LIGHTHOUSE CANTON

CIO INSIGHTS
SEPTEMBER 2026

MARKET VIEWS · INVESTMENT INSIGHTS

Zooming *Out*

The intraday recovery suggests markets have rightly shrugged off the AI slowdown narrative. Sometimes it pays to just zoom out and look at the big picture.

AUTHOR

Sunil Garg

Managing Director, Chief Investment Officer — Lighthouse Canton

IS THE TREND BROKEN - NOT YET

S&P down nearly 1% at one stage (Nasdaq -1.95% intraday), indices have recovered substantially off their lows. While the initial swoon was led by talk of "an AI slowdown (ref: Anthropic CEO's warning, echoed by Open AI and Space X CEOs), the intraday recovery would suggest that markets have rightly, shrugged off this "slowdown" narrative - the "slowdown" is more in the form of guardrails around development rather than a change in the demand equation, which remains robust.

While we previously classified equities as being complacent to a rate hike probability (now 93%), they now appear to have priced in a 25bp increase on the 16th, and moved on. What will matter more is the guidance and commentary, rather than the hike itself.

CUTTING THROUGH THE NOISE

Sometimes it pays to just zoom out and look at the big picture. Fig 1 below plots the S&P on a "noiseless" Renko chart (for reference, Renko charts only plot if there is a specified move - in the chart below 2%). **Not only is the uptrend since pandemic lows intact, the index is less than 3% below its all time highs.**

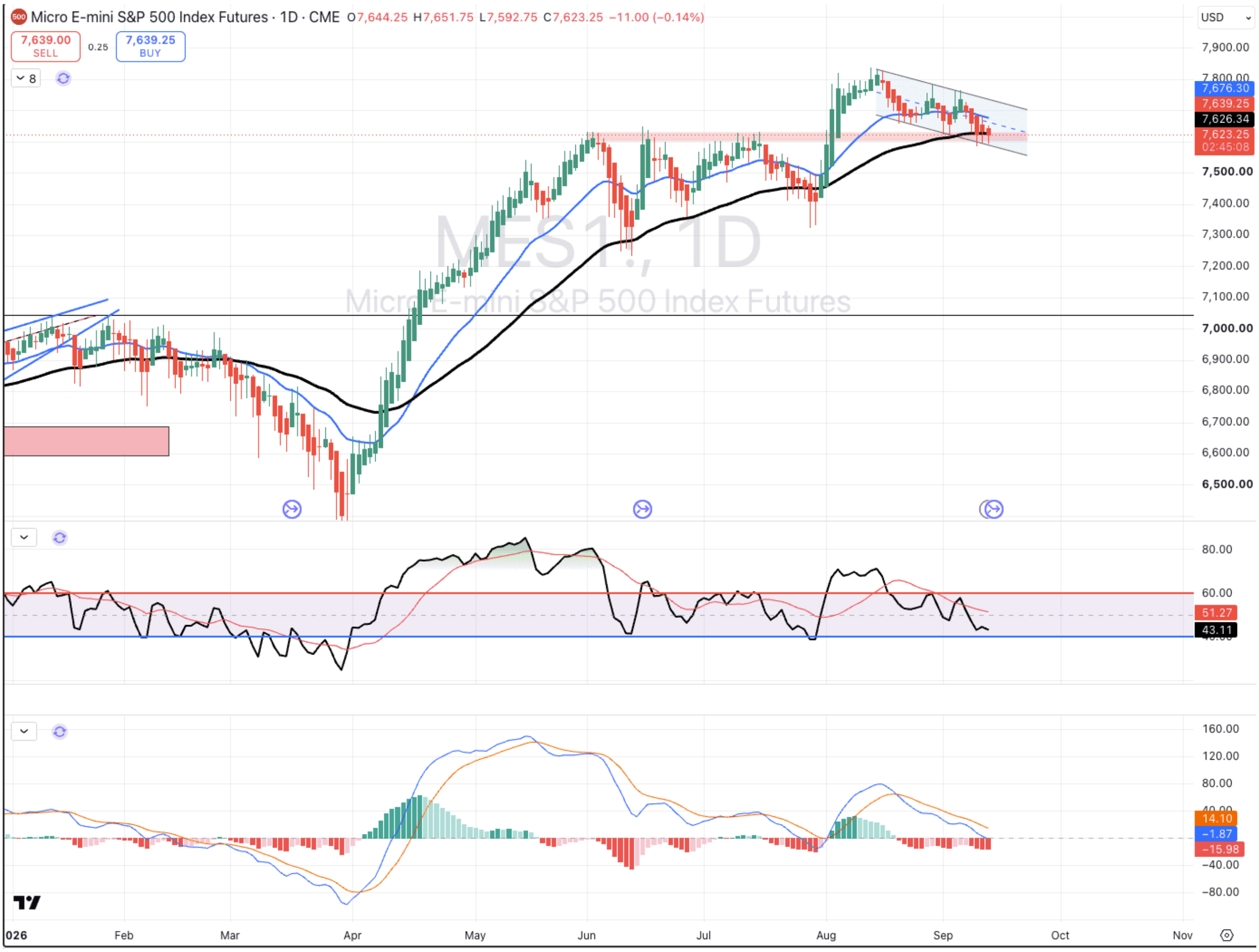
What will it take to break the trend? We previously identified **7400-7600 as the "must defend" zone** - these remain critical levels to watch (see Fig 2).

For now, the trend remains in force and it's not broken until it is.

FIG 1 - SPX RENKO (2% / LOG SCALE)

source: Lighthouse Canton

FIG 2 - SPX - DAILY HEIKIN ASHI



source: Lighthouse Canton

RISKS & OPPORTUNITIES

Inflation remains the top risk - not from oil prices directly, but from 2nd order effects, already visible. Resulting, continuing FED hawkishness, is a risk that hasn't gone away.

The opportunity is a mirror flip - and price action above 7800 opens up real opportunities for long positions.

> **Long Strangles, either in isolation or to protect broad based equity portfolios remain a preferred way to position.**

IMPORTANT INFORMATION

Disclaimer

CONFIDENTIALITY

The contents of this document are confidential and are meant for the intended recipient only. If you are not the intended recipient, please delete all copies of this document and notify the sender immediately.

GENERAL COMMENTARY

This document, provided as a general commentary, is for informational purposes only and is not to be construed as an offer to sell or solicit an offer to buy any financial instruments in any jurisdiction. This does not constitute any form of regulated financial advice, and your independent financial advisor should be consulted prior to taking any investment decision(s). This document is based on information from sources which are reliable but has not been independently verified by Lighthouse Canton Pte. Ltd. and its affiliates ("LC"). LC has taken reasonable steps to verify the contents of this document and accepts no liability for any loss arising from the use of any information contained herein. Please also note that past performances are not indicative of future performance. Information contained herein are those of the author(s) and does not represent the views held by other parties. LC is also under no obligation to update you on any changes made to this document.

REGULATION

This document is prepared by Lighthouse Canton Pte. Ltd. and its affiliate, Lighthouse Canton Capital (DIFC) Pte. Ltd., which are regulated by Monetary Authority of Singapore ("MAS") and Dubai Financial Services Authority ("DFSA") respectively. MAS and DFSA have no responsibility for reviewing, verifying and approving the contents of this document and/or other associated documents. The contents of this document may not be reproduced or referenced, either in part or in full, without prior written permission from LC.

OUR OFFICES

SINGAPORE

Singapore
16 Collyer Quay #11-02
Collyer Quay Centre
Singapore 049318
+65 6713 0570

UAE

Dubai
The Exchange, Gate Village 11
Unit 802, DIFC
PO Box 507026, Dubai
+971 4 586 1500

UNITED KINGDOM

London
24 Hanover Square
London W1S 1JD
+44 1642 843 487

INDIA

Mumbai
Unit 507/508, A Wing, INS Tower, G Block, BKC, Mumbai – 400051

New Delhi
Unit 104A, Worldmark 2, Aerocity, New Delhi 110037

Bengaluru
1st Floor, WeWork 37, Cunningham Cross Rd, Vasant Nagar, Bengaluru 560001

Chennai
RK Swamy Centre, Hansa Building, Door No: 3, Thousand Lights, Chennai 600006

Hyderabad
Suite 502, Building 450, Central Plaza, Genome Valley, Shameerpet, Hyderabad 500078

GIFT City
Unit FF-10, Pragya Accelerator, Block 15T, GIFT CITY, Gujarat 382355

Kolkata
Camac Square, Unit 404A, 24, Camac Street, 4th floor, Kolkata, West Bengal 700016

info@lighthouse-canton.com   Lighthouse Canton