



# saltydog

INVESTOR

Successful trend investing

January 2024

## A sobering start to the year

**At the end of last year stock markets were rising and some went on to set new all-time highs. There was a sense of optimism for the year ahead. So far, January has been less encouraging. Political tension around the world seems to be escalating and markets are falling.**

It's not unusual to see stock markets pick up towards the end of the year and that was certainly the case in 2023. After a particularly difficult August, September and October, markets rallied in November and enjoyed the benefits of a Santa Rally at the end of December.

The investment community definitely headed into the festive season with their glasses half full.

In the US the Dow Jones Industrial Average set a new record high as did some of the European indices. The FTSE 100 didn't get back to the record levels that we had seen in February, but still went up by over 5% in the last two months of the year while the FTSE 250 rose by 15%.

It had been a challenging year. When it started, inflation in the

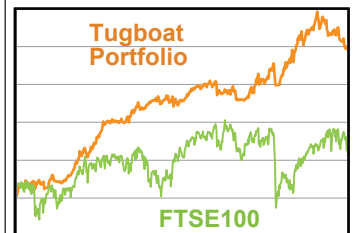
UK was over 10% and the Bank of England had already raised interest rates from just above zero to 4%. The media was reporting a cost-of-living crisis, industrial disputes were at unprecedented levels, and many commentators thought that we were heading into a recession. It was a similar story across all the developed world. By the end of the year things were certainly looking better. Latest figures from the Office of National Statistics showed that by November UK inflation had fallen to 3.9%, a significant reduction. Although interest rates had risen to 5.25%, they hadn't gone up since August and there was an expectation

that they would start to come down in 2024. We have for the time being avoided a recession and the economy appears to have grown in November.

The economic outlook may be looking better, but unfortunately geopolitical conflict remains high. The war in Ukraine continues and after nearly two years since the invasion there's no sign of an imminent resolution. Our Prime Minister, Rishi Sunak, has recently returned from Kyiv where he met with President Zelensky and agreed a £2.5bn support package for the coming year. He paid tribute

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*Our Tugboat portfolio has gone up by 0.7% over the last four weeks.*



Average Annual Return 4.8%  
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*This portfolio has gained 0.9% over the last four weeks.*



Sector Performance 2023

*Our look at the IA Sector performance for the last year*

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## UK and US attack Yemen

## A sobering start to the year

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to the people of Ukraine for the way that they had defended their country but warned that they 'must prepare for a long war'.

There's also the ongoing conflict in Gaza. It started last October when Hamas-led Palestinian militant groups attacked Israel killing over 1,000 people and taking around 250 hostages. Israel retaliated by invading Gaza and vowing to destroy Hamas. Over 20,000 Palestinians have been killed.

Recently the US and UK launched an airstrike on Yemen, bombing military facilities used by the Iranian backed Houthi militia. The Houthis control a large part of Yemen and have been supporting Hamas by

attacking ships in the Red Sea heading towards Israel. The Prime Minister said the UK "acted in self-defence" and wanted to "de-escalate tensions and restore stability to the region". I hope the attacks don't have the opposite effect.

### Stock Market Update

Between the beginning of August and the end of October all of the major global stock markets that we track made significant losses. The Indian Sensex fell the least, but still went down by 4.0%. At the other end of the spectrum, the Hong Kong Hang Seng fell by 14.8%. In the UK, the FTSE 100 did relatively well, only losing 4.9%, while the FTSE 250, which is generally seen as more representative of our domestic

economy, ended the three-month period down 10.8%

Over the channel, the French CAC 40 went down by 8.2% and the German DAX lost 10%. There were similar losses in the US where the Dow Jones Industrial Average fell by 7.0%, the S&P 500 lost 8.6%, and the Nasdaq dropped by 10.4%. The Brazilian Ibovespa was down 7.2%.

In the Far East, the Japanese Nikkei 225 had lost 7.0% and the Shanghai Composite had fallen by 8.3%.

It had been a brutal three months.

In November, stock markets started to recover and most markets continued to perform

well in December, although some of the Asian markets struggled. The Hang Seng ended the month almost exactly where it was when it started, while the Nikkei 225 went down by 0.1% and the Shanghai Composite lost 1.8%.

The UK had a good month with the FTSE 100 gaining 3.7% and the FTSE 250 making 8.0%.

In the end, nearly all of the indices had made gains in the second half of the year. The only exceptions were the Hang Seng which was down 9.9% and the Shanghai Composite which lost 7.1%.

Unfortunately this year hasn't started particularly well, except for the Japanese Nikkei 225 which is up 6.3%.

Stock Market Indices 2023								2024
Index	Country	1st Jan to 31st March	1st April to 30th June	1st July to 30th Sept	Oct 2023	Nov 2023	Dec 2023	1st to 12th Jan 2024
FTSE 100	UK	2.4%	-1.3%	1.0%	-3.8%	1.8%	3.7%	-1.4%
FTSE 250	UK	0.4%	-2.7%	-0.7%	-6.5%	6.7%	8.0%	-2.5%
Dow Jones Ind Ave	US	0.4%	3.4%	-2.6%	-1.4%	8.8%	4.8%	-0.3%
S&P 500	US	7.0%	8.3%	-3.6%	-2.2%	8.9%	4.4%	0.3%
NASDAQ	US	16.8%	12.8%	-4.1%	-2.8%	10.7%	5.5%	-0.3%
DAX	Germany	12.2%	3.3%	-4.7%	-3.7%	9.5%	3.3%	-0.3%
CAC40	France	13.1%	1.1%	-3.6%	-3.5%	6.2%	3.2%	-1.0%
Nikkei 225	Japan	7.5%	18.4%	-4.0%	-3.1%	8.5%	-0.1%	6.3%
Hang Seng	Hong Kong	3.1%	-7.3%	-5.9%	-3.9%	-0.4%	0.0%	-4.7%
Shanghai Composite	China	5.9%	-2.2%	-2.9%	-2.9%	0.4%	-1.8%	-3.1%
Sensex	India	-3.0%	9.7%	1.7%	-3.0%	4.9%	7.8%	0.5%
Ibovespa	Brazil	-7.2%	15.9%	-1.3%	-2.9%	12.5%	5.4%	-2.4%

Data source: Morningstar

## Membership Scheme

If you know someone else who would be interested in making the most of their investments, please go to the 'membership scheme' section of our website [www.saltydoginvestor.com](http://www.saltydoginvestor.com) and give us their details.

We will e-mail them, and encourage them to come on board. If they subscribe and pay membership for at least 3 months, then we will send you £50 as a thank you.

**Recommend  
a friend**  
and you could receive

**£50**

# Portfolio Update

**RICHARD WEBB**



**Each month I look at how the recent changes in sector performance affect our hypothetical portfolios.**

In previous newsletters, I have discussed the rationale behind our example portfolios. If you haven't seen these, subscribers have access to our previous newsletters on our website - saltydoginvestor.com.

There is also an explanation in our members guide.

Last year started well with most sectors making gains in quarter one, but mainly because they had a strong January.

We started reducing our exposure to the equity markets fairly early on in the year. In the February newsletter our hypothetical 'Tug' portfolio had 60% in cash and the Safe Haven funds. That increased to 75% in the March edition and peaked at 95% in the June issue.

Over the same period the amount allocated to 'Safe Haven' in the Ocean Liner moved from 40% to 85%, and in the Speedboat it went from 20% to 70%.

In June and July our sector performance analysis was a bit more

encouraging, but it was short lived. Most sectors went down in August and September. October was just as bad.

By the end of October most sectors were showing year-to-date losses.

I'm glad to say that November and December were much better with nearly all sectors making gains. Although the first week of this year has been disappointing, we're still in a position where most sectors are now up over four, twelve and twenty-six weeks.

For the last couple of months we have been reducing our cash levels, starting with the more adventurous portfolios.

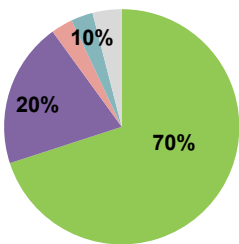
## Our example portfolios

Here are the three hypothetical portfolios that we look at each month. They are shown at their most aggressive (under optimum market conditions), and how they are now - based on this month's data.

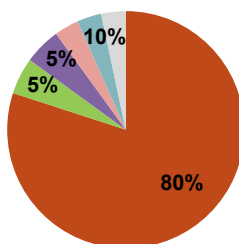
This month we are still heavily weighted towards cash and the Safe Haven funds in all of the portfolios. However, the overall sector performance has improved in recent weeks and so we are now looking to increase our exposure to the markets. There are plenty of funds to choose from, the only ones that have really been struggling are the ones investing in China/Greater China.

**Portfolio 1 - The Tug**

Optimum conditions

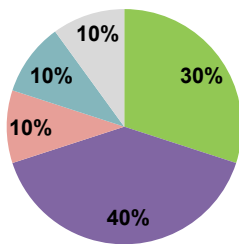


Market conditions  
10/01/2024

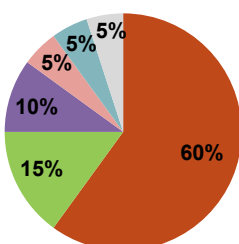


**Portfolio 2 - The Ocean Liner**

Optimum conditions

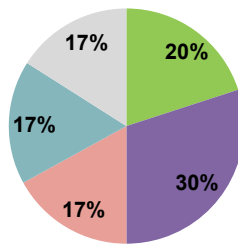


Market conditions  
10/01/2024

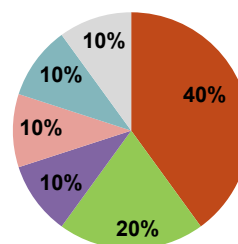


**Portfolio 3 - The Speedboat**

Optimum conditions



Market conditions  
10/01/2024



On the next few pages we give the details of the Saltydog Demonstration Portfolios that we use to show how the Saltydog information can be used - details of each trade are reported every week on the website.

# Tugboat Portfolio

## Objective

In November 2010 we put just over £40,000 into a fund super-market to demonstrate how the data that we produce can be used to run a simple portfolio.

The aim is to run it in such a way that it avoids any major market falls, but also makes gains when they rise.

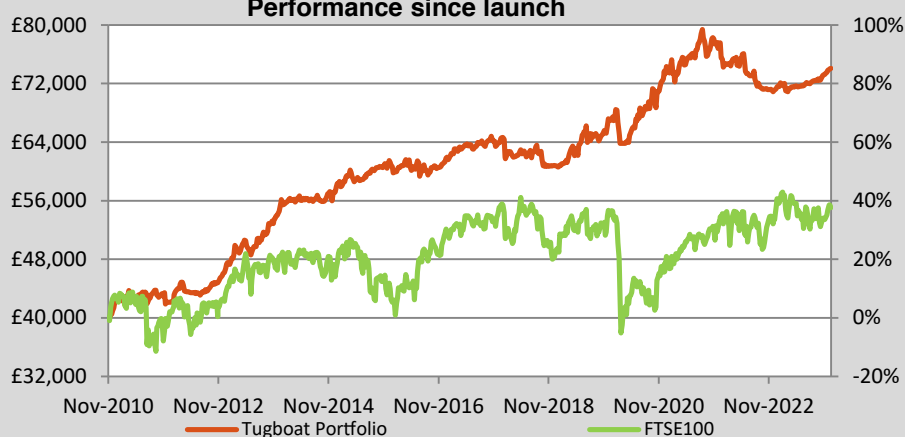
Because it's designed to weather the storms and make slow, but steady, progress we called it the 'Tugboat'.

The rules that we use to operate it are simple.

- Keep the majority of the portfolio in the 'Slow Ahead' Group, or the 'Safe Haven' and cash if necessary; never invest too much in the riskier 'Full Steam Ahead' Groups, a maximum of 10%.
- Only invest in the more volatile groups when their recent performance justifies it.
- Having determined which groups to invest in, choose the leading sectors from each group.
- Finally, pick funds from these sectors based on their recent performance.

## Portfolio Performance

### Performance since launch



This portfolio was launched in November 2010, and demonstrates how the Saltydog data can be used to manage a cautious portfolio.

The majority of the investments are usually in funds from the sectors in the lowest volatility Groups. Our initial investment of £40,000 has now grown to over £74,000.

Since its launch in 2010 it has produced an average annual return of 4.8%.

## Returns

Portfolio Launch Date	23/11/2010	Return in the last 4 weeks	0.7%
Initial Investment	£40,042	Return in the last 3 months	2.2%
Current Value	£74,075	Return in the last 6 months	3.3%
Return since launch	85.0%	Average Annual Return since launch	4.8%

## Current Holdings

Initial Trade Date	Fund Name	Group	Current Price (p)	Current Value (£)	Original Cost (£)	Gain (£)	Gain (%)	Portfolio %
13/10/2022	Royal London Short Term MMF	Safe	109	£18,360	£17,456	£904	5.2%	24.8%
23/03/2023	L&G Cash Trust fund	Safe	104	£18,102	£17,448	£654	3.7%	24.4%
08/06/2023	abrdn Sterling Money Market	Safe	123	£17,996	£17,500	£496	2.8%	24.3%
06/07/2023	Liontrust Balanced	Slow	231	£2,636	£2,500	£136	5.4%	3.6%
28/09/2023	Schroder High Yield Opportunities	Slow	101	£2,608	£2,500	£108	4.3%	3.5%
06/07/2023	MI TwentyFour AM Monument Bond	Steady	15,421	£3,152	£3,039	£113	3.7%	4.3%
15/06/2023	UBS US Growth	Developed	287	£3,261	£3,000	£261	8.7%	4.4%
14/09/2023	Jupiter India	Specialist	225	£3,419	£3,000	£419	14.0%	4.6%
	Cash			£4,542				6.1%
	Total Portfolio Value			£74,075				

Pending Transactions (these are orders that have been placed, but not yet reflected in the figures above)

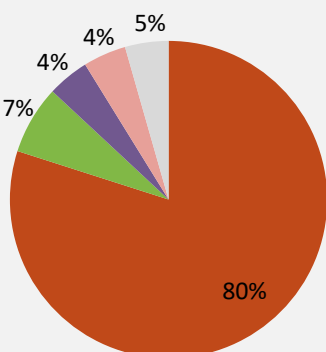
# Tugboat Portfolio

## Other transactions this month

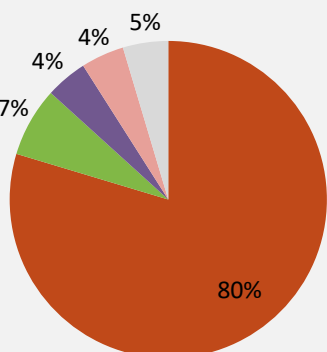
Fund	Group	Value (£)	Transaction	Date
This month we haven't made any changes				

## Group Allocation

13th December 2023



10th January 2024



- Cash or Safe Haven
- Slow Ahead
- Steady as She Goes
- Full Steam Ahead - Developed
- Full Steam Ahead - Emerging
- Specialist

After a difficult 2022, last year started well with nearly all of the Investment Association sectors making reasonable gains in January. However, after that it has been hard going.

There was a slight pickup in July, but August was disappointing and so were September and October. Fortunately, there was a final flourish in November and December.

We are still predominantly in cash, or the money market funds, and are now waiting to see how this year starts.

## Why we've done what we've done

### 'Cash & Safe Haven' - Unchanged at 80% of the portfolio.

Although we review the portfolios every week, we don't necessarily make changes. In the December newsletter we only had one transaction to report and this month we haven't got any. Having said that it's always a bit of a funny time over Christmas because markets are closed for the bank holidays, and we usually take a few days off to enjoy the festivities. Our largest holdings are still in the Money Market funds which continue to make slow but steady progress.

### 'Slow Ahead' - Unchanged at 7% of the portfolio.

We're still holding the Liontrust Balanced fund that we bought in July and the Schroder High Yield Opportunities fund that we added in September. Both have gone up since the last newsletter.

### 'Steady as She Goes' - Unchanged at 4% of the portfolio.

We bought the MI TwentyFour AM Monument Bond fund because it was in Vindex 1 and we were hoping that it wouldn't be too volatile and give us some consistent, although not spectacular, returns. It has gone up by 0.8% since the December newsletter.

### 'Full Steam Ahead' & Specialist - Unchanged at 9% of the portfolio.

Since the last newsletter the UBS US Growth fund, that we have held since June, has gone up by 1.1%. The Jupiter India fund has gone up by 5.0% and has made 14% since we first went into it.

# Ocean Liner Portfolio

## Objective

In November 2013 we launched our 'Ocean Liner' Portfolio.

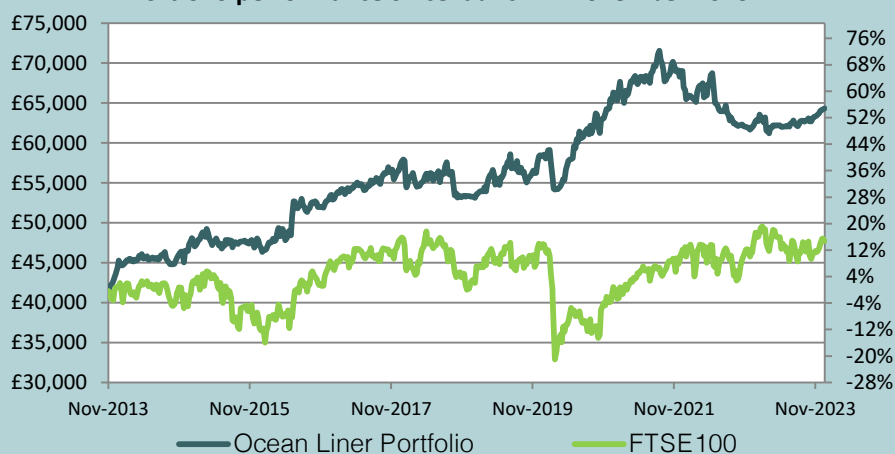
We had been running our cautious 'Tugboat' for three years and wanted to demonstrate how our fund performance data could be used to run a more adventurous portfolio.

Protecting our capital during down-turns is still important, but we accept that if markets drop quickly this portfolio is more likely to suffer losses than the Tugboat. When markets are doing well, we hope to be able to take advantage by having increased exposure to the 'Full Steam Ahead' Groups.

- The overall volatility is limited by keeping at least 30% of the portfolio invested in the 'Slow Ahead' group (or Safe Haven / cash if market conditions are unfavourable).
- We only invest in the more volatile groups when their recent performance justifies it.
- When conditions are favourable, up to 30% of the portfolio can be invested in the most volatile 'Full Steam Ahead' Groups and the 'specialist' sector.

## Portfolio Performance

### Portfolio performance since launch in November 2013



The Ocean Liner portfolio was launched in November 2013 and aims to be slightly more adventurous than the Tugboat portfolio, which was started three years earlier. Since then it has gone up by more than 55%.

Our initial investment of just under £41,500 is now worth over £64,300.

Since its launch in 2013 it has produced an average annual return of 4.4%.

## Returns

Portfolio Launch Date	23/11/2013	Return in the last 4 weeks	0.9%
Initial Investment	£41,452	Return in the last 3 months	2.3%
Current Value	£64,303	Return in the last 6 months	3.6%
Return since launch	55.1%	Average Annual Return since launch	4.4%

## Current Holdings

Initial Trade Date	Fund Name	Group	Current Price (p)	Current Value (£)	Original Cost (£)	Gain (£)	Gain (%)	Portfolio %
13/10/2022	Royal London Short Term MMF	Safe	109	£13,202	£12,467	£735	5.9%	20.5%
30/03/2023	L&G Cash Trust fund	Safe	104	£12,990	£12,500	£490	3.9%	20.2%
08/06/2023	abrdn Sterling Money Market	Safe	123	£12,875	£12,500	£375	3.0%	20.0%
06/07/2023	Liontrust Balanced	Slow	231	£2,636	£2,500	£136	5.4%	4.1%
28/09/2023	Invesco High Yield	Slow	287	£3,688	£3,500	£188	5.4%	5.7%
23/11/2023	TM Tellworth UK Select Fund	Slow	132	£2,494	£2,500	£-6	-0.2%	3.9%
08/06/2023	MI TwentyFour AM Monument Bond	Steady	15421	£3,212	£3,000	£212	7.1%	5.0%
07/12/2023	Ninety One UK Special Situations	Steady	269	£1,556	£1,500	£56	3.8%	2.4%
15/06/2023	UBS US Growth	Developed	287	£2,211	£2,024	£186	9.2%	3.4%
31/08/2023	Jupiter India	Specialist	225	£4,657	£4,000	£657	16.4%	7.2%
14/12/2023	Pictet Digital	Emerging	45477	£1,504	£1,500	£4	0.3%	2.3%
	Cash			£3,278				5.1%
Total Portfolio Value				£64,303				

## Pending Transactions (these are orders that have been placed, but not yet reflected in the figures above)

We are increasing our holding in the Jupiter India fund by £2,000 (from 7.2% to 10.4% of the portfolio).



# Sector Analysis 2023

At the beginning of each year we publish the Investment Association's average sector performance for the previous twelve months.

After a difficult 2022, last year started well. Most sectors made gains in January and they were still up at the end of the first quarter, even though February and March weren't great.

In the second and third quarters of the year more than half of the sectors went down and by the end of October 19 out of the 34 sectors that we monitor were showing year-to-date losses.

Things then picked up in November and December and so by the end of the year nearly all sectors had made gains.

Investment Association Sector	Annual Returns (%)						
	2017	2018	2019	2020	2021	2022	2023
<b>Safe Haven</b>							
Standard Money Market	0.1	0.4	0.7	0.5	-0.1	1.2	4.8
Short Term Money Market	0.1	0.4	0.6	0.1	-0.1	1.0	4.0
<b>Slow Ahead</b>							
£ High Yield	6.1	-3.6	11.4	3.5	4.2	-9.8	10.9
£ Corporate Bond	5.1	-2.2	9.5	7.9	-1.9	-16.4	9.3
Mixed Investment 40-85% Shares	10.0	-6.1	15.9	5.5	11.1	-10.1	8.1
£ Strategic Bond	5.2	-2.5	9.2	6.1	0.9	-11.7	8.0
Mixed Investment 20-60% Shares	7.2	-5.1	12.1	3.5	6.3	-9.6	6.9
Mixed Investment 0-35% Shares	5.0	-3.4	8.8	4.0	2.6	-10.2	6.1
<b>Steady as She Goes</b>							
UK All Companies	14.1	-11.2	22.4	-6.2	17.1	-9.2	7.4
Flexible Investment	11.1	-6.6	15.6	7.0	11.4	-9.1	7.3
UK Equity Income	11.5	-10.5	20.1	-10.9	18.3	-2.2	7.1
<b>Global &amp; GEM Bonds*</b>	3.1	0.0	6.2	6.6	-1.8	-7.4	4.7
UK Gilts	1.7	-0.1	7.2	9.0	-5.3	-24.3	3.6
UK Index Linked Gilts	2.2	-0.5	5.9	11.9	3.9	-35.3	0.5
UK Smaller Companies	27.1	-11.8	25.4	7.0	20.6	-25.6	0.4
UK Direct Property	7.6	2.9	-0.8	-3.8	7.4	-7.8	-0.4
<b>Full Steam Ahead - Developed</b>							
North America	10.5	-1.2	24.6	16.5	25.3	-10.1	16.7
Europe Excluding UK	17.4	-12.2	20.4	10.5	15.6	-8.9	14.3
Europe Including UK	15.6	-10.0	20.9	7.0	17.3	-8.2	13.3
Global	13.9	-5.7	22.0	14.8	17.6	-11.3	12.7
Japan	17.8	-11.3	17.1	13.9	1.6	-8.4	11.0
North American Smaller Companies	7.2	-4.6	26.0	23.5	14.6	-13.7	10.8
Global Equity Income	10.2	-5.7	18.9	3.4	18.9	-1.1	9.3
European Smaller Companies	25.4	-15.3	20.6	18.0	19.3	-21.9	8.0
<b>Full Steam Ahead - Emerging</b>							
Tech & Tech Innovations	23.6	1.1	31.1	44.8	16.5	-27.0	38.7
Global Emerging Markets	5.6	-4.1	9.7	0.6	-7.6	0.3	7.7
Asia Pacific Including Japan	23.9	-9.0	16.9	26.8	0.3	-12.7	2.4
Asia Pacific Excluding Japan	25.3	-9.8	15.9	19.9	1.5	-6.8	-0.9
China/Greater China	36.5	-14.3	22.3	32.8	-10.5	-15.9	-20.4
<b>Specialist / Thematic</b>							
Latin America	14.7	-3.5	15.4	-15.6	-11.5	17.0	23.4
India/Indian Subcontinent	27.5	-7.0	0.3	9.7	29.0	-1.5	17.1
Financials and Financial Innovation	16.3	-8.8	26.8	11.2	14.4	-17.7	12.7
Healthcare	10.6	7.0	18.4	15.7	13.9	-3.0	-2.1
Infrastructure	8.6	-1.2	23.1	-1.5	13.0	1.6	-2.8

\* The Global & GEM bonds figure is calculated by taking an average of all the non-UK bond sectors

data source: Morningstar

saltyblog  
A PERSONAL VIEW



## Bitcoin ETFs approved

The first-ever US spot Bitcoin ETFs have recently been approved by the Securities and Exchange Commission (SEC). In fact, there are eleven of them, some of which are from the world's largest investment houses like BlackRock, Fidelity and Invesco.

They will aim to track the price of bitcoin by actually holding bitcoin themselves. It's like the spot gold ETFs which hold physical gold bullion.

The SEC chair Gary Gensler was quick to point out that although they had approved the listing and trading of certain spot bitcoin ETFs, they did not approve or endorse bitcoin. He went on to say that "Investors should remain cautious about the myriad risks associated with bitcoin and products whose value is tied to crypto."

However, there are plenty of retail and professional investors who are interested in having some exposure to cryptocurrencies, but are not confident buying and storing them directly. This could be the solution, at least for US investors.

In the UK, the Financial Conduct Authority has made it clear that it has concerns about the extreme volatility of crypto assets and has tried pretty hard to make it difficult for retail investors to access them. It seems unlikely that they'll be approving a similar product over here any time soon, but it may happen one day.



# Understanding the Saltydog System

## Our Objective

We aim to provide you with up-to-date information about readily available investment funds, so that you can see which are currently performing well. In other words, to provide you with the data that will make DIY Investing a worthwhile hobby.

## The Data

We cover Unit Trusts, OEICs, Investment Trusts, and ETFs.

At the beginning of each week we download the latest data, and select the funds that are easy to access in the UK. We then sort the data and highlight the best performing funds.

This sorted data is available to our subscribers on our website (saltydoginvestor.com) each week, and a summary of the data is included in our Newsletter.

To give an example of how our information can be used, we run our own real money portfolios based on the data, and publish details of what we buy and sell, and the overall performance.

We are very ready to help with any queries, but have to emphasise that we are not able to offer any financial advice.

## Sectors

All funds are allocated a Sector by the relevant Financial 'body' such as the IA - the Investment Association. That means that all funds within a Sector will be investing within the constraints of that Sector, and so worthwhile comparisons of performance can be made.

## Groups

We analysed the Sectors, and decided that it would be helpful to group sectors together according to their historical volatility, so we created Saltydog Groups.

These are:

**Safe Haven:**

Very low risk, but also very low returns.

**Slow Ahead:**

Normally a low risk level and often with adequate returns.

**Steady as She Goes:**

Generally low to medium risk, with potentially higher returns.

**Full Steam Ahead Developed:**

Higher risk, but potentially higher returns.

**Full Steam Ahead Emerging:**

Higher risk, but potentially higher returns.

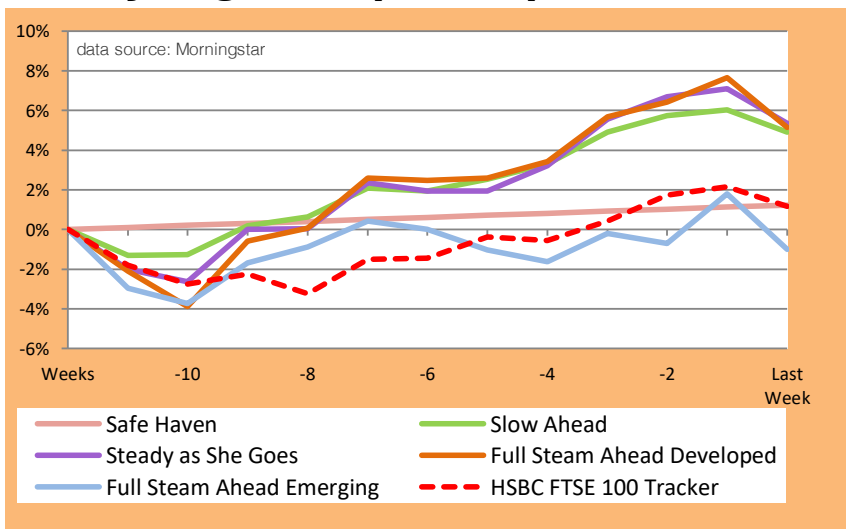
Need more information? Check out the 'How To' guides on our website - saltydoginvestor.com

## Let's Get Underway!

The chart below shows how the 5 Saltydog Groups have performed over the last 12 weeks, based on the average of the leading funds in each Sector within the Group, on a week-by-week basis.

In the following pages you can see how the Sectors have performed within the Groups, and the funds that have performed best in each of the Sectors.

## Saltydog Group Comparison



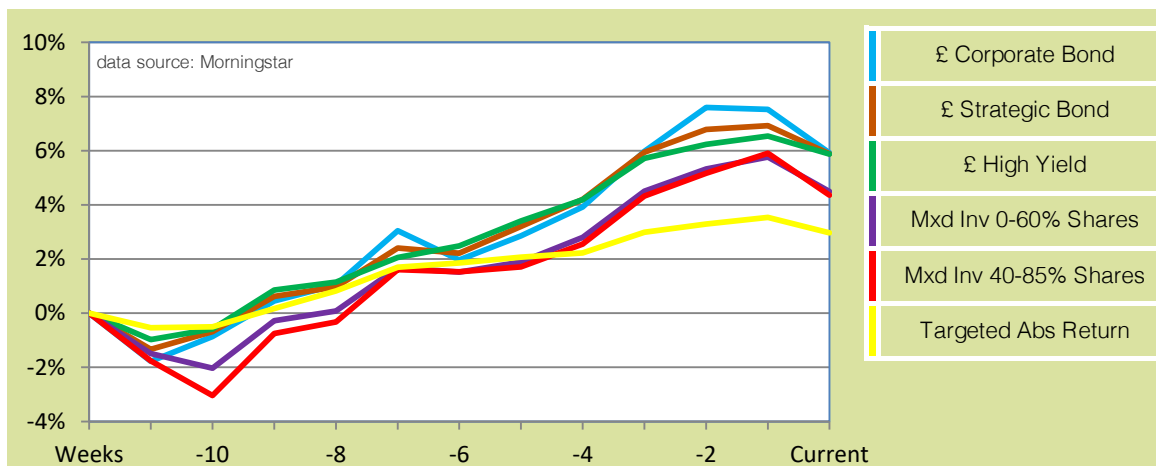
### Group Performance for Last Week

Safe Haven	0.09%
Slow Ahead	-1.1%
Steady as She Goes	-1.7%
Full Steam Ahead Developed	-2.5%
Full Steam Ahead Emerging	-2.8%
HSBC FTSE 100 Tracker	-1.0%

**Not a good week with losses for all the main Groups.**

**The Emerging Group is now below the zero line on the 12 week chart, but the remaining main Groups are close together at around 5%.**

## Performance by Saltydog Group - Slow Ahead



This chart shows the relative performance of the sectors in this Group, calculated by looking at the average % return of the leading funds in each sector every week. In the table below the sectors are ranked by their four-week % return. All the return data is shaded to highlight the higher figures in each column.

Sector	Percentage Return Data										
	4wks	12wks	26wks	Wk -1	Wk -2	Wk -3	Wk -4	Wk -5	Wk -6	Wk -7	Wk -8
£ Corporate Bond	<b>2.0%</b>	6.1%	10.0%	-1.6%	-0.1%	1.6%	2.1%	1.1%	0.9%	-1.1%	2.0%
Mxd Inv 40-85% Shares	<b>1.8%</b>	4.3%	5.9%	-1.5%	0.7%	0.8%	1.8%	0.8%	0.2%	-0.1%	1.9%
£ High Yield	<b>1.7%</b>	6.0%	7.5%	-0.7%	0.3%	0.5%	1.5%	0.8%	0.9%	0.4%	0.9%
Mxd Inv 0-60% Shares	<b>1.7%</b>	4.5%	5.7%	-1.3%	0.4%	0.8%	1.7%	0.9%	0.4%	-0.2%	1.6%
£ Strategic Bond	<b>1.6%</b>	6.0%	7.2%	-1.0%	0.1%	0.8%	1.7%	1.0%	1.0%	-0.2%	1.4%
Targeted Abs Return	<b>0.7%</b>	3.1%	5.0%	-0.6%	0.2%	0.3%	0.8%	0.2%	0.2%	0.2%	0.9%
<b>Average:</b>	<b>1.6%</b>	<b>5.0%</b>	<b>6.9%</b>	<b>-1.1%</b>	<b>0.3%</b>	<b>0.8%</b>	<b>1.6%</b>	<b>0.8%</b>	<b>0.6%</b>	<b>-0.2%</b>	<b>1.5%</b>

### The Sterling Corporate Bond Sector

This is one of the UK fixed income sectors designed for funds principally targeting income.

The Investment Association definition states that this sector is for ...

Funds which invest at least 80% of their assets in Sterling denominated (or hedged back to Sterling), Triple BBB minus or above corporate bond securities (as measured by Standard & Poors or an equivalent external rating agency). This excludes convertibles, preference shares and permanent interest bearing shares (PIBs).

### Overall Group Performance

**This Group's average four-week return was a 0.6% gain in the November issue. Last month it was a 2.7% gain, and this month it's up 1.6%.**

After a difficult 2022, all of the sectors in this group ended up making gains in 2023, however it wasn't all plain sailing. The year got off to a good start with all sectors making gains in January. Unfortunately, February wasn't so good as all sectors went down. March was more mixed with half of the sectors making gains and half making losses. In the end all sectors were up over the first quarter, but only because of the strong start in January.

The second quarter wasn't as good. Although all sectors went up in April, they all went down in

May. June was a bit more mixed. Only two sectors, £ High Yield and Mixed Investment 40-85% Shares, made gains over the quarter.

Quarter three wasn't much better. The £ Corporate Bond, £ High Yield and £ Strategic Bond sectors made modest gains, while the Mixed Investment sectors went down.

There were further losses in October, but things improved during November and December. All sectors are now up over four, twelve and twenty-six weeks.

### About the 'Slow Ahead' Group ...

Unit Trust and OEICs are already allocated IA sectors which determine what they can invest in. To bring together sectors of similar historic volatility, so that they can be analysed, we have created the Saltydog Groups.

The least volatile is the 'Safe Haven'. These are basically deposit accounts - performance data is only available on the website.

Next is the 'Slow Ahead' Group. Funds in this Group are normally relatively low risk, but can often deliver adequate returns.

Within the 'Slow Ahead' Group you will find sectors investing in bonds and gilts. Bond prices go up and down like share prices, but are usually less extreme.

There are also some of the mixed investment sectors which invest in a combination of bonds and shares.

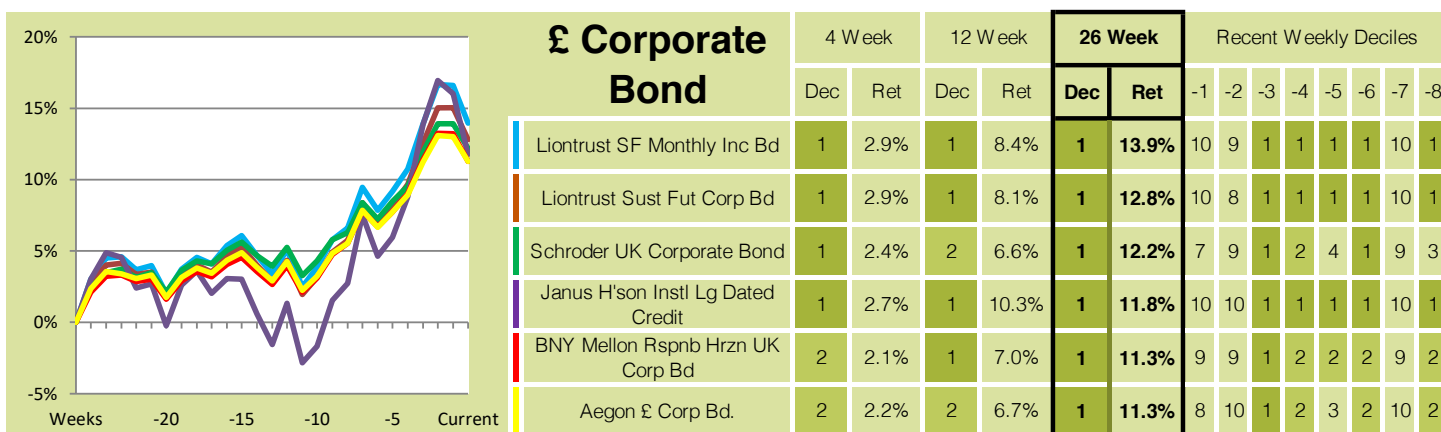
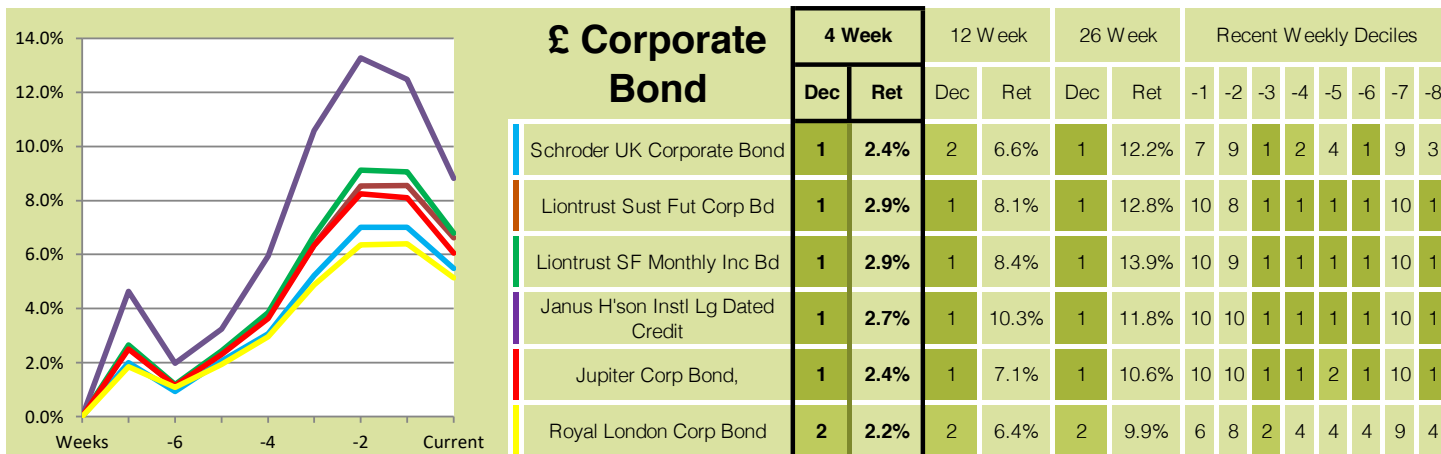
The 'Targeted Absolute Returns' funds are also in this Group and they aim to deliver positive returns in any market conditions. Typically funds in this sector would normally expect to generate absolute returns on a 12 month basis.

## Performance by Saltydog Group - Slow Ahead

### A new top dog

The £ Corporate Bond sector was in second place in the November newsletter with a four-week return of 1.0%. Last month it dropped to third place, even though it had gone up by 2.9% in the previous four weeks. Since then it has gained a further 2.0% and is now at the top of the table.

Similar listings are available for all sectors in the members area of the website.

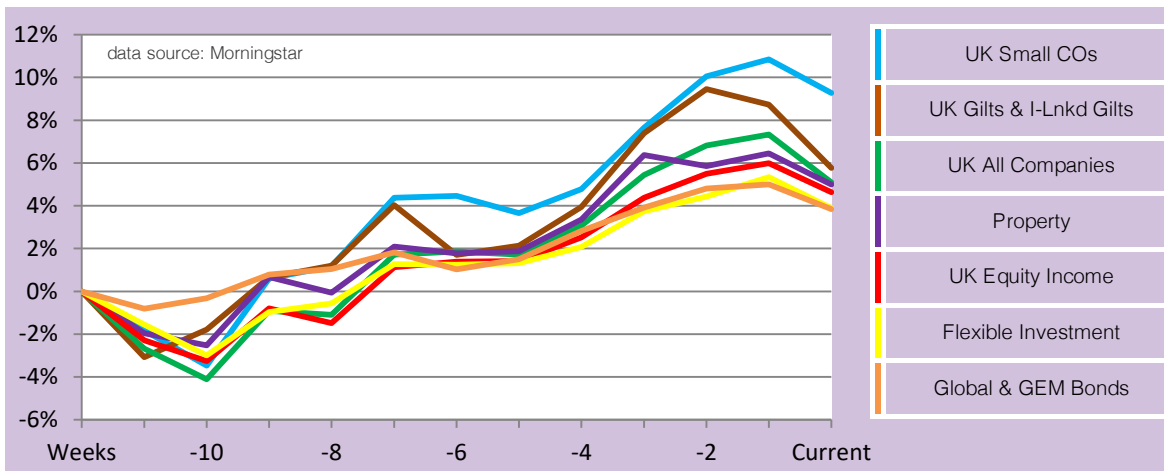


### Last month's leader

The £ Strategic Bond sector was in fourth place in the October newsletter, having gone down by 1.3% in the previous four weeks. In November's issue it had moved up to second place, with a four-week return of 0.9%, and last month it was at the top of the table with a 3.3% four-week gain. This month it's dropped down to fifth place.



# Performance by Saltydog Group - Steady as She Goes



This chart shows the relative performance of the sectors in this Group, calculated by looking at the average % return of the leading funds in each sector every week. In the table below the sectors are ranked by their four-week % return. All the return data is shaded to highlight the higher figures in each column.

Sector	Percentage Return Data											
	4wks	12wks	26wks	Wk -1	Wk -2	Wk -3	Wk -4	Wk -5	Wk -6	Wk -7	Wk -8	
UK Small COs	<b>4.4%</b>	9.4%	4.4%	-1.6%	0.8%	2.4%	2.9%	1.1%	-0.8%	0.1%	3.2%	
UK Equity Income	<b>2.1%</b>	4.7%	8.2%	-1.4%	0.5%	1.1%	1.8%	1.1%	0.0%	0.3%	2.6%	
UK All Companies	<b>2.0%</b>	5.1%	6.2%	-2.2%	0.5%	1.4%	2.4%	1.3%	-0.1%	0.1%	2.8%	
Flexible Investment	<b>1.8%</b>	3.9%	5.1%	-1.5%	0.9%	0.7%	1.7%	0.8%	0.1%	0.0%	1.8%	
UK Gilts & I-Lnkd Gilts	<b>1.7%</b>	5.6%	6.3%	-2.9%	-0.7%	2.1%	3.4%	1.8%	0.4%	-2.3%	2.8%	
Property	<b>1.4%</b>	5.1%	4.9%	-1.5%	0.6%	-0.5%	3.0%	1.5%	0.1%	-0.3%	2.2%	
Global & GEM Bonds	<b>1.0%</b>	3.8%	4.4%	-1.2%	0.2%	0.9%	1.1%	1.3%	0.5%	-0.8%	0.8%	
<b>Average:</b>	<b>2.1%</b>	<b>5.4%</b>	<b>5.6%</b>	<b>-1.7%</b>	<b>0.4%</b>	<b>1.1%</b>	<b>2.3%</b>	<b>1.3%</b>	<b>0.0%</b>	<b>-0.4%</b>	<b>2.3%</b>	

## The UK Equity Sectors

The Investment Association differentiates between funds investing for income and ones investing for growth. They specify two different 'UK Equities' sectors for funds investing in UK equities and targeting growth. They are:

### UK All Companies:

*"Funds which invest at least 80% of their assets in UK equities which have a primary objective of achieving capital growth."*

### UK Smaller Companies:

*"Funds which invest at least 80% of their assets in UK equities of companies which form the bottom 10% by market capitalisation."*

## Overall Group Performance

The four-week average for the sectors in this Group was 0.0% in the November newsletter, but a 3.3% gain last month. This month it's up 2.1%.

2022 was not a good year for the sectors in this Group. They all went down; two fell by around 25% and the worst lost 35%. However, last year ended up being much better, but mainly due to a strong performance at the end of the year.

The year started well with all sectors going up in January. Unfortunately only the UK All Companies and UK Equity Income sectors made further gains in February. March was a different story. Only the UK Gilts and Global Bond sectors went up. However, over the first quarter most sectors made gains.

Quarter two started OK, with most sectors going up in April, but things took a turn for the worse in May and June. Only two sectors made gains over the three-month period.

In the third quarter the UK Equity Income sector went up by 2.2%, UK All companies made 0.9%, and Global & Global Emerging Market Bonds gained 0.6%. All of the other sectors went down.

In October all sectors in this Group made losses, but they all went up in November. They are now all showing gains over four, twelve and twenty-six weeks.

## A bit about the 'Steady as She Goes' Group ...

The sectors in this Group have historically been more volatile than those in the 'Slow Ahead' Group, but when conditions are favourable they can give better returns.

In this Group there are some bond sectors as well as the Flexible Investment sector which invests in a combination of bonds and equities. It is one of the mixed asset sectors which were renamed at the end of 2011 and were previously known as the Cautious, Balanced, and Active Managed Sectors. These are often the 'default' funds for many financial products.

There's also the UK Equity Income sector. The income funds invest in shares that pay good dividends, and are less focused on capital growth. These tend to be the large, well known businesses like the banks, supermarkets, oil, utilities, and pharmaceutical companies.

The UK All Companies and UK Smaller Companies sectors are in this Group. Although they invest in UK Companies it's worth remembering that those companies are often international.

A full list of the sector definitions is available on the Investment Association website.

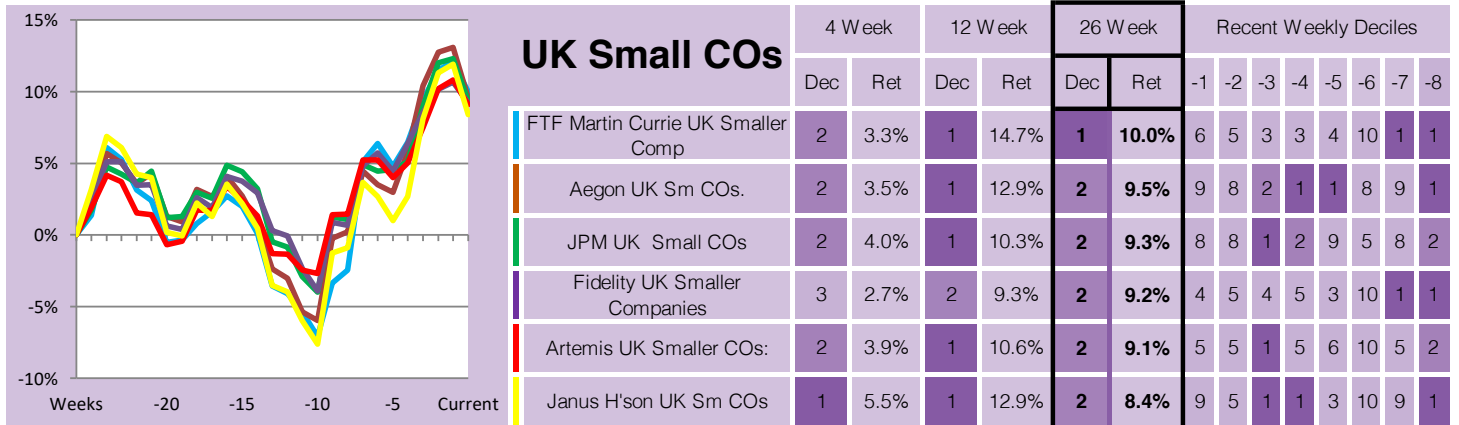
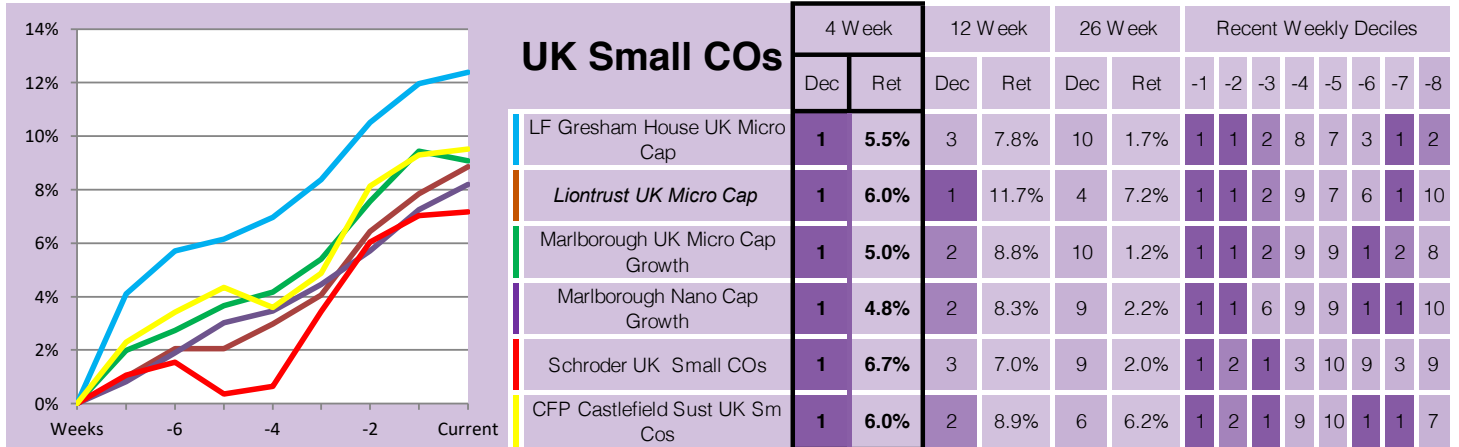
[www.theinvestmentassociation.org](http://www.theinvestmentassociation.org)

# Performance by Saltydog Group - Steady as She Goes

## All change at the top

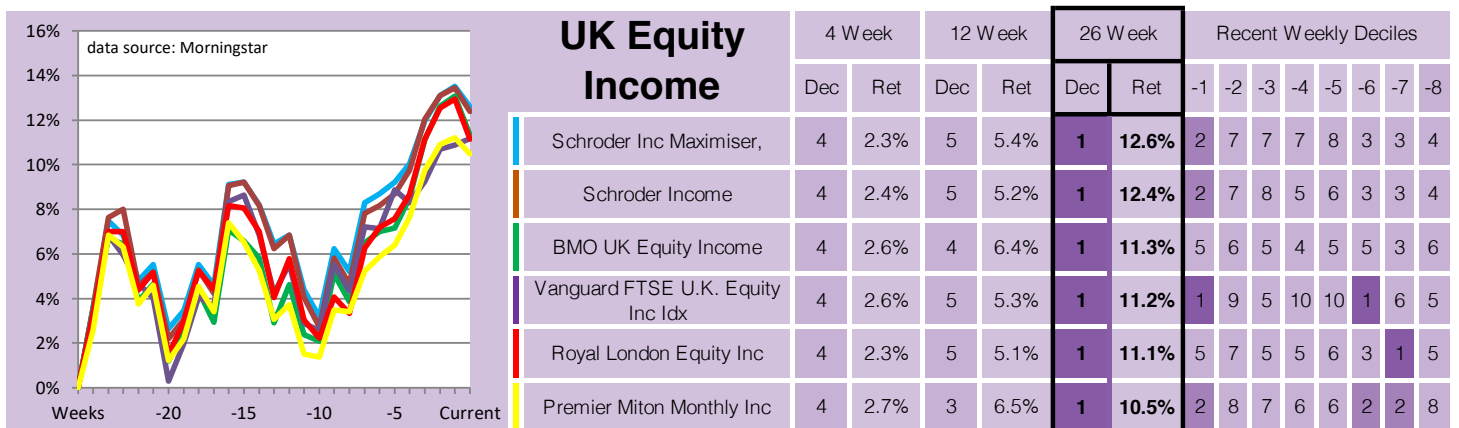
The UK Smaller Companies sector was in second place in the November newsletter with a four-week return of 1.1%. A month later and it had dropped to fourth place, but with a four-week return of 3.6%. This month it has jumped to the top spot having gained 4.4% in the last four weeks. The UK All Companies sector, which was at the top of the table last month, has dropped down to third place.

Similar listings are available for all sectors in the members area of the website.

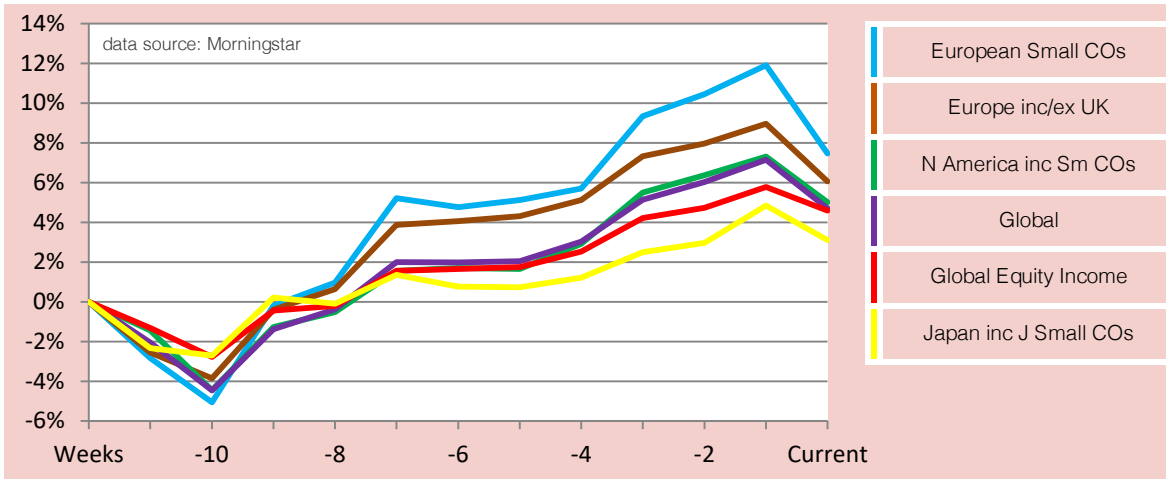


## This month's runner up

The UK Equity Income sector was at the top of the table in the October newsletter although it was showing a four-week loss of 0.7%. In November it dropped to the bottom of the table with a four-week loss of 1.5%. Last month it moved up to second place, with a four-week return of 4.1%, and it's still in second place this month, with a four-week return of 2.1%.



# Performance for the Full Steam Ahead Developed Group



This chart shows the relative performance of the sectors in this Group, calculated by looking at the average % return of the leading funds in each sector every week. In the table below, the sectors are ranked by their four-week % return. All the return data is shaded to highlight the higher figures in each column.

Sector	Percentage Return Data										
	4wks	12wks	26wks	Wk -1	Wk -2	Wk -3	Wk -4	Wk -5	Wk -6	Wk -7	Wk -8
Global Equity Income	2.0%	4.6%	7.0%	-1.2%	1.0%	0.5%	1.7%	0.8%	0.1%	0.1%	1.8%
N America inc Sm COs	2.0%	4.9%	7.4%	-2.3%	0.9%	0.9%	2.6%	1.3%	0.0%	0.1%	2.1%
Japan inc J Small COs	1.9%	3.0%	3.8%	-1.7%	1.9%	0.5%	1.3%	0.5%	0.0%	-0.6%	1.5%
European Small COs	1.8%	7.4%	2.6%	-4.4%	1.5%	1.1%	3.6%	0.6%	0.4%	-0.5%	4.2%
Global	1.6%	4.6%	5.4%	-2.5%	1.1%	0.9%	2.1%	1.0%	0.1%	0.0%	2.4%
Europe inc/ex UK	0.9%	6.1%	6.4%	-2.9%	1.0%	0.6%	2.2%	0.8%	0.2%	0.2%	3.2%
<b>Average:</b>	<b>1.7%</b>	<b>5.1%</b>	<b>5.4%</b>	<b>-2.5%</b>	<b>1.2%</b>	<b>0.7%</b>	<b>2.3%</b>	<b>0.8%</b>	<b>0.1%</b>	<b>-0.1%</b>	<b>2.5%</b>

## The Global Equity Income Sector

This is one of the equity sectors classified by the Investment Association. Their definition is:

*“Funds which invest at least 80% of their assets globally in equities. Funds must be diversified by geographic region and intend to achieve a historic yield on the distributable income in excess of 110% of the MSCI World Index yield at the fund’s year end.”*

Funds are tested over three year rolling periods by taking a simple average of the yield achieved for each fund at its year end. Funds which failed the test are then reclassified.

## Overall Group Performance

In the November newsletter, the overall Group four-week average was 0.0%, but last month it was a gain of 3.4%. This month isn’t quite as good but it’s still showing a gain of 1.7%.

All of the sectors in this Group went up last year.

In the first quarter only the Japanese Smaller Companies sector failed to make a gain. The best, Europe excluding UK, made 8.1%, followed by Europe including UK, which went up by 7.5%.

The second quarter was more mixed. The North American sector was the best, with a three-month return of 5.0%, followed by the North American Smaller Companies sector, which made 3.0%. Unfortunately,

the Japanese Smaller Companies sector went down as did the European sectors.

In the third quarter the best performing sector was Japan, but it only went up by 0.7%. Then it was Japanese Smaller Companies, up 0.5%. The North America and Global Equity Income sectors also made gains, but the remaining sectors went down.

All sectors went down in October, but then rallied in November and December. They have all made gains during the last four weeks.

## The sectors in the ‘Full Steam Ahead Developed’ Group ...

The sectors in the ‘Full Steam Ahead’ Groups have historically been the most volatile.

They can give the best returns when conditions are favourable, but are also likely to suffer the most if market conditions take a turn for the worse.

There are a lot of sectors which we consider ‘Full Steam Ahead’ and so we have split them into two groups to make analysis easier.

The ‘Developed’ Group focuses on sectors which are usually considered ‘Developed’ Markets. These are the UK, Europe, North America, and Japan.

The European funds are split into Europe including the UK, and Europe excluding UK, but we have joined them and called it Europe inc / ex UK - an oxymoron, but hopefully now it makes sense.

The North America and North American Smaller Companies sectors have also been combined, as have the Japan and the Japanese Smaller Companies.

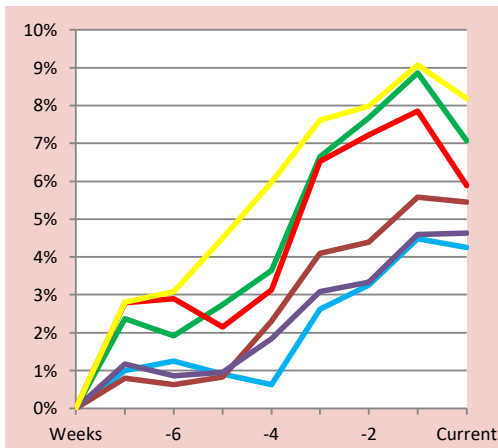
We also include the ‘Property’ sector in this Group.

# Performance of the Full Steam Ahead Developed Group

## A new leader

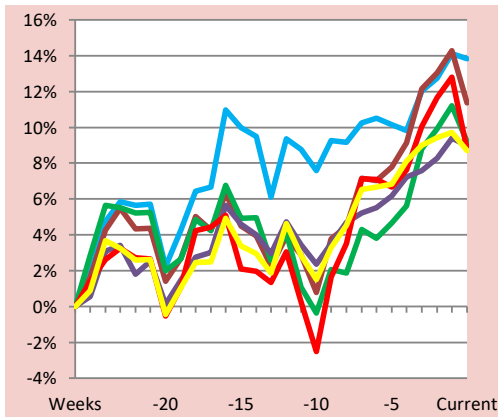
The Global Equity Income sector was fourth in the table in the November newsletter having fallen by 0.3% in the previous four weeks. It then dropped to fifth in last month's newsletter, but with a much better four-week return of 2.7%. This month it's jumped to the top of the table with a four-week gain of 2.05%, just beating the North America & North American Smaller Companies sector.

Similar listings are available for all sectors in the members area of the website.



### Global Equity Income

	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Artemis Global Income	1	3.7%	7	4.1%	1	13.8%	1	4	7	5	10	8	4	10
Sarasin Global Higher Dividend	1	3.2%	8	3.6%	9	3.1%	1	4	9	6	2	5	7	10
TB Saracen Global Inc & Gth	1	3.4%	5	4.9%	2	9.2%	4	4	3	3	5	2	9	6
BNY Mellon Global Income	2	2.8%	8	3.5%	7	4.8%	1	4	9	9	5	5	8	9
M&G Global Dividend	2	2.7%	4	5.8%	7	5.0%	5	9	6	2	5	10	5	4
abrdrn Global Income Equity	3	2.2%	1	10.9%	6	6.0%	2	5	8	7	2	1	3	4

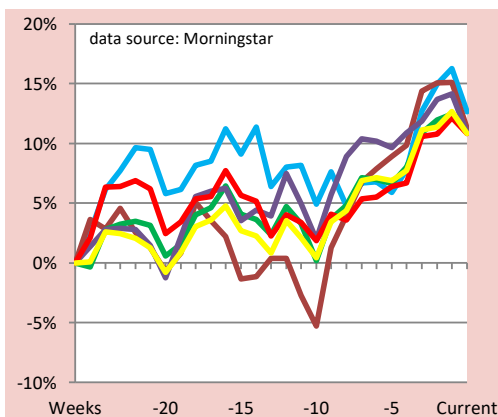


### Global Equity Income

	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Artemis Global Income	1	3.7%	7	4.1%	1	13.8%	1	4	7	5	10	8	4	10
Invesco Global Equity Income.	4	2.0%	2	7.2%	1	11.4%	6	5	5	3	3	2	7	5
TB Saracen Global Inc & Gth	1	3.4%	5	4.9%	2	9.2%	4	4	3	3	5	2	9	6
Fidelity Global Dividend	5	1.6%	7	4.1%	2	9.0%	1	6	7	10	4	2	3	10
Liontrust Global Dividend	7	1.1%	4	5.6%	2	8.8%	8	6	1	4	5	8	6	2
Aviva Inv Global Equity Inc	9	0.5%	7	3.9%	2	8.7%	2	10	8	10	3	5	5	7

## A close second

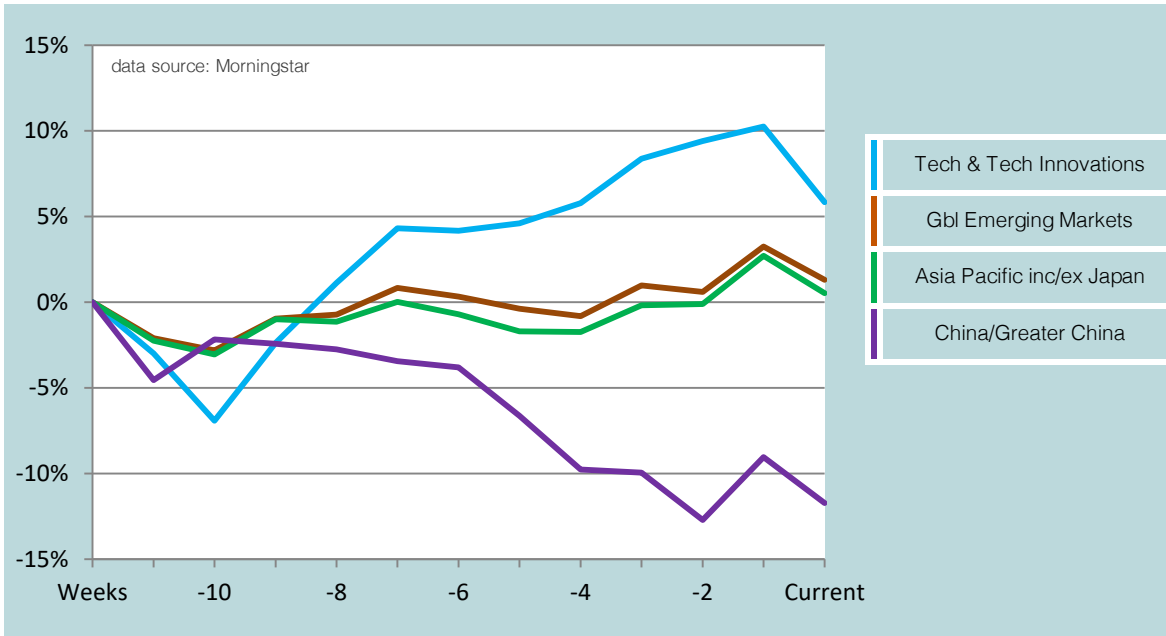
The combined North America & North American Smaller Companies sector was at the bottom of the table a couple of months ago with a four-week loss of 0.6%. By last month it had moved up to third place, with a four-week return of 3.5%. Since then it's gone up by 2.00% and moved up to second place. It only missed out on the top spot by 0.05%.



### N America inc Sm COs

	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
VT De Lisle America	1	4.5%	6	4.3%	1	12.7%	8	5	1	1	1	10	5	8
New Capital US Growth	6	1.3%	1	10.9%	1	11.3%	8	10	7	1	6	1	1	4
BMO North American Equity	2	2.8%	3	6.0%	1	11.0%	2	10	3	3	3	8	7	6
T. Rowe Price US Lg Cap Gth Eq	10	0.0%	8	3.1%	1	10.9%	7	10	1	9	4	9	8	9
FTF ClearBridge US Value	1	3.9%	3	6.5%	1	10.8%	2	3	9	2	9	2	5	8
M&G North American Dividend	2	2.9%	2	7.0%	1	10.8%	4	5	9	2	6	8	4	5

# Performance for the Full Steam Ahead Emerging Group



This chart shows the relative performance of the sectors in this Group, calculated by looking at the average % return of the leading funds in each sector every week. In the table below the sectors are ranked by their 4 week % return. All the return data is shaded to highlight the higher figures in each column.

Sector	Percentage Return Data										
	4wks	12wks	26wks	Wk -1	Wk -2	Wk -3	Wk -4	Wk -5	Wk -6	Wk -7	Wk -8
Asia Pacific inc/ex Japan	<b>2.2%</b>	0.4%	2.0%	-2.2%	2.8%	0.1%	1.5%	0.0%	-1.0%	-0.7%	1.1%
Gbl Emerging Markets	<b>2.1%</b>	1.2%	3.6%	-1.9%	2.6%	-0.4%	1.8%	-0.5%	-0.7%	-0.5%	1.6%
Tech & Tech Innovations	<b>-0.1%</b>	5.5%	10.1%	-4.4%	0.8%	1.0%	2.6%	1.2%	0.4%	-0.1%	3.2%
China/Greater China	<b>-1.8%</b>	-11.1%	-9.9%	-2.7%	3.7%	-2.8%	-0.2%	-3.1%	-2.8%	-0.4%	-0.7%
<b>Average:</b>	<b>0.6%</b>	<b>-1.0%</b>	<b>1.5%</b>	<b>-2.8%</b>	<b>2.5%</b>	<b>-0.5%</b>	<b>1.4%</b>	<b>-0.6%</b>	<b>-1.0%</b>	<b>-0.4%</b>	<b>1.3%</b>

## Asia Pacific inc/ex Japan

This is a combination of two of the Investment Association overseas equities sectors - Asia Pacific including Japan and Asia Pacific excluding Japan.

The sector definitions are:

‘Funds which invest at least 80% of their assets in Asia Pacific equities including a Japanese content. The Japanese content must make up less than 80% of the assets.’

and ...

‘Funds which invest at least 80% of their assets in Asia Pacific equities and exclude Japanese securities.’

## Overall Group Performance

The Group’s overall four-week average was a loss of 1.0% in the November newsletter. Last month it was down 0.7%, but this month it’s showing a 0.6% gain.

2022 was a year of losses. All sectors went down and the worst, Technology & Technology Innovations, fell by just over 27%. Last year was much better, although the China/Greater China sector went down by 20%.

The year started well with all sectors making gains in January. February and March were more mixed, but most of the sectors still ended up showing gains over the first quarter. The only exception was China/Greater China and it had only lost 0.02%. The Technology & Technology Innovations sector was up 15.8%.

In the second quarter the Technology sector gained a further 7.8%, but the other sectors went down.

The third quarter was less dramatic. Only the Global Emerging Market sector went up, making 0.2%. Although the other sectors went down the losses were relatively small compared with quarter two.

In October all sectors went down, but most recovered in November and December. This month only two of the four sectors are up over the last four weeks.

## The sectors in the ‘Full Steam Ahead Emerging’ Group ...

The sectors in the ‘Full Steam Ahead’ Groups have historically been the most volatile.

They can give the best returns when conditions are favourable, but are also likely to suffer the most if market conditions take a turn for the worse.

There are a lot of sectors which we consider to be ‘Full Steam Ahead’ and so we have split them into two groups to make analysis easier.

The ‘Emerging’ Group focuses on sectors which are usually considered ‘Emerging’ Markets. These are Asia Pacific, China & Greater China, and Global Emerging Markets.

The Asia Pacific funds are split into those including Japan and those not including Japan - we have joined the two sectors and called it Asia Pacific inc / ex Japan.

The ‘Technology & Technology Innovations’ sector is also in this Group. It may not fit exactly with our ‘Emerging Markets’ theme, but the funds have a similar level of volatility, and so we put it into the ‘Full Steam Ahead’ Group with the fewest other sectors.

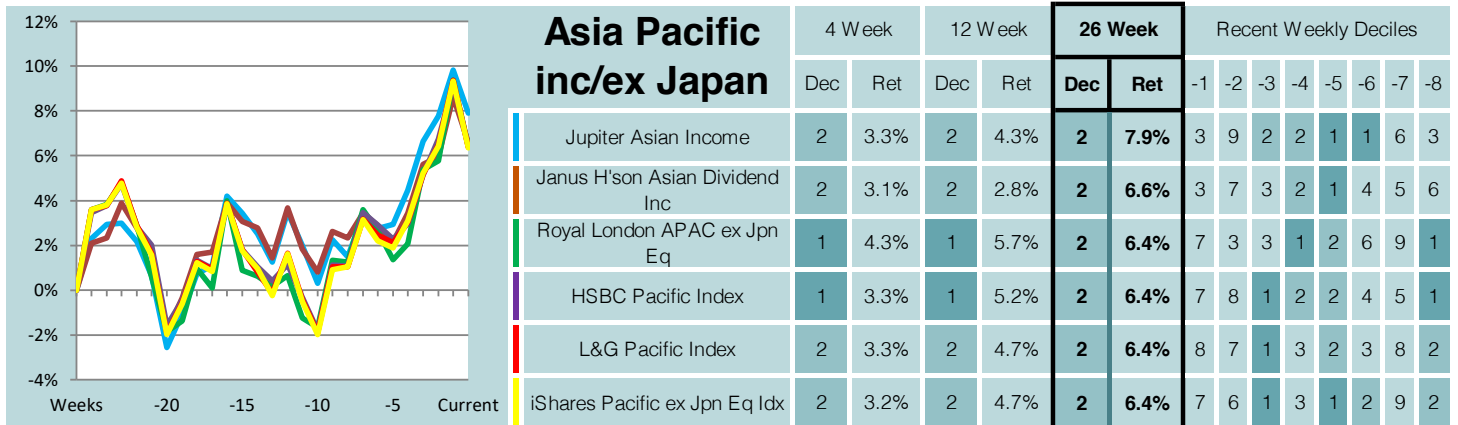
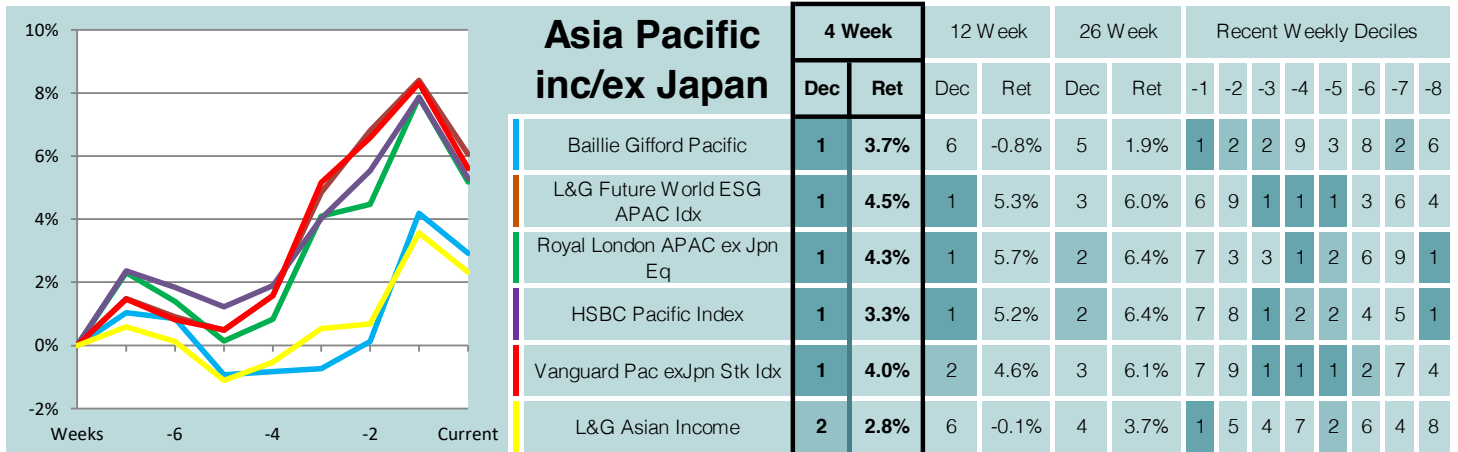


# Performance of the Full Steam Ahead Emerging Group

## Back on top

The combined Asia Pacific including Japan and Asia Pacific excluding Japan sector was at the top of the table in the October newsletter even though it had gone down by 1.0% in the previous four weeks. A month later and it had dropped to third place with a four-week loss of 1.2%. Last month it was still in third place, but with a smaller four-week loss of 0.6%. In the last four weeks it has gone up by 2.2% and is now back at the top of the table.

Similar listings are available for all sectors in the members area of the website.

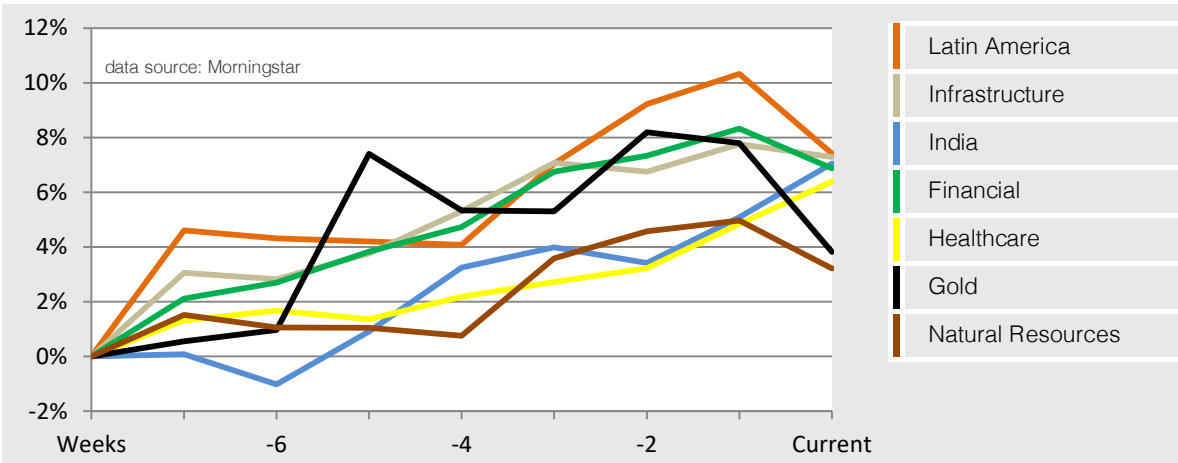


## Stuck at the bottom

The China/Greater China sector was in second place in the October newsletter with a four-week loss of 1.2%. In November it dropped to the bottom of the table, having lost a further 2.8%, and last month it was still there with a four-week loss of 6.8%. The last four weeks haven't been quite that bad, but it's still lost 1.8% and remains in last place. It's now gone down by 11.1% in the last twelve weeks.



# Performance of the Saltydog SubZones



This chart shows the relative performance of the different SubZones that we have created to help make sense of this sector. In the table below the SubZones are ranked by their 4 week % return. All the return data is shaded to highlight the higher figures in each column.

SubZone	Percentage Return Data											
	4wks	12wks	26wks	Wk -1	Wk -2	Wk -3	Wk -4	Wk -5	Wk -6	Wk -7	Wk -8	
Healthcare	4.3%	2.4%	6.7%	1.5%	1.6%	0.5%	0.5%	0.8%	-0.3%	0.4%	1.3%	
India	3.8%	7.6%	18.8%	2.0%	1.7%	-0.6%	0.7%	2.3%	1.9%	-1.1%	0.1%	
Latin America	3.3%	10.0%	9.0%	-2.9%	1.1%	2.2%	3.0%	-0.1%	-0.1%	-0.3%	4.6%	
Natural Resources	2.3%	-0.8%	3.2%	-1.8%	0.4%	1.0%	2.8%	-0.3%	0.0%	-0.5%	1.5%	
Financial	2.1%	7.0%	11.7%	-1.5%	1.0%	0.6%	2.0%	0.9%	1.1%	0.6%	2.1%	
Infrastructure	2.0%	9.5%	1.9%	-0.5%	1.0%	-0.3%	1.8%	1.5%	0.9%	-0.2%	3.1%	
Gold	-1.7%	4.6%	2.7%	-4.0%	-0.4%	2.9%	0.0%	-2.1%	6.4%	0.4%	0.6%	
<b>Average:</b>	<b>2.3%</b>	<b>5.8%</b>	<b>7.7%</b>	<b>-1.0%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>1.5%</b>	<b>0.4%</b>	<b>1.4%</b>	<b>-0.1%</b>	<b>1.9%</b>	

## Overall Performance

Last month the SubZone four-week average was a 3.7% gain. This month it's gone up by 2.3% and only one SubZone isn't showing a four-week gain.

Over the last few months, the best performing SubZone has been India. In the July issue it was at the top of the table with a four-week return of 3.0%. It was the only SubZone that had gone up in the previous four weeks. By August it had dropped to fourth place but was still showing a four-week return of 2.0%.

In September the India SubZone was back on top with a four-week return of 6.1%, and it was still there in October, although its four-week return had dropped to 0.8%. In November it dropped to fourth place with a four-week gain

of 0.4%. Last month it dropped to fifth place, but had still gone up by 3.3% in the last four weeks. This month it has moved up to second place. It's still the leading Subzone over twenty-six weeks.

Last month Infrastructure was the leading SubZone, but the Pictet Biotech fund was at the top of the table.

This month the Healthcare SubZone has moved to the top spot and the leading fund is AXA Framlington Biotech. The Pictet Biotech fund has moved down to fourth place.

## AXA Framlington Biotech

The AXA Framlington Biotech fund was launched in November 2001 and is now managed by Linden Thomson who took over in 2012. It currently has around £400 million invested in it.

The fund invests in the shares of listed companies, principally in the biotechnology, genomic and medical research industry.

It can invest in companies of any size which can be based anywhere in the world, although the fund tends to be biased towards the US as this is where the majority of biotechnology companies are based. About 80% of the fund is currently invested in US companies.

## What is special about the 'Specialist' sector?

The specialist sector is a bit of an odd ball!

This is where all the funds which don't naturally fit into another sector end up and so, not surprisingly, is something of a mixed bag.

We consider it 'high risk', because most of the funds have the same level of volatility that you would associate with the 'Full Steam Ahead' Groups, but this is not always the case.

We don't calculate a sector average because it wouldn't be a fair comparison with the other Groups. There are nearly always funds doing well in this sector, but they might not be the ones that were doing well last month.

To help with our analysis we have created a number of SubZones where we analyse the relative performance of various funds investing in similar things. These are Financial, Infrastructure Healthcare, India, Latin America, Russia & Eastern Europe, and Gold.

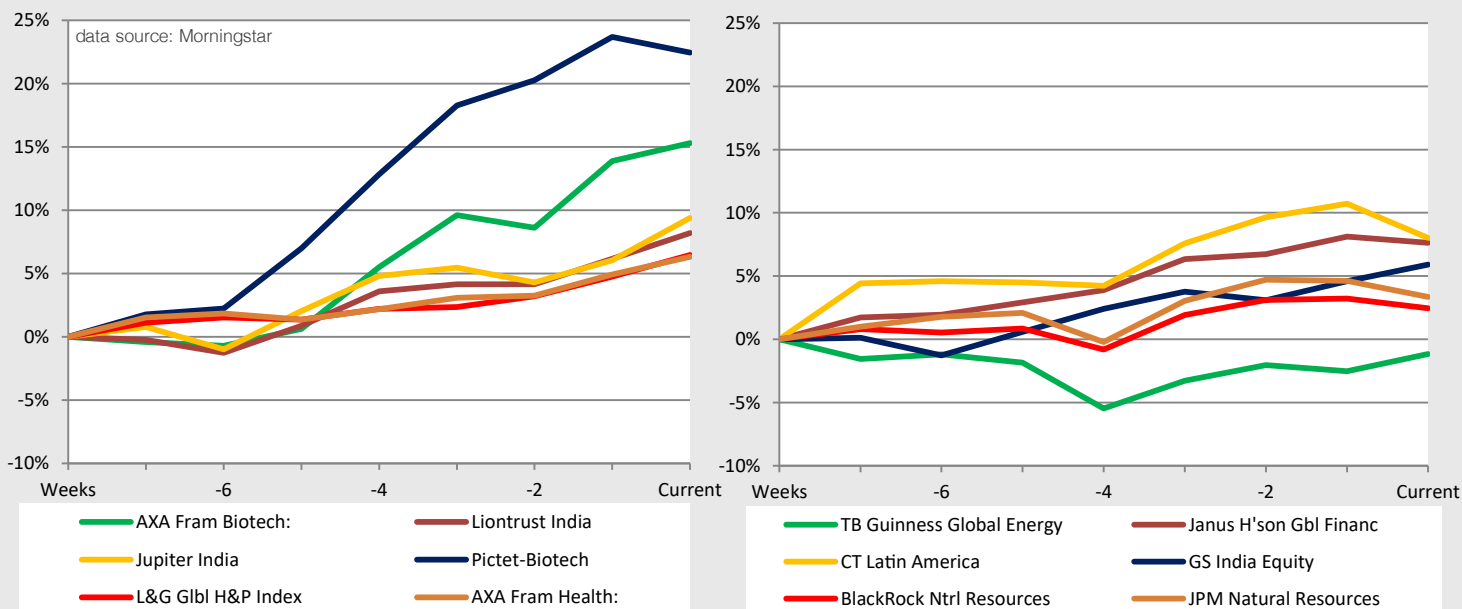
In total we analyse around 65 funds in this sector, most of which do not fall within one of the SubZones.

# Specialist Sector - 4 Week Data

The Specialist Sector contains funds that do not fit into the constraints of the mainstream sectors, so they are something of a mixed bag. We have created our own SubZones for the funds that have a broadly similar focus - Healthcare, Financial, Gold, India, Latin America, Natural Resources, Infrastructure, Russia & Eastern Europe. All the funds are measured by their 4 Week Decile Ranking and then their Recent Weekly Deciles.

Fund	SubZone (If Applicable)	4 Week		12 Week		26 Week		Recent Weekly Deciles							
		Decile	Return	Decile	Return	Decile	Return	-1	-2	-3	-4	-5	-6	-7	-8
AXA Framlington Biotech		1	10.0%	3	9.1%	3	9.8%	1	1	10	2	1	4	6	10
Liontrust India	India	1	4.7%	3	8.8%	1	20.3%	1	2	8	9	1	2	9	9
Jupiter India	India	1	4.6%	1	12.3%	1	27.8%	1	2	10	9	1	2	10	9
Pictet-Biotech		1	9.8%	1	17.2%	2	12.5%	6	1	2	1	1	2	2	5
L&G Gbl Health&Pharma Index	Healthcare	2	4.3%	9	1.5%	5	7.5%	1	2	5	10	5	9	2	8
AXA Fram Health:	Healthcare	2	4.2%	8	3.2%	6	5.9%	2	2	8	8	6	10	3	7
TB Guinness Global Energy	Nat Res	2	4.3%	10	-7.0%	2	11.6%	2	10	3	4	10	10	3	10
Janus H'son Gbl Financials	Financial	2	3.8%	3	8.2%	2	14.0%	4	4	7	3	4	4	3	6
CT Latin America	Latin Am	2	3.7%	2	10.6%	3	9.9%	8	5	2	2	9	9	4	2
GS India Equity	India	3	3.5%	5	6.3%	1	18.3%	2	3	10	7	3	3	10	9
<b>BlackRock Ntrl Resources</b>	Nat Res	3	3.3%	10	-2.8%	6	5.5%	5	9	4	3	9	7	6	8
JPM Natural Resources.	Nat Res	3	3.6%	10	-1.0%	4	9.2%	6	9	2	2	9	8	1	8
VT Gravis Clean Energy Income	Infrastructure	3	3.4%	1	12.5%	10	-2.9%	7	3	4	2	3	3	8	1
Liontrust Latin America	Latin Am	3	3.4%	2	10.3%	4	9.2%	8	4	1	4	9	8	7	2
Stewart Inv Indian Sbctnt Sustnby	India	4	2.5%	8	3.1%	5	8.7%	2	3	9	10	2	5	6	10
BGF World Energy D4 GBP	Nat Res	4	2.6%	10	-7.6%	2	11.0%	2	10	1	10	10	9	2	10
First Sentier Gbl Lstd Infra	Infrastructure	4	2.5%	3	8.0%	8	3.2%	3	5	9	7	4	7	5	4
Jupiter Monthly Alternative Income		4	3.1%	5	6.4%	7	3.7%	4	9	1	7	8	10	9	2
abrdn Latin American Equity	Latin Am	4	2.6%	2	9.2%	5	7.8%	8	5	2	3	8	9	8	1
Baring Global Agriculture.	Nat Res	5	2.3%	10	-3.4%	10	-6.3%	5	4	8	6	6	10	10	8
LF Canlife UK Equity and Bond Inc		5	2.5%	6	4.0%	4	9.3%	5	7	4	5	7	7	5	6
HSBC Monthly Inc		5	2.5%	7	3.7%	4	9.4%	6	7	3	5	5	7	4	6
Royal London UK Income + Grth		5	2.3%	6	4.8%	3	9.7%	6	8	3	5	5	8	6	4
Stewart Inv APAC Ldrs Sstby		5	2.5%	8	3.1%	8	3.3%	7	1	8	8	4	5	10	6
Jupiter Financial Opps	Financial	6	1.9%	7	3.6%	3	10.0%	3	4	7	10	8	9	2	7
<b>BMO Diversified Monthly Income 2</b>		6	2.2%	7	3.2%	6	6.9%	4	8	6	6	8	8	6	9
Invesco Global Financial Capital	Financial	6	1.7%	4	6.5%	2	11.7%	4	9	7	6	5	6	2	7
CT Monthly Extra Inc		6	2.0%	7	3.8%	4	9.6%	5	8	3	7	5	8	5	5
Jupiter Global Financial Inovation	Financial	6	1.8%	4	8.0%	1	15.4%	7	5	6	3	7	2	1	7

The charts below shows the 8 week performance of the leading funds in the Specialist sector table above.



# Santa rally helps boost gains in December

After the first ten months of the year the majority of the Investment Association sectors that we track were showing losses. However, they picked up in November and also had a good December. Hopefully that bodes well for 2024.

Only two sectors went down in December, UK Direct Property, which only fell by 0.03%, and China/Greater China, which lost 2.9% and ended the year down a disappointing 20.4%.

The best performing sector last month was North American Smaller Companies with a one-month return of 10.4%, which accounted for nearly all of its annual return of 10.8%.

Next was the Latin America sector, up 8.0%, and then the UK Smaller Companies and European Smaller Companies sectors which both ended the month up 7.1%.

## Investment Association Sector Returns December 2023

Safe Haven	% Rtn	Full Steam Ahead - Developed	% Rtn
Standard Money Market	0.5	North American Smaller Companies	10.4
Short Term Money Market	0.3	European Smaller Companies	7.1
Slow Ahead	% Rtn	Global	5.2
£ Corporate Bond	4.3	Europe Excluding UK	4.8
Mixed Investment 40-85% Shares	4.2	Europe Including UK	4.7
Mixed Investment 20-60% Shares	3.8	North America	4.7
£ Strategic Bond	3.7	Global Equity Income	4.3
Mixed Investment 0-35% Shares	3.5	Japan	3.8
£ High Yield	2.9	Full Steam Ahead - Emerging	% Rtn
Steady as She Goes	% Rtn	Tech & Tech Innovations	5.5
UK Smaller Companies	7.1	Asia Pacific Including Japan	4.3
UK Index Linked Gilts	6.2	Asia Pacific Excluding Japan	3.7
UK All Companies	5.4	Global Emerging Markets	3.1
UK Gilts	5.1	China/Greater China	-2.9
UK Equity Income	4.9	Specialist / Thematic	% Rtn
Flexible Investment	4.0	Latin America	8.0
Global & GEM Bonds*	3.3	Healthcare	7.0
UK Direct Property	0.0	Financials and Financial Innovation	5.5
* The Global & GEM bonds figure is calculated by taking an average of all the non-UK bond sectors.		India/Indian Subcontinent	5.1
		Infrastructure	3.9

Data Source : Morningstar

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## WHAT'S HOT AND WHAT'S NOT

### GOING UP

UK economy grows by 0.3% in November

Oil prices rise as tension escalates in Red Sea

UK pledges £2.5bn to Ukraine

Chinese exports at 15-month high

Bitcoin briefly spikes above \$48,000

### GOING DOWN

US and UK bomb weapon sites in Yemen

Eurozone unemployment at record low

Equador in State of Emergency

Israel faces allegations of genocide at the UN High Court.

J.P.R.Williams - RIP