



---

MONTHLY NEWSLETTER, DEC 2022

8 JANUARY 2023



@ARROWS\_SIX



[LINKEDIN.COM/IN/SIX-ARROWS-CONSULTANCY-LIMITED/](https://www.linkedin.com/company/six-arrows-consultancy-limited/)



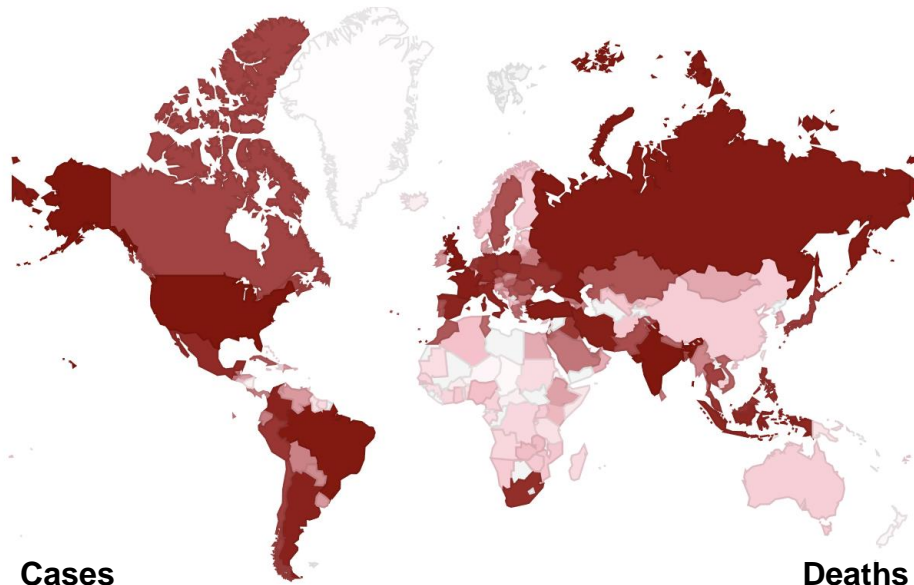
[HTTPS://SIXARROWSCONSULTANCY.COM/](https://sixarrowsconsultancy.com/)

# Content

---

- Covid-19 Update
- Global Economy
- Global Markets Overview
- Global Stock Markets
  - UK Stock Markets
- Global Bond Markets
  - UK Bond Markets
- UK Economy
- UK Markets
- UK Mortgage Market – Competitive Benchmark Analysis
- Crypto Markets
- Macroeconomic / Markets Insights

# Covid-19 Update



**Cases**

Country	Last	Previous	Reference	Unit
World	657977736	657547569	Jan/23	Persons
United States	99423758	99027628	Jan/23	Persons
India	44679547	44679319	Jan/23	Persons
France	38288448	38280941	Jan/23	Persons
Germany	37496370	37481933	Jan/23	Persons
Brazil	36423138	36390423	Jan/23	Persons
Japan	29798835	29571931	Jan/23	Persons
South Korea	29420226	29363272	Jan/23	Persons
Italy	25143705	24884034	Jan/23	Persons
United Kingdom	24210131	24207622	Jan/23	Persons
Russia	21820552	21817113	Jan/23	Persons
Turkey	17004677	16919638	Jan/23	Persons
Spain	13693478	13684258	Jan/23	Persons
Vietnam	11525571	11525491	Jan/23	Persons
Australia	11047174	10938096	Jan/23	Persons
China	10566576	10531982	Jan/23	Persons

**Deaths**

Country	Last	Previous	Reference	Unit
World	6681433	6680013	Jan/23	Persons
United States	1082265	1080010	Jan/23	Persons
Brazil	694411	694192	Jan/23	Persons
India	530714	530710	Jan/23	Persons
Russia	393986	393945	Jan/23	Persons
Mexico	331206	331197	Jan/23	Persons
Peru	218304	218284	Jan/23	Persons
United Kingdom	201028	200949	Jan/23	Persons
Italy	184642	183138	Jan/23	Persons
Germany	162518	162513	Jan/23	Persons
Indonesia	160673	160665	Jan/23	Persons
France	159001	158862	Jan/23	Persons
Iran	144696	144693	Jan/23	Persons
Colombia	142179	141996	Jan/23	Persons
Argentina	130171	130124	Jan/23	Persons
Poland	118586	118567	Jan/23	Persons
Spain	117413	117095	Jan/23	Persons
Ukraine	108671	110859	Jan/23	Persons
South Africa	102568	102550	Jan/23	Persons
Turkey	99057	99032	Jul/22	Persons

Source: <https://tradingeconomics.com/country-list/coronavirus-cases>, as of 8 Jan 2023

# Global Economy

Country	GDP	GDP YoY	GDP QoQ	Interest Rate	Inflation Rate	Jobless Rate	Gov. Budget	Debt/GDP	Current Account	Population
United States	23315	1.90	3.20	4.50	7.10	3.50	-16.70	137.20	-3.60	332.40
China	17734	3.90	3.90	3.65	1.60	5.70	-3.10	71.50	1.80	1412.60
Euro Area	14563	2.30	0.30	2.50	9.20	6.50	-5.10	95.60	2.50	342.56
Japan	4941	1.50	-0.20	-0.10	3.80	2.50	-5.30	262.50	4.00	125.31
Germany	4260	1.30	0.40	2.50	8.60	5.50	-3.70	69.30	7.40	83.16
India	3176	6.30	0.80	6.25	5.88	8.30	-6.90	89.26	-1.20	1380.00
United Kingdom	3131	1.90	-0.30	3.50	10.70	3.70	-5.70	97.40	-2.00	67.53
France	2958	1.00	0.20	2.50	5.90	7.30	-6.50	112.90	0.40	67.63
Italy	2108	2.60	0.50	2.50	11.60	7.80	-7.20	150.80	2.50	59.24
Canada	1988	3.90	0.70	4.25	6.80	5.00	-4.70	112.80	0.10	38.44
South Korea	1799	3.10	0.30	3.25	5.00	2.90	-5.60	46.90	4.90	51.74
Russia	1776	-3.70	-0.80	7.50	12.00	3.70	0.80	18.20	6.80	145.55
Brazil	1609	3.60	0.40	13.75	5.90	8.30	-4.50	80.27	-1.80	213.32
Australia	1553	5.90	0.60	3.10	7.30	3.40	-7.80	36.10	-0.40	25.77
Spain	1427	4.40	0.10	2.50	5.80	12.67	-6.90	118.40	0.90	47.40
Mexico	1273	4.30	0.90	10.50	7.80	2.80	-3.80	49.60	-0.40	126.25
Indonesia	1186	5.72	1.81	5.50	5.51	5.86	-2.38	41.20	0.30	272.70
Netherlands	1013	3.10	-0.20	2.50	9.60	3.60	-2.60	52.40	9.00	17.48
Saudi Arabia	834	8.80	2.10	5.00	2.90	5.80	-2.30	30.00	6.60	34.11
Turkey	819	3.90	-0.10	9.00	64.27	10.20	-2.70	42.00	-1.70	84.68
Switzerland	801	0.50	0.20	1.00	2.80	2.00	-0.70	41.40	9.30	8.67
Taiwan	775	4.01	1.83	1.75	2.71	3.64	-0.50	28.20	14.80	23.38
Poland	679	3.60	1.00	6.75	16.60	5.10	-1.90	53.80	-0.70	37.84
Sweden	636	2.50	0.60	2.50	11.50	6.40	-0.20	36.70	5.30	10.38
Belgium	594	1.90	0.20	2.50	10.35	5.40	-5.50	108.20	-0.40	11.55

Source: [www.tradingeconomics.com](http://www.tradingeconomics.com), as of 8 January 2023 (GDP figures are provided in USD billion)

## Macro Outlook

- 2022 was a difficult year. The war in Ukraine and central banks' battle against inflation have been the main sources of bond and equity markets' struggles. However, the final quarter of the year has at least brought some relief.
- In 2023, most analysts, including the IMF, expect a recession in most parts of the world, including major developed economies.

## UK & US Economic Calendar – Key Events

- 4 Jan > FOMC Minutes
- 6 Jan > Unemployment Rate
- 12 Jan > Inflation Rate YoY
- 13 Jan > GDP Growth Rate YoY
- 18 Jan > Inflation Rate YoY
- 18 Jan > PPI MoM
- 18 Jan > Retail Sales MoM



## Equities

- Value stocks have significantly outperformed growth stocks, both in 2022 and in Q4 2022. This can largely be explained by the high starting valuations for growth stocks, some growth disappointments, and the effect of rising interest rates.
- The UK stock market has outperformed its peers in 2022. It has been helped by its large exposure to commodity producers and defensive consumer staples and its low exposure to expensive technology companies. The decline in sterling has also helped, given that about 75% of the FTSE All-Share's revenues come from outside the UK. The fall in the pound has also helped flatter international stock market returns somewhat when translated back into sterling. Nevertheless, the UK stock market has not been blind to the risks to the economic outlook. The more domestically orientated FTSE 250 Index has fallen nearly 20% year-to-date (ytd) and UK retailers are down 35%.

## Bonds

- In 2022, arguably the most painful move in markets has been the sharp decline in government bond prices. We all know that stocks can provide a bumpy ride but the unusually large sell-off in government bonds, alongside falling stock prices, left investors with no port in the storm. This was caused by central banks having to raise interest rates by far more than investors had expected at the beginning of the year because of runaway inflation. The UK government bond market was particularly hard hit, falling by 25% over the year.
- The BoJ surprised markets by letting long-term yields move 50 basis points (bps) either side of its 0% target, wider than the previous 25bps band.
- The primary risk is that the Fed gets to 5% and pauses, but inflation flares up and policymakers have to restart rate hikes, heading to 6% and higher.

## Commodities

- Republicans have narrowly regained control of the US House of Representatives, portending robust oversight of Biden administration energy regulators in the next congressional session. But a razor-thin majority could complicate efforts to pass legislation affecting the energy sector.

## FX

- USD-JPY plunged on surprise Yield Curve Control modification by the BoJ.
- Some analysts anticipate that a slower hiking pace and a recognition that the Fed is in the late stages of the tightening cycle might weaken USD in 2023.

**Note: Past performance is no guarantee of future results**



# Global Markets Overview: Asset Class and Style Returns

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Q4 '22
Small cap 26.6%	Global Agg 5.6%	Global REITS 23.0%	Small cap 32.9%	Global REITS 22.9%	Growth 3.5%	Small cap 13.3%	MSCI EM 37.8%	Global Agg -1.2%	Growth 34.1%	Growth 34.2%	Global REITS 32.6%	Cmdty 16.1%	Value 14.9%
Global REITS 22.8%	Global REITS 2.3%	MSCI EM 18.6%	Value 27.5%	Growth 6.5%	Global REITS 0.6%	Value 13.2%	Growth 28.5%	Global REITS -4.9%	DM Equities 28.4%	MSCI EM 18.7%	Cmdty 27.1%	Value -5.8%	Small cap 10.9%
MSCI EM 19.2%	Value -4.9%	Small cap 18.1%	DM Equities 27.4%	DM Equities 5.5%	Small cap 0.1%	Cmdty 11.8%	Small cap 23.2%	Growth -6.4%	Small cap 26.8%	DM Equities 16.5%	Value 22.8%	Global Agg -16.2%	DM Equities 9.9%
Cmdty 16.8%	DM Equities -5.0%	Growth 16.6%	Growth 27.2%	Value 4.4%	DM Equities -0.3%	MSCI EM 11.6%	DM Equities 23.1%	DM Equities -8.2%	Global REITS 24.4%	Small cap 16.5%	DM Equities 22.3%	DM Equities -17.7%	MSCI EM 9.8%
Growth 14.9%	Growth -5.1%	DM Equities 16.5%	Global REITS 2.3%	Small cap 2.3%	Global Agg -3.2%	DM Equities 8.2%	Value 18.0%	Value -10.1%	Value 22.7%	Global Agg 9.2%	Growth 21.4%	Small cap -18.4%	Global REITS 6.9%
DM Equities 12.3%	Small cap -8.7%	Value 16.4%	MSCI EM -2.3%	Global Agg 0.6%	Value -4.1%	Global REITS 6.5%	Global REITS 8.0%	Cmdty -11.2%	MSCI EM 18.9%	Value -0.4%	Small cap 16.2%	MSCI EM -19.7%	Growth 4.8%
Value 9.8%	Cmdty -13.3%	Global Agg 4.3%	Global Agg -2.6%	MSCI EM -1.8%	MSCI EM -14.6%	Growth 3.2%	Global Agg 7.4%	Small cap -13.5%	Cmdty 7.7%	Cmdty -3.1%	MSCI EM -2.2%	Global REITS -23.7%	Global Agg 4.6%
Global Agg 5.5%	MSCI EM -18.2%	Cmdty -1.1%	Cmdty -9.5%	Cmdty -17.0%	Cmdty -24.7%	Global Agg 2.1%	Cmdty 1.7%	MSCI EM -14.2%	Global Agg 6.8%	Global REITS -10.4%	Global Agg -4.7%	Growth -29.1%	Cmdty 2.2%

- Source: JP Morgan Asset Management, <https://am.jpmorgan.com/gb/en/asset-management/adv/insights/market-insights/monthly-market-review/>
- 8 January 2023

# Global Stock Markets – Americas

## AMERICAS

Dec 01 - -

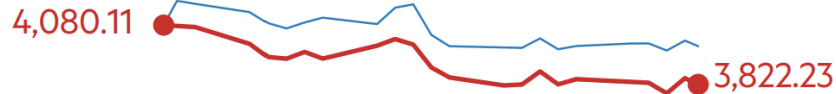
Index

All World



S&P 500

New York



Day ▼ -0.70%

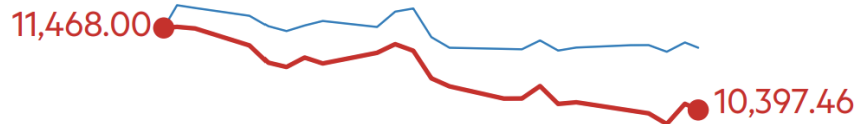
Month ▼ -6.31%

Year ▼ -20.00%



Nasdaq Composite

New York



Day ▼ -0.77%

Month ▼ -9.32%

Year ▼ -33.94%



Dow Jones Industrial

New York



Day ▼ -0.64%

Month ▼ -4.57%

Year ▼ -9.31%

Dec 01 - Dec 30

Index

All World



S&P/TSX COMP

Toronto



Day ▼ -0.32%

Month ▼ -5.03%

Year ▼ -8.78%



IPC

Mexico City



Day ▼ -1.11%

Month ▼ -5.25%

Year ▼ -7.91%



Bovespa

São Paulo



Day ▼ -0.46%

Month ▼ -1.06%

Year ▲ 5.41%

- Source: Financial Times
- All figures are as of 30 December 2022
- Monthly figures represent the period between 01 December and 30 December 2022

# Global Stock Markets – Europe

## EUROPE

Dec 01 - Dec 30

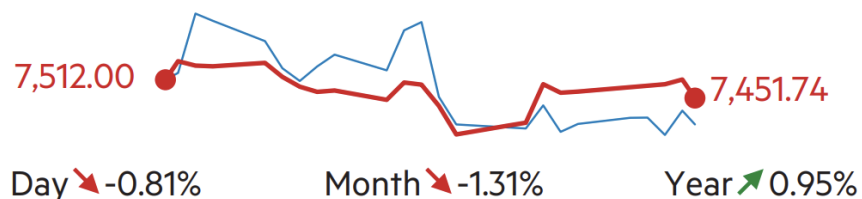
Index

All World



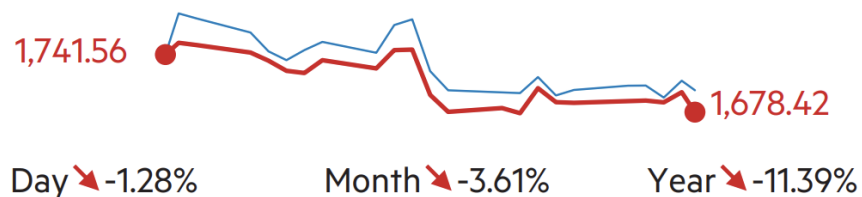
FTSE 100

London



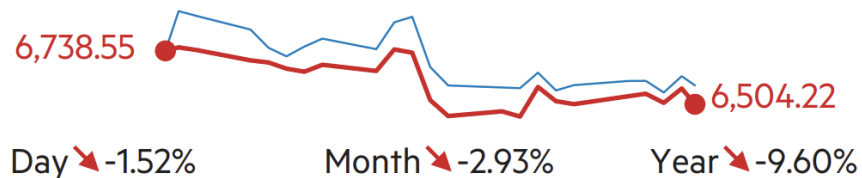
FTSE Eurofirst 300

Europe



CAC 40

Paris



Dec 01 - Dec 30

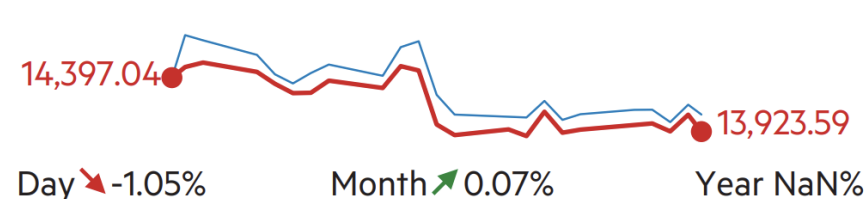
Index

All World



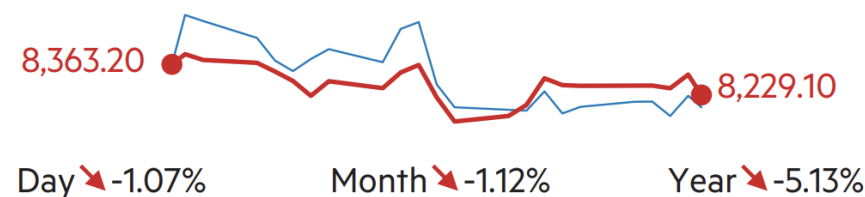
Xetra Dax

Frankfurt



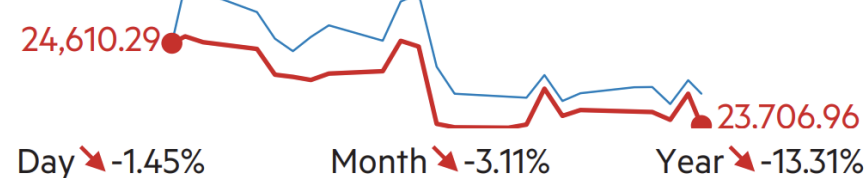
Ibex 35

Madrid



FTSE MIB

Milan



- Source: Financial Times
- All figures are as of 30 December 2022
- Monthly figures represent the period between 01 December and 30 December 2022



# Global Stock Markets – Asia

## ASIA

Dec 01 - Dec 30

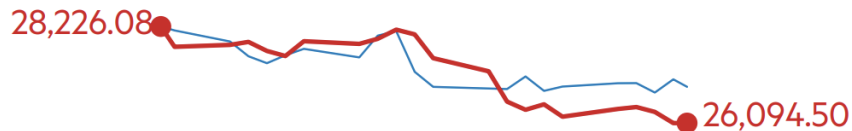
Index

All World



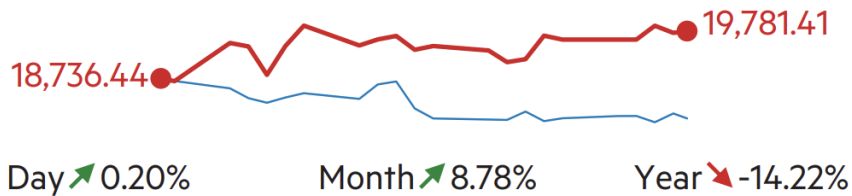
Nikkei 225

Tokyo



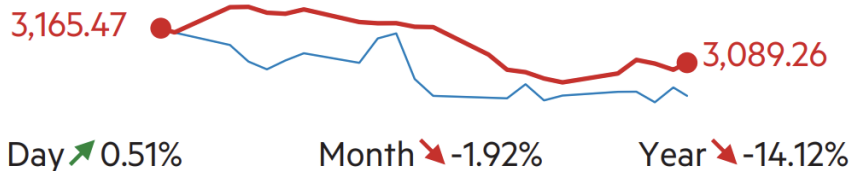
Hang Seng

Hong Kong



Shanghai Composite

Shanghai



Dec 01 - Dec 30

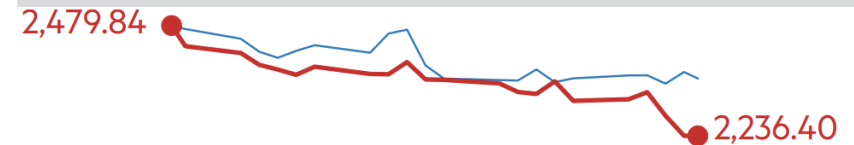
Index

All World



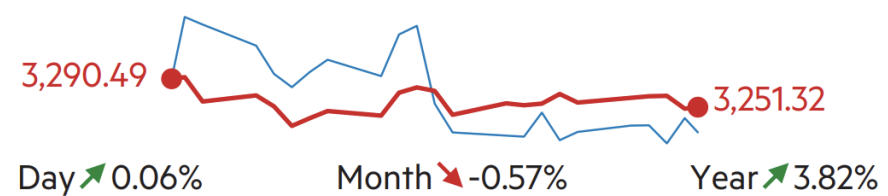
Kospi

Seoul



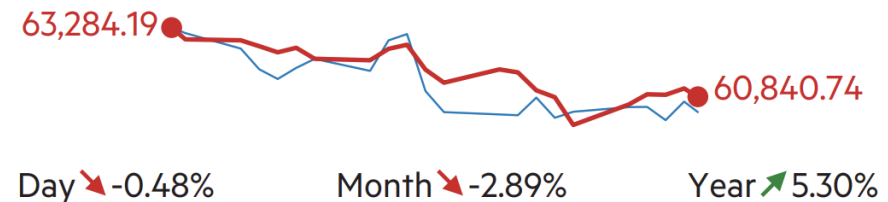
FTSE Straits Times

Singapore



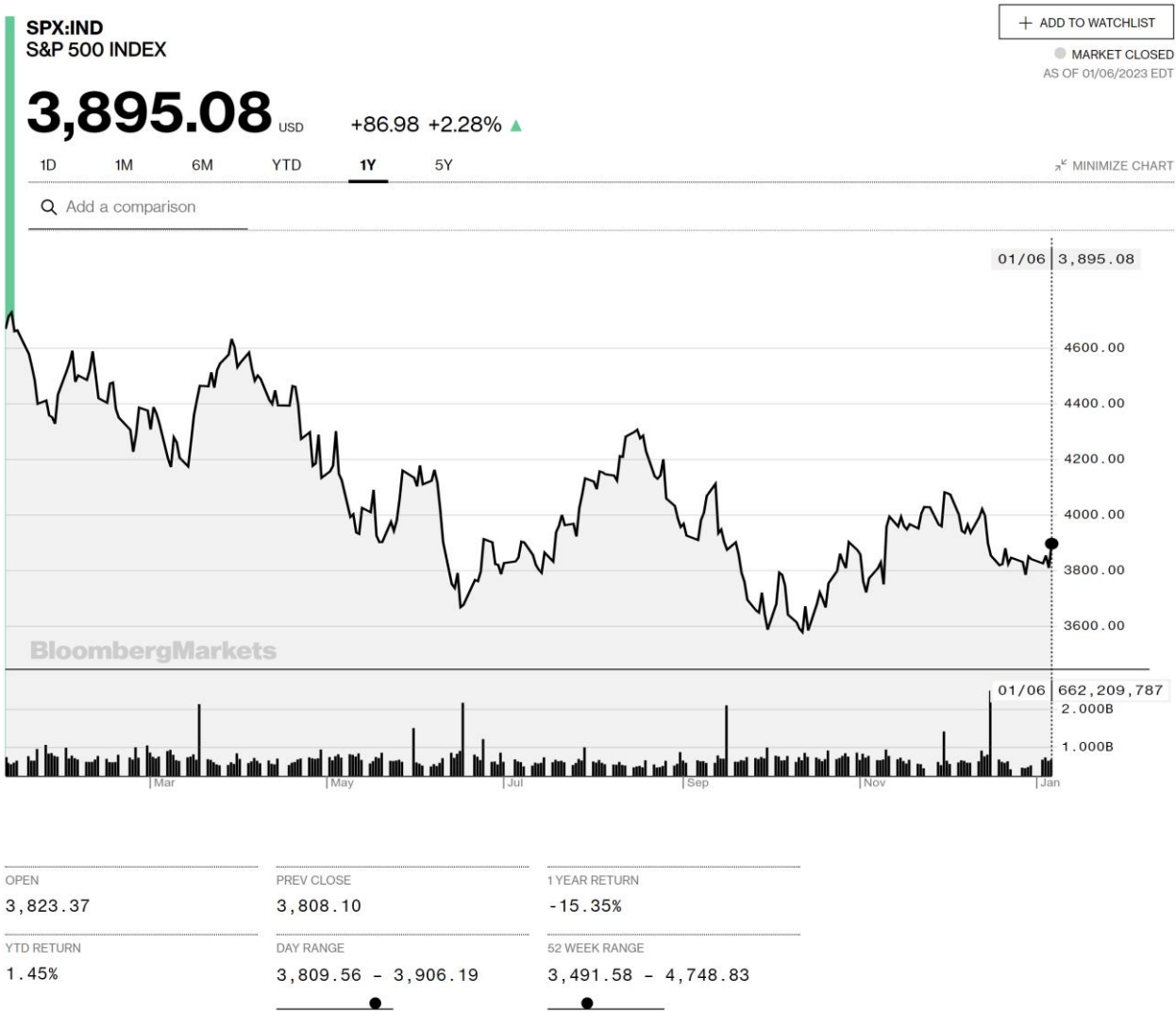
BSE Sensex

Mumbai



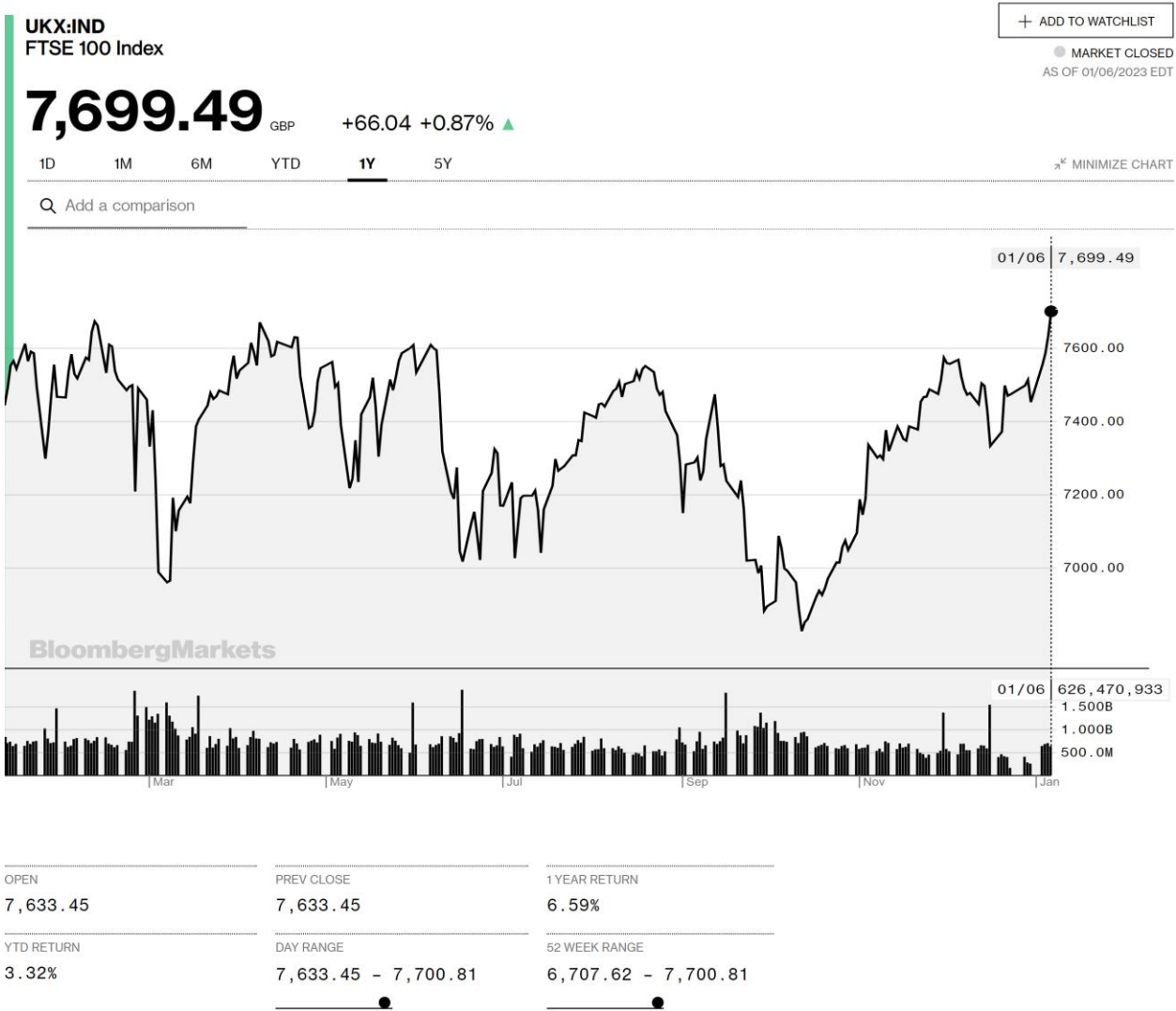
- Source: Financial Times
- All figures are as of 30 December 2022
- Monthly figures represent the period between 01 December and 30 December 2022

# US Stock Markets



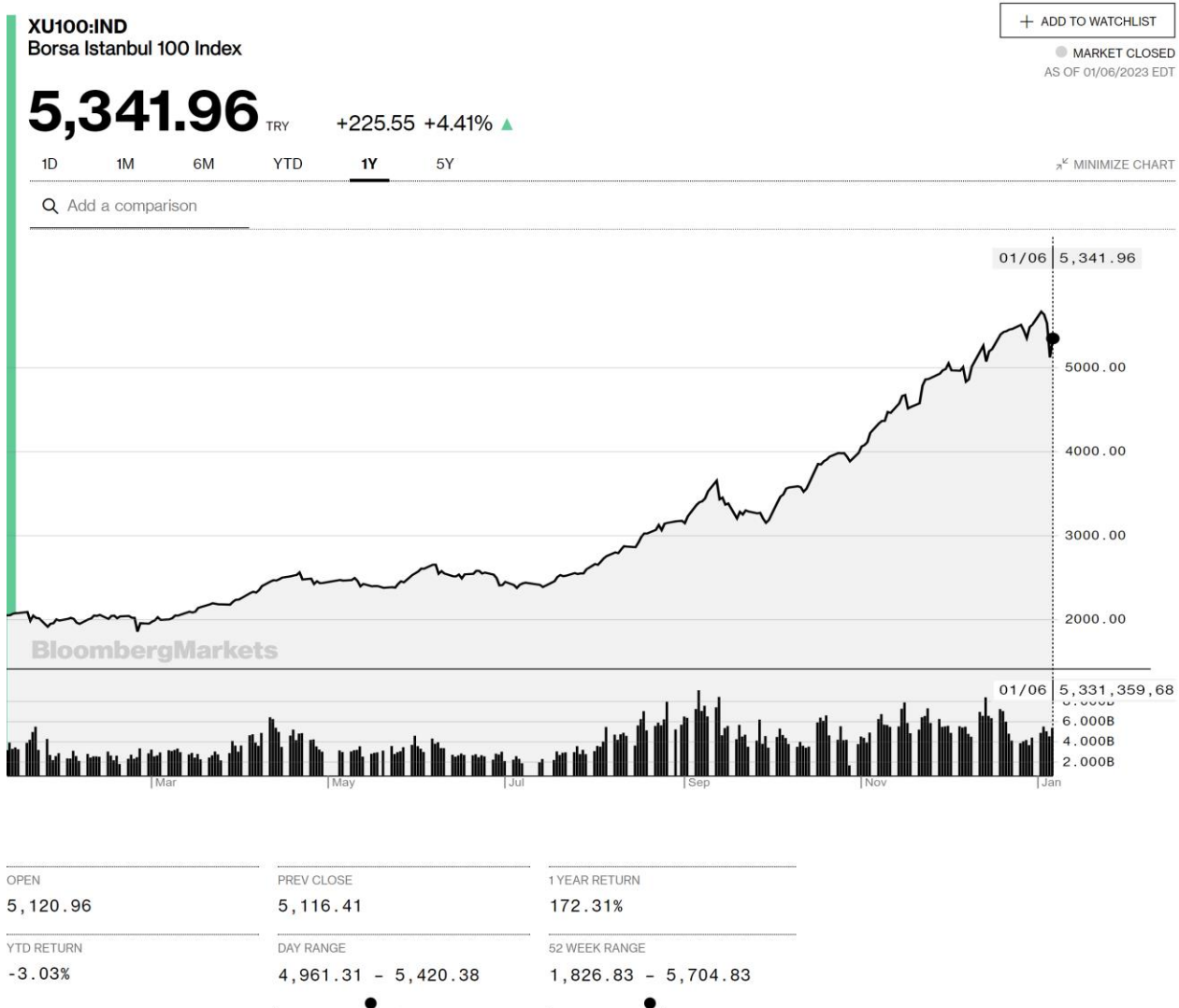
- Source: Bloomberg
- All figures are as of 8 January 2023

# UK Stock Markets



- Source: Bloomberg
- All figures are as of 8 January 2023

# Turkey Stock Markets



- Source: Bloomberg
- All figures are as of 8 January 2023

# Global Bond Markets – Americas

## Americas 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EST)
United States »	3.56%	-16	+8	+180	1/6/2023
Canada	3.09%	-9	+30	+137	1/6/2023
Brazil	12.84%	-24	-14	+143	1/6/2023
Mexico	8.56%	-21	-37	+78	1/6/2023

- Source: Bloomberg
- All figures are as of 8 January 2023



# Global Bond Markets – Europe & Middle East & Africa

## Europe, Middle East & Africa 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EST)
Germany »	2.20%	-10	+39	+225	1/6/2023
United Kingdom »	3.47%	-8	+38	+229	1/6/2023
France	2.71%	-10	+44	+243	1/6/2023
Italy	4.20%	-12	+53	+290	1/6/2023
Spain	3.25%	-10	+44	+262	1/6/2023
Netherlands	2.52%	-10	+45	+248	1/6/2023
Portugal	3.19%	-11	+47	+263	1/6/2023
Greece	4.30%	-8	+50	+282	1/6/2023
Switzerland	1.23%	-13	+24	+127	1/6/2023

- Source: Bloomberg
- All figures are as of 8 January 2023

# Global Bond Markets – Asia Pacific

## Asia Pacific 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EST)
Japan »	0.49%	+8	+25	+36	1/6/2023
Australia »	3.82%	-2	+45	+196	1/6/2023
New Zealand	4.32%	+4	+32	+182	1/5/2023
	--	--	--	--	--
Singapore	2.91%	-3	-2	+115	1/6/2023
South Korea	3.55%	+0	+6	--	1/6/2023
India	7.37%	+4	+8	+83	1/6/2023

- Source: Bloomberg
- All figures are as of 8 January 2023

# UK Bond Markets

## Gilt Yields

NAME	COUPON	PRICE	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EST)
GTGBP2Y:GOV UK Gilt 2 Year Yield	1.00	97.02	3.35%	-10	+10	+257	1/6/2023
GTGBP5Y:GOV UK Gilt 5 Year Yield	1.25	90.90	3.42%	-11	+25	+244	1/6/2023
GTGBP10Y:GOV UK Gilt 10 Year Yield	4.25	106.22	3.47%	-8	+38	+229	1/6/2023
GTGBP30Y:GOV UK Gilt 30 Year Yield	1.25	54.99	3.86%	-4	+36	+258	1/6/2023

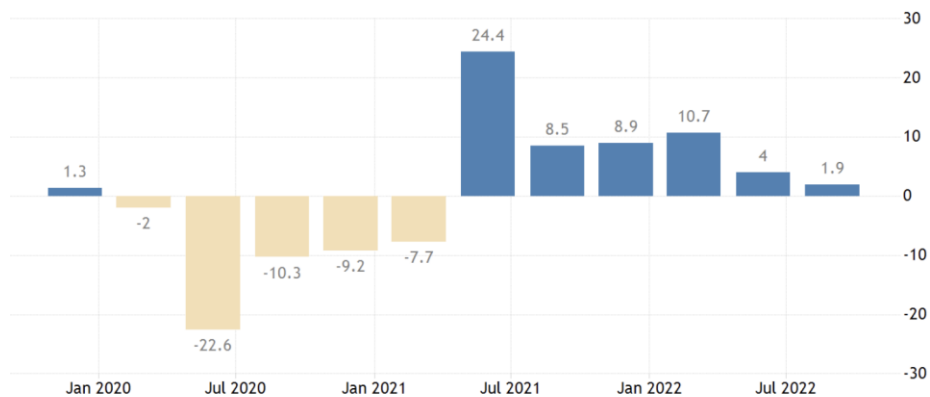
## Bank of England Rates

RATE	CURRENT	1 YEAR PRIOR
UKBRBASE:IND Official Bank Rate	3.50	0.25
UKAPTARG:IND Asset Purchase Program Target (Billions of GBP)	--	875.00

- Source: Bloomberg
- All figures are as of 8 January 2023

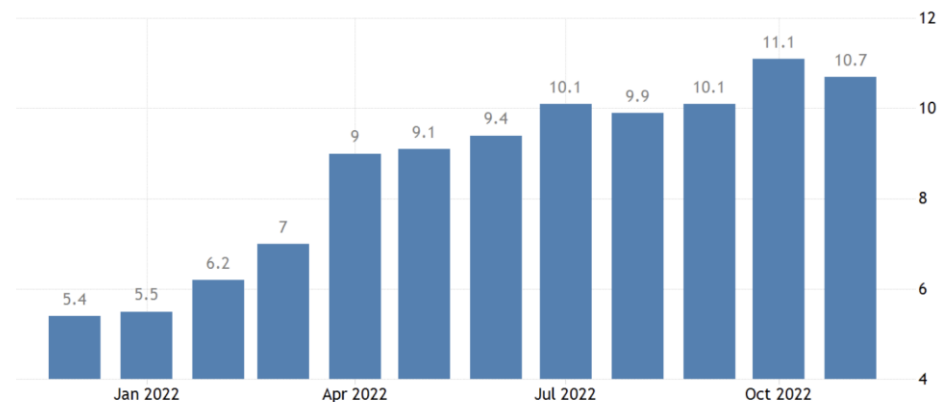
# UK Economy

Annual GDP Growth Rate



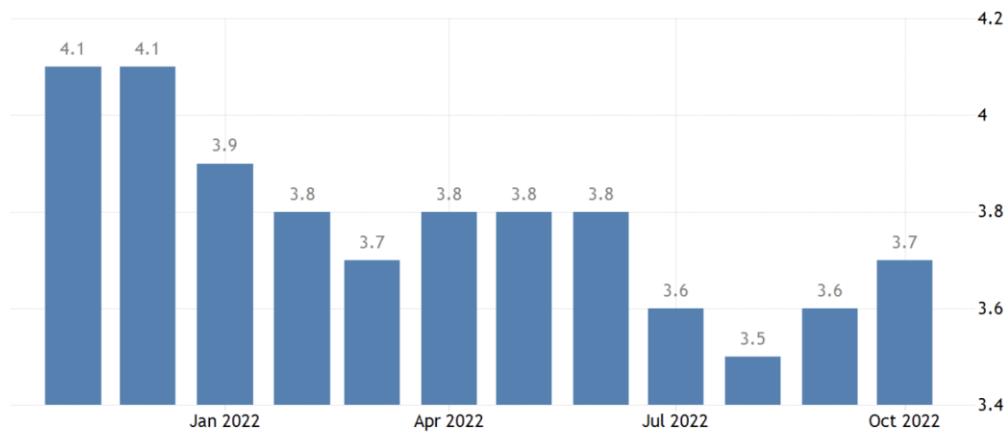
TRADINGECONOMICS.COM | OFFICE FOR NATIONAL STATISTICS

Annual Inflation Rate



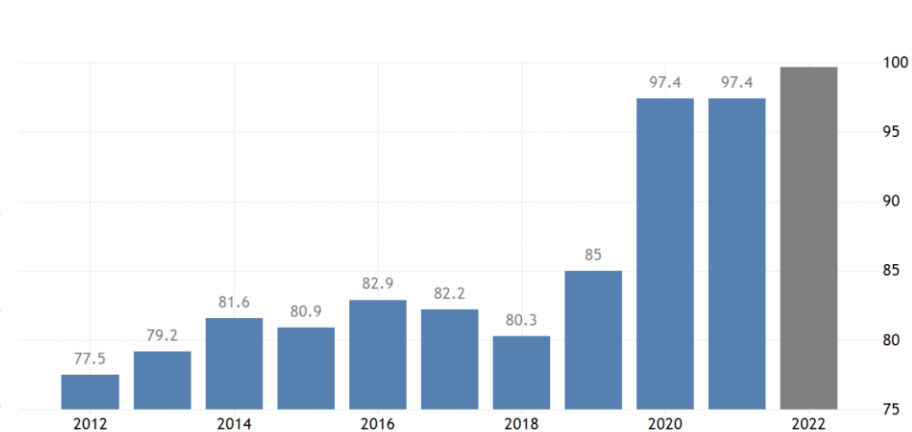
TRADINGECONOMICS.COM | OFFICE FOR NATIONAL STATISTICS

Unemployment Rate



TRADINGECONOMICS.COM | OFFICE FOR NATIONAL STATISTICS

Government Debt / GDP

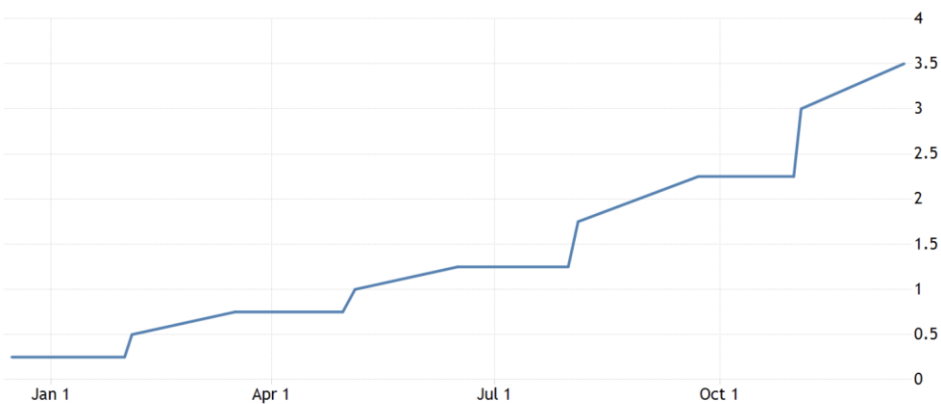


TRADINGECONOMICS.COM | OFFICE FOR BUDGET RESPONSIBILITY, UK

• Source: <https://tradingeconomics.com/united-kingdom>

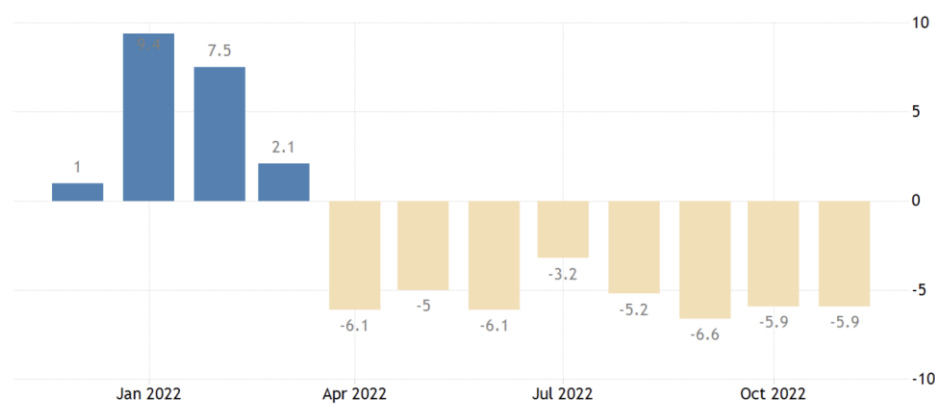
# UK Markets

## Interest Rate



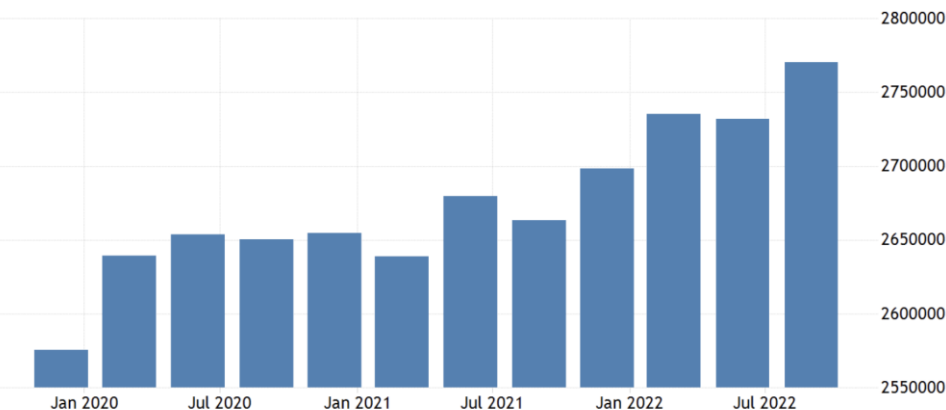
TRADINGECONOMICS.COM | BANK OF ENGLAND

## Retail Sales YoY



TRADINGECONOMICS.COM | OFFICE FOR NATIONAL STATISTICS

## Loans to Private Sector



TRADINGECONOMICS.COM | BANK OF ENGLAND

## Home Loans



TRADINGECONOMICS.COM | BANK OF ENGLAND

- Source: <https://tradingeconomics.com/united-kingdom>
- Loan figures are in £ millions








# UK Mortgage Loans

## Competitive Market Benchmark (Indicative Only) – Page 1 of 5

Your mortgage options


Borrowing £300,000 and repaying over 25 years

<div>  2 year discounted <a href="#">Full details</a> </div>					
<b>£1,468</b> Monthly payment until 31/3/2025	<b>3.29%</b> Initial rate	<b>£999</b> Product fees	<b>£36,653</b> Initial term cost	<b>4.7%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.7%. Total amount payable £510,287.40 includes interest of £208,743.40 product fees of £999 and other fees of £545. Repayments: 26 months of £1,468.30 at 3.29% (variable), then 274 months of £1,717.40 at 4.91% (variable). Early repayment charges apply.					
<div>  3 year discounted <a href="#">Full details</a> </div>					
<b>£1,468</b> Monthly payment for 36 months	<b>3.29%</b> Initial rate	<b>£0</b> Product fees	<b>£52,974</b> Initial term cost	<b>5.3%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.3%. Total amount payable £545,249.32 includes interest of £245,134.32 product fees of £0 and other fees of £115. Repayments: 36 months of £1,468.30 at 3.29% (variable), then 264 months of £1,864.68 at 5.89% (variable). Early repayment charges apply.					
<div>  2 year discounted <a href="#">Full details</a> </div>					
<b>£1,470</b> Monthly payment for 24 months	<b>3.30%</b> Initial rate	<b>£999</b> Product fees	<b>£36,626</b> Initial term cost	<b>6.5%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.5%. Total amount payable £608,399.24 includes interest of £306,975.24 product fees of £999 and other fees of £425. Repayments: 24 months of £1,469.88 at 3.30% (variable), then 276 months of £2,071.37 at 6.99% (variable). Early repayment charges apply.					
<div>  2 year discounted <a href="#">Full details</a> </div>					
<b>£1,492</b> Monthly payment for 24 months	<b>3.44%</b> Initial rate	<b>£1,495</b> Product fees	<b>£37,784</b> Initial term cost	<b>6.3%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.3%. Total amount payable £598,106.20 includes interest of £295,936.20 product fees of £1,495 and other fees of £675. Repayments: 24 months of £1,492.23 at 3.44% (variable), then 276 months of £2,029.43 at 6.74% (variable). Early repayment charges apply.					
<div>  2 year discounted <a href="#">Full details</a> </div>					
<b>£1,500</b> Monthly payment until 31/3/2025	<b>3.49%</b> Initial rate	<b>£0</b> Product fees	<b>£36,421</b> Initial term cost	<b>4.7%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.7%. Total amount payable £510,867.38 includes interest of £210,322.38 product fees of £0 and other fees of £545. Repayments: 26 months of £1,500.26 at 3.49% (variable), then 274 months of £1,720.13 at 4.91% (variable). Early repayment charges apply.					

- The above quotes are indicative only, based on a hypothetical 25-year (repayment) mortgage loan scenario, where the property value is £500,000, and down payment is £200,000, as of 8 January 2023
- Source: <https://www.moneysupermarket.com/>

# UK Mortgage Loans


## Competitive Market Benchmark (Indicative Only) – Page 2 of 5


2 year discounted [Full details](#)

<b>£1,500</b> Monthly payment for 24 months	<b>3.49%</b> Initial rate	<b>£999</b> Product fees	<b>£37,120</b> Initial term cost	<b>5.6%</b> APRC	<a href="#">Go to broker</a>
---------------------------------------------------	------------------------------	-----------------------------	-------------------------------------	---------------------	------------------------------

**Representative example:** a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.6%. Total amount payable £557,013.16 includes interest of £255,899.16 product fees of £999 and other fees of £115. Repayments: 24 months of £1,500.26 at 3.49% (variable), then 276 months of £1,883.67 at 5.89% (variable). Early repayment charges apply.


---


2 year discounted [Full details](#)

<b>£1,500</b> Monthly payment for 24 months	<b>3.49%</b> Initial rate	<b>£1,149</b> Product fees	<b>£37,576</b> Initial term cost	<b>6.1%</b> APRC	<a href="#">Go to broker</a>
---------------------------------------------------	------------------------------	-------------------------------	-------------------------------------	---------------------	------------------------------

**Representative example:** a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.1%. Total amount payable £585,861.28 includes interest of £284,291.28 product fees of £1,149 and other fees of £421. Repayments: 24 months of £1,500.26 at 3.49% (variable), then 276 months of £1,986.54 at 6.49% (variable). Early repayment charges apply.


---


2 year discounted [Full details](#)

<b>£1,500</b> Monthly payment for 24 months	<b>3.49%</b> Initial rate	<b>£3,000</b> Product fees	<b>£39,356</b> Initial term cost	<b>6.6%</b> APRC	<a href="#">Go to broker</a>
---------------------------------------------------	------------------------------	-------------------------------	-------------------------------------	---------------------	------------------------------

**Representative example:** a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £611,927 includes interest of £308,502 product fees of £3,000 and other fees of £425. Repayments: 24 months of £1,500.26 at 3.49% (variable), then 276 months of £2,074.26 at 6.99% (variable). Early repayment charges apply.


---


2 year discounted [Full details](#)

<b>£1,507</b> Monthly payment for 24 months	<b>3.53%</b> Initial rate	<b>£999</b> Product fees	<b>£37,180</b> Initial term cost	<b>6.5%</b> APRC	<a href="#">Go to broker</a>
---------------------------------------------------	------------------------------	-----------------------------	-------------------------------------	---------------------	------------------------------

**Representative example:** a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.5%. Total amount payable £609,961.16 includes interest of £308,822.16 product fees of £999 and other fees of £140. Repayments: 24 months of £1,506.70 at 3.53% (variable), then 276 months of £2,074.86 at 6.99% (variable). Early repayment charges apply.

---


2 year discounted [Full details](#)






<b>£1,516</b> Monthly payment for 24 months	<b>3.59%</b> Initial rate	<b>£999</b> Product fees	<b>£37,507</b> Initial term cost	<b>5.6%</b> APRC	<a href="#">Go to broker</a>
---------------------------------------------------	------------------------------	-----------------------------	-------------------------------------	---------------------	------------------------------

**Representative example:** a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.6%. Total amount payable £557,775.64 includes interest of £256,661.64 product fees of £999 and other fees of £115. Repayments: 24 months of £1,516.39 at 3.59% (variable), then 276 months of £1,885.03 at 5.89% (variable). Early repayment charges apply.

- The above quotes are indicative only, based on a hypothetical 25-year (repayment) mortgage loan scenario, where the property value is £500,000, and down payment is £200,000, as of 8 January 2023
- Source: <https://www.moneysupermarket.com/>

# UK Mortgage Loans

## Competitive Market Benchmark (Indicative Only) – Page 3 of 5

 3 year discounted <a href="#">Full details</a>					
<b>£1,518</b> Monthly payment for 36 months	<b>3.60%</b> Initial rate	<b>£0</b> Product fees	<b>£55,108</b> Initial term cost	<b>5.9%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.9%. Total amount payable £580,177.20 includes interest of £279,562.20 product fees of £0 and other fees of £615. Repayments: 36 months of £1,518.01 at 3.60% (variable), then 264 months of £1,988.31 at 6.60% (variable). Early repayment charges apply.					
 Lifetime discounted <a href="#">Full details</a>					
<b>£1,524</b> Monthly payment for 300 months	<b>3.64%</b> Initial rate	<b>£0</b> Product fees	<b>£457,462</b> Initial term cost	<b>3.7%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 3.7%. Total amount payable £457,462 includes interest of £157,347 product fees of £0 and other fees of £115. Repayments: 300 months of £1,524.49 at 3.64% (variable). Early repayment charges may apply.					
 5 year discounted <a href="#">Full details</a>					
<b>£1,526</b> Monthly payment until 31/3/2028	<b>3.65%</b> Initial rate	<b>£999</b> Product fees	<b>£92,981</b> Initial term cost	<b>4.5%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.5%. Total amount payable £500,662.86 includes interest of £199,118.86 product fees of £999 and other fees of £545. Repayments: 62 months of £1,526.11 at 3.65% (variable), then 238 months of £1,699.58 at 4.91% (variable). Early repayment charges apply.					
 2 year discounted <a href="#">Full details</a>					
<b>£1,533</b> Monthly payment until 31/3/2025	<b>3.69%</b> Initial rate	<b>£0</b> Product fees	<b>£37,198</b> Initial term cost	<b>4.8%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.8%. Total amount payable £512,442.80 includes interest of £211,897.80 product fees of £0 and other fees of £545. Repayments: 26 months of £1,532.61 at 3.69% (variable), then 274 months of £1,722.81 at 4.91% (variable). Early repayment charges apply.					
 2 year discounted <a href="#">Full details</a>					
<b>£1,533</b> Monthly payment for 24 months	<b>3.69%</b> Initial rate	<b>£699</b> Product fees	<b>£37,832</b> Initial term cost	<b>6.1%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.1%. Total amount payable £590,557.96 includes interest of £289,413.96 product fees of £699 and other fees of £445. Repayments: 24 months of £1,532.61 at 3.69% (variable), then 36 months of £1,771.27 at 5.20% (variable), then 240 months of £2,036.94 at 6.94% (variable). Early repayment charges apply.					

- The above quotes are indicative only, based on a hypothetical 25-year (repayment) mortgage loan scenario, where the property value is £500,000, and down payment is £200,000, as of 8 January 2023
- Source: <https://www.moneysupermarket.com/>

# UK Mortgage Loans






## Competitive Market Benchmark (Indicative Only) – Page 4 of 5

<b>Suffolk</b> <small>Building Society</small>					
3 year discounted <a href="#">Full details</a>					
<b>£1,533</b> Monthly payment for 36 months	<b>3.69%</b> Initial rate	<b>£699</b> Product fees	<b>£56,223</b> Initial term cost	<b>6.0%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.0%. Total amount payable £584,989 includes interest of £283,845 product fees of £699 and other fees of £445. Repayments: 36 months of £1,532.61 at 3.69% (variable), then 24 months of £1,762.26 at 5.20% (variable), then 240 months of £2,026.57 at 6.94% (variable). Early repayment charges apply.					
<b>Principality</b> <small>Building Society</small>					
2 year discounted <a href="#">Full details</a>					
<b>£1,534</b> Monthly payment until 30/4/2025	<b>3.70%</b> Initial rate	<b>£0</b> Product fees	<b>£36,830</b> Initial term cost	<b>5.3%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.3%. Total amount payable £539,648.44 includes interest of £239,575.44 product fees of £0 and other fees of £73. Repayments: 27 months of £1,534.24 at 3.70% (variable), then 36 months of £1,761.06 at 5.15% (variable), then 237 months of £1,834.40 at 5.65% (variable). Early repayment charges apply.					
<b>BARCLAYS</b>					
2 year tracker <a href="#">Full details</a>					
<b>£1,541</b> Monthly payment for 24 months	<b>3.74%</b> Initial rate	<b>£999</b> Product fees	<b>£38,012</b> Initial term cost	<b>6.6%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £611,611.96 includes interest of £310,497.96 product fees of £999 and other fees of £115. Repayments: 24 months of £1,540.76 at 3.74% (variable), then 276 months of £2,077.97 at 6.99% (variable). Early repayment charges may apply.					
<b>The Loughborough</b> <small>Building Society</small>					
3 year discounted <a href="#">Full details</a>					
<b>£1,549</b> Monthly payment for 36 months	<b>3.79%</b> Initial rate	<b>£699</b> Product fees	<b>£56,575</b> Initial term cost	<b>5.5%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.5%. Total amount payable £551,543.80 includes interest of £250,729.80 product fees of £699 and other fees of £115. Repayments: 36 months of £1,548.93 at 3.79% (variable), then 264 months of £1,874.88 at 5.89% (variable). Early repayment charges apply.					
<b>Principality</b> <small>Building Society</small>					
2 year discounted <a href="#">Full details</a>					
<b>£1,551</b> Monthly payment until 30/4/2025	<b>3.80%</b> Initial rate	<b>£0</b> Product fees	<b>£37,222</b> Initial term cost	<b>5.3%</b> APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.3%. Total amount payable £540,485.77 includes interest of £240,412.77 product fees of £0 and other fees of £73. Repayments: 27 months of £1,550.57 at 3.80% (variable), then 36 months of £1,762.46 at 5.15% (variable), then 237 months of £1,835.86 at 5.65% (variable). Early repayment charges apply.					

- The above quotes are indicative only, based on a hypothetical 25-year (repayment) mortgage loan scenario, where the property value is £500,000, and down payment is £200,000, as of 8 January 2023
- Source: <https://www.moneysupermarket.com/>

# UK Mortgage Loans

## Competitive Market Benchmark (Indicative Only) – Page 5 of 5

 2 year discounted <a href="#">Full details</a>					
£1,557 Monthly payment for 24 months	3.84% Initial rate	£999 Product fees	£38,390 Initial term cost	6.6% APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £612,432.80 includes interest of £311,293.80 product fees of £999 and other fees of £140. Repayments: 24 months of £1,557.13 at 3.84% (variable), then 276 months of £2,079.43 at 6.99% (variable). Early repayment charges apply.					
 2 year tracker <a href="#">Full details</a>					
£1,557 Monthly payment for 24 months	3.84% Initial rate	£999 Product fees	£38,405 Initial term cost	6.6% APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £612,407.80 includes interest of £311,293.80 product fees of £999 and other fees of £115. Repayments: 24 months of £1,557.13 at 3.84% (variable), then 276 months of £2,079.43 at 6.99% (variable). Early repayment charges may apply.					
 5 year discounted <a href="#">Full details</a>					
£1,559 Monthly payment until 31/3/2028	3.85% Initial rate	£0 Product fees	£93,941 Initial term cost	4.6% APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.6%. Total amount payable £503,204.84 includes interest of £202,659.84 product fees of £0 and other fees of £545. Repayments: 62 months of £1,558.77 at 3.85% (variable), then 238 months of £1,705.95 at 4.91% (variable). Early repayment charges apply.					
 2 year tracker <a href="#">Full details</a>					
£1,565 Monthly payment for 24 months	3.89% Initial rate	£999 Product fees	£38,584 Initial term cost	6.0% APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.0%. Total amount payable £578,857.16 includes interest of £277,841.16 product fees of £999 and other fees of £17. Repayments: 24 months of £1,565.35 at 3.89% (variable), then 276 months of £1,957.51 at 6.29% (variable). Early repayment charges may apply.					
 2 year discounted <a href="#">Full details</a>					
£1,565 Monthly payment for 24 months	3.89% Initial rate	£999 Product fees	£39,017 Initial term cost	6.5% APRC	<a href="#">Go to broker</a>
<b>Representative example:</b> a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.5%. Total amount payable £608,345.32 includes interest of £306,796.32 product fees of £999 and other fees of £550. Repayments: 24 months of £1,565.35 at 3.89% (variable), then 276 months of £2,062.42 at 6.89% (variable). Early repayment charges apply.					

- The above quotes are indicative only, based on a hypothetical 25-year (repayment) mortgage loan scenario, where the property value is £500,000, and down payment is £200,000, as of 8 January 2023
- Source: <https://www.moneysupermarket.com/>



# Crypto Markets: Bitcoin

## BTC/USD Bitfinex Overview

i



Prev. Close	<b>16,952</b>	Bid	<b>16,980</b>	Day's Range	<b>16,930 - 17,040</b>
Open	<b>16,952</b>	Ask	<b>16,981</b>	52 wk Range	<b>15,501 - 48,159</b>
1-Year Change	<b>-59.19%</b>				

- Source: [www.investing.com](https://www.investing.com), as of 8 January 2023

# Crypto Markets: Ethereum

## ETH/USD Binance Overview

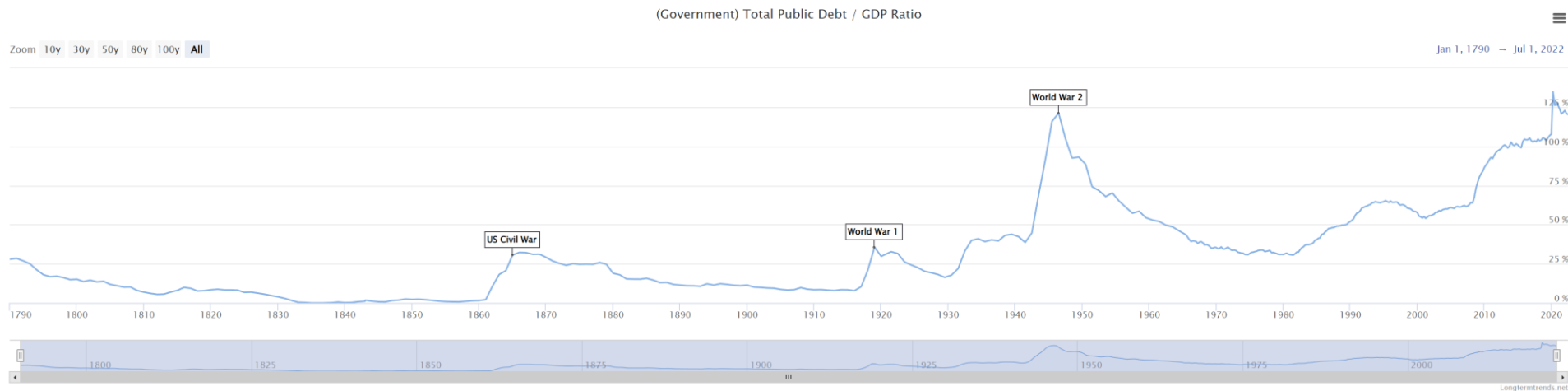


Prev. Close	1,265.08	Bid	1,267.23	Day's Range	1,257.77 - 1,280
Open	1,265.08	Ask	1,267.24	52 wk Range	883.62 - 3,579.96
1-Year Change	-60.5%				

- Source: [www.investing.com](https://www.investing.com), as of 8 January 2023

# Macro-economic / Markets Insights – US Debt to GDP Ratio

## Federal Debt to GDP



## Interpretation

In order to allow for comparison over time, a nation's debt is often expressed as a ratio to its gross domestic product (GDP). The total public debt (used in the chart above) is a form of government federal debt. It includes "debt held by the public" as well as "intragovernmental holdings". Historically, the ratio has increased during wars and recessions. Other popular classifications of debt (see charts below) are "corporate debt" and "household debt".

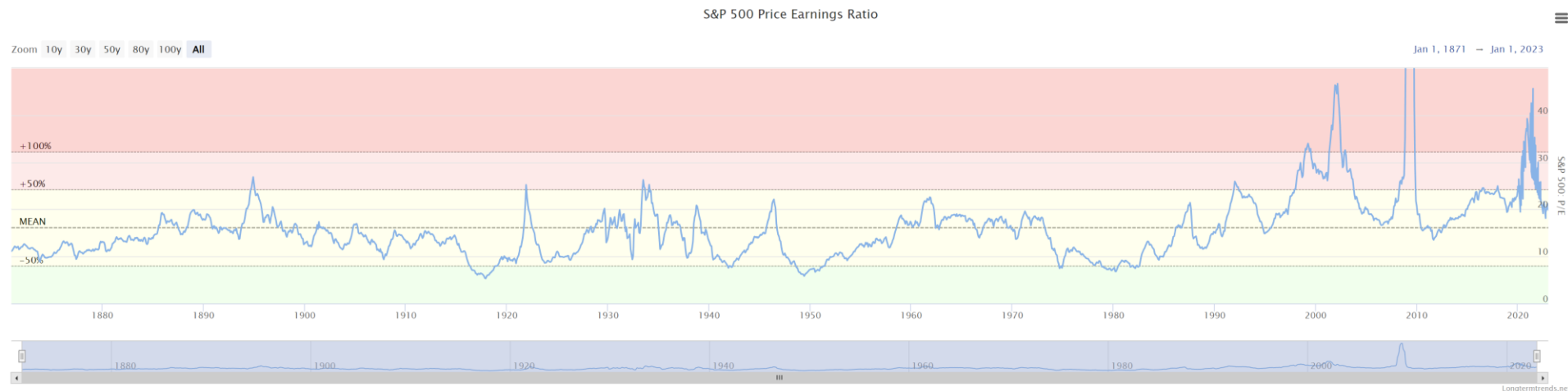
Ray Dalio, identified a long-term debt cycle, which takes approximately 75-100 years to complete. He also analyzed the the total US debt - including federal, corporate, and household debt - going back to 1920 (see [BIG DEBT CRISES](#), page 13).

**TV** TradingView

**Join 15M+ traders  
and investors**

- Source: <https://www.longtermtrends.net/>, as of 8 January 2023

# Macro-economic / Markets Insights – S&P 500 Price to Earnings Ratio



## Interpretation

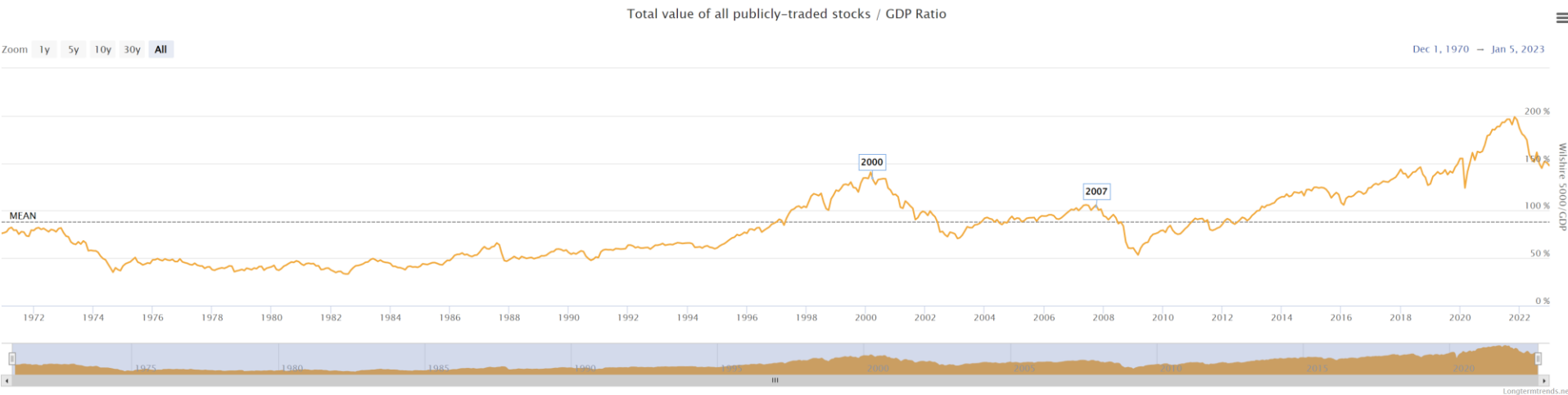
The price earnings ratio is calculated by dividing a company's stock price by its earnings per share. In other words, the price earnings ratio shows what the market is willing to pay for a stock based on its current earnings. It is one of the most widely-used valuation metrics for stocks. The PE ratio of the S&P 500 divides the index (current market price) by the reported earnings of the trailing twelve months. In 2009 when earnings fell close to zero the ratio got out of whack. A solution to this phenomenon is to divide the price by the average inflation-adjusted earnings of the previous 10 years. In recent years, Yale professor [Robert Shiller](#), he author of Irrational Exuberance, has reintroduced this adjusted ratio to a wider audience of investors. The Shiller PE Ratio of the S&P 500 is illustrated below.

**TradingView**

**Join 15M+ traders  
and investors**

- Source: <https://www.longtermtrends.net/>, as of 8 January 2023

# Macro-economic / Markets Insights – Buffet Indicator (Total Market Cap / GDP)



## Interpretation

Market Cap to GDP is a long-term valuation indicator for stocks. It has become popular in recent years, thanks to Warren Buffett. Back in 2001 he remarked in a [Fortune Magazine](#) interview that "it is probably the best single measure of where valuations stand at any given moment."

'Market Cap to GDP' is commonly defined as a measure of the total value of all publicly-traded stocks in a country, divided by that country's Gross Domestic Product. The ratio in the chart above is calculated by dividing the 'Wilshire 5000 Total Market Index' by the US GDP. The **Wilshire 5000** is widely accepted as the definitive benchmark for the US equity market and is intended to measure the total market capitalization of all US equity securities with readily available price data.

**TradingView**

**Join 15M+ traders  
and investors**

- Source: <https://www.longtermtrends.net/>, as of 8 January 2023



# Macro-economic / Markets Insights – Growth / Value Stocks



## Interpretation

Which performed better in recent years, growth stocks or value stocks? Differentiating between these characteristics is a popular way to segment the US stock market (next to [segmentation by market capitalization](#)). **Value stocks** can be roughly described as "bargains". These stocks are usually associated with low P/E, low P/B, low price/cash flow, and a high [dividend yield](#). **Growth stocks** are the exact opposite. They are considered expensive measured by a variety of metrics. These stocks generally do not pay dividends, as the companies usually want to reinvest any earnings in order to keep growing at certain rates. Value and growth investing are opposing strategies. A stock prized by a value investor might be considered worthless by a growth investor and vice versa. Value investors seek to profit as the price returns to its "fair value" while growth investors are looking for "winners" and focus on competitive advantages. The ratio in the chart above divides the [Wilshire US Large-Cap Growth Index](#) by the [Wilshire US Large-Cap Value Index](#). When the ratio rises, growth stocks outperform value stocks - and when it falls, value stocks outperform growth stocks. The ratio peaked in 2000, during the dot-com mania.

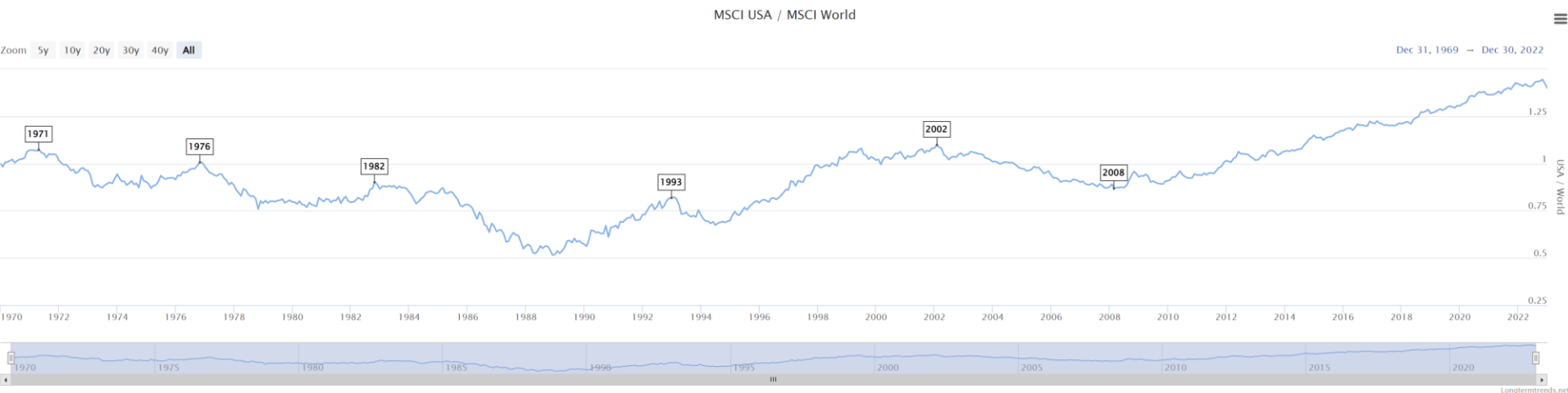
**TV** TradingView

Join 15M+ traders  
and investors

Launch Chart

- Source: <https://www.longtermtrends.net/>, as of 8 January 2023

# Macro-economic / Markets Insights – US Stocks vs. World Stocks



## Interpretation

What is the proportion of the US stock market to the global stock market? The ratio in the chart above divides the **MSCI USA** by the **MSCI World** index. When it rises, US stocks outperform the rest of the world - and when it falls, US stocks underperform. By definition, this ratio cannot grow forever. At some point, US stocks would simply make up 100% of global stocks. The chart shows that, since the financial crisis of 2008, US stocks have been outperforming the rest of the world.

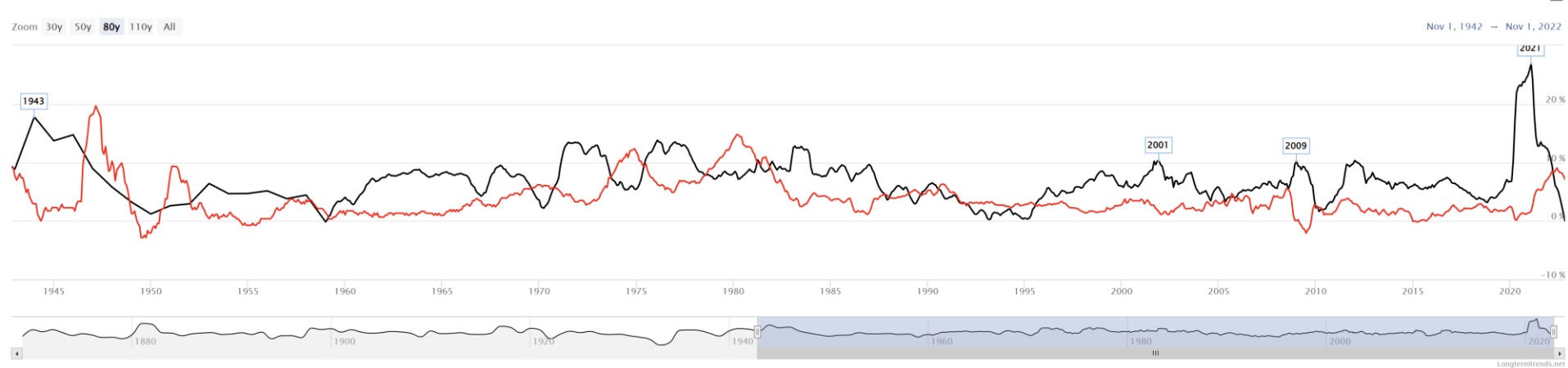
**TV** TradingView

Join 15M+ traders

- Source: <https://www.longtermtrends.net/>, as of 8 January 2023

# Macro-economic / Markets Insights – Money Supply Growth vs. Inflation

M2 yearly growth vs. inflation



Longtermtrends.net

## Interpretation

The "M2 Money Supply", also referred to as "M2 Money Stock", is a measure for the amount of currency in circulation. M2 includes M1 (physical cash and checkable deposits) as well as "less liquid money", such as saving bank accounts. The chart above plots the yearly **M2 Growth Rate** and the **Inflation Rate**, which is defined as the yearly change in the Consumer Price Index (CPI). When inflation is high, prices for goods and services rise and thus the purchasing power per unit of currency decreases.

Historically, M2 has grown along with the **economy** (see in the chart below). However, it has also grown along with **Federal Debt to GDP** during *wars* and *recessions*. In most recent history, M2 growth surpassed 10 percent in the crisis of 2001 and 2009, during which an expansionary monetary policy was deployed by the central bank, including large scale asset purchases.

According to [Bannister and Forward \(2002, page 28\)](#), Money supply growth and inflation are inexorably linked.

**TV** TradingView

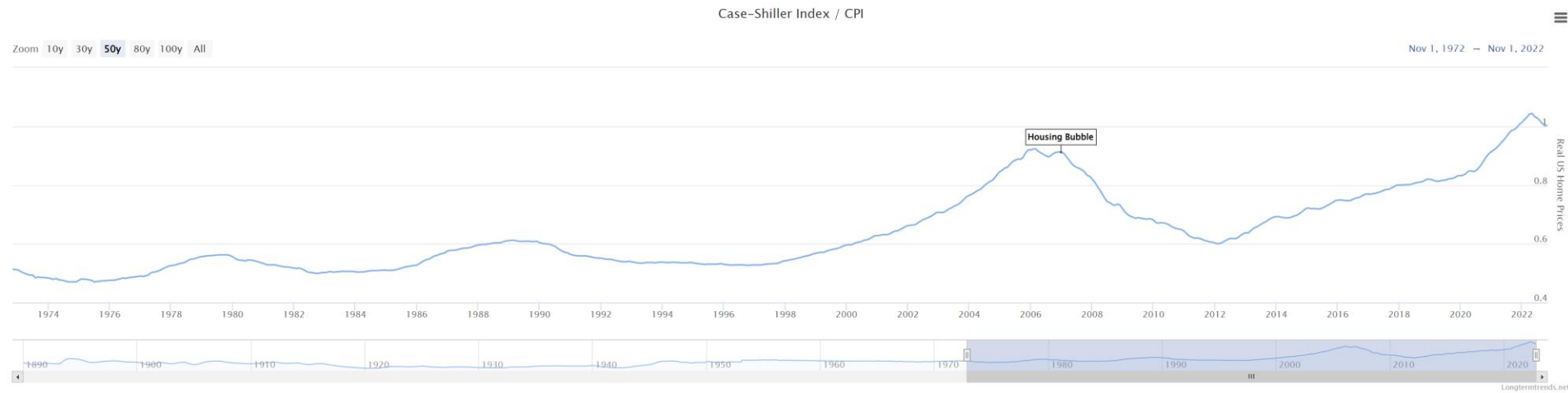
Join 15M+ traders  
and investors

Launch Chart

- Source: <https://www.longtermtrends.net/>, as of 8 January 2023

# Macro-economic / Markets Insights – US Real Home Prices

## Case-Shiller Home Price to CPI Ratio (US)



### Interpretation

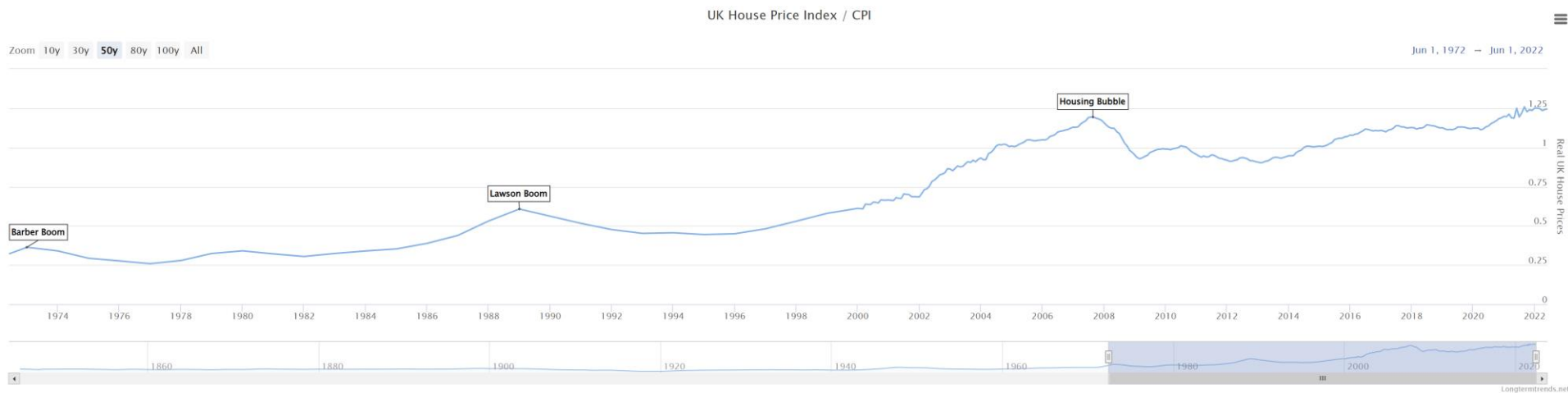
The real home price takes into account the effects of inflation and therefore allows for better comparison over time. The ratio in the chart above divides the Case-Shiller Home Price Index by the Consumer Price Index (CPI). The [Case-Shiller Home Price Index](#) seeks to measure the price of all existing single-family housing stock. Based on the pioneering research of [Robert J. Shiller](#) and [Karl E. Case](#) the index is generally considered the leading measure of U.S. residential real estate prices. When inflation is high, prices as measured by the CPI increase and the purchasing power per unit of currency decreases. The Case-Shiller index has a base of Jan 2000=100 while the CPI has a base of 1983=100. Therefore, it is the trend over time that is significant, and not the absolute ratio values.

TradingView

Join 15M+ traders  
and investors

- Source: <https://www.longtermtrends.net/>, as of 8 January 2023

# Macro-economic / Markets Insights – UK Real Home Prices



## Interpretation

This chart shows the ratio between the UK House Price Index and UK Consumer Price Index (CPI). Both series have their base year (value=100) in 2015, therefore the ratio is 1 at this point. Since the second world war, the ratio rose steadily, showing how house price growth progressively outstripped inflation, a trend that has accelerated since the 1990s.

- Source: <https://www.longtermtrends.net/>, as of 8 January 2023

## Important Legal Disclosure

- In accordance with the Financial Conduct Authority's (FCA) regulations differentiating between 'advice' and 'guidance', all consultancy services provided by Six Arrows Consultancy Limited constitute '**guidance**' only and not "advice".
- Accordingly, Six Arrows Consultancy Limited is authorised to provide its customers with information about different types of investments or general principles for you to consider when investing.
- Six Arrows Consultancy Limited is not authorised to recommend a specific course of action to you or give a personal recommendation about how you should invest.
- For more detailed information on what Six Arrows Consultancy Limited, in its capacity as a 'guidance' provider, is authorised to do and not do, please visit FCA's relevant regulation through the following web site
  - <https://www.fca.org.uk/consumers/understanding-advice-guidance-investments>





**Six  
Arrows  
Consultancy**  
Plan Your Future



@ARROWS\_SIX



[LINKEDIN.COM/IN/SIX-ARROWS-CONSULTANCY-LIMITED/](https://www.linkedin.com/company/six-arrows-consultancy-limited/)



[HTTPS://SIXARROWSCONSULTANCY.COM/](https://sixarrowsconsultancy.com/)