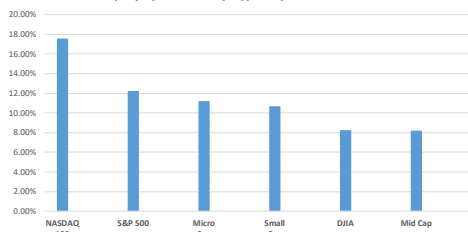


## April 2026 - Market Comments

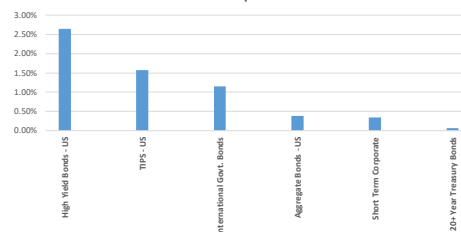
### Markets in a Glimpse

- Market Leadership Rotated Back Toward Growth:** April saw a strong recovery in global equities following March's defensive pullback. Better-than-expected U.S. corporate earnings, combined with periods of easing geopolitical tension helped restore investor confidence.
- Growth and Momentum Reasserted Themselves:** After March's defensive leadership, April brought a clear return to Growth/Momentum outperformance. Investors rotated away from high-quality strategies as improving sentiment, resilient earnings, and renewed confidence in secular growth themes (e.g. AI), supported higher-beta equity segments.
- Uncertainty Persisted, but Investor Positioning Became More Selective:** U.S. trade policy, Middle East developments, and sticky inflation continued to shape market sentiment reinforcing expectations for a prolonged restrictive Fed stance. However, rather than driving broad-based de-risking, these uncertainties increasingly led to tactical market rotations.
- Commodity Leadership Broadened Beyond Energy:** Energy markets remained heavily influenced by geopolitical risk, but April also saw strength expand into industrial metals as global growth expectations stabilized. Gold was comparatively rangebound as investors favoured riskier assets.
- Softer Dollar Tailwind for Risk-on Rally:** The U.S. dollar eased in April, providing a more supportive environment for equities, commodities, and digital assets. While higher yields continued to limit liquidity somewhat, reduced dollar strength removed an important macro headwind and contributed to a broader improvement in overall market risk appetite.

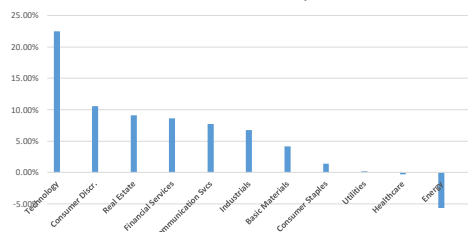
Equity by Market Cap Type - April Performance



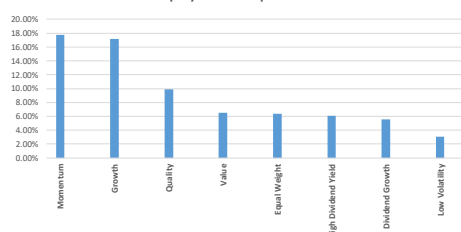
Fixed Income - April Performance



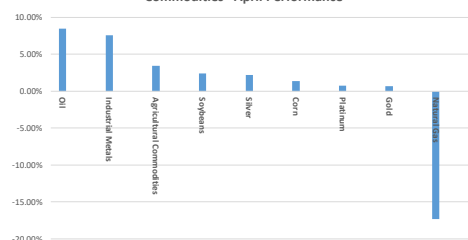
GICS Sector Performance - April Performance



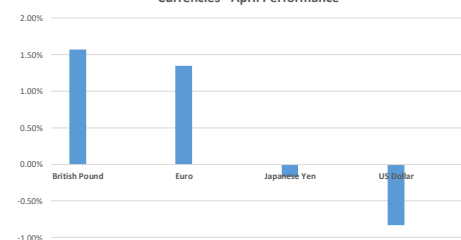
US Equity Factors - April Performance



Commodities - April Performance



Currencies - April Performance



## April 2026 - Market Comments

### In-Depth Market Review

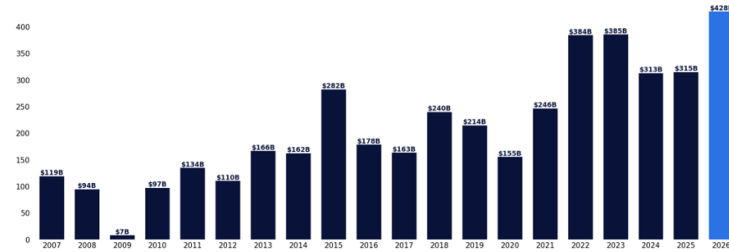
- Tech Undervaluation Rationale:** Investors' concerns about technology stocks culminated in a decline for the sector at the beginning of 2026, led by software companies, whose business models seemed at high risk of being disrupted by AI. Following the decline, some analysts see a "value opportunity" in the technology sector, where the price of tech stocks globally could be undershooting the value implied by their underlying earnings growth potential. In the US, the valuation premium of the five biggest technology stocks - the extra amount that investors have to pay for projected future earnings relative to history - has fallen to nearly the same level as the rest of the market. Globally, the technology sector now has a price-to-earnings ratio below that of the consumer staples and industrials sectors. Crucially, tech sector earnings have remained strong: so far in 2026, tech companies have revised their earnings upward more than any other sector globally. This has led to a record gap between stock performance and underlying earnings growth that has been used as rationale to favour Technology stocks during April (source: Datastream).



**Buyback Boom:** The flow backdrop is set to strengthen into May as corporate buybacks resume. Although we are currently in the peak blackout period (window of time pre-earnings release when companies temporarily pause share buybacks and restrict insider trading), repurchase windows reopened in late April, creating a supportive tailwind for incremental demand. U.S. corporates have already authorized approximately \$428bn year-to-date, the strongest start on record, positioning buyback activity for a meaningful reacceleration. Assuming a 90% execution rate, this implies companies are on track to carry out roughly \$1 trillion in share repurchases in 2026.

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**YTD Buyback Authorizations**  
Russell 3000, Through April 14 of Each Year (\$Bn)



Source: EventVestor as compiled by Citadel Securities, GMI, as of April 14, 2026. Figures are for illustrative purposes only. Pas

- Food Inflation Inevitable:** Disruptions to the Strait of Hormuz - through which a significant share of global nitrogen fertilizer and LNG flows - are tightening fertilizer supply and driving costs higher, with potential spillovers into global food prices. While fertilizer accounts for roughly 20% of grain production costs, the larger risk to agricultural markets comes from reduced supply, as constrained nitrogen availability may lower crop yields and shift planting away from fertilizer-intensive crops like corn. Production outages in key exporting regions and limited spare capacity elsewhere are exacerbating the supply squeeze. Regional impacts are uneven: the US is relatively insulated in the near term due to pre-season purchases by US farmers, but remains exposed to delayed shipments and lacks strategic reserves, while Europe and other regions face more immediate pressure. Prolonged disruptions could ultimately boost global grain prices and increase demand for US exports i.e. rising fertilizer costs take six-to-nine months to feed through food inflation (source: Bloomberg).

### Nitrogen Fertilizer Prices 2015-2026

US Gulf New Orleans, Louisiana Urea Granular Spot Price



- Brent–WTI Spread Fast-Pacing Dynamics:** Over the past decade, the Brent–WTI spread has narrowed significantly, reflecting a structural shift in global oil markets. Historically, WTI traded at a \$10–\$20/bbl discount to Brent because of Cushing bottlenecks, inland pricing, and limited export access, while Brent served as the global benchmark. This changed after the 2015 repeal of the U.S. crude export ban, rapid shale growth, and Gulf Coast infrastructure expansion, which integrated U.S. crude into global markets. As U.S. barrels increasingly competed in Europe and Asia, WTI’s structural discount compressed sharply. Nowadays, the Brent–WTI spread is driven more by logistics, freight, and quality differences than structural constraints, typically trading in a narrower \$2–\$6/bbl range. Geopolitical

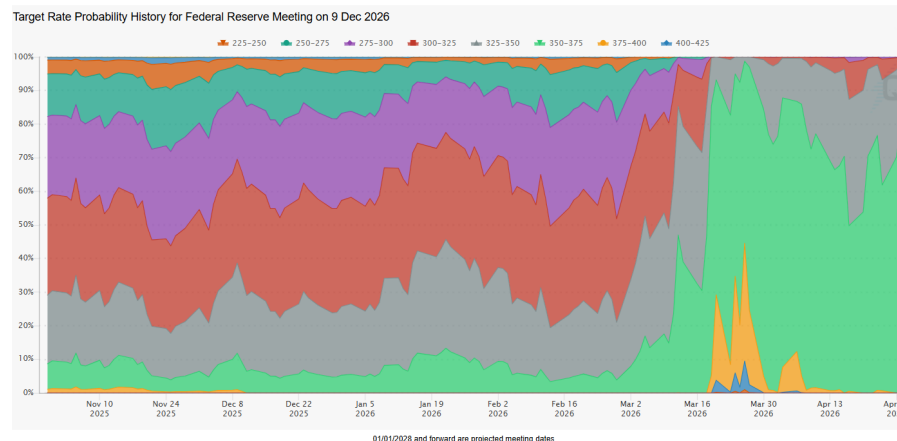
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tensions, especially around the Strait of Hormuz, can tighten the spread further or even push it negative by increasing demand for U.S. seaborne exports. More recently, ceasefire developments and renewed U.S.–Iran talks eased supply concerns, widening the spread back toward \$10–\$15/bbl. However, this may be temporary: renewed regional tensions could again favor long WTI / short Brent trades and drive spread compression.

### Brent-WTI Spread – 2021-2026



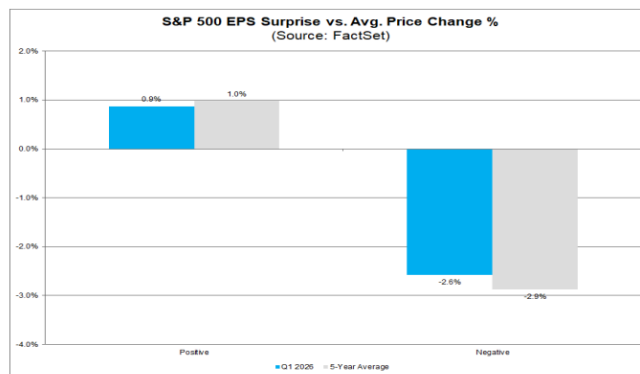
- New Fed Chair Incoming:** As Kevin Warsh prepares to take over as Fed chairman on May 15, futures markets have modestly repriced the medium-term policy path toward a less dovish stance. Current implied probabilities continue to favour a lower probability for a 2026 monetary easing, consistent with perceptions that Warsh could emphasize inflation credibility and policy discipline over rapid accommodation. This repricing has primarily affected the front-end of the Treasury curve, and benefit the U.S. dollar value of late. At present, markets are interpreting the leadership transition less as an immediate catalyst for tighter policy and more as a factor reducing the probability of aggressive rate cuts.



- Price and Earnings Momentum Correlation Broken:** S&P 500 Q1 earnings are off to a strong start, with most companies beating expectations on both profits and revenue. Earnings growth is running at about 15%, marking another quarter of solid double-digit expansion, while revenue growth is also healthy at just over 10%. Profit margins are at a record high, helped largely by strength in technology, financials, and industrials, while energy remains the biggest weak spot. For Q2, corporate guidance is slightly better than usual, with fewer

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companies than average issuing negative outlooks. Analysts still expect earnings growth above 20% for the next few quarters, suggesting confidence in continued momentum. The market is rewarding beats less than usual because expectations and valuations are already elevated, but it continues to punish misses disproportionately. In practical terms, “good” results often need strong guidance to drive upside, while disappointments still trigger outsized drawdowns. This asymmetric reaction suggests investors are currently more focused on forward outlook and valuation than headline EPS beats alone.



- Private Credit Fears Ease, but Risks Persist:** Private credit markets showed modest stabilization in April as spreads tightened from earlier highs, supported by investor demand for yield and selective flows into higher-quality, defensive borrowers. This points to improving near-term risk appetite, especially for larger, well-structured deals. However, structural challenges persist: valuation transparency concerns continue to pressure publicly traded vehicles, discounts to NAV reflect ongoing scepticism, and refinancing risk remains high for weaker middle-market borrowers. Falling benchmark rates are also reducing the floating-rate income boost that had supported returns. While fundraising remains resilient, capital is increasingly focused on distressed, secondary, and opportunistic strategies, signalling a defensive posture. Overall, April’s spread tightening reflects selective optimism rather than a broad recovery, as markets still face credit quality, refinancing, and transparency concerns.

### US Credit Spreads – Single B (Private Loan Proxy)



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### MG's Message to Investors

- Growth Roars Back Despite Geopolitical Crosswinds: April marked a notable reversal from March's defensive, macro-driven market environment as stronger corporate earnings, particularly in U.S. technology, and intermittent geopolitical de-escalation supported a broad return in risk appetite. Leadership rotated back toward Growth and Momentum, with investors moving away from low-volatility and dividend-focused strategies as confidence in secular growth themes improved. While uncertainty around U.S. trade policy, inflation, Federal Reserve policy, and Middle East tensions remained elevated, markets increasingly responded through tactical repositioning rather than broad de-risking. Commodities also broadened beyond energy, with industrial metals and cyclical exposures benefiting from improving growth sentiment, while a softer U.S. dollar provided a more supportive backdrop for global equities, emerging markets, and other risk-sensitive assets.
- As May kicks off, MG highlights the following tactical views for the short term:
  - Equities: Equities have been reduced from Overweight to Neutral, reflecting a more balanced stance after trimming exposure to segments showing stretched valuations and excessive optimism. Cuts were concentrated in U.S. Large Cap Growth, Mid Caps, and Emerging Markets. Japan remains underweight due to energy sensitivity, while Emerging Markets continue to face geopolitical pressures.
  - Fixed Income: Fixed income remains Overweight, but exposure to spread-sensitive credit has been modestly reduced following tighter credit spreads. High Yield and Emerging Market debt were trimmed as risk-reward has become less compelling, while overall positioning continues to favour higher-quality fixed income.
  - Alternatives: Alternatives remain Overweight, though with a more selective approach. Gold and Real Estate exposures were slightly reduced, while broad commodities appear less attractive after oil-driven gains and signs that geopolitical risk premiums may be stabilizing.
  - Outlook and Strategy: These positioning shifts are tactical in nature and will be reassessed as incoming economic data, policy developments, and market dynamics evolve.
- MG reminds its investors about the importance of disciplined risk management, reaffirming the necessity of adopting a cautious, data-driven methodology focused on achieving long-term performance objectives. In this way, MG remains steadfast in its commitment to diligently monitor financial markets and actively adjust risk exposures in alignment with shifting market dynamics. The primary recommendation emphasises the preservation of a fully diversified portfolio, ensuring its structural integrity by refraining from imprudent exposure to risks or opportunities that may appear excessively favourable or unsustainable.

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### MG Investment Solutions Taxonomy

MG Solution	Short	Asset Class	Description
<b>MG Asset Allocation ETF</b>	<i>MGAA</i>	Multi-Asset Class	Multi-asset class diversified mandates employing a quantitative asset allocation framework that dynamically adjusts portfolio exposures in response to evolving market conditions and the distinct risk profile of each mandate, with the objective of effectively navigating the prevailing environment of uncertainty.
<b>MG High Income ETF</b>	<i>MGHI</i>	Fixed Income	A diversified ETF portfolio designed as an alternative investment vehicle for investors seeking short-duration, highly liquid exposure with the objective of generating monthly income. The strategy targets a mid-single digit yield and is recommended for investors with a minimum investment horizon of two years
<b>MG Sector ETF</b>	<i>MGS</i>	Equity	An actively managed ETF strategy designed to deliver high-single-digit annualized returns over the long term through a concentrated sector rotation approach. The portfolio invests exclusively in liquid, U.S.-listed ETFs that provide targeted exposure to GICS sectors, and using a dynamic, machine-learning-based quantitative model developed to address the limitations of traditional factor strategies.
<b>MG Opp</b>	<i>MGOP</i>	Equity	An equity portfolio managed through a quantamental investment process, selecting U.S. stocks with a higher likelihood of outperformance over the medium to long term. The portfolio maintains a strategic bias toward large-cap growth companies
<b>MG Opp Dividend</b>	<i>MGOD</i>	Equity	An equity portfolio constructed through a quantamental investment process, focused on the selection of U.S. stocks that prioritize a dividend yield approximately three to four times higher than that of the broad U.S. equity market. The portfolio emphasizes companies with high-quality balance sheet, aiming to enhance the likelihood of outperformance over the medium to long term, with a strategic bias toward mid-cap value and quality-oriented stocks.
<b>MG Emerging Tech</b>	<i>MGET</i>	Equity	A Tax-efficient, annually rebalanced portfolio designed to target double-digit annualized returns over the long term by allocating capital to high-growth transformative thematic opportunities such as Artificial Intelligence, Cybersecurity, Robotics, Biotechnology, Blockchain, and Quantum Computing.
<b>MG Blockchain</b>	<i>MGBLOCK</i>	Equity & Crypto ETF	A tax-efficient, annually rebalanced portfolio designed to target double-digit annualized returns over the long term by offering investors diversified access to the cryptocurrency sector. The strategy employs a combination of direct exposure to cryptocurrency-linked, fiat currency-denominated ETFs (focused on Bitcoin and Ether) alongside indirect exposure to publicly traded companies demonstrating high sensitivity to the blockchain ecosystem.