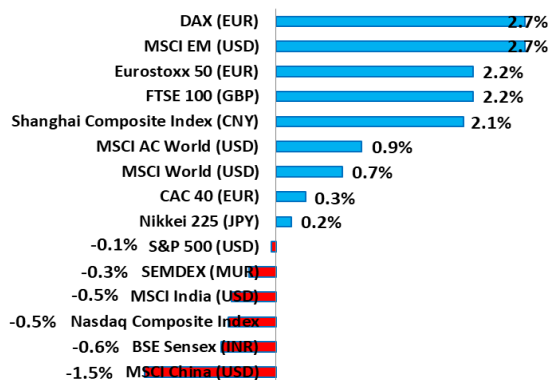


## MARKET SUMMARY

### Equities: Dec 25 performance (in Index currency)



### Global Growth

- As per the OECD:

GDP Growth	2025	2026	2027
Global	3.2%	2.9%	3.1%
US	2.0%	1.7%	1.9%
Eurozone	1.3%	1.2%	1.4%
UK	1.4%	1.2%	1.3%
Japan	1.3%	0.9%	0.9%
China	5.0%	4.3%-4.4%	4.3%-4.4%

### Foreign

- Interest Rates:

Country	Interest Rate	Interest Rate Decision
US	3.50-3.75%	Cut by 25bps – lowest level in 3 years
UK	3.75%	Cut by 25bps – lowest in almost 3 years
China	3.00%	Unchanged
Japan	0.75%	Rose by 25bps – highest level since 1995
Europe	2.15% (refi)	Unchanged

### US

- GDP growth stood at an annual rate of 4.3% in Q3 2025 (Q2: +3.8%), the strongest growth in two years.
- Consumer spending rose at an annual rate of 3.5%. Exports surged by 7.4% whilst imports continued to decline.
- The PCE price index, rose by 2.8% in Q3 2025 (Q2: +2.1%).
- Inflation eased to an annual rise of 2.7% in November, remaining above the Fed's 2% target.
- The unemployment rate rose to a four-year high of 4.6% in November (September: 4.4%). Employers added 64,000

jobs in November, following a drop of 105,000 jobs in October, largely driven by federal government job cuts.

- President Trump signed the National Defense Authorization Act into law in December, authorizing \$901Bn in military and national security programs for fiscal year 2026.

### Europe

- The Eurozone consumer price inflation rose to 2.2% in November 2025 (October: 2.1%) while the unemployment rate rose to 6.4%.
- As per the ECB:

	2025	2026	2027	2028
GDP Growth	1.4%	1.2%	1.4%	1.4%
Headline Inflation	2.1%	1.9%	1.8%	2.0%

- Germany unveiled a sweeping investment initiative aimed at mobilizing up to €130Bn in private capital to strengthen its ailing economy. The Deutschlandfonds, or Germany Fund, will provide approximately €30Bn in public funds and guarantees to attract private investment in energy infrastructure, critical raw materials, defense technology and startups.

### UK

- Inflation fell by more than expected in November to the lowest level in eight months at 3.2%.
- The economy contracted by 0.1% in October. The economy also shrank by 0.1% in the three months to October.

### Japan:

- The unemployment rate stood at 2.6% in November 2025, unchanged from the previous three months. It remained the highest reading since July 2024.
- GDP contracted 0.6% q-o-q in Q3 2025. The latest figure followed a downwardly revised 0.5% growth in Q2 and marked the first quarterly contraction since Q1 2024.

### China

- Annual inflation rate picked up to 0.7% in November 2025 from 0.2% in the prior month, marking the highest level since February 2024.

### India

- Consumer price inflation accelerated to 0.71% in November, from October's record low of 0.25%. Inflation remains below the RBI's lower tolerance threshold of 2% for the third straight month, leaving scope for further interest rate cuts in 2026.

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

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## Gold

- Prices went up by 6.5% over the month as uncertainties persist and the safe-haven appeal is maintained.

## Oil

- Crude oil prices fell for the fifth consecutive month to levels not seen since the start of 2021 on the back of a widely expected supply glut and peace talks in the Russia-Ukraine conflict. (WTI: -1.9% and Brent: -1.8%).

## Local

- Y-o-y inflation was 4.5% in December 2025 (LY: 2.9%). Headline inflation for the 12-months ending December 2025 was 3.7% (LY: 3.6%).
- The number of tourist arrivals for the month of December increased to 161,440 (LY: 154,208, +4.7%). The figure for the period 01 Jan – 31 December 2025 increased to 1,436,250 (LY: 1,382,177, +3.9%).
- Gross Tourism Earnings for the month of November stood at Rs 10.0Bn (LY: Rs 9.5Bn, +5.9%).
- The BoM intervened once on the domestic foreign exchange market and sold a total amount of USD15.0M at the rate of Rs46.25/USD.
- As per the latest figures of Statistics Mauritius, GDP growth rate at market prices for 2024 remains at 4.9% and is expected to grow by 3.2% in 2025.

## Local Corporate News:

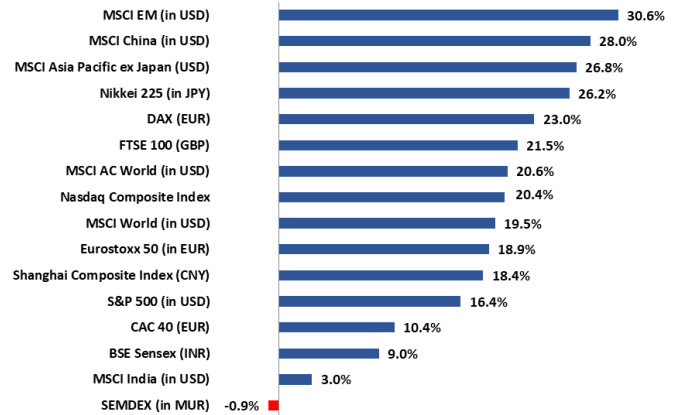
- Emtel:** The company has declared a special dividend of MUR 0.88 per ordinary share. The special dividend will be paid on or about 27 January 2026. The shares will be ex-dividend on 07 January 2026

## Local Financials

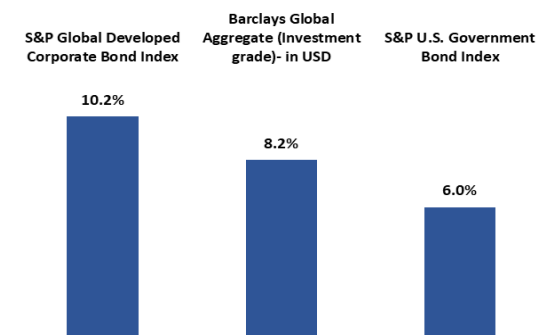
- Terra:** Q3 2025 revenue rose by 10.5% to Rs 6.6Bn while profit after tax fell by 48% to Rs 302.6M (margin of 4.5% vs 2024 margin of 9.7%) primarily due to lower contributions from the Cane cluster which generated a loss of Rs 286M compared to a profit of Rs 24.8M.

## YEAR 2025

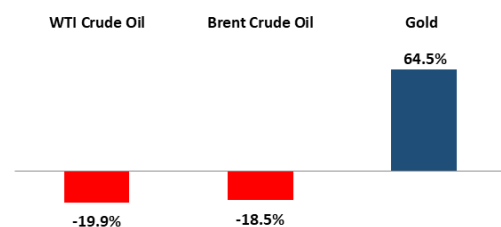
Equities: Year 25 performance (in Index currency)



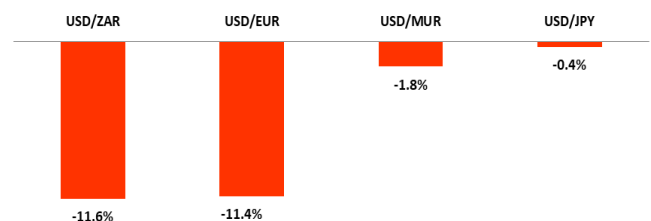
Fixed Income: Year 25 performance



Commodities: Year 25 performance



Currencies: Year 25 performance



19<sup>th</sup> January 2026

