

U.S. economy grew by 3.3% in fourth quarter

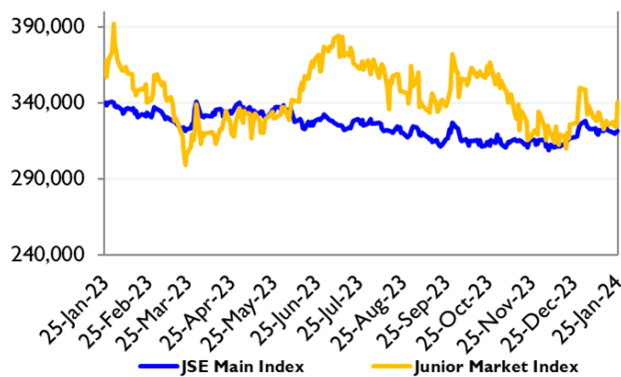
The United States (US) economy grew at a faster than anticipated rate in the fourth quarter, as activity remained robust even as it showed signs of slowing back down to a pre-pandemic pace. Real Gross Domestic Product (GDP) in the world's largest economy expanded at an annual rate of 3.3% in the three months to the end of December, decelerating from 4.9% in the third quarter, according to a key first reading from the Commerce Department. Economists had predicted a mark of 2.0%. When measured against the year-ago period, GDP increased by 3.1%, adding to mounting evidence of the resilience of the U.S. economy despite historically elevated interest rates. For the year as a whole, the number rose by 2.5%, up from 1.9% in 2022.

At the start of 2023, concerns were high that these tighter financial conditions, a tactic by the Federal Reserve aimed at holding inflation back down to the central bank's 2% target could lead to a steep downturn in growth. However, Thursday's data indicate that America is still on track for a "soft landing," in which the Fed successfully quells price gains without sparking an economic meltdown. Expectations for such a scenario have helped fuel a recent rally in stock markets, but Fed officials have stressed that it is not an inevitability and that more data will need to be seen before they are assured that a soft landing will actually happen.

The GDP figure could factor into this outlook, although analysts at ING have argued that the publication of the Fed's preferred measure of price growth on Friday will be "far more important" for rate-setters. While the central bank is widely tipped to keep borrowing costs on hold at a more than two-decade high of 5.25% to 5.50% at its upcoming policy meeting later this month, the GDP and inflation data this week may help determine how policymakers approach potential rate cuts in 2024. Indications of lingering economic strength and easing inflation may persuade the Fed that it does not need to move quickly to lower borrowing costs. Expectations late last year that the Fed would roll out reductions in early 2024 have waned, with the CME Group's closely-watched FedWatch Tool now forecasting the first cut in May.

Source: Investing.com

Local Market Indices



Foreign Exchange Market

Currency	25-Jan	24-Jan	DoD % Δ	YTD% Δ
USD:JMD	156.41	156.87	-0.29%	0.94%
GBP:JMD	198.43	197.80	0.32%	0.48%
CAD:JMD	120.93	116.70	3.63%	2.57%

Caribbean & Latam

- Argentine President Javier Milei's "omnibus" bill, a sprawling reform package ranging from tax hikes to privatizations, has cleared its first hurdle in Congress with a green light from a lower house committee. It now faces far tougher obstacles.

USA & Canada

- The S&P 500 closed at an all-time high for a fifth straight session on Thursday after data showing strong U.S. economic growth in the fourth quarter boosted sentiment, while Tesla tumbled following a disappointing sales forecast.

Europe

- The European Central Bank left interest rates unchanged on Thursday and gave no hint of a possible reduction, reaffirming instead its commitment to fighting inflation.

Asia

- South Korea beat expectations for growth in the fourth quarter of 2023 thanks to an export recovery which more than offset slowing domestic demand, although some analysts believe Asia's fourth-largest economy will struggle to maintain its momentum.

Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	335,019.68	1,712.97	0.51%	-1.22%	-5.21%
JSE Index	321,725.63	1,118.96	0.35%	-1.22%	-5.40%
All Jamaican Composite Index	359,057.05	1,622.28	0.45%	-2.17%	-7.02%
JSE Select Index	8,067.40	23.82	0.30%	-0.65%	-4.04%
Junior Market Index	3,801.37	75.77	2.03%	-1.22%	-3.54%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
KEX	20.64%	PAL	-5.43%
BRG	15.13%	SML	-4.65%
CHL	13.91%	SOS	-4.46%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **84** stocks, of which **46** advanced, **24** declined and **14** 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	4,894.16	0.53%	2.61%	21.86%	EUR: USD	1.0844	-0.38%	-1.77%	-0.66%
Dow Jones	38,049.13	0.64%	0.95%	12.76%	GBP: USD	1.27	-0.13%	-0.17%	2.47%
FTSE All Share	4,122.73	0.06%	-2.58%	-2.81%	USD: CAD	1.35	-0.40%	1.71%	0.58%
Euro Stoxx 50	4,582.26	0.40%	1.35%	10.47%	USD: JPY	147.68	0.12%	4.71%	13.96%
Nikkei 225	36,236.47	0.03%	25.86%	32.27%					
MSCI World Index	733.32	0.32%	0.87%	14.01%					

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	4.12%	-6.00	24.00	68.00	Crude Oil	77.16	2.76%	7.69%	-3.73%
10-Year UK Gilt	3.98%	-3.00	44.00	74.00	Gold	2,019.54	0.28%	-2.11%	3.77%
GOJ 2025 Global Bond	6.74%	-1.00	270.00	30.00	Silver	22.91	1.06%	-3.73%	-4.20%
					Aluminium	2,238.50	0.40%	-6.10%	-15.80%



Mutual Funds

Fund Managers Ltd.

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JN MUTUAL FUNDS

January 24, 2024

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.4283	4.27%	-0.37%	3.13%
Global Equity	J\$14.3957	0.64%	-0.41%	0.00%
Global Fixed Income	J\$15.0600	8.46%	0.70%	7.16%
Global Money Market (US\$)	US\$11.5703	1.30%	0.19%	3.20%
Global Fixed Income (US\$)	US\$11.4730	-0.18%	0.15%	3.32%
Local Money Market	J\$13.1431	7.73%	0.81%	7.40%

	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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