

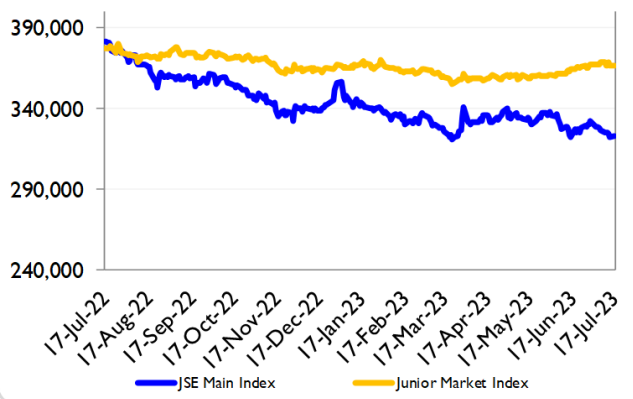
Wall Street banks cut China's growth forecast after dull second quarter

JPMorgan, Morgan Stanley and Citigroup trimmed China's growth forecast for 2023 after the country's economy grew at a weaker pace in the second quarter, with its post-COVID-19 momentum unravelling rapidly. Data on Monday showed China's economy grew 6.3% in the second quarter on a year-on-year basis, accelerating from 4.5% in the first three months of the year, but well below expectations of 7.3%, as demand weakened at home and abroad. Demand weakness in China could ripple across developed and developing economies, raising the need for more fiscal stimulus from Beijing - a delicate task as any aggressive stimulus could fuel debt risks and structural distortions.

JP Morgan cut China's Gross Domestic Product (GDP) forecast to 5% from 5.5%. The bank tempered its outlook on the property industry too, with no turnaround in sight yet. The biggest cuts were in new constructions, with JP Morgan now expecting a contraction of 20% this year. They earlier projected new starts shrinking by 7%. The bank estimates that a 10 basis point (bps) policy rate cut in the fourth quarter, and nationwide housing policy easing, including a relaxation of down-payment requirements, are possible steps the government could take to boost economic growth.

Citi, meanwhile, expects a 20 bps cut in the policy rate and 25 bps in the reserve requirement ratio (RRR) by the end of the third quarter. Morgan Stanley cut its forecast for China's GDP from 5.7%, and trimmed its 2024 forecast for the country by 40 bps to 4.5%. This implied a return to China's post COVID-19 potential growth trend, MS economists said. Goldman Sachs however, maintained its 2023 full-year GDP growth forecast at 5.4%, even as they cut their current-quarter growth forecast to 5.5% on a quarter-on-quarter basis from 6.5% previously.

Local Market Indices



Foreign Exchange Market

Currency	17-Jul	14-Jul	DoD % Δ	YTD% Δ
USD:JMD	155.36	155.57	-0.13%	2.18%
GBP:JMD	203.89	203.45	0.22%	11.97%
CAD:JMD	118.12	118.12	0.00%	8.88%

Caribbean & Latam

- Latin American currencies weakened on Monday as a "risk-off" mood hit global markets after data showed a rebound in China's economic growth faltered in the second quarter, raising risks of a global recession.

USA & Canada

- U.S. stocks ended higher to kick off the trading week on Monday, buoyed by gains in financial and technology shares as investors awaited the next round of quarterly results this week as earnings season gathers speed.

Europe

- Asking prices for residential homes in Britain fell in July as rising mortgage costs and increasing buyer affordability constraints prompted sellers to temper their price expectations, an industry survey showed on Monday.

Asia

- Asian shares slipped on Monday as lacklustre Chinese economic data were not as bad as the worst fears, but still stoked market impatience with the lack of major fiscal stimulus from Beijing.

Local Equity Market

Source: Reuters

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	337,762.22	853.16	0.25%	-8.36%	-14.60%
JSE Index	323,107.77	837.98	0.26%	-9.21%	-15.36%
All Jamaican Composite Index	359,757.85	-160.74	-0.04%	-10.75%	-17.60%
JSE Select Index	7,898.41	-18.29	-0.23%	-11.22%	-20.54%
Junior Market Index	3,963.41	7.79	0.20%	-0.58%	-7.59%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
KREMI	14.00%	MTLJA	-15.02%
LASD	10.48%	MPCCEL	-15.00%
CABROKERS	6.80%	KEY	-14.53%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **89** stocks, of which **40** advanced, **40** declined and **9** traded firm.

International Markets

International Equity Markets					International Currency Market				
Index	17-Jul	DoD % Δ	YTD% Δ	YoY% Δ	Currency	17-Jul	DoD % Δ	YTD% Δ	YoY% Δ
S&P 500	4,522.79	0.39%	17.80%	18.06%	EUR: USD	1.1239	0.10%	4.99%	10.81%
Dow Jones	34,585.35	0.22%	4.34%	11.30%	GBP: USD	1.31	-0.15%	8.20%	9.38%
FTSE All Share	4,038.23	-0.45%	-0.91%	1.55%	USD: CAD	1.32	-0.14%	-2.63%	1.70%
Euro Stoxx 50	4,356.79	-0.98%	14.85%	24.06%	USD: JPY	138.71	-0.06%	5.79%	0.41%
Nikkei 225	32,391.26	0.00%	12.50%	20.91%					
MSCI World Index	697.15	0.13%	15.16%	16.23%					

Global Interest Rates					Commodities				
Rates	17-Jul	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	17-Jul	DoD % Δ	YTD% Δ	YoY% Δ
10 -Year US Treasury Bond	3.81%	-2.00	-6.00	82.00	Crude Oil	74.13	-1.71%	-7.64%	-27.75%
10-Year UK Gilt	4.43%	-1.00	76.00	227.00	Gold	1,954.88	-0.02%	7.17%	14.37%
GOJ 2025 Global Bond	6.64%	-2.00	260.00	21.00	Silver	24.84	-0.44%	3.69%	32.84%
					Aluminium	2,255.00	-0.94%	-5.17%	-7.07%



Mutual Funds



A member of the JN Group

JN MUTUAL FUNDS

July 14, 2023

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.4293	-0.04%	3.72%	2.99%
Global Equity	J\$14.2982	-4.81%	-1.94%	0.00%
Global Fixed Income	J\$14.5537	8.22%	5.59%	6.69%
Global Money Market (US\$)	US\$11.6305	4.21%	2.06%	4.16%
Global Fixed Income (US\$)	US\$11.6834	3.84%	2.11%	5.02%
Local Money Market	J\$12.9272	10.33%	7.07%	7.68%

	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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