

STRATEGY & OUTLOOK

Market Update

October 2026

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The CFAM Multi Asset fund range continues to have a low level of risk on as we enter into the final quarter of 2026.

We are at the lower end of our growth asset investment ranges, with an overweight in Commodities, especially Energy and Agricultural, reducing the equity exposure of the funds even further. The Crisis in the Middle East shows no signs of ending. It is currently broadening as Saudi Arabia and Ansar Allah in Yemen exchange fire. The heroic efforts to normalise oil flow in the Strait are still not enough to end the continuing draw down of global energy reserves. The situation in product markets such as jet fuel and diesel is dire and beginning to impact the industrial economy. Food price inflation is rising as global fertiliser stocks run low.

Our Fixed Income holdings are weighted towards the shorter end as bonds and equities show a worrying level of correlation currently. We have reinstated our overweight Dollar position as Fed Chair Warsh touts a surprisingly hawkish message. The outlook for Europe, and the Euro increasingly darkens as the energy crisis combines with concerns over the fiscal sustainability of certain members of the EU, especially France. As concerns mount over global fiscal issues we added Gold to the portfolio at what proved to be a timely level.

We are underweight Equities. The Equities we do own are low beta and largely uncorrelated with AI capex cycle. We are overweight Banks, Energy and Mining stocks which combined offer good value, solid cash flows and traditionally fare well in this higher rate environment. We continue to be underweight Technology and those equities more correlated with the AI buildout. We are however overweight the Software sector as some of the incumbents offer value as they themselves will be able to roll out new AI functionality to drive the growth and adoption of their own business.

It would appear to us there is a toxic combination developing for equity markets as global yields, tensions and leverage rise as growth slows and investors begin to question the sustainability and wisdom of the AI led capex cycle, without which global growth and equity market returns would appear to be at risk. Credit Markets are beginning to crack, with the bonds of riskier borrowers trading poorly. Two speculative AI related IPO's have already been pulled due to lack of demand. For a more detailed review into our current thoughts and positioning I would point you to our H2 outlook piece on our website [CFAM H2 Market Review and Outlook | Cantor Fitzgerald Ireland](#)

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WARNING: Past performance is not a reliable guide to future performance.

WARNING: The value of your investment may go down as well as up.

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