

Canada's February inflation slows unexpectedly, ramping up June rate-cut bets

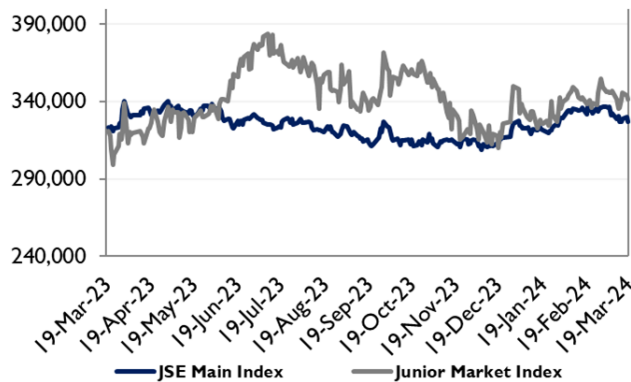
Canada's inflation rate surprisingly cooled in February to its slowest pace since June, and closely watched core inflation measures eased to more than two-year lows, data showed on Tuesday, prompting investors to increase their bets for a June rate-cut. Annual headline inflation cooled to 2.8 per cent last month, beating analyst expectations for a 3.1 per cent rise, and below 2.9 per cent increase in January. On the month, the consumer price index rose 0.3 per cent, less than a forecast 0.6 per cent rise, Statistics Canada (Statscan) said. Money markets increased their bets for a first 25 basis point rate-cut in June to more than 75 per cent, from 50 per cent before the inflation data. The bets for an April rate cut increased to over 28 per cent from 18 per cent before the numbers were released.

Canadians in February benefited from softer price growth in food purchased from stores, and a drop in prices of cellular plans and internet services, which were the main contributors to the deceleration, Statscan said. The rise in grocery prices eased to 2.4 per cent, slower than the headline inflation rate for the first time since October 2021. Analysts warned that with the current data, a rate-cut in June was warranted and any further delay could hurt the economy.

The bank increased rates by 475 basis points to a 22-year high between March 2022 and July 2023 and has held the rate since then for five consecutive meetings in its efforts to cool inflation. At its last rate announcement in March, the bank said underlying inflation meant it was too early to consider a cut. Offsetting the inflation deceleration in February was a year-over-year increase in gasoline prices, which rose 0.8 per cent in February after a four per cent decline in January, Statscan said. Excluding volatile food and energy, prices rose 2.8 per cent compared with a 3.1 per cent rise in December.

Source: Reuters

Local Market Indices



Foreign Exchange Market

Currency	19-Mar	18-Mar	DoD % Δ	YTD% Δ
USD:JMD	154.78	154.83	-0.04%	-0.11%
GBP:JMD	195.23	195.54	-0.16%	-1.14%
CAD:JMD	117.05	114.09	2.60%	-0.72%

Caribbean & Latam

- A gauge of Latin American currencies touched two-week lows on Tuesday, with the Brazilian real weakening past 5 per dollar for a second day as investors awaited monetary policy news in Brazil, Mexico and the United States.

USA & Canada

- Wall Street's three major indexes closed higher on Tuesday after shares in hotshot chipmaker Nvidia (NASDAQ:NVDA) shook off early losses and investors looked ahead to the Federal Reserve's policy meeting conclusion on Wednesday for clues on interest rate policy.

Europe

- European stocks inched lower on Tuesday and were on track for the fourth straight session of losses, hurt by a decline in technology and financial services shares, ahead of key euro zone economic data due later in the day.

Asia

- Most Asian currencies eased against the U.S. dollar on Tuesday, while equities fell, as the focus shifts towards other global central bank meetings after the Bank of Japan (BOJ) ended eight years of negative interest rates.

Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	340,212.00	-2,958.91	-0.86%	0.31%	1.34%
JSE Index	327,201.14	-3,054.43	-0.92%	0.46%	1.16%
All Jamaican Composite Index	366,115.79	-3,346.63	-0.91%	-0.25%	0.39%
JSE Select Index	8,216.53	28.49	0.35%	1.19%	3.79%
Junior Market Index	3,807.89	-10.77	-0.28%	-1.05%	2.80%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
I38SL	16.71%	SCIUSD	-14.67%
PTL	14.07%	KEY	-9.60%
GWEST	13.95%	JETCON	-9.57%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **92** stocks, of which **29** advanced, **50** declined and **13** traded firm.

International Markets

International Equity Markets					International Currency Market				
Index	19-Mar	DoD % Δ	YTD% Δ	YoY% Δ	Currency	19-Mar	DoD % Δ	YTD% Δ	YoY% Δ
S&P 500	5,178.51	0.56%	8.57%	31.05%	EUR: USD	1.0866	-0.06%	-1.57%	1.35%
Dow Jones	39,110.76	0.83%	3.77%	21.29%	GBP: USD	1.27	-0.05%	-0.07%	3.62%
FTSE All Share	4,224.36	0.13%	-0.18%	4.58%	USD: CAD	1.36	0.24%	2.45%	-0.71%
Euro Stoxx 50	5,007.92	0.50%	10.76%	21.57%	USD: JPY	150.86	1.15%	6.96%	14.88%
Nikkei 225	40,003.60	0.66%	38.94%	48.46%					
MSCI World Index	773.32	0.24%	6.37%	24.72%					

Global Interest Rates					Commodities				
Rates	19-Mar	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	19-Mar	DoD % Δ	YTD% Δ	YoY% Δ
10 -Year US Treasury Bond	4.29%	-3.00	41.00	81.00	Crude Oil	83.47	0.91%	16.50%	23.40%
10-Year UK Gilt	4.06%	-3.00	52.00	75.00	Gold	2,157.59	-0.13%	4.59%	9.03%
GOJ 2025 Global Bond	6.81%	-2.00	277.00	-16.00	Silver	24.91	-0.49%	4.70%	10.51%
					Aluminium	2,271.00	-0.29%	-4.74%	-0.15%



Mutual Funds

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JN MUTUAL FUNDS

March 18, 2024

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.5503	6.11%	0.53%	3.06%
Global Equity	J\$14.4936	3.60%	0.27%	0.00%
Global Fixed Income	J\$15.2213	8.74%	1.78%	7.31%
Global Money Market (US\$)	US\$11.6350	1.38%	0.75%	3.29%
Global Fixed Income (US\$)	US\$11.5416	0.33%	0.75%	3.40%
Local Money Market	J\$13.3005	8.49%	2.02%	7.38%

	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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