

With hopes of a deal, oil prices drop, rates come down, and equities go up:

Buy the rumour, sell the Fact? ...



Source: AI

US Small Caps up the most last week, followed by Dow, S&P and Nasdaq



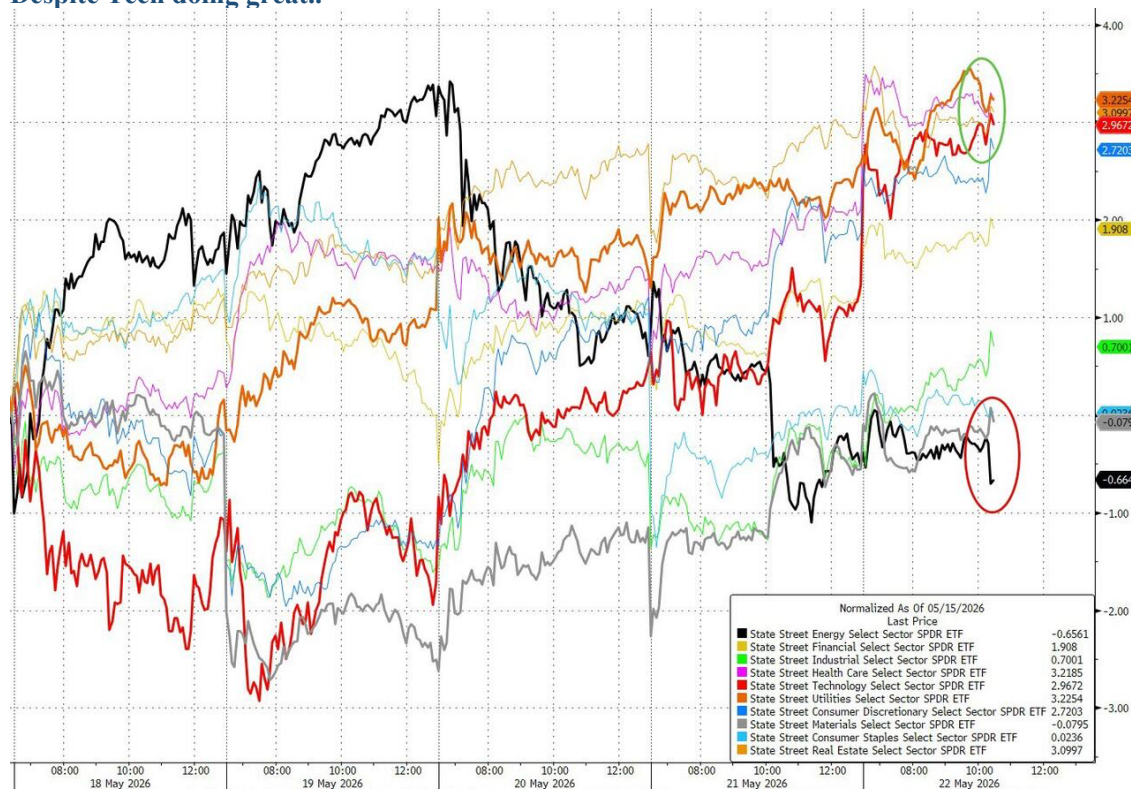
source: Bloomberg/ Zero Hedge

As Mag 7 was left behind...



source: Bloomberg/ Zero Hedge

Despite Tech doing great..



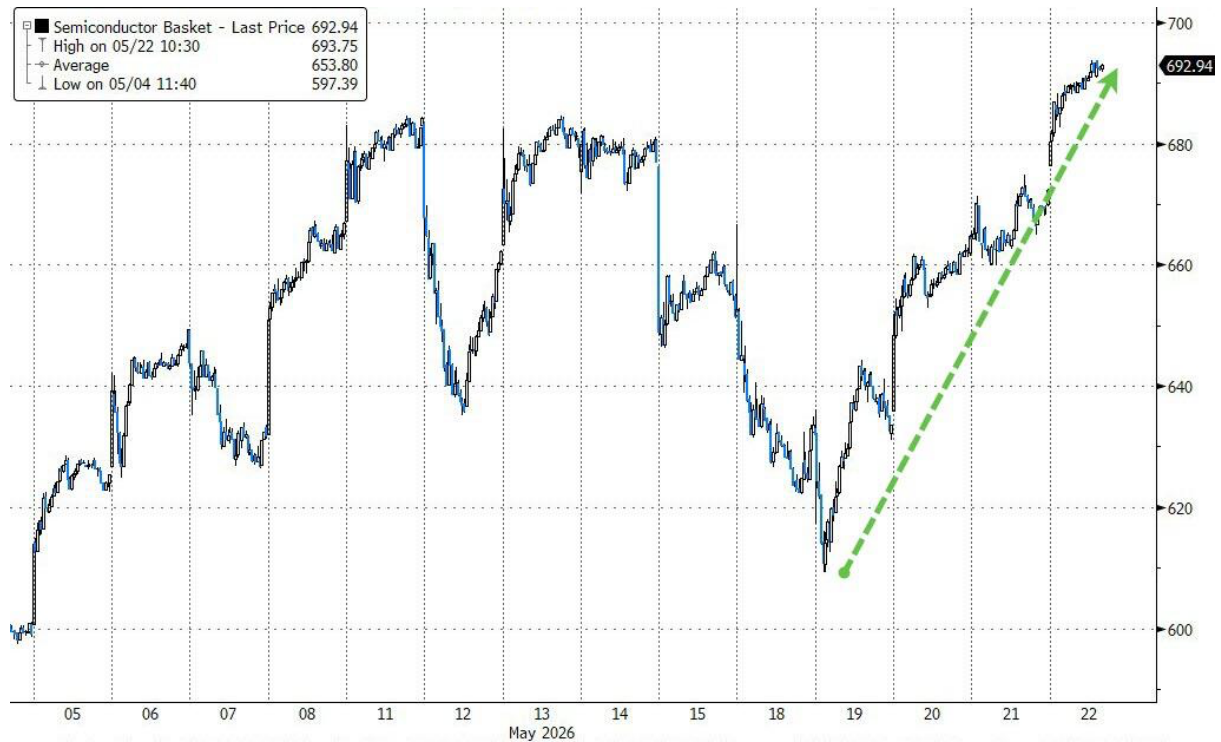
source: Bloomberg/ Zero Hedge

The market broadened out as both the real world as the AI world gained..., but what a difference in such a short time..



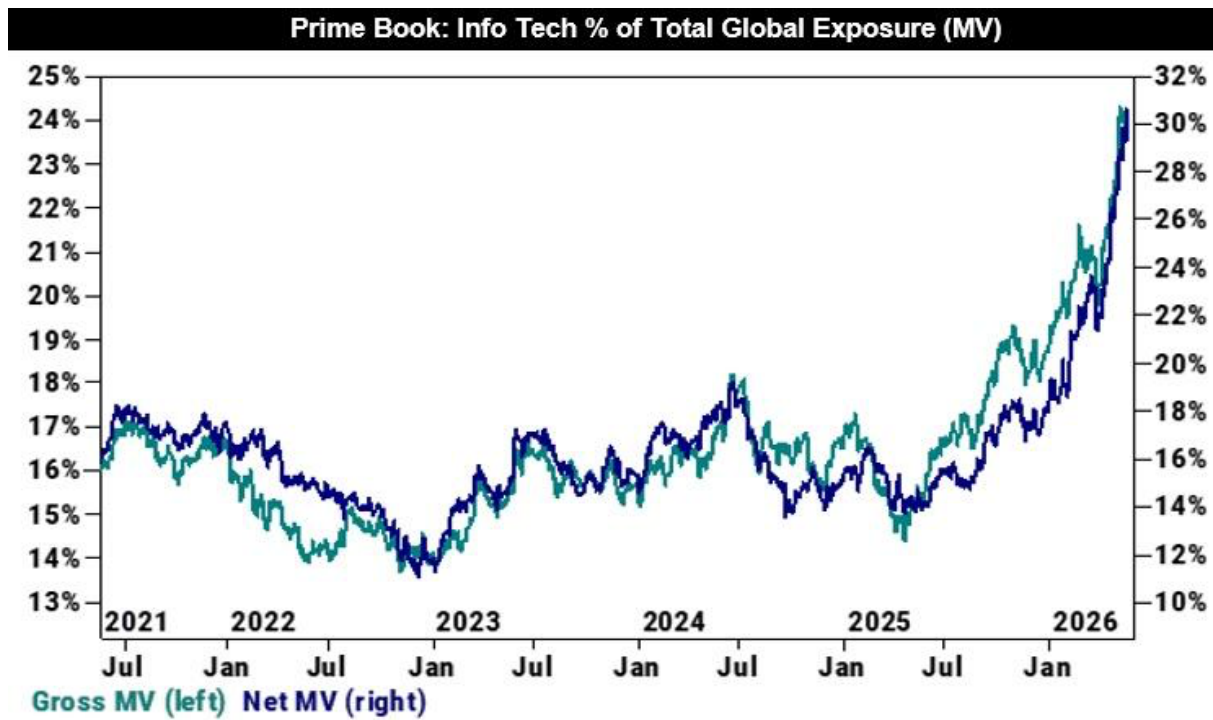
source: Bloomberg/ Zero Hedge

NVIDIA's earnings were perhaps not good enough to lift the stock
But Semis benefited from NVDA's 'A-Ok' stance, and rallied to new highs...



source: Bloomberg/ Zero Hedge

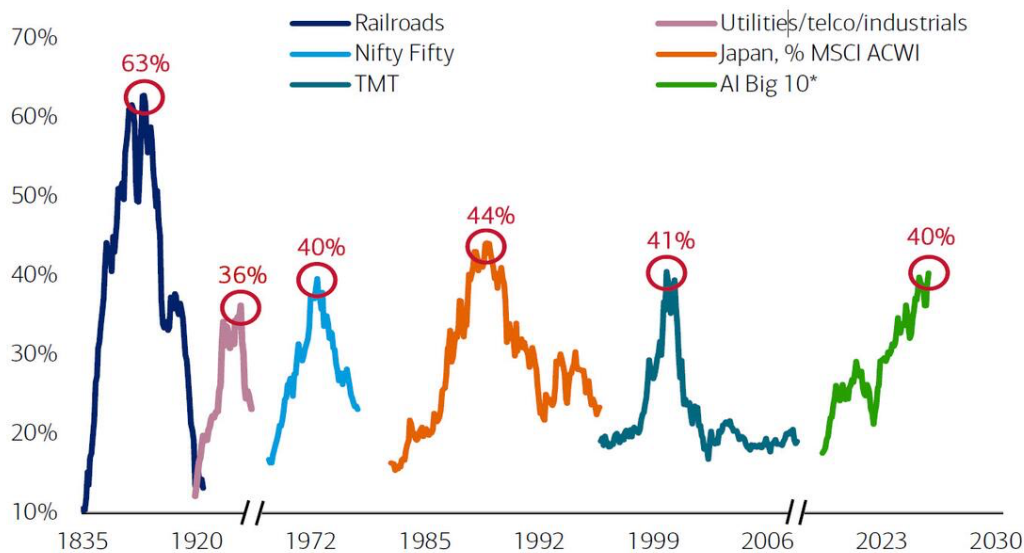
Tech positioning is so dominant, even compared to recent history...



Perhaps we've reached the top of the AI bubble?

Chart 2: The history of stock market bubble concentration

The bubble history of stock market concentration measured as % of US market cap

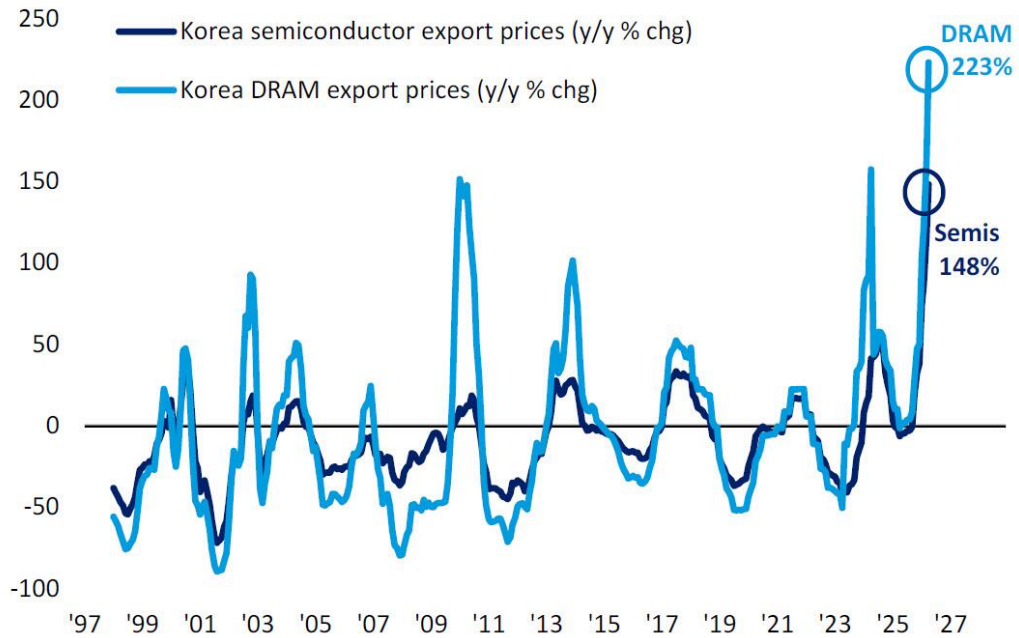


Source: BofA Global Investment Strategy, GFD Finaeon, Bloomberg. Note: Japan is measured as % of MSCI ACWI, all others as % of US stock market. **AI Big 10* = Magnificent 7 + Broadcom, AMD, Micron.

Korea export prices for semis up 148% YoY, DRAMs up 223% YoY.

Chart 9: Korea export price of semis up 148%, DRAMs up 223% y/y

Korea semiconductor and DRAM export prices (y/y % change)



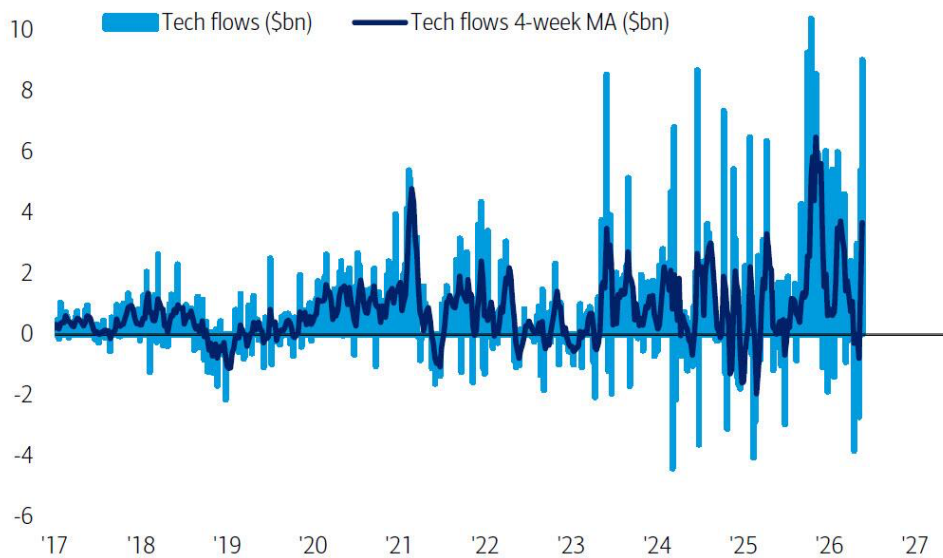
Source: BofA Global Investment Strategy, EPFR

BofA GLOBAL RESEARCH

Tech flows continue to be strong..

Chart 12: Biggest weekly inflow to tech since Oct'25

Flows to tech funds, weekly vs 4wk-ma (\$bn)



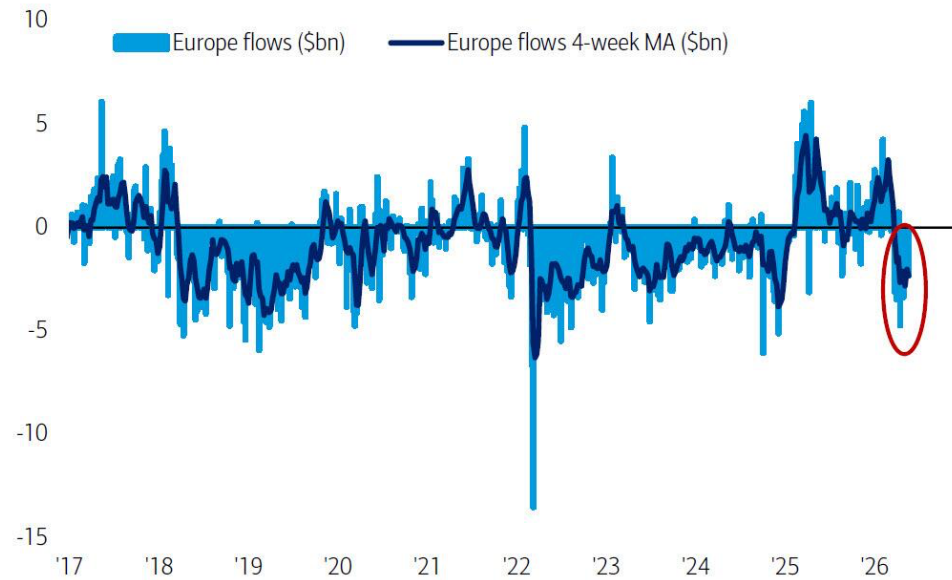
Source: BofA Global Investment Strategy, EPFR

BofA GLOBAL RESEARCH

Meanwhile Europe is missing the flow boat once again..

Chart 10: Europe equities see outflows for 6 weeks straight

Flows to Europe equity funds, weekly vs 4wk-ma (\$bn)



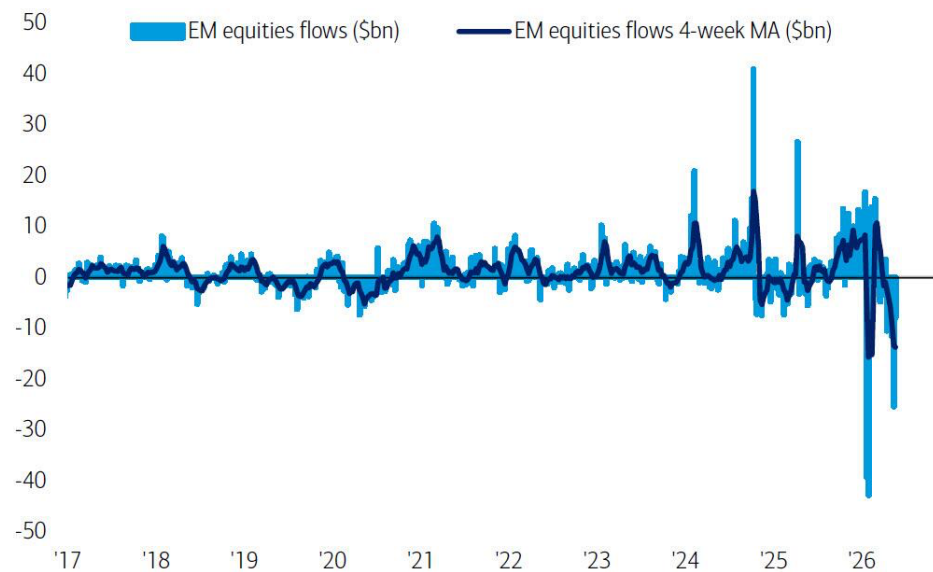
Source: BofA Global Investment Strategy, EPFR

BofA GLOBAL RESEARCH

And so does EME, despite ~30% of market cap semi/AI related nowadays

Chart 11: EM equities see 6 weeks of outflows, longest since Nov'24

Flows to EM equity funds, weekly vs 4wk-ma (\$bn)



Source: BofA Global Investment Strategy, EPFR

BofA GLOBAL RESEARCH

Rates were mixed last week



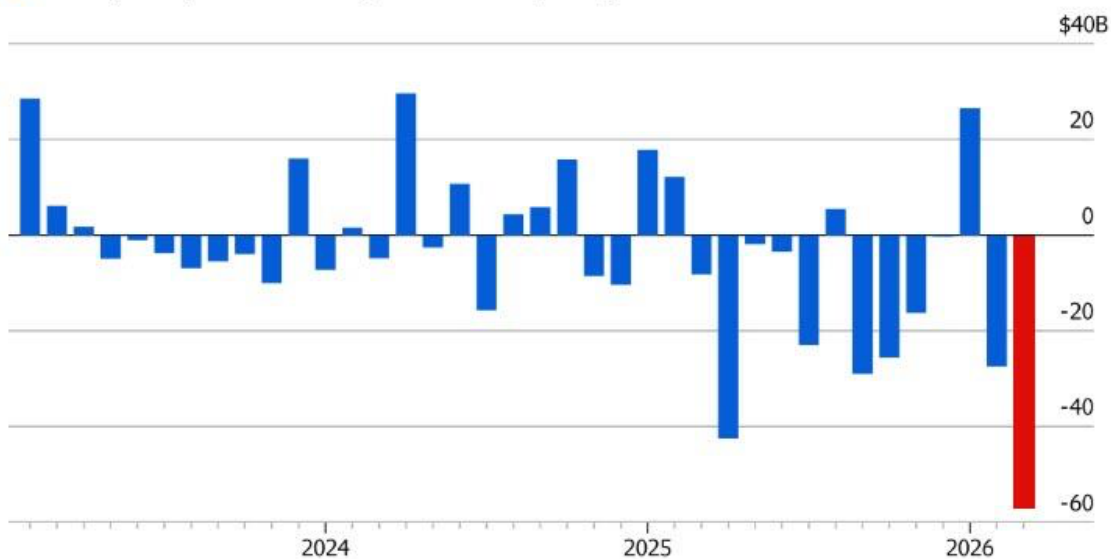
source: Bloomberg/ Zero Hedge

But ..With the lower oil prices this morning, the selling of US treasuries of oil importing nations will likely slow as well

March Saw the Largest Treasury Sale Since at Least 2023

The chart looks at 10 emerging-market economies that rely on oil imports

■ Monthly change in UST holdings across oil-importing EMs



Source: US Department of Treasury

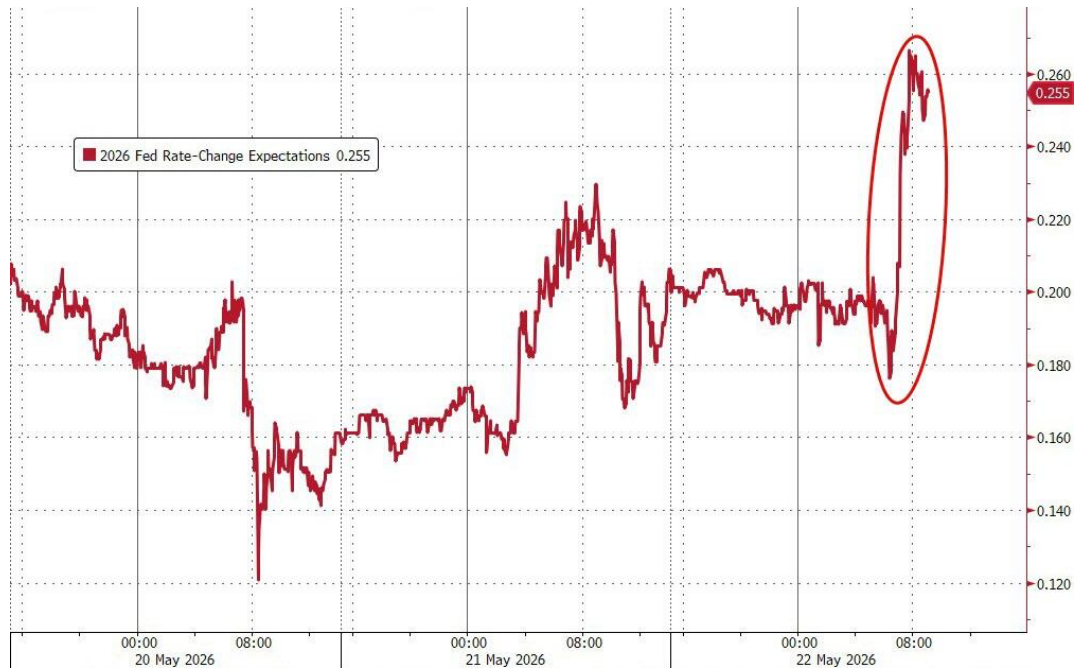
Bloomberg

Let's see if that changes the fact that the market starts pricing in hikes for 2026 for the FED

Fed Governor Waller sent rate-hike odds soaring

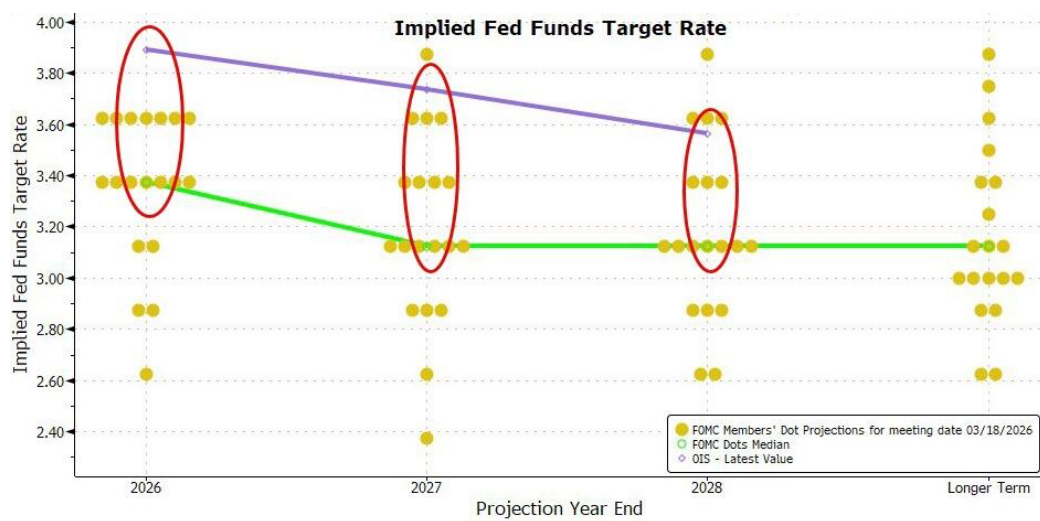
How long before he gets into a conflict with Trump

I think soon, want to bet? :-)



source: Bloomberg/ Zero Hedge

For a change the market is more hawkish than the FED



source: Bloomberg/ Zero Hedge

But for now rates are falling and with that one of the key hurdles for markets to move higher might be gone

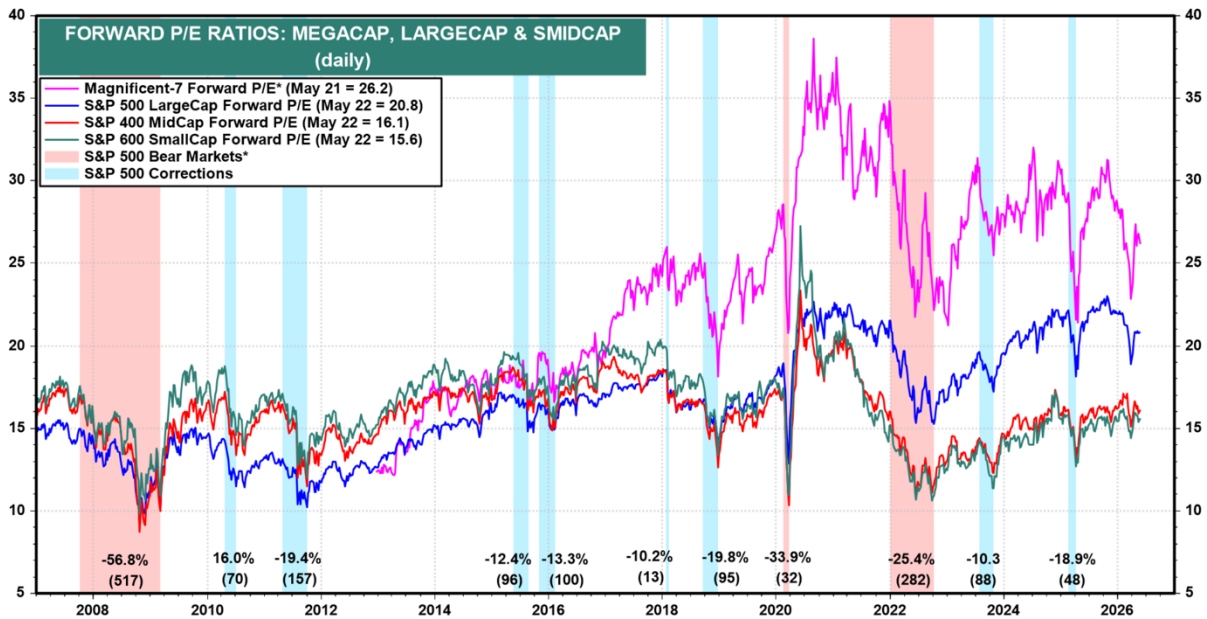


It feels like valuations are extremely high with the S&P 500 futures trading > 7500 this morning

But; Forward P/E's are actually quite a bit more reasonable than they were

Still high, but with the earnings growth we are seeing, perhaps not that extreme

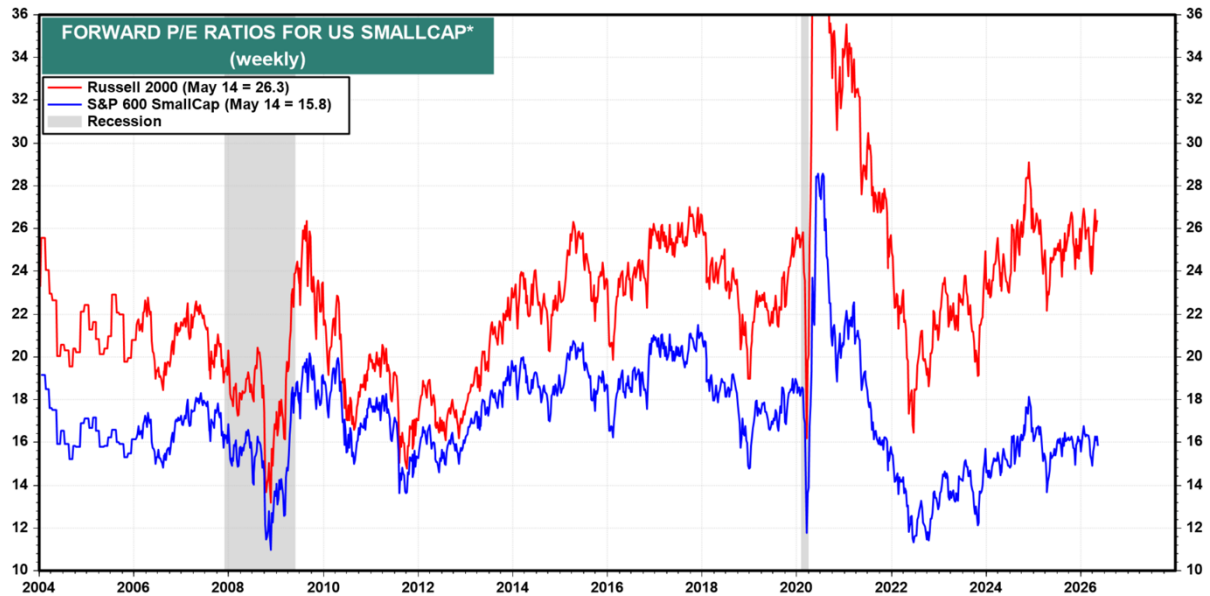
Wouldn't be surprised though that the Buy the rumour, sell the Fact becomes true once more now that all the positive news seems priced in...



Source: LSEG Datastream and © Yardeni Research.
 *Corrections are declines of 10% or more (blue shades). Bear markets are declines of 20% or more (red shades). Number of days in parentheses.

One chart related to a discussion I had with an investor; Yes US Small Caps are expensive when you look at the Russell 2000, but not when you look at the profitable S&P 600 Small Cap universe

The latter is where most active managers fish in..



Source: LSEG Datastream and © Yardeni Research.

* Price divided by 12-month (52-week) forward consensus expected operating earnings per share. Monthly data through December 2005, weekly thereafter.
P/E capped at 40 due to extreme values.

PMIs

Interesting takeaways from yesterday's PMIs.

This looks less like a clean cyclical reacceleration and more like an inventory rebuild and supply security cycle.

The US stood out, with manufacturing at multi year highs, but increasingly driven by stockpiling, supplier caution, and higher prices rather than broad end demand. Services, hiring, and exports are softening.



source: Bloomberg/ Zero Hedge

Both inflation and growth macro data is surprising to the upside (and dragging yields with it)...



source: Bloomberg/ Zero Hedge

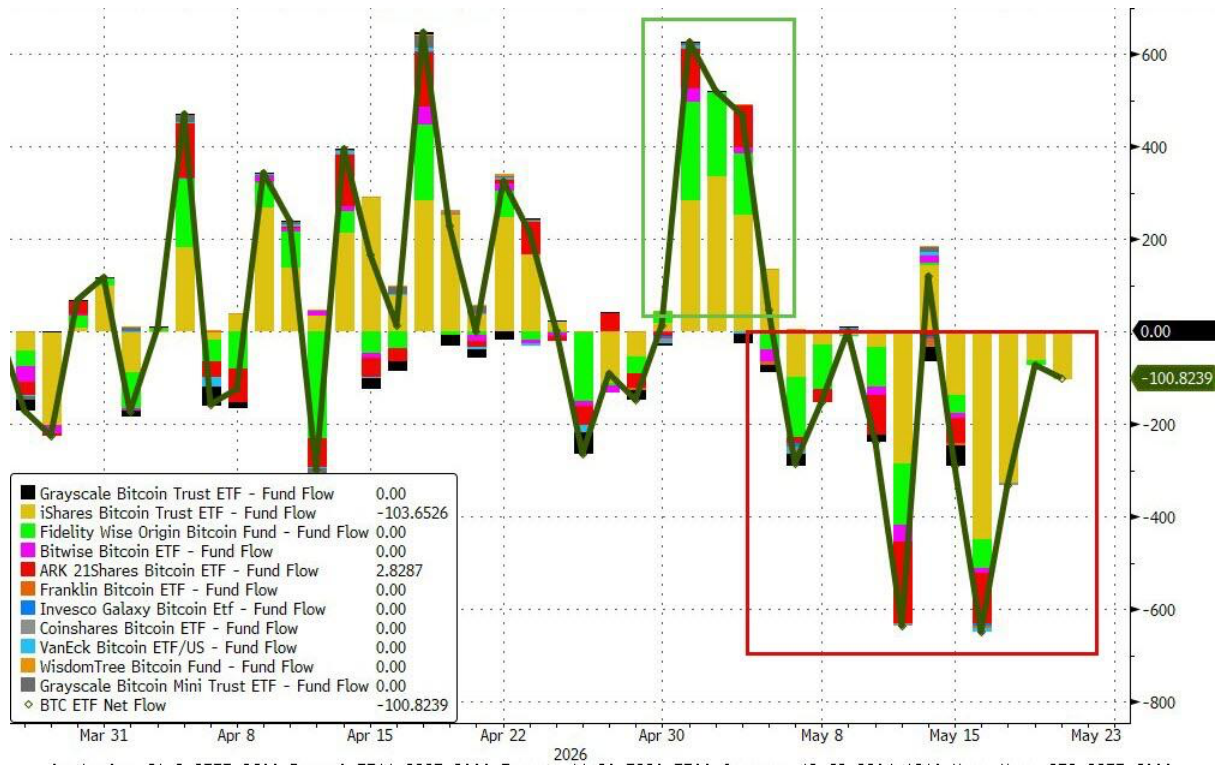
Interestingly, Bitcoin isn't really joining the party

Perhaps a leading indicator that the best for Tech/AI is behind us?




source: Bloomberg/ Zero Hedge

With outflows..



source: Bloomberg/ Zero Hedge

Week ahead..

Monday May 25 2026			Actual	Previous	Consensus
02:40 AM	 CN	FDI (YTD) YoY APR	-10.3%	-7.3%	
Tuesday May 26 2026			Actual	Previous	Consensus
01:30 PM	 US	Chicago Fed National Activity Index APR		-0.20	
02:00 PM	 US	S&P/Case-Shiller Home Price YoY MAR		0.9%	1%
02:00 PM	 US	House Price Index MAR		441.4	
02:00 PM	 US	House Price Index MoM MAR		0%	0.1%
02:00 PM	 US	House Price Index YoY MAR		1.7%	
02:00 PM	 US	S&P/Case-Shiller Home Price MoM MAR		0.4%	
03:00 PM	 US	CB Consumer Confidence MAY		92.8	92
03:30 PM	 US	Dallas Fed Manufacturing Index MAY		-2.3	
04:30 PM	 US	3-Month Bill Auction		3.600%	
04:30 PM	 US	6-Week Bill Auction		3.615%	
06:00 PM	 US	2-Year Note Auction		3.812%	
06:00 PM	 US	6-Month Bill Auction		3.615%	
06:00 PM	 US	Money Supply APR		\$22.69T	
Wednesday May 27 2026			Actual	Previous	Consensus
02:30 AM	 CN	Industrial Profits (YTD) YoY APR		15.5%	
05:00 AM	 EU	New Car Registrations YoY APR		12.5%	
09:00 AM	 EA	ECB Financial Stability Review			
09:00 AM	 US	Fed Logan Speech			
12:00 PM	 US	MBA 30-Year Mortgage Rate MAY/22		6.56%	
12:00 PM	 US	MBA Mortgage Applications MAY/22		-2.3%	
12:00 PM	 US	MBA Mortgage Market Index MAY/22		283.5	
12:00 PM	 US	MBA Mortgage Refinance Index MAY/22		920.2	
12:00 PM	 US	MBA Purchase Index MAY/22		170.4	
01:15 PM	 US	ADP Employment Change Weekly		42.25K	
01:55 PM	 US	Redbook YoY MAY/23		8.1%	
02:20 PM	 US	NY Fed Bill Purchases 1 to 4 months			\$6.576 billion
03:00 PM	 US	Richmond Fed Manufacturing Index MAY		3	4
03:00 PM	 US	Richmond Fed Manufacturing Shipments Index MAY		-2	
03:00 PM	 US	Richmond Fed Services Revenues Index MAY		9	
03:30 PM	 US	Dallas Fed Services Index MAY		-9.9	
03:30 PM	 US	Dallas Fed Services Revenues Index MAY		4.3	
04:30 PM	 US	17-Week Bill Auction		3.590%	
04:30 PM	 US	2-Year FRN Auction		0.103%	
06:00 PM	 US	5-Year Note Auction		3.955%	
08:55 PM	 US	Fed Cook Speech			
09:30 PM	 US	API Crude Oil Stock Change MAY/22		-9.1M	

Thursday May 28 2026			Actual	Previous	Consensus
01:00 AM	EA	ECB Lane Speech			
01:00 AM	US	Fed Jefferson Speech			
08:15 AM	EA	ECB Lane Speech			
08:20 AM	EA	ECB President Lagarde Speech			
09:30 AM	EA	ECB Cipollone Speech			
10:00 AM	EA	Economic Sentiment MAY		93.0	92
10:00 AM	EA	Consumer Confidence Final MAY		-20.6	-19
10:00 AM	EA	Consumer Inflation Expectations MAY		49.1	
10:00 AM	EA	Industrial Sentiment MAY		-7.7	-7.8
10:00 AM	EA	Selling Price Expectations MAY		31.1	
10:00 AM	EA	Services Sentiment MAY		0.9	0.1
12:30 PM	EA	ECB Monetary Policy Meeting Accounts			
01:10 PM	US	Building Permits Final APR		1.363M	1.442M
01:10 PM	US	Building Permits MoM Final APR		-11.5%	
01:30 PM	US	Core PCE Price Index MoM APR		0.3%	
01:30 PM	US	Durable Goods Orders MoM APR		0.8%	
01:30 PM	US	GDP Growth Rate QoQ 2nd Est Q1		0.5%	2.0%
01:30 PM	US	Personal Income MoM APR		0.6%	0.4%
01:30 PM	US	Personal Spending MoM APR		0.9%	0.5%
01:30 PM	US	Corporate Profits QoQ Prel Q1		5.7%	
01:30 PM	US	Durable Goods Orders Ex Transp MoM APR		0.9%	
01:30 PM	US	GDP Price Index QoQ 2nd Est Q1		3.7%	4.5%
01:30 PM	US	Initial Jobless Claims MAY/23		209K	212K
01:30 PM	US	PCE Price Index MoM APR		0.7%	
01:30 PM	US	PCE Price Index YoY APR		3.5%	
01:30 PM	US	Continuing Jobless Claims MAY/16		1782K	
01:30 PM	US	Core PCE Price Index YoY APR		3.2%	
01:30 PM	US	Core PCE Prices QoQ 2nd Est Q1		2.7%	4.3%
01:30 PM	US	Durable Goods Orders ex Defense MoM APR		-0.3%	
01:30 PM	US	GDP Sales QoQ 2nd Est Q1		0.3%	1.6%
01:30 PM	US	Jobless Claims 4-week Average MAY/23		202.5K	
01:30 PM	US	Non Defense Goods Orders Ex Air APR		3.4%	
01:30 PM	US	PCE Prices QoQ 2nd Est Q1		2.9%	4.5%
01:30 PM	US	Real Consumer Spending QoQ 2nd Est Q1		1.9%	1.6%
01:30 PM	US	Real Personal Spending MoM APR		0.2%	
01:55 PM	US	Fed Williams Speech			
03:00 PM	US	New Home Sales APR		0.682M	0.67M
03:00 PM	US	New Home Sales MoM APR		7.4%	
03:30 PM	US	EIA Natural Gas Stocks Change MAY/22		101Bcf	
04:30 PM	US	4-Week Bill Auction		3.610%	
04:30 PM	US	8-Week Bill Auction		3.600%	
04:45 PM	EA	ECB Schnabel Speech			
05:00 PM	US	EIA Crude Oil Stocks Change MAY/22		-7.864M	
05:00 PM	US	EIA Gasoline Stocks Change MAY/22		-1.548M	
05:00 PM	US	15-Year Mortgage Rate MAY/28		5.85%	
05:00 PM	US	30-Year Mortgage Rate MAY/28		6.51%	
05:00 PM	US	EIA Crude Oil Imports Change MAY/22		0.003M	
05:00 PM	US	EIA Cushing Crude Oil Stocks Change MAY/22		-1.604M	
05:00 PM	US	EIA Distillate Fuel Production Change MAY/22		0.214M	
05:00 PM	US	EIA Distillate Stocks Change MAY/22		0.372M	

05:00 PM	US	15-Year Mortgage Rate <small>MAY/28</small>	5.85%		
05:00 PM	US	30-Year Mortgage Rate <small>MAY/28</small>	6.51%		
05:00 PM	US	EIA Crude Oil Imports Change <small>MAY/22</small>	0.003M		
05:00 PM	US	EIA Cushing Crude Oil Stocks Change <small>MAY/22</small>	-1.604M		
05:00 PM	US	EIA Distillate Fuel Production Change <small>MAY/22</small>	0.214M		
05:00 PM	US	EIA Distillate Stocks Change <small>MAY/22</small>	0.372M		
05:00 PM	US	EIA Gasoline Production Change <small>MAY/22</small>	-0.446M		
05:00 PM	US	EIA Heating Oil Stocks Change <small>MAY/22</small>	0.021M		
05:00 PM	US	EIA Refinery Crude Runs Change <small>MAY/22</small>	-0.08M		
06:00 PM	US	7-Year Note Auction	4.175%		
09:30 PM	US	Fed Balance Sheet <small>MAY/27</small>	\$6.713T		
Friday May 29 2026			Actual	Previous	Consensus
09:00 AM	EA	Loans to Companies YoY <small>APR</small>		3.2%	
09:00 AM	EA	Loans to Households YoY <small>APR</small>		3%	
09:00 AM	EA	M3 Money Supply YoY <small>APR</small>		3.2%	
01:30 PM	US	Goods Trade Balance Adv <small>APR</small>		\$-87.45B	
01:30 PM	US	Retail Inventories Ex Autos MoM Adv <small>APR</small>		0.4%	
01:30 PM	US	Wholesale Inventories MoM Adv <small>APR</small>		1.3%	0.5%
02:10 PM	US	Fed Bowman Speech			
02:15 PM	US	Fed Paulson Speech			
02:45 PM	US	Chicago PMI <small>MAY</small>		49.2	49.5
06:00 PM	US	Baker Hughes Oil Rig Count <small>MAY/29</small>		425	
06:00 PM	US	Baker Hughes Total Rigs Count <small>MAY/29</small>		558	

Upcoming trips with portfolio managers

Alex Letko of the **Letko Brosseau Global Emerging Markets strategy**, will be in Europe for a roadshow from 21 Sept to 25 Sept 2026

21 Sept TBD
 22 Sept TBD
 23 Sept TBD
 24 Sept TBD
 25 Sept TBD

We would be pleased to visit you, please email to candoris@candoris.nl to indicate your interest. **Upcoming Online Updates**

Click on the strategy name to subscribe or reply to this email. The up dates take 20 minutes and are provided by the portfolio manager!

- 4 June at 15:00 CET, [NCG US Small Cap Growth Update](#)
- 2 Sept at 16:00 CET, [SiM US High Yield Opportunities Update](#)
- 9 Sept at 15:00 CET, [Letko Brosseau Global Emerging Markets Equity Update](#)
- 23 Sept at 15:00 CET, [NCG US Small Cap Growth Update](#)
- 30 Sept at 14:00 CET, [Marsham Transitional Bonds Update](#)
- 4 Nov at 15:00 CET, [Orchard US Small Cap Value Update](#)

To schedule a 1-on-1 call, please email to candoris@candoris.nl

Summary strategies offered by Candoris:

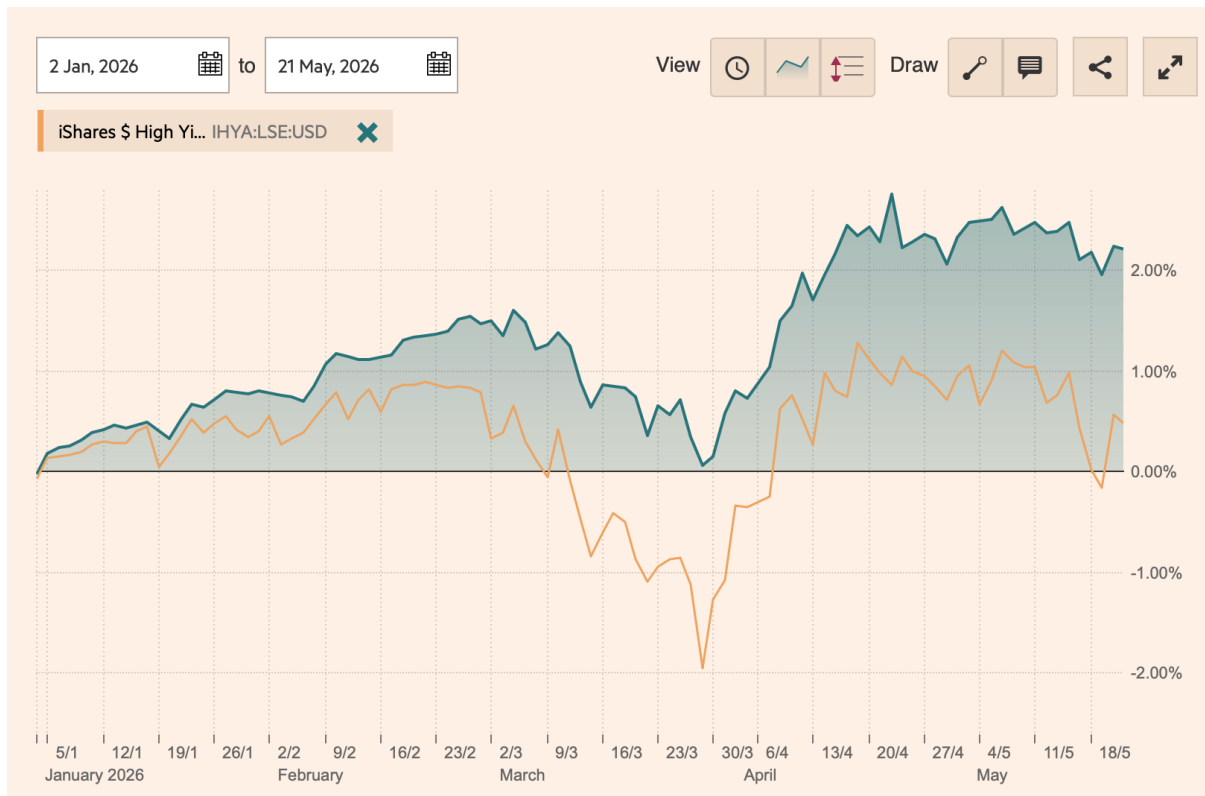
Fixed Income:

Strategic income Management US High Yield Opportunities:

The SiM US HY strategy is a high conviction, high alpha generating strategy. The unique, pragmatic and counter-cyclical approach to investing in US HY has led to superior returns with less risk (down-market capture 89.5%). SiM manages USD 2.8 billion in US HY only and a daily liquid Art. 8 UCITS fund is available with an AUM of USD 366 million: ISIN Code: [IE00BF1XKP70](#)

As per Q1, 2026 the Strategic income Management (SiM) US High Yield strategy has an **annualized outperformance of 2.31%** over the BofAML US High Yield index, outperforming **all** of peers according to eVestment since inception in 2011. SiM also achieved a clean sweep at the **Lipper Awards**, winning Best Global High Yield Manager over 3, 5 and 10 years. A core portfolio around long term secular trends is complemented with out of favour sector and small cap issuer allocations. The team successfully employed the same investment strategy for more than 20 years. SiM is employee owned and employees invest their own private wealth alongside you as an investor.

YtD nicely ahead



	5 years	3 years	1 year	6 months	3 months	1 month
Candoris ICAV - SIM US High Yield Opportunities Fund USD Institutional Acc	+6.40%	+6.65%	+10.92%	+0.81%	+1.51%	+0.64%
USD High Yield Bond	+4.64%	+5.22%	+6.80%	-0.31%	+0.59%	+0.41%
Fund quartile	1st	1st	1st	1st	1st	1st
Funds in category	421	460	520	548	550	553

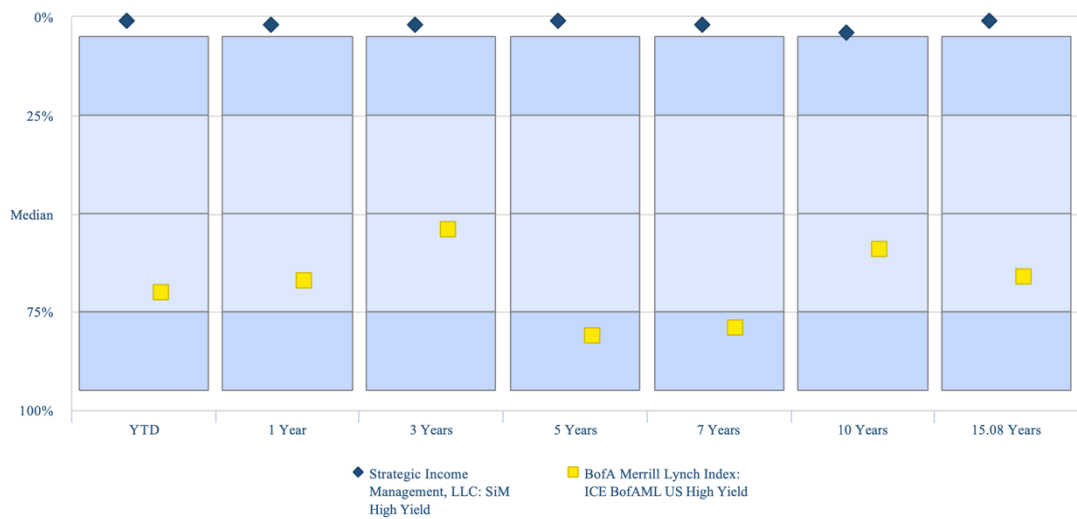
As of May 21 2026.

source: FT

Data till 31-03-2026:

Returns vs Benchmark and Peers

SiM vs Benchmark and Peers

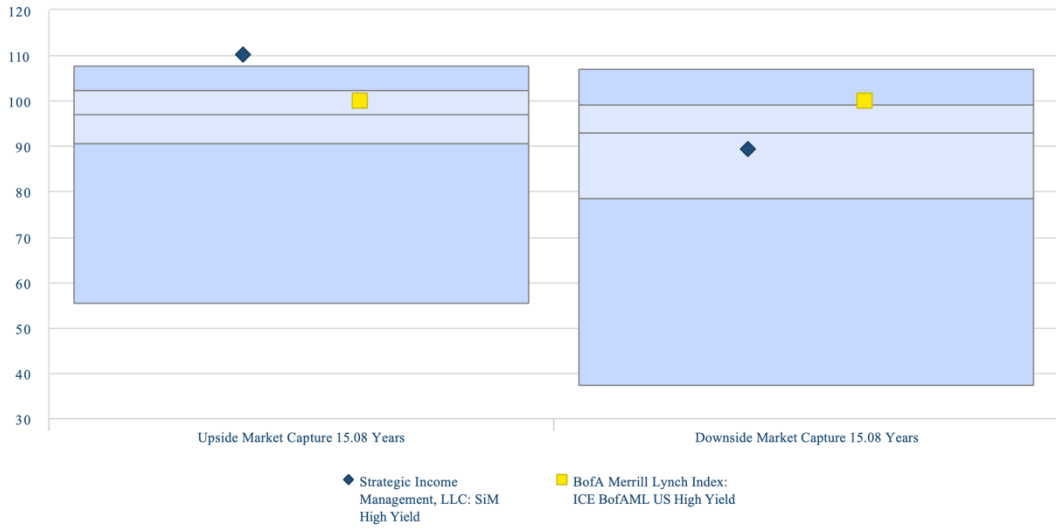


Universe: eVestment US High Yield Fixed Income

Results displayed in USD using Spot Rate (SR).

Upside- & Downside Market Capture Since Inception

SiM vs Benchmark and Peers



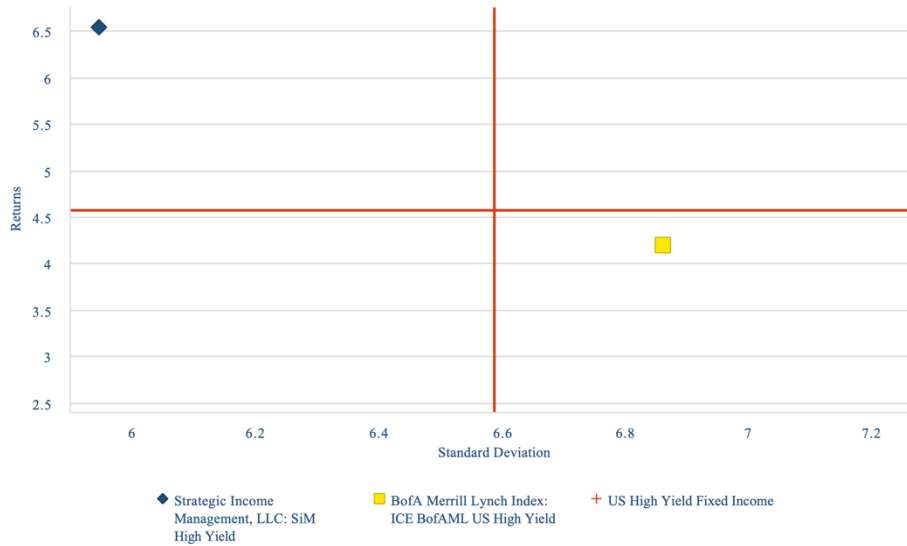
Universe: eVestment US High Yield Fixed Income

Results displayed in USD using Spot Rate (SR).

ICE BofAML US High Yield

Scatter Risk/Return 5 Years

SiM vs Benchmark and Peers



Universe: eVestment US High Yield Fixed Income

Results displayed in USD using Spot Rate (SR).

[Asset Class & Strategy Summary](#)

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[Peer comparison](#)

[Factsheet](#)

[Standard RfP](#)

[Morningstar](#)

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[SiM and its investment process explained in 12 min](#)



CIO and High Yield Portfolio manager Gary Pokrzywinski

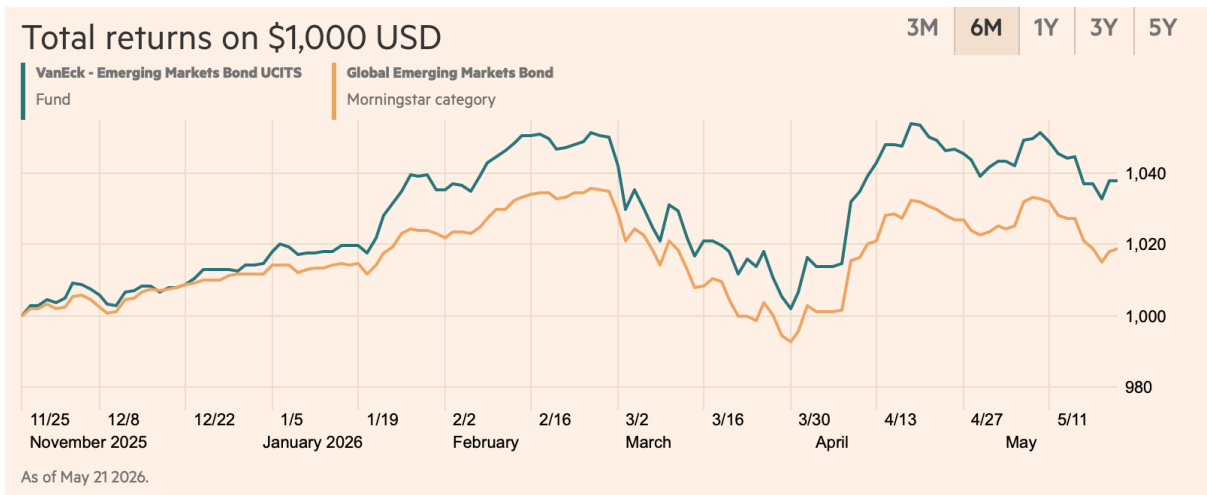


[Bio: Gary Pokrzywinski of Strategic investment Management](#)

VanEck Emerging Market Debt:

The VanEck Emerging Markets Bond strategy is one of the few truly flexible EMD blend managers using the distinct risk and return characteristics of each of the three EMD sub universes (HC, LC, Corporates). A daily liquid Art. 8 UCITS fund is available with an AUM of USD 180.7 million: ISIN code: [IE00BYXQSF37](#)

As per Q1, 2026 the VanEck Emerging Markets Debt strategy has an **annualized outperformance of 1.91%** over the 50% JPM EMBI & 50% JPM GBI-EM benchmark, outperforming 74% of peers according to eVestment since inception in 2012. The UCITS fund won the **Lipper Award** for best EMD fund Europe over the last 3 and 5 years. A flexible approach is key to optimising portfolio risk/return using the distinct characteristics of each of the emerging markets debt sub-universes.



source: FT

The VanEck Emerging Markets Bond UCITS (Class USD I1) returned 3.47% in April compared to a return of 2.82% for the 50/50 JPMorgan Government Bond Index Emerging Markets Global Diversified (GBI-EM) local currency and the JPMorgan Emerging Markets Bond Index (EMBI) hard-currency index.

Local currency exposure is at 54.3%, Carry is 6.04%, yield to worst (YTW) is 7.3%, and duration is 5.5

Data till 31-03-2026:

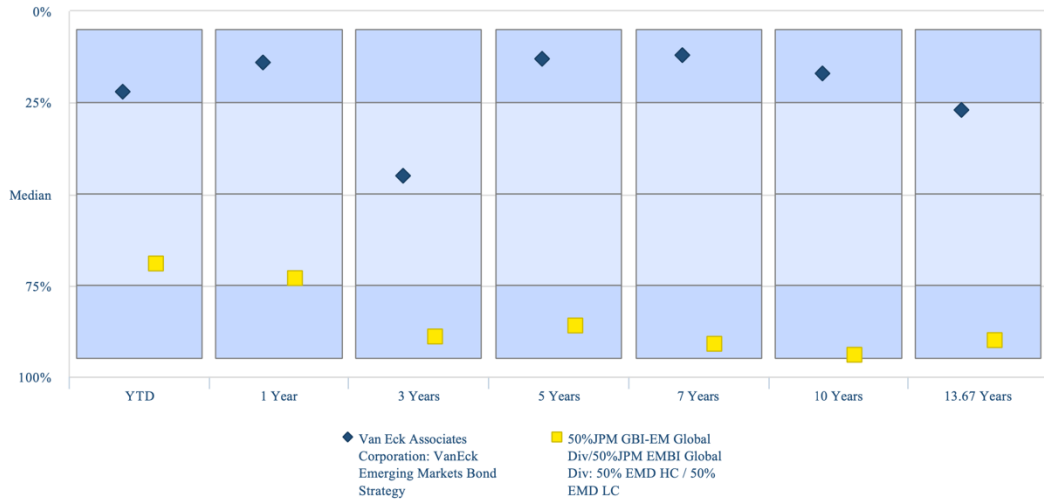
VanEck claims GIPS compliance. Gross Composite Performance based on the VanEck Emerging Markets Bond Composite

Firm Name	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
Van Eck Associates Corporation VanEck Emerging Markets Bond Strategy	-0.47	14.94	10.14	5.50	5.89	5.77	4.23
50%JPM GBI-EM Global Div/50%JPM EMBI Global Div 50% EMD HC / 50% EMD LC	-1.75	11.11	8.17	2.30	2.62	3.21	2.31

Performance in the table above is annualized and in %

Returns vs Benchmark and Peers

VanEck vs Benchmark and Peers

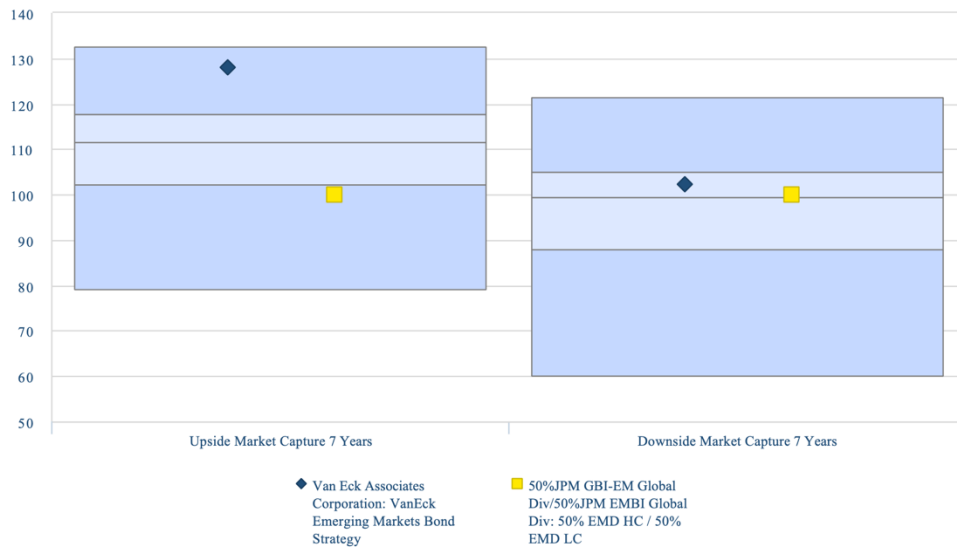


Universe: eVestment Global Emerging Mkts Fixed Income - Blended Currency

Results displayed in USD using Spot Rate (SR).

Upside- & Downside Market Capture 7 Years

VanEck vs Benchmark and Peers



Universe: eVestment Global Emerging Mkts Fixed Income - Blended Currency

Results displayed in USD using Spot Rate (SR).

50% EMD HC / 50% EMD LC

[Asset Class & Strategy Summary](#)
[Presentation](#)
[Peer comparison](#)

[Factsheet](#)
[Standard RfP](#)
[Morningstar](#)
[Sustainability Related Disclosures](#)



Lead Portfolio manager Eric Fine



[Bio: Eric Fine of VanEck](#)

Marsham Euro Transitional Issuers Fixed Income

Marsham is a founder-led investment firm focused on fixed income, with a clear edge: transitional bonds. These are bonds from companies actively moving toward lower-carbon, more sustainable business models. This theme is central to the strategy and supports Marsham's strong bottom-up performance. The SFDR article 8 strategy targets issuers with credible plans to decarbonise or improve operations, not just those with green labels. Transitional bonds are often undervalued and missed by standard ESG filters, offering both impact and return potential.

The Marsham Euro Transitional Issuers Fixed Income Strategy invests in listed corporate bonds, primarily in euros, across both high yield and investment grade.
ISIN code: IE00BMPS1X28:EUR

In June 2026, The Euro strategy will be made available GBP and USD will be in art 8 UCITS funds with size!

Attribution Analysis vs. 50/50 IG/HY EUR Index

Metric	Portfolio	Benchmark	Excess
Total Return (%)	+30.0%	+19.5%	+10.6%
Yield to Maturity (%)	5.7%	4.9%	+0.8%
Duration (years)	6.2	3.7	+2.5

Attribution View	Key Drivers	Allocation Effect	Selection Effect	Total Attribution
Sector	Financial (+7.43%), Utilities (+0.95%), Communications (+0.59%)	-0.54	11.11	+10.57
Country	Austria (+3.14%), Germany (+2.90%), France (+1.51%)	-0.17	10.74	+10.57
Rating	BBB (+3.02%), NR (+2.97%), BB (+2.80%)	0.97	9.60	+10.57
Duration	3-5y (+3.58%), 5-7y (+2.29%), 1-3y (+2.24%)	0.17	10.40	+10.57

Attribution Commentary
<p>Overall, outperformance was driven predominantly by strong bottom-up selection across all attribution views.</p> <p>Sectors</p> <p>The Financials sector was the standout outperformer during the period, providing a total attribution of +7.43%, driven predominantly by superior security selection (+7.73%). The fund's holdings returned +40.70% against the benchmark's +21.05%. Additional support came from a high-conviction overweight position in Utilities and strong selection within Communications, which together solidified the fund's "bottom-up" success during the period. Total allocation effect was a minor drag.</p> <p>Country</p> <p>The Fund's +10.57% active return was primarily driven by selection effect (+10.22%) within Western Europe, which dominates the portfolio at 85% weight. Austria, Germany, and France were standout contributors, while Sweden detracted very slightly. North America's underweight contributed modestly via allocation effect.</p> <p>Rating</p> <p>Selection effect was the dominant driver (+9.60%), with the largest contributions coming from the BB and BBB overweights, which returned 28.66% and 26.53%, respectively against weaker benchmark returns. The NR bucket also added significantly through selection (+3.00%) but this comprises of IG issuers. The B-rated underweight detracted modestly.</p> <p>Duration</p> <p>Duration positioning contributed positively across all buckets, driven by superior selection. The 3-5yr bucket was the largest contributor at +3.58%, driven predominantly by selection (+3.56%), despite a modest underweight. The 5-7yr and 1-3yr buckets also added meaningfully at +2.29% and +2.24% respectively, again primary driven by superior security selection.</p>

Source: Bloomberg PORT. Data is as of 30 April 2026, with performing ranging from 30 April 2023 to 30 April 2026. Benchmark is comprised of a 50% / 50% blend of the Bloomberg Euro Corporates Index (ticker: LECPTRU Index) and the Bloomberg Pan-European High Yield Index (ticker: LP01TREU Index).

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Lead portfolio Manager



Equities:

Letko Brosseau Emerging Markets Equity

Letko Brosseau is known for its long-term, value-oriented investment approach. They focus on identifying

companies with strong fundamentals that are trading at attractive valuations relative to their intrinsic worth. The emerging market equity strategy involves rigorous in-house bottom-up research and analysis of individual companies supplemented with top-down analysis. A daily liquid Art. 8 UCITS fund with an AUM of USD 115 million is available. ISIN code: [IE000LCBW880](#)

As per Q1, 2026 the Letko Brosseau Emerging Markets Equity Strategy has an **annualised outperformance of 3.72%** over the MSCI Emerging Markets index, outperforming **all** peers according to eVestment since inception in 2011. Letko Brosseau is an independent investment firm with a highly experienced investment team.

The 5y attribution report, that shows that all of the >9% annualised outperformance comes from stock selection!

- [Click here](#) for the attribution report

The MSCI EM index is up >20% since end of March, With Semiconductors being ~30% of the BM, see below and up ~60% = 20%, almost the entire rise of the MSCI EM index is thanks to Chippers...

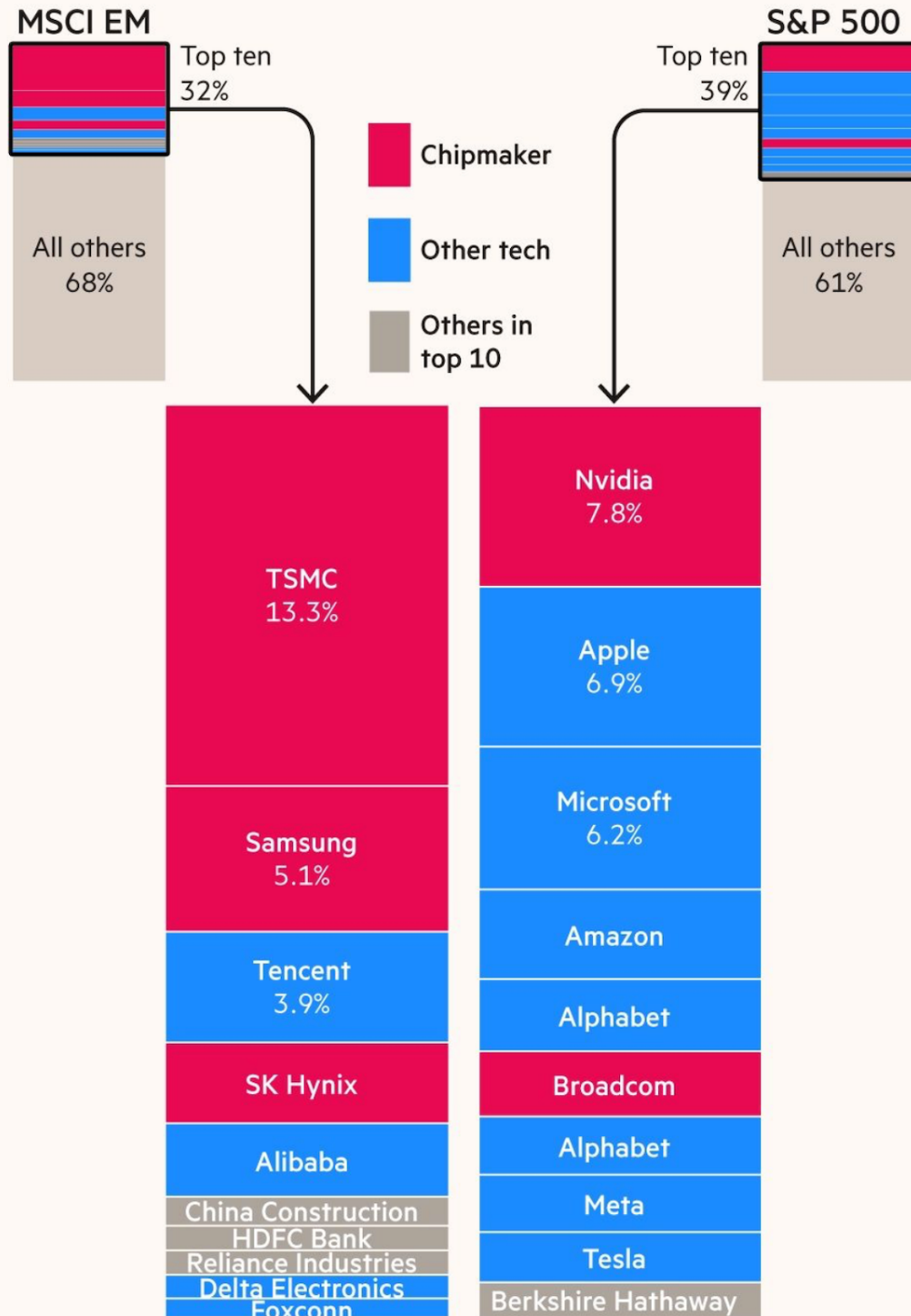
Letko is invested in less cyclical stocks that have a more attractive risk/return profile, but this does come with periods of underperformance when one sector dominates returns.



source: FT

Chipmakers and Big Tech are dominating EM stock markets, mirroring the US pattern

Weightings of MSCI EM and S&P 500 indices, with top 10 companies by weight highlighted



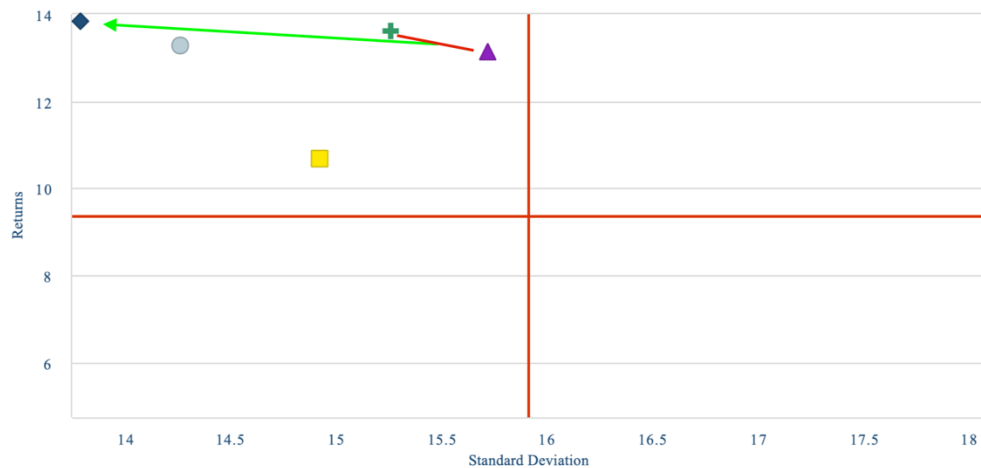
Graphic: Hakyung Kim, Alan Smith

Sources: Bloomberg, MSCI (MSCI data as of March 31 2026)

© FT

The benchmark and many EM peers are increasingly concentrated in large EM technology and semiconductor names, which tend to be more cyclical and more correlated to the S&P 500. Letko Brosseau remains positioned as a genuine diversifier, with greater exposure to domestic EM businesses, smaller and mid-sized companies, and more stable long-term compounders in areas such as infrastructure and utilities.

Scatter Risk/Return 5 Years



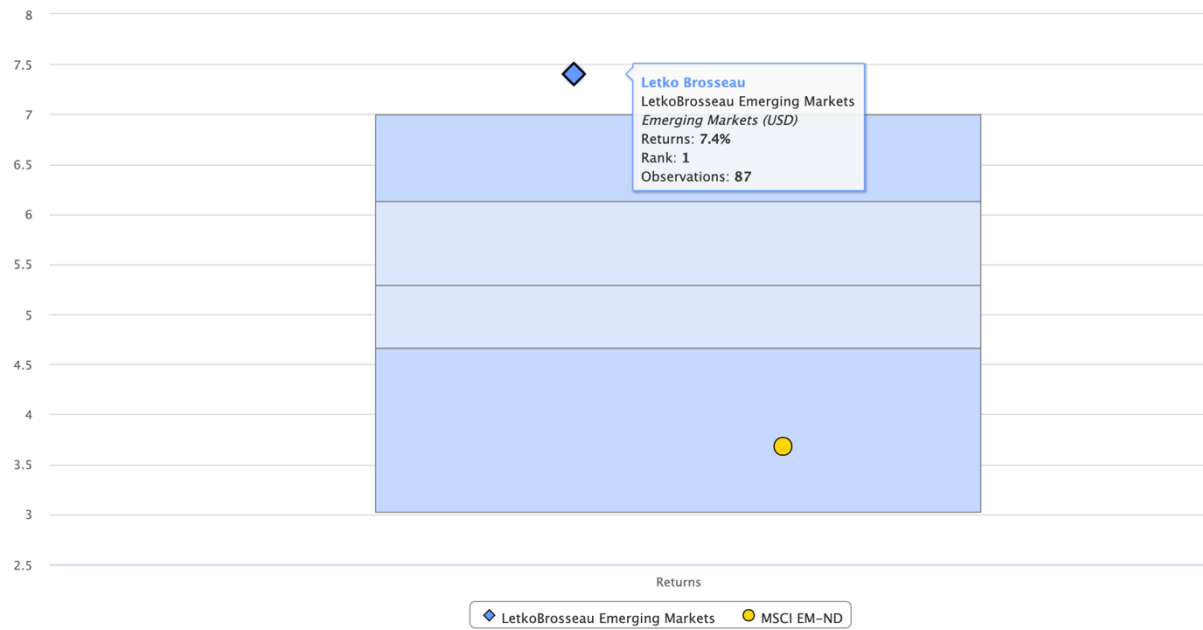
- ◆ Letko EME - S&P 500: Annual Rebalancing
- Letko EME - S&P 500: Without Rebalancing
- MSCI Index: MSCI ACWI-ND
- + All Global Equity
- ◆ Letko, Brosseau & Associates Inc.: LetkoBrosseau Emerging Markets
- ▲ Standard & Poors Index: S&P 500

Universe: eVestment All Global Equity

Results displayed in USD using Spot Rate (SR).

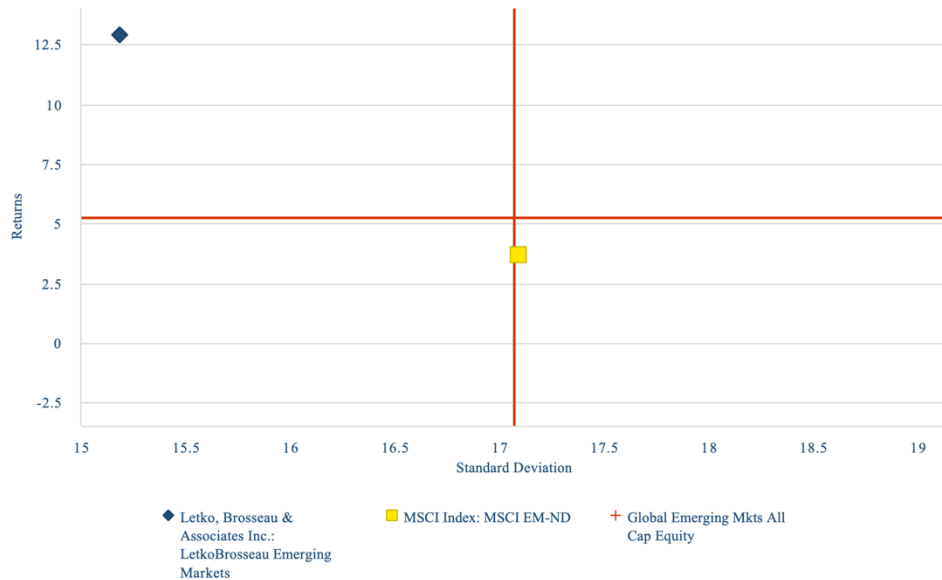
Data till 31-03-2026:

Background Universe: Global Emerging Mkts All Cap Equity



Risk & Return Scatter 5 Years

Letko Brosseau vs Benchmark and Peers

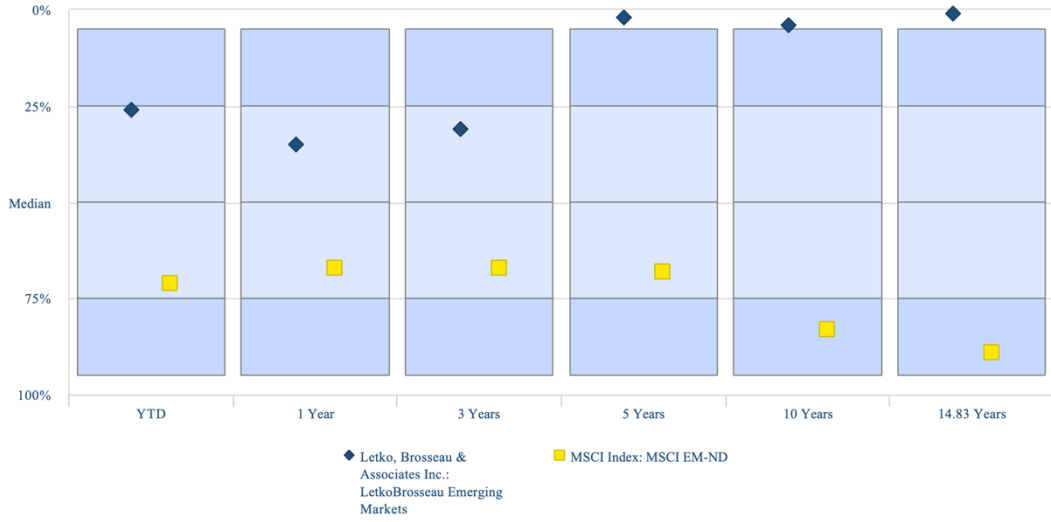


Universe: eVestment Global Emerging Mkts All Cap Equity

Results displayed in USD using Spot Rate (SR).

Trailing Returns Median

Letko Brosseau vs Benchmark and Peers

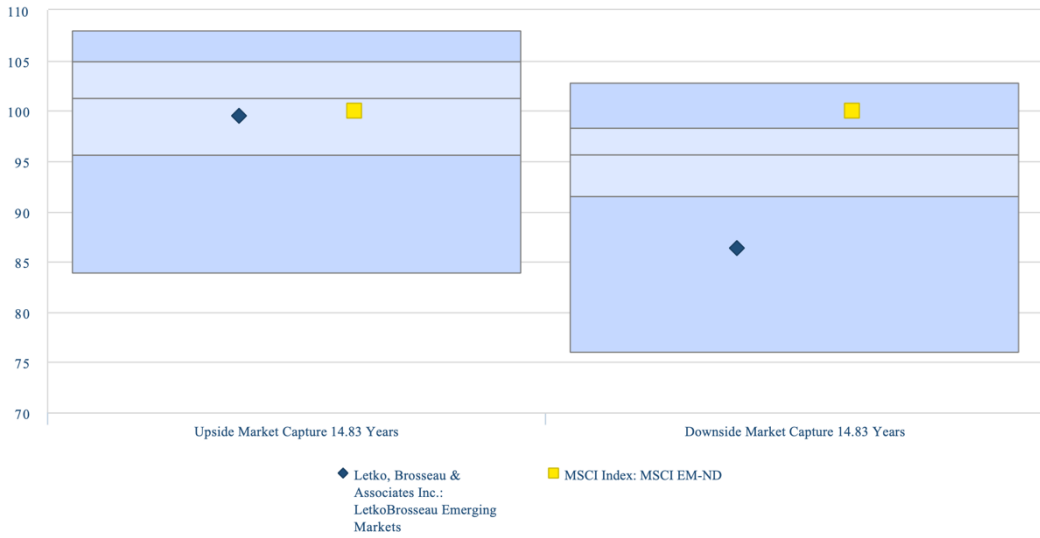
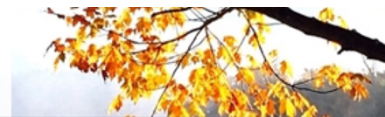


Universe: eVestment Global Emerging Mkts All Cap Equity

Results displayed in USD using Spot Rate (SR).

Upside- & Downside Market Capture Since Inception

Letko Brosseau vs Benchmark and Peers



Universe: eVestment Global Emerging Mkts All Cap Equity

Results displayed in USD using Spot Rate (SR).

MSCI EM-ND

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Lead Portfolio Manager Rohit Khuller



[Bio Rohit Khuller of Letko Brosseau](#)

Next Century Growth US Small Cap Growth Equities

The Next Century Growth (NCG) US Small Cap Growth Strategy is a high conviction, high alpha generating strategy that seeks to invest in the fastest growing and highest quality small cap companies in America. A daily liquid Art. 8 UCITS fund with an AUM of USD 55 million is available. ISIN code: [IE000TY23GV5](#)

As per Q1, 2026 the Next Century Growth US Small Cap Growth Equity Strategy has an **annualised outperformance of 4.64%** over the Russell 2000 Growth index, outperforming 91% of peers according to eVestment since inception in 1999. Next Century Growth is an independent investment firm with a highly experienced investment team located in Minneapolis.

**Finally >12% ! outperformance for the NCG strategy vs the R2000G I-shares
Yoehoe!!!!**

One of my favourite managers finally kicks ass.

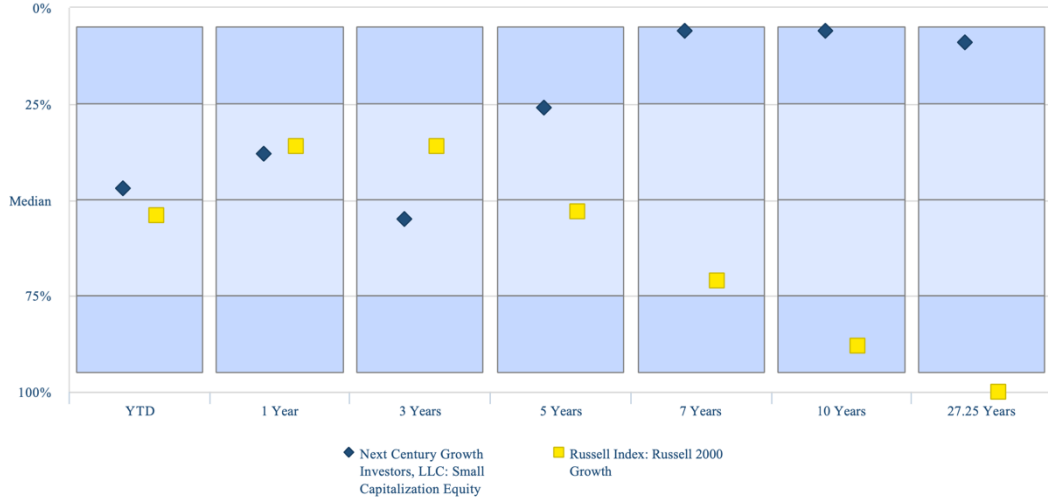


source: FT

Data till 31-03-2026:

Returns vs Benchmark and Peers

Next Century Growth vs Benchmark and Peers

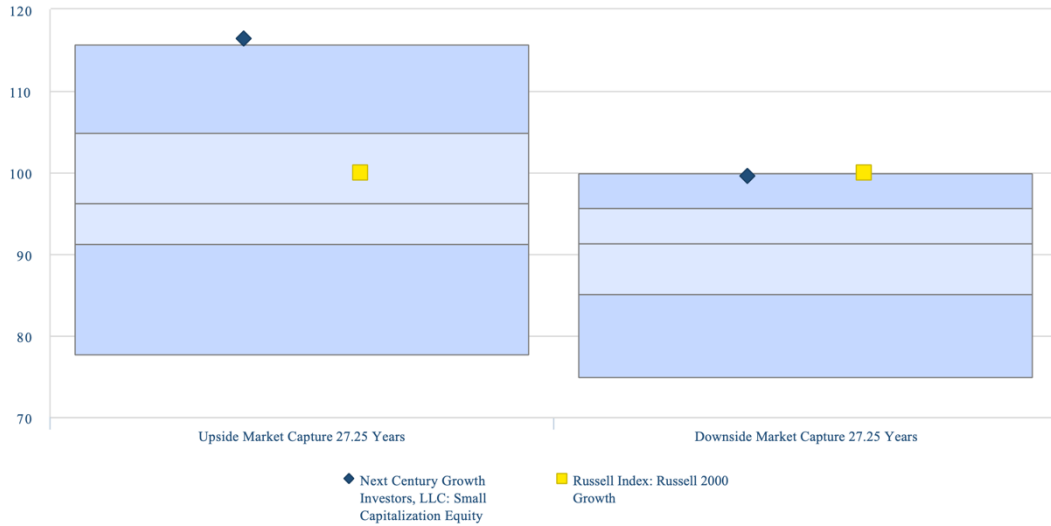


Universe: eVestment US Small Cap Growth Equity

Results displayed in USD using Spot Rate (SR).

Upside- & Downside Market Capture Since Inception

Next Century Growth vs Benchmark and Peers



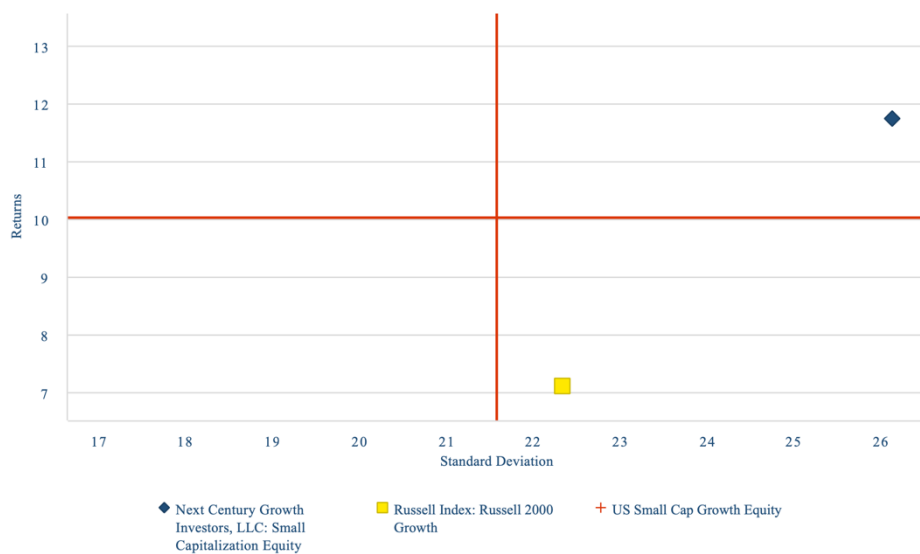
Universe: eVestment US Small Cap Growth Equity

Results displayed in USD using Spot Rate (SR).

Russell 2000 Growth

Scatter Risk/Return Since Inception

Next Century Growth vs Benchmark and Peers



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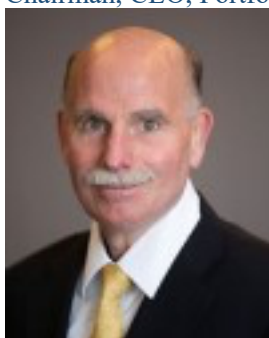
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Chairman, CEO, Portfolio Manager and Partner Thomas Press



[Bio: Thomas Press of Next Century Growth Investors](#)

Orchard US Small Cap Value Equities

The Orchard US Small Cap Value strategy is a high conviction, high alpha generating strategy that identifies companies that trade at a significant discount to where they should trade at and have one or multiple catalyst to unleash this intrinsic value. A daily liquid Art. 8 UCITS fund with an AUM of USD 56 million is available. ISIN code: [IE00BL0L0092](#)

As per Q1, 2026 the Orchard US Small Cap Value Equity strategy has an **annualized outperformance of 2.17%** over the Russell 2000 Value index, outperforming 65% of peers according to eVestment since inception in 2001. Orchard Capital Management is a research-driven value investment manager solely focused on small cap value investing. As an independent employee owned boutique based in Chicago they deliver superior returns through proprietary research and a disciplined process. Long term US small cap value is the best performing segment of US Equities.

In line YtD

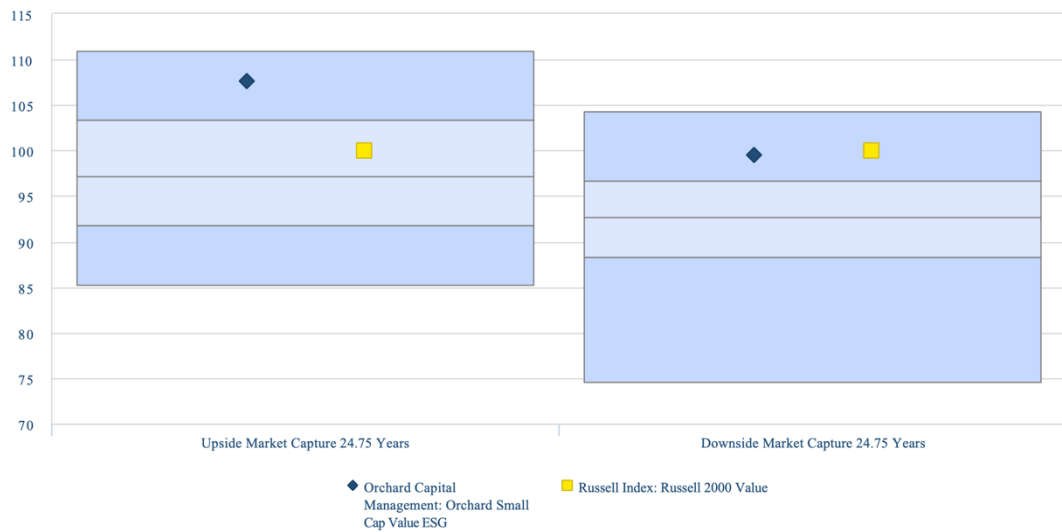


source: FT

Data till 31-03-2026:

Upside- & Downside Market Capture Since Inception

Orchard vs Benchmark and Peers



Universe: eVestment US Small Cap Value Equity

Results displayed in USD using Spot Rate (SR).

Russell 2000 Value

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Founder and CIO Blake Harper



[Bio: Blake Harper of Orchard Capital Management](#)

US Small Caps

Chart 1) US Small Caps versus Nasdaq, S&P 500, Dow 30 - August 1, 2025- May 12, 2026

After more than a decade of underperformance US Small Caps are back since last summer

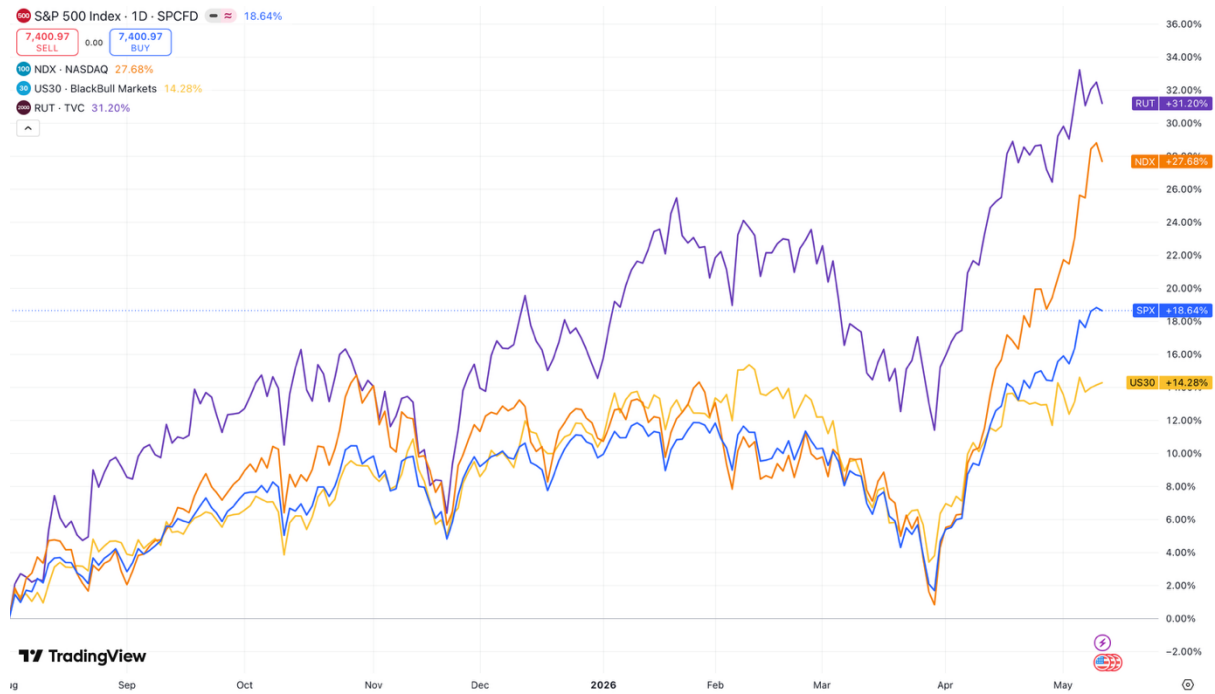
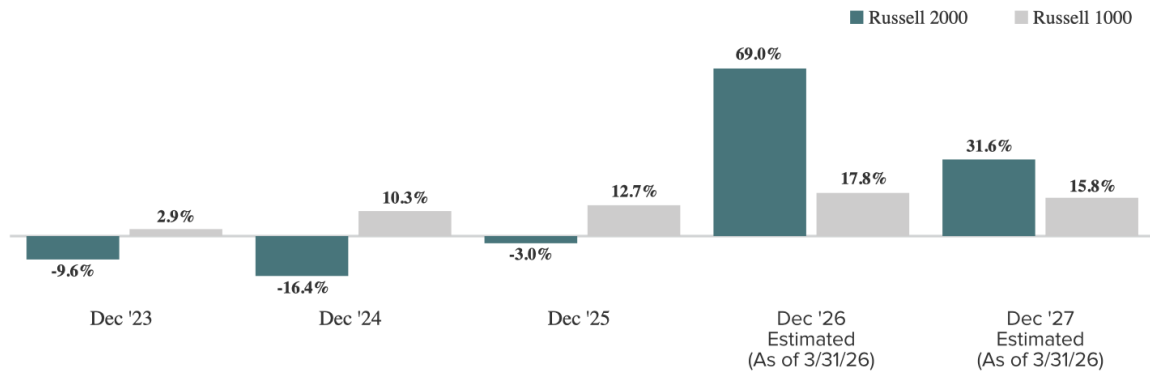


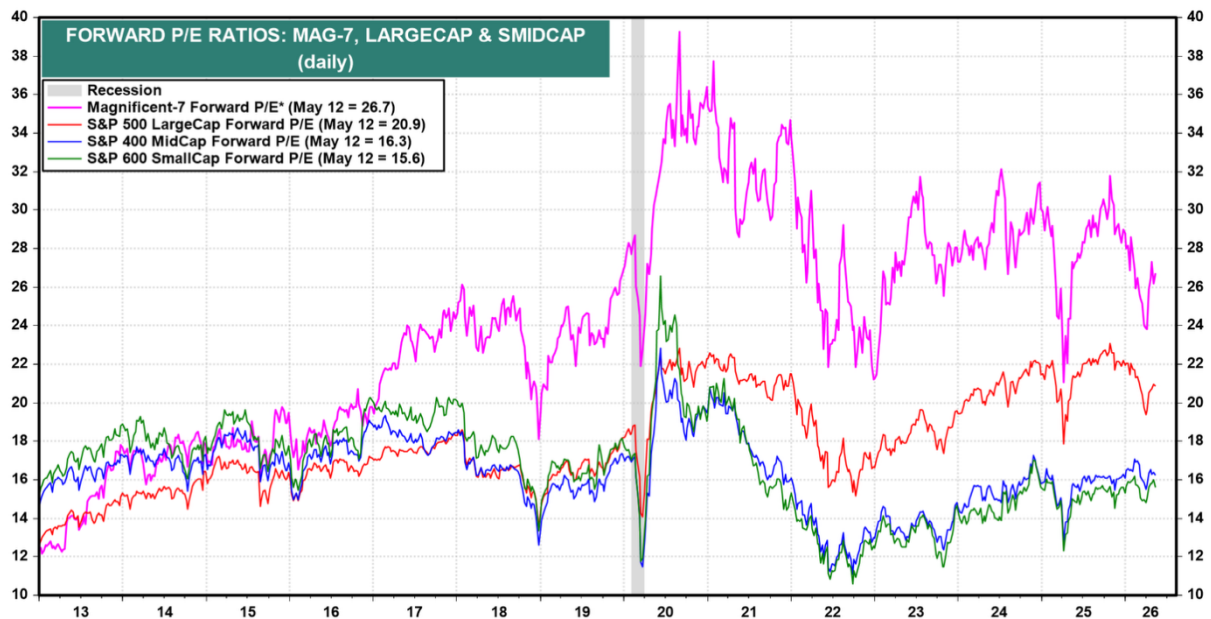
Chart 2) US small cap earnings growth is expected to accelerate sharply and outpace US large caps

One-Year EPS Growth



Source: FactSet. Earnings per share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock. The EPS Growth Estimates are the pre-calculated mean two-year EPS growth rate estimates by brokerage analysts. Estimates are the average of those provided by analysts working for brokerage firms who provide research coverage on each individual security as reported by FactSet. All non-equity securities, investment companies, and companies without brokerage analyst coverage are excluded. **Past performance is not guarantee of future results.** There is no assurance that any estimate, forecast or projection will be realized.

Chart 5) US Small Caps are trading at a large P/E discount to Large Caps, the largest in over 40 years (only around 2000 we saw similar discounts)



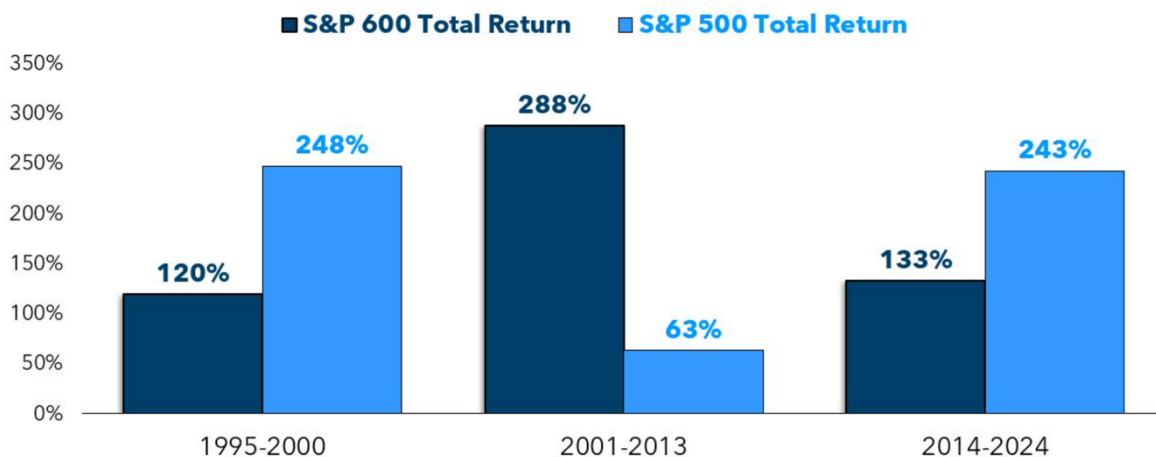
Source: LSEG Datastream and © Yardeni Research, and Standard & Poor's.

* Magnificent-7 stocks include Alphabet (Google), Amazon, Apple, Meta (Facebook), Microsoft, NVIDIA, and Tesla. Both classes of Alphabet are included.

Large vs Small Cap Cycles



S&P 600 vs S&P 500 Total Returns Over Various Timeframes
1995-2000, 2001-2013, 2014-2024



Source: RWM, data via YCharts

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Chart 6) Historically after a long period of underperformance US Small Caps outperform with almost 10% annualised over a 5y period

Period	Length (In Years)	Small Caps		Large Caps		Relative Performance		1Yr Subs Relative Perf		3Yr Subs Relative Perf		5Yr Subs Relative Perf	
		Cumulative	Annualized	Cumulative	Annualized	Cumulative	Annualized	Cumulative	Annualized	Cumulative	Annualized	Cumulative	Annualized
Jan. 1926 to May 1932	6.3	-81.8	-23.6	-52.6	-11.1	-61.6	-14.0	82.2	82.2	65.5	18.3	144.7	19.6
Feb. 1937 to June 1939	2.3	-48.1	-24.5	-27.7	-13.0	-28.2	-13.2	8.8	8.8	26.2	8.1	81.2	12.6
May 1946 to June 1949	3.1	-35.4	-13.2	-12.6	-4.3	-26.1	-9.3	2.7	2.7	1.6	0.5	-4.6	-0.9
Dec. 1968 to Dec. 1973	5.0	-41.5	-10.2	11.8	2.3	-47.7	-12.2	2.2	2.2	51.1	14.8	112.2	16.2
July 1983 to Oct. 1990	7.3	35.9	4.3	149.3	13.4	-45.5	-8.0	22.2	22.2	40.6	12.0	27.0	4.9
Feb. 1994 to Mar. 1999	5.1	79.1	12.1	219.0	25.6	-43.9	-10.7	23.9	23.9	63.9	17.9	98.3	14.7
Feb. 2014 to Jan. 2016	1.9	-14.4	-7.8	7.3	3.7	-20.2	-11.1	13.3	13.3	5.2	1.7	7.8	1.5
Dec. 2016 to Sept. 23?	6.7	49.8	6.2	119.8	12.4	-31.9	-5.5	?	?	?	?	?	?
Average (Excludes Current)	4.4	-15.2	-9.0	42.1	2.4	-39.0	-11.2	22.2	22.2	36.3	10.5	66.7	9.8

Source: Center for Research in Security Prices (CRSP®), The University of Chicago Booth School of Business; Jefferies

DSM Growth Equity:

The DSM Growth strategies are high conviction strategies that invest in companies that have high earnings growth. A strict valuation discipline differentiates DSM from other growth managers. DSM capital manages USD 6.4 Billion in Equity strategies. DSM is an employee owned firm and employees invest

their own private wealth alongside you as an investor.

DSM Global Growth

As per Q1, 2026 the Global Growth Equity strategy of DSM has an **annualized outperformance of 1.03%** over the MSCI ACWI Growth, outperforming 90% of peers according to eVestment since inception in 2010. A daily liquid Art. 8 UCITS fund is available with an AUM of USD 142.9 million. ISIN code: [LU1016061043](#)

YtD - 0.4% outperformance over the MSCI ACWI Growth BM

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DSM US Large Cap Growth

As per Q1, 2026 the US Large Cap Growth Equity strategy of DSM has an **annualized outperformance of 0.73%** over the Russell 1000 Growth, outperforming 86% of peers according to eVestment since inception in 2002. A daily liquid Art. 8 UCITS fund is available with an AUM of USD 60.2 million. ISIN code: [LU1440728472](#)

YTD -1.2% outperformance over the R1000G BM

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CIO Daniel Strickberger



[Bio: CIO Daniel Strickberger of DSM Capital Partners](#)

Best regards\met vriendelijke groet,

Martijn van Vliet
martijn@candoris.nl

Candoris
HNK, Oude Middenweg 19, 2491 AC,
The Hague,
The Netherlands
www.candoris.nl

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