



saltydog

INVESTOR

Successful trend investing

July 2023

US inflation drops to 3%

The latest figures from the US Bureau of Labour statistics show that the annual rate of inflation (CPI) fell to 3% in June, its lowest level since 2021.

It is hard to believe that last June US inflation was running at over 9%, its highest level for 40-years. Since then it has gone down for twelve consecutive months.

I don't know for sure, but the seeds of the latest inflation cycle may well have been sown many years ago in the aftermath of the Global Financial Crisis of 2007-2008. Low interest rates and lax lending standards had resulted in a house price bubble, especially in the US, driven by an explosion of subprime mortgage lending.

When house prices started to fall, many borrowers defaulted on their mortgages leading to significant losses for some of the world's largest financial institutions. Their exposure to toxic mortgage-backed securities and complex financial derivatives led to a loss of confidence in the financial

sector. Several banks failed and governments had to step in to stop the whole financial system collapsing.

Unemployment rose dramatically as businesses faced declining demand and tightened their budgets. A severe global economic downturn followed impacting economies worldwide and leading to a prolonged period of slow economic growth.

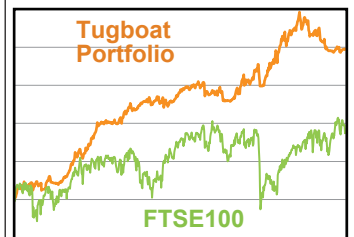
To stabilise the financial system, and stimulate economic activity, governments and central banks cut interest rates to virtually zero. They then implemented quantitative easing (QE) programs to inject more liquidity into the system.

While these policy responses helped prevent a complete economic collapse, the recovery from the recession was slow and uneven. What started out as a short-term fix ended up lasting for over fifteen years. Low growth, low inflation, low interest rates and ongoing government intervention.

QE can be effective in promoting economic recovery, but there were always concerns that it could lead to inflation. When there is more money chasing the same amount of goods and services, at some point prices will rise. The situation was made worse

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Our Tugboat portfolio has gone up by 0.1% over the last four weeks. 😊



Average Annual Return 4.7%
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This portfolio has remained level over the last four weeks. 😞

Sector Performance 2023

Our look at the IA Sector performance for the last few months. 8

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“Most stock markets rise in June”

US inflation drops to 3%

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during the COVID-19 pandemic. Government support was ramped up to unprecedented levels, while economic activity slowed along with consumer spending.

Inflationary pressures began to emerge as the global economy started to recover.

The pandemic had disrupted global supply chains, with factory closures and transportation bottlenecks leading to a shortage of raw materials. The Russian invasion of Ukraine, and the subsequent sanctions on Russia, only made the situation worse. Commodity prices, including oil, gas, copper, and agricultural products skyrocketed.

At the same time as there was upward price pressure due to lack of supply and rising raw material costs, there was an increase in demand with consumers eager to spend and make up for lost time. During the lockdown household debts had reduced and savings had increased. Government spending, artificially low interest rates, and further quantitative easing added to the money supply.

Inflation, which in the US had been below 2% for most of 2019 and 2020, started to go up and by the end of 2021 was over 7%. It peaked at over 9% the following summer. In the UK it went even higher, at one point reaching 11.1%.

In March 2020 the Federal Reserve started raising interest

rates in an attempt to bring inflation back down to the 2% target. Many commentators thought that it would force the US into a recession, and that the Fed would back down at the first sign of the economy weakening or stock markets falling, but they held their nerve.

Initially stock markets fell. Last year the S&P 500 went down by 19.4% and the Nasdaq lost 33.1%, but they have started to recover. If inflation continues to come down, reducing the need for further interest rate rises, then that trend could continue.

Unfortunately second-guessing the Fed isn't easy and that is what has been driving the recent stock market volatility. Inflation in the UK was still over 8% in May, so we've got quite a

lot further to go, but at least it's heading in the right direction.

Stock Market Update

All of the major stock market indices that we track did better in June than they had in May, and most made gains. The only exceptions were the FTSE 250, which fell by 1.6%, and the Shanghai Composite, which fell by 0.1%.

The star performers were the Brazilian Ibovespa, up 9.0%, followed by the Japanese Nikkei 225, which made 7.5%. The US indices also did relatively well. The Dow Jones Industrial Average made 4.6%, the S&P 500 rose by 6.5%, and the Nasdaq did slightly better, up 6.6%. So far, this month is looking a little more subdued.

Index	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	1st July to 14th July	Year-to-date
FTSE 100	4.3%	1.3%	-3.1%	3.1%	-5.4%	1.1%	-1.3%	-0.2%
FTSE 250	5.3%	0.3%	-4.9%	2.6%	-3.6%	-1.6%	0.8%	-1.5%
Dow Jones Ind Ave	2.8%	-4.2%	1.9%	2.5%	-3.5%	4.6%	0.3%	4.1%
S&P 500	6.2%	-2.6%	3.5%	1.5%	0.2%	6.5%	1.2%	17.3%
NASDAQ	10.7%	-1.1%	6.7%	0.0%	5.8%	6.6%	2.4%	34.8%
DAX	8.7%	1.6%	1.7%	1.9%	-1.6%	3.1%	-0.3%	15.7%
CAC40	9.4%	2.6%	0.7%	2.3%	-5.2%	4.2%	-0.3%	13.9%
Nikkei 225	4.7%	0.4%	2.2%	2.9%	7.0%	7.5%	-2.4%	24.1%
Hang Seng	10.4%	-9.4%	3.1%	-2.5%	-8.3%	3.7%	2.6%	-1.9%
Shanghai Composite	5.4%	0.7%	-0.2%	1.5%	-3.6%	-0.1%	1.1%	4.8%
Sensex	-2.1%	-1.0%	0.0%	3.6%	2.5%	3.3%	2.1%	8.6%
Ibovespa	3.4%	-7.5%	-2.9%	2.5%	3.7%	9.0%	-0.3%	7.3%

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 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.

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 Safe Haven funds in all of the portfolios. We will wait until we see further signs of the sectors starting to perform better before we consider making any further investments.

Last year nearly all of the Investment Association sectors went down and there were some significant drops. UK Smaller Companies fell by 26%, Technology & Technology Innovations went down by 27%, and UK Index-Linked Gilts lost 35%.

This year started well with most sectors making gains in January, but the last few months have been disappointing. Only two sectors have gone up in each of the last four months, Standard Money Market and Short Term Money Market.

We started reducing our exposure to the equity markets a few months ago. In the February newsletter our hypothetical 'Tug'

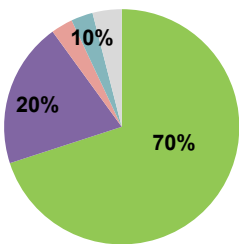
portfolio had 60% in cash and the Safe Haven funds. That increased to 75% in the March edition and in last month's issue was up to 95%. Over the same period the amount allocated to 'Safe Haven' in the Ocean Liner moved from 40% to 85%, and in the Speedboat it went from 20% to 70%.

In June our sector performance analysis was a bit more encouraging and so we have slightly reduced the amount of cash that we are holding in all of the portfolios.

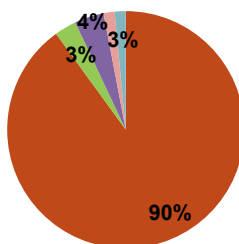
Unfortunately, the last couple of weeks haven't been so good and so we are now waiting to see if the upward trend resumes before adding any more investments.

Portfolio 1 - The Tug

Optimum conditions

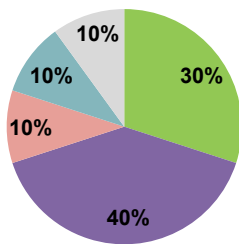


Market conditions
12/07/2023

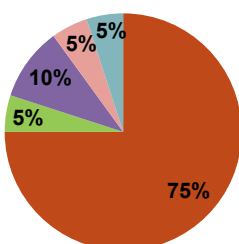


Portfolio 2 - The Ocean Liner

Optimum conditions

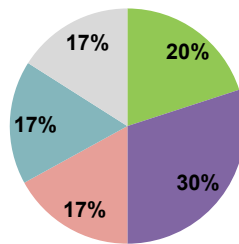


Market conditions
12/07/2023

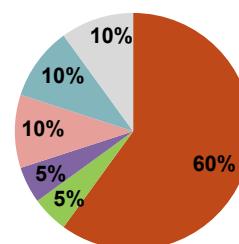


Portfolio 3 - The Speedboat

Optimum conditions



Market conditions
12/07/2023



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.

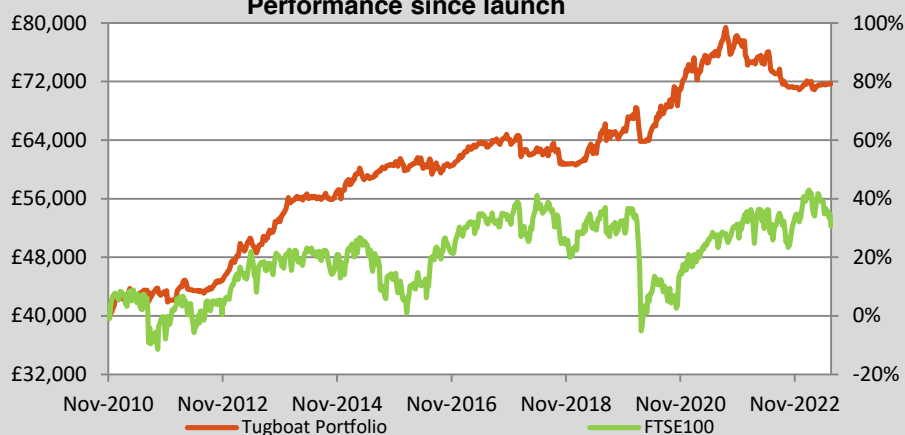
Because it's designed to weather the storms and make slow, but steady, progress we called it the 'Tugboat'.

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 nearly £71,700.

Since its launch in 2010 it has produced an average annual return of 4.7%.

Returns

Portfolio Launch Date	23/11/2010	Return in the last 4 weeks	0.1%
Initial Investment	£40,042	Return in the last 3 months	0.5%
Current Value	£71,674	Return in the last 6 months	0.5%
Return since launch	79.0%	Average Annual Return since launch	4.7%

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	106	£17,857	£17,456	£400	2.3%	24.9%
23/03/2023	L&G Cash Trust fund	Safe	102	£15,146	£15,000	£146	1.0%	21.1%
08/06/2023	abrdn Sterling Money Market	Safe	120	£15,064	£15,000	£64	0.4%	21.0%
06/07/2023	Liontrust Balanced	Slow	216	£2,464	£2,500	£-36	-1.4%	3.4%
06/07/2023	MI TwentyFour AM Monument Bond	Steady	14,759	£2,502	£2,500	£2	0.1%	3.5%
15/06/2023	UBS US Growth	Developed	259	£1,497	£1,500	£-3	-0.2%	2.1%
15/06/2023	L&G Global Technology Index	Emerging	113	£1,461	£1,500	£-39	-2.6%	2.0%
	Cash			£15,684				21.9%
	Total Portfolio Value			£71,674				

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

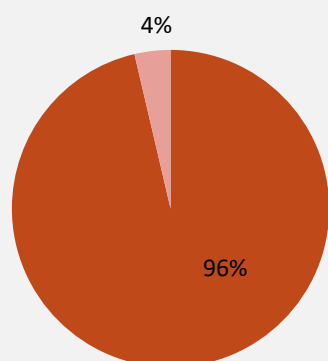
Tugboat Portfolio

Other transactions this month

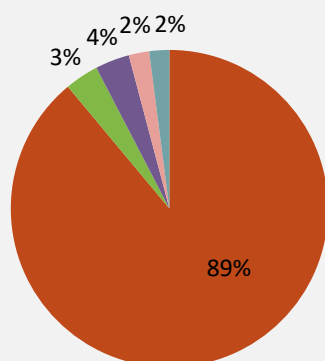
Fund	Group	Value (£)	Transaction	Date
M&G European Sust Paris Aligned	Developed	£2,626	Sell	15/06/2023
UBS US Growth	Developed	£1,500	Buy	15/06/2023
L&G Global Technology Index	Emerging	£1,500	Buy	15/06/2023
MI TwentyFour AM Monument Bond	Steady	£2,500	Buy	06/07/2023
Liontrust Balanced	Slow	£2,500	Buy	06/07/2023

Group Allocation

14th June 2023



12th July 2023



■ Cash or Safe Haven

■ Slow Ahead

■ Steady as She Goes

■ Full Steam Ahead -
Developed

■ Full Steam Ahead -
Emerging

■ Specialist

Global financial markets had a difficult 2022 and most of the Investment Association sectors ended the year lower than they started. Many suffered significant losses.

There was a pick up in January, when nearly all of the sectors made reasonable gains, but since then it has been hard going.

Last month most sectors went up, but only three also made gains in April and May. The 'Safe Haven' sectors are the only ones that have gone up in each of the last four months.

We remain predominantly in cash, or the money market funds, but have slightly increased our exposure to the markets in the last few weeks.

Why we've done what we've done

'Cash & Safe Haven' - Down from 96% to 89% of the portfolio.

Since the last newsletter we have sold one fund and bought four new ones. The overall effect has been a 7% reduction in the amount that we are holding in cash and the money market funds.

'Slow Ahead' - Up from 0% to 3% of the portfolio.

Three sectors from the 'Slow Ahead' Group went up in June, £ High Yield, Mixed Investment 40-85% Shares, and Mixed Investment 20-60% Shares. The returns weren't stunning but enough to tempt us to make a small investment. We chose the Liontrust Balanced fund which at the time was the leading fund in this Group over four, twelve and twenty-six weeks.

'Steady as She Goes' - Up from 0% to 4% of the portfolio.

In the last newsletter I reported that we had recently added the MI TwentyFour AM Monument Bond fund to our Ocean Liner portfolio. We selected it 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's started well and so we have now added it to this portfolio.

'Full Steam Ahead' & Specialist - Unchanged at 4% of the portfolio.

We've sold the M&G European Sustain Paris Aligned fund and bought one fund from the North America sector and another one from the Technology & Technology Innovations sector. The overall amount invested in the 'Full Steam Ahead' Groups hasn't changed.

Ocean Liner Portfolio

Objective

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

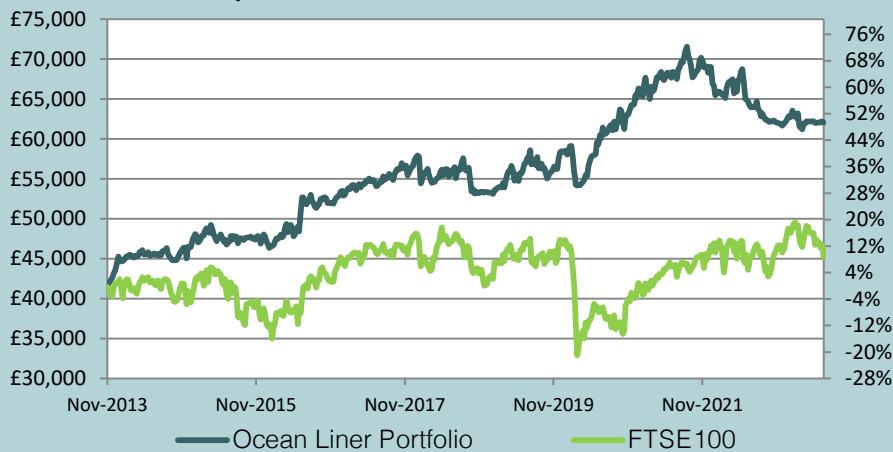
We had been running our cautious 'Tugboat' for three years and wanted to demonstrate how our fund performance data could be used to run a more adventurous portfolio.

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 48.5%.

Our initial investment of just under £41,500 is now worth over £62,000.

Since its launch in 2013 it has produced an average annual return of 4.3%.

Returns

Portfolio Launch Date	23/11/2013	Return in the last 4 weeks	0.0%
Initial Investment	£41,452	Return in the last 3 months	0.2%
Current Value	£62,052	Return in the last 6 months	-0.4%
Return since launch	49.7%	Average Annual Return since launch	4.3%

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	106	£12,847	£12,467	£380	3.1%	20.7%
30/03/2023	L&G Cash Trust fund	Safe	102	£12,649	£12,500	£149	1.2%	20.4%
08/06/2023	abrdn Sterling Money Market	Safe	120	£12,554	£12,500	£54	0.4%	20.2%
06/07/2023	Liontrust Balanced	Slow	216	£2,464	£2,500	£36	-1.4%	4.0%
08/06/2023	MI TwentyFour AM Monument Bond	Steady	14759	£5,019	£5,000	£19	0.4%	8.1%
15/06/2023	UBS US Growth	Developed	259	£2,495	£2,500	£5	-0.2%	4.0%
08/06/2023	L&G Global Technology Index	Emerging	113	£2,483	£2,500	£17	-0.7%	4.0%
06/07/2023	Liontrust Global Technology	Emerging	387	£2,471	£2,500	£29	-1.2%	4.0%
	Cash			£9,069				14.6%
Total Portfolio Value				£62,052				

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

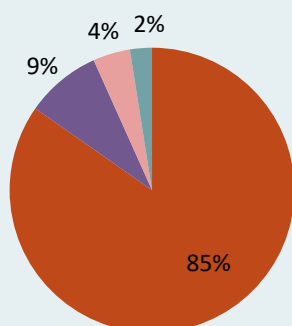
Ocean Liner Portfolio

Other transactions this month

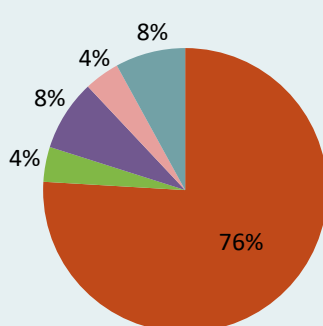
Fund	Group	Value (£)	Transaction	Date
Ninety One UK Special Situations	Steady	£2,810	Sell	15/06/2023
M&G European Sust Paris Aligned	Developed	£2,626	Sell	15/06/2023
L&G Global Technology Index	Emerging	£1,000	Increase current holding	15/06/2023
UBS US Growth	Developed	£2,500	Buy	15/06/2023
MI TwentyFour AM Monument Bond	Steady	£2,500	Increase current holding	06/07/2023
Liontrust Balanced	Slow	£2,500	Buy	06/07/2023
Liontrust Global Technology	Emerging	£2,500	Buy	06/07/2023

Group Allocation

14th June 2023



12th July 2023



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

In the first quarter of this year 27 of the 35 sectors that we monitor made gains, but mainly due to a strong start in January.

Overall sector performance fell in February, and although it picked up a little in March and April, dropped back again in May. For most of this time our portfolio was mainly in cash or the money market funds.

In June we saw an underlying improvement in sector performance, and have slightly increased our exposure to the markets, but we remain cautious. Finding funds that are doing consistently well is still a challenge.

Why we've done what we've done

'Cash & Safe Haven' - Down from 85% to 76% of the portfolio.

Over the last month we have sold two funds, but we've also increased a couple and added three new ones. The amount left in cash and the Safe Haven funds has dropped by 9%.

'Slow Ahead' - Up from 0% to 4% of the portfolio.

Since the last newsletter we've added a fund from the Mixed Investment 40-85% Shares sector, Liontrust Balanced. When we bought it, it was showing the highest returns in the Group over four, twelve and twenty-six weeks.

'Steady as She Goes' - Down from 9% to 8% of the portfolio.

We've sold the Ninety One UK Special Situations fund, but added to the MI TwentyFour AM Monument Bond fund which we're hoping will be a slow and steady alternative to cash. Overall, there's been a slight reduction in the amount allocated to this Group.

'Full Steam Ahead' & Specialist - Up from 6% to 12% of the portfolio.

Although we have sold the M&G European Sustain Paris Aligned fund, we've added to one fund from the Technology & Technology Innovations sector and bought another one. We have also invested in a fund from the North America sector. This has increased the overall amount invested in the 'Full Steam Ahead' Groups.

Sector Analysis 2023

Every month we publish the Investment Association's average sector performance for the last month, along with some previous history.

Most sectors made losses in 2022, but the final quarter was better than the previous three.

This year got off to a flying start with most sectors making

reasonable gains in January.

Unfortunately the rally didn't last long. In February a significant number of sectors went down, and that trend continued

through March. April was more mixed, but not much better, and May was disappointing. The Technology and Technology Innovations sector bucked the trend, rising by 9.9%.

Last month was more encouraging, with most sectors making gains, but it still wasn't as good as January.

The majority of sectors are now showing year-to-date gains.

Investment Association Sector	Annual Returns (%)		Monthly Returns (%)							1st Jan to 30th June
	2021	2022	Jan	Feb	Mar	Q1	April	May	June	
Safe Haven										
Standard Money Market	-0.1	1.2	0.3	0.3	0.3	0.9	0.4	0.4	0.3	2.0
Short Term Money Market	-0.1	1.0	0.3	0.2	0.3	0.8	0.3	0.3	0.3	1.7
Slow Ahead										
£ High Yield	4.2	-9.8	3.1	-0.5	-0.5	2.1	0.7	-0.1	0.7	3.4
Mixed Investment 40-85% Shares	11.2	-10.2	3.4	-0.3	-0.8	2.3	0.6	-0.8	0.3	2.4
Mixed Investment 20-60% Shares	6.3	-9.7	3.0	-0.8	-0.6	1.6	0.6	-1.0	0.1	1.2
Mixed Investment 0-35% Shares	2.6	-10.2	2.6	-1.2	0.3	1.7	0.3	-1.1	-0.2	0.7
£ Strategic Bond	0.9	-11.7	3.0	-1.6	0.3	1.7	0.5	-1.1	-0.3	0.7
£ Corporate Bond	-2.0	-16.3	3.7	-2.1	0.8	2.2	0.3	-2.0	-1.1	-0.7
Steady as She Goes										
UK Index Linked Gilts	3.9	-35.3	3.9	-5.8	7.5	5.1	-4.6	-6.2	2.1	-4.0
Flexible Investment	11.4	-9.1	3.5	-0.7	-0.9	1.8	0.5	-0.6	0.4	2.1
UK Direct Property	7.4	-7.8	0.1	-0.2	-0.4	-0.4	0.7	0.2	-0.3	0.1
UK All Companies	17.1	-9.2	4.5	1.6	-3.4	2.6	2.6	-2.9	-0.4	1.8
Global & GEM Bonds*										
UK Gilts	-5.3	-24.3	2.7	-3.6	3.0	2.0	-1.6	-3.3	-0.6	-3.6
UK Equity Income	18.3	-2.2	4.2	1.9	-4.1	1.9	2.3	-3.2	-0.7	0.2
UK Smaller Companies	20.6	-25.6	3.2	-0.2	-5.7	-3.0	1.9	-1.9	-1.4	-4.3
Full Steam Ahead - Developed										
North American Smaller Companies	14.5	-13.9	6.6	0.9	-5.9	1.2	-2.4	0.1	5.5	4.2
North America	25.2	-10.1	3.7	-0.3	-0.2	3.2	-0.2	1.5	3.7	8.4
Global	17.6	-11.3	4.5	-0.2	-0.1	4.1	-0.2	0.2	2.4	6.6
Europe Including UK	17.5	-8.2	6.0	1.2	0.2	7.5	2.1	-3.8	1.7	7.4
Global Equity Income	18.9	-1.1	2.5	0.5	-0.7	2.4	1.1	-1.6	1.6	3.4
Europe Excluding UK	15.6	-8.9	6.0	2.1	-0.1	8.1	1.4	-2.9	1.5	8.1
Japan	1.6	-8.4	3.7	-2.1	1.7	3.2	-0.6	2.2	1.3	6.2
Japanese Smaller Companies	0.3	-7.0	1.9	-3.1	0.6	-0.7	-2.2	-0.9	0.3	-3.5
European Smaller Companies	19.4	-21.9	5.3	2.4	-2.3	5.4	0.9	-3.7	0.1	2.5
Full Steam Ahead - Emerging										
Tech & Tech Innovations	16.3	-27.2	9.3	1.0	4.9	15.8	-2.8	8.9	1.8	24.7
Global Emerging Markets	-0.3	-12.3	5.8	-4.1	0.4	1.8	-2.6	-0.2	1.8	0.6
Asia Pacific Including Japan	0.2	-12.7	5.3	-4.1	0.5	1.6	-2.5	-0.6	1.0	-0.4
Asia Pacific Excluding Japan	1.5	-6.8	6.2	-4.7	0.1	1.3	-2.9	-1.7	0.7	-2.6
China/Greater China	-10.5	-15.9	8.4	-7.4	-0.4	0.0	-6.2	-7.7	0.6	-12.9
Specialist / Thematic										
Latin America	-11.5	17.0	6.3	-3.4	-1.5	1.1	-0.3	3.3	7.6	12.0
Financials and Financial Innovation	14.4	-18.4	6.4	0.4	-7.2	-0.9	1.3	-2.2	3.3	1.3
India/Indian Subcontinent	29.0	-1.5	-3.3	-1.0	-1.7	-5.8	2.4	4.2	3.0	3.5
Healthcare	13.9	-3.1	-0.7	-2.0	-0.8	-3.5	1.7	-1.7	0.7	-2.9
Infrastructure	13.0	1.2	0.9	-1.7	-0.9	-1.7	1.5	-3.6	-0.8	-4.6

* The Global & GEM bonds figure is calculated by taking an average of the 17 non-UK bond sectors

data source: Morningstar

saltyblog
A PERSONAL VIEW



CHIPS

The CHIPS Act of 2022 forms part of the CHIPS and Science Act enacted by President Biden last August.

In this case CHIPS stands for "Creating Helpful Incentives to Produce Semiconductors".

It aims to reduce the US reliance on foreign nations for semiconductor production. This is critically important for both the economy and national security.

After the COVID-19 lockdown, the US faced delays in resuming business due to semiconductor supply chain issues.

The government is now willing to throw a lot of money, nearly \$300 billion, at boosting research and manufacturing of semiconductors in the US.

With demand set to increase to support the growth of Artificial Intelligence and Robotics, and a competitive edge to be gained by the countries with the most advanced chips, there are bound to be some companies poised to make a fortune. It always helps when you know that they can rely on the government for support and funding.

It's interesting to see that some of these 'chip' manufacturers are starting to appear in the top ten largest holdings of the 'Technology and Technology Innovation' funds, and that's a trend that I would expect to see continue.

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.

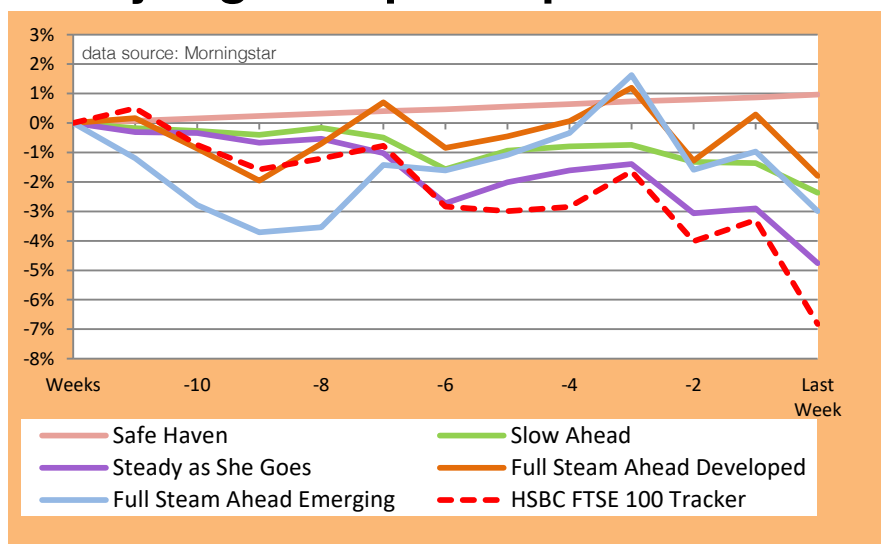
Need more information? Check out the 'How To' guides on our website - saltydoginvestor.com

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



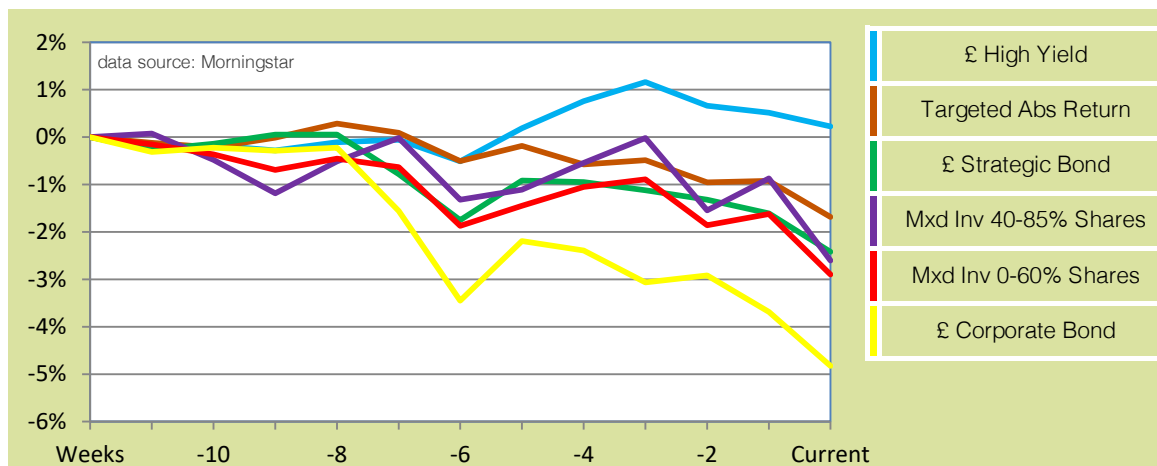
Group Performance for Last Week

Safe Haven	0.10%
Slow Ahead	-1.0%
Steady as She Goes	-1.9%
Full Steam Ahead Developed	-2.1%
Full Steam Ahead Emerging	-2.0%
HSBC FTSE 100 Tracker	-3.5%

A very poor week with the HSBC FTSE 100 Tracker going down 3.5%.

All our main Groups made losses with the Steady Group, the Developed Group, and the Emerging Group all losing around 2%.

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
£ High Yield	-0.5%	0.2%	2.3%	-0.3%	-0.1%	-0.5%	0.4%	0.6%	0.7%	-0.5%	0.1%
Targeted Abs Return	-1.1%	-1.7%	-0.9%	-0.8%	0.0%	-0.5%	0.1%	-0.4%	0.3%	-0.6%	-0.2%
£ Strategic Bond	-1.5%	-2.4%	-0.9%	-0.8%	-0.3%	-0.2%	-0.2%	0.0%	0.8%	-1.0%	-0.8%
Mxd Inv 0-60% Shares	-1.8%	-2.9%	-1.4%	-1.3%	0.2%	-1.0%	0.2%	0.4%	0.4%	-1.2%	-0.2%
Mxd Inv 40-85% Shares	-2.1%	-2.6%	-0.5%	-1.7%	0.7%	-1.5%	0.5%	0.6%	0.2%	-1.3%	0.5%
£ Corporate Bond	-2.4%	-4.7%	-2.9%	-1.1%	-0.8%	0.2%	-0.7%	-0.2%	1.3%	-1.9%	-1.3%
Average:	-1.6%	-2.3%	-0.7%	-1.0%	0.0%	-0.6%	0.1%	0.2%	0.6%	-1.1%	-0.3%

£ High Yield

This is one of the Investment Association sectors designated for 'funds principally targeting an income'.

It is one of the 'fixed income' sectors, along with UK Gilts, Index Linked Gilts, £ Corporate Bonds and £ Strategic Bonds. This is the sector definition:

"Funds which invest at least 80% of their assets in Sterling denominated (or hedged back to Sterling) below BBB minus fixed interest securities (as measured by Standard and Poors or an equivalent external rating agency). This includes unrated bonds but excludes convertibles, preference shares and permanent interest bearing shares (PIBs)."

Overall Group Performance

This Group's average four-week return in the May issue was a 0.2% loss. Last month showed a further decline of 0.6%, and this month it's down 1.6%.

All of the sectors in this Group went down in 2022, although the final quarter was better than the previous three.

This year got off to a good start with all sectors making gains in January. The best performing sector was £ Corporate Bond with a four-week return of 3.1%.

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.

In April things picked up a little. Three sectors were up over four weeks, one was level, and two went down. By May only two sectors were showing four-week gains, and in last month's issue only the £ High Yield sector was up over four weeks and the Mixed Investment 40-85% Shares sector was level. The remaining sectors had gone down.

This month the £ High Yield sector is still at the top of the table, but all of the other sectors are down over four 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.

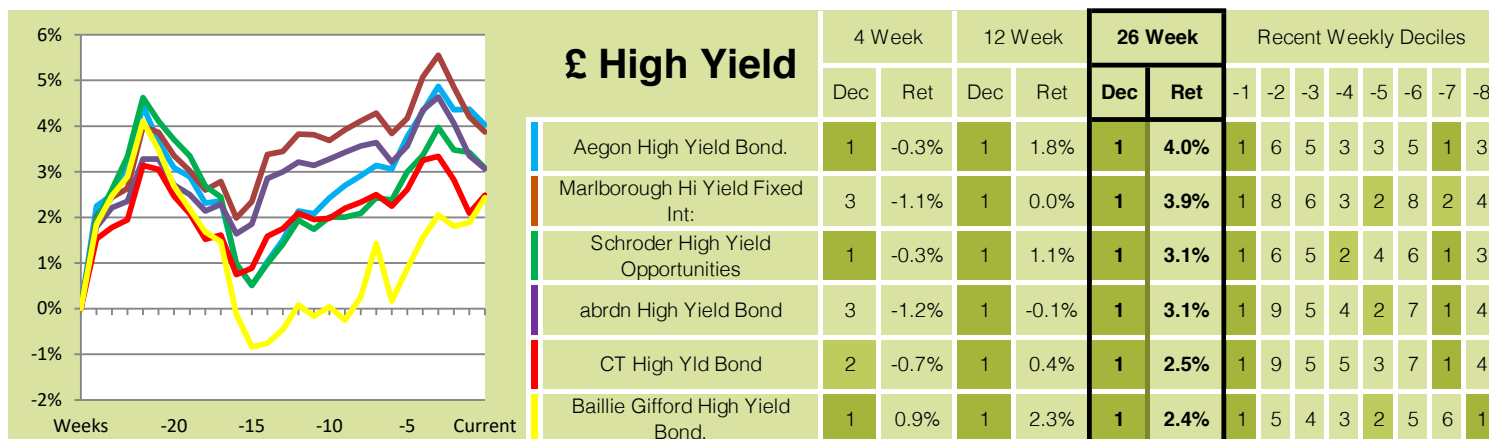
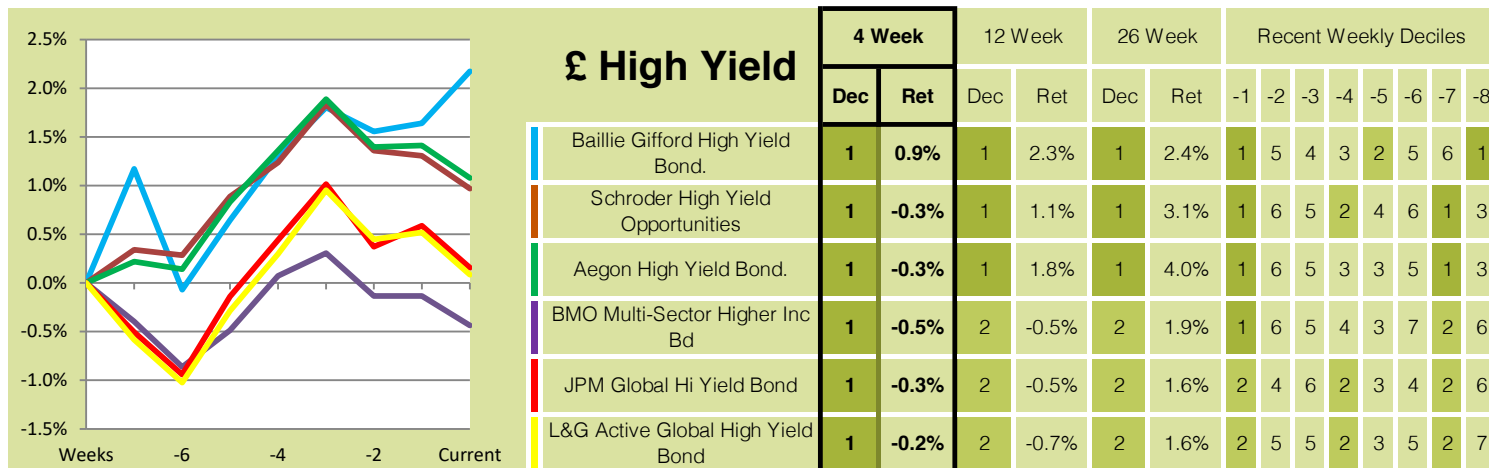
The 'Targeted Absolute Returns' funds are also in this Group and they aim to deliver positive returns in any market conditions. Typically funds in this sector would normally expect to generate absolute returns on a 12 month basis.

Performance by Saltydog Group - Slow Ahead

Still top dog

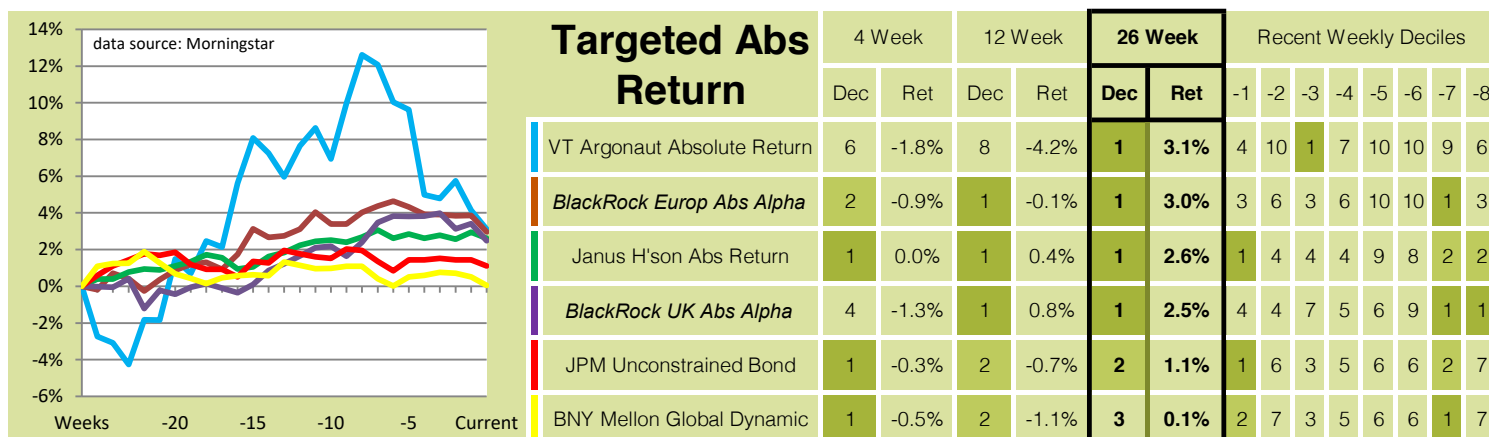
In May's newsletter the £ High Yield sector was pipped at the post by Targeted Absolute Returns. It had a four-week return of 0.18%, but Targeted Absolute Returns had gone up by 0.19%. Last month it was showing a four-week return of 0.9% and was the clear winner. All of the other sectors in this Group were down over four weeks. In the last four weeks it's gone down by 0.5% but remains at the top of the table.

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

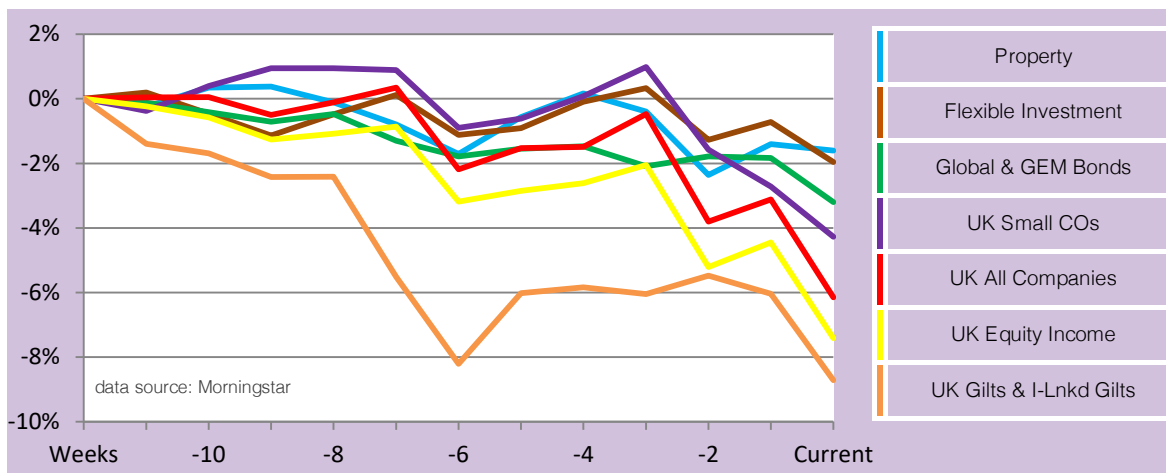


This month's runner up.

The Targeted Absolute Returns sector was at the top of the table in the May newsletter with a four-week return of 0.2%. Last month it dropped to fourth place, having gone down by 0.9% in the previous four weeks. Since then, it has fallen by a further 1.1% but moved up to second 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	
Global & GEM Bonds	-1.7%	-3.1%	-3.3%	-1.4%	-0.1%	0.3%	-0.6%	0.1%	0.2%	-0.5%	-0.8%	
Property	-1.8%	-1.6%	-2.4%	-0.2%	1.0%	-2.0%	-0.6%	0.7%	1.1%	-0.9%	-0.7%	
Flexible Investment	-1.9%	-2.0%	-0.2%	-1.2%	0.5%	-1.6%	0.4%	0.8%	0.2%	-1.2%	0.6%	
UK Gilts & I-Lnkd Gilts	-2.9%	-8.5%	-6.8%	-2.7%	-0.6%	0.6%	-0.2%	0.2%	2.2%	-2.7%	-3.1%	
UK Small COs	-4.3%	-4.3%	-7.2%	-1.6%	-1.1%	-2.6%	0.9%	0.7%	0.3%	-1.8%	-0.1%	
UK All Companies	-4.7%	-6.1%	-4.0%	-3.0%	0.7%	-3.3%	1.0%	0.0%	0.6%	-2.5%	0.5%	
UK Equity Income	-4.8%	-7.2%	-5.0%	-3.0%	0.8%	-3.2%	0.6%	0.2%	0.3%	-2.3%	0.2%	
Average:	-3.1%	-4.7%	-4.1%	-1.9%	0.2%	-1.7%	0.2%	0.4%	0.7%	-1.7%	-0.5%	

Global & GEM Bonds

The Investment Association now has over twenty sectors for funds investing in bonds and gilts. Funds are classified based on the type of bond that they invest in, and what currency they are denominated in.

There are four main types of bond. Corporate, Government, High Yield and Mixed. The currency categories for the Developed Markets are Sterling, Euro, US Dollar, and Global. Emerging Markets have local, hard, and blended.

For our analysis we split out the UK sectors, but put the rest into our combined Global & Global Emerging Market Bonds sector.

Overall Group Performance

The four-week average for the sectors in this Group was a 0.4% gain in the May newsletter, followed by a 1.1% loss last month. This month it's down 3.1%.

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%.

This year had a more positive start. All sectors went up in January with two of the UK equity sectors leading the way. UK All Companies went up by 4.5% and UK Equity Income made 4.2%.

In February the UK All Companies and UK Equity Income sectors made further gains, but the other sectors went down.

March was a different story. The UK equity funds went down along

with UK Direct Property and Flexible Investment. The UK Gilts and Global Bond sectors went up.

In April's edition only two sectors went up, UK Gilts & Index Linked Gilts and Global & GEM Bonds. May was better. Four sectors were up over four-weeks with the UK Smaller Companies sector leading the way, followed by UK All Companies.

Last month wasn't so good with only two sectors, Flexible Investment and Property, making four-week gains. This month all sectors are down 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.

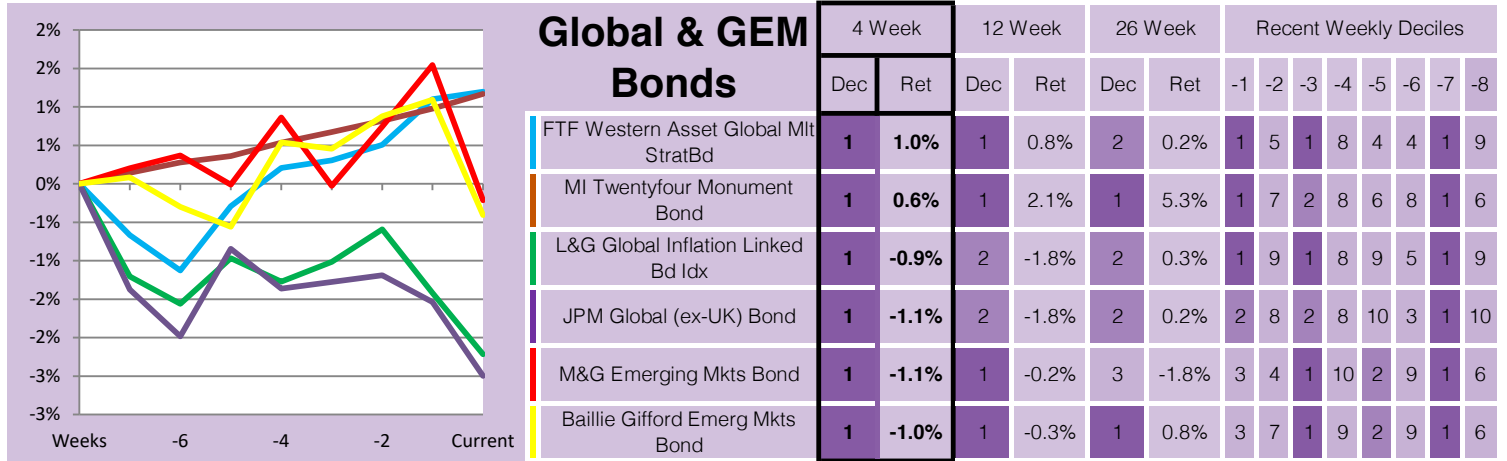
www.theinvestmentassociation.org

Performance by Saltydog Group - Steady as She Goes

A new leader of the pack

All of the sectors in the 'Steady as She Goes' Group have gone down in the last four weeks. Our combined Global & Global Emerging Markets sector has fallen the least, although it's still lost 1.7%, and that means that this month it's at the top of the table.

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

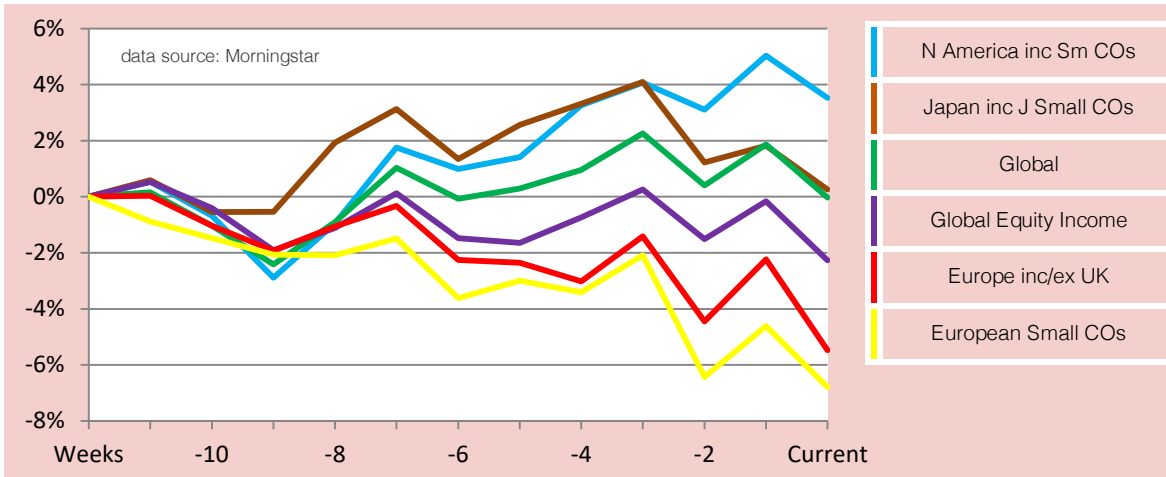


Last month's winner

The Flexible Investment sector was in third place in the April newsletter, behind UK Gilts & Index Linked Gilts and Global & GEM Bonds, with a four-week loss of 1.1%. In May it dropped to fifth place but its loss wasn't as bad, it only fell by 0.1%. Last month it found itself at the top of the table, even though it had only gone up by 0.4% in the previous four weeks. This month it's dropped to third place with a four-week loss of 1.9%.



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	
N America inc Sm COs	0.2%	3.4%	6.6%	-1.5%	1.9%	-1.0%	0.8%	1.8%	0.4%	-0.8%	2.7%	
Global	-1.0%	-0.1%	3.2%	-1.9%	1.5%	-1.9%	1.3%	0.7%	0.4%	-1.1%	1.9%	
Global Equity Income	-1.6%	-2.3%	0.4%	-2.1%	1.4%	-1.8%	1.0%	0.9%	-0.2%	-1.6%	1.2%	
Europe inc/ex UK	-2.5%	-5.5%	1.1%	-3.2%	2.2%	-3.0%	1.6%	-0.7%	-0.1%	-1.9%	0.7%	
Japan inc J Small COs	-3.1%	0.2%	3.6%	-1.6%	0.6%	-2.9%	0.8%	0.8%	1.2%	-1.8%	1.2%	
European Small COs	-3.5%	-6.8%	-1.0%	-2.2%	1.8%	-4.3%	1.3%	-0.4%	0.6%	-2.1%	0.6%	
Average:	-1.9%	-1.9%	2.3%	-2.1%	1.6%	-2.5%	1.1%	0.5%	0.4%	-1.6%	1.4%	

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.

North American Sectors

The Investment Association has two sectors specially designed for funds focusing on North America.

The North America sector for:

Funds which invest at least 80% of their assets in North American equities.

And the more specific North American Smaller Companies Fund for:

Funds which invest at least 80% of their assets in North American equities of companies which form the bottom 20% by market capitalisation.

We combine these two sectors for our analysis.

Overall Group Performance

In the May newsletter, the overall Group four-week average was a positive return of 0.1%, and last month it was up a further 0.7%. This month it has dropped to a 1.9% loss.

During the first quarter of this year nearly all sectors went up with the best, Europe excluding UK, making 8.1%, followed by Europe including UK, which went up by 7.5%. However, most of the gains were made in January.

By the time we were writing the April newsletter only one sector was up over four weeks, Global Equity income, and in May it was just the European and Japanese sectors.

Last month was better with four of the six sectors showing four-week

gains. It was only the European sectors that were struggling over four weeks. All sectors were up over twelve and twenty-six weeks.

Unfortunately, this month is not looking so good.

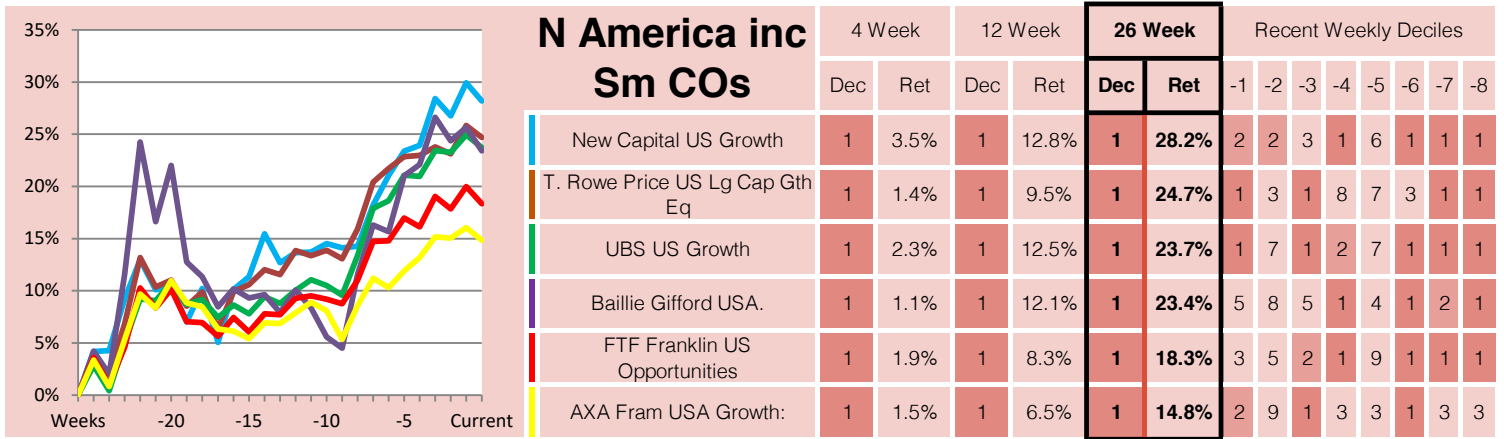
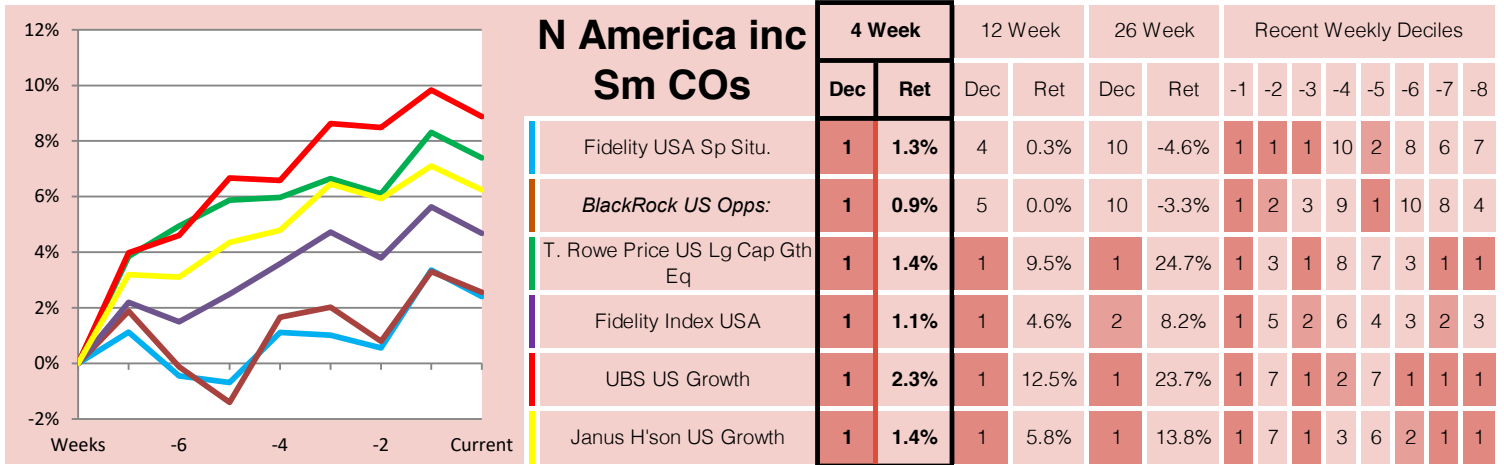
The North American & North American Smaller Companies sector is still at the top of the table, but its four-week return has dropped from 4.2% to 0.2%. All of the other sectors have gone down in the last four weeks, and quite a few are also showing losses over twelve weeks.

Performance of the Full Steam Ahead Developed Group

Still on top

The combined North America and North American Smaller Companies sector was fourth in the April newsletter having lost 1.1% in the previous four weeks. May was even worse, it was at the bottom of the table with a four-week loss of 1.5%. By last month it has rebounded strongly, gaining 4.2% in four-weeks, and moving to the top of the table. It's still there but its four-week return has dropped to 0.2%.

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

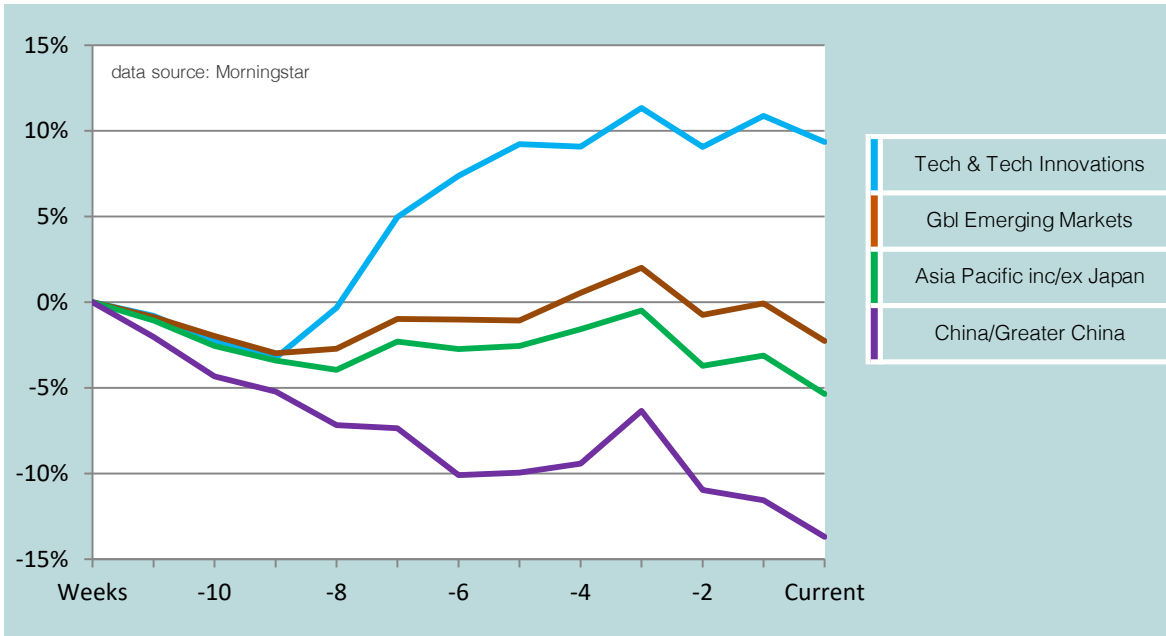


In last place

The European Smaller Companies sector was in second place in the March newsletter even though it had gone down by 0.8% in the previous four weeks. In April it was down in fifth place, with a four-week loss of 1.5%, but then it went up by 1.2% in the next four weeks, putting it at the top of the table in the May issue. Last month it dropped to fifth in the table and this month it's at the bottom.



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	
Tech & Tech Innovation	0.2%	9.5%	25.9%	-1.5%	1.8%	-2.3%	2.3%	-0.2%	1.9%	2.4%	5.3%	
Gbl Emerging Markets	-2.9%	-2.4%	-4.8%	-2.2%	0.7%	-2.8%	1.5%	1.6%	-0.1%	0.0%	1.7%	
Asia Pacific inc/ex Japa	-3.8%	-5.3%	-7.8%	-2.2%	0.6%	-3.2%	1.1%	1.0%	0.2%	-0.4%	1.6%	
China/Greater China	-4.4%	-13.1%	-21.5%	-2.1%	-0.6%	-4.6%	3.1%	0.5%	0.1%	-2.7%	-0.2%	
Average:	-2.7%	-2.8%	-2.0%	-2.0%	0.6%	-3.2%	2.0%	0.7%	0.5%	-0.2%	2.1%	

Tech & Tech Innovations

This is one of the more specialist sectors, defined by the Investment Association as:

“Funds that invest at least 80% of their assets in equities of technology and related sectors, including industries such as telecommunications, robotics and online retailers”

We include it in our ‘Full Steam Ahead - Emerging’ Group because of its historic volatility, and for the practical reason that there aren’t many other sectors in this Group.

In terms of investment, these funds will probably be predominantly invested in the United States.

Overall Group Performance

The Group’s overall four-week average was a loss of 3.0% in the May newsletter. Last month it went up by 3.3%, but this month it’s showing a 2.7% loss.

Unfortunately, last year was a year of losses. All sectors ended the year down and the worst, Technology & Technology Innovations, fell by just over 27%.

This year got off to a flying start. All of the sectors in this Group made gains in January. The Technology sector went up by 9.3% and China made 8.4%.

February and March were a bit more mixed, but most of the sectors in this Group ended up showing gains over the first quarter. The only exception was China/Greater China and it had

only lost 0.02%. The Technology sector was up 15.8%.

In the second quarter of this year the Technology sector gained a further 7.8%, but the other sectors went down. The worst, China/Greater China, lost 12.8%.

All sectors were showing four-week losses in the May newsletter. Last month three out of four were reporting gains, only the Chinese sector had gone down.

This month only the Technology sector is up over four weeks, and with a return of just 0.2%.

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.

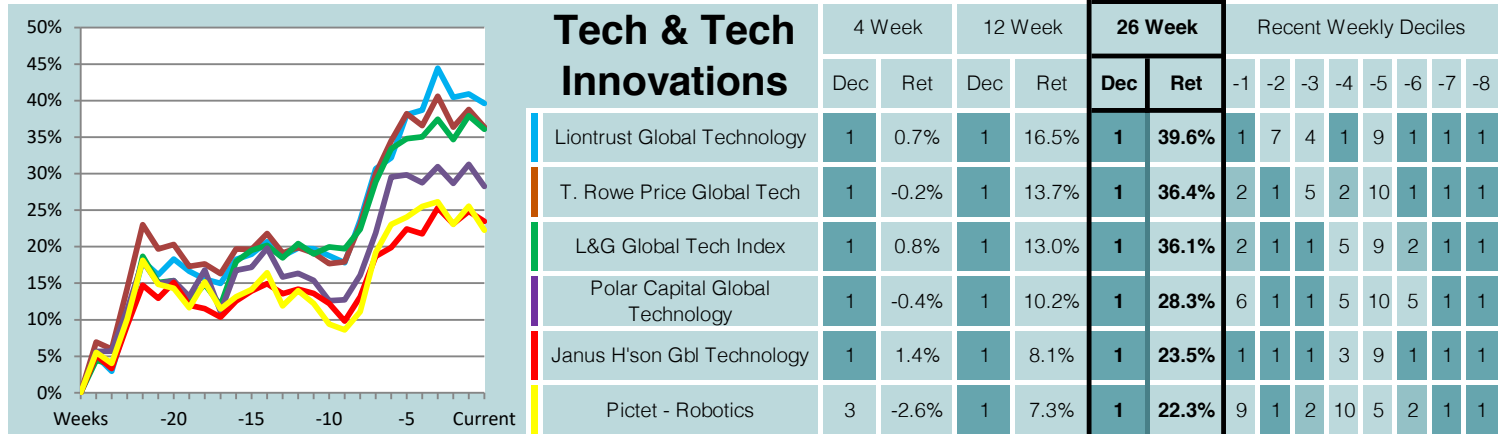
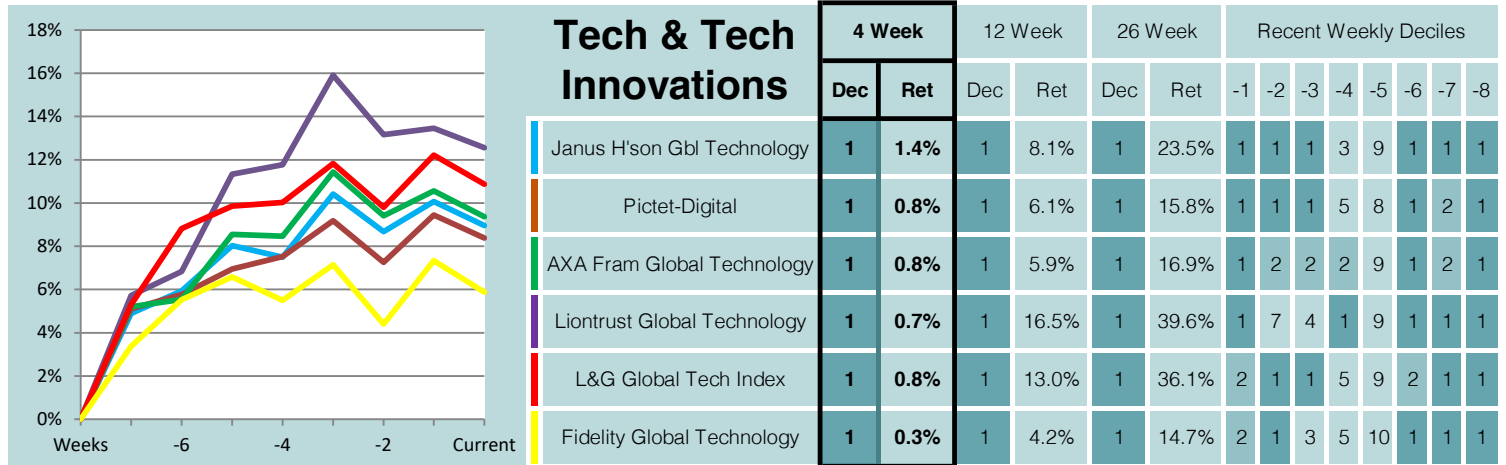
The ‘Technology & Technology Innovations’ sector is also in this Group. It may not fit exactly with our ‘Emerging Markets’ theme, but the funds have a similar level of volatility, and so we put it into the ‘Full Steam Ahead’ Group with the fewest other sectors.

Performance of the Full Steam Ahead Emerging Group

Holding on to the top spot

The Technology & Technology Innovations sector was at the bottom of the table in the January issue, down 2.4% over four weeks, but moved into pole position a month later with a four-week gain of 8.7%. In March it was still in first place, although it had gone down by 2.9%, and in April it remained at the top of the table, having gone up by 2.9% in the previous four weeks. In May it dropped to third, with a four-week loss of 2.4%, but last month it was back in first place, up 9.6% in four weeks. Since then it has only gained a further 0.2%, but that was enough to keep it at the top of the table.

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

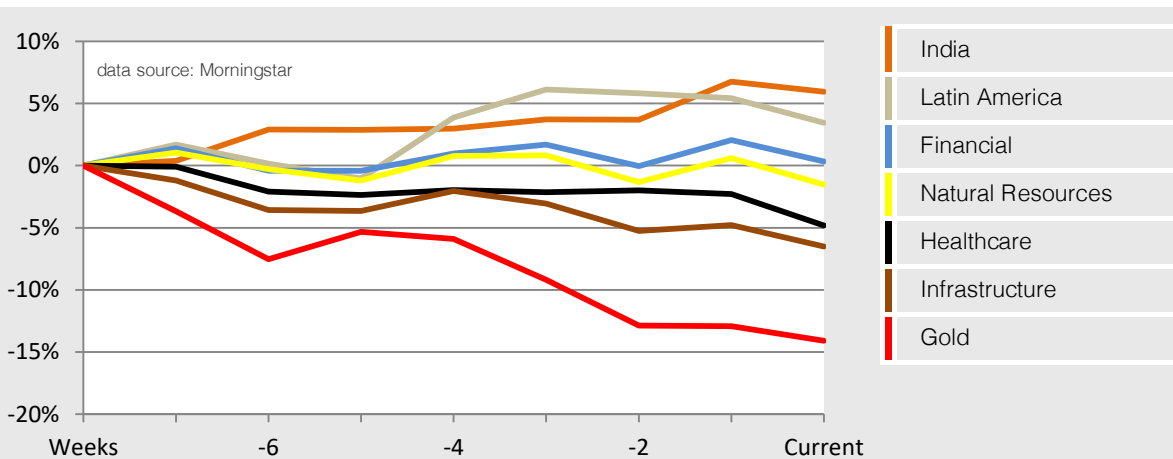


Stuck at the bottom

The China/Greater China sector was at the bottom of the table in the May and June newsletters, and it's there again this month. It's now down 4.4% over four weeks, 13.1% over twelve weeks, and 21.5% over twenty-six 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	
India	3.0%	8.9%	3.0%	-0.8%	3.1%	0.0%	0.8%	0.1%	0.0%	2.5%	0.4%	
Latin America	-0.4%	4.0%	7.0%	-2.0%	-0.4%	-0.3%	2.3%	4.9%	-1.2%	-1.5%	1.7%	
Financial	-0.7%	-1.1%	-1.6%	-1.7%	2.1%	-1.7%	0.7%	1.4%	0.0%	-1.8%	1.4%	
Natural Resources	-2.4%	-6.6%	-6.5%	-2.1%	1.9%	-2.1%	0.0%	2.0%	-0.9%	-1.3%	1.1%	
Healthcare	-2.8%	-5.6%	-5.7%	-2.5%	-0.3%	0.2%	-0.2%	0.4%	-0.3%	-2.0%	-0.1%	
Infrastructure	-4.4%	-7.7%	-7.0%	-1.7%	0.5%	-2.2%	-1.0%	1.6%	-0.1%	-2.4%	-1.2%	
Gold	-8.0%	-18.2%	-8.5%	-1.2%	-0.1%	-3.7%	-3.3%	-0.6%	2.2%	-3.8%	-3.7%	
Average:	-2.2%	-3.8%	-2.7%	-1.7%	1.0%	-1.4%	-0.1%	1.4%	0.0%	-1.5%	-0.1%	

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.

Overall Performance

Last month the SubZone four-week average was a loss of 0.2%, but four of the SubZones were still up over four weeks. This month it's a loss of 2.2%.

This year started well and in the January newsletter only one SubZone, India, was showing a four-week loss. The best performing SubZone was Gold, up 8.8% in the previous four weeks.

A month later and the tide had turned. Only one SubZone, Financial, was up over four weeks and Gold had dropped to the bottom of the table with a four-week loss of 5.1%.

The Gold SubZone was still at the bottom of the table in the March newsletter, having lost a further 8.8% in four weeks. Only one

SubZone had gone up in the previous four weeks, Latin America, which had made 2.4%.

In April's issue, the Gold SubZone was back at the top of the table with a four-week return of 19.4%. It was still at the top in May, but its four-week return had dropped to 2.3%. Last month it was at the bottom of the table, down 5.8%, and since then has fallen by a further 8.0%.

The India SubZone, which was in second place in last month's newsletter, has now moved to the top of the table.

The India SubZone

There are four funds that we analyse in the specialist sector which focus on investing in Indian companies, or companies which do most of their business in India - Liontrust India, GS India Equity, Jupiter India and the Stewart Investors Indian Subcontinent fund.

They are currently at the top of our Specialist sector table, based on their recent performance. At the top of the list is the Jupiter India fund, up 5.1% in four weeks and 12.8% in twenty-six weeks.

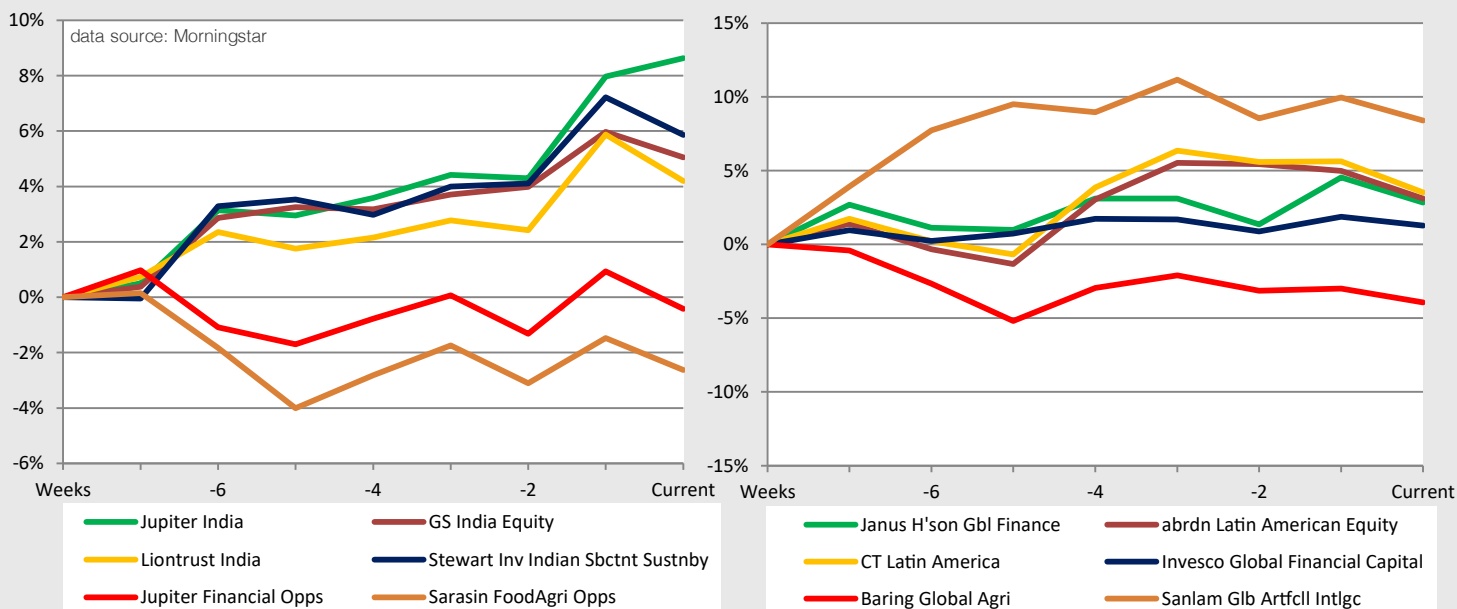
It was launched in 2008 and currently has a portfolio value of around £600 million.

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
Jupiter India	India	1	5.1%	1	12.8%	2	4.7%	1	1	2	4	6	7	1	5
GS India Equity	India	1	1.9%	1	8.7%	3	1.9%	2	3	1	4	8	4	2	6
Liontrust India	India	1	2.0%	2	5.6%	4	0.1%	4	1	2	4	6	8	2	5
Stewart Inv Indian Sbcntn Sstnby	India	1	2.9%	1	8.5%	2	5.2%	4	2	1	3	9	5	1	7
Jupiter Financial Opps	Financial	2	0.3%	4	-1.8%	5	-2.9%	3	2	5	3	6	8	6	4
Sarasin Food & Agri Opps	Nat Res	2	0.2%	6	-4.8%	8	-9.3%	3	4	5	2	5	10	6	6
Janus H'son Gbl Financials	Financial	2	-0.4%	3	0.8%	6	-4.3%	5	1	6	6	3	7	5	2
abrdn Latin American Equity	Latin Am	2	0.0%	2	4.4%	1	8.5%	6	9	2	1	1	9	5	3
CT Latin America	Latin Am	2	-0.4%	2	4.3%	2	7.5%	7	8	3	1	1	9	5	2
Invesco Global Financial Capital	Financial	3	-0.5%	3	1.6%	3	2.8%	1	5	3	7	5	3	4	4
Baring Global Agriculture.	Nat Res	3	-1.0%	8	-8.9%	9	-11.3%	2	8	4	3	3	10	8	9
Sanlam Gbl Artfcll Intlgc		3	-0.6%	1	8.3%	1	19.0%	4	4	8	1	9	2	1	1
Liontrust Latin America	Latin Am	3	-1.0%	2	3.4%	2	5.1%	6	10	2	2	1	10	4	2
Pictet-Water	Nat Res	3	-1.0%	5	-2.4%	5	-2.2%	8	3	3	5	5	7	8	7
<i>BMO Diversified Monthly Income 2</i>		4	-1.1%	4	-0.8%	4	0.9%	1	7	2	7	5	2	4	6
Schroder Asian Discovery		4	-1.0%	3	0.5%	4	-0.6%	4	5	6	2	7	2	3	4
Stewart Inv APAC Ldrs Sstby		4	-1.1%	4	-1.8%	5	-2.8%	6	3	5	4	10	4	2	5
AXA Framlington FinTech	Financial	4	-1.2%	4	-1.8%	3	2.2%	6	4	7	3	5	6	6	4
Pictet-Clean Energy	Nat Res	4	-1.0%	2	4.3%	1	14.1%	8	2	6	3	2	3	2	1
<i>BlackRock Dynamic Diversified</i>		5	-1.7%	4	-1.6%	3	1.2%	2	7	4	5	8	3	3	7
BGF World Energy D4 GBP	Nat Res	5	-2.0%	9	-9.9%	9	-10.3%	5	2	4	9	4	9	4	2
Jupiter Global Financial Inovation	Financial	5	-1.6%	6	-4.4%	7	-5.8%	10	3	8	2	4	5	9	3
Baring German Growth.		5	-2.3%	7	-5.9%	3	2.3%	10	3	9	1	10	4	9	3
AXAWF Robotech		5	-1.9%	3	3.1%	1	12.3%	10	4	5	2	7	3	1	1
First Sentier Gbl Lstd Infra	Infrastructure	6	-2.7%	7	-6.2%	8	-6.5%	2	6	5	8	3	8	9	9
<i>CG Absolute Return</i>		6	-2.4%	5	-3.9%	6	-4.4%	3	7	3	8	9	6	3	9
AXA Fram Health:	Healthcare	6	-2.8%	6	-4.2%	6	-4.4%	7	10	1	8	6	6	6	8
BGF Sustainable Energy		6	-3.0%	5	-3.1%	2	3.2%	9	5	7	4	6	4	5	2
L&G Gbl Health&Pharma Index	Healthcare	6	-2.9%	8	-6.9%	8	-6.9%	9	9	1	6	8	8	7	7

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



Leading funds in Q2

The table below shows the top 20 funds, based on their performance in the second quarter of the year.

In the final quarter of 2022, the best performing funds were from the Europe excluding UK sector. At the top of the table were the LF Brook Continental European and Schroder European Recovery funds, which had both gone up by over 20% during October, November, and December.

A couple of European funds also made it into the top 20 for the first quarter of 2023, BlackRock Continental and Allianz Continental European. However the leading funds were all from the Technology and Technology Innovations sector. At the top of the table was the T. Rowe Price Global Technology Equity fund

with a three-month return of 21%, followed by Liontrust Global Technology, up 19.8%.

In the latest quarter (1st April to 30th June), the leading funds are still from the Technology and Technology Innovations sector, along with some North American funds.

Fund Name	Apr % Return	May % Return	June % Return	3 Month Return
Liontrust Global Technology	-1.6	16.6	1.8	16.7
L&G Global Technology Index	-0.2	13.0	1.7	14.8
Baillie Gifford American	-3.7	13.7	4.7	14.6
UBS US Growth	1.0	9.4	3.4	14.2
T.Rowe Price Global Tech Equity	-3.4	16.9	0.9	14.0
Jupiter India	4.9	2.8	4.9	13.1
New Capital US Growth	-0.8	5.3	7.8	12.5
T.Rowe Price US Large Cap Growth Equity	1.7	7.5	2.7	12.3
Stewart Inv Indian Sbctnt Sustainability	1.8	6.1	3.4	11.6
FTF Franklin US Opportunities	1.3	6.7	3.0	11.3
GS India Equity	2.6	4.8	3.0	10.7
Polar Capital Global Technology	-6.0	13.8	2.5	9.6
Liontrust India	2.8	2.6	3.6	9.3
Quilter Investors Global Uncons Equity	1.5	2.8	4.2	8.7
Janus Henderson Global Tech Leaders	-2.4	9.6	1.6	8.6
Royal London US Growth	2.0	3.5	2.8	8.6
CT Latin America	-0.9	3.2	6.1	8.5
AXA Framlington American Growth	1.1	3.9	3.4	8.5
Liontrust Latin America	-1.2	3.0	6.6	8.4
abrdn Latin American Equity	-0.5	2.9	5.8	8.4

Data source: Morningstar

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WHAT'S HOT AND WHAT'S NOT

GOING UP

Sterling climbs to \$1.30

BlackRock files for Bitcoin ETF

Cerberus heatwave hits Southern Europe

India launches Moon mission

Glsto '23 - Elton John's final UK concert

GOING DOWN

US inflation drops to 3%

Holidays disrupted by airport strikes

House prices fall at fastest rate in 12 years

Severe monsoons cause flooding in Asia

Cork popping at Wimbledon

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