

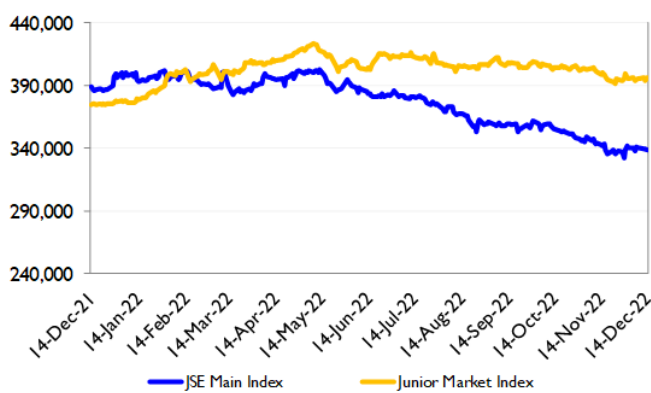
Fed Downshifts to Half-Point Hike, Sees 5.1% Rate Next Year

The Federal Reserve downshifted its rapid pace of interest-rate hikes while signalling that borrowing costs, now the highest since 2007, will rise more than investors anticipate as central bankers seek to ensure inflation keeps cooling. The Federal Open Market Committee raised its benchmark rate by 50 basis points to a 4.25% to 4.5% target range. Policymakers projected rates would end next year at 5.1%, according to their median forecast, before being cut to 4.1% in 2024 — a higher level than previously indicated.

The hawkish projections have the potential to jolt financial markets, where speculation that the Fed would soon pause its hikes has contributed to easier financial conditions. Stocks have risen, while mortgage rates and the dollar have fallen since Powell last month suggested a policy shift was coming. Investors prior to the decision bet rates would reach about 4.8% in May, followed by cuts totalling 50 basis points in the second half of the year - reflecting views that the Fed would be forced to shift in response to a weaker economy and falling inflation. The decision follows four consecutive 75 basis-point hikes that have boosted rates at the fastest pace since Paul Volcker led the central bank in the 1980s. Consumer-price increases have begun a more pronounced slowdown from their 40-year high earlier this year. But a growing cadre of economists expect the Fed's aggressive action to tip the US into recession next year.

Source: Bloomberg

Local Market Indices



Foreign Exchange Market

Currency	14-Dec	13-Dec	DoD % Δ	YTD % Δ
USD:JMD	154.10	154.29	-0.13%	-0.64%
GBP:JMD	189.71	188.79	0.49%	-9.7%
CAD:JMD	112.67	112.90	-0.20%	-8.2%

Caribbean & Latam

- Latin American currencies underperformed emerging market peers on Wednesday after the U.S. Federal Reserve's projection for its target federal funds rate came in higher than expected, while Brazil's real slid on shrinking economic activity.

USA & Canada

- Wall Street stocks dipped on Wednesday, while Treasury yields were flat and the dollar edged up, after the U.S. Federal Reserve announced that it would raise interest rates by half a percentage point, the move expected by financial markets.

Europe

- European stocks closed lower on Wednesday as investors largely refrained from making significant moves ahead of the Federal Reserve's monetary policy announcement.

Asia

- Asian stocks advanced on Wednesday, bonds were firm and the dollar nursed losses after data showed U.S. consumer prices barely rose in November, stoking hopes inflation has peaked and interest rate increases will slow and eventually stop in 2023.

Local Equity Market

Stock Index	Today's close	DoD Δ	DoD % Δ	YTD % Δ	YoY % Δ
JSE Combined Index	352,029.70	-315.68	-0.09%	-12.24%	-10.76%
JSE Index	338,955.50	-957.35	-0.28%	-14.44%	-12.98%
All Jamaican Composite Index	381,106.29	-2,883.94	-0.75%	-13.05%	-11.46%
JSE Select Index	8,474.11	-122.07	-1.42%	-14.25%	-11.92%
Junior Market Index	3,903.81	63.42	1.65%	13.87%	15.56%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
PAL	33.48%	ICREATE	-10.10%
BPOW	16.12%	BRG	-6.98%
EPLY	15.82%	CBNY	-5.77%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **90** stocks, of which **45** advanced, **32** declined and **13** traded firm.

International Markets

International Equity Markets					International Currency Market				
Index	14-Dec	DoD % Δ	YTD % Δ	YoY % Δ	Currency	14-Dec	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	3,995.21	-0.61%	-16.18%	-13.79%	EUR: USD	1.0683	0.47%	-6.04%	-5.12%
Dow Jones	33,966.35	-0.42%	-6.53%	-4.44%	GBP: USD	1.24	0.51%	-8.15%	-6.06%
FTSE All Share	4,100.26	-0.12%	-2.56%	0.00%	USD: CAD	1.36	0.05%	7.24%	5.36%
Euro Stoxx 50	3,975.26	-0.29%	-7.52%	-4.08%	USD: JPY	135.35	-0.18%	17.61%	19.04%
Nikkei 225	28,156.21	0.72%	-2.21%	-0.97%					
MSCI World Index	629.34	0.01%	-16.62%	-14.34%					

Global Interest Rates					Commodities				
Rates	14-Dec	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	14-Dec	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	3.47%	-3.00	196.00	203.00	Crude Oil	77.37	2.63%	2.87%	9.39%
10-Year UK Gilt	3.32%	2.00	235.00	260.00	Gold	1,807.82	-0.16%	-1.17%	2.09%
GOJ 2025 Global Bond	6.33%	9.00	229.00	234.00	Silver	23.92	0.76%	2.60%	8.97%
					Aluminium	2,453.00	-0.33%	-12.63%	-6.68%



Mutual Funds



A member of the Group

JN MUTUAL FUNDS

December 13, 2022

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$12.8201	-8.17%	-9.38%	2.46%
Global Equity	J\$14.2699	-7.08%	-9.17%	0.00%
Global Fixed Income	J\$13.8007	4.11%	4.02%	5.27%
Global Money Market (US\$)	US\$11.3782	3.72%	3.56%	4.12%
Global Fixed Income (US\$)	US\$11.4446	0.86%	0.91%	3.94%
Local Money Market	J\$12.0840	4.38%	4.31%	6.81%

	Global Money Market Fund	Local Money Market Fund	Global Fixed Income Funds	Global Diversified Income Fund	Global Equity Fund
Objective	To preserve capital whilst providing US dollar (US\$) money market returns	To preserve capital whilst providing Jamaican Dollar (J\$) money market returns	To achieve an attractive total return through capital injection and income growth. This is offered through two separate Funds: (i) A Jamaican dollar (J\$) and (ii) A US dollar (US\$) fund.	To provide long-term investment growth through exposure to a diversified range of asset classes.	To provide long-term capital growth and risk diversification.
Strategy	To invest in local and global money market instruments for safety, liquidity and yield.	To invest in local and global money market instruments for safety and liquidity and yield	To invest in regional, sovereign debt securities, local and international corporate bonds.	To invest in fixed income, high dividend yielding stocks, REITs and structured products	To invest in the shares of local and international companies which offer strong growth possibilities and consistent income

With a suite of six investment portfolios, each with a distinct financial profile, JN Mutual Funds offers a premium opportunity for investors to align their personal financial strategy with their goals, time horizons and risk profile.

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