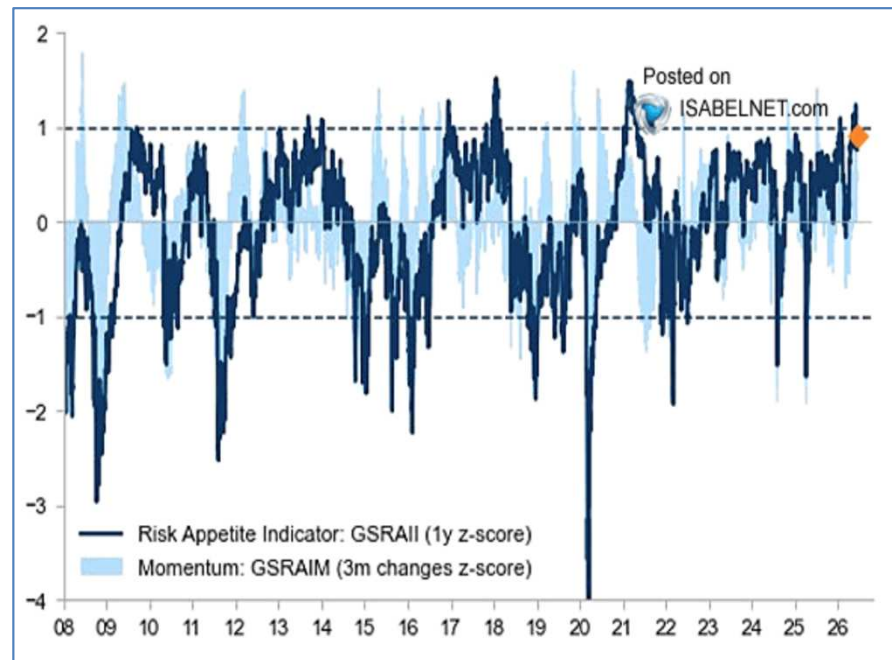
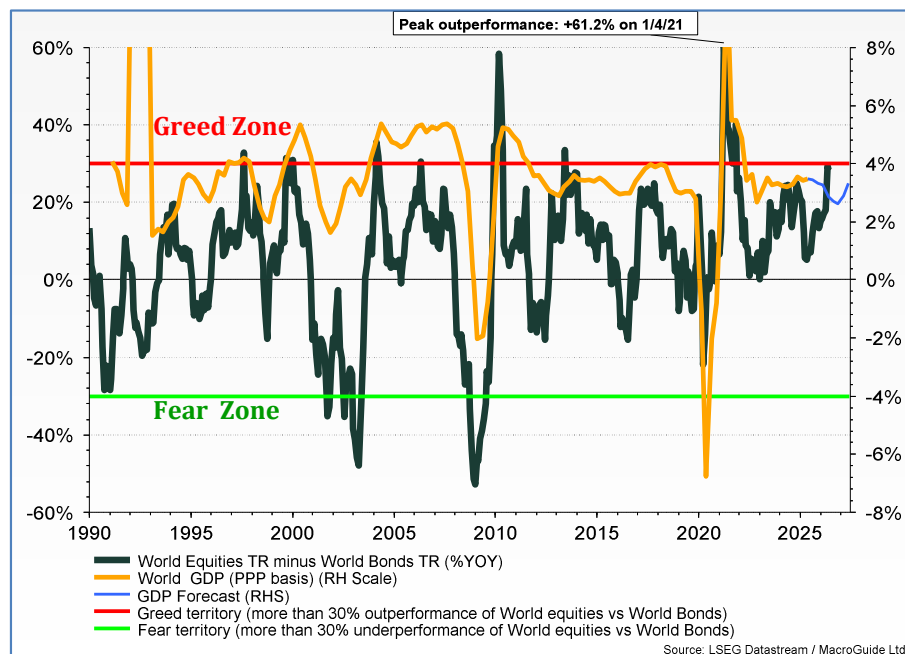
- Emerging markets outperformed, led by South Korea's AI- and semiconductor-related sectors, while a weaker USD and improving liquidity conditions provided a supportive backdrop for the broader asset class.
- Valuations in Emerging markets remain more attractive than in the United States.
- Earnings revisions are stabilizing after several years of disappointment.
- Geopolitical risks have receded but remain an important source of volatility.
- Going forward, relative performance will increasingly depend on domestic reforms and productivity gains rather than global trade alone.

Tech at high risk when Fed tightens



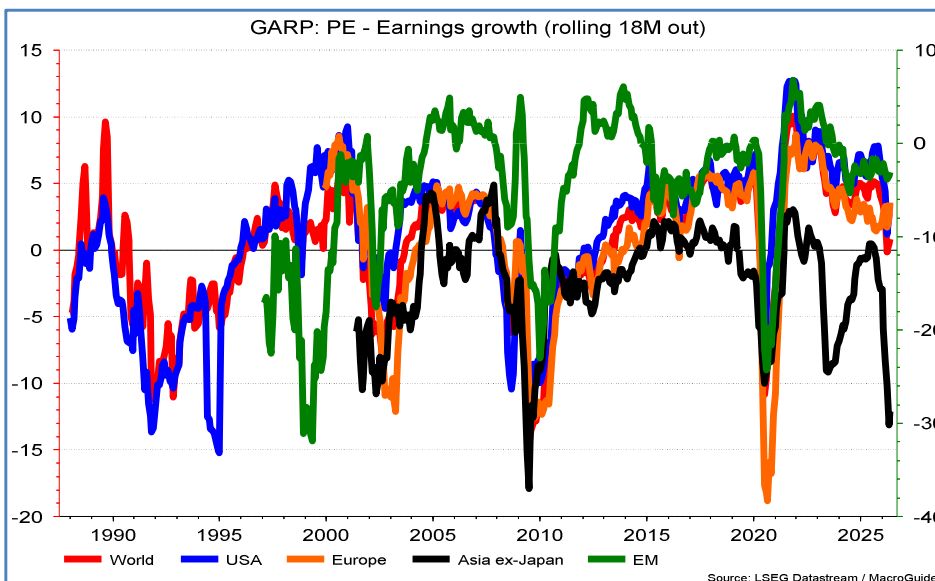
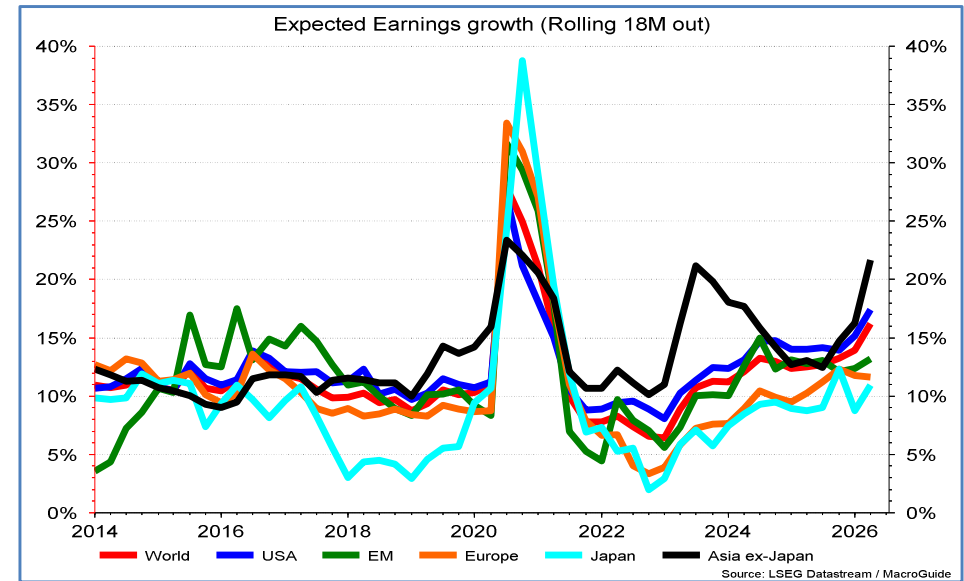
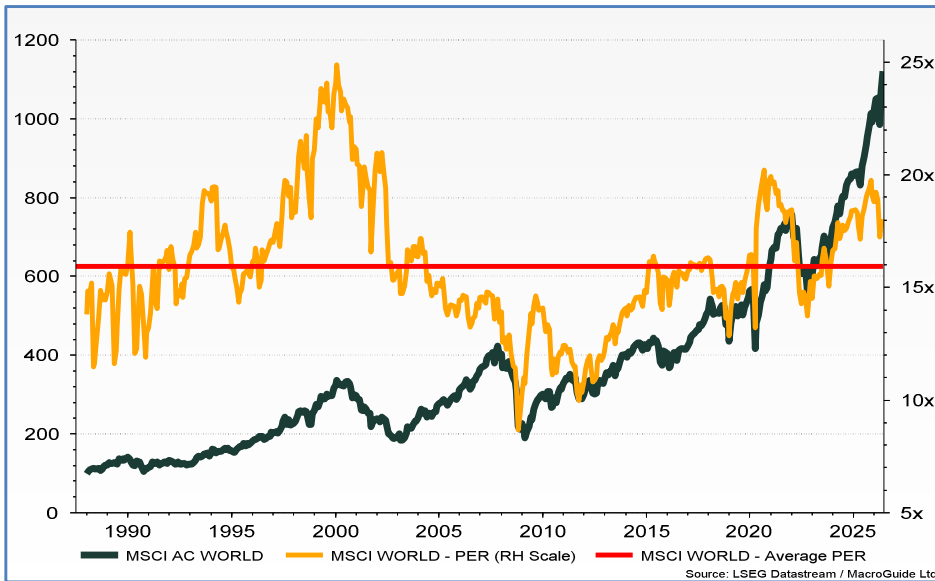
- Technology relative returns to the S&P500 (Burgundy line) remain highly sensitive to interest-rate trends (orange line on inverted right-hand scale).
- The sector remains dependent on sustained earnings delivery.
- AI leaders possess stronger fundamentals than previous technology bubbles.
- Any renewed inflation surprise could challenge current valuations.
- Monetary policy remains the key macro risk for the sector.

Climbing the wall of fear, Equities enter greed territory



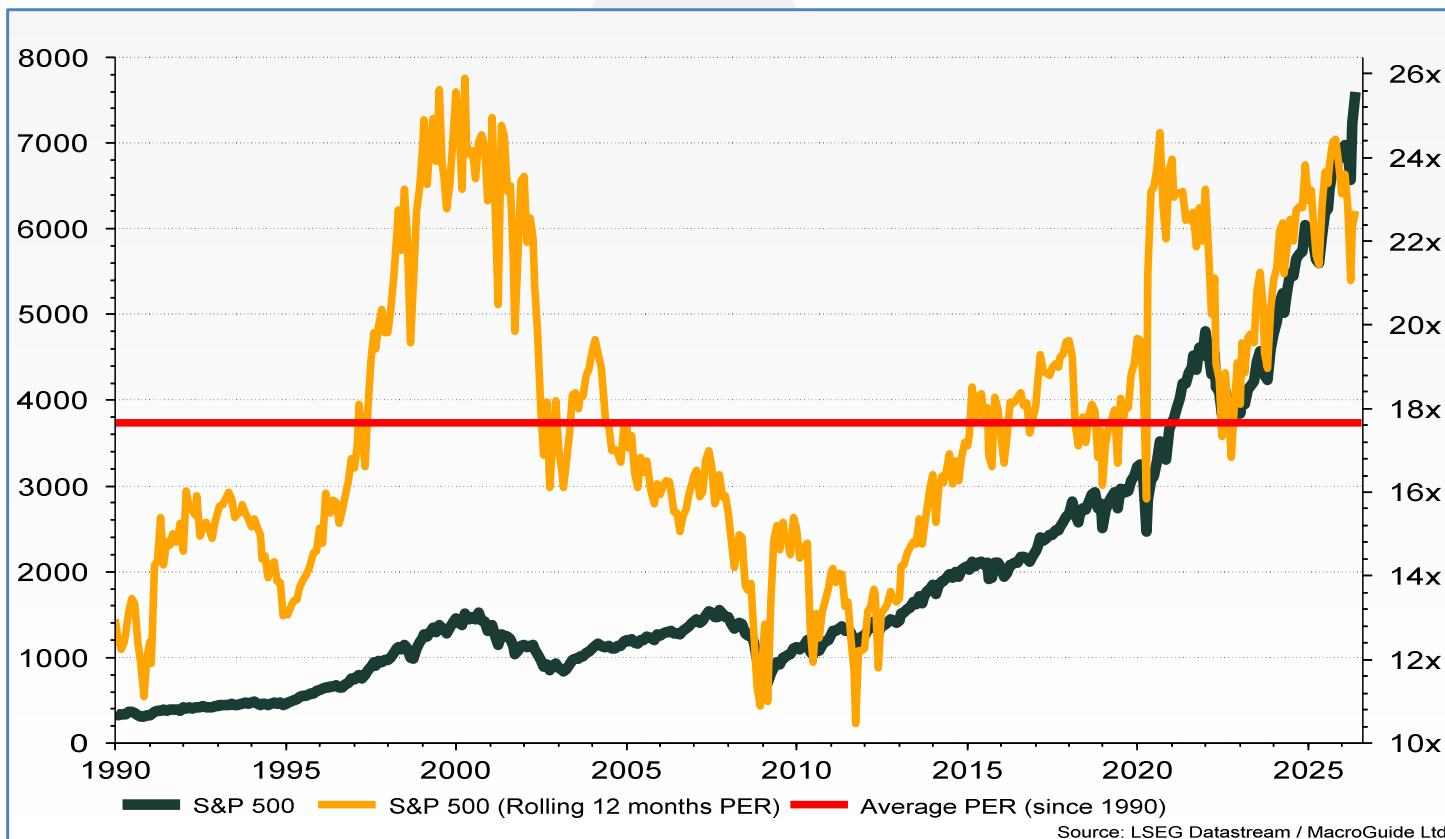
- Investor sentiment has shifted from caution to increasing optimism, as depicted by Goldman Sachs Risk Appetite indicator (dark blue line on right chart)
- Market participants appear more focused on opportunities than risks.
- Historically, periods of excessive optimism have often preceded higher volatility.
- Current readings suggest vigilance rather than immediate concern.
- Earnings growth continues to justify positive sentiment.
- Future gains are likely to require continued earnings delivery rather than multiple expansion.

World equity slightly overvalued, but earnings growth to the rescue



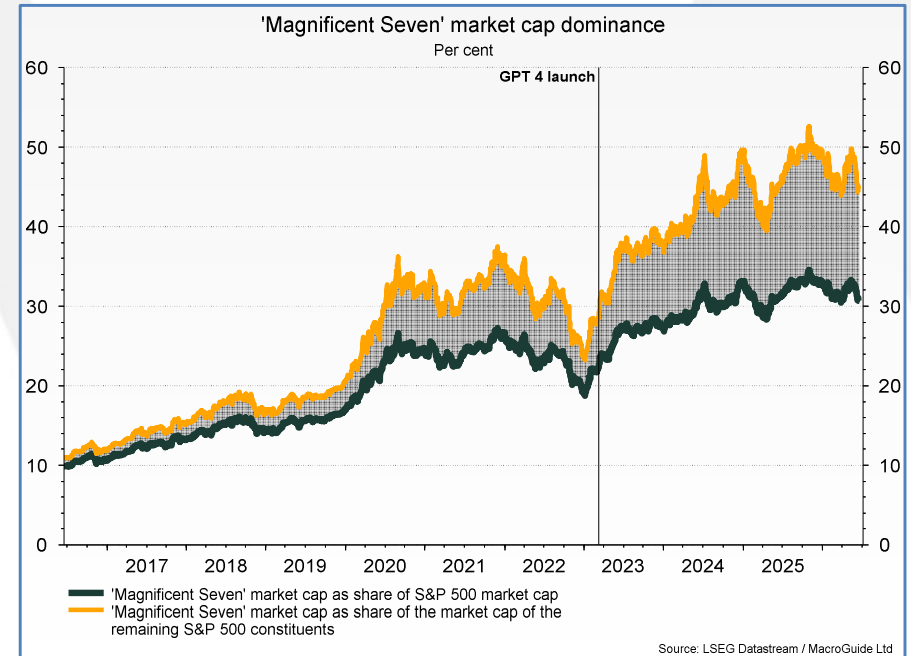
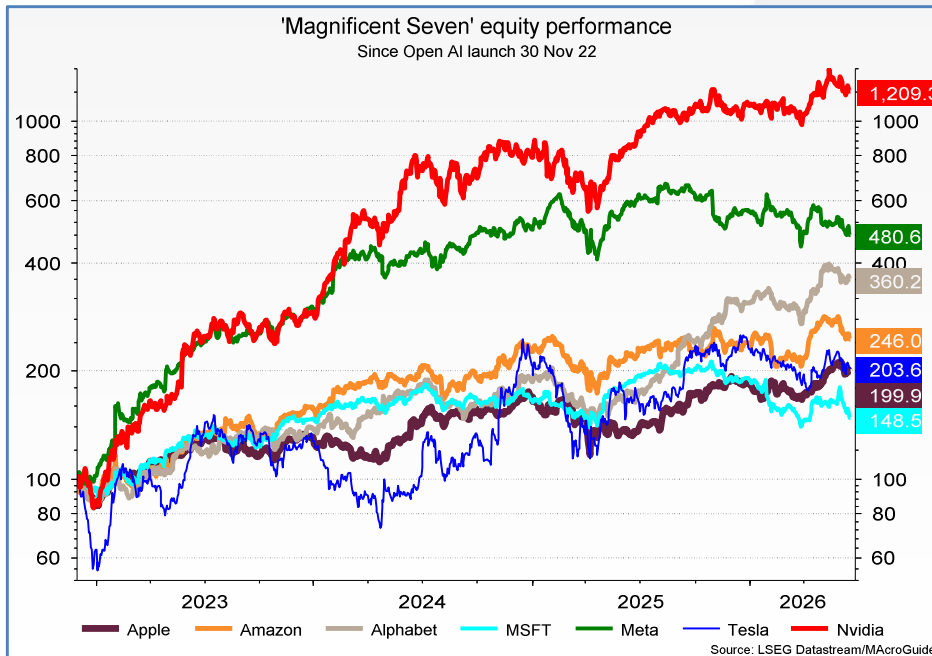
- Global equity valuations are moderately above long-term averages.
- Strong earnings growth helps justify elevated market levels.
- Productivity gains from AI support profit expectations.
- Valuation risks vary considerably across regions and sectors. PE to Growth shows best value in Asia ex Japan.
- Markets remain vulnerable to disappointments in earnings growth.
- Reasonable returns remain achievable on the back of profits expansion.

US equities in expensive territory

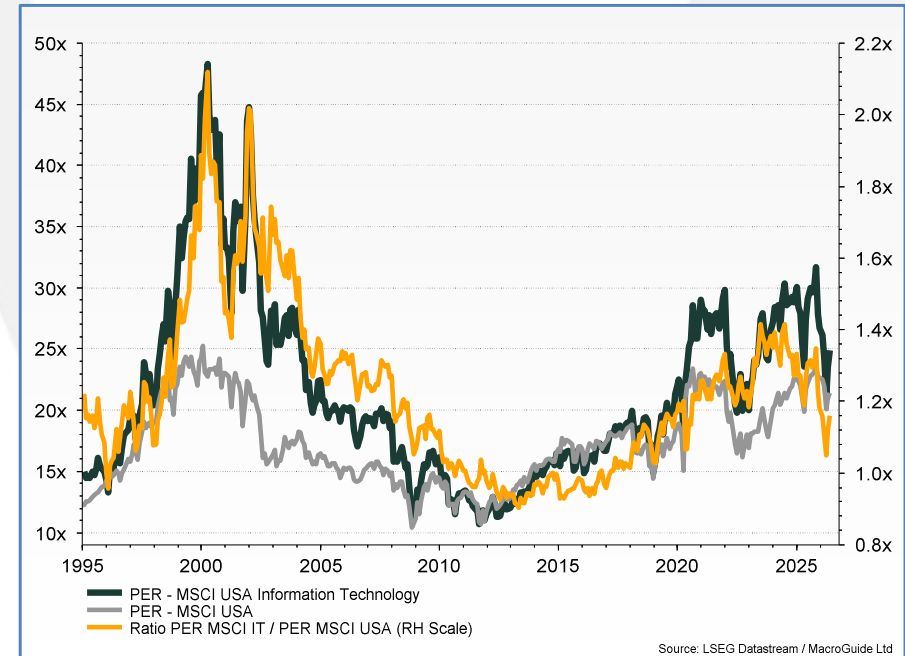
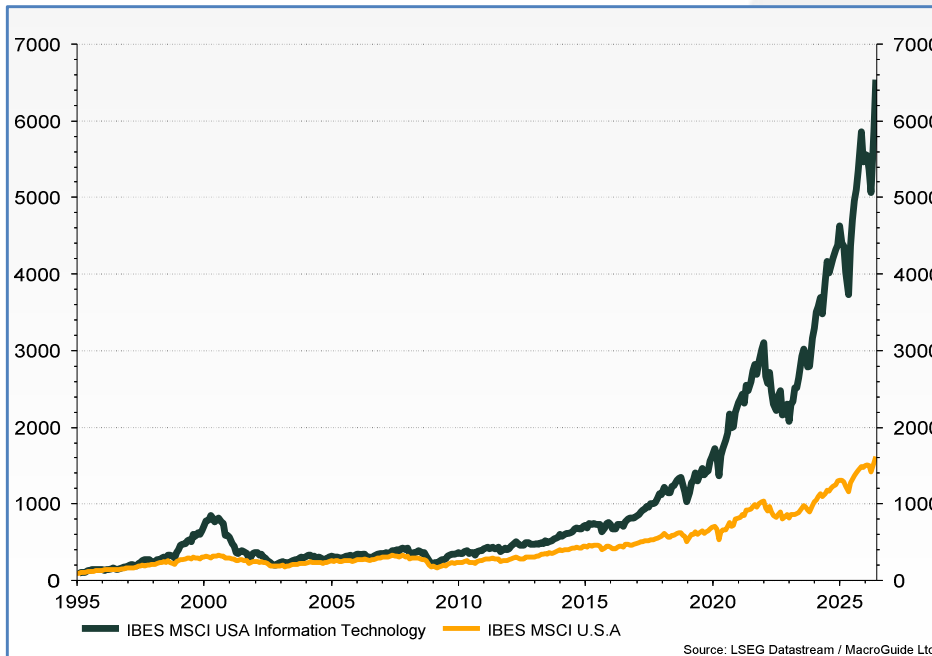


- US equities continue to trade at a premium to historical averages.
- Investors are willing to pay for superior earnings growth and innovation leadership.
- Elevated valuations leave less room for disappointment.
- The concentration of returns among a small number of companies remains unusually high.
- Future performance will increasingly depend on earnings execution.
- Valuation alone is not a sufficient catalyst for a market correction.

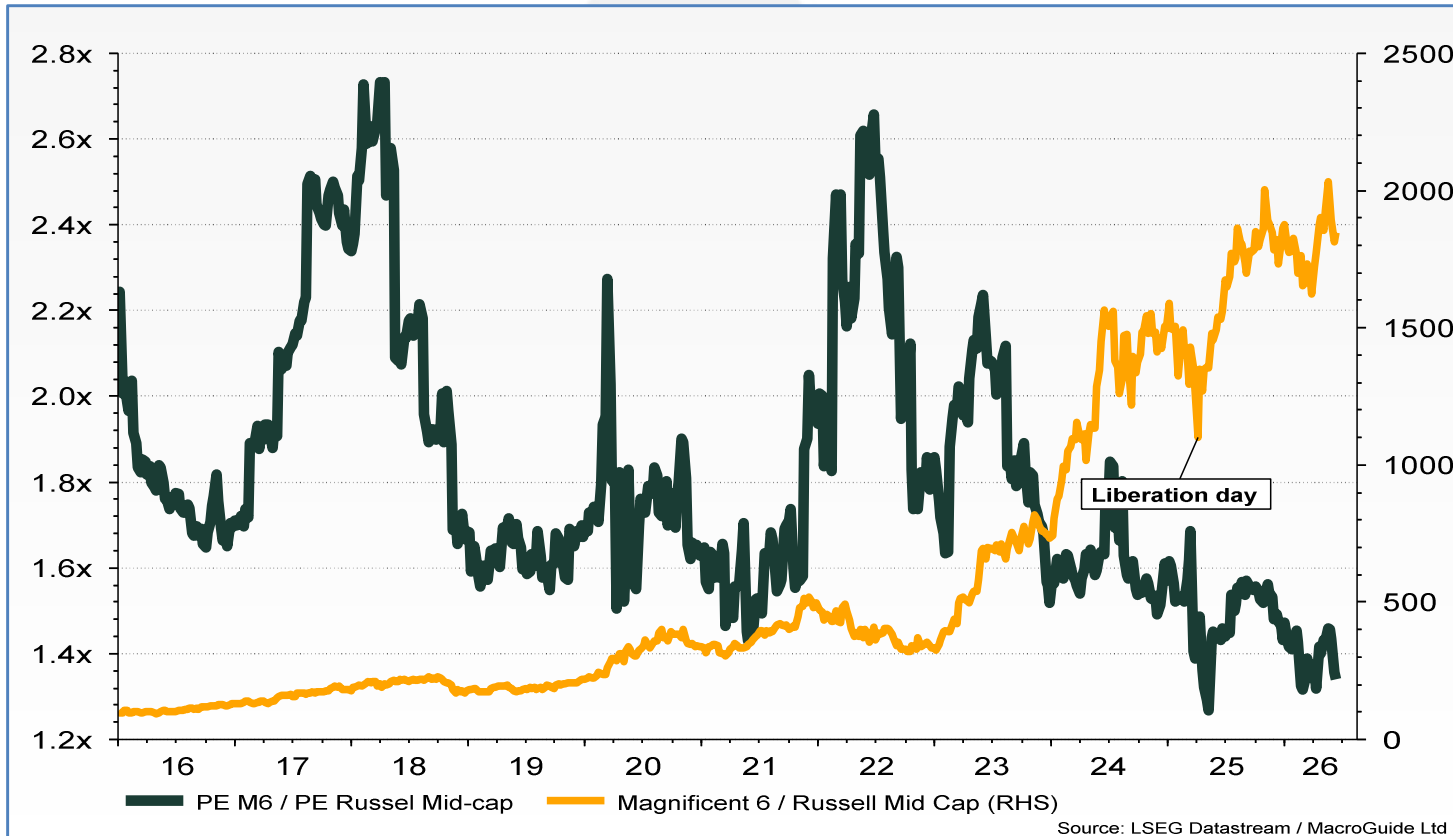
“Magnificent 7” remain magnificent but weigh excessively on the stock market



- The Magnificent 7 continue to generate exceptional earnings and cash-flow growth.
- Their contribution to index performance remains historically unprecedented.
- Market concentration has reached levels rarely observed outside major technological revolutions.
- Strong fundamentals justify part of this concentration.
- However, concentration increases market vulnerability to company-specific disappointments.

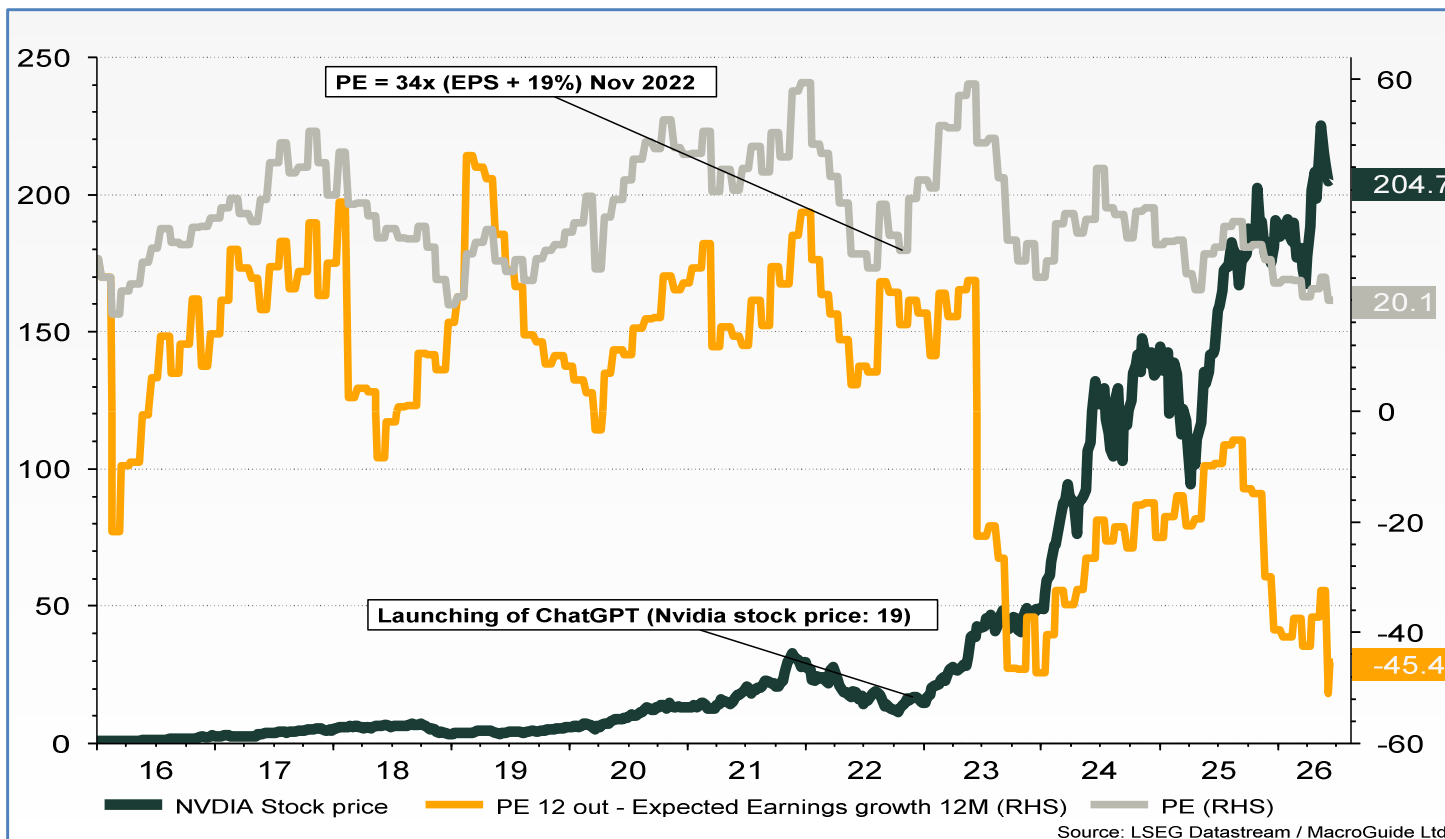


- The AI boom shares certain similarities with the late-1990s technology cycle.
- Unlike the dot-com era, today's leaders generate substantial revenues and profits.
- Capital expenditure is supported by identifiable business applications.
- Valuations remain elevated but generally below peak dot-com excesses.
- Productivity gains appear more tangible than during the internet bubble.
- The risk lies more in overly optimistic expectations than in the absence of fundamentals.



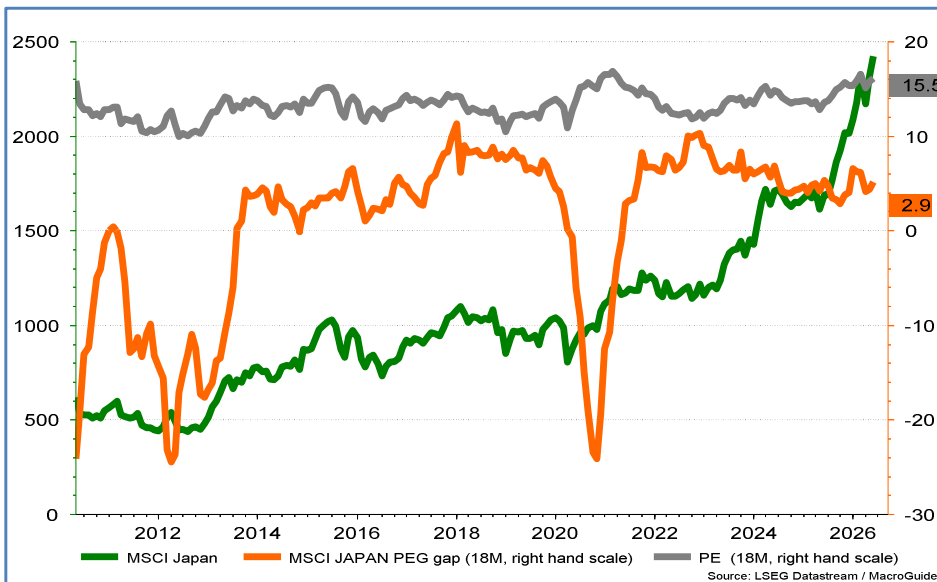
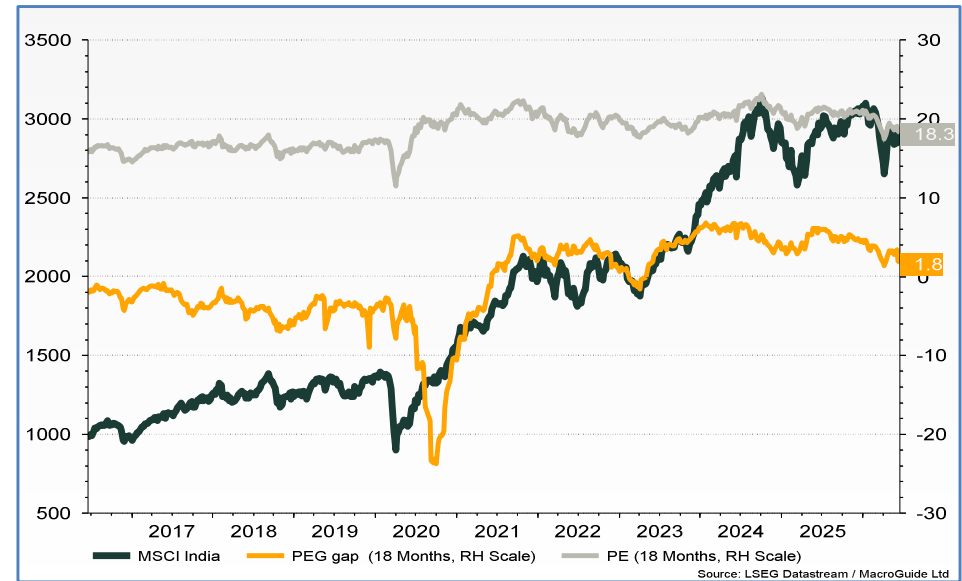
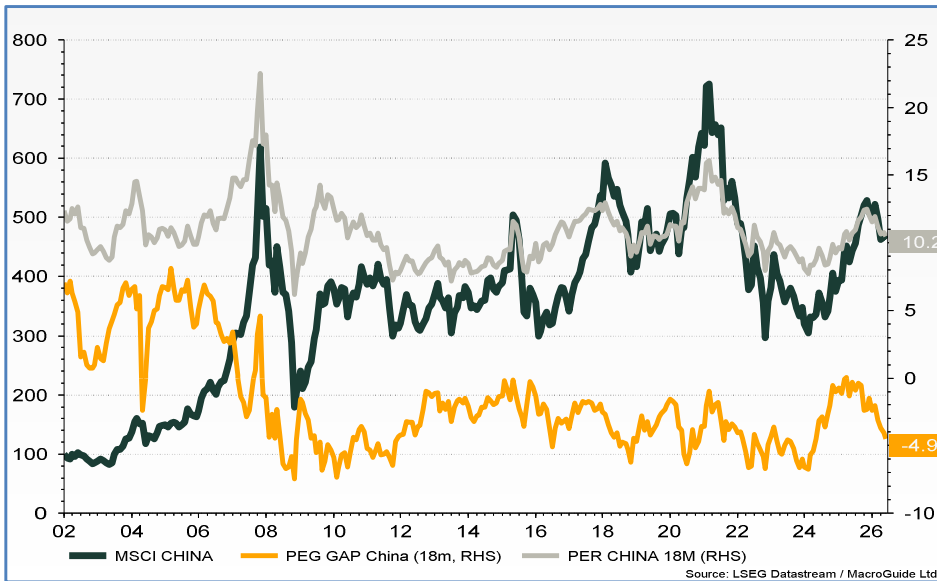
- Despite strong share-price performance, valuations have not increased proportionally.
- Earnings growth has largely justified higher market capitalizations.
- Free-cash-flow generation remains exceptionally strong.
- Relative to growth prospects, valuations remain reasonable.
- Investors continue to reward operational execution rather than narrative alone.
- The key risk is a slowdown in earnings momentum rather than valuation excess.

NVIDIA: cheaper now than before ChatGPT was launched !



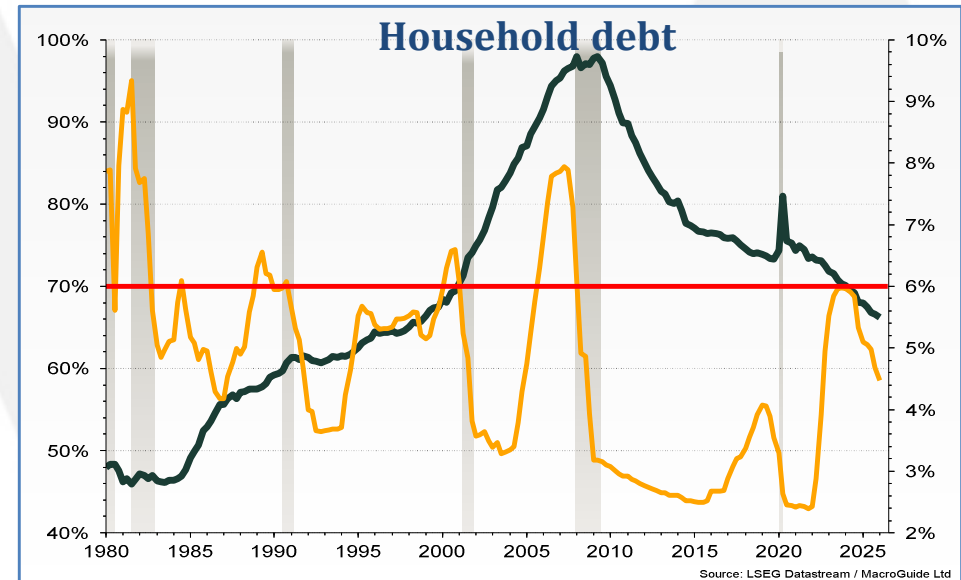
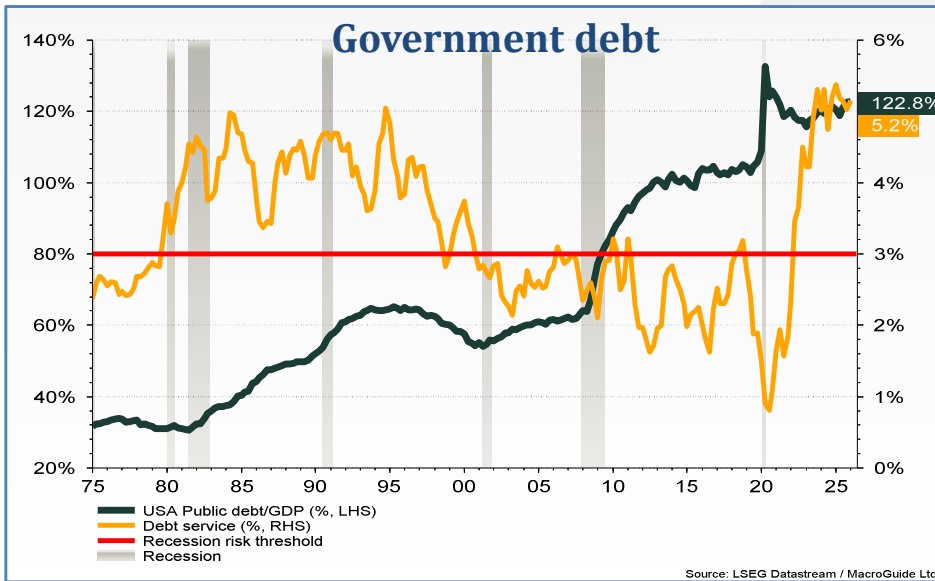
- Nvidia leads the performance race, as shown in dark green on the left-hand scale of the chart above. Yet its valuation would appear reasonable at both a PE of 20.1 x (grey line on right hand scale) and, more to the point, a PE less expected growth of -45.4, indicating that earnings growth should reach 65.5% over the next 12 months.
- If we are to compare Nvidia current valuation to the one prevailing prior to ChatGPT inception (PE ox 34x for earnings growth of 19%), in November 2022, when its price was at 19, we can claim that the Tech giant is cheaper today, following a “10 bagger” rally since 2022.

PE to Growth favours Asia

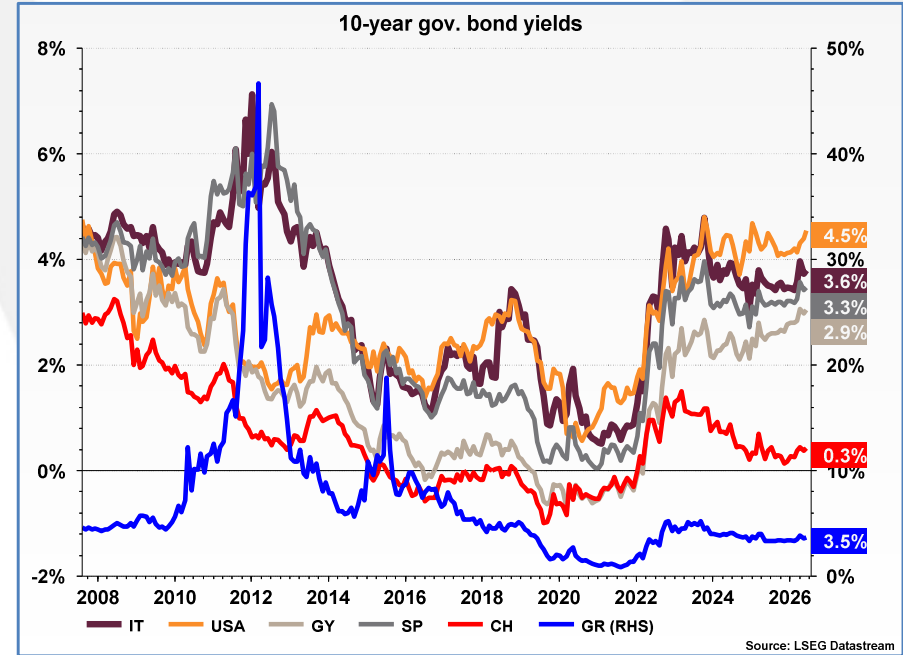
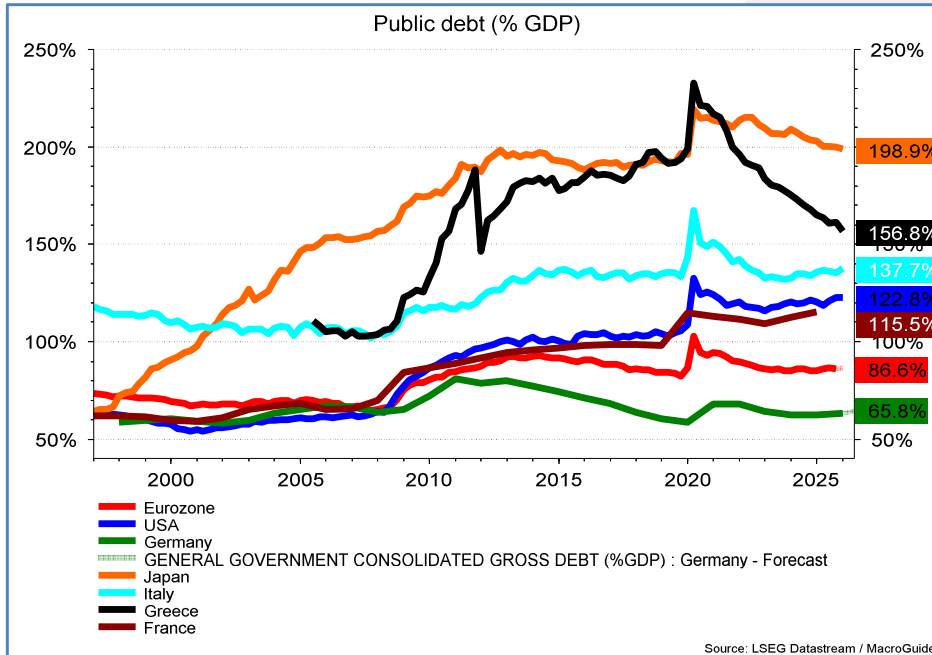


- Asian equity markets offer attractive growth relative to valuation.
- PEG ratios compare favorably with both US and European markets.
- Technology adoption and productivity gains remain important drivers.
- Structural reforms continue to improve investment opportunities in several Asian economies.
- The region offers a compelling balance between growth potential and valuation discipline.

Debt sustainability faces a Higher-for-Longer challenge

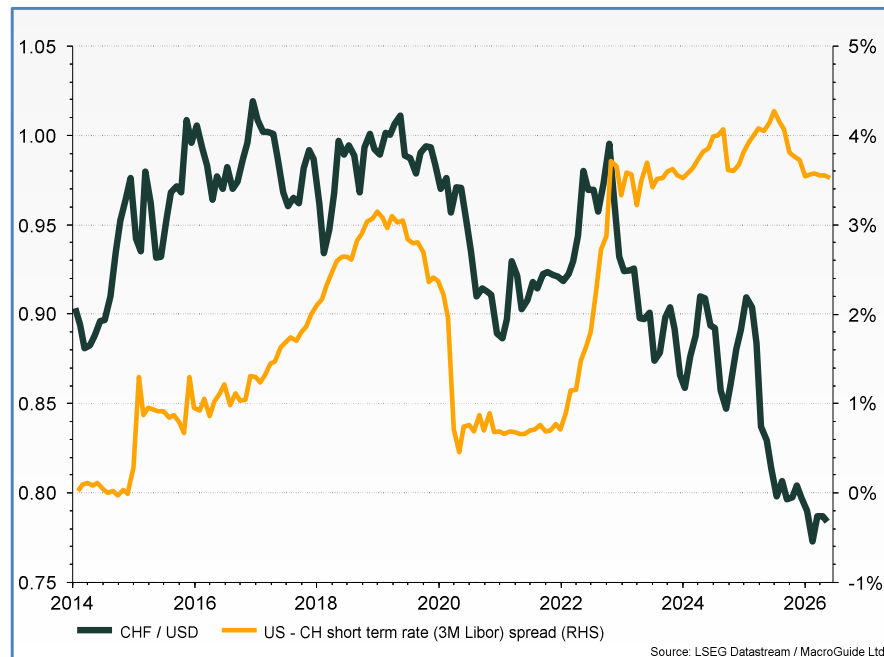
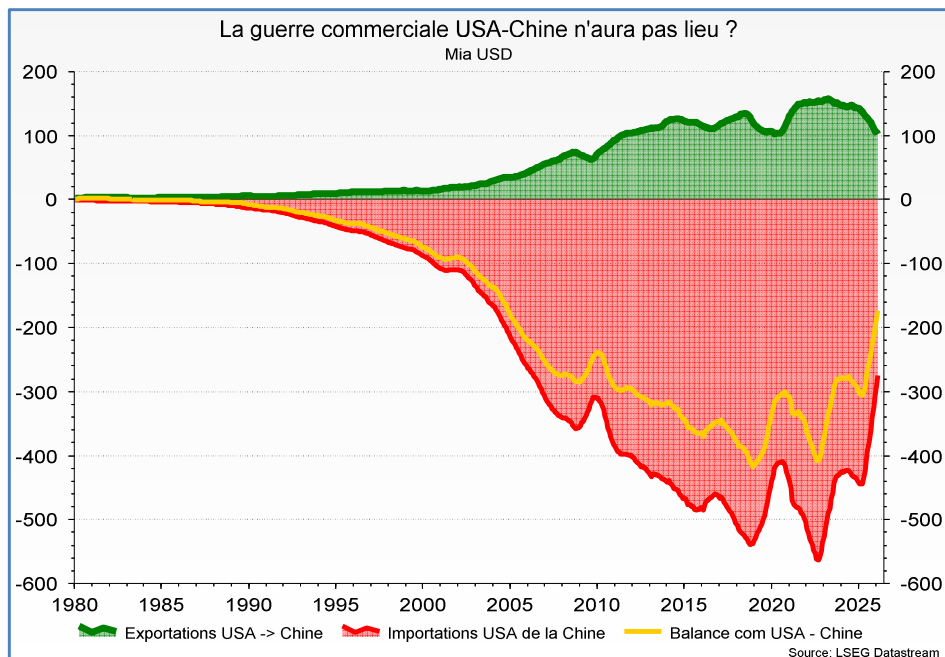


- Recent hawkish signals from the Fed suggest that policy rates may remain restrictive for longer.
- US Government can absorb higher borrowing costs only if nominal growth remains sufficiently robust.
- Rising interest expenses are gradually reducing fiscal flexibility and increasing budgetary pressures.
- Long-term bond yields are increasingly driven by fiscal deficits and debt issuance rather than by central-bank policy alone.
- Debt sustainability is becoming one of the key determinants of future bond-market and currency performance in the US and elsewhere.



- Public debt ratios remain elevated across most developed economies, making financing costs increasingly important.
- Debt sustainability increasingly depends on keeping borrowing costs contained (chart right).
- Governments, households and corporations all benefit from stable financing conditions.
- Lower inflation expectations reduce pressure on bond yields.
- Sharp increases in yields would rapidly challenge fiscal sustainability.
- Central banks remain attentive to financial stability considerations.
- Stable yields would support both economic growth and asset valuations.

USD should bottom out on trade, interest rate differentials



- The peace agreement reduces safe-haven demand for the US dollar.
- Lower energy prices improve growth prospects outside the United States.
- Interest-rate differentials remain the main driver of currency markets.
- The dollar may stabilize after its recent correction.
- A broad-based dollar rebound appears unlikely without stronger US growth.



- ✓ The global economy continues to slow, but not enough to trigger recession.
- ✓ The feared stagflation scenario has largely faded following the Iran peace agreement and lower energy prices.
- ✓ Central banks have become more cautious than markets anticipated, suggesting that policy rates may remain restrictive for longer. Though we expect easing expectations to resume during the first half of 2027.
- ✓ AI remains the dominant source of productivity gains, earnings growth and market leadership.
- ✓ Geopolitical risks have diminished but remain an important source of volatility.
- ✓ Valuations are elevated, particularly in the US, but earnings continue to provide support.
- ✓ Maintain a neutral to modest overweight to equities despite increasingly demanding valuations.
- ✓ Favor Asia and selected European markets where growth-adjusted valuations remain attractive.
- ✓ Retain strategic exposure to AI leaders while broadening diversification beyond the Magnificent 7.
- ✓ Keep a neutral stance on bonds until central banks gain greater confidence that inflation is under control
- ✓ Maintain exposure to gold as protection against fiscal, geopolitical and monetary-policy surprises.



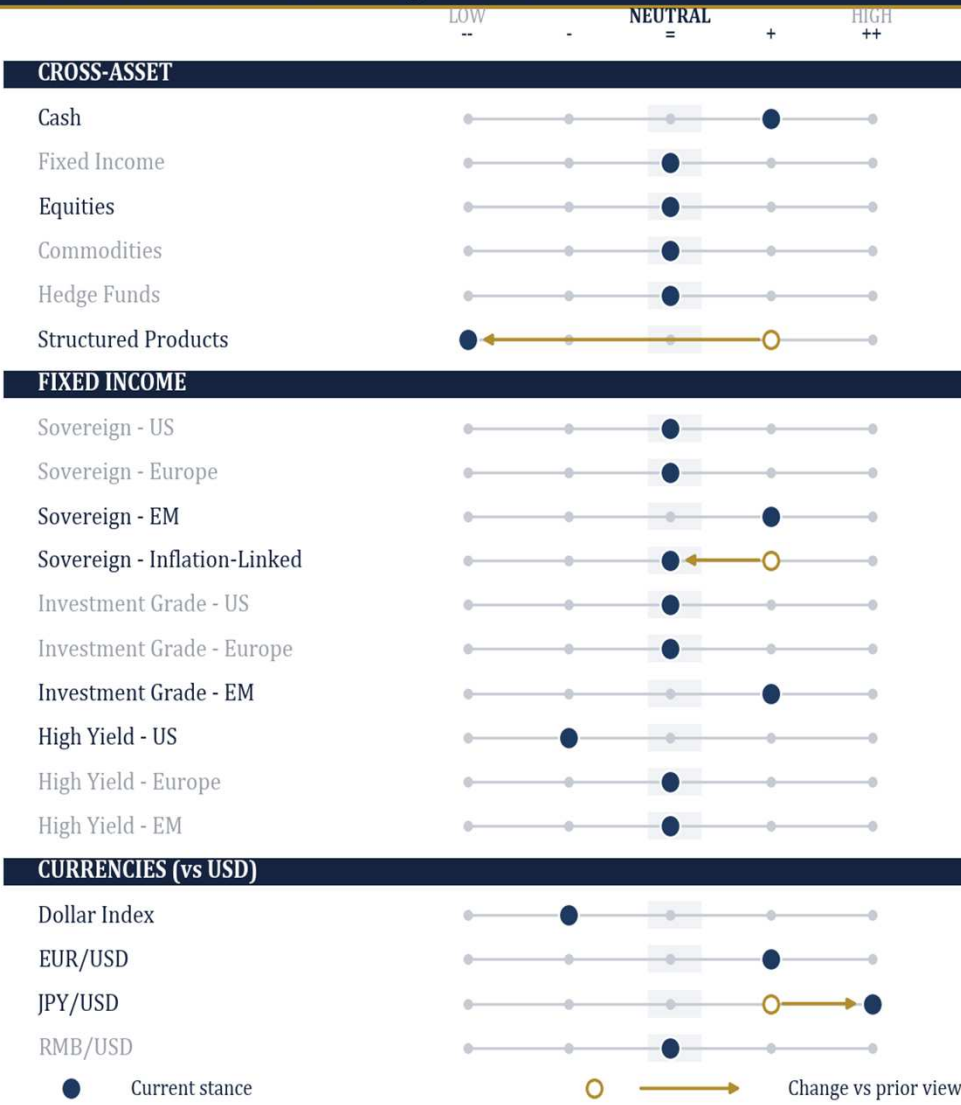
MT FORT

ADVISERS

IV. Asset Allocation



Mt Fort Advisers - Tactical Positioning - H2 2026



Cash: Neutral to Positive

- Maintain a strategic cash buffer as dry powder to add in a potential consolidation following the recent massive rally (overbought technicals).

Fixed Income : Neutral

- We retain a diversified fixed-income allocation across Treasuries, Investment Grade, High Yield, and Emerging Markets.
- With possibly a more hawkish new Chair Warsh, we remain cautious on the eventuality of a rate hike before year-end, although we would lean towards a loser monetary policy over the next 6-12 months
- Chinese fixed income remains supported by continued monetary easing and targeted fiscal stimulus.

Currencies:

- USD: Should remain under pressure due to widening fiscal deficits, concerns over long-term debt sustainability, and lower interest rates. But no flight out of the USD yet.
- JPY: Deeply undervalued on a purchasing power parity basis. Rising Japanese yields might trigger a possible unwinding of the JPY carry trade.
- EUR: Better valuations, and capital inflows into European equities.

Alternatives – HF: Neutral

- Wider performance dispersion across regions and sectors continues to favour active strategies benefiting from the volatility return

* Relative to our latest positioning at the end of December 2025.



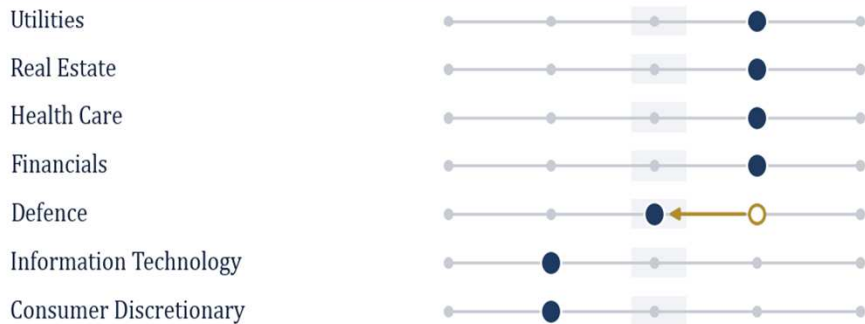
Mt Fort Advisers - Tactical Positioning - H2 2026

LOW -- - NEUTRAL = + HIGH ++

EQUITIES - REGIONS



EQUITIES - SECTORS



COMMODITIES



Equities: Neutral

- We maintain a neutral stance: durable Middle East peace, moderating oil, easing inflation, stable-to-accommodative policy and continued earnings strength support current multiples.
- Short-term overbought conditions after the rally from the March lows.
- Quality growth, particularly Chinese technology, which we view as materially undervalued relative to US peers.
- Defensives less sensitive to the cycle: utilities (structural beneficiary of AI infrastructure's extraordinary energy demand), healthcare and real estate for relative resilience in a potentially more volatile rate environment.
- We expect Consumer Discretionary to benefit from a renewed focus on leisure and lifestyle expenses. As financial conditions gradually improve, spending on travel, entertainment and experiences should remain a key driver of sector earnings growth.

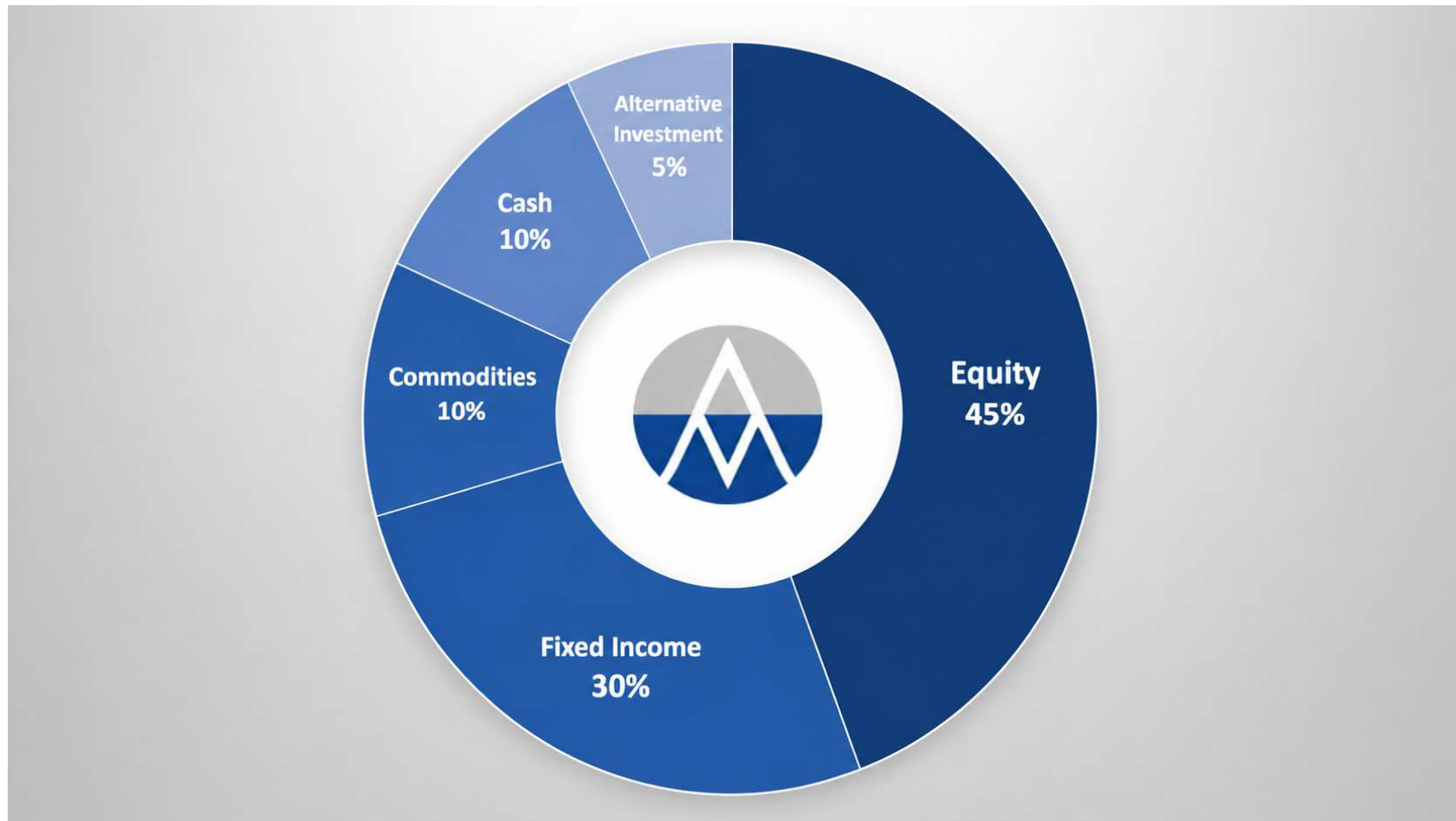
Commodities: Neutral

- Maintain long gold: compelling combination of portfolio protection and real-asset characteristics; supported by lower US rates and continued central bank buying.
- Oil: Moderating on the expected peace settlement; remains sensitive to any renewed Middle East deterioration, which would send energy prices sharply higher.

* Relative to our latest positioning at the end of December 2025.



(Liquid assets - Investment profile with 45% equity exposure at neutral, with a tactical HEDGE)





MT FORT

ADVISERS

Multi-Family Office

Geneva, Singapore

Important Disclaimer:

The present document is for information purposes only; it is not the result of any financial analysis, and as such it is not subject to the legal requirements relating to independent investment research. The present document is provided for information purposes only and should not constitute an offer or recommendation to carry out a financial transaction or conclude an agreement with Mt Fort Advisers S.A. (hereinafter, 'MFA'). It reflects the opinion of MFA as at the date of publication, without guaranteeing the timelines, accuracy or extent of the aforementioned information and analyses, nor does it assume any responsibility as regards any loss or damage that may result from its use. Past performance is no indication of future results. Financial markets are volatile and the risk of losing some or all of your investment is important. The present document is issued by MFA, an independent wealth manager licensed by FINMA, the Swiss financial regulator. It is not intended for anyone who, by hint of his or her nationality or place of residence, is not authorized to receive such information, in accordance with the local law in force.