



**The Premier Partnership Limited**  
Your Family Office

# **Recession!**

## **What Recession?**

**I deliberately rehashed a heading that I used back in 2023, to try to illustrate what we said then - and what we are saying again now.**

The world's stock markets have performed very well in the first quarter of 2024, journeying as always on hope and expectation. New all-time highs are being achieved regularly by major indices and even the laggard FTSE 100 Index has burst forth into Spring. Although only up 5.17% over the last year, compared to the +30.31% achieved by the S+P 500, it's good to see at least a little confidence in the UK economy.

Markets always travel on hope and expectations, as they are barometers that give an indication of the future, not a reliving of the past. So the market bears have capitulated, and the bulls are running. Why?

Well, many will say that the USA has achieved a soft landing of the economy and therefore will avoid a much anticipated recession - albeit a shallow one. The current run for the S+P 500 Index, without so much as a 2% pullback or decline in values, is now five months old, and bears have given up because a recession in the USA in the next 12 months is no longer a certainty. Interest rates are going to come down, starting in the Summer, and inflation looks like it has taken the medicine of higher interest rates well, and should hit global Central Bank targets by Spring. All great news - hence the current run. But is this confidence a tad overdone. Possibly!



# **Investment REPORT**

As it is, global investment managers have enough conviction to bet that equities will outperform bonds over the next 12 months - and we agree. That would be a turnaround of 5 quarters previous performance where bonds were expected to outperform equities 12 months hence. Even though economists now expect a soft landing (a slowdown in growth that requires interest rate cuts), markets are expecting something stronger, hence our slight hint of caution. Rates will come down - just not yet, inflation will stay lower - just not yet (still some sticking core inflation numbers out there), and a shallow recession in the USA is still a possibility - albeit a small one. So, make hay whilst the rain continues to pour (Authors prerogative to change well know sayings), and as we march on into a new tax year, make sure you use all of the tax allowances available to you - or call us if you are unsure what they are.



**Until Next Time.....**

## Global Stock Market Performance 2024

Market	Index	29 December 2023	28 March 2024	Percentage Performance Year to date
USA	Dow Jones	37587.64	39502.19	+5.09
	NASDAQ	14985.87	16333.22	+8.99
	S&P 500	4760.53	5230.32	+9.87
UK	FTSE 100	7733.24	7952.62	+2.84
France	CAC 40	7543.18	8205.81	+8.78
Germany	Xetra Dax	16751.64	18492.49	+10.39
Italy	FTSE MIB	30351.62	33940.03	+11.82
Spain	IBEX 35	10102.10	11074.60	+9.63
Switzerland	SMI	11137.79	11730.43	+5.32
Japan	Nikkei 225	33464.17	39803.09	+18.94
Hong Kong	Hang Seng	17047.39	16541.42	-2.97
China	Shanghai Composite	2974.93	3077.38	+3.44
India	Sensex 30	72240.26	74014.55	+2.46

Data provided by Morningstar

Please remember that past performance is not a guide to future performance. The value of investments and the income from them can go down as well as up and investors may not get back any of the amount originally invested. Exchange rate changes may cause the value of overseas investments to rise or fall.

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The Premier Partnership Limited is entered on the FCA Register under reference 209446.

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