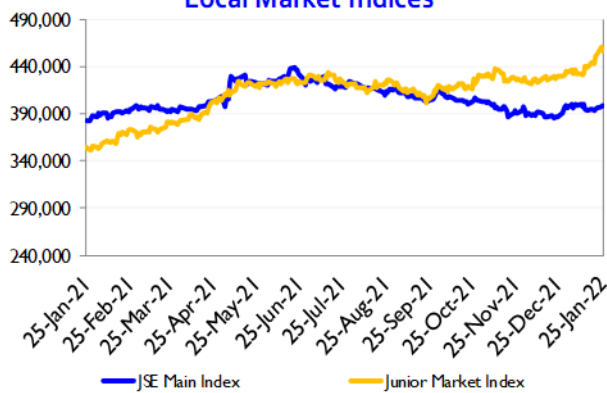


## Eurozone's Business Activity Expands at a Slower Pace in January

The IHS Markit Flash Eurozone PMI Composite Output Index, which measures services and manufacturing activity, fell to an 11th -month low of 52.4 in January, down from the 53.3 reported in December. Despite this decline, January's reading is above the 50.0-point threshold which signals a further expansion in private-sector output. The preliminary reading for January was due to the service sector output growing at a slower pace for the second consecutive month amid a surge in COVID-19 cases associated with the Omicron variant. This has led to the reimposition of many measures to contain the virus, notably in Germany, France, Italy and Spain. Nevertheless, the slower overall expansion rate was tempered by the manufacturing sector which grew at a faster pace in the month. Although labour issues limited output in some factories, supply constraints eased, helping to boost production in many firms. However, inflationary pressures increased especially for the services sector driven by higher energy and wage cost. For the year ahead optimism improved marginally for a second consecutive month as the Omicron wave has impacted the sentiment for the service sector. However, overall optimism grew as future expectations among manufacturers brightened on account of the easing supply chain delays.

With the Omicron cases beginning to slow in some countries in the region and with some governments starting to ease restrictions it is possible that demand could pick up over the short term. However, the possible downside risks of the Omicron wave lingering and inflation in region remaining high for prolonged period continue to cloud our outlook as both risks have the potential to limit consumer spending, business activity and ultimately Gross Domestic Product growth across the region in the ensuing periods.

### Local Market Indices



### Foreign Exchange Market

| Currency | 25-Jan | 24-Jan | DoD % Δ | YTD % Δ |
|----------|--------|--------|---------|---------|
| USD:JMD  | 156.92 | 156.76 | 0.10%   | 1.18%   |
| GBP:JMD  | 212.03 | 213.06 | -0.48%  | 0.9%    |
| CAD:JMD  | 123.24 | 126.27 | -2.39%  | 0.4%    |

### Caribbean & Latam

- The International Monetary Fund lowered its 2022 economic growth forecasts for Latin America and its two largest economies, citing inflation, tighter monetary policy and a lower growth estimate for the United States as keys to the downgrades.

### USA & Canada

- U.S. Treasury yields from 2-year notes and higher rose on Tuesday ahead of a Federal Reserve policy statement that is widely expected to signal an interest rate increase in March, the first since the start of the coronavirus pandemic nearly two years ago.

### Europe

- European stocks may open on a positive note Tuesday after U.S. stocks ended the previous session higher with a stunning turnaround just before the closing bell.

### Asia

- Asian stock markets are trading mostly lower on Tuesday, despite positive cues from Wall Street overnight after an initial sell-off, as traders are selling off stocks amid fears of inflation and policy tightening by the US Federal Reserve.

### Local Equity Market

| Stock Index                  | Today's close | DoD Δ    | DoD% Δ | YTD % Δ | YoY% Δ |
|------------------------------|---------------|----------|--------|---------|--------|
| JSE Combined Index           | 404,948.39    | 785.15   | 0.19%  | 0.95%   | 6.26%  |
| JSE Index                    | 398,238.41    | 1,224.58 | 0.31%  | 0.53%   | 4.27%  |
| All Jamaican Composite Index | 439,684.36    | 401.94   | 0.09%  | 0.31%   | 5.03%  |
| JSE Select Index             | 9,963.64      | 0.86     | 0.01%  | 0.82%   | 6.58%  |
| Junior Market Index          | 3,618.80      | -35.13   | -0.96% | 5.56%   | 30.97% |

### BEST AND WORST PERFORMERS

| ADVANCERS |        | DECLINERS |         |
|-----------|--------|-----------|---------|
| SSLVC     | 32.56% | ISP       | -15.45% |
| PTL       | 14.72% | SML       | -14.38% |
| MTLJA     | 13.64% | GWEST     | -12.00% |

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **92** stocks, of which **37** advanced, **44** declined and **11** traded firm.

### International Markets

| International Equity Markets |           |          |          |          | International Currency Market |          |         |         |         |
|------------------------------|-----------|----------|----------|----------|-------------------------------|----------|---------|---------|---------|
| Index                        | 25-Jan    | DoD % Δ  | YTD % Δ  | YoY % Δ  | Currency                      | 25-Jan   | DoD % Δ | YTD % Δ | YoY % Δ |
| S&P 500                      | 4,356.43  | -1.22%   | -8.60%   | 13.00%   | EUR: USD                      | 1.1304   | -0.19%  | -0.58%  | -6.88%  |
| Dow Jones                    | 34,297.73 | -0.19%   | -5.62%   | 10.78%   | GBP: USD                      | 1.35     | 0.16%   | -0.17%  | -1.21%  |
| FTSE All Share               | 4,139.47  | 0.98%    | -1.63%   | 10.33%   | USD: CAD                      | 1.26     | -0.11%  | -0.10%  | -0.91%  |
| Euro Stoxx 50                | 4,078.26  | 0.59%    | -5.12%   | 14.78%   | USD: JPY                      | 113.89   | -0.05%  | -1.03%  | 9.77%   |
| Nikkei 225                   | 27,131.34 | -1.66%   | -1.14%   | -5.87%   |                               |          |         |         |         |
| MSCI World Index             | 701.23    | -0.85%   | -7.10%   | 4.96%    |                               |          |         |         |         |
| Global Interest Rates        |           |          |          |          | Commodities                   |          |         |         |         |
| Rates                        | 25-Jan    | DoD Δbps | YTD Δbps | YoY Δbps | Commodity                     | 25-Jan   | DoD % Δ | YTD % Δ | YoY % Δ |
| 10 -Year US Treasury Bond    | 1.78%     | 0.72     | 26.77    | 74.83    | Crude Oil                     | 85.32    | 2.41%   | 13.44%  | 61.68%  |
| 10-Year UK Gilt              | 1.16%     | 3.80     | 19.30    | 90.20    | Gold                          | 1,848.07 | 0.27%   | 1.03%   | -0.42%  |
| GOJ 2025 Global Bond         | 4.18%     | 1.60     | 73.20    | 83.30    | Silver                        | 23.84    | -0.61%  | 2.28%   | -5.95%  |
|                              |           |          |          |          | Aluminium                     | 3,092.00 | 2.10%   | 10.13%  | 53.68%  |



# Mutual Funds

**Fund Managers Ltd.**

A member of the JN Group

## JN MUTUAL FUNDS

January 24, 2022

| JN Mutual Funds                   | NAV Price   | 12 Months Growth Rate | YTD Growth Rate | Yield (Estimated Yearly Income) |
|-----------------------------------|-------------|-----------------------|-----------------|---------------------------------|
| <b>Global Diversified Income</b>  | J\$14.0053  | 1.73%                 | -1.01%          | 2.18%                           |
| <b>Global Equity</b>              | J\$15.2060  | 1.87%                 | -3.21%          | 0.00%                           |
| <b>Global Fixed Income</b>        | J\$13.2565  | 4.05%                 | -0.08%          | 4.82%                           |
| <b>Global Money Market (US\$)</b> | US\$11.0109 | 3.51%                 | 0.21%           | 2.43%                           |
| <b>Global Fixed Income (US\$)</b> | US\$11.3357 | 3.36%                 | -0.05%          | 3.14%                           |
| <b>Local Money Market</b>         | J\$11.6322  | 4.92%                 | 0.41%           | 4.24%                           |

|                  | 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:<br>(i) A Jamaican dollar (J\$) and<br>(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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