

Bank of England raises borrowing costs to 15-year peak, signals rates to stay high

The Bank of England raised its key interest rate by a quarter of a percentage point to a 15-year peak of 5.25% on Thursday, and gave a new warning that borrowing costs were likely to stay high for some time. Unlike the U.S. Federal Reserve or the European Central Bank - which also both raised rates by a quarter-point last week - the BoE's Monetary Policy Committee gave little suggestion that rate hikes were about to end as it battles high inflation.

British inflation hit a 41-year high of 11.1% last year and has fallen more slowly than elsewhere, standing at 7.9% in June, the highest of any major economy. Economists polled by Reuters last week forecast BoE rates would peak at 5.75% later this year. The BoE's own forecasts were based on recent market assumptions - which have now eased somewhat - that rates would peak at over 6% and average nearly 5.5% over the next three years.

Local Market Indices



Foreign Exchange Market

Currency	3-Aug	2-Aug	DoD % Δ	YTD% Δ
USD:JMD	155.39	155.58	-0.13%	2.19%
GBP:JMD	197.71	198.15	-0.23%	8.58%
CAD:JMD	117.15	116.91	0.20%	7.98%

Caribbean & Latam

- A slide in Brazil's real dragged the Latin American currencies index to a three-week low on Thursday, as a wider-than-expected interest rate cut took traders by surprise, while the Czech Republic's crown touched its lowest level this year following a policy decision.

USA & Canada

- U.S. shares finished with minimal losses after a day of up and down trading as U.S. bond yields hit nine-month peaks and the dollar dipped following a U.S. credit downgrade.

Europe

- Growth across British services companies slowed last month to its lowest level since January, a business survey confirmed on Thursday ahead of the Bank of England's interest rate decision.

Asia

- Asian shares stumbled on Thursday as U.S. bonds yields hit nine-month peaks and pushed the dollar higher, while investors waited anxiously to see if results from Apple and Amazon justified the tech sector's sky-high valuations.

Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	340,544.78	-2,140.83	-0.62%	-7.61%	-10.91%
JSE Index	326,525.24	-2,534.77	-0.77%	-8.25%	-11.48%
All Jamaican Composite Index	361,073.80	-4,924.76	-1.35%	-10.42%	-14.10%
JSE Select Index	8,158.35	-42.67	-0.52%	-8.30%	-14.27%
Junior Market Index	3,919.03	24.51	0.63%	-1.69%	-5.68%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
MTL	23.17%	SOS	-23.13%
ISP	21.92%	SCIUSD	-17.57%
PTL	17.28%	PULS	-14.52%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **93** stocks, of which **39** advanced, **47** declined and **7** traded firm.

International Markets

International Equity Markets					International Currency Market				
Index	3-Aug	DoD % Δ	YTD% Δ	YoY% Δ	Currency	3-Aug	DoD % Δ	YTD% Δ	YoY% Δ
S&P 500	4,501.89	-0.25%	17.25%	8.34%	EUR: USD	1.0949	0.10%	2.28%	7.70%
Dow Jones	35,215.89	-0.19%	6.24%	7.32%	GBP: USD	1.27	-0.02%	5.18%	4.61%
FTSE All Share	4,109.59	-0.35%	0.85%	-0.08%	USD: CAD	1.34	0.02%	-1.48%	3.97%
Euro Stoxx 50	4,304.63	-0.73%	13.47%	15.33%	USD: JPY	142.58	-0.52%	8.74%	6.51%
Nikkei 225	32,159.28	-1.68%	11.70%	15.92%					
MSCI World Index	689.58	-0.35%	13.91%	7.92%					

Global Interest Rates					Commodities				
Rates	3-Aug	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	3-Aug	DoD % Δ	YTD% Δ	YoY% Δ
10 -Year US Treasury Bond	4.18%	10.00	31.00	148.00	Crude Oil	81.72	2.81%	1.82%	-9.86%
10-Year UK Gilt	4.47%	7.00	80.00	256.00	Gold	1,934.06	-0.02%	6.03%	9.56%
GOJ 2025 Global Bond	6.75%	6.00	271.00	90.00	Silver	23.57	-0.62%	-1.60%	17.48%
					Aluminium	2,230.00	0.95%	-6.22%	-6.22%



Mutual Funds



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JN MUTUAL FUNDS

August 2, 2023

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.2791	0.47%	2.56%	2.99%
Global Equity	J\$14.1323	-4.84%	-3.08%	0.00%
Global Fixed Income	J\$14.6108	8.33%	6.00%	6.69%
Global Money Market (US\$)	US\$11.6548	4.18%	2.27%	4.16%
Global Fixed Income (US\$)	US\$11.7096	3.87%	2.34%	5.02%
Local Money Market	J\$12.9870	10.55%	7.57%	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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