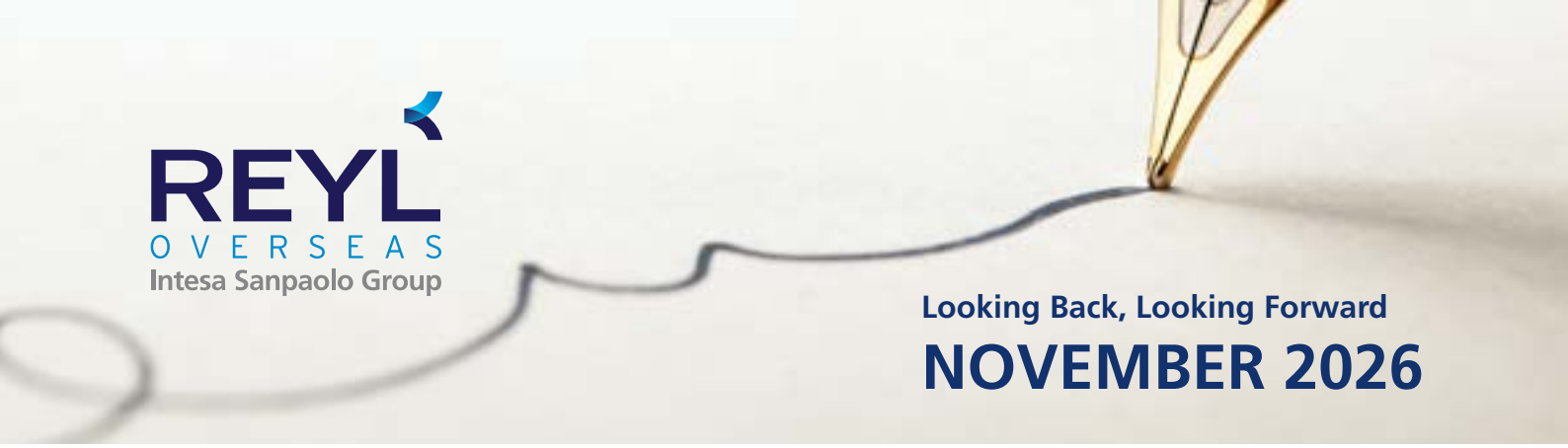


REYL OVERSEAS
Intesa Sanpaolo Group

Looking Back, Looking Forward

NOVEMBER 2026

Zurich, November 17th 2026

Reflections on markets, our thinking and the road ahead

Dear Clients, Partners and Friends of REYL Overseas,

When I wrote to you in June, I described a world in transition.

After a long period in which U.S. markets had dominated global portfolios, I suggested it was time to widen the aperture. Not to abandon the United States, but to recognize that market leadership changes, cycles evolve, and diversification often becomes most valuable before everyone agrees that it is necessary. I also wrote that diversification should extend beyond what we own to where we own it.

Six months later, those ideas still resonate. But our thinking has also evolved.

If there is one lesson I take from the past several months, it is the value of conviction without rigidity. We need views about the forces reshaping the world, but also the humility to question them as facts, valuations and prices change.

FOLLOWING OUR THINKING IN REAL TIME

One reason we publish a monthly **Strategy Outlook** is that it creates a record of that process.

Investing can look deceptively simple with hindsight. It is easy today to explain why markets behaved as they did in June. It is more useful to ask: What did we believe at the time? What did we get right? What surprised us? And did we adapt?

Looking back through our Outlooks has been a useful exercise.

We were right, I believe, to remain constructive on equities when there were frequent reasons for caution. We viewed AI as a genuine structural transformation, while increasingly recognizing that the significance of a technology and the valuation of the companies associated with it are two different things.

Our focus on government deficits and rising debt-service costs has also become increasingly relevant.

We certainly did not get everything right.

Markets proved more resilient than some of our caution suggested. Liquidity, earnings and enthusiasm around AI offset concerns about valuations, higher rates and government debt for longer than we expected. Some risks we identified have taken longer to matter. Others have not mattered yet.

That last word deserves some humility. Being early and being right are not the same thing.

Nor would I expect our views today to be identical to those we held six months ago. If they were, despite what has changed in markets and prices, I would find that more concerning.

For those interested, our Outlooks provide the contemporaneous record. I invite you to revisit them to see what we thought at the time, and how our thinking evolved.

Follow our thinking through the 2026 Strategy Outlooks

WHAT IS ALREADY IN THE PRICE?

Bonds provide perhaps the clearest example of that evolution.

For more than three years, we had been underweight U.S. fixed income. Inflation, fiscal deficits and growing debt-service costs gave us good reasons to remain cautious.

By autumn, however, we noticed something interesting: everyone seemed to be having the same conversation. Bearishness on bonds had become consensus.

That caused us to ask a different question: **what is already in the price?**

The fundamental concerns had not disappeared. But yields had changed materially. Investors were once again receiving meaningful real income for owning high-quality fixed income, with the potential for bonds to provide both income and portfolio balance.

By November, we had begun adding U.S. interest-rate exposure back into some of our more conservative portfolios.

We had not suddenly become unconcerned about government debt. The risks hadn't disappeared.

The price had changed, and with it, the risk-reward.

We are asking similar questions about AI.
We continue to believe AI and digitalisation represent profound structural changes. Yet believing in a technology is not the same as believing every asset associated with it is reasonably priced.

As enthusiasm and investment have accelerated, we have spent more time considering valuation and which businesses will ultimately capture the economic value being created. Like the internet, the innovation can be real while the price can still be wrong. One only need to reflect on how the internet fundamentally changed how businesses grew and profited in the first ten years of the new millennium, while some of the early pioneers disappointed investors.

For us, both bonds and AI are reminders that conviction should guide the questions we ask without predetermining the answers.

BUILDING GREATER OPTIONALITY

This thinking is also influencing how we are developing REYL Overseas.

In June, I wrote about helping clients think not only about what they own, but where they own it. Since then, we have continued working with partners in Luxembourg to broaden the custody solutions we can offer alongside Switzerland.

Switzerland remains at the heart of our platform. The objective is not to replace one jurisdiction with another, but to add optionality. For some clients, combining Swiss and European custody can offer additional institutional and jurisdictional diversification, while broadening access to lending and financing solutions across Europe.

LOOKING FORWARD

As we approach 2027, I don't have a prediction to offer about what markets will do next.

I do have confidence in the questions we are asking:

What do we believe? What could make us wrong? And what is already in the price?

We will get some things right and others wrong. Our responsibility is to remain curious, acknowledge when the evidence changes, and continue improving both how we invest and how we serve our clients.
That brings me to what I am perhaps most grateful for as I look back on the year: **our team**.

Our operations colleagues manage the countless details behind our clients' day-to-day experience. Our investment team manages portfolios and keeps clients connected to our strategy and thinking.

And our advisors work to understand our clients' broader needs and how we might help, whether through our own capabilities or our network of specialists.

The result, I hope, is something important: multiple points of connection between our clients and our firm.

What matters is the collective effort of people who know our clients, understand their circumstances and care about helping them navigate increasingly complex financial lives.

I see how much work goes into that every day. I am proud of our team for their commitment, judgment and care, and to our clients and partners for the confidence you continue to place in us.

There is much more we want to accomplish. But looking back at where we started the year, I am proud of the progress we have made and excited about what we continue to build together.

Thank you for being part of that journey.

Kind regards,

Elias Bachmann
Chief Executive Officer
REYL Overseas Ltd