



MONTHLY NEWSLETTER, JAN 2023

4 FEBRUARY 2023



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

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Global Economy

Country	GDP	GDP YoY	GDP QoQ	Interest Rate	Inflation Rate	Jobless Rate	Gov. Budget	Debt/GDP	Current Account	Population
United States	23315	1.00	2.90	4.75	6.50	3.40	-5.80	129.00	-3.60	334.23
China	17734	2.90	0.00	3.65	1.80	5.50	-7.40	76.90	1.80	1411.75
Euro Area	14563	1.90	0.10	3.00	8.50	6.60	-5.10	95.60	2.50	342.56
Japan	4941	1.50	-0.20	-0.10	4.00	2.50	-5.90	262.50	4.00	125.31
Germany	4260	1.10	-0.20	3.00	8.60	5.50	-2.60	69.30	7.40	83.16
India	3176	6.30	0.80	6.25	5.72	7.10	-6.90	89.26	-1.20	1380.00
United Kingdom	3131	1.90	-0.30	4.00	10.50	3.70	-5.40	97.40	-2.00	67.53
France	2958	0.50	0.10	3.00	6.00	7.30	-6.50	112.90	0.40	67.63
Italy	2108	1.70	-0.10	3.00	10.10	7.80	-7.20	150.80	2.50	59.24
Canada	1988	3.90	0.70	4.50	6.30	5.00	-4.70	112.80	0.10	38.44
South Korea	1799	1.40	-0.40	3.50	5.20	3.30	-5.60	46.90	4.90	51.74
Russia	1776	-3.70	-0.80	7.50	11.90	3.70	-2.30	18.20	6.80	145.55
Brazil	1609	3.60	0.40	13.75	5.79	8.10	-4.50	80.27	-1.80	213.32
Australia	1553	5.90	0.60	3.10	7.80	3.50	-1.50	36.10	-0.40	25.77
Spain	1427	2.70	0.20	3.00	5.80	12.87	-6.90	118.40	0.90	47.40
Mexico	1273	3.50	0.40	10.50	7.82	2.80	-3.80	49.60	-0.40	126.25
Indonesia	1186	5.72	1.81	5.75	5.28	5.86	-2.38	40.90	0.30	272.70
Netherlands	1013	3.10	-0.20	3.00	7.60	3.50	-2.60	52.40	9.00	17.48
Saudi Arabia	834	5.40	1.50	5.25	3.30	5.80	-2.30	30.00	6.60	34.11
Turkey	819	3.90	-0.10	9.00	57.68	10.20	-2.70	42.00	-1.70	84.68
Switzerland	801	0.50	0.20	1.00	2.80	2.10	-0.70	41.40	9.30	8.67
Taiwan	775	-0.86	-1.08	1.75	2.71	3.61	-0.50	28.20	14.80	23.38
Poland	679	3.60	1.00	6.75	16.60	5.20	-1.80	53.80	-0.70	37.84
Sweden	636	-0.60	-0.60	2.50	12.30	6.90	-0.10	36.70	5.30	10.38
Belgium	594	1.40	0.10	3.00	8.05	5.50	-5.50	108.20	-0.40	11.55

Source: www.tradingeconomics.com, as of 4 February 2023 (GDP figures are provided in USD billion)

Macro Outlook

- December 2022 inflation readings in the US and eurozone showed slowing inflation
- The relatively mild winter has defused the energy crisis in Europe and reduced the risk of a deep winter recession.
- The surprisingly quick end to the zero-Covid policy in China has raised expectations that the Chinese economy will experience a strong recovery in the first half of 2023, which should benefit both China and its trading partners in Asia.

UK & US Economic Calendar – Key Events

- 1 Feb > FED Interest Rate Decision
- 2 Feb > BOE Interest Rate Decision
- 3 Feb > Unemployment Rate
- 3 Feb > Non-Farm Payrolls
- 10 Feb > GDP Growth YoY
- 14 Feb > Unemployment Rate
- 14 Feb > Inflation Rate YoY
- 15 Feb > Inflation Rate YoY

	United States
	United Kingdom
	United States
	United States
	United Kingdom
	United Kingdom
	United States
	United Kingdom

Equities

- Stock markets had a strong start to the year. Developed market equities rose 6% while emerging market stocks performed even better, up 9%. The S&P 500 rose 4.7%.
- After outperforming growth stocks by 24%-pts last year, value stocks underperformed by 5 %-pts in January. Falling energy prices dampened momentum in the energy sector and the market rally weighed on the relative performance of defensive sectors like healthcare, utilities and consumer staples, which feature more heavily in value indices.
- The surprising resilience of the eurozone economy was reflected in equity markets as Europe-ex-UK equities rallied 8.1%.
- In the UK, despite the weak economic data, the FTSE All-Share rose by 4.7%.
- With the significantly improved macro backdrop, the MSCI China index returned 12%, lifting the total return since its October 2022 lows to 50%.

Bonds

- Bond yields fell, leading the Global Aggregate bond index to rally by 3.2%. Interestingly, the correlation between equities and bonds remained positive, like last year, but the asset classes moved together in a much more pleasing direction for investors.
- The prospect of less restrictive monetary policy and a weakening economy boosted demand for bonds and caused US Treasury yields to fall, particularly at the long end.
- The improved sentiment in Europe helped peripheral bonds, which outperformed German Bunds in January, contributing positively to the 2.3% return for European government bonds.
- The Bank of Japan (BoJ) loosened its yield curve control, widening the band for 10-year government bonds from +/-0.25% to +/-0.50%. However, in January, the BoJ had to intervene massively in bond markets to defend the new wider limit because investors are anticipating a further widening.

Commodities

- Gold benefited from USD weakness and central bank buying but real yields are a challenge.
- High price levels reflect supply concerns, but demand is starting to decline, and US inventories are at very high levels.

FX

- The USD has weakened in light of comments from Fed Chair Jerome Powell at the FOMC press conference. The lack of a policy push-back against improving risk sentiment has put the “safe haven” USD back on the defensive.

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	Jan '23
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%	MSCI EM 9.2%
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%	Growth 8.6%
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%	Global REITS 8.2%
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%	Small cap 7.8%
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%	DM Equities 6.1%
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%	Value 3.8%
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 3.2%
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 -1.8%

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

Global Stock Markets – Americas

AMERICAS

Jan 01 - -

 S&P 500 New York



 Nasdaq Composite New York



 Dow Jones Industrial New York



Jan 01 - Jan 31

 S&P/TSX COMP Toronto



 IPC Mexico City



 Bovespa São Paulo




- Source: Financial Times
- All figures are as of 31 January 2023
- Monthly figures represent the period between 01 January and 31 January 2023

Global Stock Markets – Europe

EUROPE


Jan 01 - Jan 31

 **FTSE 100** London



 **FTSE Eurofirst 300** Europe

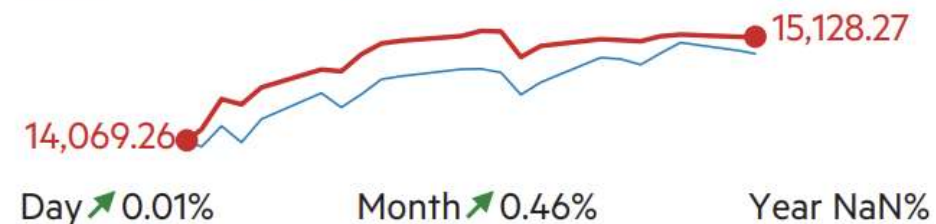



 **CAC 40** Paris



Jan 01 - Jan 31

 **Xetra Dax** Frankfurt



 **Ibex 35** Madrid



 **FTSE MIB** Milan




- Source: Financial Times
- All figures are as of 31 January 2023
- Monthly figures represent the period between 01 January and 31 January 2023

Global Stock Markets – Asia


ASIA

Jan 01 - Jan 31


Index All World

 Nikkei 225 Tokyo



 Hang Seng Hong Kong




 Shanghai Composite Shanghai



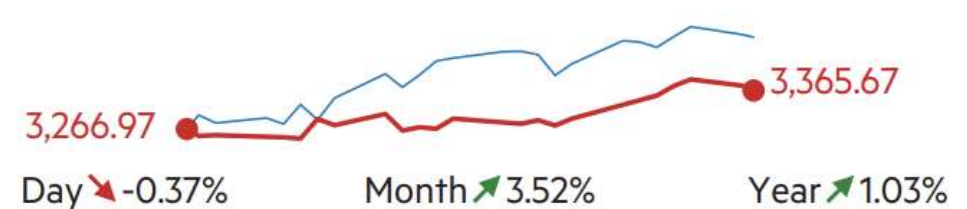
Jan 01 - Jan 20

Index All World

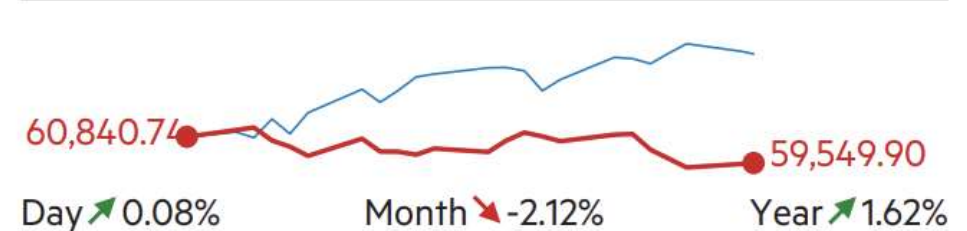
 Kospi Seoul



 FTSE Straits Times Singapore

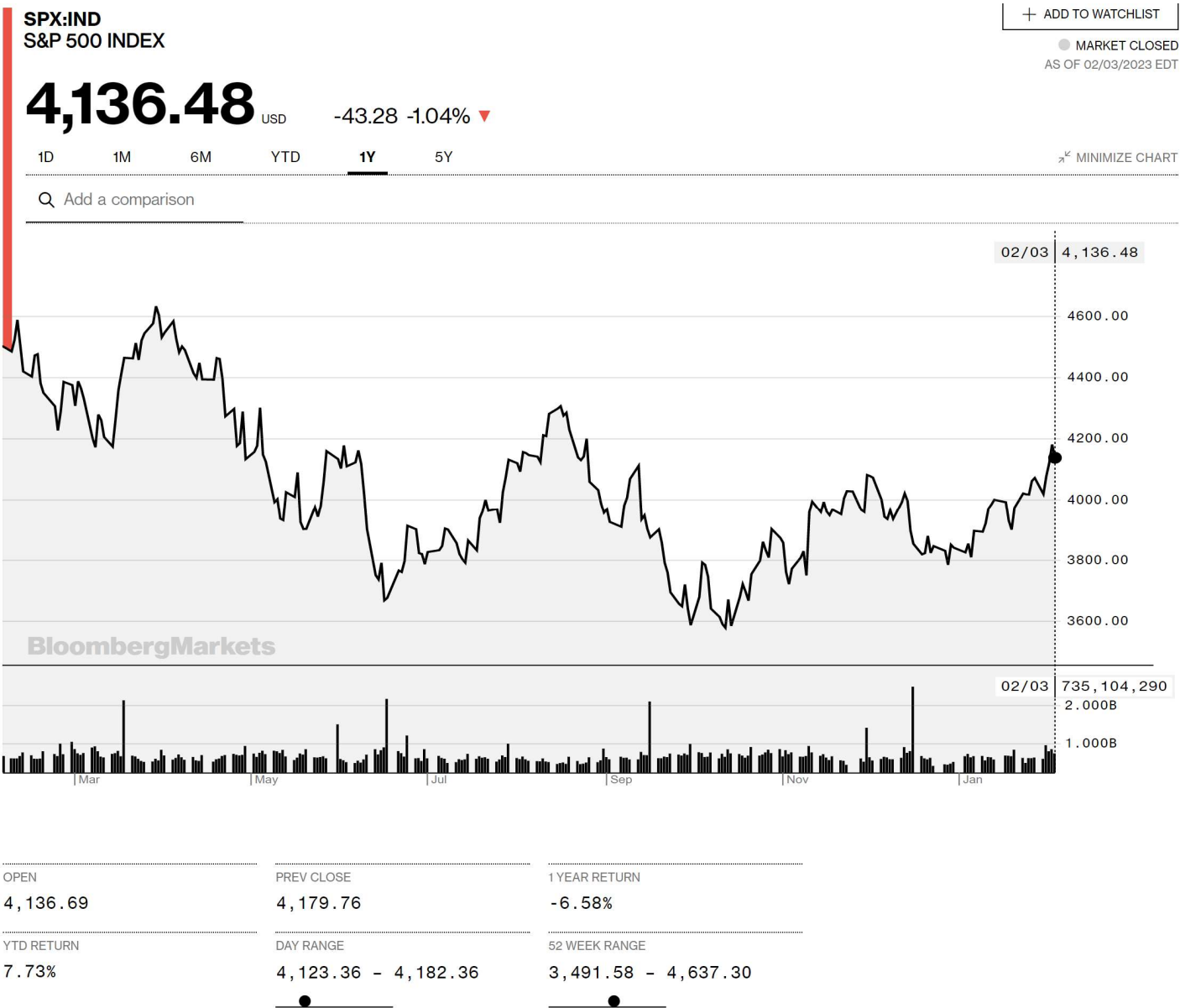


 BSE Sensex Mumbai



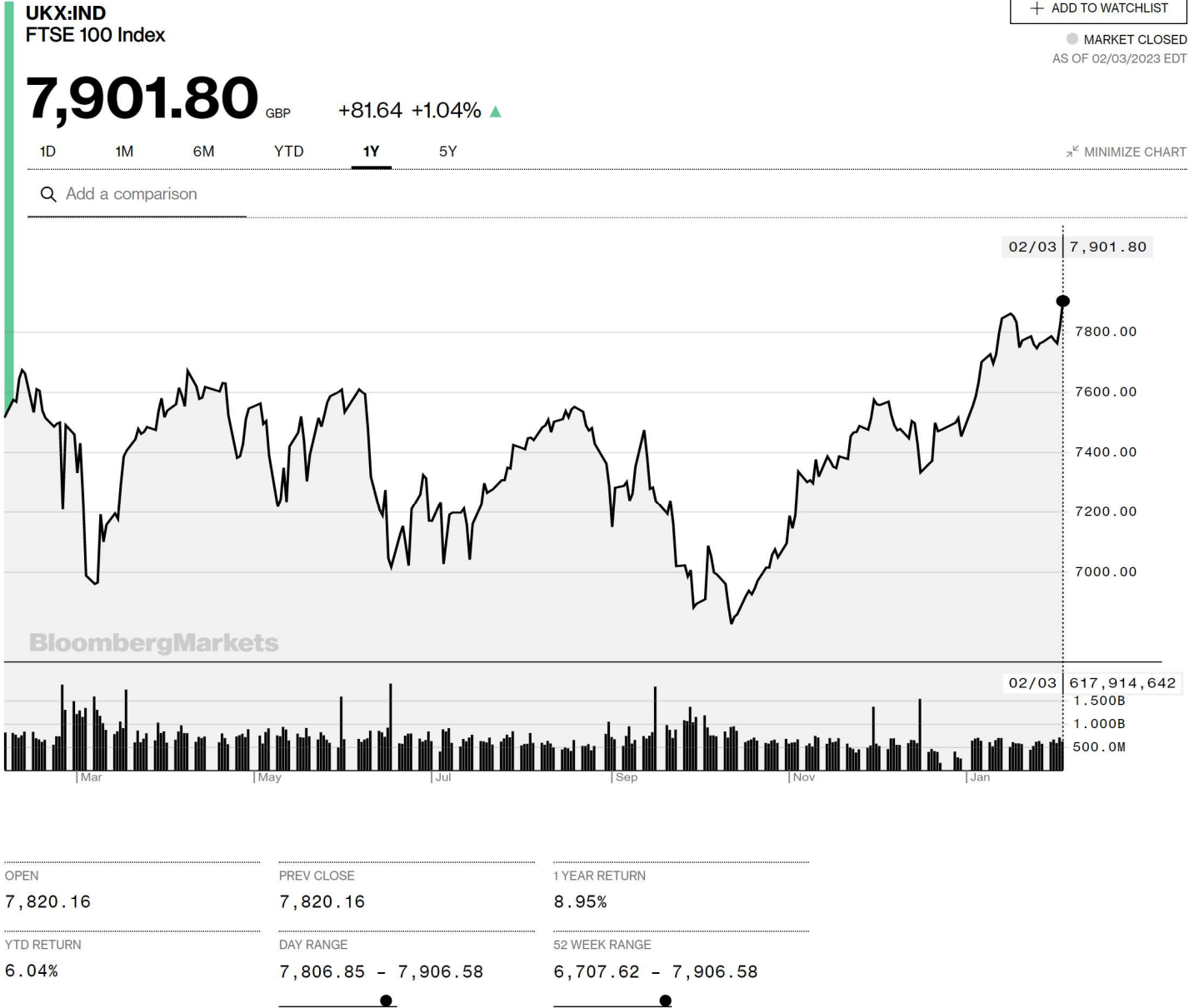
- Source: Financial Times
- All figures are as of 31 January 2023
- Monthly figures represent the period between 01 January and 31 January 2023

US Stock Markets



- Source: Bloomberg
- All figures are as of 4 February 2023

UK Stock Markets



- Source: Bloomberg
- All figures are as of 4 February 2023

Turkey Stock Markets

XU100:IND
Borsa Istanbul 100 Index

+ ADD TO WATCHLIST

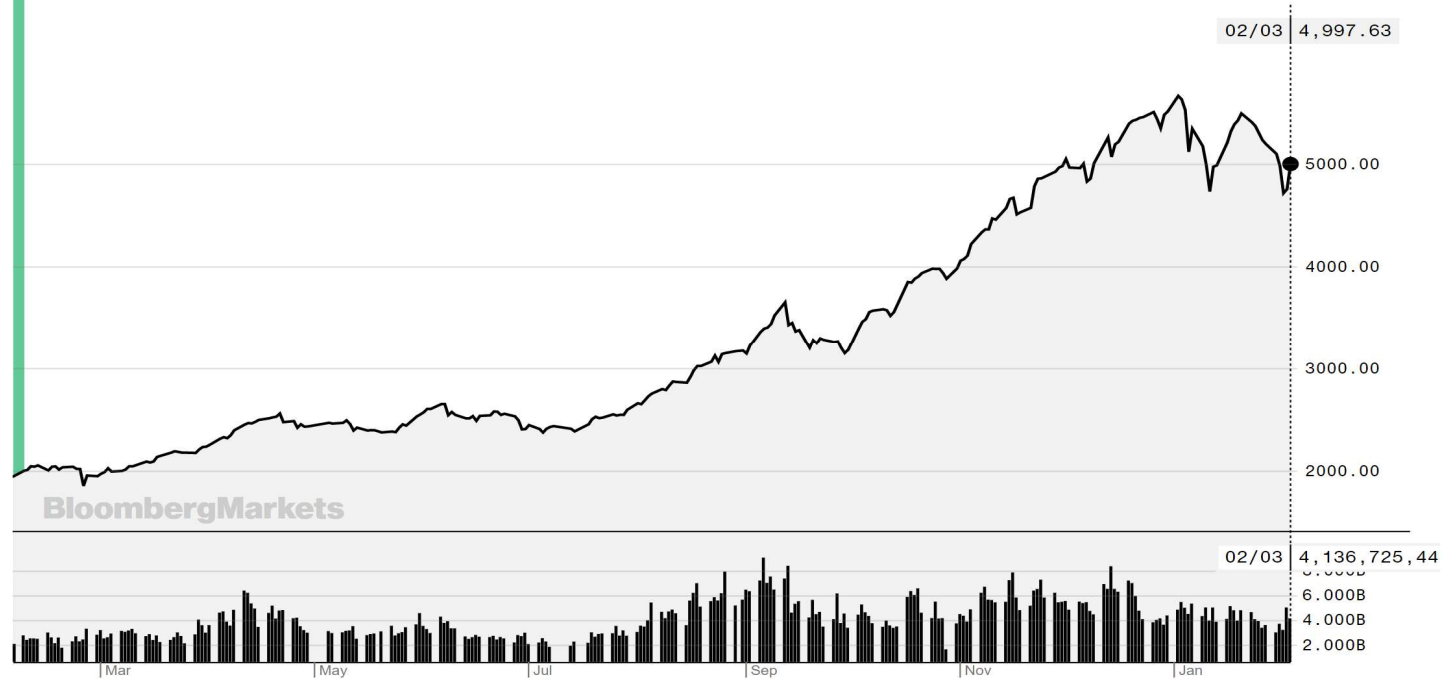
● MARKET CLOSED
AS OF 02/03/2023 EDT

4,997.63 TRY +245.39 +5.16% ▲

1D 1M 6M YTD **1Y** 5Y

⌵ MINIMIZE CHART

Q Add a comparison



OPEN
4,754.57

PREV CLOSE
4,752.24

1 YEAR RETURN
166.48%

YTD RETURN
-9.29%

DAY RANGE
4,727.23 - 4,997.63

52 WEEK RANGE
1,826.83 - 5,704.83

- Source: Bloomberg
- All figures are as of 4 February 2023

Global Bond Markets – Americas

Americas 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EST)
United States »	3.52%	+13	-16	+162	2/3/2023
Canada	2.92%	+10	-21	+107	2/3/2023
Brazil	13.27%	+12	+13	+186	2/3/2023
Mexico	8.55%	+4	-30	+94	2/3/2023

- Source: Bloomberg
- All figures are as of 4 February 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 »	2.18%	+12	-8	+199	2/3/2023
United Kingdom »	3.05%	+5	-44	+164	2/3/2023
France	2.64%	+13	-14	+200	2/3/2023
Italy	4.02%	+13	-25	+228	2/3/2023
Spain	3.10%	+12	-19	+208	2/3/2023
Netherlands	2.44%	+12	-13	+210	2/3/2023
Portugal	3.02%	+13	-23	+206	2/3/2023
Greece	3.97%	-2	-48	+174	2/3/2023
Switzerland	1.16%	+12	-14	+94	2/3/2023

- Source: Bloomberg
- All figures are as of 4 February 2023

Global Bond Markets – Asia Pacific

Asia Pacific 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EST)
Japan »	0.48%	-1	+3	+29	2/3/2023
Australia »	3.38%	-16	-52	+142	2/3/2023
New Zealand	3.90%	-14	-45	+132	2/2/2023
	--	--	--	--	--
Singapore	2.89%	+2	-13	+113	2/3/2023
South Korea	3.14%	-9	-43	+63	2/3/2023
India	7.28%	-2	-4	+41	2/3/2023

- Source: Bloomberg
- All figures are as of 4 February 2023

UK Bond Markets

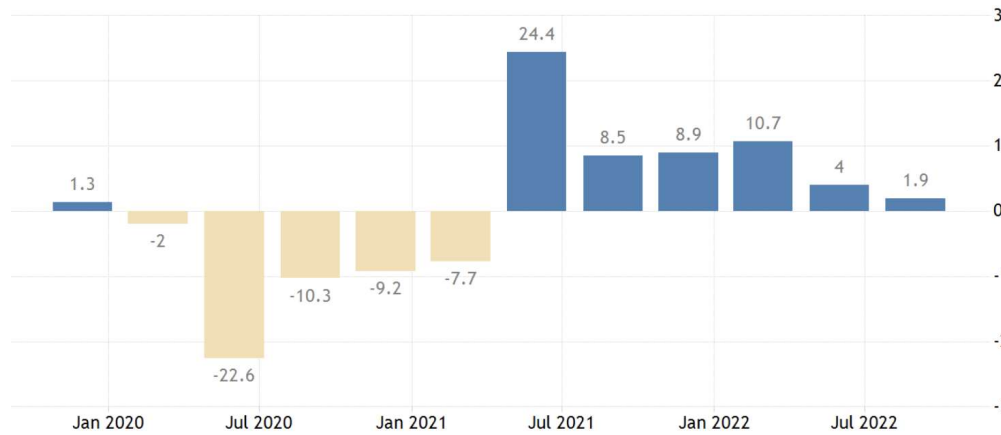
Gilt Yields

NAME	COUPON	PRICE	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EST)
GTGBP2Y:GOV UK Gilt 2 Year Yield	1.00	97.42	3.15%	+1	-21	+194	2/3/2023
GTGBP5Y:GOV UK Gilt 5 Year Yield	1.25	93.12	2.89%	+4	-57	+160	2/3/2023
GTGBP10Y:GOV UK Gilt 10 Year Yield	4.25	109.66	3.05%	+5	-44	+164	2/3/2023
GTGBP30Y:GOV UK Gilt 30 Year Yield	1.25	58.58	3.58%	+6	-24	+210	2/3/2023

- Source: Bloomberg
- All figures are as of 4 February 2023

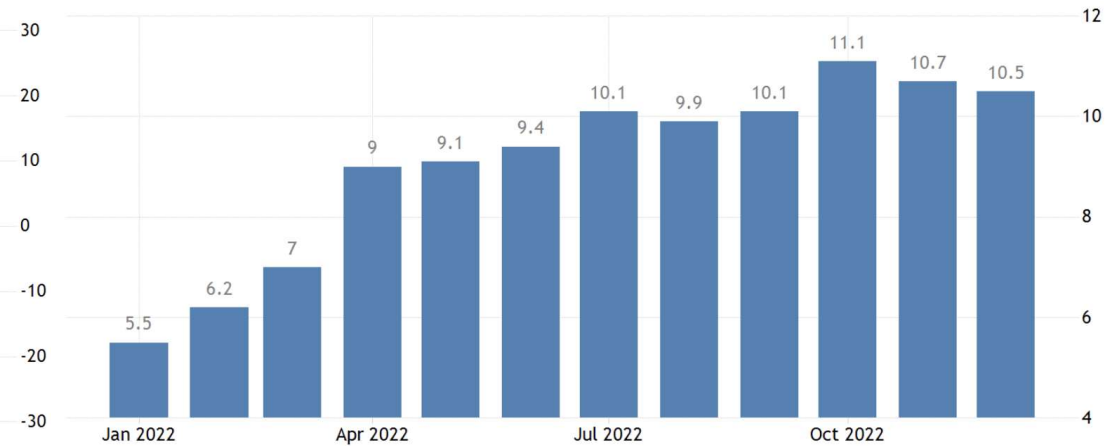
UK Economy

Annual GDP Growth Rate



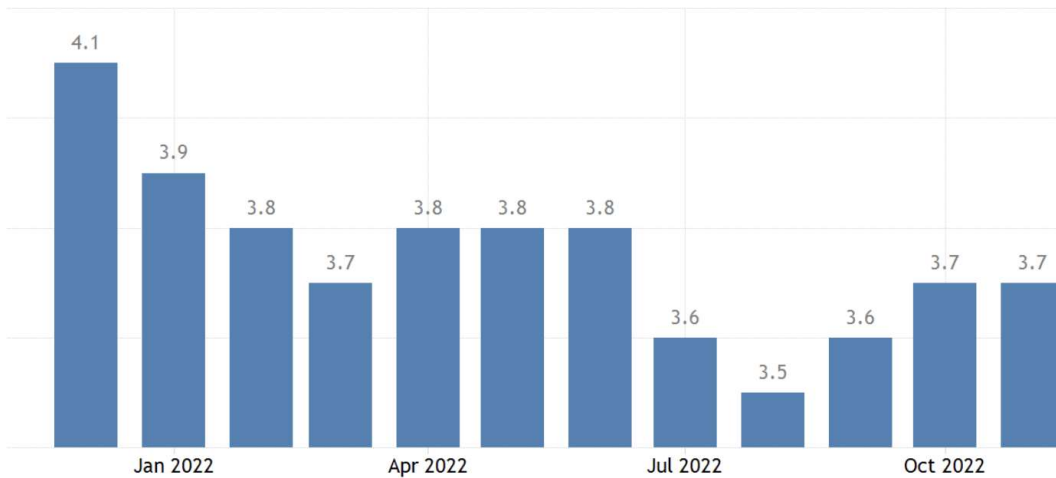
TRADEGEONOMICS.COM | OFFICE FOR NATIONAL STATISTICS

Annual Inflation Rate



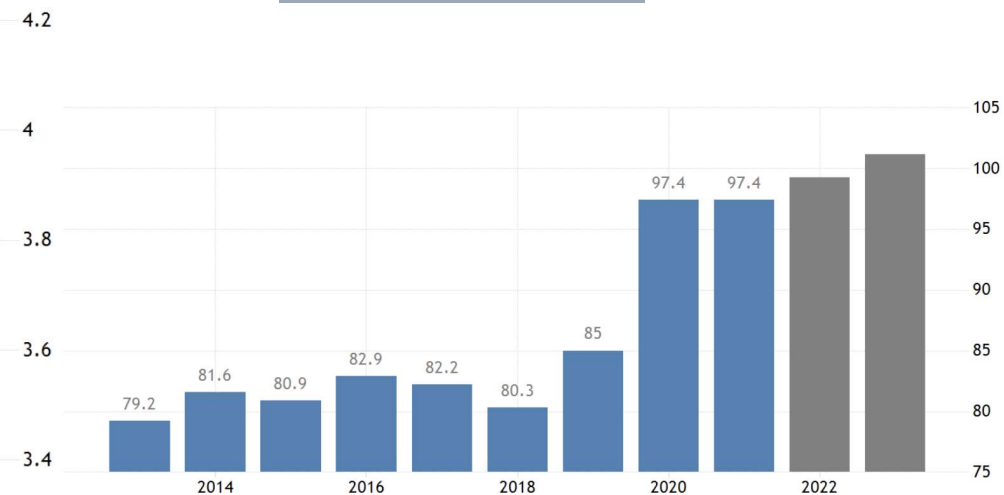
TRADEGEONOMICS.COM | OFFICE FOR NATIONAL STATISTICS

Unemployment Rate



TRADEGEONOMICS.COM | OFFICE FOR NATIONAL STATISTICS

Government Debt / GDP

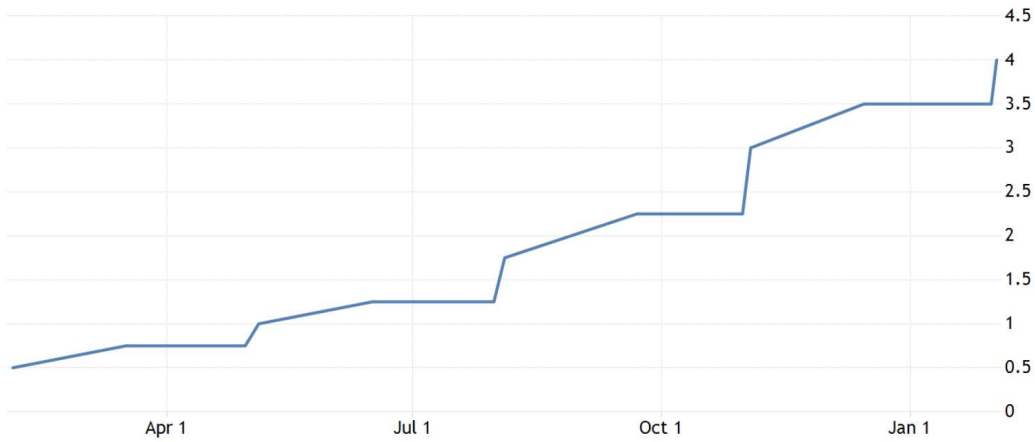


TRADEGEONOMICS.COM | OFFICE FOR BUDGET RESPONSIBILITY, UK

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

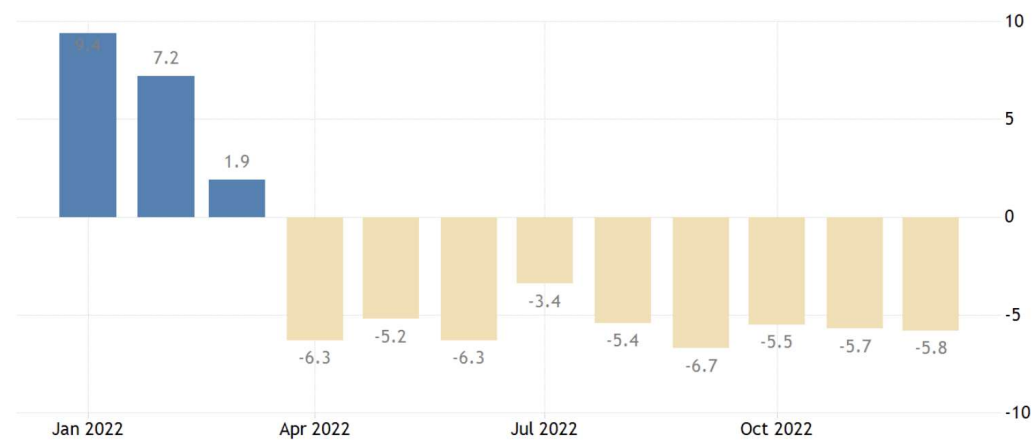
UK Markets

Interest Rate



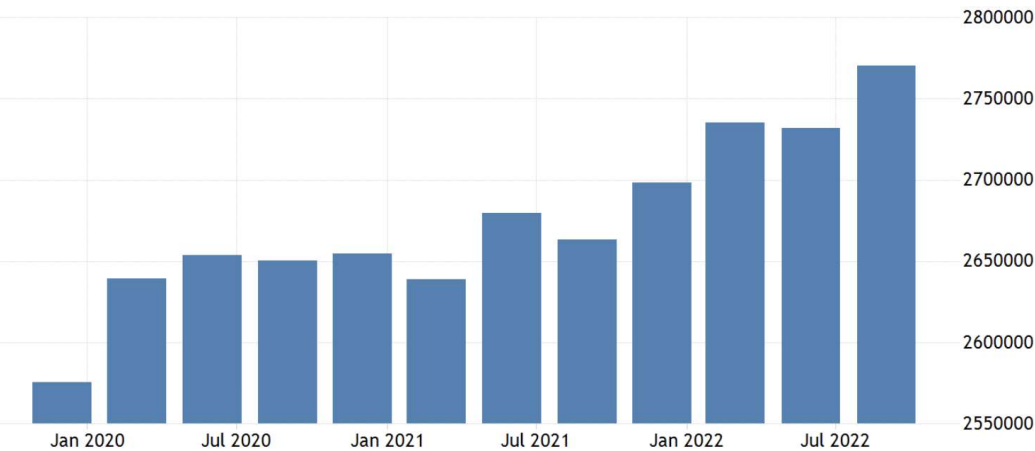
TRADINGECONOMICS.COM | BANK OF ENGLAND

Retail Sales YoY



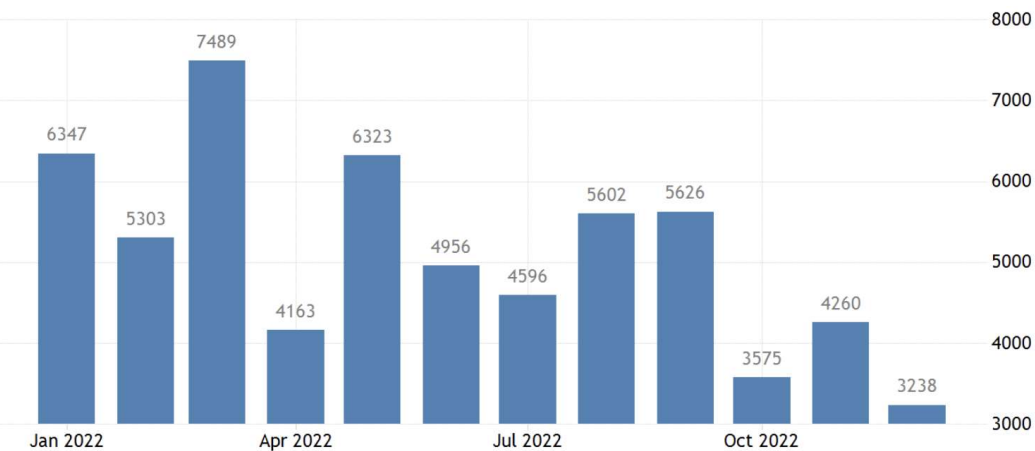
TRADINGECONOMICS.COM | OFFICE FOR NATIONAL STATISTICS

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>  3 year discounted Full details </div>					
£1,510 Monthly payment for 36 months	3.55% Initial rate	£699 Product fees	£55,406 Initial term cost	6.3% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.3%. Total amount payable £605,905.24 includes interest of £304,761.24 product fees of £699 and other fees of £445. Repayments: 36 months of £1,509.93 at 3.55% (variable), then 24 months of £1,839.29 at 5.70% (variable), then 240 months of £2,109.42 at 7.44% (variable). Early repayment charges apply.					
<div>  2 year discounted Full details </div>					
£1,549 Monthly payment for 24 months	3.79% Initial rate	£999 Product fees	£38,623 Initial term cost	6.9% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.9%. Total amount payable £627,238.12 includes interest of £325,689.12 product fees of £999 and other fees of £550. Repayments: 24 months of £1,548.93 at 3.79% (variable), then 276 months of £2,132.30 at 7.29% (variable). Early repayment charges apply.					
<div>  2 year discounted Full details </div>					
£1,557 Monthly payment for 24 months	3.84% Initial rate	£1,495 Product fees	£39,341 Initial term cost	6.8% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.8%. Total amount payable £620,841.28 includes interest of £318,671.28 product fees of £1,495 and other fees of £675. Repayments: 24 months of £1,557.13 at 3.84% (variable), then 276 months of £2,106.16 at 7.14% (variable). Early repayment charges apply.					
<div>  3 year discounted Full details </div>					
£1,559 Monthly payment for 36 months	3.85% Initial rate	£0 Product fees	£56,576 Initial term cost	6.2% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.2%. Total amount payable £594,197.76 includes interest of £293,582.76 product fees of £0 and other fees of £615. Repayments: 36 months of £1,558.77 at 3.85% (variable), then 264 months of £2,035.86 at 6.85% (variable). Early repayment charges apply.					
<div>  2 year discounted Full details </div>					
£1,565 Monthly payment until 31/5/2025	3.89% Initial rate	£999 Product fees	£38,982 Initial term cost	4.9% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.9%. Total amount payable £514,719.80 includes interest of £213,175.80 product fees of £999 and other fees of £545. Repayments: 27 months of £1,565.35 at 3.89% (variable), then 273 months of £1,724.95 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 4 February 2023
- Source: <https://www.moneysupermarket.com/>

UK Mortgage Loans






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

<div>  2 year discounted Full details </div>					
£1,575 Monthly payment for 24 months	3.95% Initial rate	£999 Product fees	£39,155 Initial term cost	7.0% APRC	Go to broker
<p>Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 7.0%. Total amount payable £638,367.80 includes interest of £336,943.80 product fees of £999 and other fees of £425. Repayments: 24 months of £1,575.24 at 3.95% (variable), then 276 months of £2,170.79 at 7.49% (variable). Early repayment charges apply.</p>					
<div>  Lifetime discounted Full details </div>					
£1,575 Monthly payment for 300 months	3.95% Initial rate	£3,250 Product fees	£476,321 Initial term cost	4.1% APRC	Go to broker
<p>Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.1%. Total amount payable £476,446 includes interest of £172,572 product fees of £3,250 and other fees of £624. Repayments: 300 months of £1,575.24 at 3.95% (variable). Early repayment charges apply.</p>					
<div>  2 year discounted Full details </div>					
£1,582 Monthly payment for 24 months	3.99% Initial rate	£3,000 Product fees	£41,314 Initial term cost	7.1% APRC	Go to broker
<p>Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 7.1%. Total amount payable £640,693.04 includes interest of £337,268.04 product fees of £3,000 and other fees of £425. Repayments: 24 months of £1,581.85 at 3.99% (variable), then 276 months of £2,171.39 at 7.49% (variable). Early repayment charges apply.</p>					
<div>  10 year fixed Full details </div>					
£1,582 Monthly payment until 1/6/2033	3.99% Initial rate	£995 Product fees	£191,122 Initial term cost	5.2% APRC	Go to broker
<p>Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.2%. Total amount payable £550,995.04 includes interest of £249,695.04 product fees of £995 and other fees of £305. Repayments: 123 months of £1,581.85 at 3.99% (fixed), then 177 months of £2,006.37 at 7.74% (variable). Early repayment charges apply.</p>					
<div>  2 year discounted Full details </div>					
£1,584 Monthly payment until 31/5/2025	4.00% Initial rate	£0 Product fees	£38,419 Initial term cost	4.8% APRC	Go to broker
<p>Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.8%. Total amount payable £514,615.16 includes interest of £214,070.16 product fees of £0 and other fees of £545. Repayments: 27 months of £1,583.51 at 4.00% (variable), then 273 months of £1,726.43 at 4.91% (variable). Early repayment charges apply.</p>					

- 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 4 February 2023
- Source: <https://www.moneysupermarket.com/>

UK Mortgage Loans

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

 2 year discounted Full details					
£1,598 Monthly payment until 31/5/2025	4.09% Initial rate	£0 Product fees	£38,363 Initial term cost	4.8% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.8%. Total amount payable £514,931.41 includes interest of £214,801.41 product fees of £0 and other fees of £130. Repayments: 27 months of £1,598.46 at 4.09% (variable), then 273 months of £1,727.63 at 4.91% (variable). Early repayment charges apply.					
 2 year discounted Full details					
£1,600 Monthly payment for 24 months	4.10% Initial rate	£999 Product fees	£39,402 Initial term cost	5.8% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.8%. Total amount payable £566,699.88 includes interest of £265,700.88 product fees of £999 and other fees of £0. Repayments: 24 months of £1,600.12 at 4.10% (variable), then 276 months of £1,910.50 at 6.00% (variable). Early repayment charges apply.					
 2 year tracker Full details					
£1,607 Monthly payment for 24 months	4.14% Initial rate	£999 Product fees	£39,597 Initial term cost	7.1% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 7.1%. Total amount payable £639,593.32 includes interest of £338,479.32 product fees of £999 and other fees of £115. Repayments: 24 months of £1,606.79 at 4.14% (variable), then 276 months of £2,173.61 at 7.49% (variable). Early repayment charges may apply.					
 2 year discounted Full details					
£1,608 Monthly payment until 30/6/2025	4.15% Initial rate	£0 Product fees	£38,611 Initial term cost	6.0% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.0%. Total amount payable £579,673.72 includes interest of £279,600.72 product fees of £0 and other fees of £73. Repayments: 28 months of £1,608.46 at 4.15% (variable), then 36 months of £1,899.02 at 5.95% (variable), then 236 months of £1,975.42 at 6.45% (variable). Early repayment charges apply.					
 Lifetime discounted Full details					
£1,608 Monthly payment for 300 months	4.15% Initial rate	£0 Product fees	£482,998 Initial term cost	4.2% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.2%. Total amount payable £483,153 includes interest of £182,538 product fees of £0 and other fees of £615. Repayments: 300 months of £1,608.46 at 4.15% (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 4 February 2023
- Source: <https://www.moneysupermarket.com/>

UK Mortgage Loans






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

platform <small>the independent sector of The Cooperative Bank</small>					
5 year fixed Full details					
£1,610 Monthly payment until 30/6/2028	4.16% Initial rate	£1,499 Product fees	£98,107 Initial term cost	5.6% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.6%. Total amount payable £559,850.76 includes interest of £258,301.76 product fees of £1,499 and other fees of £50. Repayments: 64 months of £1,610.13 at 4.16% (fixed), then 236 months of £1,929.04 at 6.37% (variable). Early repayment charges apply.					
Virgin money					
5 year fixed Full details					
£1,612 Monthly payment until 1/6/2028	4.17% Initial rate	£1,495 Product fees	£98,234 Initial term cost	6.3% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.3%. Total amount payable £603,360.31 includes interest of £301,835.31 product fees of £1,495 and other fees of £30. Repayments: 63 months of £1,611.81 at 4.17% (fixed), then 24 months of £2,144.07 at 7.74% (variable), then 213 months of £2,107.20 at 7.49% (variable). Early repayment charges apply.					
YORKSHIRE BUILDING SOCIETY					
5 year fixed Full details					
£1,613 Monthly payment until 31/5/2028	4.18% Initial rate	£1,495 Product fees	£98,304 Initial term cost	5.9% APRC	Go to lender
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.9%. Total amount payable £583,353.64 includes interest of £281,858.64 product fees of £1,495 and other fees of £0. Repayments: 63 months of £1,613.48 at 4.18% (fixed), then 237 months of £2,026.20 at 6.99% (variable). Early repayment charges apply.					
YORKSHIRE BUILDING SOCIETY					
2 year tracker Full details					
£1,615 Monthly payment until 31/5/2025	4.19% Initial rate	£995 Product fees	£39,759 Initial term cost	6.2% APRC	Go to lender
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.2%. Total amount payable £594,835.01 includes interest of £293,840.01 product fees of £995 and other fees of £0. Repayments: 27 months of £1,615.15 at 4.19% (variable), then 36 months of £1,792.31 at 5.30% (variable), then 237 months of £2,049.40 at 6.99% (variable). Early repayment charges apply.					
Newcastle Building Society					
2 year fixed Full details					
£1,615 Monthly payment until 31/5/2025	4.19% Initial rate	£999 Product fees	£40,178 Initial term cost	4.9% APRC	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.9%. Total amount payable £517,151.40 includes interest of £215,612.40 product fees of £999 and other fees of £540. Repayments: 27 months of £1,615.15 at 4.19% (fixed), then 273 months of £1,728.95 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 4 February 2023
- Source: <https://www.moneysupermarket.com/>

UK Mortgage Loans

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

 5 year fixed Full details					
£1,615 <small>Monthly payment until 2/5/2028</small>	4.19% <small>Initial rate</small>	£1,499 <small>Product fees</small>	£98,408 <small>Initial term cost</small>	6.1% <small>APRC</small>	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.1%. Total amount payable £594,256.74 includes interest of £292,532.74 product fees of £1,499 and other fees of £225. Repayments: 62 months of £1,615.15 at 4.19% (fixed), then 238 months of £2,068.88 at 7.25% (variable). Early repayment charges apply.					
 2 year discounted Full details					
£1,617 <small>Monthly payment for 24 months</small>	4.20% <small>Initial rate</small>	£2,250 <small>Product fees</small>	£41,404 <small>Initial term cost</small>	7.1% <small>APRC</small>	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 7.1%. Total amount payable £641,640.92 includes interest of £338,965.92 product fees of £2,250 and other fees of £425. Repayments: 24 months of £1,616.83 at 4.20% (variable), then 276 months of £2,174.50 at 7.49% (variable). Early repayment charges apply.					
 Lifetime discounted Full details					
£1,617 <small>Monthly payment for 300 months</small>	4.20% <small>Initial rate</small>	£3,250 <small>Product fees</small>	£488,798 <small>Initial term cost</small>	4.4% <small>APRC</small>	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 4.4%. Total amount payable £488,923 includes interest of £185,049 product fees of £3,250 and other fees of £624. Repayments: 300 months of £1,616.83 at 4.20% (variable). Early repayment charges apply.					
 5 year fixed Full details					
£1,619 <small>Monthly payment until 30/6/2028</small>	4.21% <small>Initial rate</small>	£999 <small>Product fees</small>	£98,109 <small>Initial term cost</small>	5.6% <small>APRC</small>	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.6%. Total amount payable £560,308.88 includes interest of £259,259.88 product fees of £999 and other fees of £50. Repayments: 64 months of £1,618.50 at 4.21% (fixed), then 236 months of £1,930.83 at 6.37% (variable). Early repayment charges apply.					
 2 year discounted Full details					
£1,624 <small>Monthly payment until 30/4/2025</small>	4.24% <small>Initial rate</small>	£999 <small>Product fees</small>	£40,276 <small>Initial term cost</small>	7.4% <small>APRC</small>	Go to broker
Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 7.4%. Total amount payable £661,697.38 includes interest of £360,191.38 product fees of £999 and other fees of £507. Repayments: 26 months of £1,623.53 at 4.24% (variable), then 274 months of £2,255.40 at 7.95% (variable). Early repayment charges may 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 4 February 2023
- Source: <https://www.moneysupermarket.com/>

Crypto Markets: Bitcoin

BTC/USD Bitfinex Overview



Prev. Close	23,605	Bid	23,408	Day's Range	23,230 - 23,708
Open	23,605	Ask	23,409	52 wk Range	15,501 - 48,159
1-Year Change	-37.38%				

- Source: www.investing.com, as of 4 February 2023

Crypto Markets: Ethereum

ETH/USD Binance Overview

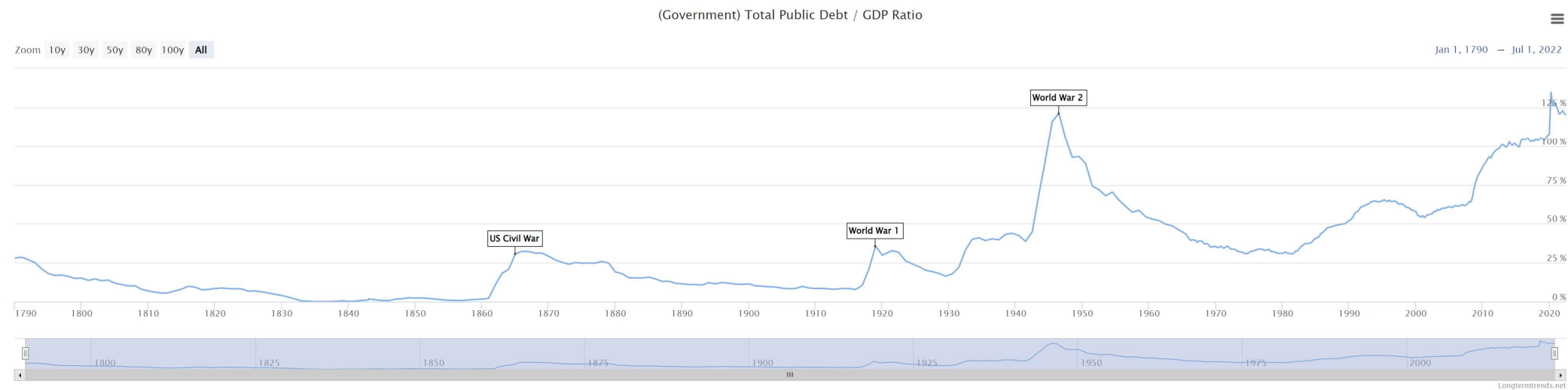


Prev. Close	1,663.68	Bid	1,678.92	Day's Range	1,642.4 - 1,695.29
Open	1,663.68	Ask	1,678.93	52 wk Range	883.62 - 3,579.96
1-Year Change	-38.45%				

- Source: www.investing.com, as of 4 February 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".

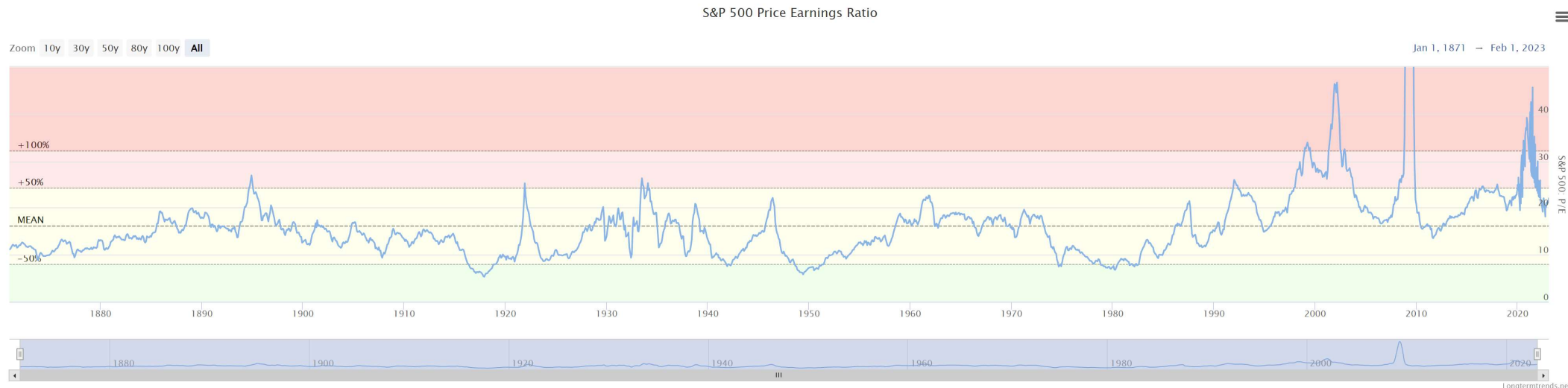
Ray Dalio, identified a long-term debt cycle, which takes approximately 75-100 years to complete. He also analyzed the the total US debt - including federal, corporate, and household debt - going back to 1920 (see [BIG DEBT CRISES](#), page 13).

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- Source: <https://www.longtermtrends.net/>, as of 4 February 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.

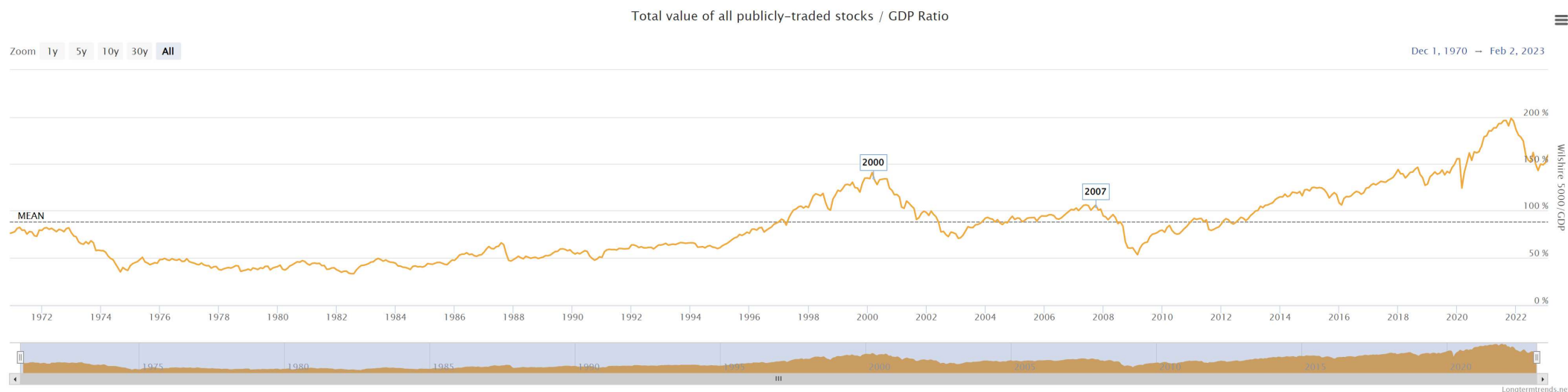
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- Source: <https://www.longtermtrends.net/>, as of 4 February 2023

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

Wilshire 5000 to GDP Ratio



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."

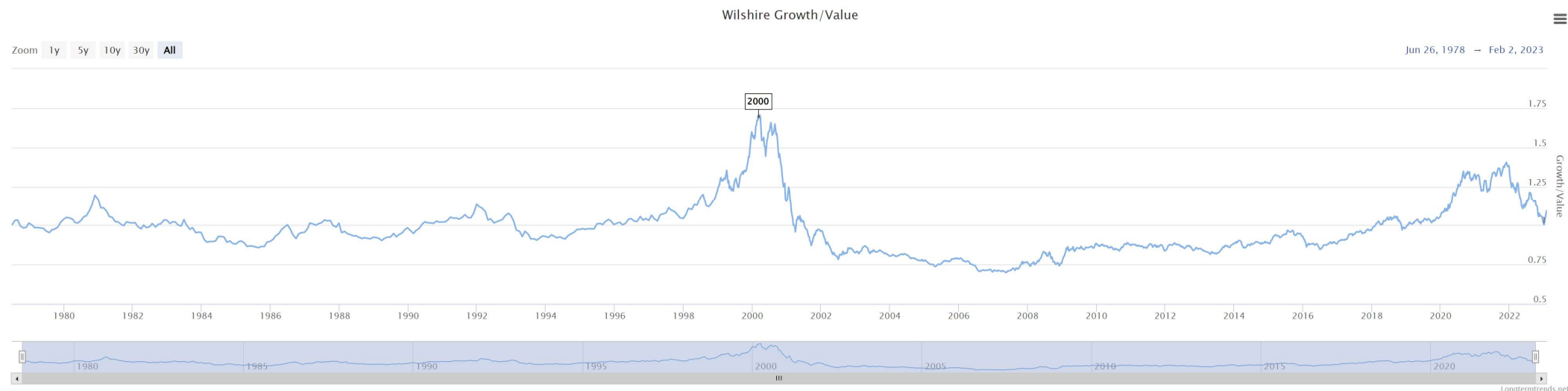
'Market Cap to GDP' is commonly defined as a measure of the total value of all publicly-traded stocks in a country, divided by that country's Gross Domestic Product. The ratio in the chart above is calculated by dividing the 'Wilshire 5000 Total Market Index' by the US GDP. The **Wilshire 5000** is widely 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.

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- Source: <https://www.longtermtrends.net/>, as of 4 February 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.

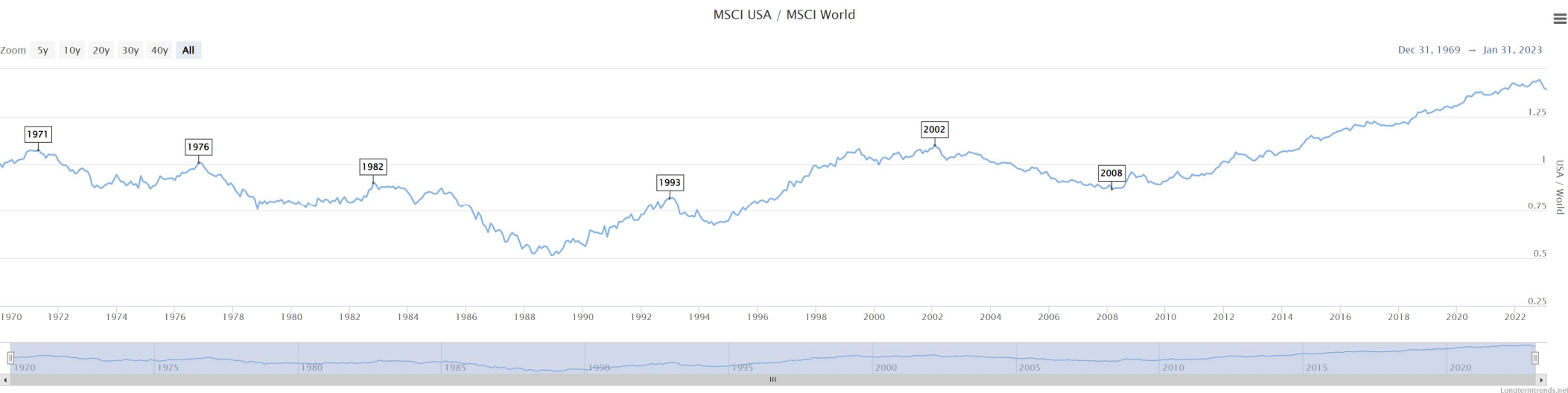
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- Source: <https://www.longtermtrends.net/>, as of 4 February 2023

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



Interpretation

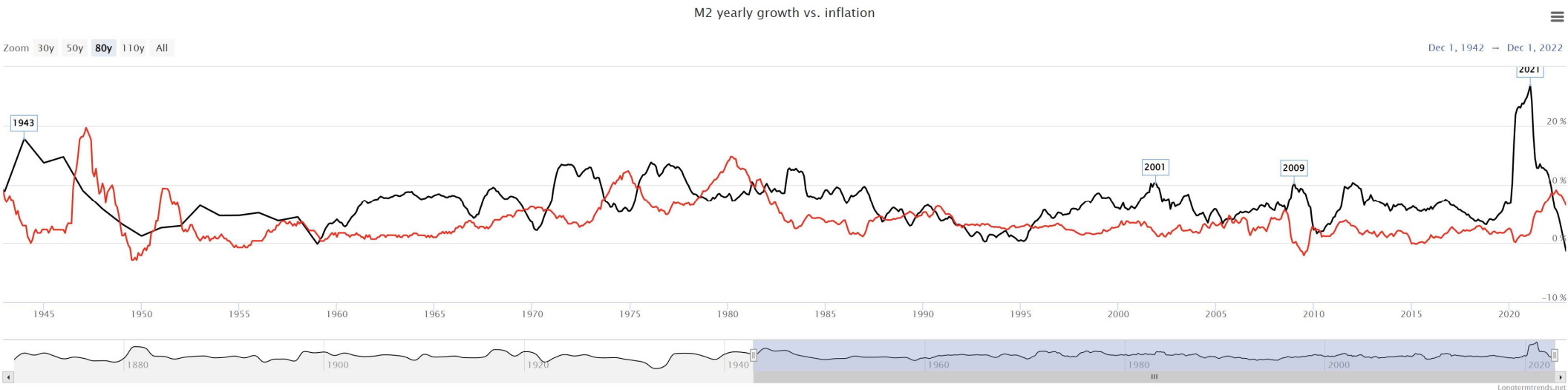
What is the proportion of the US stock market to the global stock market? The ratio in the chart above divides the **MSCI USA** by the **MSCI World** index. When it rises, US stocks outperform the rest of the world - and when it falls, US stocks underperform. By definition, this ratio cannot grow forever. 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.

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- Source: <https://www.longtermtrends.net/>, as of 4 February 2023

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



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.

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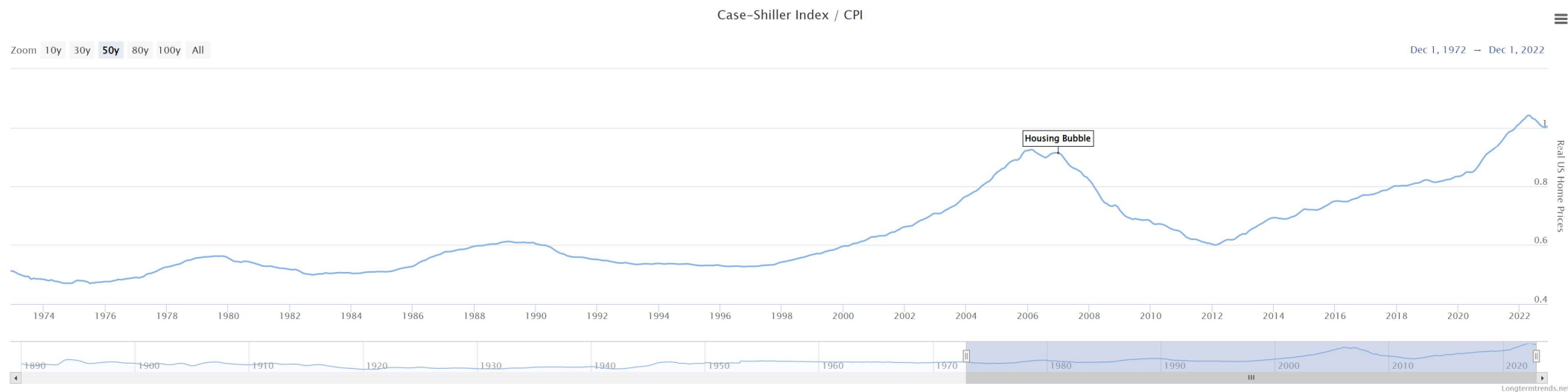
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- Source: <https://www.longtermtrends.net/>, as of 4 February 2023

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.

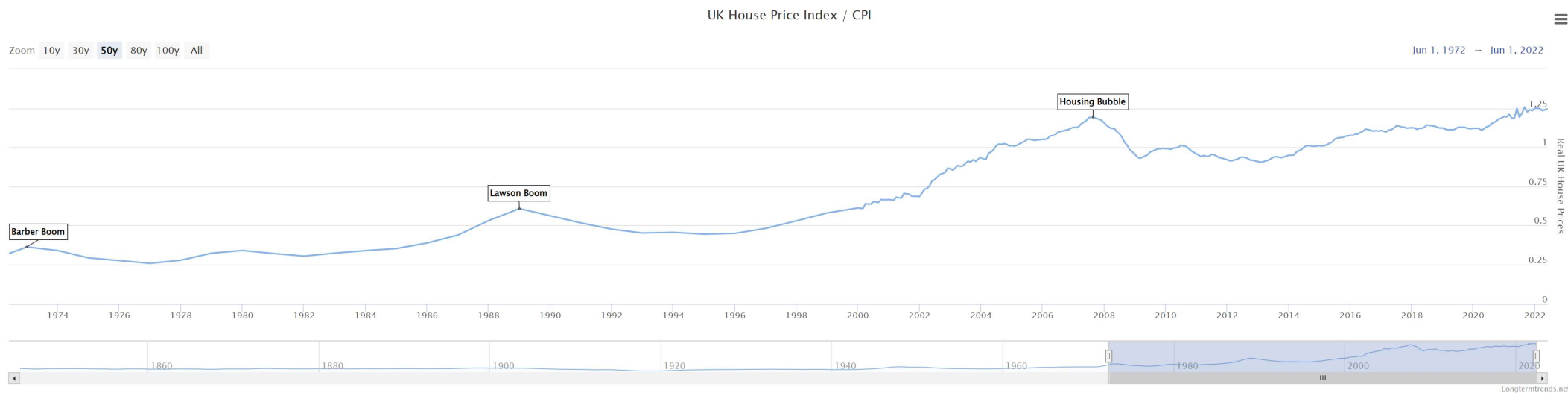
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- Source: <https://www.longtermtrends.net/>, as of 4 February 2023

Macro-economic / Markets Insights – UK Real Home Prices

House Price Index to CPI Ratio (UK)



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 4 February 2023

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