

## UK economy falls into recession, adding to Sunak's election challenge

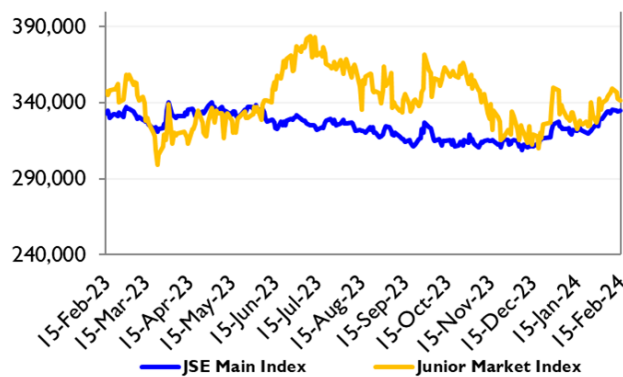
Britain's economy fell into a recession in the second half of 2023, a tough backdrop ahead of this year's expected election for Prime Minister Rishi Sunak who has promised to boost growth. Gross Domestic Product (GDP) contracted by 0.3% in the three months to December, having shrunk by 0.1% between July and September, official data showed. The fourth-quarter contraction was deeper than all economists' estimates in a Reuters poll, which had pointed to a 0.1% decline. Investors added to their bets on the Bank of England (BoE) cutting interest rates this year and businesses called for more help from the government in a budget plan due on March 6.

Thursday's data means Britain joins Japan among the Group of Seven advanced economies in a recession, although it is likely to be short-lived and shallow by historical standards. Canada has yet to report GDP data for the fourth quarter. Britain's economy stands just 1% higher than its level of late 2019, before the COVID-19 pandemic struck - with only Germany among the G7 countries faring worse. Sunak promised to get the economy growing as one of his key pledges to voters last year. His Conservative Party has dominated British politics for much of the past seven decades, with a reputation for economic competence. But Labour is now more trusted with the economy, according to opinion polls. British households are due to see their first drop in living standards between one national election and the next since the Second World War, analysts have said.

The Office for National Statistics (ONS) said the economy grew by 0.1% in 2023 compared with 2022. The BoE forecasts output will pick up slightly in 2024, but only to 0.25% growth. Britain's economy has been stagnating for nearly two years. The COVID-19 pandemic triggered the deepest contraction on record over two quarters in early 2020, when the economy slumped by 22%. Before that, the global financial crisis sparked a severe recession that lasted just over a year, from the second quarter of 2008 through to the second quarter of 2009.

Source: Reuters

### Local Market Indices



### Foreign Exchange Market

Currency	15-Feb	13-Feb	DoD % Δ	YTD % Δ
USD:JMD	157.68	157.60	0.05%	1.76%
GBP:JMD	197.65	200.67	-1.50%	0.08%
CAD:JMD	116.81	116.86	-0.04%	-0.93%

### Caribbean & Latam

- Chile's central bank considered reducing the benchmark interest rate by either 100 or 125 basis points at its January meeting, with one rate setter thinking it was appropriate to analyze the option of 150 bps, the meeting minutes showed on Thursday.

### USA & Canada

- U.S. stocks rose on Thursday as retail sales data declined more than expected, feeding hopes the Federal Reserve will soon start cutting interest rates in coming months.

### Europe

- The euro zone economy will grow slower than expected this year after price growth eroded purchasing power and high ECB interest rates curbed credit, but inflation in 2024 will also be slower than expected, the European Commission said on Thursday.

### Asia

- Asian stocks rose on Thursday, with the Nikkei breaching a new 34-year peak, while the dollar took a breather near a three-month high as markets assess when the Federal Reserve is likely to start its easing cycle after a run of strong economic data.

### Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	347,570.91	549.45	0.16%	2.48%	0.46%
JSE Index	335,041.32	634.96	0.19%	2.87%	0.57%
All Jamaican Composite Index	371,982.32	1,143.26	0.31%	1.35%	-1.18%
JSE Select Index	8,197.81	-29.08	-0.35%	0.96%	-0.19%
Junior Market Index	3,808.58	-5.26	-0.14%	-1.03%	-0.78%

### BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
MPCCEL	14.44%	BPOW	-13.13%
MTLJA	9.96%	LAB	-8.48%
CAC	9.92%	SILUS	-6.83%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **96** stocks, of which **35** advanced, **46** declined and **15** traded firm.

### International Markets

International Equity Markets					International Currency Market				
Index	15-Feb	DoD % Δ	YTD % Δ	YoY % Δ	Currency	15-Feb	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	5,029.77	0.58%	5.45%	21.27%	EUR: USD	1.0771	0.41%	-2.43%	0.77%
Dow Jones	38,773.12	0.91%	2.88%	13.61%	GBP: USD	1.26	0.26%	-1.04%	4.73%
FTSE All Share	4,149.98	0.41%	-1.94%	-5.03%	USD: CAD	1.35	-0.57%	1.69%	0.55%
Euro Stoxx 50	4,743.17	0.72%	4.90%	10.82%	USD: JPY	149.97	-0.41%	6.33%	11.78%
Nikkei 225	38,157.94	1.21%	32.53%	38.75%					
MSCI World Index	750.11	0.69%	3.18%	14.91%					

Global Interest Rates					Commodities				
Rates	15-Feb	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	15-Feb	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	4.24%	-2.00	36.00	44.00	Crude Oil	78.17	2.00%	9.10%	-0.53%
10-Year UK Gilt	4.05%	1.00	51.00	56.00	Gold	2,004.73	0.62%	-2.82%	9.19%
GOJ 2025 Global Bond	6.57%	-2.00	253.00	-16.00	Silver	22.91	2.42%	-3.70%	5.96%
					Aluminium	2,224.50	-0.49%	-6.69%	-6.71%



# Mutual Funds

**Fund Managers Ltd.**

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## JN MUTUAL FUNDS

February 13, 2024

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
<b>Global Diversified Income</b>	J\$13.6311	6.03%	1.13%	3.06%
<b>Global Equity</b>	J\$14.6595	2.92%	1.42%	0.00%
<b>Global Fixed Income</b>	J\$15.1661	9.20%	1.41%	7.20%
<b>Global Money Market (US\$)</b>	US\$11.5948	1.38%	0.40%	3.50%
<b>Global Fixed Income (US\$)</b>	US\$11.5020	0.02%	0.40%	3.29%
<b>Local Money Market</b>	J\$13.2443	8.76%	1.59%	7.38%

	Global Money Market Fund	Local Money Market Fund	Global Fixed Income Funds	Global Diversified Income Fund	Global Equity Fund
<b>Objective</b>	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.
<b>Strategy</b>	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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