

# Equity Mandate (USD)

Q1 2026

## Market Commentary

Global equity markets suffered a challenging quarter, reversing much of the strong momentum that closed 2025.

Concerns around AI-driven disruption and infrastructure spending continued to pressure segments of the software industry and particularly the MAG 7, as market breadth improved with a broadening of market leadership. Strong performance in sectors such as energy, materials, consumer staples and industrials in January and February offset the pull-back of the mega cap stocks, to leave the S&P largely flat going into the onset of the Iran conflict. The US and Israeli strikes on Iran and the retaliatory strikes by Iran on the GCC, led to the effective closing of the Strait of Hormuz and surging oil prices. This created considerable uncertainty for the global economy and financial markets, as inflationary pressures resurfaced across major economies. Throughout March, sentiment swung between hopes for a quick resolution and fears of a prolonged conflict.

This challenged the prevailing narrative of a smooth disinflationary path and led to a repricing of rate expectations with 2Y US Treasury rates rising 30bps to end the quarter at 3.80%, as markets scaled back the extent of anticipated monetary easing and central banks paused policy rate moves whilst forward guidance became more hawkish.

At the end of Q1, the S&P 500 returned -4.3% for the quarter and the Nasdaq 100 fell -5.8%, whilst the small cap Russel 2000 closed Q1 with a small gain of 0.9%, marking the weakest quarter for US large caps since 2022. With the equal weight S&P 500 Index outperforming the market cap weighted S&P 500 by 5%.

European equities were modestly weaker over the quarter, as rising inflation expectations and a more hawkish tone from the ECB offset earlier optimism around growth. In contrast, Japanese equities continued to outperform following the February landslide victory for the LDP in the House of Representatives election. The Nikkei advanced approx 6% in Q1, supported by accommodative domestic policy, a weaker yen and continued earnings resilience.

Commodities continued to draw global focus in Q1 with dramatic moves. Precious metals traded more like risk assets than safe havens, with silver and gold continuing their rallies in January, setting fresh all-time highs of USD 121.65/oz (+70%) and USD 5595/oz (+30%) respectively, before crashing on 30/01 and eventually closing Q1 at +5% and +8%.

The shock to global energy markets from the Iran conflict caused crude oil benchmarks to double to their peaks of more than USD 120/bbl, before moderating slightly to close Q1 +77% at USD 101.38/bbl. The Bloomberg Commodity Index gained 22% in Q1.

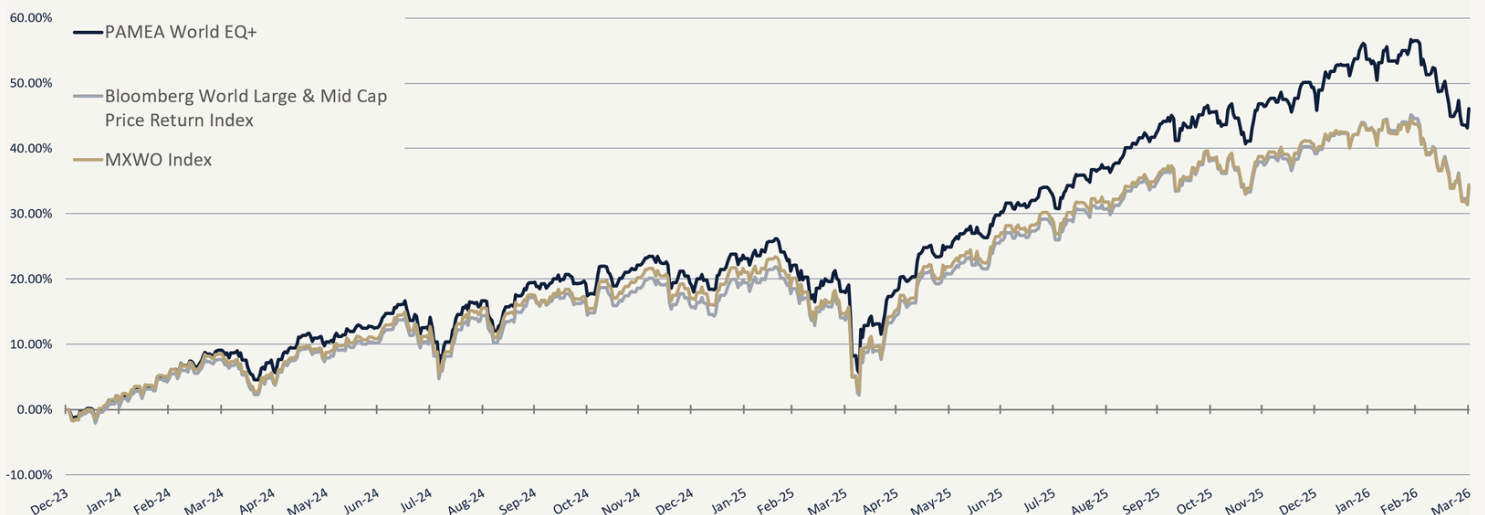
## Investment Parameters

The Picard Angst MEA Limited-DIFC (“PAMEA”) Fixed Income Mandate (USD) represents a medium-term fixed income solution aimed at delivering consistent income generation. The strategic duration target of the portfolio is 3-5 years with a minimum average rating of BBB-. These targets are achieved through a blend of longer dated investment grade and shorter dated high yield allocations to single line bonds and sukuks. The portfolio is geographically and sectorally diversified with an overweight allocation to the MENA region. This investment portfolio is ideal for investors with a low to moderate risk profile seeking enhanced returns over risk free rates through diversified credit exposure.

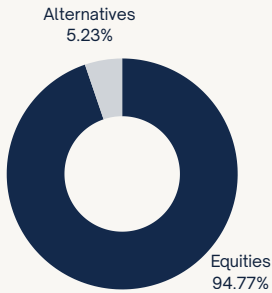
## Portfolio Statistics

	Equities	Alternatives	Overall Portfolio
PE Ratio	27.29	-	27.29
Quarterly Return	-2.19%	+10.63%	-1.57%
1Y Return	+22.75%	+29.43%	+23.09%
Return (YTD)	-2.19%	+10.63%	-1.57%
Return (Since Inception)	+45.48%	+57.36%	+46.06%

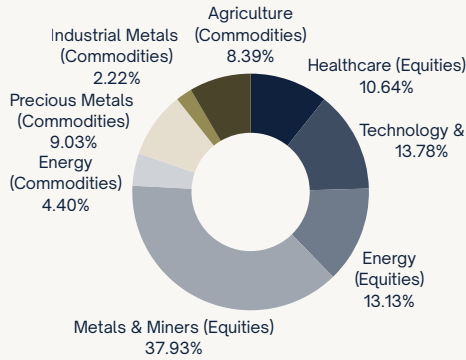
## Portfolio Performance vs. Benchmark



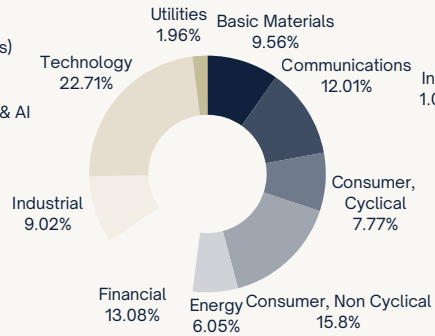
## Portfolio Allocation



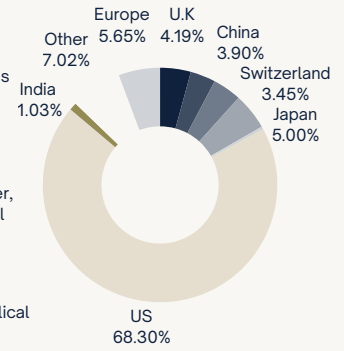
## Thematic & Alternative Allocation



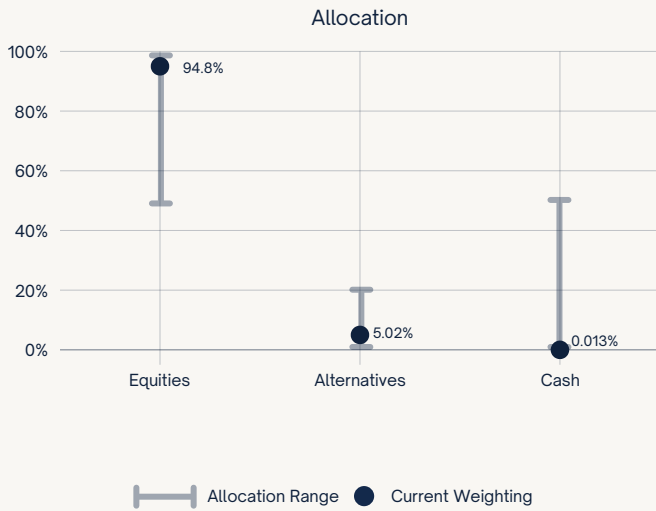
## Sector Allocation



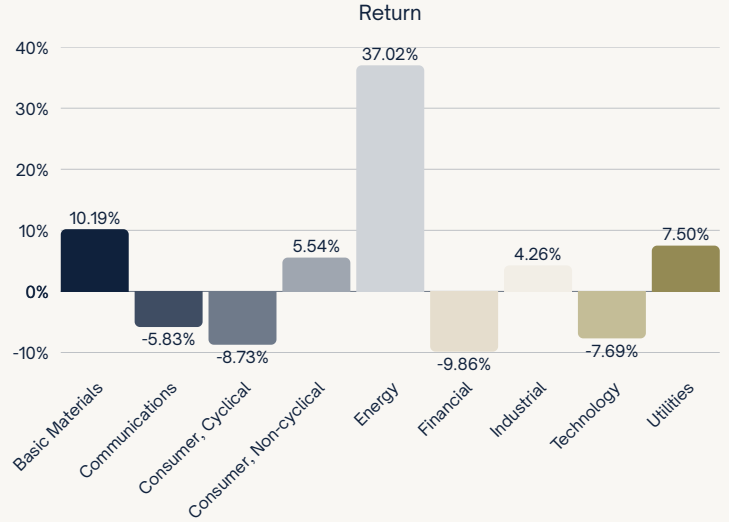
## Geographical Allocation



## Strategic and Tactical Asset Allocation



## S&P 500 Index Sector Return (YTD)



## Largest Holdings

ISIN	Name	Ticker	Return (YTD)	Return (Since Inception)	Portfolio Weighting
US9229083632	Vanguard S&P 500 ETF	VOO US	-4.33%	+38.35%	30.21%
US9229087369	Vanguard Growth ETF	VUG US	-10.39%	+42.12%	17.80%
US9229087443	Vanguard Value ETF	VTV US	+3.33%	+38.21%	10.69%
US9220428588	Vanguard FTSE Emerging Markets	VWO US	-2.73%	+46.93%	4.99%
US46434G8556	iShares MSCI Global Gold Miner	RING US	+6.04%	+221.60%	4.94%

## Top Equity Holdings (Performance YTD)

ISIN	Name	Ticker	Return (YTD)	Return (Since Inception)	Portfolio Weighting
US78468R5569	State Street SPDR S&P Oil & Ga	XOP US	+44.67%	+40.90%	2.80%
DE000SLA0RF6	VanEck Rare Earth and Strategi	REMX US	+18.67%	+80.11%	1.00%
IE00BYLVLH00	UBS BBG Commodity CMCI SF UCIT	BCCU LN	+16.22%	+44.77%	3.12%
US46434G8481	iShares MSCI Global Metals & M	PICK US	+8.27%	+36.79%	2.15%

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