

Fed keeps rates steady, still sees three rate cuts this year

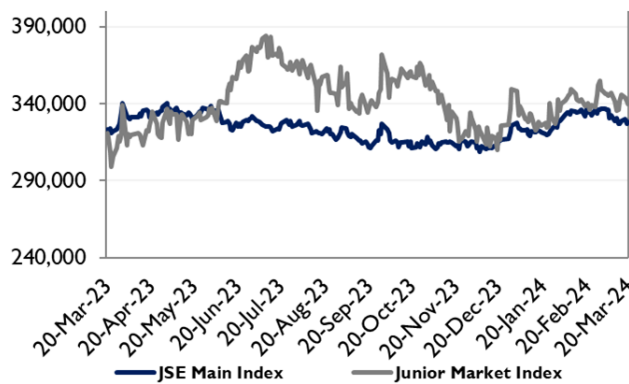
The Federal Reserve kept rates steady on Wednesday, and maintained forecasts for three rate-cuts this year, pointing to the central bank's confidence that the recent strength in inflation is unlikely to derail the progress made so far. The Federal Open Market Committee, the FOMC, kept its benchmark rate in a range of 5.25% to 5.5%. The decision to keep rates steady for the fifth meeting in a row was widely expected as the Fed chair Jerome Powell previously hinted that March was too soon for the members to have enough confidence from incoming economic data to cut rates.

Fed members continue to see the benchmark rate falling to 4.6% next year, suggesting three rate cuts in 2024, unchanged from the prior projection in December. For 2025 and 2026, however, the Fed sees fewer rate cuts, forecasting rates to fall to 3.9% next year and 3.1% in 2026, up from prior forecasts of 3.6% and 2.9%, respectively. The unchanged decision on the rate path for 2024 comes even as Fed members upgraded their forecasts for inflation and growth this year.

The moderate uptick in the inflation outlook for 2024 suggest that recent upside surprise in inflation data haven't yet shaken the Fed's confidence that a stronger economy and labor market aren't likely to spark another wave of inflation. Fed members now see the economic growth, or gross domestic product, at 2.1% this year, up from a prior forecast of 1.4%, before slowing to 2% in the 2025 and 2026 from 1.8% and 1.9%, respectively. The labor market, meanwhile, is expected to remain robust, with the unemployment rate seen at 4% this year, down from a prior projection of 4.1%.

Source: Investing.com

Local Market Indices



Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	341,043.32	831.32	0.24%	0.56%	2.06%
JSE Index	328,170.40	969.26	0.30%	0.76%	1.95%
All Jamaican Composite Index	367,153.49	1,037.70	0.28%	0.04%	1.16%
JSE Select Index	8,247.56	31.03	0.38%	1.57%	5.34%
Junior Market Index	3,799.02	-8.87	-0.23%	-1.28%	2.94%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
KEY	13.72%	GWEST	-12.24%
MGL	13.37%	ISP	-10.62%
SCIUSD	13.28%	SCIJMD	-9.65%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **98** stocks, of which **38** advanced, **44** declined and **16** traded firm.

Foreign Exchange Market

Currency	20-Mar	19-Mar	DoD % Δ	YTD% Δ
USD:JMD	154.76	154.78	-0.01%	-0.12%
GBP:JMD	196.16	195.23	0.48%	-0.67%
CAD:JMD	115.96	117.05	-0.93%	-1.65%

International Markets

International Equity Markets					International Currency Market				
Index	20-Mar	DoD % Δ	YTD% Δ	YoY% Δ	Currency	20-Mar	DoD % Δ	YTD% Δ	YoY% Δ
S&P 500	5,224.62	0.89%	9.53%	30.52%	EUR: USD	1.0922	0.52%	-1.06%	1.43%
Dow Jones	39,512.13	1.03%	4.84%	21.35%	GBP: USD	1.28	0.48%	0.41%	4.63%
FTSE All Share	4,225.49	0.03%	-0.15%	2.83%	USD: CAD	1.35	-0.59%	1.84%	-1.65%
Euro Stoxx 50	5,000.31	-0.15%	10.59%	19.58%	USD: JPY	151.37	0.34%	7.32%	14.23%
Nikkei 225	40,003.60	0.00%	38.94%	48.46%					
MSCI World Index	779.20	0.76%	7.18%	24.15%					

Caribbean & Latam

- Most Latin American currencies fell against a strong dollar on Wednesday as investors keenly awaited policy outcomes from the Federal Reserve and Brazilian central bank, while the Czech National Bank cut its key rate by 50 basis points.

USA & Canada

- Wall Street's main stock indexes closed higher on Wednesday after the Federal Reserve eased investor jitters by keeping borrowing costs unchanged and reinforcing expectations that rates could be cut as many as three times this year.

Europe

- European shares moved lower on Wednesday, weighed down by a sell-off in luxury stocks over sales warning from Kering, while investors remained cautious ahead of Federal Reserve's monetary policy outcome due today.

Asia

- Asian shares were mixed on Wednesday, wary in case the Federal Reserve flags a slower path of rate cuts later in the day, while the yen plumbed four-month lows on expectations that policy in Japan will be accommodative for a while longer.

Global Interest Rates				
Rates	20-Mar	DoD Δ bps	YTD Δ bps	YoY Δ bps
10 -Year US Treasury Bond	4.28%	-1.00	40.00	67.00
10-Year UK Gilt	4.02%	-4.00	48.00	65.00
GOJ 2025 Global Bond	6.78%	-3.00	274.00	-14.00

Commodities				
Commodity	20-Mar	DoD % Δ	YTD% Δ	YoY% Δ
Crude Oil	81.68	-2.14%	14.00%	17.81%
Gold	2,184.98	1.27%	5.91%	12.62%
Silver	25.52	2.43%	7.25%	13.99%
Aluminium	2,273.00	0.18%	-4.66%	0.29%



Mutual Funds

Fund Managers Ltd.

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JN MUTUAL FUNDS

March 19, 2024

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.5091	6.35%	0.23%	3.06%
Global Equity	J\$14.4356	4.03%	-0.13%	0.00%
Global Fixed Income	J\$15.2245	8.75%	1.80%	7.31%
Global Money Market (US\$)	US\$11.6367	1.37%	0.76%	3.29%
Global Fixed Income (US\$)	US\$11.5435	0.35%	0.76%	3.40%
Local Money Market	J\$13.3031	8.51%	2.04%	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.

Contact us

Kingston & St. Andrew

Jason Adams - 876-550-9504 JYadams@jngroup.com

Kimberly Savage – 876-307-9461 ksavage@jngroup.com

Tamara Honeyghan - 876-557-0082 tamarah@jngroup.com

Gayon Knight - 876-564-9563 gknight@jngroup.com

Mandeville

Horace Walters – 876-487-9267 waltersh@jngroup.com

St. Catherine

Nickesha Mullings-Gilling - 876-891-4736 nmullings@jngroup.com

Montego Bay

Anna-kaye Lynfatt - 876-564-8276 alynfatt@jngroup.com

Marissa Williams - 876-465-3726 mwilliams1@jngroup.com

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