



Investmentmatters: Investment Made Easier

Investmentmatters Extra

September 2017

Content

- A chart of the month section includes a topical view, often contrarian in nature and intended to provide some lateral thinking, be it stock, bond, currency, commodity, property or an economic statistic.
- Comment on the main economic data of the month, such as the latest GDP, CPI inflation and housing data, supported by an interesting chart of it.
- There is also a collectives corner section, which provides performance statistics for 28 major mutual fund sectors covering the year to date performance returns plus those for 1,3 and 5-year periods and since January 2000, the date on which many markets topped in **real terms**. An investment timing chart for the month's winning sector is also included.

Subscribers will also receive complimentary editions of our "**knowledge sharing**" features on a whole range of investment, geo-political and socio-economic issues.

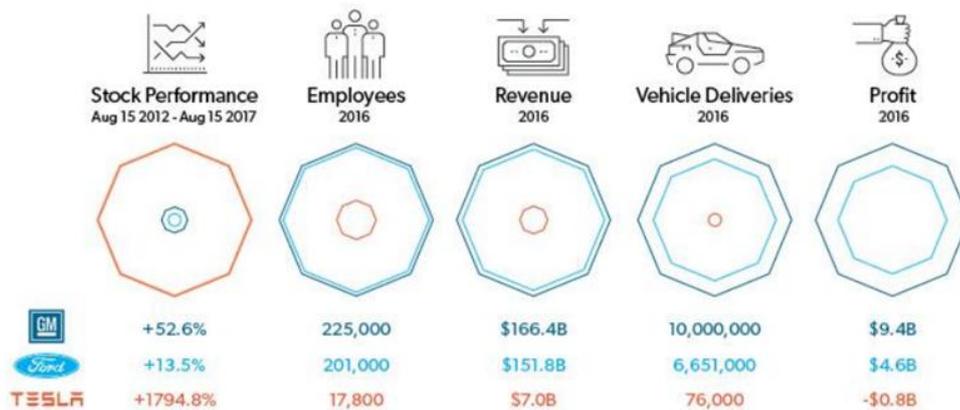
Chart of the month

US retail sales have had a lousy few years and it isn't just down to the weather and online penetration, albeit that Amazon has been the largest contributor to "creative destruction." As with auto sales, there is just too much "stuff" around, the result of overcapacity created by too much debt. We would put a major question mark over Amazon's market value:

The death of traditional retail

| COMPANY | MARKET VALUE 2006 | MARKET VALUE 2016 | % CHANGE |
|--|-------------------|-------------------|----------|
| sears | \$27.8B | \$1.1B | ↓ 96% |
| JCPenney | \$18.1B | \$2.6B | ↓ 86% |
| NORDSTROM | \$12.4B | \$8.3B | ↓ 33% |
| KOHL'S | \$24.2B | \$8.8B | ↓ 64% |
| ★ macy's | \$24.2B | \$11.0B | ↓ 55% |
|  BEST BUY | \$28.4B | \$13.2B | ↓ 54% |
|  TARGET | \$51.3B | \$40.6B | ↓ 21% |
| Walmart  | \$214.0B | \$212.4B | ↓ 1% |
|  amazon | \$17.5B | \$355.9B | ↑ 1,934% |

In the spirit of the discounters', "two for the price of one," it's the same for Auto makers:



Visual Capitalist

Economic snapshot of the month

The latest ECB projection for Euro-Area GDP growth was raised to 2.2% for 2017 from 1.9% in the June forecast round. The upward revision is said to reflect revisions to the back-data — hence the team at Bloomberg Economics are following suit. Beyond the very near term, the ECB's outlook for the euro-region economy is little changed, suggesting that growth forecasts have not altered thinking among members of the Governing Council, albeit that a larger tapering to that expected will make the following a "rosy forecast."



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.

Collectives Corner

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

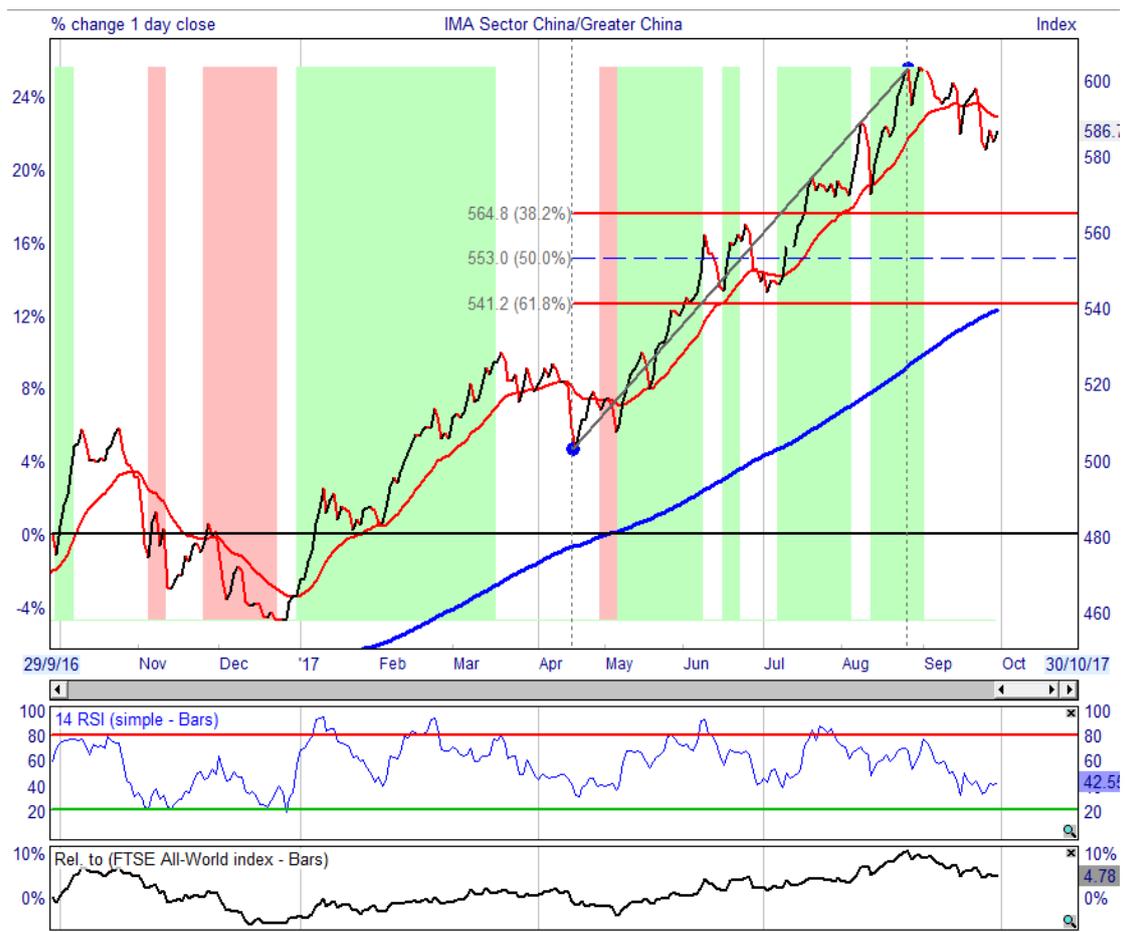
| No. | Name | Close | Price% between 31/12/16 and 0 trading days ago | Price% between 1 year and 0 trading days ago | Price% between 3 years and 0 trading days ago | Price% between 5 years and 0 trading days ago | Price% between 3/1/00 and 0 trading days ago |
|-----|--|----------|--|---|---|---|--|
| 1 | I - IMA Sector China/Greater China | 586.72 | ▲ 26.3 | ▲ 22.1 | ▲ 65.8 | ▲ 124.8 | ▲ 738.2 |
| 2 | I - IMA Sector European Smaller Companies | 1,924.7 | ▲ 22.1 | ▲ 23.3 | ▲ 73.3 | ▲ 129.6 | ▲ 352.0 |
| 3 | I - IMA Sector UK Smaller Companies | 2,092.86 | ▲ 20.5 | ▲ 24.6 | ▲ 51.5 | ▲ 113.5 | ▲ 272.2 |
| 4 | I - IMA Sector Global Emerging Markets | 1,786.87 | ▲ 17.3 | ▲ 16.3 | ▲ 38.7 | ▲ 46.9 | ▲ 300.1 |
| 5 | I - IMA Sector Asia Pacific Excluding Japan | 1,818.26 | ▲ 16.7 | ▲ 14.8 | ▲ 46.8 | ▲ 69.2 | ▲ 296.9 |
| 6 | I - IMA Sector Technology and Telecommunica | 4,053.46 | ▲ 16.4 | ▲ 19.5 | ▲ 69.1 | ▲ 122.1 | ▲ 7.8 |
| 7 | I - IMA Sector Europe Excluding UK | 1,349.09 | ▲ 16.1 | ▲ 20.3 | ▲ 50.4 | ▲ 99.9 | ▲ 166.4 |
| 8 | I - IMA Sector Japanese Smaller Companies | 715.39 | ▲ 15.2 | ▲ 16.6 | ▲ 81.7 | ▲ 163.2 | ▲ 91.5 |
| 9 | I - IMA Sector Asia Pacific Including Japan | 940.33 | ▲ 14.1 | ▲ 13.5 | ▲ 53.1 | ▲ 84.3 | ▲ 170.6 |
| 10 | I - IMA Sector Europe Including UK | 1,981.67 | ▲ 13.3 | ▲ 17.1 | ▲ 42.4 | ▲ 88.0 | ▲ 155.0 |
| 11 | I - IMA Sector UK All Companies | 1,175.09 | ▲ 9.6 | ▲ 12.8 | ▲ 30.8 | ▲ 69.8 | ▲ 129.8 |
| 12 | I - IMA Sector Japan | 294.36 | ▲ 8.6 | ▲ 12.5 | ▲ 56.1 | ▲ 107.3 | ▲ 23.3 |
| 13 | I - IMA Sector Global | 894 | ▲ 8.5 | ▲ 14.1 | ▲ 43.3 | ▲ 84.4 | ▲ 115.8 |
| 14 | I - IMA Sector UK Equity Income | 1,363.65 | ▲ 8.2 | ▲ 9.9 | ▲ 28.8 | ▲ 70.4 | ▲ 177.4 |
| 15 | I - IMA Sector Flexible Investment | 834.32 | ▲ 7.1 | ▲ 10.3 | ▲ 28.1 | ▲ 54.2 | ▲ 105.5 |
| 16 | I - IMA Sector Mixed Investment 40-85% Share | 839.82 | ▲ 6.4 | ▲ 8.9 | ▲ 27.3 | ▲ 53.4 | ▲ 108.6 |
| 17 | I - IMA Sector UK Equity And Bond Income | 1,010.92 | ▲ 6.1 | ▲ 7.2 | ▲ 25.1 | ▲ 55.4 | ▲ 161.2 |
| 18 | I - IMA Sector £ High Yield | 2,119.63 | ▲ 5.7 | ▲ 7.7 | ▲ 16.7 | ▲ 36.1 | ▲ 182.7 |
| 19 | I - IMA Sector Mixed Investment 20-60% Share | 529.58 | ▲ 4.8 | ▲ 6.1 | ▲ 20.0 | ▲ 38.4 | ▲ 104.7 |
| 20 | I - IMA Sector North America | 1,348.42 | ▲ 4.4 | ▲ 14.1 | ▲ 54.5 | ▲ 115.4 | ▲ 115.3 |
| 21 | I - IMA Sector £ Strategic Bond | 1,267.82 | ▲ 4.2 | ▲ 3.4 | ▲ 14.4 | ▲ 28.7 | ▲ 140.3 |
| 22 | I - IMA Sector Property | 542.71 | ▲ 3.5 | ▲ 2.6 | ▲ 25.8 | ▲ 46.7 | ▲ 188.4 |
| 23 | I - IMA Sector £ Corporate Bond | 662.69 | ▲ 3.3 | ▲ 0.9 | ▲ 17.6 | ▲ 30.7 | ▲ 134.1 |
| 24 | I - IMA Sector North American Smaller Compa | 2,132.46 | ▲ 2.6 | ▲ 15.6 | ▲ 59.8 | ▲ 118.5 | ▲ 212.9 |
| 25 | I - IMA Sector Global Bonds | 464.08 | ▲ 1.6 | ▲ 1.1 | ▲ 18.9 | ▲ 22.7 | ▲ 139.0 |
| 26 | I - IMA Sector Money Market | 254.06 | ▲ 0.1 | ▲ 0.1 | ▲ 0.7 | ▲ 1.3 | ▲ 36.1 |
| 27 | I - IMA Sector UK Gilts | 602.18 | ▼ -0.6 | ▼ -5.2 | ▲ 18.4 | ▲ 20.3 | ▲ 117.2 |
| 28 | I - IMA Sector UK Index Linked Gilts | 757.48 | ▼ -1.5 | ▼ -5.4 | ▲ 32.0 | ▲ 51.4 | ▲ 208.5 |

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 in **real terms**.

The year to date winner remains the IMA Sector China, albeit it fell by 1.1% in September but rose by 26.3% YTD.

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

- The price changed to **Neutral** on the 5th September 2017.
- The RSI Momentum indicator has turned lower, uncertain.
- The index is below the **21** day MA, bearish.



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

Material contained within this website is for general information purposes only and is not intended to be relied upon by individual readers in making (or refraining from making) any specific investment decision. Investmentmatters.club and its staff do not accept any liability for any loss suffered by any user as a result of any such decision. Please note that the prices of investments can rise and fall sharply and you may not get back the money you originally invested, particularly where these investments are leveraged.

The views and recommendations within this website are based on information from a variety of sources. Although these are believed to be reliable, we cannot guarantee the accuracy or completeness of the information herein.