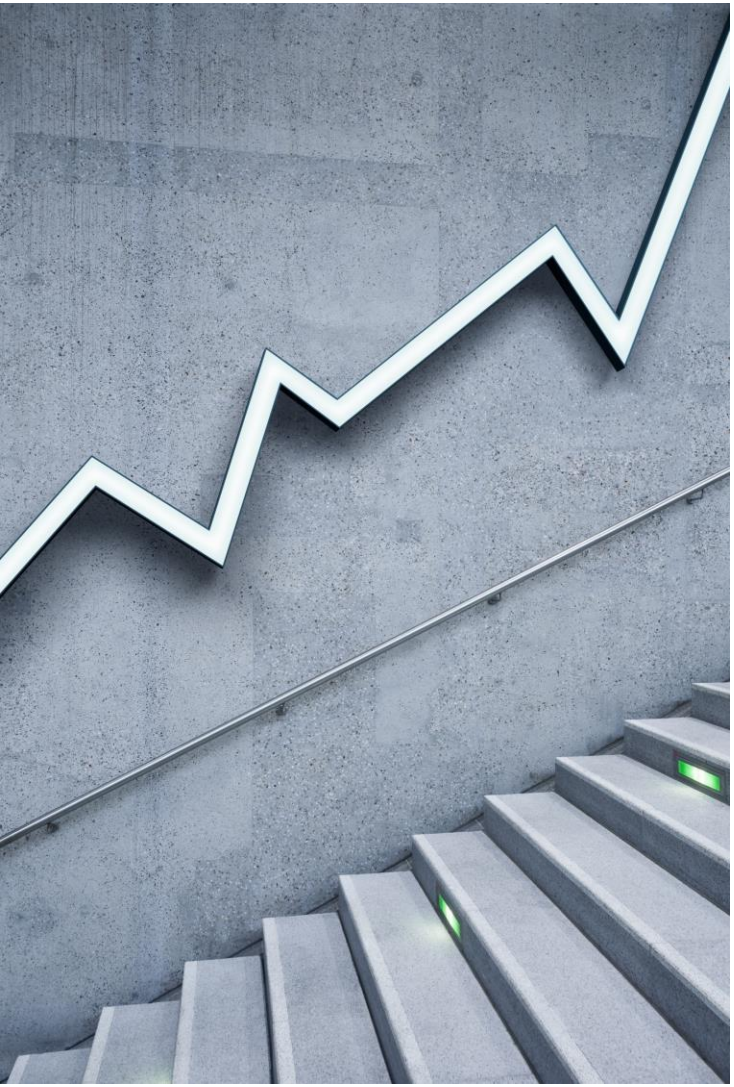

Six Arrows Consultancy

Plan Your Future

MONTHLY NEWSLETTER, MAY 2024

7 JUNE 2024

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Global Economy

Country	GDP	GDP Growth	Interest Rate	Inflation Rate	Jobless Rate	Gov. Budget	Debt/GDP	Current Account	Population
United States	25440	1.30	5.50	3.40	3.90	-6.30	122.30	-3.00	335.89
China	17963	1.60	3.45	0.30	5.00	-7.40	77.10	1.50	1409.67
Euro Area	14136	0.30	4.25	2.60	6.40	-3.60	88.60	1.90	345.41
Japan	4232	-0.50	0.10	2.50	2.60	-6.40	263.90	1.80	124.30
Germany	4082	0.20	4.25	2.40	5.90	-2.50	63.60	5.90	84.70
India	3417	2.10	6.50	4.83	7.64	-5.63	86.54	-2.00	1373.76
United Kingdom	3089	0.60	5.25	2.30	4.30	-4.40	97.60	-3.30	67.79
France	2779	0.20	4.25	2.20	7.50	-5.50	110.60	-0.70	68.14
Russia	2240	-0.80	16.00	7.80	2.60	-1.90	17.20	2.50	145.60
Canada	2138	0.40	4.75	2.70	6.10	-1.30	107.00	-0.40	40.80
Italy	2050	0.30	4.25	0.80	6.90	-7.20	137.30	0.50	59.00
Brazil	1920	0.80	10.50	3.69	7.50	-4.60	72.87	-1.42	215.31
Australia	1693	0.10	4.35	3.60	4.10	0.90	22.30	1.80	26.27
South Korea	1674	1.30	3.50	2.70	2.80	-7.00	49.60	1.30	51.71
Mexico	1466	0.30	11.00	4.65	2.60	-5.00	49.40	-1.50	129.00
Spain	1418	0.70	4.25	3.60	12.29	-3.60	107.70	2.60	48.59
Indonesia	1319	-0.83	6.25	2.84	4.82	-1.65	39.90	-0.30	275.80
Saudi Arabia	1109	1.30	6.00	1.60	4.40	-2.00	30.00	5.90	32.18
Netherlands	1009	-0.10	4.25	2.70	3.70	-0.90	46.80	11.10	17.81
Turkey	907	2.40	50.00	75.45	8.60	-5.20	29.50	-4.00	85.37
Switzerland	818	0.50	1.50	1.40	2.30	0.50	38.30	7.60	8.81
Taiwan	775	0.27	2.00	2.24	3.39	-0.50	28.20	11.80	23.26
Poland	688	0.50	5.75	2.50	5.10	-5.10	49.60	1.60	36.75
Argentina	631	-1.89	40.00	289.40	5.70	-2.40	85.20	-0.60	46.24
Sweden	591	0.70	3.75	3.90	8.90	-0.60	31.20	6.80	10.52
Belgium	583	0.30	4.25	3.36	5.50	-4.40	105.20	-1.00	11.74
Norway	579	0.20	4.50	3.60	4.30	16.30	44.30	17.50	5.49
Ireland	533	0.90	4.25	2.60	4.40	1.70	43.70	9.90	5.19
Israel	525	-5.62	4.50	2.80	3.40	-4.20	60.70	5.00	9.84
United Arab Emirates	507	2.00	5.40	3.36	2.95	12.50	38.30	9.30	9.44

Source: www.tradingeconomics.com, as of 7 June 2024 (GDP figures are provided in USD billion)

Macro Outlook

- May was a good month for returns from both equities and fixed income. Ongoing investor optimism about the economic outlook supported risk assets, with developed market stocks delivering returns of 4.5% over the month. Global bonds also generated positive performance of 1.3%, with markets still anticipating rate cuts this summer albeit with some divergence in the timing between the US and Europe.
- While the US economy remains in solid shape, data released in May pointed to some signs of moderation, with capital spending and home sales both trending sideways. In Europe, PMI data confirmed that economic activity is improving.

UK & US Economic Calendar – Key Events

7 June > Non-Farm Payrolls	United States
7 June > Unemployment Rate	United States
11 June > Unemployment Rate	United Kingdom
12 June > GDP Growth Rate YoY	United Kingdom
12 June > Inflation Rate YoY	United States
12 June > FED Interest Rate Decision	United States
12 June > FOMC Economic Projections	United States
13 June > PPI MoM	United States
18 June > Retail Sales YoY	United States
19 June > Inflation Rate YoY	United Kingdom
20 June > BoE Interest Rate Decision	United Kingdom

Equities

- Expectations of falling interest rates favoured Growth sectors, which outperformed Value sectors by 2.4% points. Small cap stocks regained some momentum, generating returns of 4.6%, broadly in line with large cap peers.
- US shares posted strong gains in May, supported by some strong corporate earnings and hopes that interest rate cuts are still on the way later this year.
- The equity market advance was led by the information technology, utilities, and communication services sectors. Energy was the main laggard amid weaker oil prices. Some of the “Magnificent-7” stocks performed strongly in the month amid strong earnings and high demand for AI-related technologies.
- UK equities rose and the FTSE 100 reached all-time highs.

Fixed Income

- The minutes of the May Federal Open Market Committee (FOMC) meeting reinforced concerns about the lack of further progress on disinflation, with any hopes of an imminent rate cut now fading. However, Chairman Powell’s pushback against the potential for further rate hikes helped US Treasuries rally over the month, with 2-year and 10-year yields falling by 17 and 19 basis points, respectively.
- In the eurozone, slowing inflation over the last few months has enabled the ECB’s governing council to signal a high degree of confidence that rates will be cut in June, even if the path thereafter remains less clear.
- Divergent monetary policy and uncertainty around the path of interest rates is likely to remain a source of volatility for government bond markets for some time.

Commodities

- After peaking in April, oil prices retreated during May. However, broader commodity indices still delivered positive returns of 1.8%, with global demand remaining solid and ongoing conflicts in both the Middle East and Ukraine.

FX

- The JPY is the worst performing G10 currency so far this year. The risk of FX intervention when USD-JPY reaches key levels makes investors wary about extending short JPY positions.

Note: Past performance is no guarantee of future results

Global Markets Overview: Asset Class and Style Returns

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	May '24
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%	Growth 37.3%	Growth 12.0%	Growth 5.7%
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%	DM Equities 24.4%	DM Equities 9.8%	Small cap 4.6%
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%	Small cap 16.3%	Value 7.5%	DM Equities 4.5%
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%	Value 12.4%	Cmdty 6.8%	Global REITs 4.0%
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 10.9%	Small cap 3.7%	Value 3.3%
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%	MSCI EM 10.3%	MSCI EM 3.5%	Cmdty 1.8%
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 5.7%	Global Agg -3.3%	Global Agg 1.3%
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 -7.9%	Global REITs -4.0%	MSCI EM 0.6%

- *Source: JP Morgan Asset Management, https://am.jpmorgan.com/gb/en/asset-management/adv/insights/market-insights/monthly-market-review/*
- *7 June 2024*

Global Stock Markets – Americas

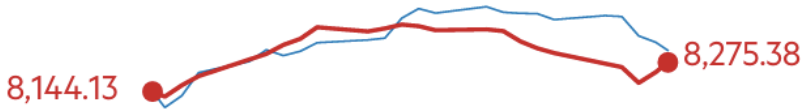
- *Source: Financial Times*
- *All figures are as of 31 May 2024*
- *Monthly figures represent the period between 1 and 31 May 2024*

Global Stock Markets – Europe

EUROPE

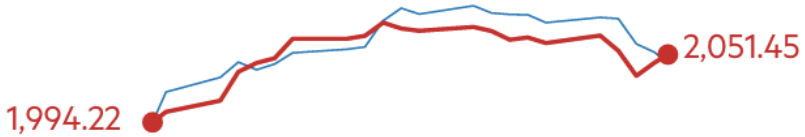
May 01 - May 31 — Index — All World

FTSE 100 — London



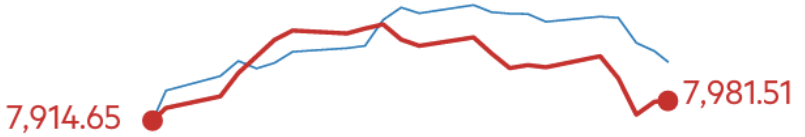
Day ↗ 0.54% Month ↗ 1.64% Year ↗ 11.17%

FTSE Eurofirst 300 — Europe



Day ↗ 0.34% Month ↗ 2.45% Year ↗ 14.59%

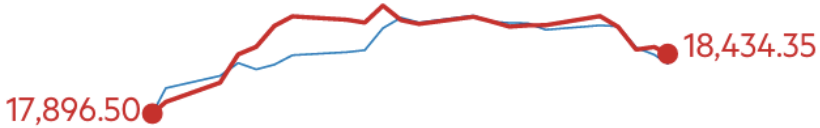
CAC 40 — Paris



Day ↗ 0.18% Month ↗ 0.10% Year ↗ 10.86%

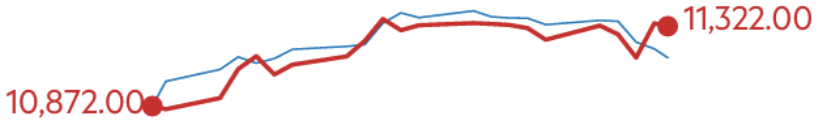
May 01 - May 31 — Index — All World

Xetra Dax — Frankfurt



Day ↗ 0.01% Month ↘ -1.03% Year NaN%

Ibex 35 — Madrid



Day ↘ -0.14% Month ↗ 4.31% Year ↗ 23.50%

FTSE MIB — Milan

Day ↗ 0.46% Month ↗ 7.09% Year ↗ 32.76%

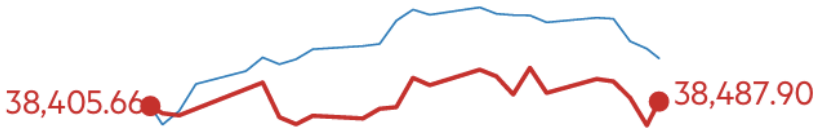
- *Source: Financial Times*
- *All figures are as of 31 May 2024*
- *Monthly figures represent the period between 1 and 31 May 2024*

Global Stock Markets – Asia

ASIA

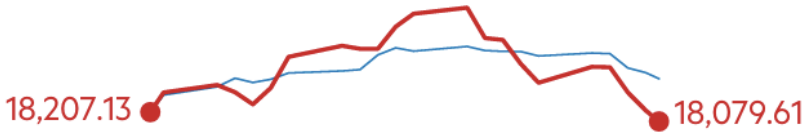
May 01 - May 31 — Index — All World

Nikkei 225 — Tokyo



Day ↗ 1.14% Month ↗ 0.26% Year ↗ 22.91%

Hang Seng — Hong Kong



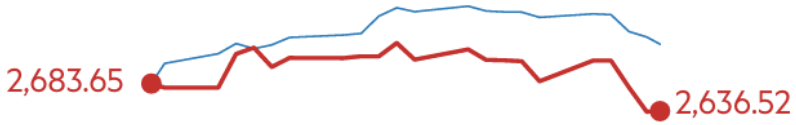
Day ↘ -0.83% Month ↗ 1.83% Year ↘ -2.73%

Shanghai Composite — Shanghai

Day ↘ -0.16% Month ↘ -0.58% Year ↘ -4.26%

May 01 - May 31 — Index — All World

Kospi — Seoul

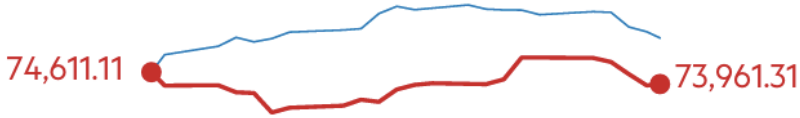


Day ↗ 0.04% Month ↘ -2.06% Year ↗ 1.97%

FTSE Straits Times — Singapore

Day ↗ 0.40% Month ↗ 1.24% Year ↗ 4.58%

BSE Sensex — Mumbai



Day ↗ 0.10% Month ↘ -0.62% Year ↗ 17.55%

- *Source: Financial Times*
- *All figures are as of 31 May 2024*
- *Monthly figures represent the period between 1 and 31 May 2024*

US Stock Markets

S&P 500 INDEX

✓ Following

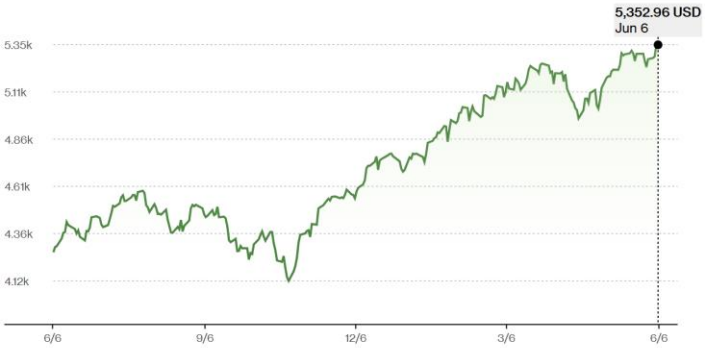
SPX:IND
(USD) · Market closed

5,352.96 ▼-1.07 -0.02%
As of 12:00 AM EDT 06/06/24.

Summary | Related News | Index Info

1D 1M 6M YTD 1Y 5Y

Add a comparison



Overview

OPEN	1 YEAR RETURN	DAY RANGE
5,357.80	27.34%	5,335.36 – 5,362.35
PREV. CLOSE	**YTD RETURN**	**52 WEEK RANGE**
5,354.03	12.23%	4,103.78 – 5,362.35

Key Statistics

P/E RATIO	25.04	PRICE TO BOOK RATIO	4.85
PRICE TO SALES RATIO	2.83	1 YEAR RETURN	27.34%
30 DAY AVG VOLUME	678,309,653.73	EPS	228.06
LAST DIVIDEND REPORTED	0.980873		

- *Source: Bloomberg*
- *All figures are as of 6 June 2024*

UK Stock Markets

FTSE 100 Index

✓ Following

UKX:IND
(GBP) · Market open

8,257.05 ▼-28.29 -0.34%
Delayed price as of 9:26 AM EDT 06/07/24.

Summary | Related News | Index Info

1D 1M 6M YTD 1Y 5Y

Add a comparison

Overview

OPEN	1 YEAR RETURN	DAY RANGE
8,285.34	12.36%	8,210.23 – 8,297.01
PREV. CLOSE	**YTD RETURN**	**52 WEEK RANGE**
8,285.34	6.46%	7,215.76 – 8,474.41

Key Statistics

P/E RATIO	14.87	PRICE TO BOOK RATIO	1.92
PRICE TO SALES RATIO	1.23	1 YEAR RETURN	12.36%
30 DAY AVG VOLUME	687,557,966.80	EPS	692.98
LAST DIVIDEND REPORTED	13.29207		

- *Source: Bloomberg*
- *All figures are as of 7 June 2024*

Turkey Stock Markets

Borsa Istanbul 100 Index

✓ Following

XU100:IND
(TRY) · Market open

10,187.51 ▼ −92.18 −0.90%
Delayed price as of 9:23 AM EDT 06/07/24.

Summary Related News Index Info

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

Add a comparison

Overview

OPEN 10,322.45	1 YEAR RETURN 88.14%	DAY RANGE 10,155.48 – 10,335.75
PREV. CLOSE 10,279.69	YTD RETURN 36.83%	52 WEEK RANGE 5,152.81 – 11,088.01

Key Statistics

P/E RATIO	6.19	PRICE TO BOOK RATIO	1.44
PRICE TO SALES RATIO	0.64	1 YEAR RETURN	88.14%
30 DAY AVG VOLUME	2,939,690,197.57	EPS	1,652.88
LAST DIVIDEND REPORTED	1.104844		

- *Source: Bloomberg*
- *All figures are as of 6 June 2024*

Global Bond Markets – Americas

Americas 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EDT)
United States »	4.43%	+13	-3	+63	9:43 AM
Canada	3.47%	+8	-11	+3	9:42 AM
Brazil	11.90%	+9	+41	+67	9:43 AM
Mexico	9.72%	+0	+15	+86	6/6/2024

- *Source: Bloomberg*
- *All figures are as of 7 June 2024*

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 (EDT)
Germany »	2.62%	+8	+20	+17	9:41 AM
United Kingdom »	4.26%	+8	+13	+1	9:40 AM
France	3.10%	+7	+20	+9	9:41 AM
Italy	3.96%	+9	+20	-32	9:41 AM
Spain	3.35%	+8	+15	-12	9:41 AM
Netherlands	2.92%	+8	+20	+11	9:41 AM
Portugal	3.21%	+8	+16	+6	9:41 AM
Greece	3.64%	+7	+23	-11	9:41 AM
Switzerland	0.77%	+3	+14	-11	9:40 AM

- *Source: Bloomberg*
- *All figures are as of 7 June 2024*

Global Bond Markets – Asia Pacific

Asia Pacific 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EDT)
Japan »	0.96%	+1	+10	+55	3:59 AM
Australia »	4.22%	-1	-8	+39	2:39 AM
New Zealand	4.61%	-1	-9	+19	12:29 AM
	--	--	--	--	--
Singapore	3.19%	0	-4	+30	5:29 AM
South Korea	3.38%	-3	-16	-14	7:25 AM
India	7.01%	0	-12	+3	3:20 AM

- *Source: Bloomberg*
- *All figures are as of 7 June 2024*

UK Bond Markets

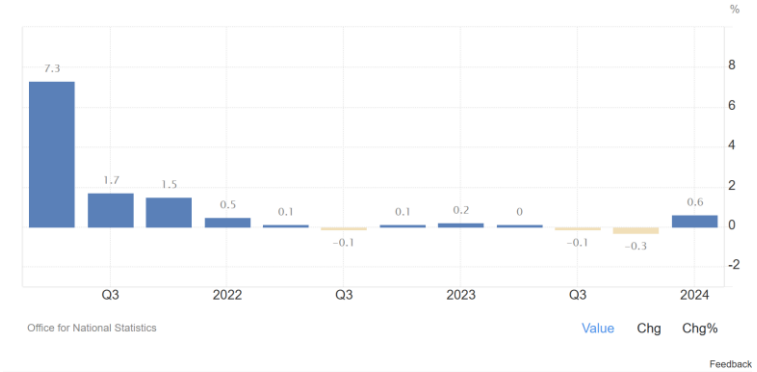
Gilt Yields

NAME	COUPON	PRICE	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EDT)
GTGBP2Y:GOV **UK Gilt 2 Year Yield**	0.13	93.35	4.35%	+7	+7	-19	9:48 AM
GTGBP5Y:GOV **UK Gilt 5 Year Yield**	0.50	84.74	4.15%	+9	+12	-11	9:47 AM
GTGBP10Y:GOV **UK Gilt 10 Year Yield**	4.63	102.84	4.26%	+9	+13	+1	9:48 AM
GTGBP30Y:GOV **UK Gilt 30 Year Yield**	4.38	94.91	4.69%	+8	+8	+18	9:48 AM

- *Source: Bloomberg*
- *All figures are as of 7 June 2024*

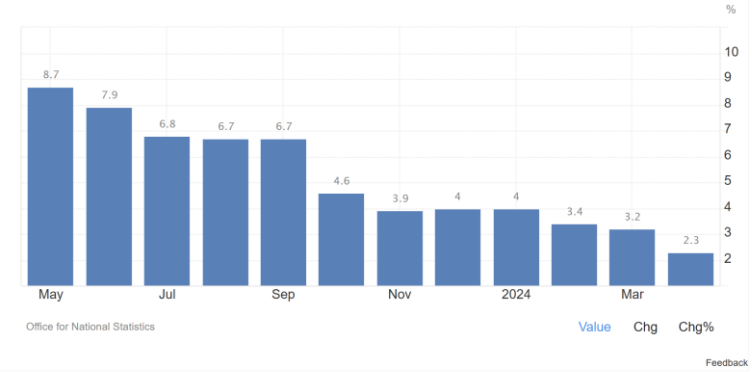
UK Economy

Annual GDP Growth Rate



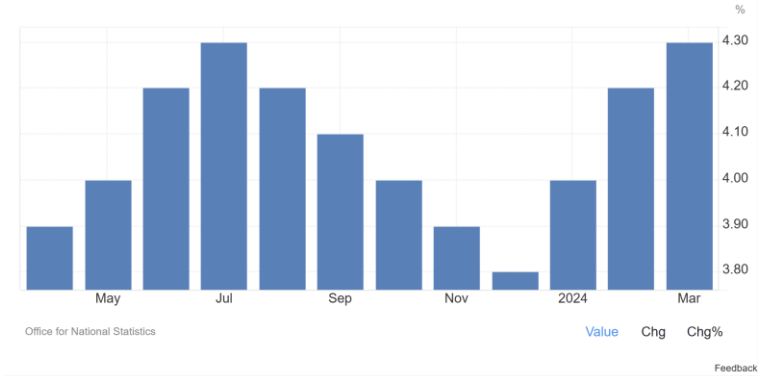
Calendar	GMT	Reference		Actual	Previous	Consensus	TEForecast
2024-03-28	07:00 AM	QoQ Final	Q4	-0.3%	-0.1%	-0.3%	-0.3%
2024-05-10	06:00 AM	QoQ Prel	Q1	0.6%	-0.3%	0.4%	0.3%
2024-06-28	06:00 AM	QoQ Final	Q1		-0.3%		0.6%

Annual Inflation Rate



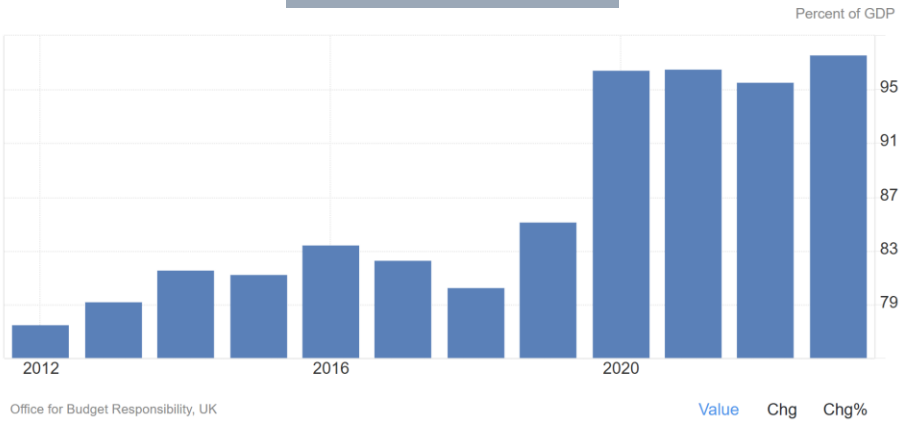
Calendar	GMT	Reference	Actual	Previous	Consensus	TEForecast
2024-04-17	06:00 AM	Mar	3.2%	3.4%	3.1%	3.1%
2024-05-22	06:00 AM	Apr	2.3%	3.2%	2.1%	2.3%
2024-06-19	06:00 AM	May		2.3%		

Unemployment Rate



Calendar	GMT	Reference	Actual	Previous	Consensus	TEForecast
2024-04-16	06:00 AM	Feb	4.2%	4.0%	4%	4.0%
2024-05-14	06:00 AM	Mar	4.3%	4.2%	4.3%	4.2%
2024-06-11	06:00 AM	Apr		4.3%	4.3%	4.3%

Government Debt / GDP

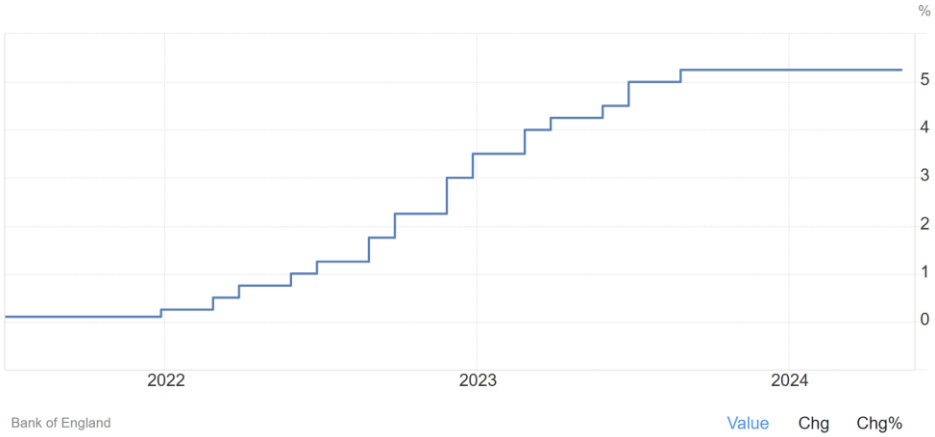


Actual	Previous	Highest	Lowest	Dates	Unit	Frequency
97.60	95.60	210.70	21.60	1948 - 2023	percent of GDP	Yearly

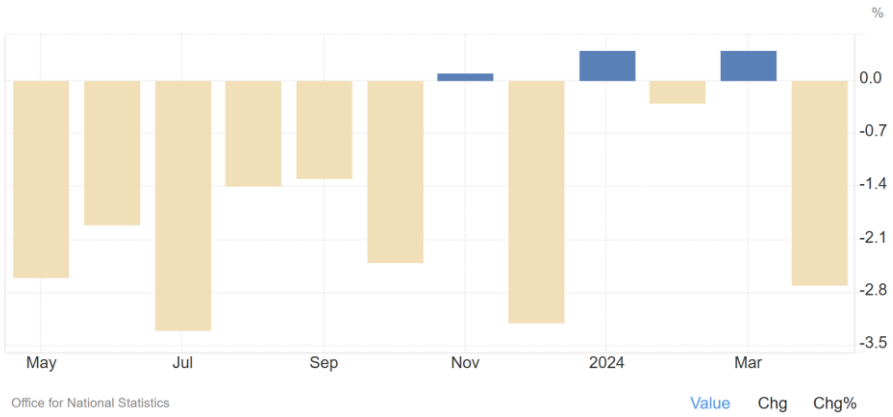
- *Source:* https://tradingeconomics.com/united-kingdom

UK Markets

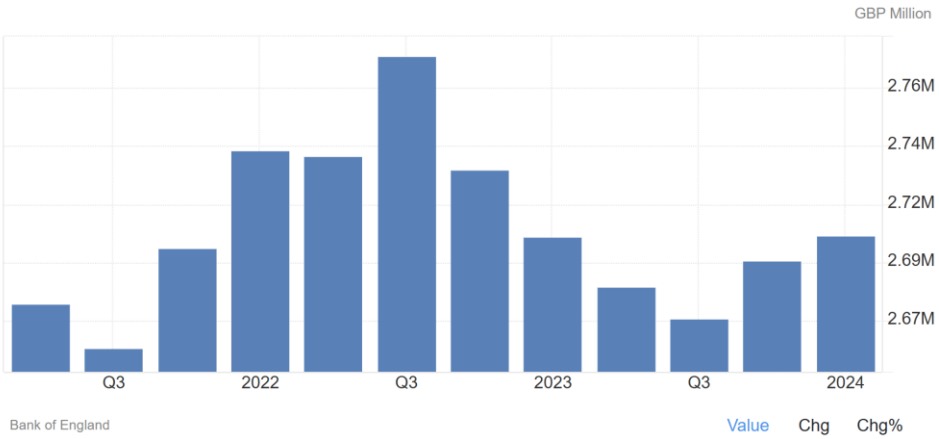
BOE Interest Rate



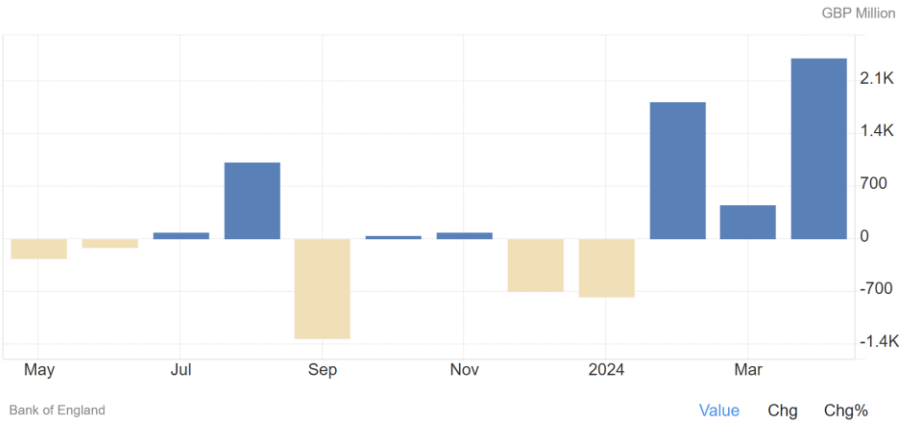
Retail Sales YoY



Loans to Private Sector



Mortgage Lending



- *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

first direct (Part of HSBC UK) — 10 year fixed — Full details

Monthly payment for 120 months	Initial rate	Product fees	Initial term cost	APRC	
£1,691	4.64%	£490	£203,462	5.5%	Call

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.5%. Total amount payable £557,638.60 includes interest of £257,148.60 product fees of £490 and other fees of £0. Repayments: 120 months of £1,691.43 at 4.64% (fixed), then 180 months of £1,967.65 at 6.99% (variable). Early repayment charges apply.

first direct (Part of HSBC UK) — 10 year fixed — Full details

Monthly payment for 120 months	Initial rate	Product fees	Initial term cost	APRC	
£1,717	4.79%	£0	£206,071	5.6%	Call

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.6%. Total amount payable £562,093.20 includes interest of £262,093.20 product fees of £0 and other fees of £0. Repayments: 120 months of £1,717.26 at 4.79% (fixed), then 180 months of £1,977.90 at 6.99% (variable). Early repayment charges apply.

nationwide — 10 year fixed — Full details

Monthly payment for 120 months	Initial rate	Product fees	Initial term cost	APRC	
£1,722	4.82%	£999	£207,693	5.9%	Go to broker

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.9%. Total amount payable £586,621.80 includes interest of £285,622.80 product fees of £999 and other fees of £0. Repayments: 120 months of £1,722.45 at 4.82% (fixed), then 180 months of £2,105.16 at 7.99% (variable). Early repayment charges apply.

INFO **Club Lloyds current account holders only**
You'll need a Club Lloyds current account to apply for this product.

LLOYDS BANK — 10 year fixed — Full details

Monthly payment until 31/8/2034	Initial rate	Product fees	Initial term cost	APRC	
£1,728	4.85%	£999	£208,317	6.1%	Go to lender

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.1%. Total amount payable £603,219.22 includes interest of £302,220.22 product fees of £999 and other fees of £0. Repayments: 122 months of £1,727.65 at 4.85% (fixed), then 178 months of £2,199.14 at 8.74% (variable). Early repayment charges apply.

MONEY — 10 year fixed — Full details

Monthly payment until 1/8/2034	Initial rate	Product fees	Initial term cost	APRC	
£1,735	4.89%	£995	£209,447	6.4%	Go to broker

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.4%. Total amount payable £623,411.44 includes interest of £322,116.44 product fees of £995 and other fees of £300. Repayments: 121 months of £1,734.60 at 4.89% (fixed), then 179 months of £2,302.96 at 9.49% (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 7 June 2024*
- *Source: https://www.moneysupermarket.com/*

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

HALIFAX 10 year fixed Full details

£1,742 Monthly payment until 31/8/2034	4.93% Initial rate	£999 Product fees	£210,086 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 £606,105.60 includes interest of £305,006.60 product fees of £999 and other fees of £100. Repayments: 122 months of £1,741.56 at 4.93% (fixed), then 178 months of £2,205.26 at 8.74% (variable). Early repayment charges apply.

INFO **Club Lloyds current account holders only**
You'll need a Club Lloyds current account to apply for this product.

LLOYDS BANK 10 year fixed Full details

£1,743 Monthly payment until 31/8/2034	4.94% Initial rate	£0 Product fees	£209,196 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 £605,354.16 includes interest of £305,354.16 product fees of £0 and other fees of £0. Repayments: 122 months of £1,743.30 at 4.94% (fixed), then 178 months of £2,206.02 at 8.74% (variable). Early repayment charges apply.

first direct Part of HSBC UK 10 year fixed Full details

£1,743 Monthly payment for 120 months	4.94% Initial rate	£0 Product fees	£209,196 Initial term cost	5.7% APRC	Call

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.7%. Total amount payable £567,050.40 includes interest of £267,050.40 product fees of £0 and other fees of £0. Repayments: 120 months of £1,743.30 at 4.94% (fixed), then 180 months of £1,988.08 at 6.99% (variable). Early repayment charges apply.

Bank of Ireland 7 year fixed Full details

£1,745 Monthly payment until 31/8/2031	4.95% Initial rate	£995 Product fees	£147,593 Initial term cost	6.5% APRC	Go to broker

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.5%. Total amount payable £618,367.68 includes interest of £317,162.68 product fees of £995 and other fees of £210. Repayments: 86 months of £1,745.04 at 4.95% (fixed), then 214 months of £2,182.66 at 8.04% (variable). Early repayment charges apply.

Bank of Ireland 7 year fixed Full details

£1,754 Monthly payment until 31/8/2031	5.00% Initial rate	£1,495 Product fees	£148,827 Initial term cost	6.5% APRC	Go to broker

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.5%. Total amount payable £620,168.44 includes interest of £318,463.44 product fees of £1,495 and other fees of £210. Repayments: 86 months of £1,753.77 at 5.00% (fixed), then 214 months of £2,185.23 at 8.04% (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 7 June 2024*
- *Source: https://www.moneysupermarket.com/*

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

nationwide 10 year fixed Full details

£1,754 Monthly payment for 120 months	5.00% Initial rate	£0 Product fees	£210,452 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 £591,710.40 includes interest of £291,710.40 product fees of £0 and other fees of £0. Repayments: 120 months of £1,753.77 at 5.00% (fixed), then 180 months of £2,118.10 at 7.99% (variable). Early repayment charges apply.

HALIFAX 10 year fixed Full details

£1,757 Monthly payment until 31/8/2034	5.02% Initial rate	£0 Product fees	£210,972 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 £608,244.30 includes interest of £308,144.30 product fees of £0 and other fees of £100. Repayments: 122 months of £1,757.27 at 5.02% (fixed), then 178 months of £2,212.12 at 8.74% (variable). Early repayment charges apply.

Bank of Ireland 7 year fixed Full details

£1,763 Monthly payment until 31/8/2031	5.05% Initial rate	£0 Product fees	£148,067 Initial term cost	6.5% APRC	Go to broker

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.5%. Total amount payable £619,973.78 includes interest of £319,763.78 product fees of £0 and other fees of £210. Repayments: 86 months of £1,762.52 at 5.05% (fixed), then 214 months of £2,187.79 at 8.04% (variable). Early repayment charges apply.

BARCLAYS 10 year fixed Full details

£1,780 Monthly payment until 30/9/2034	5.15% Initial rate	£999 Product fees	£214,645 Initial term cost	6.4% APRC	Go to broker

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.4%. Total amount payable £612,960.82 includes interest of £311,846.82 product fees of £999 and other fees of £115. Repayments: 123 months of £1,780.09 at 5.15% (fixed), then 177 months of £2,219.75 at 8.74% (variable). Early repayment charges apply.

HSBC UK 10 year fixed Full details

£1,803 Monthly payment until 31/7/2034	5.28% Initial rate	£999 Product fees	£217,366 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 £578,927.04 includes interest of £277,928.04 product fees of £999 and other fees of £0. Repayments: 121 months of £1,803.06 at 5.28% (fixed), then 179 months of £2,009.82 at 6.99% (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 7 June 2024*
- *Source: https://www.moneysupermarket.com/*

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

YORKSHIRE BUILDING SOCIETY 10 year fixed Full details

£1,814 Monthly payment until 30/9/2034	5.34% Initial rate	£1,495 Product fees	£219,140 Initial term cost	6.4% APRC	Go to lender

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.4%. Total amount payable £608,565.13 includes interest of £307,070.13 product fees of £1,495 and other fees of £0. Repayments: 123 months of £1,813.71 at 5.34% (fixed), then 177 months of £2,169.40 at 8.24% (variable). Early repayment charges apply.

YORKSHIRE BUILDING SOCIETY 10 year fixed Full details

£1,823 Monthly payment until 30/9/2034	5.39% Initial rate	£0 Product fees	£218,713 Initial term cost	6.3% APRC	Go to lender

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.3%. Total amount payable £608,810.88 includes interest of £308,810.88 product fees of £0 and other fees of £0. Repayments: 123 months of £1,822.61 at 5.39% (fixed), then 177 months of £2,173.05 at 8.24% (variable). Early repayment charges apply.

Vernon Building Society Lifetime discounted Full details

£1,824 Monthly payment for 300 months	5.40% Initial rate	£0 Product fees	£547,782 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 £547,882 includes interest of £247,317 product fees of £0 and other fees of £565. Repayments: 300 months of £1,824.39 at 5.40% (variable). Early repayment charges apply.

HSBC UK 10 year fixed Full details

£1,840 Monthly payment until 31/7/2034	5.49% Initial rate	£0 Product fees	£220,856 Initial term cost	6.1% APRC	Go to broker

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.1%. Total amount payable £584,953.49 includes interest of £284,953.49 product fees of £0 and other fees of £0. Repayments: 121 months of £1,840.47 at 5.49% (fixed), then 179 months of £2,023.78 at 6.99% (variable). Early repayment charges apply.

YORKSHIRE BUILDING SOCIETY 10 year fixed Full details

£1,840 Monthly payment until 30/9/2034	5.49% Initial rate	£1,495 Product fees	£222,351 Initial term cost	6.5% APRC	Go to lender

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.5%. Total amount payable £613,789.45 includes interest of £312,294.45 product fees of £1,495 and other fees of £0. Repayments: 123 months of £1,840.47 at 5.49% (fixed), then 177 months of £2,180.32 at 8.24% (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 7 June 2024*
- *Source: https://www.moneysupermarket.com/*

UK Mortgage Loans
Competitive Market Benchmark (Indicative Only) – Page 5 of 5

Lifetime fixed Full details

£1,860 Monthly payment for 300 months	5.60% Initial rate	£1,499 Product fees	£559,938 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 £560,018 includes interest of £258,066 product fees of £1,499 and other fees of £453. Repayments: 300 months of £1,860.22 at 5.60% (fixed). Early repayment charges apply.

YORKSHIRE BUILDING SOCIETY 10 year fixed Full details

£1,867 Monthly payment until 30/9/2034	5.64% Initial rate	£1,495 Product fees	£225,587 Initial term cost	6.6% APRC	Go to lender

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £619,022.44 includes interest of £317,527.44 product fees of £1,495 and other fees of £0. Repayments: 123 months of £1,867.43 at 5.64% (fixed), then 177 months of £2,191.15 at 8.24% (variable). Early repayment charges apply.

STAFFORD RAILWAY BUILDING SOCIETY Lifetime discounted Full details

£1,869 Monthly payment for 300 months	5.65% Initial rate	£100 Product fees	£561,389 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 £561,489 includes interest of £260,769 product fees of £100 and other fees of £620. Repayments: 300 months of £1,869.23 at 5.65% (variable). Early repayment charges apply.

ACCORD MORTGAGES 10 year fixed Full details

£1,873 Monthly payment until 30/9/2034	5.67% Initial rate	£995 Product fees	£225,771 Initial term cost	6.6% APRC	Go to broker

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £619,693.42 includes interest of £318,573.42 product fees of £995 and other fees of £125. Repayments: 123 months of £1,872.84 at 5.67% (fixed), then 177 months of £2,193.30 at 8.24% (variable). Early repayment charges apply.

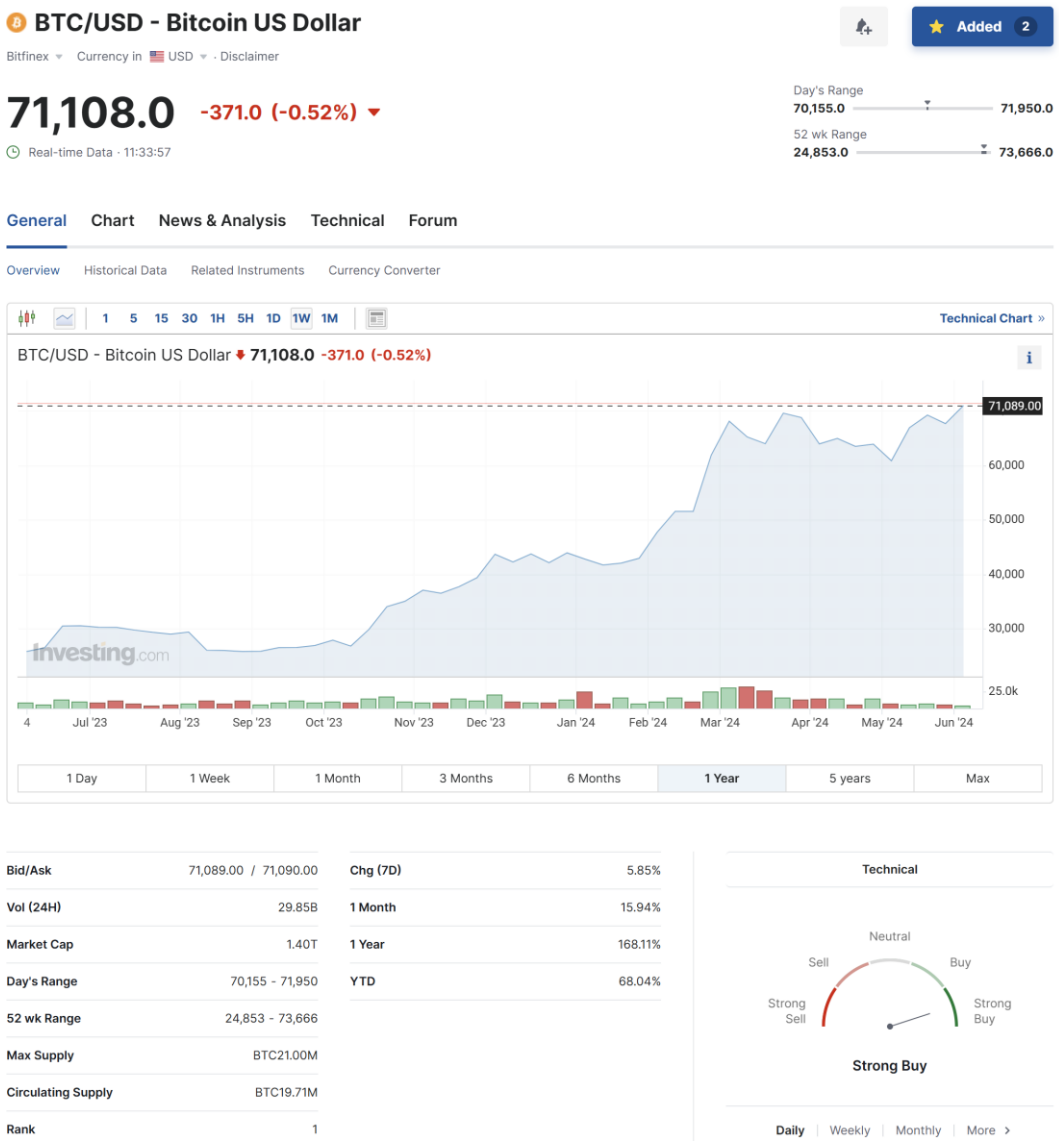
BARCLAYS 10 year fixed Full details

£1,880 Monthly payment until 30/9/2034	5.71% Initial rate	£999 Product fees	£226,642 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 £632,681.74 includes interest of £331,567.74 product fees of £999 and other fees of £115. Repayments: 123 months of £1,880.07 at 5.71% (fixed), then 177 months of £2,261.69 at 8.74% (variable). Early repayment charges apply.

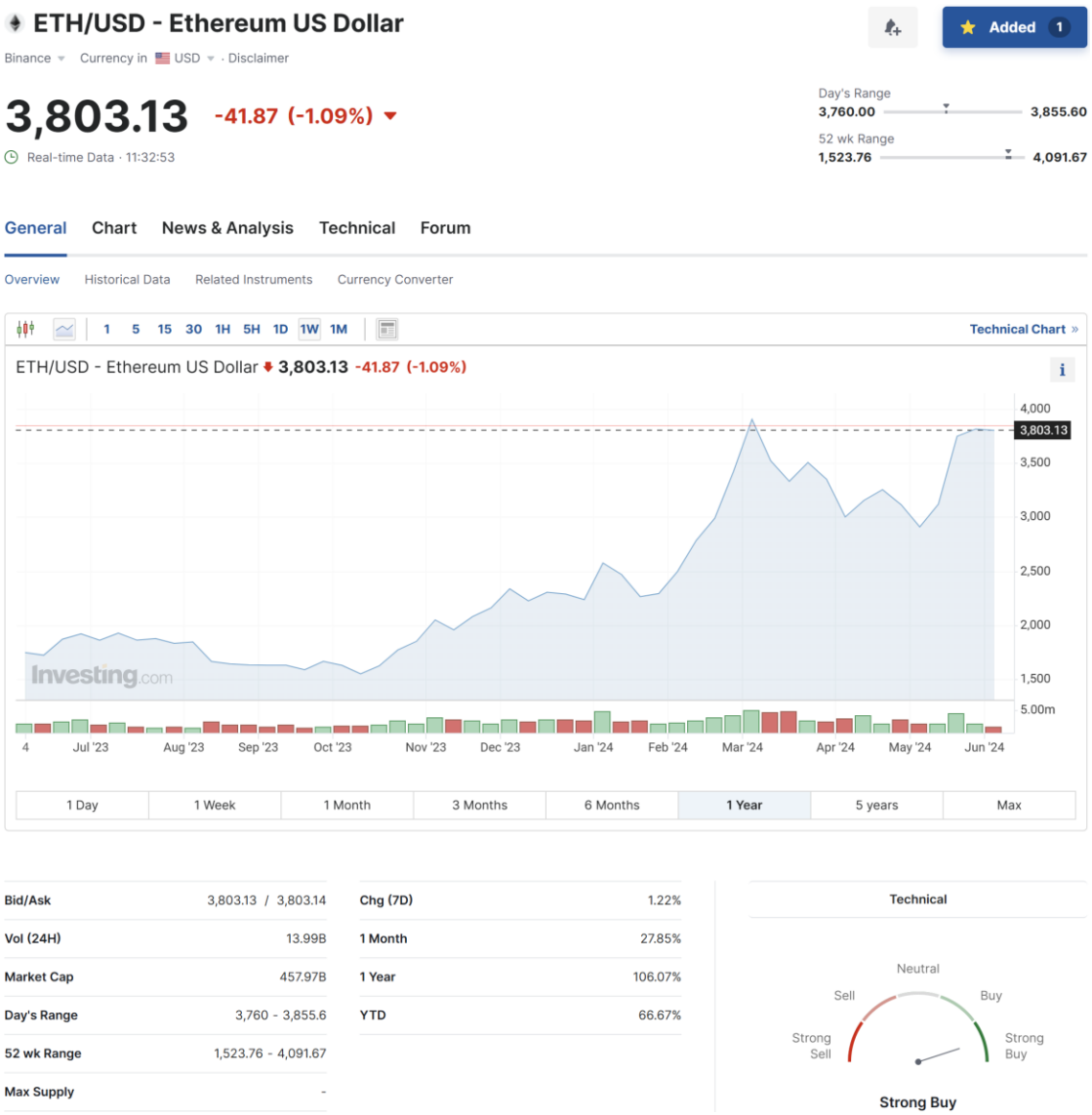
- *The above quotes are indicative only, based on a hypothetical 25-year (repayment) mortgage loan scenario, where the property value is £500,000, and down payment is £200,000, as of 7 June 2024*
- *Source: https://www.moneysupermarket.com/*

Crypto Markets: Bitcoin



- *Source: www.investing.com, as of 7 June 2024*

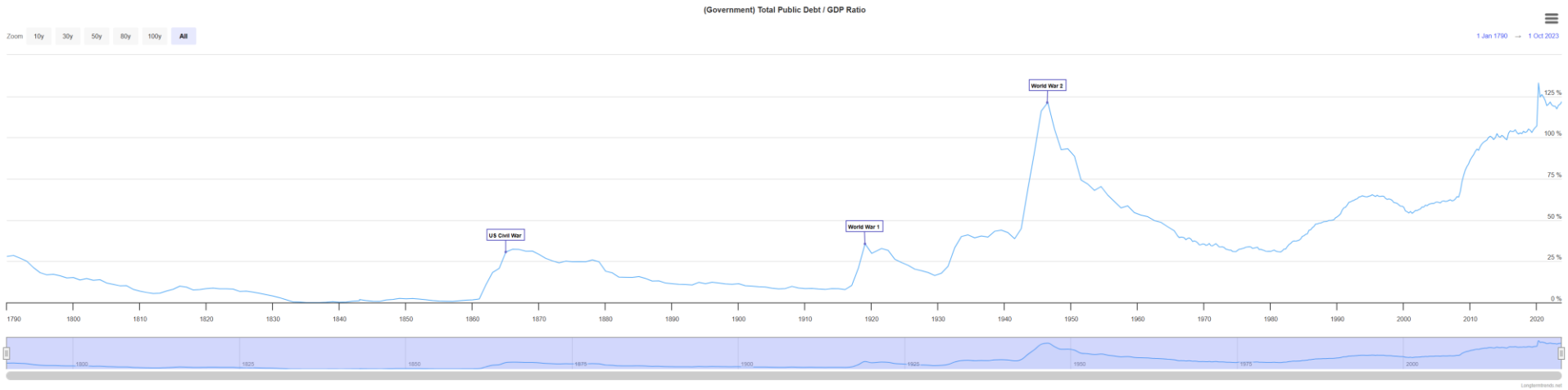
Crypto Markets: Etherium



- *Source: www.investing.com, as of 7 June 2024*

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

Federal Debt to GDP



Interpretation

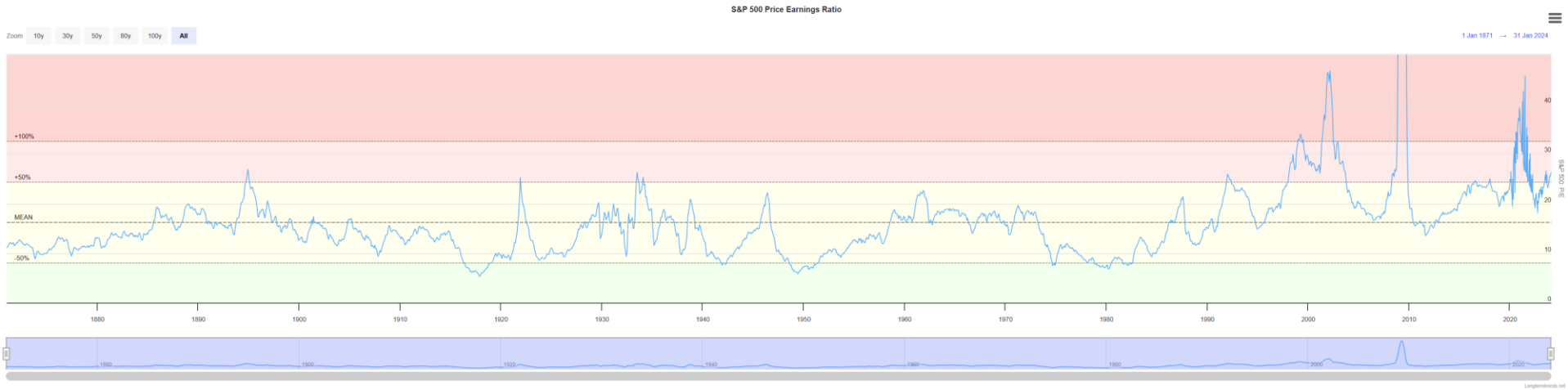
A nation's debt is commonly expressed as a ratio to its gross domestic product (GDP) to facilitate meaningful comparisons over time. The total public debt, as depicted in the above chart, represents a form of government federal debt that encompasses both "debt held by the public" and "intragovernmental holdings." Several factors influence the federal public debt, including government spending, tax policies, economic conditions, and interest rates. Budget deficits arise when government expenditures exceed revenues, resulting in an increase in the public debt. Conversely, budget surpluses can help reduce the debt burden. The management of federal debt falls under the purview of the Department of the Treasury, which regularly conducts auctions of treasury securities to meet borrowing requirements. These securities are purchased by a range of investors, including individuals, financial institutions, foreign governments, and central banks, effectively lending money to the government. It's worth noting that historical trends show an increased ratio during periods of war and economic recessions.

Other popular classifications of debt are corporate and household debt (see charts below).

Renowned investor Ray Dalio identified a long-term debt cycle, a cyclical pattern that typically spans 75-100 years. In his research, Dalio has analyzed the total debt in the United States, encompassing public, corporate, and private debt, dating back to 1920. For further details, you can refer to Ray Dalio's publication "Principles For Navigating BIG DEBT CRISES" on page 13.

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

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



Interpretation

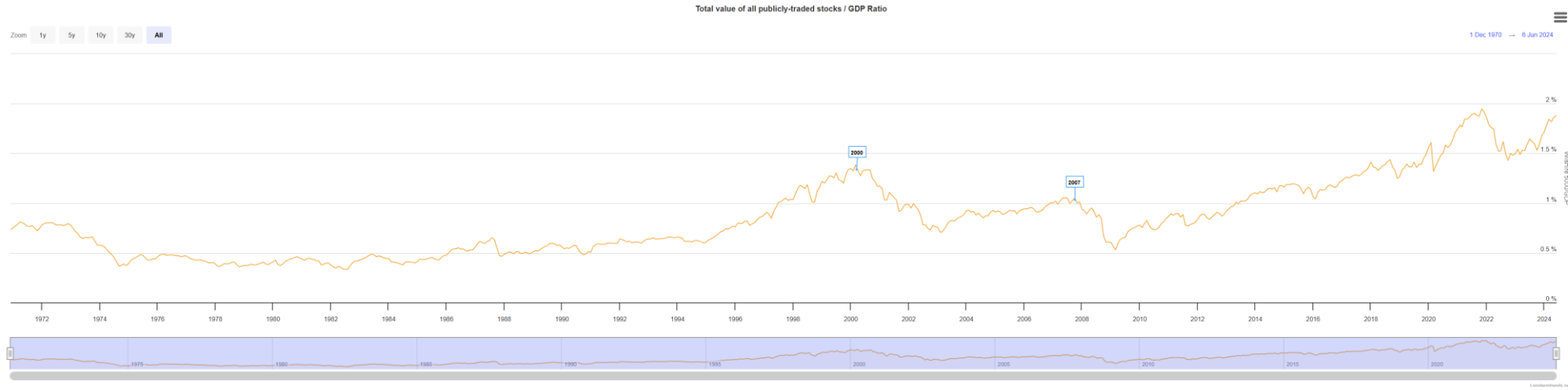
The price earnings ratio is calculated by dividing a company's stock price by its earnings per share. In other words, the price earnings ratio shows what the market is willing to pay for a stock based on its current earnings. It is one of the most widely-used valuation metrics for stocks. A high P/E ratio suggests that investors are willing to pay a premium for each unit of earnings, indicating optimism about future growth prospects. Conversely, a low P/E ratio may indicate that the market has lower expectations for future growth or that the stock is undervalued.

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, resulting in an inaccurate reflection of the market's true valuation. 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, the 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.

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

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

Wilshire 5000 to GDP Ratio

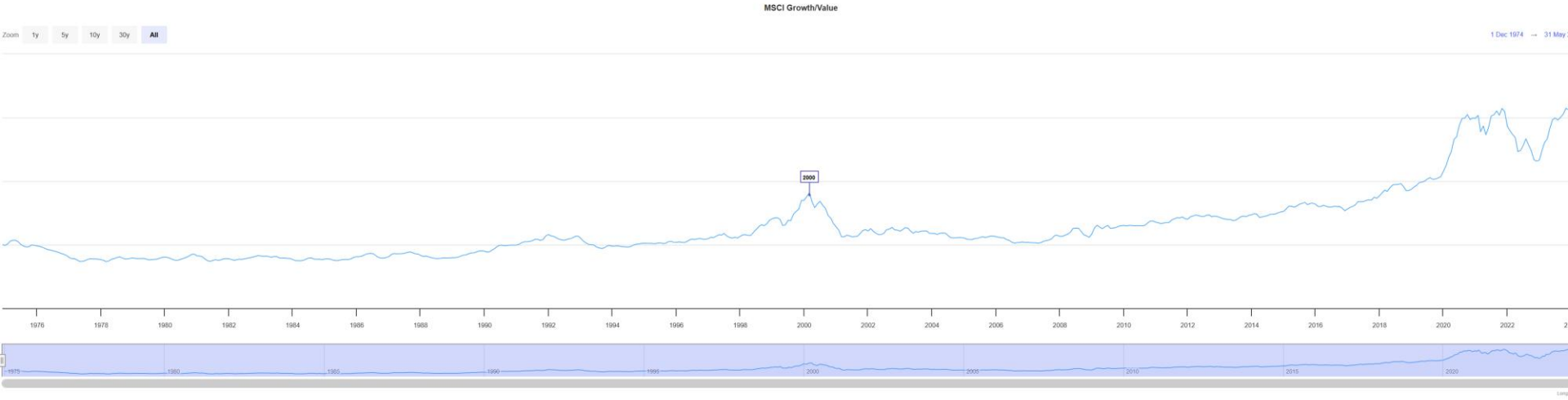


Interpretation

The Buffett Indicator, also known as Market Cap to GDP, has gained prominence as a long-term valuation indicator for stocks, largely due to Warren Buffett's endorsement. In a Fortune Magazine interview back in 2001, Buffett referred to it as "probably the best single measure of where valuations stand at any given moment." This statement has drawn attention to the indicator's potential significance in assessing market conditions. The calculation of the Buffett Indicator involves dividing the total market value of all publicly-traded stocks within a country by the country's Gross Domestic Product (GDP). By comparing the stock market's size to the overall economic output, this ratio provides insights into the relative valuation of the market. To illustrate this concept, one common approach is to examine the ratio between the **Wilshire 5000** and the GDP of the United States. The Wilshire 5000 is widely regarded as the definitive benchmark for the US equity market, aiming to measure the total market capitalization of all US equity securities with readily available price data. By dividing this market index by the GDP, we can obtain a snapshot of the market's valuation in relation to the country's economic performance.

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

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).

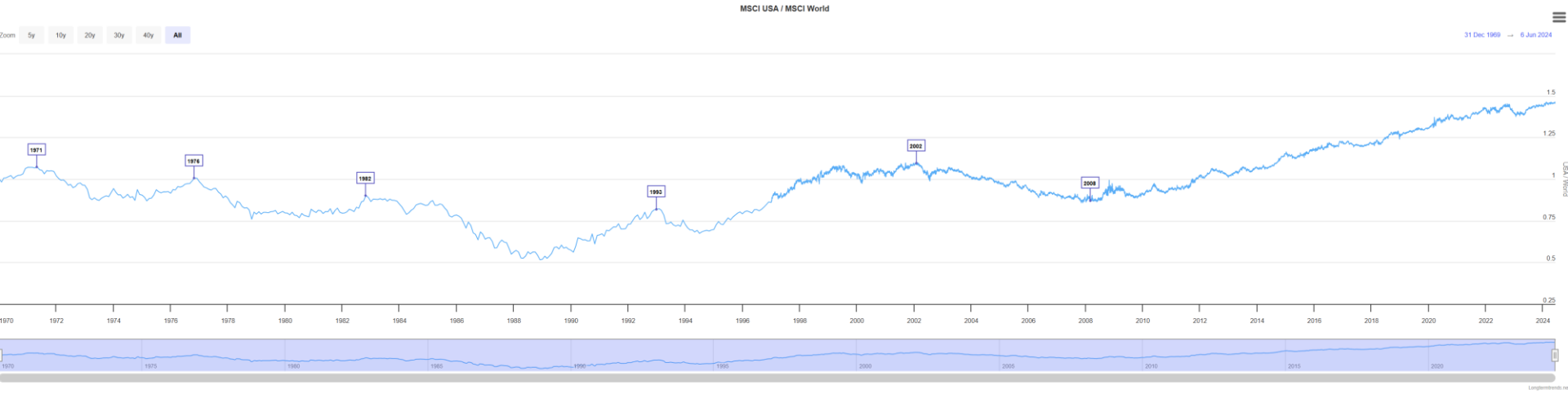
The ratio in the chart above divides the MSCI USA Growth Index by the MSCI USA Value Index. When the ratio rises, growth stocks outperform value stocks - and when it falls, value stocks outperform growth stocks.

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. These companies may have solid fundamentals, but their stock prices are perceived to be lower than their intrinsic value due to factors such as market conditions, industry trends, or temporary setbacks. Value stocks are often associated with more mature industries or companies that are temporarily out of favor with investors. **Growth stocks** on the other hand, may be 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. These companies often operate in industries that are expanding rapidly or are engaged in innovative technologies. Investors are attracted to growth stocks because of their potential for significant capital appreciation over time. Examples of growth stocks can include technology companies, biotech firms, or high-growth consumer brands.

Value and growth investing are often considered 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. However, this viewpoint isn't universally accepted. Warren Buffett, for instance, contends that value and growth investing are complementary, not contradictory. He advocates that growth is an essential element of a stock's intrinsic value. Thus, categorizing stocks as either 'growth' or 'value' is somewhat superficial in his view. Buffett's philosophy centers on identifying companies with durable competitive advantages and promising future prospects, blending the principles of value and growth in a holistic investment approach.

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

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



Interpretation

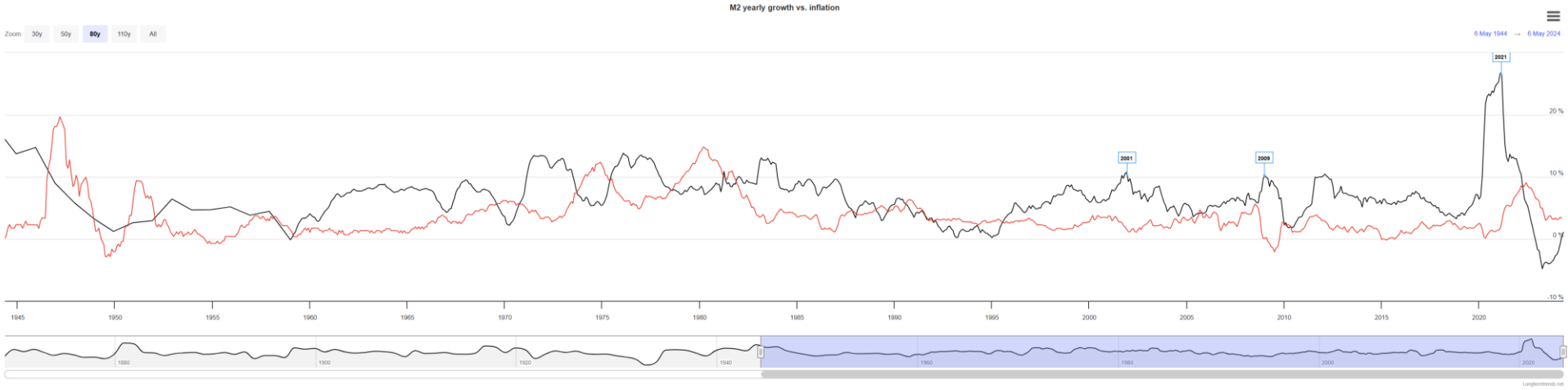
The chart above compares the performance of the MSCI USA index to the MSCI World index. It provides a valuable perspective on the relative strength or weakness of the US stock market in comparison to the global stock market as a whole.

The **MSCI USA** index represents the performance of large and mid-cap stocks in the United States, encompassing various sectors and industries. It covers approximately 85% of the free float-adjusted market capitalization in the US. On the other hand, the **MSCI World** index represents global equity performance and includes stocks from developed markets across the world.

When the ratio rises, it indicates that US stocks outperform the rest of the world, whereas a decline in the ratio suggests underperformance by US stocks compared to the global market. 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.

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

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.

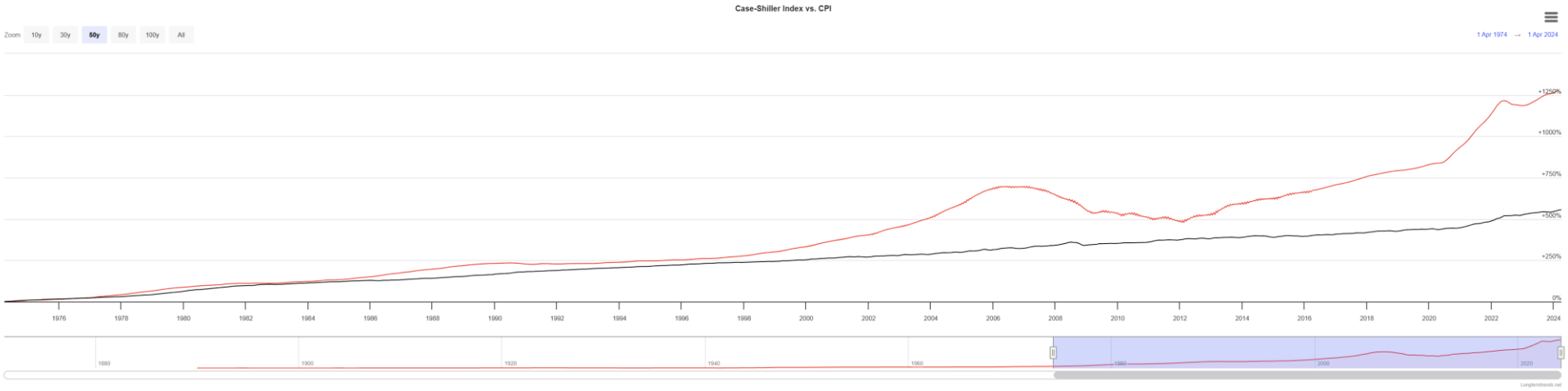
Historically, M2 has grown along with the **economy** (see in the chart below). However, it has also grown along with Federal Debt to GDP during *wars* and *recessions*. In most recent history, M2 growth surpassed 10 percent in the crisis of 2001 and 2009, during which an expansionary monetary policy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

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

Macro-economic / Markets Insights – US Real Home Prices

Case-Shiller Home Price Index vs. CPI (US)



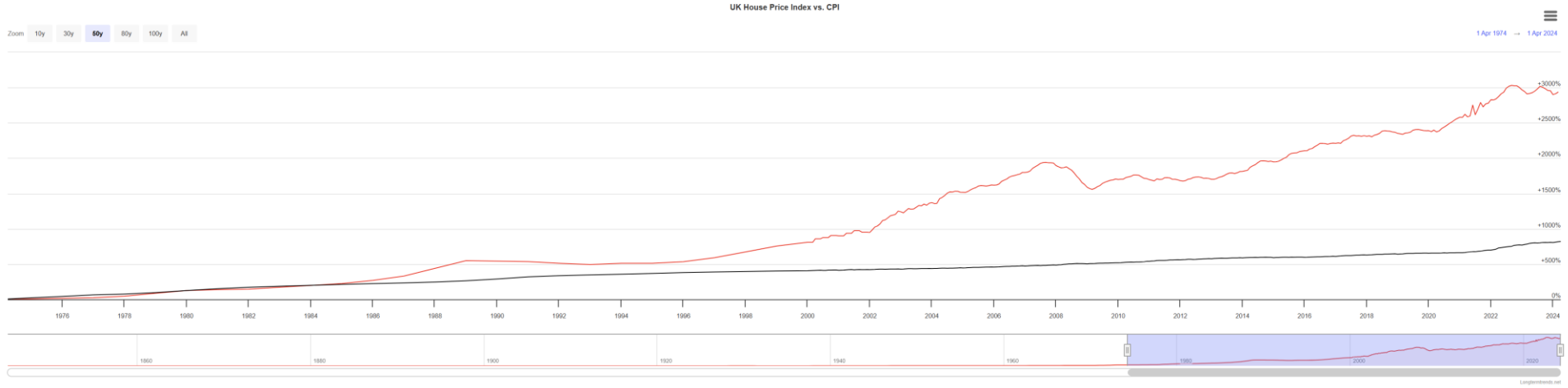
Interpretation

This chart displays the **Case-Shiller Home Price Index** and **US Consumer Price Index (CPI) over time.**

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

Macro-economic / Markets Insights – UK Real Home Prices

House Price Index vs. CPI (UK)

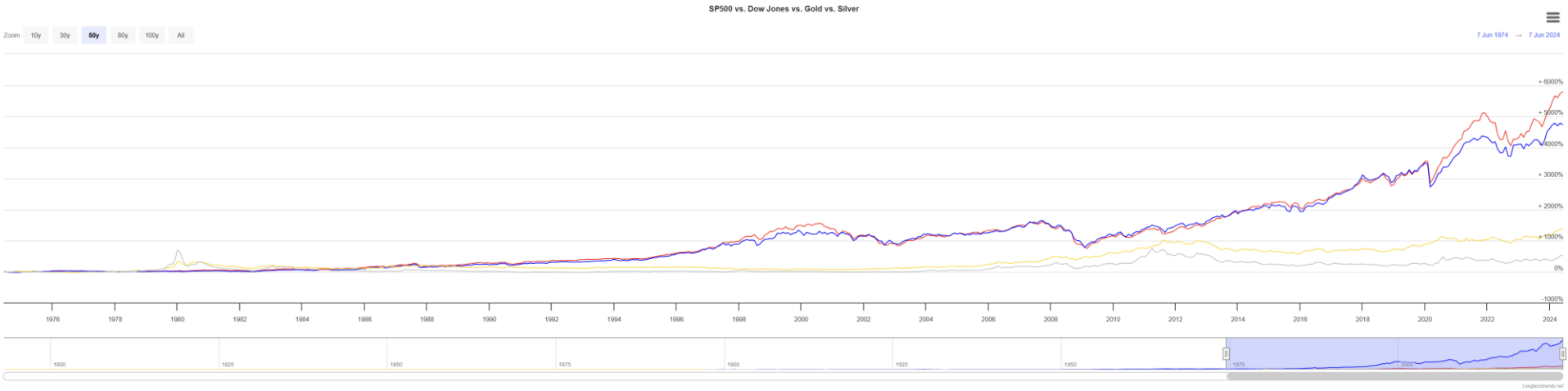


Interpretation

This chart compares the **UK House Price Index** and **UK Consumer Price Index (CPI)** over time.

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

Macro-economic / Markets Insights – Stocks vs. Gold and Silver

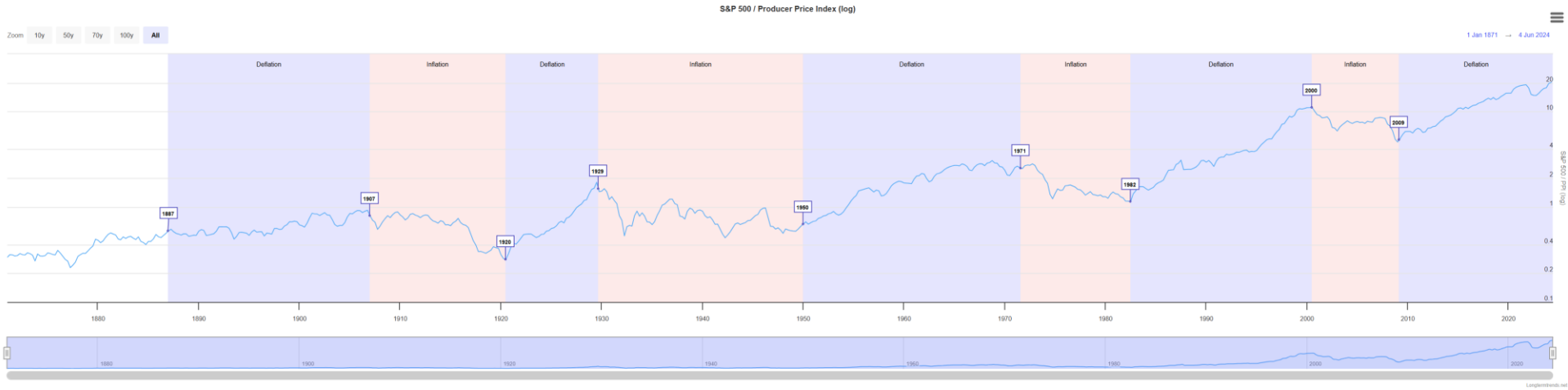


Interpretation

Which was the best investment in the past 30, 50, 80, or 100 years? This chart compares the performance of the **S&P 500**, the **Dow Jones**, **Gold**, and **Silver**. The **Dow Jones** is a stock index that includes 30 large publicly traded companies based in the United States. It is one of the oldest and most-watched indices in the world. The **S&P 500** consists of 500 large US companies, it is capitalization-weighted, and it captures approximately 80% of available market capitalization. For these reasons it is more representative of the US stock market than the Dow Jones. Both versions of these indices are price return indices in contrast to total return indices. Therefore, they do not include dividends. Including dividends leads to a very different picture, which is demonstrated in the chart below.

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

Stocks to Commodities Ratio



Interpretation

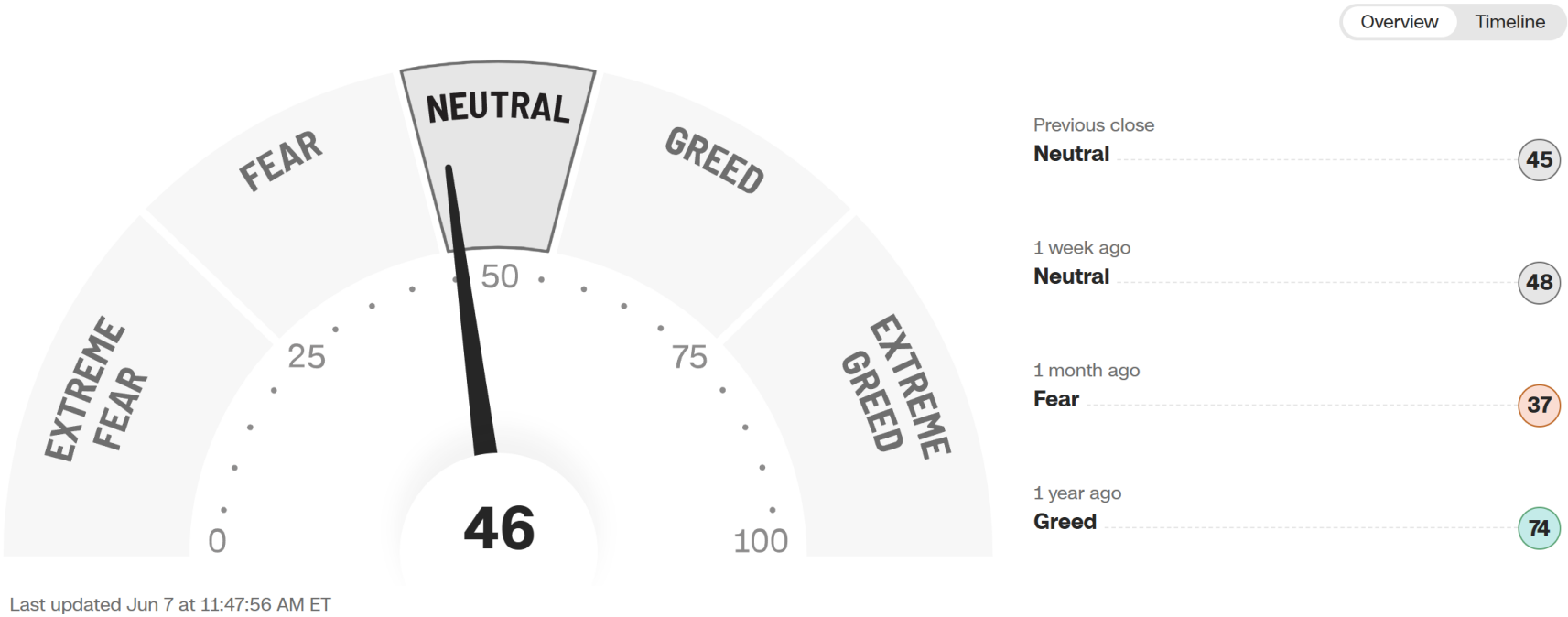
The stocks to commodities ratio measures the S&P 500 relative to the commodity market index PPI (Producer Price Index). When the ratio rises, stocks beat commodity returns - and when it falls, commotities beat stock returns. The chart's yAxis is logarithmic and over the long run stocks clearly outperform commodities.
According to Baran (2013) stocks and commodities are negatively correlated. The main reason is the fact that equities and commodities behave differently during the short term credit cycle. Stocks perform better in late recessions and early expansions while commodities overperform in late expansions and early recessions.
Furthermore, Bannister and Forward (2002) found that equities and commodities alternate on leading the market on average every eighten years (**18-year cycles**), which also corresponds to deflationary and inflationary cycles. Periods of **deflation** are characterized by a boom in stocks and sound money (i.e. gold standard of 1879, Bretton Woods after WW2). These periods are followed by **inflation**, including inflationary events such as the Gold nationalization of 1934, the Nixon shock of 1971, and war (WW1, WW2, Vietnam, Iraq). Realizing their position in the cycle, in 2002 Bannister and Forward correctly predicted the outperformance of commodities over the following years and the risk of war in the middle east.

- *Source: https://www.longtermtrends.net/, as of 7 June 2024*

Fear and Greed Index

Fear & Greed Index

What emotion is driving the market now?
Learn more about the index

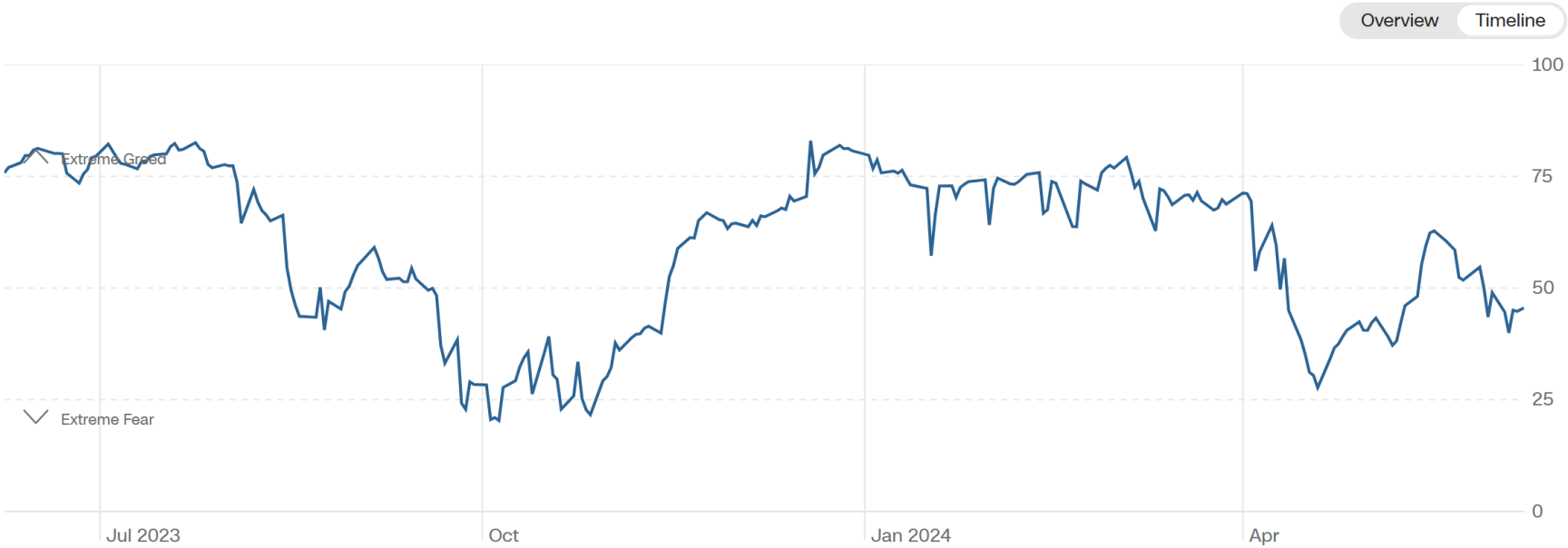


- *Source:* https://edition.cnn.com/markets/fear-and-greed *as of 7 June 2024*

Fear and Greed Index Trend

Fear & Greed Index

What emotion is driving the market now?
Learn more about the index



Last updated Jun 7 at 11:47:56 AM EDT

- *Source:* https://edition.cnn.com/markets/fear-and-greed *as of 7 June 2024*

CME Fed Watch Tool

What is the likelihood that the Fed will change the Federal target rate at upcoming FOMC meetings, according to interest rate traders? Analyze the probabilities of changes to the Fed rate and U.S. monetary policy, as implied by 30-Day Fed Funds futures pricing data.

MEDIA: Please attribute rate probabilities used in your reporting to "CME FedWatch Tool."

QUICKLINKS

Methodology

User Guide

Video Demo

CME FedWatch API

FedWatch Tool

Target Rate | 12 Jun24 | 31 Jul24 | 18 Sep24 | 7 Nov24 | 18 Dec24 | 29 Jan25 | 19 Mar25 | 30 Apr25 | 18 Jun25 | 30 Jul25 | 24 Sep25

Current
Aggregated
Compare
Probabilities

Historical
Historical
Downloads
Prior Hikes

Dot Plot
Chart
Table

Tools
CVOL
SOFR Watch
ESTR Watch

MEETING INFORMATION						PROBABILITIES		
MEETING DATE	CONTRACT	EXPIRES	MID PRICE	PRIOR VOLUME	PRIOR OI	EASE	NO CHANGE	HIKE
12 Jun 2024	ZQM4	28 Jun 2024	94.6713	87,170	171,221	0.6 %	99.4 %	0.0 %

TARGET RATE PROBABILITIES FOR 12 JUN 2024 FED MEETING

TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 6 JUN 2024	1 WEEK 31 MAY 2024	1 MONTH 7 MAY 2024
500-525	0.6%	3.8%	4.4%	8.7%
525-550 (Current)	99.4%	96.2%	95.6%	91.3%

* Data as of 7 Jun 2024 10:43:40 CT

1/29/2025 and forward are projected meeting dates

Powered by QuikStrike®

- *Source:* https://www.cmegroup.com/markets/interest-rates/cme-fedwatch-tool.html?redirect=/trading/interest-rates/countdown-to-fomc.html *as of 7 June 2024*

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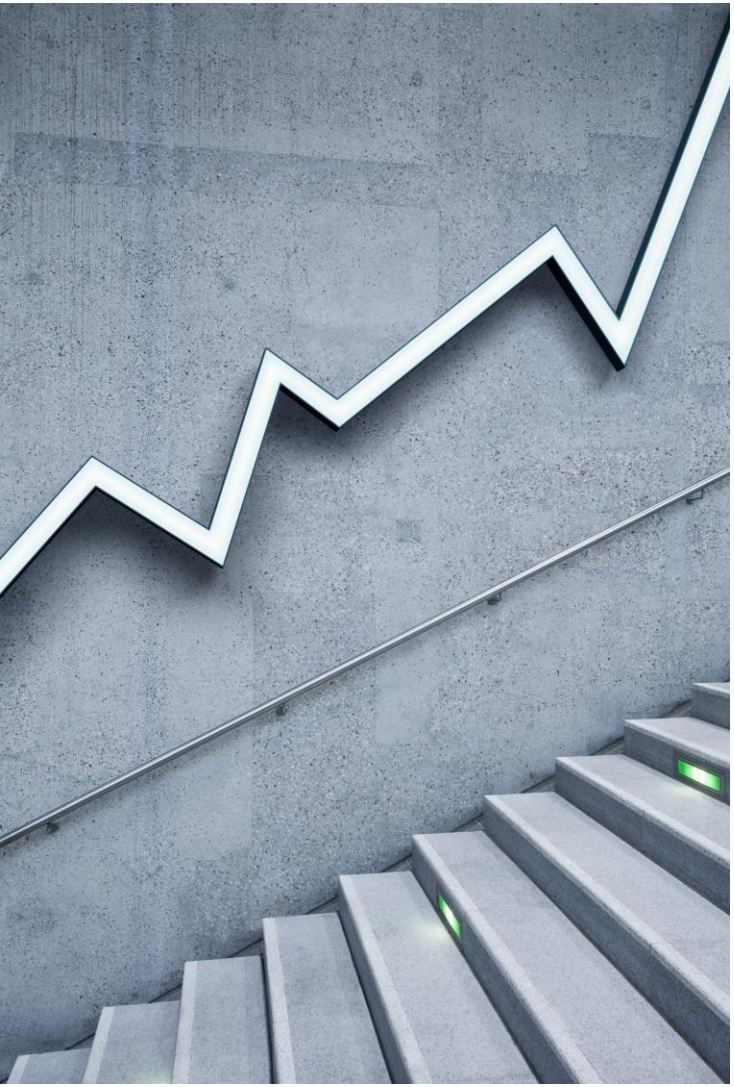
  - https://www.fca.org.uk/consumers/understanding-advice-guidance-investments

Six Arrows Consultancy

Plan Your Future



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