

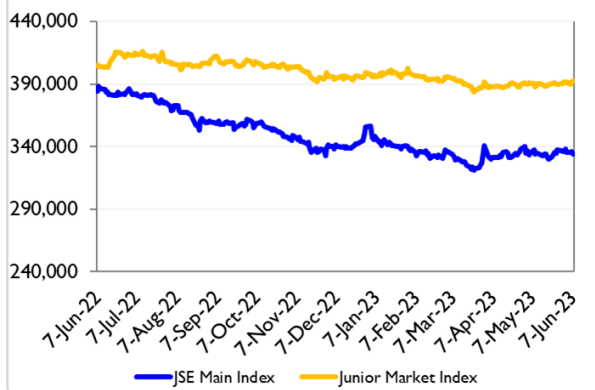
Bank of Canada hikes rates to 4.75%, highest in 22 years

The Bank of Canada (BoC) on Wednesday hiked its key overnight benchmark rate to 4.75%, the highest level in 22 years, on increasing concerns that inflation could get stuck significantly above its 2% target amid persistently strong economic growth. After the move, several analysts said they see another rate hike in July. The central bank had been on hold since January to assess the impact of previous hikes after raising borrowing costs eight times since March 2022 to a 15-year high of 4.50% - the fastest tightening cycle in the bank's history. Surprisingly, strong consumer spending, a rebound in demand for services, a pick-up in housing activity and a tight labour market show that excess demand in the economy is more persistent than anticipated, the central bank said in a statement.

Noting an uptick in inflation in April and the fact that three-month measures of core inflation had run as high as 4% for several months, the Bank of Canada said, "Concerns have increased that Consumer Price Index (CPI) inflation could get stuck materially above the 2% target." Given this backdrop, the governing council determined that "monetary policy was not sufficiently restrictive to bring supply and demand back into balance and return inflation sustainably to the 2% target." The last time the rate hit 4.75% was in April and May 2001.

About two-thirds of economists polled by Reuters last week expected the central bank to keep rates on hold through the end of 2023. In April, annual inflation accelerated for the first time in 10 months to 4.4%. First-quarter Gross Domestic Product rose 3.1% - versus the 2.3% forecast by the BoC - and in April the economy is seen expanding 0.2%. The BoC said it would continue to assess economic indicators going forward to see if they "are consistent with achieving the inflation target." But it dropped language that was in the previous policy statement from April saying it "remains prepared to raise the policy rate further" to get inflation to target, leaving its next possible move more open ended. The BoC said it still saw inflation slowing to 3% this summer, but it did not reiterate that it would slowly come down to its 2% target by the end of next year as it did when it made its last forecasts in April. Source: Reuters

Local Market Indices



Foreign Exchange Market

Currency	7-Jun	6-Jun	DoD % Δ	YTD % Δ
USD:JMD	155.76	155.63	0.08%	2.44%
GBP:JMD	194.49	193.36	0.58%	6.81%
CAD:JMD	116.64	115.69	0.82%	7.52%

Caribbean & Latam

- Consumer prices in Brazil decelerated more than expected in May, government data showed on Wednesday, with 12-month inflation hitting its lowest level in more than two years and dropping below the 4% mark for the first time since late 2020.

USA & Canada

- The S&P 500 and Nasdaq closed in negative territory on Wednesday as investors took profits after a months-long megacap stocks run and ahead of key economic and policy events next week.

Europe

- Madrid stocks rose on Wednesday after Zara-owner Inditex's strong quarterly showing, while its other European peers lagged as luxury companies dipped on weak China trade data.

Asia

- Asian emerging currencies traded without much direction on Wednesday as the U.S. dollar wobbled on retreating expectations of a U.S. Federal Reserve rate hike next week, while the Turkish lira depreciated more than 6% to a record low level against the dollar.

Local Equity Market

Stock Index	Today's close	DoD Δ	DoD% Δ	YTD % Δ	YoY% Δ
JSE Combined Index	346,165.48	-2,224.20	-0.64%	-6.08%	-13.43%
JSE Index	333,631.41	-2,552.97	-0.76%	-6.26%	-14.05%
All Jamaican Composite Index	368,523.48	-2,652.86	-0.71%	-8.57%	-16.83%
JSE Select Index	8,155.71	-29.12	-0.36%	-8.33%	-18.85%
Junior Market Index	3,808.69	17.25	0.45%	-4.46%	-7.23%

BEST AND WORST PERFORMERS

ADVANCERS		DECLINERS	
AFS	8.34%	TJHUSD	-26.28%
LASD	7.67%	ELITE	-10.00%
JAMT	7.11%	AMG	-7.61%

Today's combined market activity (excluding preference and deferred shares) resulted in trading of **90** stocks, of which **31** advanced, **48** declined and **11** traded firm.

International Markets

International Equity Markets					International Currency Market				
Index	7-Jun	DoD % Δ	YTD % Δ	YoY % Δ	Currency	7-Jun	DoD % Δ	YTD % Δ	YoY % Δ
S&P 500	4,267.52	-0.38%	11.15%	2.57%	EUR: USD	1.0699	0.06%	-0.06%	-0.04%
Dow Jones	33,665.02	0.27%	1.56%	1.46%	GBP: USD	1.24	0.12%	2.95%	-1.22%
FTSE All Share	4,163.52	-0.09%	2.17%	-0.84%	USD: CAD	1.34	-0.24%	-1.35%	6.69%
Euro Stoxx 50	4,291.91	-0.08%	13.13%	12.75%	USD: JPY	140.17	0.39%	6.90%	5.72%
Nikkei 225	31,913.74	-1.82%	10.84%	14.21%					
MSCI World Index	662.27	-0.33%	9.40%	1.17%					

Global Interest Rates					Commodities				
Rates	7-Jun	DoD Δbps	YTD Δbps	YoY Δbps	Commodity	7-Jun	DoD % Δ	YTD % Δ	YoY % Δ
10 -Year US Treasury Bond	3.79%	13.00	-8.00	82.00	Crude Oil	72.53	1.10%	-9.63%	-39.26%
10-Year UK Gilt	4.25%	4.00	58.00	204.00	Gold	1,940.58	-1.17%	6.39%	4.76%
GOJ 2025 Global Bond	6.77%	2.00	273.00	107.00	Silver	23.45	-0.52%	-2.12%	5.45%
					Aluminium	2,219.00	0.41%	-6.69%	-20.14%



Mutual Funds

Fund Managers Ltd.

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JN MUTUAL FUNDS

June 6, 2023

JN Mutual Funds	NAV Price	12 Months Growth Rate	YTD Growth Rate	Yield (Estimated Yearly Income)
Global Diversified Income	J\$13.1458	-3.64%	1.53%	3.34%
Global Equity	J\$14.1361	-7.29%	-3.06%	0.00%
Global Fixed Income	J\$14.4026	8.19%	4.49%	6.54%
Global Money Market (US\$)	US\$11.5636	4.27%	1.47%	3.93%
Global Fixed Income (US\$)	US\$11.6106	2.97%	1.48%	4.82%
Local Money Market	J\$12.8022	9.92%	6.03%	7.04%

	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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