



Investmentmatters: Investment Made Easier

Investmentmatters Extra

January 2017

Content

- Weekly overview *review* of the main economic data released for the US,UK,Europe and the East, inclusive of interesting, topical charts and with informative comment in respect of economic, market and/or geo-political news

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- Monthly “*Investment Timer Service*,” covering the main stock indices of the US, UK, Europe X UK, Japan, Asia X Japan and Gold (the *off the peg* service) and/or individual securities (the *bespoke* service), using proprietary data which shows easy to understand “*Buy, Sell or Hold*,” indicators + email alerts to any change to the signal between reports

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- Chart of the month, be it stock, bond, currency, commodity, property or economic statistic. Often contrarian in nature its purpose is to provide some lateral thinking

The “*Official*” UK unemployment rate hit 4.8% in November 2016, the last data set available, and is now just a smidgeon above the 2005 low and far below the post financial crisis high of 8.4%. Much of the improvement was stated to be due to the large increase in self-employed, yet data enclosed within a Lloyds Bank report this month would suggest otherwise. According to Lloyds, the number of new businesses started up in the UK has fallen by nearly a fifth (19%) in the last five years, led by Wales and closely followed by England where 100,000 fewer new businesses were created in 2016 compared to 2011.

There is something amiss here, as is often the case with state data, but we will try and dig deeper on this anomaly at a later date:

Ranked by 5 Year % Change

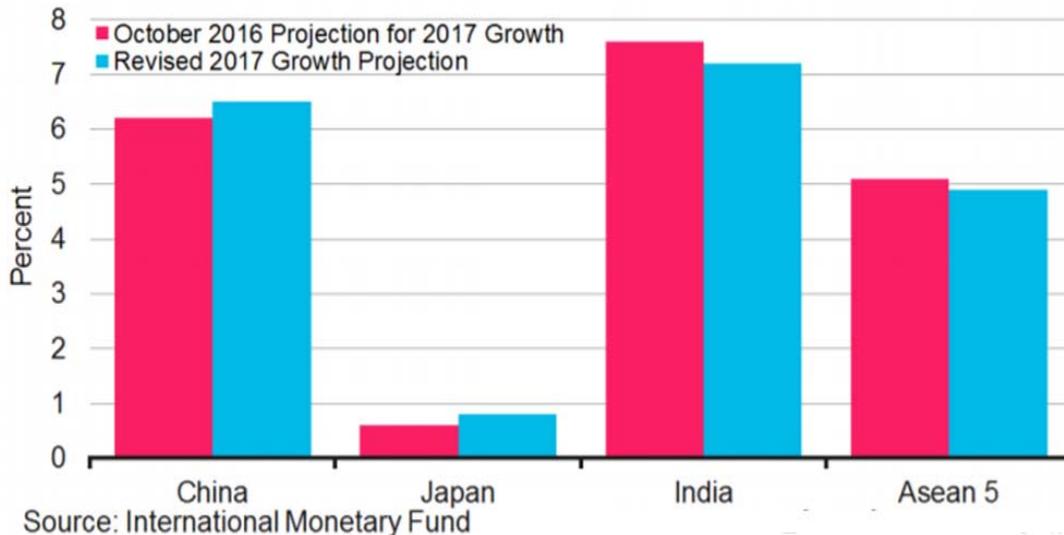
	Nov '11	Nov '16	5 Year Change	5 Year Change %
UK Mainland				
Scotland	29,132	28,222	-910	-3.1%
England	494,614	395,088	-99,526	-20.1%
Wales	23,195	17,089	-6,106	-26.3%
UK Mainland	549,028	443,805	-105,223	-19.2%

12 Month Rolled Data

Source: BankSearch Business Start Ups

- Economic snapshot and forecasts of Global GDP, CPI, Unemployment and Interest rates plus forecasts

In January, The International Monetary Fund raised its 2017 growth forecasts made in October 2016 for China and Japan to a respective 6.5% and 0.8%, whilst reducing those for India and the Asean 5 nations to 7.2% and 4.9%. It warned, however, that China continues to rely on a rapid expansion of credit with slow progress in addressing corporate debt which "raises the risk of a sharper slowdown or a disruptive adjustment,":



If your requirement is for analysis and forecasts different than the above, such as commodities and/or currency forecasts then please provide feed back [here](#) and we will respond.

- Monthly “Collectives Corner” providing Year to date, 1,3 and 5 year returns for the major market mutual funds

The investment return from the main investment areas, courtesy of the UK based Investment Management Association and ShareScope are as follows:

No.	Name	Close	Price% between 31/12/16 and 0 trading days ago	Price% between 1 year and 0 trading days ago	Price% between 3 years and 0 trading days ago	Price% between 5 years and 0 trading days ago	Price% between 3/1/00 and 0 trading days ago
1	I- IMA Sector China/Greater China	487.53	▲ 4.9	▲ 38.2	▲ 45.8	▲ 81.4	▲ 596.5
2	I- IMA Sector Asia Pacific Excluding Japan	1,627.94	▲ 4.5	▲ 38.1	▲ 46.5	▲ 55.7	▲ 255.4
3	I- IMA Sector Global Emerging Markets	1,587.94	▲ 4.2	▲ 42.5	▲ 37.8	▲ 30.1	▲ 255.6
4	I- IMA Sector Asia Pacific Including Japan	855.81	▲ 3.9	▲ 36.9	▲ 51.9	▲ 66.4	▲ 146.3
5	I- IMA Sector Technology and Telecommunications	3,615.63	▲ 3.9	▲ 41.0	▲ 58.9	▲ 108.7	▼ -3.9
6	I- IMA Sector UK Smaller Companies	1,780.62	▲ 2.5	▲ 17.1	▲ 23.9	▲ 100.3	▲ 216.7
7	I- IMA Sector Japanese Smaller Companies	635.42	▲ 2.4	▲ 42.2	▲ 68.4	▲ 138.6	▲ 70.1
8	I- IMA Sector Japan	276.67	▲ 2.1	▲ 32.4	▲ 52.1	▲ 87.5	▲ 15.9
9	I- IMA Sector European Smaller Companies	1,608.4	▲ 2.0	▲ 23.2	▲ 39.8	▲ 106.0	▲ 277.7
10	I- IMA Sector Global	836.07	▲ 1.4	▲ 32.3	▲ 42.7	▲ 77.4	▲ 101.8
11	I- IMA Sector £ High Yield	2,025.7	▲ 1.0	▲ 13.8	▲ 14.1	▲ 42.6	▲ 170.1
12	I- IMA Sector Flexible Investment	786.58	▲ 1.0	▲ 20.2	▲ 26.5	▲ 50.8	▲ 93.7
13	I- IMA Sector Europe Including UK	1,765.31	▲ 0.9	▲ 20.4	▲ 29.1	▲ 78.0	▲ 127.1
14	I- IMA Sector North America	1,302.95	▲ 0.9	▲ 38.3	▲ 65.1	▲ 120.4	▲ 108.0
15	I- IMA Sector Europe Excluding UK	1,171.08	▲ 0.8	▲ 23.3	▲ 32.0	▲ 83.4	▲ 131.3
16	I- IMA Sector Mixed Investment 40-85% Shares	793.36	▲ 0.5	▲ 18.3	▲ 25.2	▲ 50.8	▲ 97.0
17	I- IMA Sector UK All Companies	1,076.97	▲ 0.4	▲ 17.5	▲ 21.0	▲ 65.5	▲ 110.6
18	I- IMA Sector £ Strategic Bond	1,220.35	▲ 0.3	▲ 8.1	▲ 14.6	▲ 33.8	▲ 131.3
19	I- IMA Sector Mixed Investment 20-60% Shares	506.79	▲ 0.3	▲ 13.5	▲ 19.3	▲ 37.7	▲ 95.9
20	I- IMA Sector Money Market	253.88	▲ 0.0	▲ 0.3	▲ 0.9	▲ 1.5	▲ 36.0
21	I- IMA Sector UK Equity Income	1,257.93	▼ -0.2	▲ 13.5	▲ 23.0	▲ 69.9	▲ 155.9
22	I- IMA Sector UK Equity And Bond Income	950.52	▼ -0.2	▲ 13.8	▲ 22.0	▲ 55.9	▲ 145.6
23	I- IMA Sector Global Bonds	455.38	▼ -0.3	▲ 14.0	▲ 20.1	▲ 24.7	▲ 134.5
24	I- IMA Sector North American Smaller Companies	2,069	▼ -0.4	▲ 50.1	▲ 56.3	▲ 120.7	▲ 203.6
25	I- IMA Sector Property	520.94	▼ -0.7	▲ 9.8	▲ 29.4	▲ 49.1	▲ 176.8
26	I- IMA Sector £ Corporate Bond	636.08	▼ -0.8	▲ 8.3	▲ 18.3	▲ 36.9	▲ 124.7
27	I- IMA Sector UK Index Linked Gilts	756.44	▼ -1.6	▲ 17.3	▲ 42.6	▲ 45.6	▲ 208.1
28	I- IMA Sector UK Gilts	588.88	▼ -2.8	▲ 4.3	▲ 21.7	▲ 20.9	▲ 112.4

The table covers year to date, 1, 3 and 5 year returns plus returns since the start of 2000, when the secular bear market in many stock-indices' began.

The year to date winner is the IMA Greater China Sector, which rose by 4.9%, attributed of course to January.

When observing the 1 year daily chart we note the following:-

- The price index changed to a **Buy** on the 3rd January 2017.
- The three Momentum indicators are mixed, suggesting a indecision is setting in.
- The index remains above both MAs, bullish.



If your requirement is for analysis of a particular collective fund or from an international database then please provide feed back [here](#) and we will respond