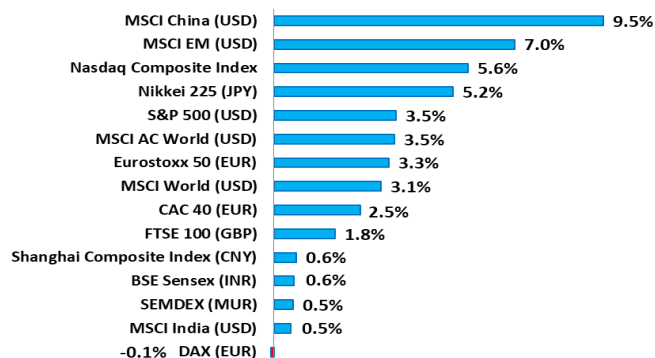


MARKET SUMMARY

Equities: Sep 25 performance (in Index currency)



Tariff Updates:

Pharmaceuticals: Trump announced a 100% tariff on imports, targeting companies that do not establish manufacturing operations in the US.

The Trump administration launched investigations into imports of robotics, industrial machinery and medical devices, potentially leading to new tariffs. The inquiries began on Sept. 2 and the Department of Commerce has 270 days to issue recommendations under national security provisions.

Country-specific tariff rates:

Japan: President Trump signed an executive order confirming a deal that caps US tariffs on the Japanese automobiles at 15%, as part of ongoing negotiations.

Foreign

Interest Rates:

| Country | Interest Rate | Interest Rate Decision |
|---------|---------------|---|
| US | 4.0% - 4.25% | Cut by 25 bps – lowest level since 2022 |
| Japan | 0.5% | Unchanged |
| UK | 4.00% | Cut by 25bps – lowest level since 2023 |
| China | 3.00% | Unchanged – remains at record lows. |
| Europe | 2.15% (Refi) | Unchanged |

Global:

- According to the OECD, the full effect of US tariff hikes is still unfolding, with firms so far absorbing much of the impact through narrower margins and inventory buffers.

Regional Trends:

- EU: The economy is expected to grow as Germany boosts public spending while fiscal tightening weighs on France and Italy.

- Japan: The economy is expected to benefit this year from strong corporate earnings and a rebound in investment.

| Countries | 2025 June Forecast | 2025 September Forecast | 2026 Forecast |
|-----------|--------------------|-------------------------|------------------|
| US | 1.6% | 1.8% (+0.2) | 1.5% (no change) |
| China | 4.7% | 4.9% (+0.2) | 4.4% (+0.1) |
| EU | 1.0% | 1.2% (+0.2) | 1.0% (-0.2) |
| Japan | 0.7% | 1.1% (+0.4) | 0.5% (+0.1) |
| Britain | 1.3% | 1.4% (+0.1) | 1.0% (no change) |

US :

- GDP growth was at an annualised rate of 3.8% from April to June 2025, revised up from an earlier estimate of 3.3%. It was the fastest pace in nearly two years.
- The PCE price index rose by 0.3% m-o-m in August 2025, after a 0.2% increase in July.
- Consumer spending rose sharply, showing resilience from the US consumer despite heightened economic uncertainty and elevated borrowing costs.
- Annual inflation reached 2.9% in August, up from 2.7% the previous month.
- Employers added 22,000 jobs last month, fewer than expected. The unemployment rate edged up from 4.2% to 4.3%.

Europe:

- ECB Forecast:
 - Headline inflation is expected to average 2.1% in 2025, ease to 1.7% in 2026 and rise slightly to 1.9% in 2027.
 - GDP growth is projected at 1.2% in 2025 (up from 0.9%), slowing to 1.0% in 2026, and recovering to 1.3% in 2027.
- The French central bank downgraded its economic forecast for 2026 and 2027 by 0.1%, citing political instability and global headwinds.
- Fitch Ratings downgraded France's credit rating to A+ from AA-, citing concerns over budget targets and reduced capacity to respond to shocks.

UK:

- Annual inflation rate held steady at 3.8% in August 2025, unchanged from July and remaining near the highs last seen in January 2024.
- According to the ONS, the economy saw zero growth in the month of July, which was in line with expectations, following a 0.4% expansion in June. In the three months to July, the economy expanded by 0.2%.
- The UK economy expanded by 0.7% in the first three

For more information about our services, please contact:

André Chung Shui

Managing Director
+230 52512216
ac@peaqadvisors.com

Ishrat Cheeroo

Senior Investment Manager
+230 55012900
ic@peaqadvisors.com

Keshav Maghoo

Investment Analyst
+230 4687900
km@peaqadvisors.com

Nashini Ramye

Portfolio Analyst
+230 4687900
nr@peaqadvisors.com



Source: FED, ECB, BOE, BoM, Bloomberg, SEMDEX, Statistics Mauritius, MSCI.

Disclaimer: The information and any opinion expressed therein do not constitute or form part of, and should not be construed as, an offer or an invitation to buy or sell or a solicitation of an offer or invitation to buy or sell or enter into any agreement with respect to any investment or service by PeaQ Advisors Ltd ("PeaQ"). The information is based on sources deemed to be reliable, but not verified independently, and is given in good faith by PeaQ. The recipient of the information should seek professional advice before considering any further action. PeaQ is not liable for any consequences resulting from the recipient's action or failure to act on the information. Investors are advised that future expectations may not be realised, and any past performance shown in the information should not be taken as a guide to future performance. The price and value of the investments as well as the associated income may be subject to fluctuations and are not guaranteed. Investors may not recover the full amount invested. This document may not be copied, distributed, reproduced, or transmitted for any purpose without PeaQ's prior consent in writing.

months of the year and then grew by 0.3% between April and June.

Japan:

- Annual inflation rate eased to 2.7% in August 2025 from 3.1% in the previous month, marking the lowest reading since October 2024.
- The US-Japan deal, resilient economic data and continued corporate governance reforms led to the rise in the stock markets.

China:

- Stock markets surged over the month on the back of stimulus measures and easing of trade tensions with the US. Government support for domestic technology, especially chipmakers, added to the stock market momentum.

India:

- Fitch Ratings revised India's GDP growth forecast for FY2025–26 to 6.9%, up from its earlier estimate of 6.5%, citing strong domestic demand and robust growth in the June quarter.
- India's economy grew by 7.8% y-o-y in the April–June quarter, up from 7.4% in the previous quarter — faster than Fitch's earlier projection of 6.7% in its June Global Economic Outlook.
- The agency also noted that the Indian government has adopted GST reforms, effective September 22, which are expected to modestly boost consumer spending over the remainder of this fiscal year and into the next.

Gold:

- Prices rose to a fresh record high of \$3,840 (+10.6% over the month), the biggest monthly gain in 14 years, as investors rushed to safe-haven assets amid mounting concerns over a looming US government shutdown and expectations of further Federal Reserve rate cuts

Local

- Y-o-y inflation was 4.4% in September 2025 (LY: 3.1%).
- The number of tourist arrivals figure increased to 115,491 in August 2025 (LY: 106,574, +8.4%). For the period January-August, the figure increased to 936,606 (LY: 869,347, +3.9%)
- Gross Tourism Earnings for the month of July stood at Rs 7.8Bn (LY: Rs 7.0Bn, +14%).
- GDP at market prices grew by 4.9% in 2024 and is forecasted to grow by 3.1% in 2025.
- The BoM intervened twice on the domestic foreign exchange market during the month and sold an amount of USD 15.0M each time at the rate of Rs 45.26/USD and Rs 45.50/USD on 10 and 16 September 2025 respectively.

Local Corporate News:

- ENLG : ENL Limited has changed its name to Almarys Limited.
- ERL : NewENLRogers Limited has changed its name to ER Group Limited.

Major Dividend Announcements:

| Company | DPS Declared (Rs) | Ex Div Date | Total DPS (Rs) | Div Yield |
|---------|-------------------|-------------|----------------|-----------|
| MCBG | 15.00 | 19 Nov 25 | 25.50 | 5.6% |
| APL | 0.41 | 10 Oct 25 | 0.89 | 8.4% |
| Medine | 1.30 | 09 Oct 25 | 2.75 | 4.1% |
| NMH (P) | 0.33 | 09 Oct 25 | 0.66 | 6.4% |

9th October 2025

