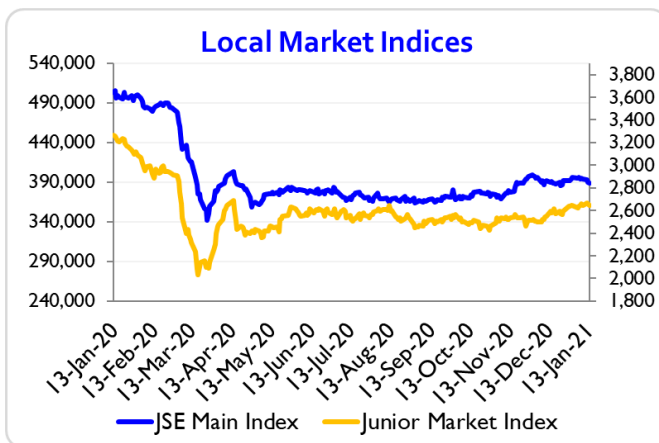


US' Annual Inflation Steadies at 1.4% in December 2020

According to the United States' (US) Bureau of Labor Statistics (BLS), inflation increased by 0.4% in December, following the 0.2% increase recorded in November 2020, and was also in line with market expectations. The increased inflation was mainly a result of an 8.4% increase in the gasoline index, which accounted for more than 60% of the overall increase. Other components of the energy index were mixed however, resulting in an overall increase of 4% for the month. The heavily weighted food index rose 0.4% in December and there were other increases seen for shelter, apparel and new vehicles. At the end of December, the 12-month inflation rate stood at 1.4% and was higher than the 1.2% reported for the 12 months up to the end of November 2020 and unsurprisingly lower than the 2.3% recorded over the same period in 2019. In December, core inflation, excluding volatile food and energy prices, grew by 0.1% month over month and increased by 1.6% over the 12 months up to that date.

Despite the COVID-19 pandemic, which has weighed heavily on the US labour market and the services sector in particular, the trailing 12-month inflation rate steadied at 1.4% in December 2020. Notwithstanding, the US inflation is still lagging the 10-year average. We believe the additional pandemic relief provided at the end of December 2020, combined with the likelihood of additional fiscal stimulus from the incoming president, whose Democratic Party controls the US House and Senate, there could be more upside risk to the US short-term inflation outlook. On the other hand, the rising coronavirus cases being recorded in the US, despite the roll-out of the vaccination programme, is the main downside risk to US inflation over the short term.



Foreign Exchange Market

Currency	13-Jan	12-Jan	DoD % Δ	YTD % Δ
USD:JMD	144.48	144.02	0.32%	8.99%
GBP:JMD	198.63	195.89	1.40%	2.6%
CAD:JMD	112.74	113.88	-1.00%	12.6%

Caribbean & Latam

- Latin American currencies were mostly muted on Wednesday, with Chile's peso tumbling for the third straight session as steady U.S. Treasury yields helped support the dollar.

USA & Canada

- The U.S. government posted a December budget deficit of \$144 billion - a record for the month - due to far higher outlays with coronavirus relief spending and unemployment benefits, while revenues ticked slightly higher, the Treasury Department said on Wednesday.

Europe

- European shares were mixed on Wednesday and the dollar rebounded, while the 10-year U.S. Treasury stabilised below its 10-month high as markets focused on U.S. inflation data.

Asia

- Asian stocks rose on Wednesday, tracking modest Wall Street gains, as expectations that a vaccine will eventually win the battle against the coronavirus fuelled recovery hopes, while tight supply expectations pushed oil prices to a one-year high.

Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	386,040.57	-1,601.43	-0.41%	-23.28%	-22.24%
JSE Index	388,617.77	-1,637.84	-0.42%	-23.47%	-22.47%
All Jamaican Composite Index	426,067.86	-1,732.53	-0.41%	-23.59%	-22.59%
JSE Select Index	9,545.45	-11.51	-0.12%	-26.85%	190.90%
Junior Market Index	2,647.80	-8.77	-0.33%	-20.68%	-19.14%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
SALF	27.71%	EPLY	-16.51%
GWEST	19.35%	BPOW	-11.89%
CHL	11.01%	KPREIT	-6.90%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **79** stocks, of which **27** advanced, **40** declined and **12** traded firm.

International Markets

International Equity Markets					International Currency Market				
Index	13-Jan	DoD % Δ	YTD % Δ	YoY % Δ	Currency	13-Jan	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	3,815.29	0.37%	1.58%	16.03%	EUR: USD	1.2157	-0.41%	-0.48%	9.19%
Dow Jones	31,060.47	-0.03%	1.48%	7.45%	GBP: USD	1.3634	-0.22%	-0.26%	4.97%
FTSE All Share	3,808.43	-0.19%	3.67%	-9.88%	USD: CAD	1.2697	-0.11%	-0.22%	-2.76%
Euro Stoxx 50	3,616.51	0.12%	1.80%	-4.32%	USD: JPY	103.87	0.11%	0.60%	-5.53%
Nikkei 225	28,456.59	1.04%	3.69%	20.29%					
MSCI World Index	661.87	0.34%	2.41%	15.44%					
Global Interest Rates					Commodities				
Rates	13-Jan	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	13-Jan	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	1.09%	-4.00	18.00	-76.00	Crude Oil	52.94	-0.51%	9.11%	-8.85%
10-Year UK Gilt	0.31%	-4.00	11.00	-44.00	Gold	1,848.26	-0.35%	-2.64%	19.41%
GOJ 2025 Global Bond	3.23%	6.00	-2.00	-53.00	Silver	25.25	-1.21%	-4.37%	40.59%
					Aluminium	2,013.00	-0.32%	1.69%	11.96%



Mutual Funds

Fund Managers Ltd.

A member of the JN Group

JN MUTUAL FUNDS

January 11, 2021

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.8214	-4.73%	-0.14%	2.25%
Global Equity	J\$14.8260	-17.20%	-1.53%	0.00%
Global Fixed Income	J\$12.6954	5.50%	0.30%	4.90%
Global Money Market (US\$)	US\$10.6280	3.48%	0.09%	3.73%
Global Fixed Income (US\$)	US\$11.0018	6.38%	-0.11%	4.76%
Local Money Market	J\$11.0562	3.83%	0.23%	4.36%

	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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