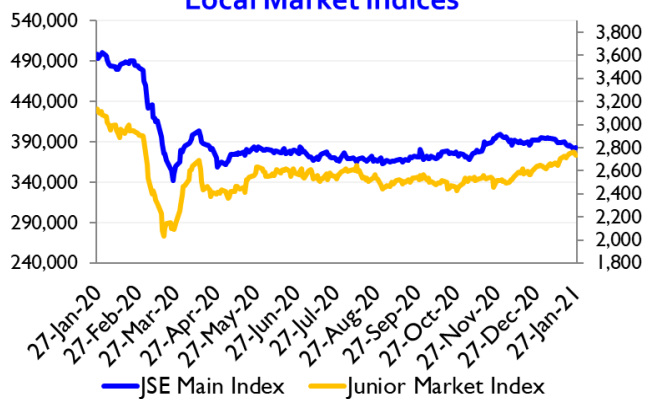


## Japan's Business Activity Remains in Contraction Amid Further Lockdowns

The latest release from IHS Markit shows Japan's au Jibun Bank Flash Composite Output Index, which measures services and manufacturing activity, at 46.7 in January 2021, lower than the 48.5 recorded in December 2020. January's reading was below the 50-point threshold, which signalled another month of contraction in private-sector output. January's contraction was due to weak activity from both the services and manufacturing sectors, which were further impacted by the new measures put in place to curb rising infection rates. The services sector decline was the sharpest since May 2020 due to the continued reduction in activity and incoming new businesses to the sector. Meanwhile, the manufacturing sector signalled a renewed deterioration in business conditions due to falling output and employment levels and rising cost pressures which dampened operating conditions. However, the decline in the manufacturing sector was offset by a return to growth in new orders for the first time since December 2018. Business optimism for the next 12 months softened but remained strong for the manufacturing sector and was modest for the services sector.

The Japanese government's state of emergency for some areas of Japan is set to end on February 7, 2021. While this initiative has been geared at controlling the spread of the virus, it has simultaneously negatively impacted Japan's economy and has led to the suspension of programmes such as the government's "Go to Travel Campaign" subsidy programme, which is meant to spur domestic tourism. An improvement in demand and business activity in Japan will therefore likely be hinge on the timing and distribution of vaccines. Considering that the government plans to commence vaccination in late February and the fact that there might be a further extension of the state of emergency, we believe that business activity could remain weak over the short-term but gradually pick up over the medium term.

### Local Market Indices



### Foreign Exchange Market

Currency	27-Jan	26-Jan	DoD % Δ	YTD % Δ
USD:JMD	148.49	147.88	0.41%	12.01%
GBP:JMD	203.58	203.72	-0.07%	5.1%
CAD:JMD	117.17	116.88	0.25%	17.0%

### Caribbean & Latam

- Prospects for a much hoped-for pickup of Brazil's growth in coming months are being overshadowed by fiscal tensions, denting the outlook in a country struggling with a second wave of the coronavirus pandemic, a Reuters poll showed.

### USA & Canada

- The Federal Reserve on Wednesday left its key overnight interest rate near zero and made no change to its monthly bond purchases, pledging again to keep those economic pillars in place until there is a full rebound from the pandemic-triggered recession.

### Europe

- European stocks tumbled on Wednesday as extended coronavirus lockdowns drove the German government to slash its growth forecast for 2021, while talk of further interest rate cuts by the European Central Bank hit banking stocks.

### Asia

- The Philippine stock market fell more than 1% on Wednesday as weak export data raised concerns about the country's fragile economic recovery, while broader emerging Asian shares extended losses after a sharp drop a day earlier.

### Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	381,460.28	-109.37	-0.03%	-2.77%	-22.24%
JSE Index	382,636.75	-12.43	0.00%	-3.28%	-22.91%
All Jamaican Composite Index	419,396.65	-8.73	0.00%	-3.26%	-23.04%
JSE Select Index	9,387.88	-34.17	-0.36%	-3.29%	-25.34%
Junior Market Index	2,734.70	-9.21	-0.34%	3.80%	-13.18%

### BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
LUMBER	12.43%	PURITY	-16.46%
CBNY	9.52%	KLE	-14.29%
tTech	8.09%	CAC	-13.21%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **82** stocks, of which **36** advanced, **30** declined and **16** traded firm.

### International Markets

International Equity Markets					International Currency Market				
Index	27-Jan	DoD % Δ	YTD % Δ	YoY % Δ	Currency	27-Jan	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	3,750.95	-2.56%	-0.14%	15.64%	EUR: USD	1.211	-0.41%	-0.87%	9.90%
Dow Jones	30,303.17	-2.05%	-0.99%	6.19%	GBP: USD	1.368	-0.41%	0.07%	4.77%
FTSE All Share	3,716.37	-1.20%	1.16%	-9.77%	USD: CAD	1.2810	0.91%	0.67%	-2.91%
Euro Stoxx 50	3,536.38	-1.57%	-0.46%	-3.85%	USD: JPY	104.11	0.47%	0.83%	-4.40%
Nikkei 225	28,635.21	0.31%	4.34%	22.67%					
MSCI World Index	651.15	-2.24%	0.76%	15.45%					
Global Interest Rates					Commodities				
Rates	27-Jan	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	27-Jan	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	1.01%	-2.00	10.00	-60.00	Crude Oil	52.65	0.08%	8.51%	-0.92%
10-Year UK Gilt	0.27%	0.00	7.00	-24.00	Gold	1,841.70	-0.50%	-2.98%	16.41%
GOJ 2025 Global Bond	3.40%	3.00	-5.00	-47.00	Silver	25.18	-1.13%	-4.62%	39.14%
					Aluminium	1,992.00	-1.39%	0.63%	12.93%



# Mutual Funds

**JN Fund Managers Ltd.**

A member of the JN Group

## JN MUTUAL FUNDS

January 26, 2021

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
<b>Global Diversified Income</b>	J\$13.7688	-4.79%	-0.52%	2.17%
<b>Global Equity</b>	J\$14.7009	-16.06%	-2.36%	0.00%
<b>Global Fixed Income</b>	J\$12.7690	5.28%	0.89%	5.89%
<b>Global Money Market (US\$)</b>	US\$10.6411	3.50%	0.22%	3.71%
<b>Global Fixed Income (US\$)</b>	US\$10.9739	5.97%	-0.36%	4.74%
<b>Local Money Market</b>	J\$11.1032	4.09%	0.66%	4.31%

	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.

## Contact us

### Kingston & St. Andrew

**Paul Penn** – 876-564-8276 [pennp@jngroup.com](mailto:pennp@jngroup.com)

**Peta-Gay Walker**- 876-588-8886 [pmiller@jngroup.com](mailto:pmiller@jngroup.com)

**Kimberly Savage** – 876-307-9461 [ksavage@jngroup.com](mailto:ksavage@jngroup.com)

**Tamara Honeyghan** - 876-557-0082 [tamarah@jngroup.com](mailto:tamarah@jngroup.com)

**Gayon Knight** - 876-564-9563 [gknight@jngroup.com](mailto:gknight@jngroup.com)

### Mandeville

**Horace Walters** – 876-487-9267 [waltersh@jngroup.com](mailto:waltersh@jngroup.com)

### St. Catherine

**Nickesha Mullings-Gilling** - 876-891-4736 [nmullings@jngroup.com](mailto:nmullings@jngroup.com)

### Montego Bay

**Marissa Williams** - 876-465-3726 [mwilliams1@jngroup.com](mailto:mwilliams1@jngroup.com)

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