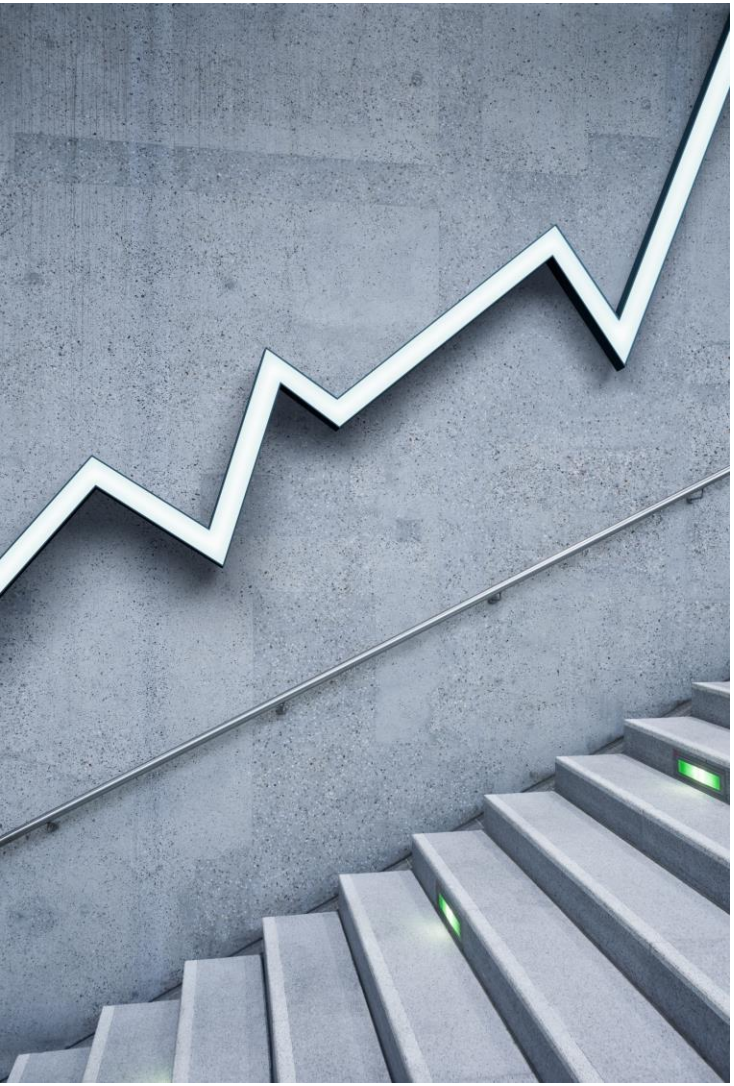

Six Arrows Consultancy

Plan Your Future

MONTHLY NEWSLETTER, SEP 2024

2 OCT 2024

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Content

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- Macroeconomic / Markets Insights

Global Economy

Country	GDP	GDP Growth	Interest Rate	Inflation Rate	Jobless Rate	Gov. Budget	Debt/GDP	Current Account	Population
United States	27361	3.00	5.00	2.50	4.20	-6.30	122.30	-3.00	335.89
China	17795	0.70	3.35	0.60	5.30	-5.80	83.60	1.50	1409.67
Euro Area	15545	0.20	3.65	2.20	6.40	-3.60	88.60	1.70	350.08
Germany	4456	-0.10	3.65	1.90	6.00	-2.50	63.60	6.30	84.70
Japan	4213	0.70	0.25	3.00	2.70	-5.50	255.20	3.60	124.30
India	3550	1.90	6.50	3.65	8.50	-5.63	81.59	-1.20	1386.18
United Kingdom	3340	0.60	5.00	2.20	4.10	-4.40	97.60	-3.30	67.60
France	3031	0.20	3.65	1.20	7.30	-5.50	110.60	-0.70	68.14
Italy	2255	0.20	3.65	1.10	6.50	-7.20	134.60	0.50	58.99
Brazil	2174	1.40	10.75	4.24	6.60	-8.90	74.42	-1.42	216.28
Canada	2140	0.50	4.25	2.00	6.60	-1.40	107.00	-0.60	40.80
Russia	2021	-0.80	19.00	9.10	2.40	-1.90	14.90	2.50	146.40
Mexico	1789	0.20	10.50	4.99	2.90	-5.00	49.70	-1.50	128.46
Australia	1724	0.20	4.35	3.80	4.20	0.90	43.80	-1.60	26.97
South Korea	1713	-0.20	3.50	2.00	2.40	-2.60	49.60	1.30	51.71
Spain	1581	0.80	3.65	1.50	11.27	-3.60	107.70	2.60	48.59
Indonesia	1371	3.79	6.00	2.12	4.82	-1.65	39.30	-0.30	278.70
Netherlands	1118	1.00	3.65	3.60	3.70	-0.90	46.80	10.20	17.94
Turkey	1108	0.10	50.00	51.97	8.80	-5.20	29.50	-4.00	85.37
Saudi Arabia	1068	1.40	5.50	1.60	3.50	-2.00	30.00	5.90	32.18
Switzerland	885	0.70	1.00	1.10	2.40	0.50	38.30	7.60	8.96
Poland	811	1.50	5.75	4.30	5.00	-5.10	49.60	1.60	36.62
Taiwan	757	0.29	2.00	2.36	3.36	-0.50	28.20	11.80	23.42
Argentina	641	-1.70	40.00	236.70	7.60	-2.90	88.40	-0.60	46.66
Belgium	632	0.20	3.65	3.06	5.40	-4.40	105.20	-1.00	11.83
Sweden	593	-0.30	3.25	1.90	7.90	-0.60	31.20	6.50	10.55
Ireland	546	-1.00	3.65	1.70	4.30	1.70	43.70	9.90	5.34
Austria	516	-0.40	3.65	2.30	6.70	-2.70	77.80	2.70	9.16
Thailand	515	0.80	2.50	0.35	1.07	-2.80	61.90	-0.20	66.05
Israel	510	0.30	4.50	3.60	2.60	-4.20	62.00	5.00	9.84
United Arab Emirates	504	2.00	4.90	3.32	2.95	4.50	29.90	9.30	9.52

Source: www.tradingeconomics.com, as of 30 September 2024 (GDP figures are provided in USD billion)

Macro Outlook

- The third quarter of 2024 ended with healthy returns across most major asset classes, despite several bouts of market volatility. A combination of weaker US economic data, an interest rate hike from the Bank of Japan and thin summer liquidity saw stocks hit particularly hard in early August. However, the long-anticipated start of the Federal Reserve's rate cutting cycle in September, along with a less hawkish tone from Japanese policymakers and new stimulus in China, helped to soothe investor concerns and support a strong rally in stocks into quarter end.
- The Federal Reserve (the Fed) kickstarted its cutting cycle with a 50 basis point (bp) move in September.

UK & US Economic Calendar – Key Events

4 October > Unemployment Rate	United States
4 October > Non-Farm Payrolls	United States
9 October > FOMC Minutes	United States
10 October > Inflation Rate YoY	United States
11 October > GDP Growth Rate MoM	United Kingdom
11 October > PPI MoM	United States
15 October > Unemployment Rate	United Kingdom
16 October > Inflation Rate YoY	United Kingdom
17 October > Retail Sales MoM	United States
18 October > Retail Sales MoM	United Kingdom
30 October > GDP Growth Rate QoQ	United States
31 October > Core PCE Price Index MoM	United States

Equities

- Developed market equities delivered a 6.5% return over the period. The parts of the stock market that had previously suffered most from high interest rates generally outperformed, with small caps delivering 9.5% and global REITs returning an impressive 16.2%. Conversely, growth stocks gave up some of their recent outperformance but remain up more than 20% year to date.
- In equity markets, Asia ex-Japan was the top performing major region, returning 10.6% over the quarter.
- European equity returns were more muted, with markets in the UK and Europe ex-UK delivering 2.3% and 1.6% respectively.
- The S&P 500 continued its long march higher, returning 5.9% over the quarter.

Fixed Income

- Fixed income markets were buoyed by the prospect of lower rates, with the Barclays Global Aggregate index returning 7.0% in the third quarter. Government bonds and credit both delivered solid returns, while emerging market debt rallied by 6.1% over the quarter, taking it close to the top of the charts for fixed income sector performance year to date.
- The shift in investors' expectations for interest rates helped government bonds to perform strongly. US Treasuries returned 4.7%, while European sovereigns returned 4.0% over the quarter. UK Gilts were somewhat of a laggard, returning 2.4%. A tighter labour market in the UK is resulting in persistently elevated wage growth, forcing the Bank of England to be somewhat more circumspect about the pace of future easing.

Commodities

- Commodity performance was much more muted, returning just 0.7% over the quarter. Amid growing concerns around the health of the global economy, Brent Crude oil prices fell by 17%, although gold did rally to new all-time highs.

FX

- The Fed, ECB, and BoE are all in rate-cutting cycles, but are divided when it comes to deciding the appropriate easing pace. FX market is likely to be sensitive to any upcoming data releases and perhaps also US elections.

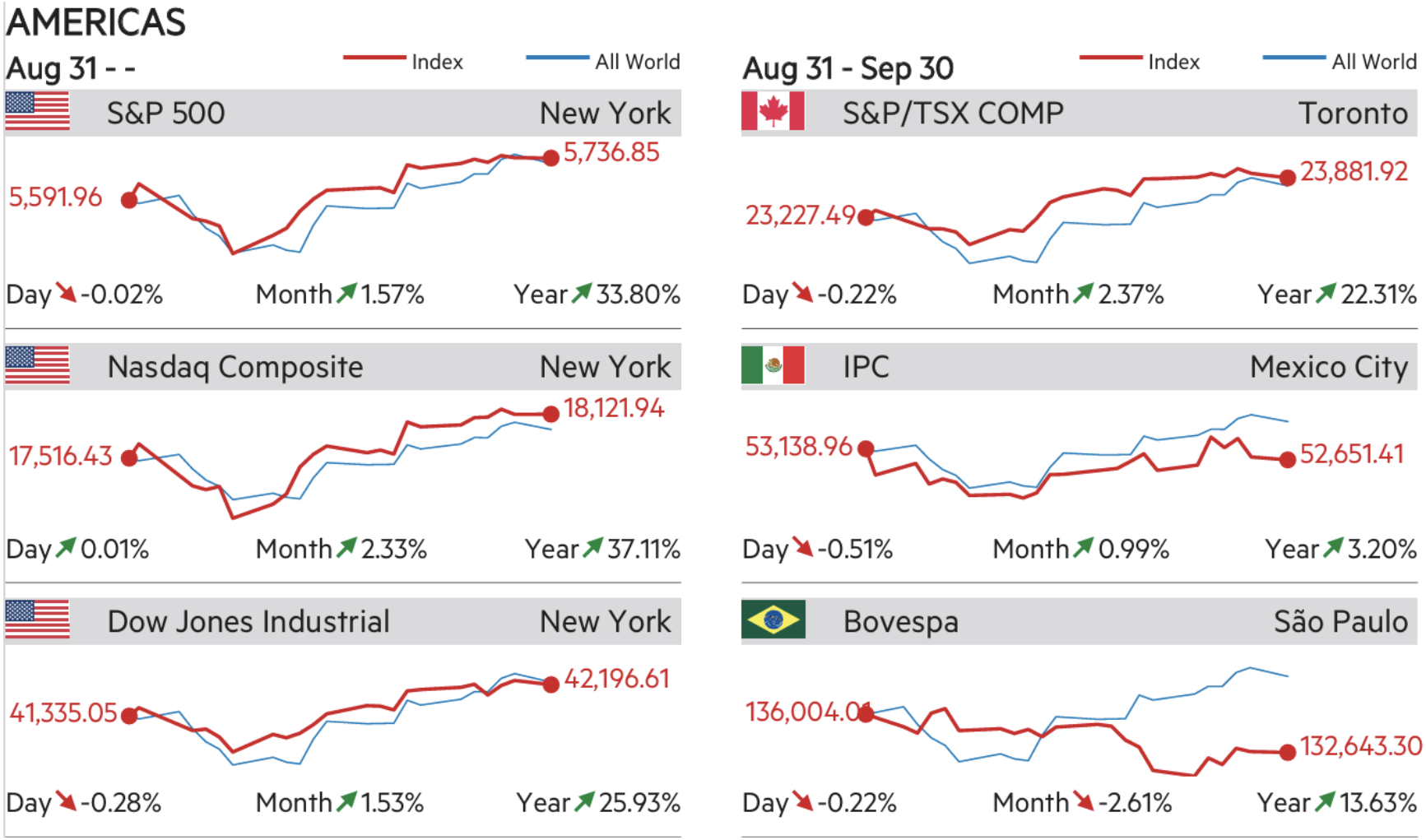
Note: Past performance is no guarantee of future results

Global Markets Overview: Asset Class and Style Returns

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	Q3 '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 21.5%	Global REITs 16.2%
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 19.3%	Value 9.7%
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%	MSCI EM 17.2%	Small cap 9.5%
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%	Value 17.0%	MSCI EM 8.9%
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%	Global REITs 12.9%	Global Agg 7.0%
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%	Small cap 11.4%	DM Equities 6.5%
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%	Cmdty 5.9%	Growth 3.5%
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 Agg 3.6%	Cmdty 0.7%

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

Global Stock Markets – Americas



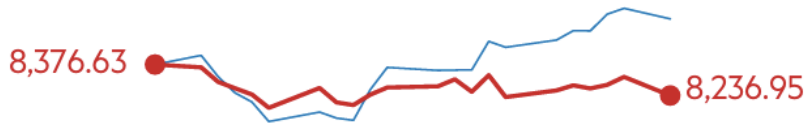
- *Source: Financial Times*
- *All figures are as of 30 September 2024*
- *Monthly figures represent the period between 31 August and 30 September 2024*

Global Stock Markets – Europe

EUROPE

Aug 31 - Sep 30 — Index — All World

FTSE 100 — London



Day -1.01% Month -1.64% Year 8.29%

FTSE Eurofirst 300 — Europe

Day -0.97% Month -0.59% Year 15.99%

CAC 40 — Paris

Day -2.00% Month -0.07% Year 7.02%

Aug 31 - Sep 30 — Index — All World

Xetra Dax — Frankfurt

Day -0.76% Month 3.23% Year NaN%

Ibex 35 — Madrid

Day -0.76% Month 4.57% Year 25.98%

FTSE MIB — Milan

Day -1.73% Month -0.20% Year 20.83%

- *Source: Financial Times*
- *All figures are as of 30 September 2024*
- *Monthly figures represent the period between 31 August and 30 September 2024*

Global Stock Markets – Asia

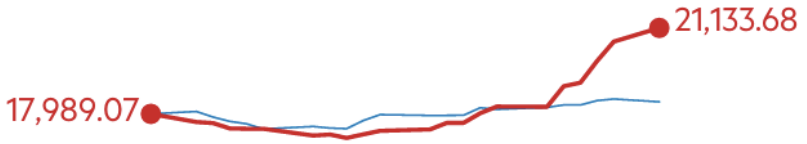
ASIA

Aug 31 - Sep 30 — Index — All World

Nikkei 225 — Tokyo

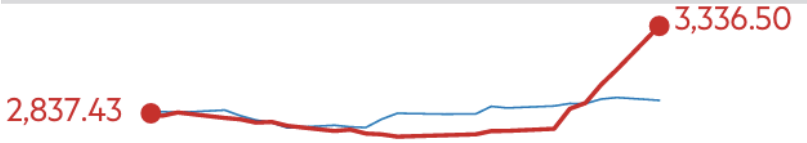
Day -4.80% Month -1.37% Year 18.77%

Hang Seng — Hong Kong



Day 2.43% Month 18.94% Year 18.78%

Shanghai Composite — Shanghai



Day 8.06% Month 18.19% Year 7.27%

Aug 31 - Sep 30 — Index — All World

Kospi — Seoul

Day -2.13% Month -2.59% Year 5.20%

FTSE Straits Times — Singapore

Day 0.33% Month 5.38% Year 11.51%

BSE Sensex — Mumbai

Day -1.49% Month 2.71% Year 28.16%

- *Source: Financial Times*
- *All figures are as of 30 September 2024*
- *Monthly figures represent the period between 31 August and 30 September 2024*

US Stock Markets

S&P 500 INDEX

✓ Following

SPX:IND

(USD) · Market open

5,710.00 ▲+1.25 +0.02%

Delayed price as of 1:53 PM EDT 10/02/24.

Summary Related News Index Info

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

Add a comparison

Overview

OPEN	1 YEAR RETURN	DAY RANGE
5,698.14	34.92%	5,674.00 – 5,719.63
PREV. CLOSE	**YTD RETURN**	**52 WEEK RANGE**
5,708.75	19.86%	4,103.78 – 5,767.37

Key Statistics

P/E RATIO	26.10	PRICE TO BOOK RATIO	5.09
PRICE TO SALES RATIO	2.98	1 YEAR RETURN	34.92%
30 DAY AVG VOLUME	765,484,413.93	EPS	232.95
LAST DIVIDEND REPORTED	0.346443		

- *Source: Bloomberg*
- *All figures are as of 2 October 2024*

UK Stock Markets

FTSE 100 Index

✓ Following

UKX:IND

(GBP) · Market closed

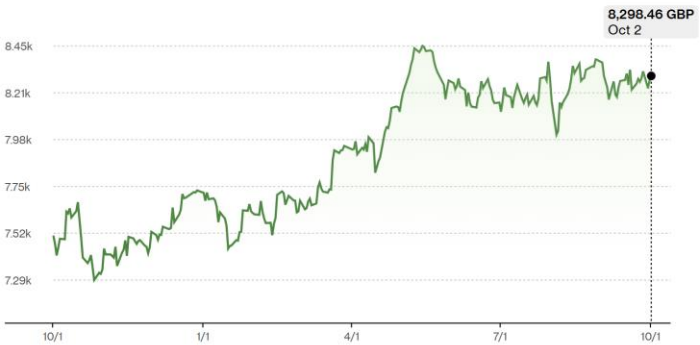
8,290.86 ▲+14.21+0.17%

As of 11:35 AM EDT 10/02/24.

Summary | Related News | Index Info

1D 1M 6M YTD 1Y 5Y

Add a comparison



Overview

OPEN	1 YEAR RETURN	DAY RANGE
8,276.65	14.52%	8,267.60 – 8,322.59
PREV. CLOSE	**YTD RETURN**	**52 WEEK RANGE**
8,276.65	7.21%	7,279.86 – 8,474.41

Key Statistics

P/E RATIO	14.63	PRICE TO BOOK RATIO	1.90
PRICE TO SALES RATIO	1.30	1 YEAR RETURN	14.52%
30 DAY AVG VOLUME	553,541,049.20	EPS	682.39
LAST DIVIDEND REPORTED	5.544783		

- *Source: Bloomberg*
- *All figures are as of 2 October 2024*

Turkey Stock Markets

Borsa Istanbul 100 Index

✓ Following

XU100:IND

(TRY) · Market closed

9,012.87 ▼-338.35 -3.62%

As of 11:10 AM EDT 10/02/24.

Summary | Related News | Index Info

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

Add a comparison

Overview

OPEN	1 YEAR RETURN	DAY RANGE
9,320.46	9.17%	9,012.87 – 9,339.22
PREV. CLOSE	**YTD RETURN**	**52 WEEK RANGE**
9,351.22	20.65%	7,202.88 – 11,252.11

Key Statistics

P/E RATIO	6.97	PRICE TO BOOK RATIO	1.21
PRICE TO SALES RATIO	0.55	1 YEAR RETURN	9.17%
30 DAY AVG VOLUME	2,711,653,927.60	EPS	1,343.93
LAST DIVIDEND REPORTED	4.692351		

- *Source: Bloomberg*
- *All figures are as of 2 October 2024*

Global Bond Markets – Americas

Americas 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EDT)
United States »	3.74%	-4	-15	-82	2:36 PM
Canada	2.95%	0	-21	-107	2:36 PM
Brazil	12.39%	-2	+18	+75	2:36 PM
Mexico	9.32%	+0	-32	-52	9/30/2024

- *Source: Bloomberg*
- *All figures are as of 30 September 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 »	2.03%	-9	-26	-80	11:59 AM
United Kingdom »	3.94%	-6	-7	-50	11:59 AM
France	2.81%	-10	-21	-58	11:59 AM
Italy	3.36%	-9	-33	-141	11:59 AM
Spain	2.83%	-9	-30	-110	11:59 AM
Netherlands	2.32%	-9	-26	-86	11:59 AM
Portugal	2.60%	-8	-29	-97	11:59 AM
Greece	3.02%	-7	-32	-131	11:59 AM
Switzerland	0.30%	-2	-8	-71	11:59 AM

- *Source: Bloomberg*
- *All figures are as of 30 September 2024*

Global Bond Markets – Asia Pacific

Asia Pacific 10-Year Government Bond Yields

COUNTRY	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EDT)
Japan »	0.84%	-1	-4	+9	3:59 AM
Australia »	4.00%	+3	+4	-48	2:39 AM
New Zealand	4.22%	-1	-3	--	9/30/2024
	--	--	--	--	--
Singapore	2.60%	+1	-7	-77	5:29 AM
South Korea	2.99%	-1	-8	-100	9/30/2024
India	6.75%	--	-12	-46	9/30/2024

- *Source: Bloomberg*
- *All figures are as of 30 September 2024*

UK Bond Markets

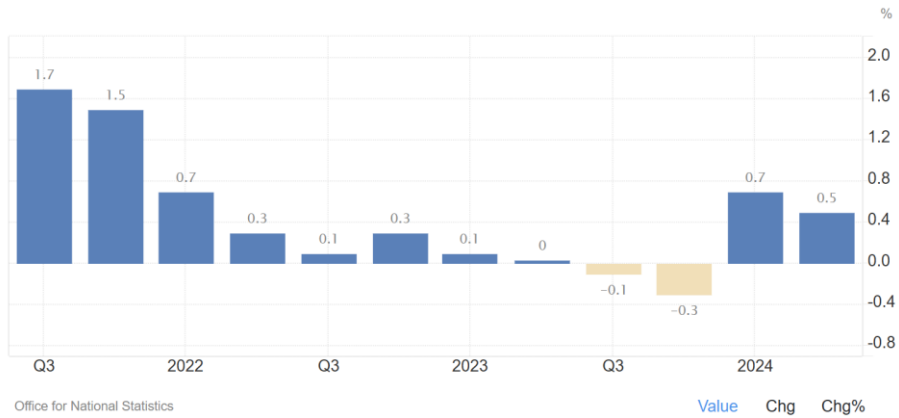
Gilt Yields

NAME	COUPON	PRICE	YIELD	1 DAY	1 MONTH	1 YEAR	TIME (EDT)
GTGBP2Y:GOV **UK Gilt 2 Year Yield**	4.13	100.38	3.95%	-3	-15	-94	11:59 AM
GTGBP5Y:GOV **UK Gilt 5 Year Yield**	4.13	101.35	3.81%	-4	-9	-69	11:59 AM
GTGBP10Y:GOV **UK Gilt 10 Year Yield**	4.25	102.50	3.94%	-6	-7	-50	11:59 AM
GTGBP30Y:GOV **UK Gilt 30 Year Yield**	4.38	97.77	4.51%	-7	-2	-39	11:59 AM

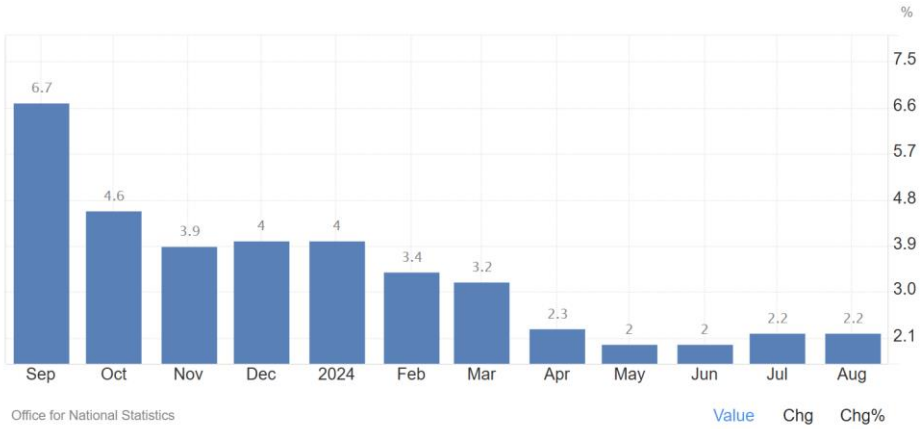
- *Source: Bloomberg*
- *All figures are as of 30 September 2024*

UK Economy

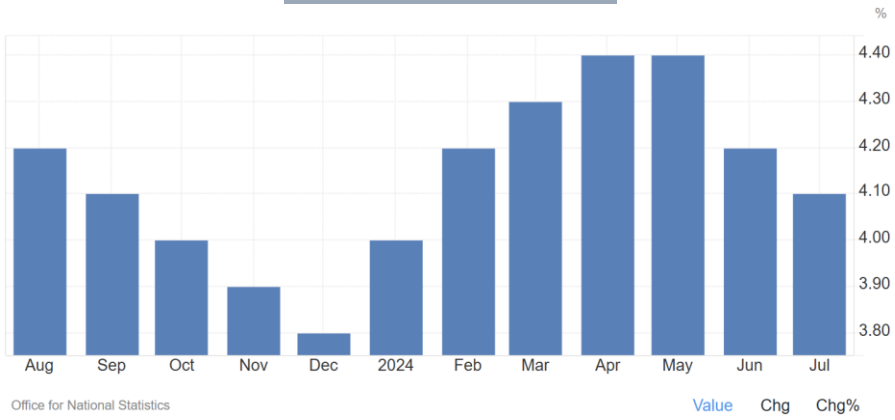
Annual GDP Growth Rate



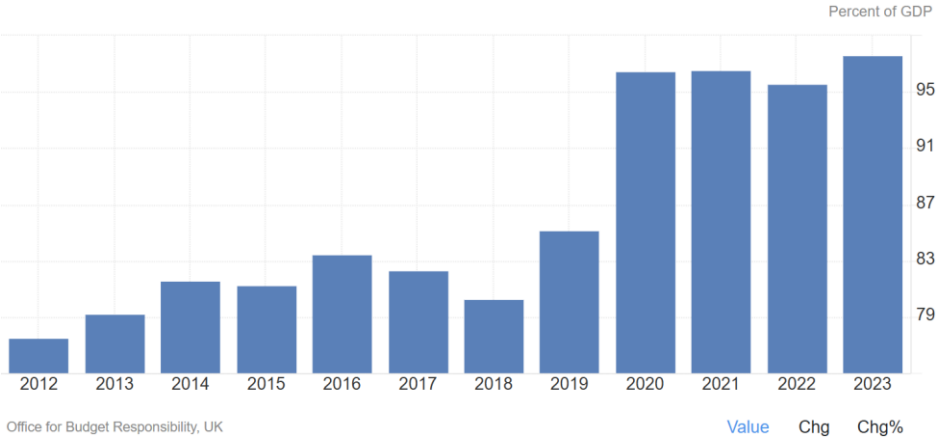
Annual Inflation Rate



Unemployment Rate



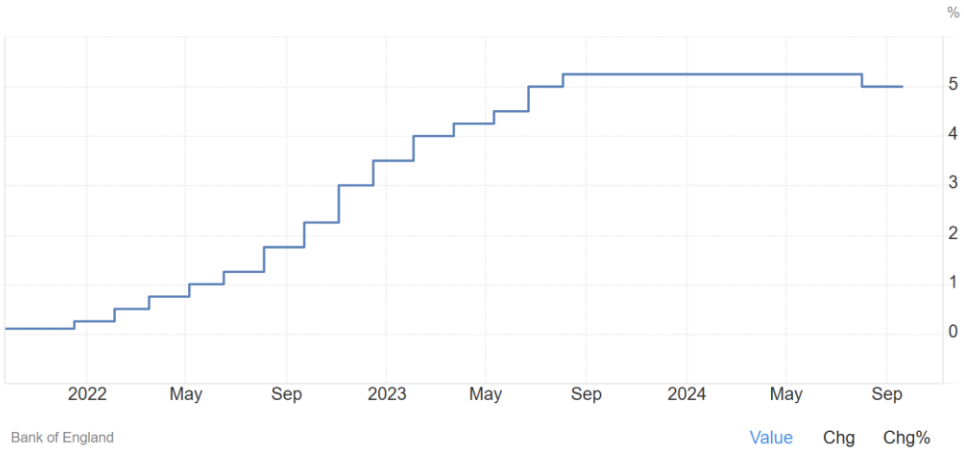
Government Debt / GDP



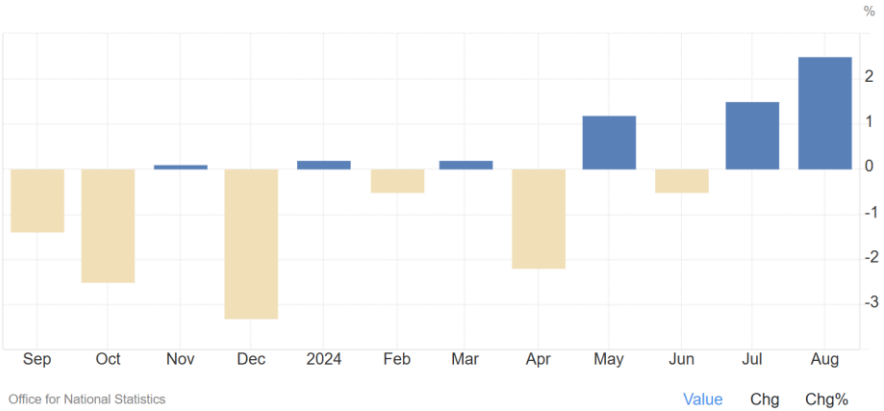
- *Source:* https://tradingeconomics.com/united-kingdom

UK Markets

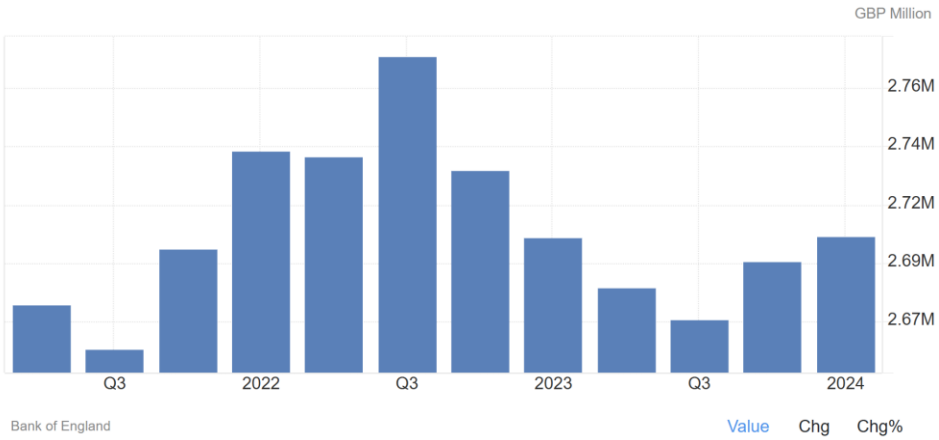
BOE Interest Rate



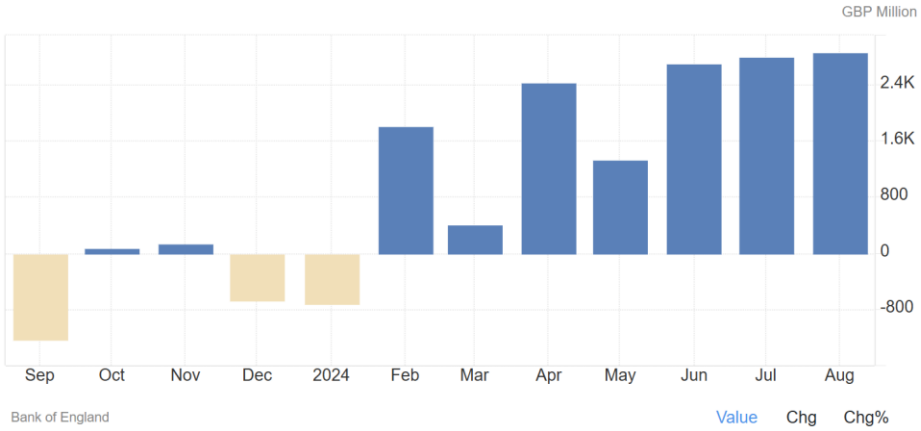
Retail Sales YoY



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 4

COVENTRY Building Society
£1,533
Monthly payment until 28/2/2030
5 year fixed

3.69%	£999	£92,964	5.8%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

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Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.8%. Total amount payable £581,584.24 includes interest of £280,577.24 product fees of £999 and other fees of £8. Repayments: 64 months of £1,532.61 at 3.69% (fixed), then 236 months of £2,044.45 at 7.24% (variable). Early repayment charges apply.

BARCLAYS
£1,534
Monthly payment until 31/12/2029
5 year fixed

3.70%	£899	£92,988	5.7%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Go to broker | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.7%. Total amount payable £573,593.19 includes interest of £272,579.19 product fees of £899 and other fees of £115. Repayments: 63 months of £1,534.24 at 3.7% (fixed), then 237 months of £2,008.11 at 6.99% (variable). Early repayment charges apply.

BARCLAYS
£1,536
Monthly payment until 31/12/2029
5 year fixed

3.71%	£899	£93,086	5.7%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Go to broker | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.7%. Total amount payable £573,785.94 includes interest of £272,771.94 product fees of £899 and other fees of £115. Repayments: 63 months of £1,535.87 at 3.71% (fixed), then 237 months of £2,008.49 at 6.99% (variable). Early repayment charges apply.

Property EPC rating A or B required

NatWest
£1,541
Monthly payment until 31/12/2029
5 year fixed

3.74%	£995	£93,471	6.3%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Get a decision | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.3%. Total amount payable £611,610.26 includes interest of £310,585.26 product fees of £995 and other fees of £30. Repayments: 63 months of £1,540.76 at 3.74% (fixed), then 237 months of £2,166.74 at 7.99% (variable). Early repayment charges apply.

Property EPC rating A or B required

HALIFAX
£1,547
Monthly payment until 30/11/2029
5 year fixed

3.78%	£999	£93,937	6.6%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£250** | Free legals ✗ | Free valuations ✗

Go to lender | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £632,957.62 includes interest of £331,858.62 product fees of £999 and other fees of £100. Repayments: 62 months of £1,547.30 at 3.78% (fixed), then 238 months of £2,251.79 at 8.49% (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 30 September 2024*
- *Source: https://www.moneysupermarket.com/*

UK Mortgage Loans
Competitive Market Benchmark (Indicative Only) – Page 2 of 4

COVENTRY Building Society
£1,549
Monthly payment until 29/2/2028
3 year fixed

3.79%	£999	£56,768	6.4%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Go to broker | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.4%. Total amount payable £607,349.60 includes interest of £306,342.60 product fees of £999 and other fees of £8. Repayments: 40 months of £1,548.93 at 3.79% (fixed), then 260 months of £2,093.79 at 7.24% (variable). Early repayment charges apply.

TSB
£1,549
Monthly payment until 31/12/2029
5 year fixed

3.79%	£995	£93,931	6.0%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Go to lender | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6%. Total amount payable £593,781.98 includes interest of £292,786.98 product fees of £995 and other fees of £0. Repayments: 63 months of £1,548.93 at 3.79% (fixed), then 237 months of £2,089.47 at 7.49% (tracker). Early repayment charges apply.

Get a Decision in Principle from NatWest

NatWest
£1,549
Monthly payment until 31/12/2029
5 year fixed

3.79%	£995	£93,961	6.3%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Get a decision | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.3%. Total amount payable £612,613.19 includes interest of £311,588.19 product fees of £995 and other fees of £30. Repayments: 63 months of £1,548.93 at 3.79% (fixed), then 237 months of £2,168.80 at 7.99% (variable). Early repayment charges apply.

Santander
£1,551
Monthly payment until 2/2/2030
5 year fixed

3.80%	£999	£94,033	5.9%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Go to lender | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.9%. Total amount payable £584,345.44 includes interest of £283,121.44 product fees of £999 and other fees of £225. Repayments: 64 months of £1,550.57 at 3.8% (fixed), then 236 months of £2,050.36 at 7.25% (variable). Early repayment charges apply.

Club Lloyds current account holders only

LLOYDS BANK
£1,554
Monthly payment until 30/11/2029
5 year fixed

3.82%	£999	£94,230	6.6%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£250** | Free legals ✗ | Free valuations ✓

Go to lender | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £633,663.56 includes interest of £332,664.56 product fees of £999 and other fees of £0. Repayments: 62 months of £1,553.85 at 3.82% (fixed), then 238 months of £2,253.47 at 8.49% (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 30 September 2024*
- *Source: https://www.moneysupermarket.com/*

UK Mortgage Loans
Competitive Market Benchmark (Indicative Only) – Page 3 of 4

HSBC UK
£1,554
Monthly payment until 31/12/2029
5 year fixed

3.82%	£999	£94,247	5.8%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£1,250** | Free legals ✗ | Free valuations ✓

Go to broker | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.8%. Total amount payable £575,916.08 includes interest of £274,900.08 product fees of £999 and other fees of £17. Repayments: 63 months of £1,553.85 at 3.82% (fixed), then 237 months of £2,012.69 at 6.99% (variable). Early repayment charges apply.

first direct Part of HSBC UK
£1,555
Monthly payment for 60 months
5 year fixed

3.83%	£490	£93,819	5.8%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Call | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 5.8%. Total amount payable £578,206.60 includes interest of £277,716.60 product fees of £490 and other fees of £0. Repayments: 60 months of £1,555.49 at 3.83% (fixed), then 240 months of £2,018.28 at 6.99% (variable). Early repayment charges apply.

BARCLAYS
£1,564
Monthly payment until 31/12/2027
3 year fixed

3.88%	£999	£57,327	6.3%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Go to broker | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.3%. Total amount payable £598,552.48 includes interest of £297,438.48 product fees of £999 and other fees of £115. Repayments: 39 months of £1,563.70 at 3.88% (fixed), then 261 months of £2,055.38 at 6.99% (variable). Early repayment charges apply.

The Cumberland
£1,564
Monthly payment until 1/12/2029
5 year fixed

3.88%	£999	£94,841	6.5%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Go to broker | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.5%. Total amount payable £625,300.76 includes interest of £324,171.76 product fees of £999 and other fees of £130. Repayments: 62 months of £1,563.70 at 3.88% (fixed), then 238 months of £2,215.22 at 8.24% (variable). Early repayment charges apply.

COVENTRY Building Society
£1,565
Monthly payment until 28/2/2027
2 year fixed

3.89%	£999	£38,575	6.7%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Go to broker | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.7%. Total amount payable £620,859.36 includes interest of £319,852.36 product fees of £999 and other fees of £8. Repayments: 28 months of £1,565.35 at 3.89% (fixed), then 272 months of £2,117.73 at 7.24% (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 30 September 2024*
- *Source: https://www.moneysupermarket.com/*

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

HALIFAX
£1,565
Monthly payment until 30/11/2029
5 year fixed

3.89%	£0	£94,021	6.6%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£250** | Free legals ✗ | Free valuations ✗

Go to lender | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £634,174.90 includes interest of £334,074.90 product fees of £0 and other fees of £100. Repayments: 62 months of £1,565.35 at 3.89% (fixed), then 238 months of £2,256.40 at 8.49% (variable). Early repayment charges apply.

Property EPC rating A or B required

NatWest
£1,567
Monthly payment until 31/12/2029
5 year fixed

3.90%	£995	£95,044	6.4%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Get a decision | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.4%. Total amount payable £614,817.47 includes interest of £313,792.47 product fees of £995 and other fees of £30. Repayments: 63 months of £1,566.99 at 3.9% (fixed), then 237 months of £2,173.30 at 7.99% (variable). Early repayment charges apply.

Property EPC rating A or B required

HALIFAX
£1,570
Monthly payment until 30/11/2027
3 year fixed

3.92%	£999	£57,629	7.4%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£250** | Free legals ✗ | Free valuations ✗

Go to lender | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 7.4%. Total amount payable £668,505.22 includes interest of £367,406.22 product fees of £999 and other fees of £100. Repayments: 38 months of £1,570.29 at 3.92% (fixed), then 262 months of £2,319.60 at 8.49% (variable). Early repayment charges apply.

Get a Decision in Principle from NatWest

NatWest
£1,570
Monthly payment until 31/12/2029
5 year fixed

3.92%	£0	£94,247	6.3%
Initial rate	Product fees	Initial term cost	APRC

Cashback **£0** | Free legals ✗ | Free valuations ✓

Get a decision | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.3%. Total amount payable £614,224.71 includes interest of £314,194.71 product fees of £0 and other fees of £30. Repayments: 63 months of £1,570.29 at 3.92% (fixed), then 237 months of £2,174.12 at 7.99% (variable). Early repayment charges apply.

Club Lloyds current account holders only

LLOYDS BANK
£1,572
Monthly payment until 30/11/2029
5 year fixed

3.93%	£0	£94,316	6.6%
Initial rate	Product fees	Initial term cost	APRC

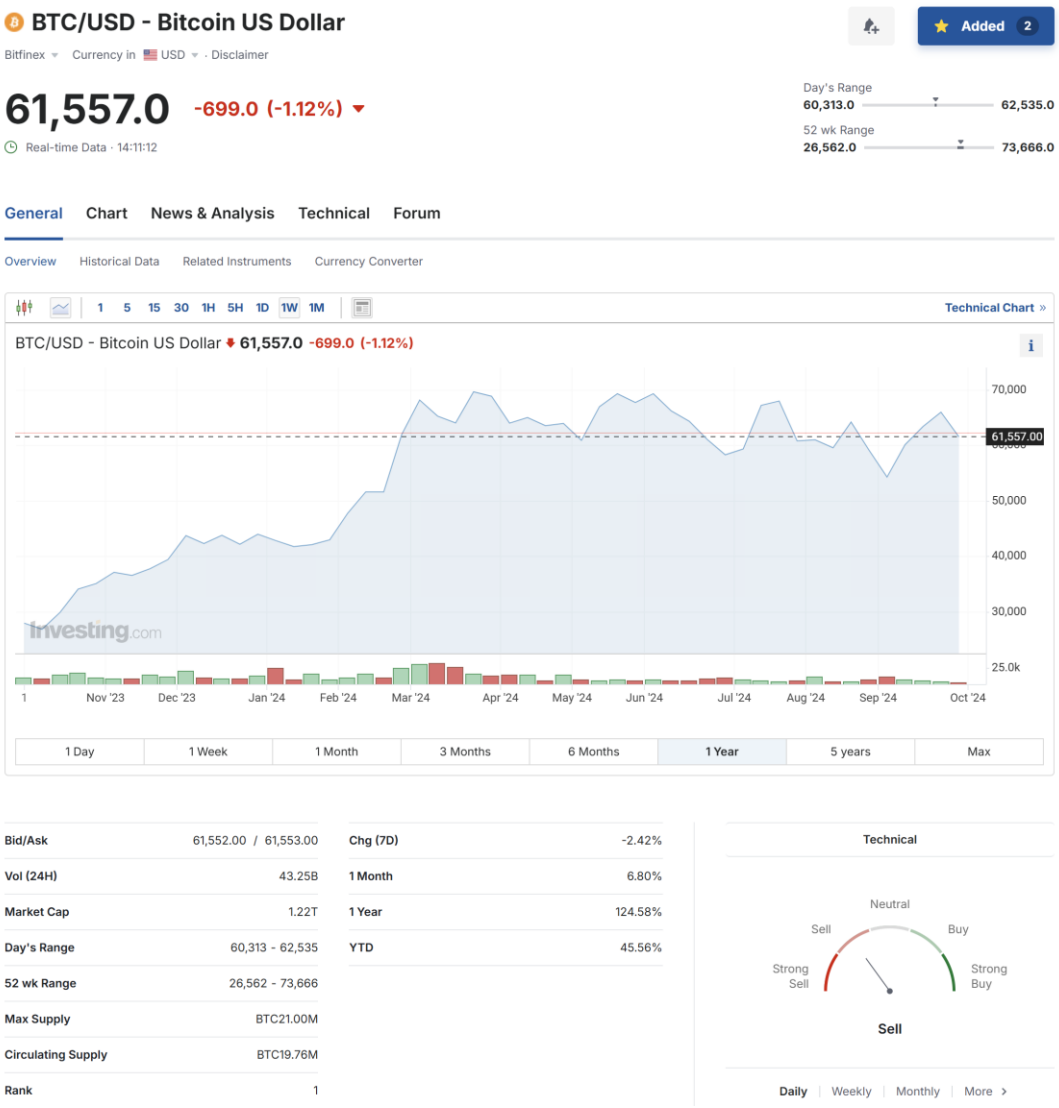
Cashback **£250** | Free legals ✗ | Free valuations ✓

Go to lender | Full details

Representative example: a repayment mortgage amount of £300,000 over 25 years, representative APRC 6.6%. Total amount payable £634,878.56 includes interest of £334,878.56 product fees of £0 and other fees of £0. Repayments: 62 months of £1,571.94 at 3.93% (fixed), then 238 months of £2,258.06 at 8.49% (variable). Early repayment charges apply.

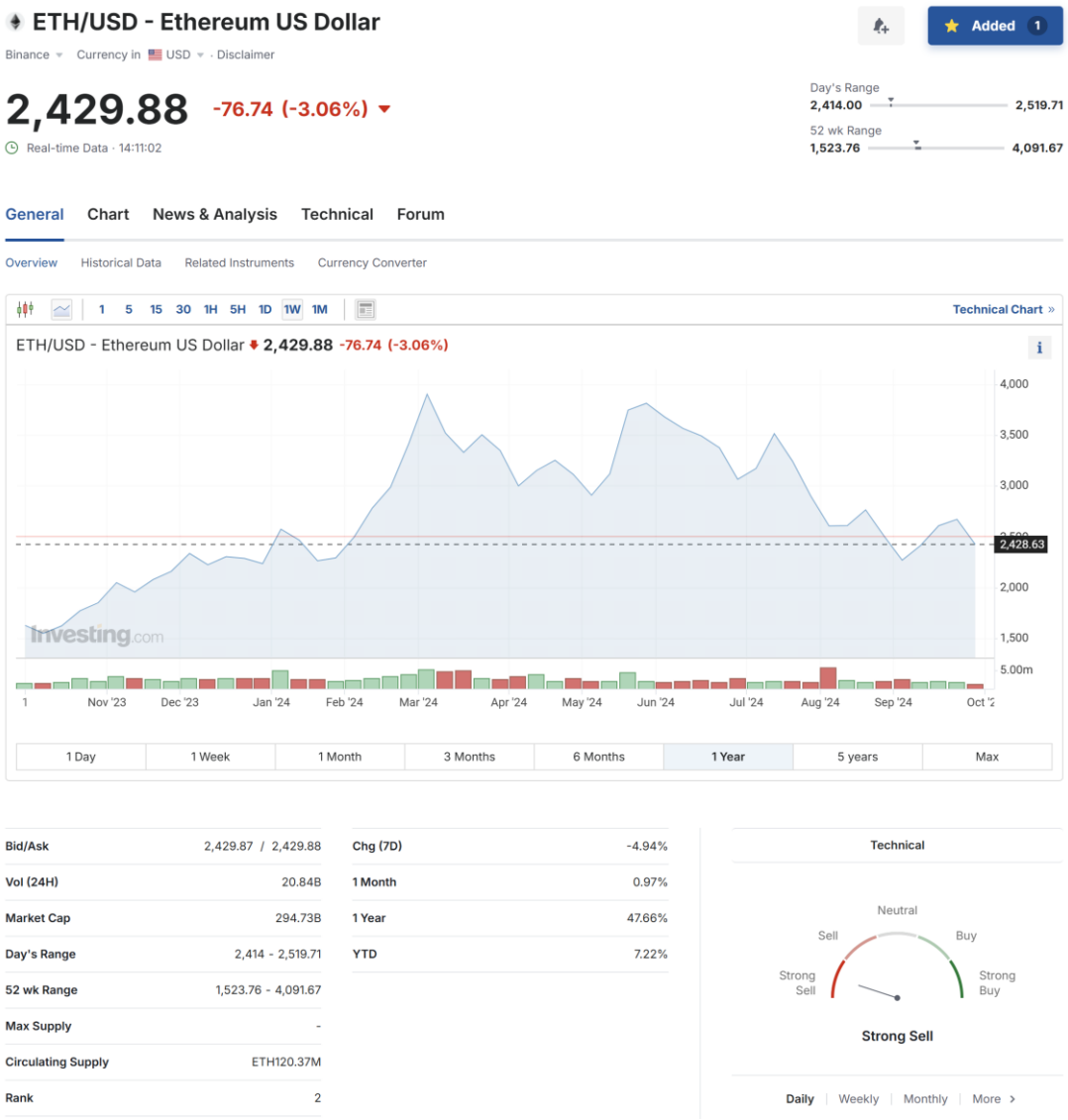
- *The above quotes are indicative only, based on a hypothetical 25-year (repayment) mortgage loan scenario, where the property value is £500,000, and down payment is £200,000, as of 30 September 2024*
- *Source: https://www.moneysupermarket.com/*

Crypto Markets: Bitcoin



- *Source: www.investing.com, as of 2 October 2024*

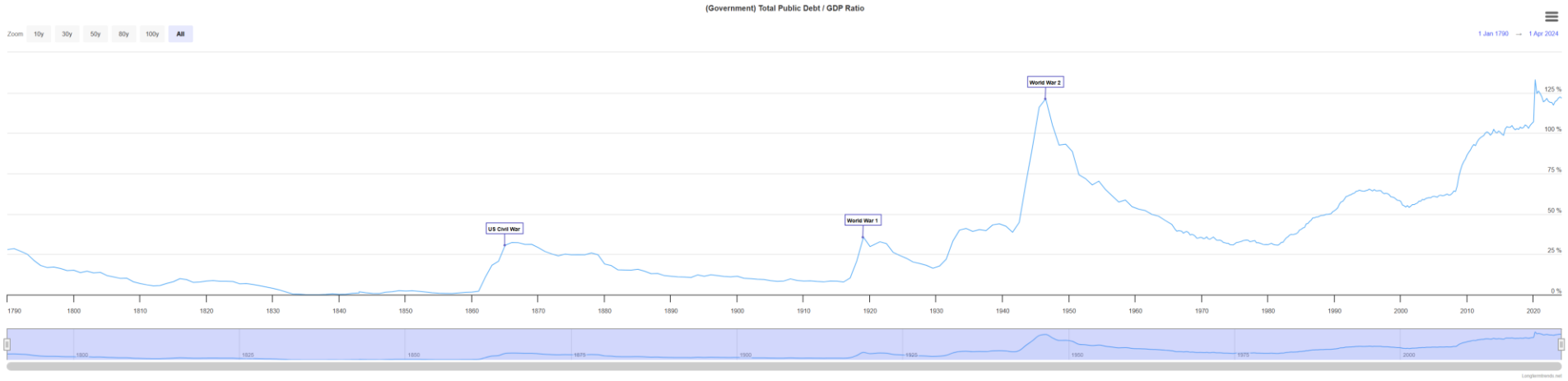
Crypto Markets: Etherium



- *Source: www.investing.com, as of 2 October 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 2 October 2024*

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

Interpretation

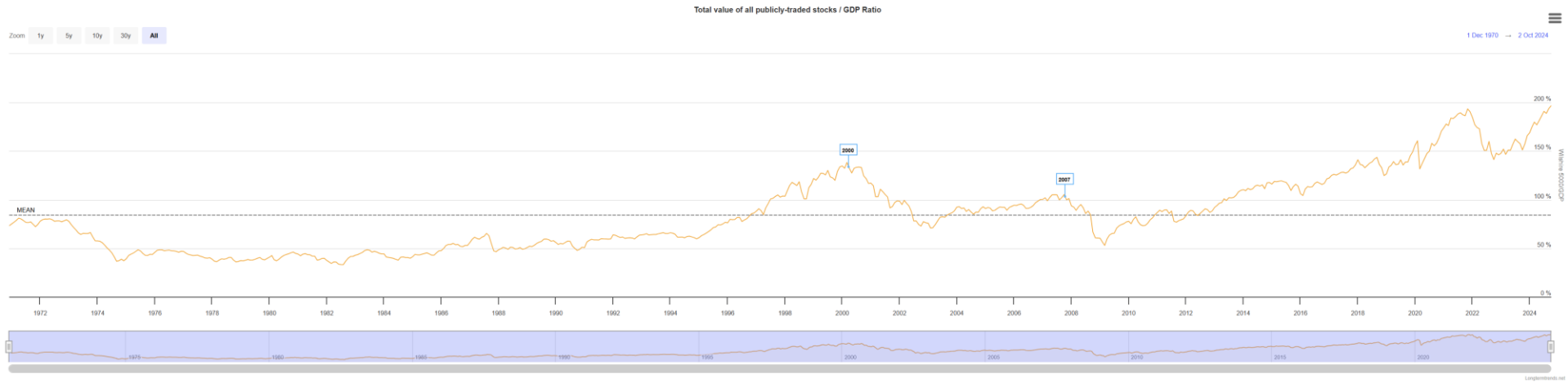
The price earnings ratio is calculated by dividing a company's stock price by its earnings per share. In other words, the price earnings ratio shows what the market is willing to pay for a stock based on its current earnings. It is one of the most widely-used valuation metrics for stocks. A high P/E 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 2 October 2024*

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

Wilshire 5000 to GDP Ratio

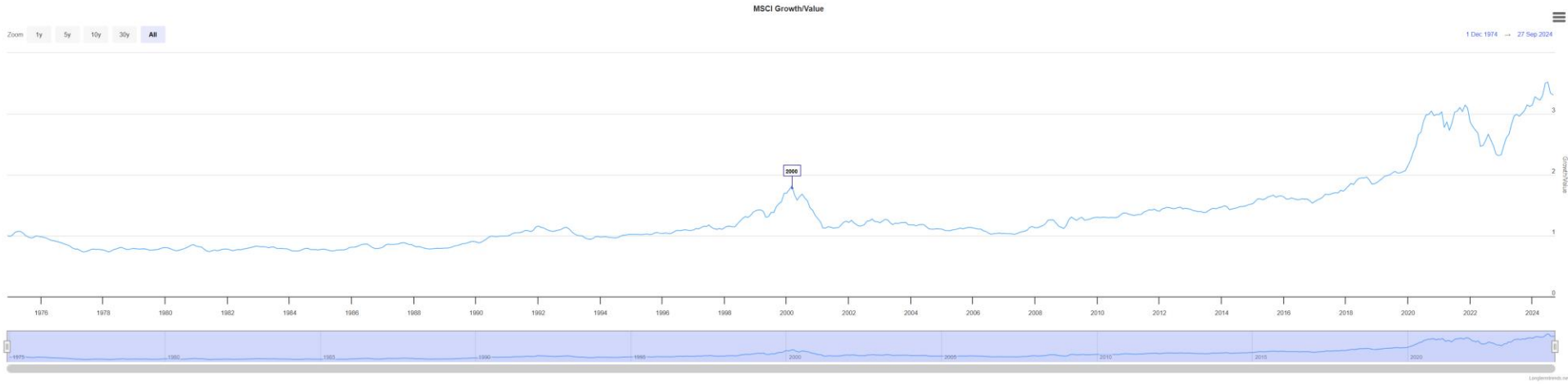


Interpretation

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 2 October 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 2 October 2024*

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

Interpretation

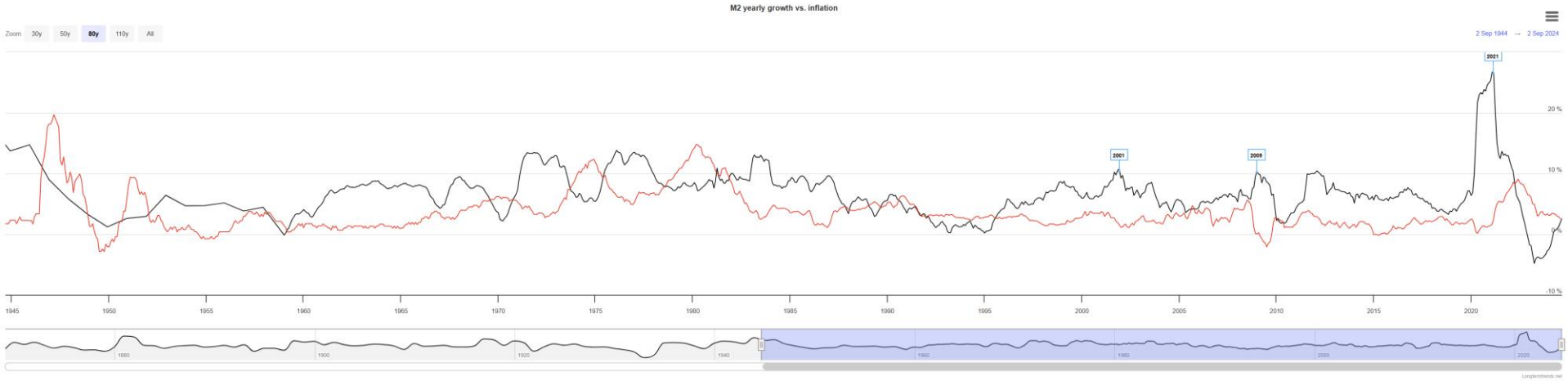
The chart above compares the performance of the MSCI USA index to the MSCI World index. It provides a valuable perspective on the relative strength or weakness of the US stock market in comparison to the global stock market as a whole.

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 2 October 2024*

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



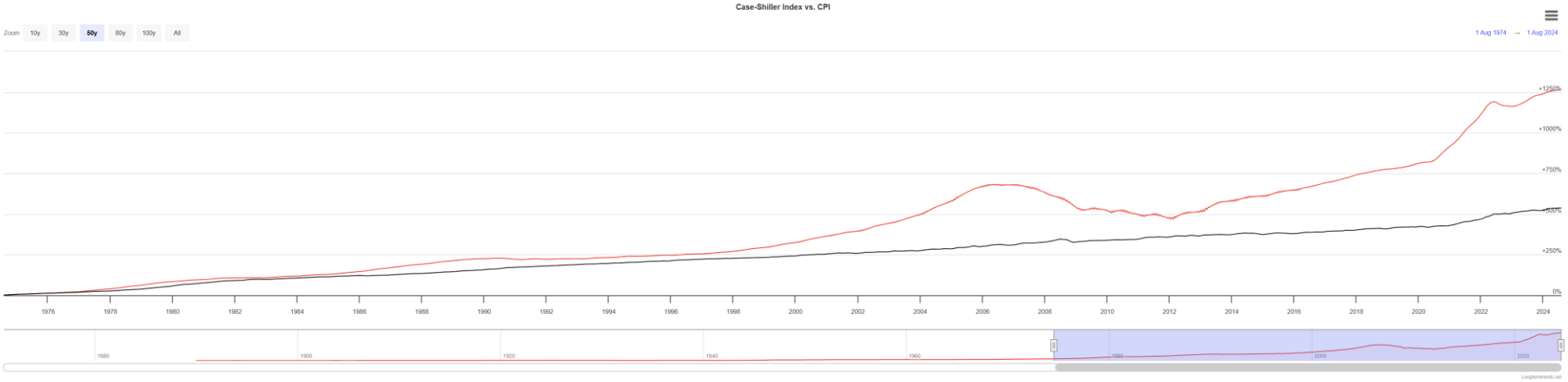
Interpretation

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 2 October 2024*

Macro-economic / Markets Insights – US Real Home Prices

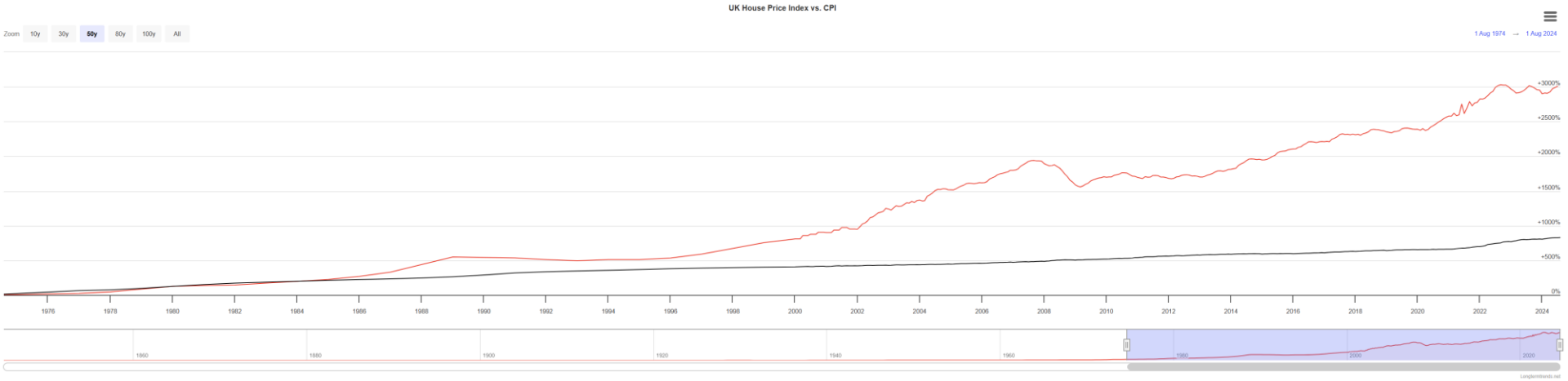


Interpretation

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

- *Source: https://www.longtermtrends.net/, as of 2 October 2024*

Macro-economic / Markets Insights – UK Real Home Prices

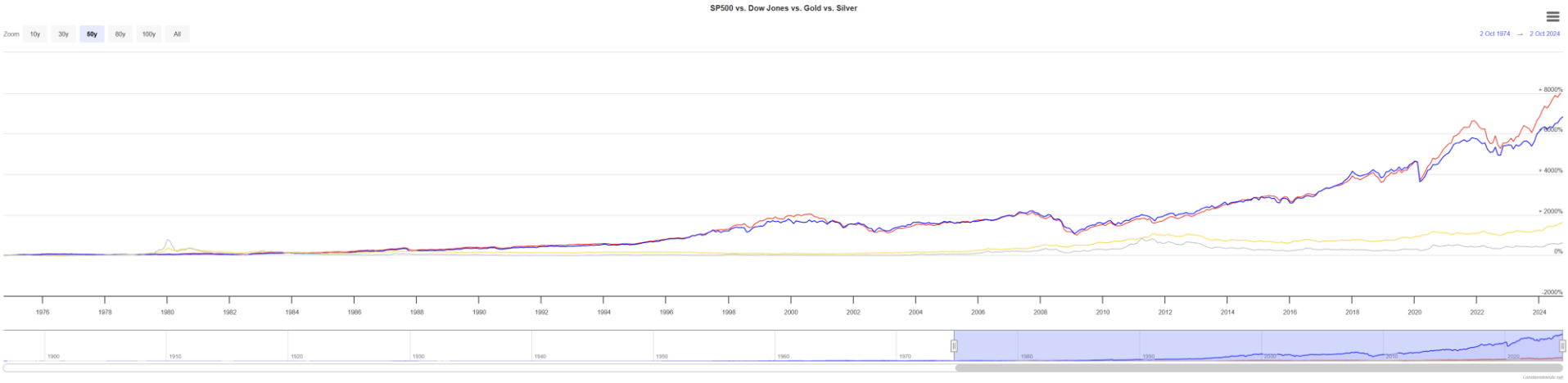


Interpretation

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

- *Source: https://www.longtermtrends.net/, as of 2 October 2024*

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

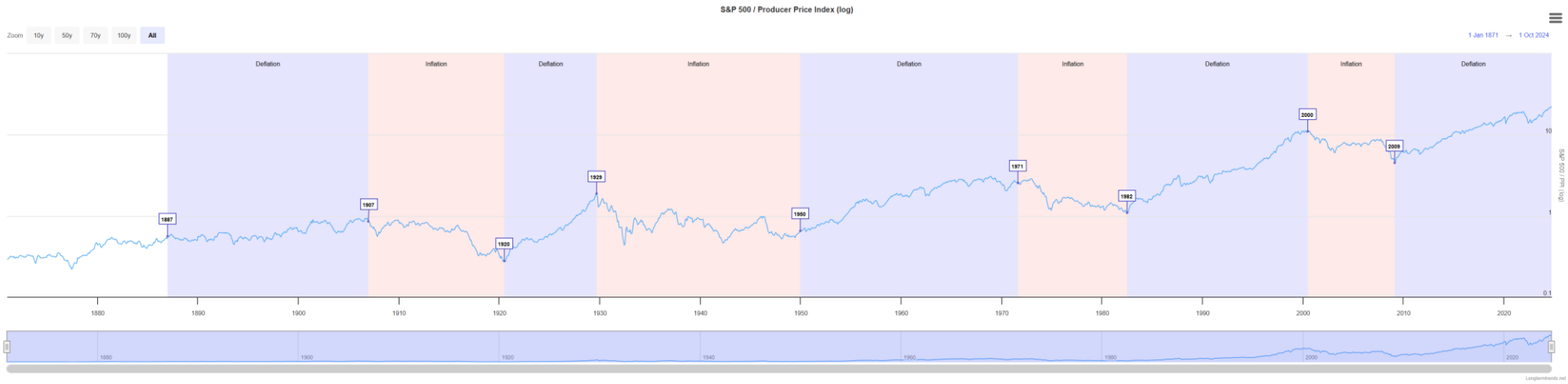


Interpretation

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 2 October 2024*

Stocks to Commodities Ratio



Interpretation

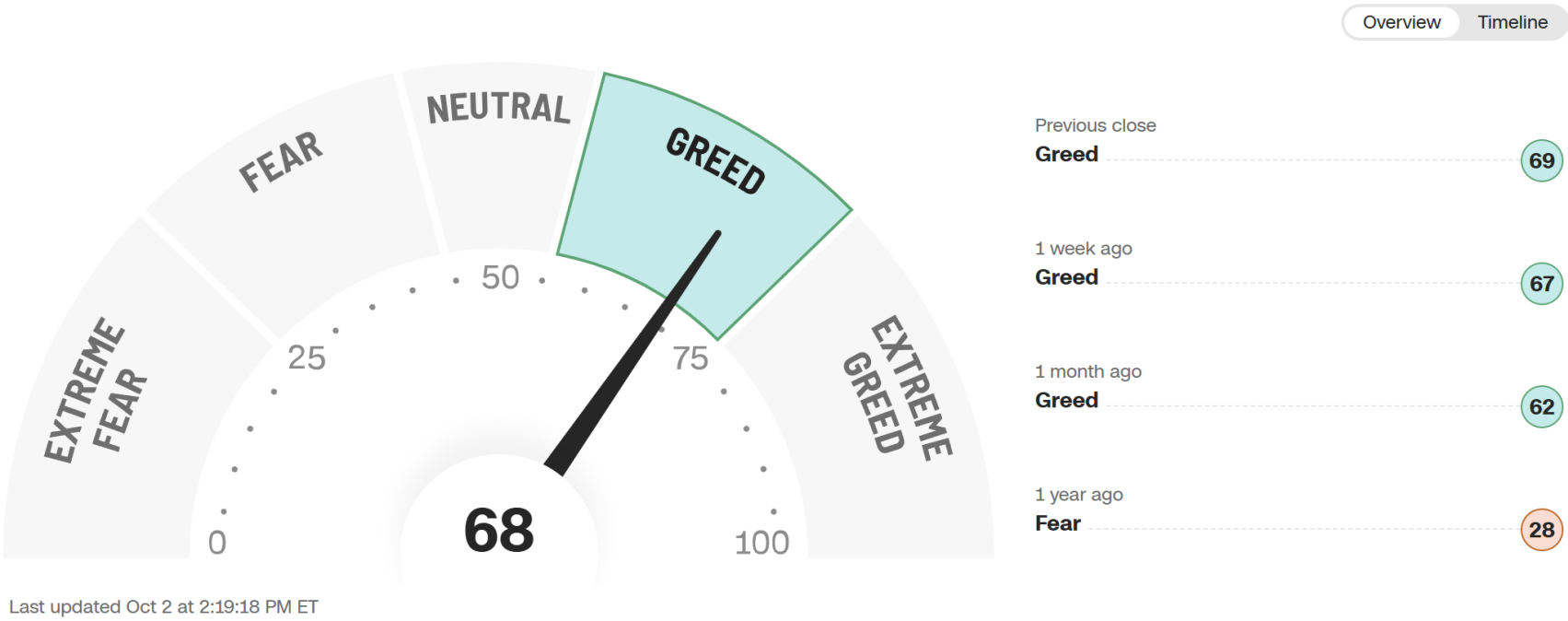
The stocks to commodities ratio measures the S&P 500 relative to the commodity market index PPI (Producer Price Index). When the ratio rises, stocks beat commodity returns - and when it falls, commotities beat stock returns. The chart's yAxis is logarithmic and over the long run stocks clearly outperform 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 2 October 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 2 October 2024*

Fear and Greed Index Trend

Fear & Greed Index

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

Last updated Oct 2 at 2:19:18 PM EDT

- *Source:* https://edition.cnn.com/markets/fear-and-greed *as of 2 October 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? Use CME FedWatch to track the probabilities of changes to the Fed rate, as implied by 30-Day Fed Funds futures prices.

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

QUICKLINKS

Methodology

User Guide

Video Demo

CME FedWatch API

FedWatch Tool

Target Rate | 7 Nov24 | 18 Dec24 | 29 Jan25 | 19 Mar25 | 7 May25 | 18 Jun25 | 30 Jul25 | 17 Sep25 | 29 Oct25 | 10 Dec25

Current
Compare
Probabilities
Aggregated

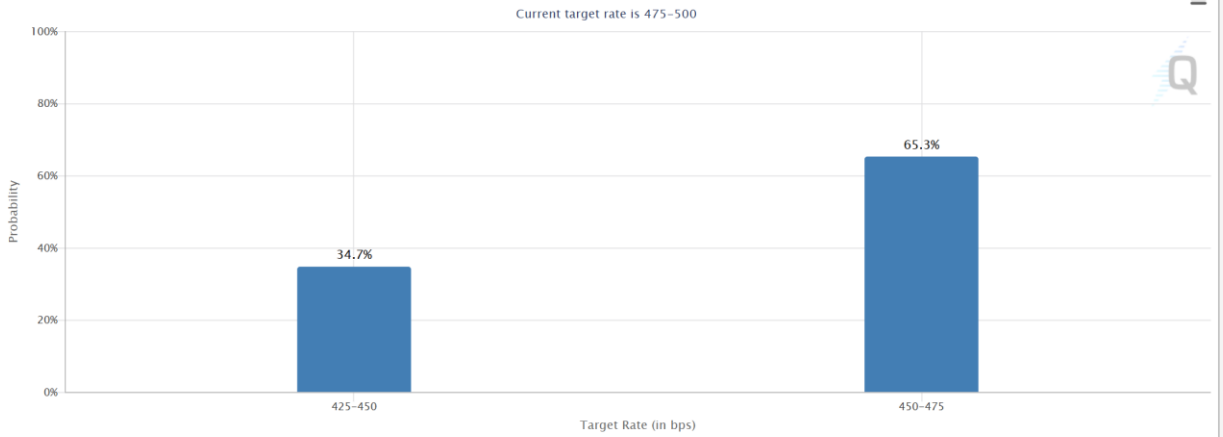
Historical
Historical
Downloads
Prior Hikes

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
7 Nov 2024	ZQX4	29 Nov 2024	95.4375	138,464	487,263	100.0 %	0.0 %	0.0 %

TARGET RATE PROBABILITIES FOR 7 NOV 2024 FED MEETING



TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 1 OCT 2024	1 WEEK 25 SEP 2024	1 MONTH 30 AUG 2024
425-450	34.7%	36.8%	57.4%	8.9%
450-475	65.3%	63.2%	42.6%	41.8%
475-500 (Current)	0.0%	0.0%	0.0%	49.3%

* Data as of 2 Oct 2024 01:18:39 CT

1/1/2027 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 2 October 2024*

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

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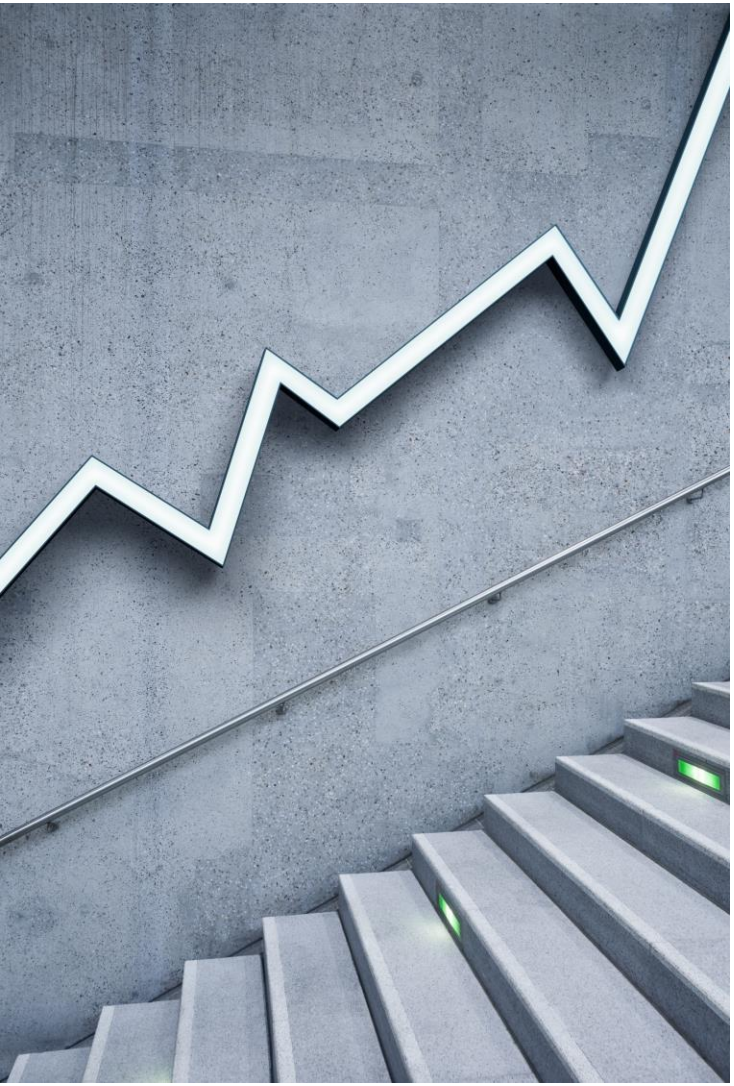
Plan Your Future



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