November 2026 | Monthly update

Omnis Managed Portfolio Service

AI concerns and persistent inflation unsettled markets, with technology stocks coming under pressure and bond yields remaining elevated, while defensive portfolio positioning helped support relative returns.

Market-moving events

AI concerns weigh on technology stocks. The Nasdaq 100 fell 6.9%, while Nvidia declined almost 15%, as investors grew concerned that revenues from AI services may not justify the substantial capital expenditure being committed to the technology.

Equity performance diverges across regions. The S&P 500 fell just over 1%, while the FTSE 100 gained around 2% as energy stocks rallied. Latin American markets fell sharply towards the end of the month following Lula's surprise victory in Brazil's presidential election.

Higher inflation keeps pressure on interest rates. US bond markets recovered from an early sell-off, with the 10-year Treasury yield falling from 5.35% to around 5%. Nevertheless, inflation remained elevated, while a 12% rise in oil prices added to concerns that interest rates may need to remain higher for longer.

Investment highlights

Tactical positioning supports returns. Tactical asset allocation added value during the period, with underweight positions in US, emerging market and Asia Pacific ex-Japan equities benefiting from a sell-off in AI-related stocks.

Reducing interest rate risk. During the month, we reduced exposure to longer-dated government bonds in favour of short-dated bonds to limit interest rate sensitivity. This reflects a more defensive approach for the portfolios.

Maintaining a defensive stance. The portfolios remain underweight equities, particularly in the US and Asia Pacific ex-Japan, reflecting continued caution about market concentration and AI-related valuations.

Asset allocation

Red = underweight
Amber = neutral weighting
Green = overweight

equities



Overweight = US small caps
Underweight = US + overall

bonds



Overweight = government bonds + overall
Underweight = corporate bonds

alternatives + cash



Overweight = short-dated bond + overall

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