

U.S. trade deficit widens; goods exports at 10-month low

The U.S. trade deficit widened in December, reversing half of the prior month's sharp contraction, as imports rebounded and exports of goods dropped to a 10-month low amid cooling global demand and declining crude oil prices. The trade deficit increased 10.5% to \$67.4 billion, the Commerce Department said on Tuesday. The trade gap narrowed 21.1% in November to \$61.0 billion. The numbers are not adjusted for inflation. The trade deficit widened to a record \$948.1 billion in 2022 from \$845.0 billion in 2021.

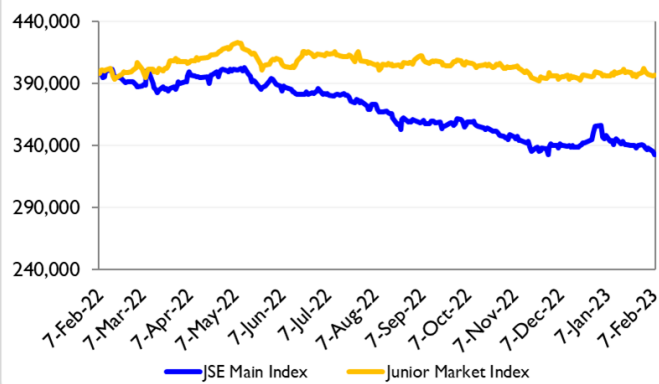
Imports increased 1.3% to \$317.6 billion, with goods rising 1.8% to \$258.8 billion. They were boosted by imports of consumer goods, which jumped \$4.1 billion, reflecting increases in cell phones as supply from China improved, and other household goods. Imports of motor vehicles, parts and engines rose \$2.9 billion. But imports of industrial supplies and materials, which include crude oil, fell \$2.7 billion to \$59.6 billion, the lowest level since October 2021. When adjusted for inflation, imports of industrial supplies were the lowest since May 2021. Oil prices averaged \$75.24 per barrel in December, the cheapest since January, from \$79.86 in November. Imports of services fell \$0.3 billion to \$58.8 billion, pulled down by travel and transportation. But charges for the use of intellectual property increased \$0.2 billion.

Exports fell 0.9% to \$250.2 billion. Goods shipments dropped 1.7% to \$168.1 billion, the lowest since in February, mostly reflecting the big decline in crude oil prices. Exports of industrial supplies and materials dropped \$3.1 billion, with shipments of crude oil falling \$0.8 billion. There were also decreases in exports of other petroleum products. Inflation adjusted or real exports of petroleum were the highest since February 2020 as were those of motor vehicles, parts and engines. Consumer goods exports fell \$1.0 billion, but food exports rose \$0.7 billion. Exports of services increased \$0.7 billion to a record \$82.0 billion, lifted by travel, transportation as well as other business services. The services surplus was the highest since December 2019.

A smaller trade deficit was one of the contributors to the economy's 2.9% annualized growth pace in the fourth quarter.

Source: Reuters

Local Market Indices



Foreign Exchange Market

Currency	7-Feb	6-Feb	DoD % Δ	YTD % Δ
USD:JMD	155.11	155.08	0.02%	2.01%
GBP:JMD	187.99	187.31	0.36%	3.24%
CAD:JMD	115.94	116.24	-0.25%	6.87%

Caribbean & Latam

- Currencies in Latin America outperformed the broader emerging market, with top copper producer Chile's peso leading gains as metal prices recovered.

USA & Canada

- The S&P 500 jumped in wild trading after Federal Reserve chairman Jerome Powell offered little new clues on policy in a speech Tuesday, reiterating the need for more rate hikes in what will likely be a long-drawn-out battle against inflation.

Europe

- European stocks closed on a mixed note on Tuesday with investors largely making cautious moves amid concerns about slowing global economy, and geopolitical tensions.

Asia

- Asian share markets mostly stabilised on Tuesday after steep losses in the past 24 hours, while the U.S dollar remained elevated as investors considered the prospects for interest rates to remain higher for longer in many developed economies.

Local Equity Market

Stock Index	Today's close	DoD Δ	DoD % Δ	YTD % Δ	YoY % Δ
JSE Combined Index	346,481.08	-2,089.31	-0.60%	-6.00%	-15.06%
JSE Index	332,917.44	-2,316.43	-0.69%	-6.46%	-16.38%
All Jamaican Composite Index	375,830.59	-2,558.42	-0.68%	-6.76%	-16.53%
JSE Select Index	8,160.10	-78.04	-0.95%	-8.28%	-20.74%
Junior Market Index	3,912.36	7.39	0.19%	-1.86%	-1.14%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
MFS	14.65%	MPCCELUS	-20.48%
KEY	9.83%	SILUS	-9.05%
ROC	9.63%	MJE	-8.17%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **92** stocks, of which **36** advanced, **49** declined and **7** traded firm.

International Markets

International Equity Markets					International Currency Market				
Index	7-Feb	DoD % Δ	YTD % Δ	YoY % Δ	Currency	7-Feb	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	4,164.04	1.29%	-12.63%	-7.13%	EUR: USD	1.0725	-0.01%	-5.67%	-6.27%
Dow Jones	34,156.69	0.78%	-6.00%	-2.66%	GBP: USD	1.20	0.19%	-11.01%	-11.04%
FTSE All Share	4,309.87	0.14%	2.42%	1.72%	USD: CAD	1.34	-0.30%	6.09%	5.83%
Euro Stoxx 50	4,209.31	0.09%	-2.07%	2.15%	USD: JPY	131.11	-1.17%	13.93%	13.91%
Nikkei 225	27,685.47	-0.03%	-3.84%	1.60%					
MSCI World Index	655.97	1.08%	-13.10%	-8.67%					

Global Interest Rates					Commodities				
Rates	7-Feb	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	7-Feb	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	3.69%	5.00	218.00	177.00	Crude Oil	77.31	4.32%	2.79%	-15.34%
10-Year UK Gilt	3.32%	8.00	235.00	191.00	Gold	1,870.58	0.17%	2.26%	2.75%
GOJ 2025 Global Bond	6.63%	4.00	259.00	225.00	Silver	22.16	-0.50%	-4.93%	-3.71%
					Aluminium	2,533.50	0.00%	-9.76%	-19.11%



Mutual Funds

JN MUTUAL FUNDS

February 3, 2023

Fund Managers Ltd.

A member of the Group

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$12.9028	-8.04%	-0.35%	2.75%
Global Equity	J\$14.2578	-7.08%	-2.22%	0.00%
Global Fixed Income	J\$13.9502	4.73%	1.21%	5.96%
Global Money Market (US\$)	US\$11.4398	4.10%	0.39%	4.20%
Global Fixed Income (US\$)	US\$11.5104	1.74%	0.60%	4.15%
Local Money Market	J\$12.2114	4.88%	1.14%	6.82%

	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.

Contact us

Kingston & St. Andrew

Jason Adams - 876-550-9504 JYadams@jngroup.com

Kimberly Savage – 876-307-9461 ksavage@jngroup.com

Tamara Honeyghan - 876-557-0082 tamarah@jngroup.com

Gayon Knight - 876-564-9563 gknight@jngroup.com

Mandeville

Horace Walters – 876-487-9267 waltersh@jngroup.com

St. Catherine

Nickesha Mullings-Gilling - 876-891-4736 nmullings@jngroup.com

Montego Bay

Anna-kaye Lynfatt - 876-564-8276 alynfatt@jngroup.com

Marissa Williams - 876-465-3726 mwilliams1@jngroup.com

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