

Management Team
Multi-Asset
Solutions
Investment Team

Date
07/09/26

Please read full risk
warning at the end
of this document.

¹Bonds are interest-
paying financial
products issued
by governments,
companies and other
institutions when they
want to borrow money
from investors.

²Yield is the income
paid by bonds or
other investments.
It is usually stated
as a percentage
of the value of the
investment. When
bond yields rise this
means bond prices fall.

³Gilts are UK
government bonds.
When it is first issued,
a 10-year gilt is due
to 'mature' (when the
money borrowed from
investors is repaid) in
10 years.

Monthly Commentary: September 2026

Multi-Asset

Most global stock markets rose in August, propelled higher by resilient economic data, robust corporate earnings and strong artificial intelligence (AI) related momentum in the technology sector. Regionally, the US and Asia-Pacific led the charge, while European and UK equities lagged.

Global government bonds¹ delivered mixed results. US government bonds (Treasury) made modest gains, boosted by a US Treasury announcement that it would double longer-term bond buybacks. However, the picture was less positive in Europe and Japan, where yields rose². The yield on 10-year Japanese government bonds reached multi-decade highs.

Gold emerged as the standout performer of the month, rising nearly 10% to approach \$4,700 an ounce. The precious metal benefited from geopolitical tensions in the Middle East and a weaker US dollar. In addition, concerns over surging US government debt spurred heavy institutional, retail and central bank flows away from paper currencies and into gold.

UK

It was a flat month for the FTSE 100, with the index returning 0.2%. This was mainly due to a rotation back into AI stocks because of strong second-quarter earnings. With the FTSE having very limited exposure to tech, it lagged other stock markets around the world. The cost of UK government borrowing increased, with yields on 10-year gilts³ over 5.0%. With the Budget looming in October, this puts renewed pressure on Prime Minister Andy Burnham and Chancellor John Healey to provide details about how they plan to pay for any increased government spending.

Europe

In August, the MSCI Europe (excluding the UK) index returned 0.9%, lagging regions with heavier tech exposure. Inflation continued to accelerate over the month, with the ongoing US-Iran conflict driving energy prices higher. The European Central Bank is now widely expected to raise interest rates in September. Political risk in France is increasingly in focus too. Far-right party leader Marine Le Pen and far-left leader Jean-Luc Mélenchon are both seen as contenders to reach the second round of next year's presidential election. This contributed to French bond yields pushing up to their highest level since 2008.

US

The S&P 500 index rose 2%. We have now seen the vast majority of S&P 500 companies report earnings for the second quarter, with year-on-year earnings growth of a remarkable 32% (excluding Amazon and Google-parent Alphabet). This pushed the index to all-time highs. The month saw a large data miss in non-farm payrolls, which came in at -23,000 against a consensus figure of +95,000. Consumer prices index (CPI) inflation numbers came in a little lower at 3.4%. Meanwhile, second-quarter economic growth (as measured by gross domestic product or GDP) in the US slowed to an annualised rate of 1.5% (down from 2.1% in the first quarter). This supports our view that growth is likely to remain steady in the coming months.

⁴The short end of bond markets refers to bonds closer (typically three years or less) to maturity.

Japan

Japanese stocks rose, with the TOPIX index gaining 2.8%, although this headline figure masked a volatile month. AI-led momentum pushed the Nikkei above 69,000 for the first time on 17th August, before a sharp reversal from the 19th as global tech sentiment soured over AI-spending doubts. Japanese 10-year government bond yields hit three-decade highs and the Bank of Japan held rates at 1.0%, with markets pricing in a likely September hike.

Asia Pacific (ex-Japan)

The MSCI Asia-Pacific (excluding Japan) index gained 2.4%. A fresh semi-conductor-driven sell-off in AI-related stocks briefly hit North Asian technology companies, before they staged a recovery. At a sector level, the basic materials and healthcare sectors led gains, while communication services and real estate lagged.

Emerging Markets

The MSCI Emerging Markets index rose 2.6%. In Asian emerging markets, Korea and Taiwan extended their rallies despite fresh semiconductor volatility, while China, India and Indonesia lagged. In Latin America, stock markets were weak, with Brazil and Mexico both down over the month. Meanwhile, South Africa surged to its best month on record, as gold and platinum prices rallied. Poland also extended what has been a strong run so far this year.

Bonds

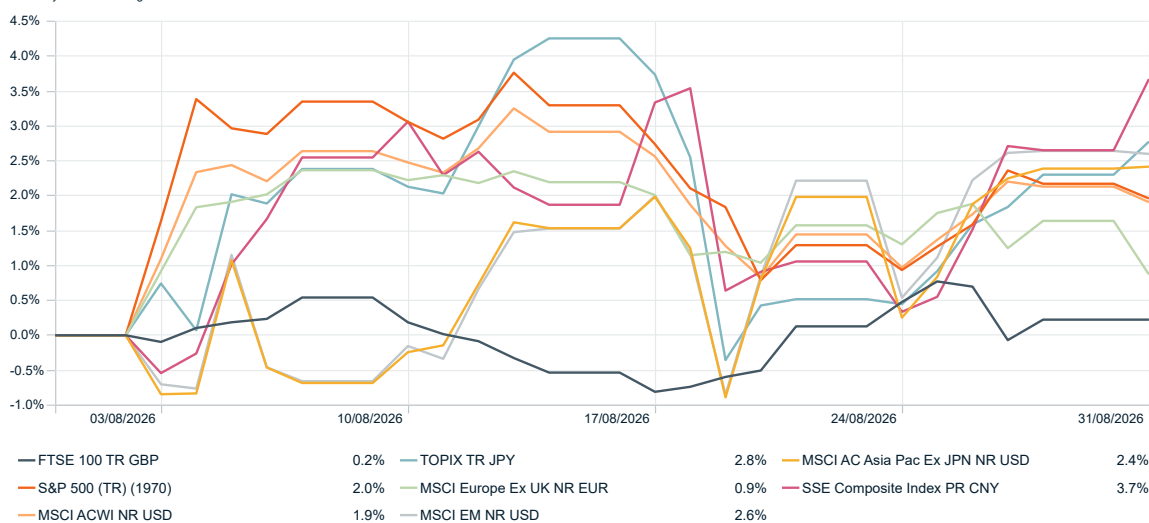
In bonds, the headlines looked overblown relative to the actual moves in markets, with much of what journalists reported being facts that were already known. Long-term yields kept climbing for reasons we have flagged for months: heavy government borrowing, a flood of AI-related debt issuance and what could potentially be a trend of fewer foreign buyers stepping in. The surprise for investors was more in the short end⁴ of bond markets. A speech from Federal Reserve Chair Kevin Warsh, combined with higher energy prices caused by the continuing US-Iran conflict, convinced markets the US central bank may be poised to raise interest rates.

Performance of key Global Markets

1 month performance

Time Period: 01/08/2026 to 31/08/2026

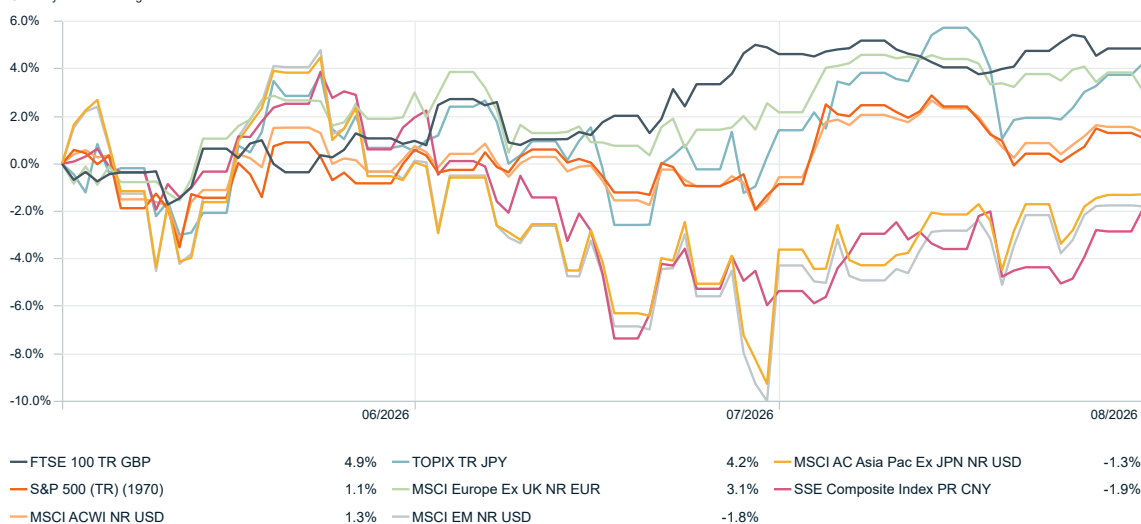
Currency: Pound Sterling



3 month performance

Time Period: 01/06/2026 to 31/08/2026

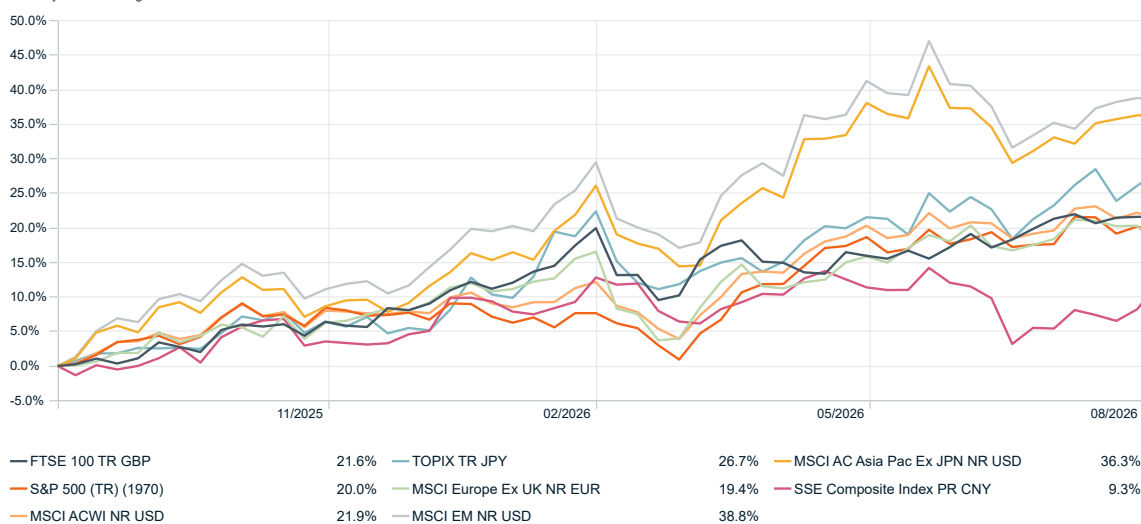
Currency: Pound Sterling



12 month performance

Time Period: 01/09/2025 to 31/08/2026

Currency: Pound Sterling



Risk Warnings

The value and income from investments can go down as well as up and are not guaranteed. An investor may get back significantly less than they invest. Past performance is not a reliable indicator of current or future performance and should not be the sole factor considered when selecting portfolios. Investments may include emerging market, smaller company and commodity funds which may be higher risk than other asset classes. Investments in fixed interest funds are subject to market and credit risk and will be impacted by changes in interest rates. Changes in exchange rates may affect the value of the underlying investments. Investments in Property funds carry specific risks relating to liquidity. Property funds can go through periods, known as 'gating', when it may not be possible to trade in or out of the funds and to access your money during such periods. The portfolios may invest a large part of their assets in funds for which investment decisions are made independently of the portfolios. If these investment managers perform poorly, the value of the portfolios is likely to be adversely affected. Investment in funds may also lead to additional fees arising from holding these funds.

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be taken as advice or a recommendation for any specific investment product, strategy, plan feature or other purpose in any jurisdiction, nor is it a commitment from Marlborough or any of its subsidiaries to participate in any of the transactions mentioned herein. Any examples used are generic, hypothetical and for illustration purposes only. This material does not contain sufficient information to support an investment decision and it should not be relied upon by you in evaluating the merits of investing in any securities or products. In addition, users should make an independent assessment of the legal, regulatory, tax, credit, and accounting implications and determine together with their own professional advisers if appropriate if any investment mentioned herein is believed to be suitable. Investors should ensure that they obtain all available relevant information before making any investment. Any forecasts, figures, opinions or investment techniques and strategies set out are for information purposes only, based on certain assumptions and current market conditions and are subject to change without prior notice. All information presented herein is considered to be accurate at the time of production, but no warranty of accuracy is given and no liability in respect of any error or omission is accepted.

Regulatory Information

Issued in the UK by Marlborough Investment Management Limited, authorised and regulated by the Financial Conduct Authority (reference number 115231). Registered office: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Registered in England No. 01947598.

Issued in Europe by Marlborough Investment Management Limited (authorised and regulated by the Financial Conduct Authority) on behalf of Marlborough ICAV (authorised and regulated by the Central Bank of Ireland). Marlborough ICAV is managed by TMF Fund Management (Ireland) Limited (authorised and regulated by the Central Bank of Ireland). Marlborough ICAV is registered under the laws of Ireland with registered number C186352 as an Irish Collective Asset management Vehicle which is constituted as an open ended umbrella UCITS fund with segregated liability between sub funds. Directors: Raymond O'Neill (Irish), Brian Farrell (Irish), Dom Clarke (British) and Danny Knight (British). Registered office: Marlborough ICAV, 88 Harcourt Street, Dublin 2, Ireland.

The fund is registered and approved under section 65 of CISCA. South African investors must read this document with the latest Minimum Disclosure Document & General Investor Report.

Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP

Intermediary Support. 0808 145 2502

Email. salesupport@marlboroughgroup.com

Website. marlboroughgroup.com

