saltydog INVESTOR

Successful trend investing March 2024

UK economy grows in January

Latest data from the Office of National Statistics shows that the UK's gross domestic product grew by 0.2% in the first month of this year, following a 0.1% fall in December.

The Office for National Statistics (ONS) is the UK's largest independent producer of official statistics and has a statutory responsibility to collect, compile, analyse, and disseminate a wide range of economic, social, and demographic data about the UK. These statistics are crucial for policymakers, businesses, researchers, and the public in making informed decisions.

The key economic indicators that it calculates include the Gross Domestic Product (GDP), inflation rates, employment levels, and trade and balance of payment figures.

In February, it reported that the UK fell into recession in the second half of 2023. A recession is defined as a decrease in gross domestic product (GDP) over two consecutive quarters. The UK's GDP shrank by 0.3% in the final quarter of the year, following a fall of 0.1% in the previous three months.

Although disappointing, this downturn was not a great shock. The decline in the last three months of 2023 was driven by decreases across major sectors of the economy: services output decreased by 0.2%, production output fell by 1.0%, and construction output declined by 1.3%. The overall annual growth for 2023 was estimated at just 0.1%, which is the weakest annual change in real GDP since the financial crisis in 2009, apart from 2020 which was severely impacted by the COVID 19 pandemic.

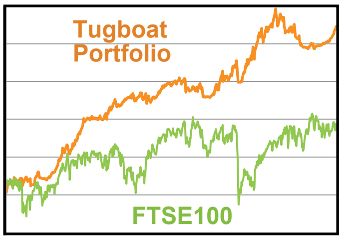
It was therefore encouraging to see their latest report, which came out earlier this month, which showed that monthly GDP is estimated to have grown by 0.2% in January. Services output grew by 0.2% and construction output grew by 1.1%. Unfortunately, production output fell by 0.2%. Over the three months to the end of January, GDP is still down 0.1% but at least it is now heading in the right direction.

While the ONS is responsible for reporting what has happened in the past, it is the Office for Budget Responsibility (OBR) who are tasked with looking into the future. The OBR is an independent body established in 2010 to provide independent economic forecasts and analysis

Continued on p2

OBR report inflation falling faster than expected

Our Tugboat portfolio has gone up by 1.7% over the last four weeks.



UK economy grows in January

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of the UK's public finances. They produce two five-year forecasts each year, which are published alongside the Budget and Spring Statement.

In their latest report, which came out earlier this month, they pointed out that since the November forecast, inflation had fallen faster than they had expected, which is why markets are now expecting a sharper decline in interest rates.

In their executive summary, they said that “This strengthens near-term growth prospects and should enable a faster recovery in living standards from last financial year’s record decline”. I hope they are right.

Stock Market Update

In January, the Japanese stock market was the fastest out of the blocks, with the Nikkei 225 gaining 8.4%, and the US and European indices also made gains. In the UK, the FTSE 100 and the FTSE 250 both went down, but the biggest losses were in China and Hong Kong.

The Shanghai Composite ended the month down 6.3% and the Hang Seng fell by 9.2%. However, their fortunes turned in February. The Shanghai Composite went up by 8.1% and the Hang Seng gained 6.6%.

The Nikkei 225 also had a good month, gaining a further 7.9%, and on 22nd February closed above 39,000 for the first time ever and briefly pushed on through 40,000. Its previous all-time high was set just over 34 years ago in December 1989.

In the US, the Dow Jones Industrial Average, S&P 500 and the Nasdaq all went up in February and have recently made new record highs.

The German DAX and French CAC 40 also did reasonably well, with one-month gains of 4.6% and 3.5%.

It is only the UK that seems to be struggling. The FTSE 100 ended the month almost exactly where it was when it started, and the FTSE 250 fell by 1.6%.

So far in March the leading index is the French CAC 40, up 3.0% and ending the week at a new all-time high.

Next up is the FTSE 250, which is a pleasant change. It has gone up by 2.4% and the FTSE 100 has gone up by 1.3%. The German DAX has also gone up.

The American markets are more mixed. The Dow Jones Industrial Average and the Nasdaq have both fallen by 0.7%, while the S&P 500 has made a 0.4% gain. The Brazilian Ibovespa has lost 1.8%.

In Asia, the Hong Kong Hang Seng, Shanghai Composite, and Indian Sensex have added to their February gains, but the Japanese Nikkei 225 has fallen by 1.0%.

Stock Market Indices	2023				2024		
Index	1st Jan to 31st March	1st April to 30th June	1st July to 30th Sept	1st Oct to 31st Dec	January	February	1st to 15th March
FTSE 100	2.4%	-1.3%	1.0%	1.6%	-1.3%	0.0%	1.3%
FTSE 250	0.4%	-2.7%	-0.7%	7.7%	-1.7%	-1.6%	2.4%
Dow Jones Ind Ave	0.4%	3.4%	-2.6%	12.5%	1.2%	2.2%	-0.7%
S&P 500	7.0%	8.3%	-3.6%	11.2%	1.6%	5.2%	0.4%
NASDAQ	16.8%	12.8%	-4.1%	13.6%	1.0%	6.1%	-0.7%
DAX	12.2%	3.3%	-4.7%	8.9%	0.9%	4.6%	1.5%
CAC40	13.1%	1.1%	-3.6%	5.7%	1.5%	3.5%	3.0%
Nikkei 225	7.5%	18.4%	-4.0%	5.0%	8.4%	7.9%	-1.2%
Hang Seng	3.1%	-7.3%	-5.9%	-4.3%	-9.2%	6.6%	1.3%
Shanghai Composite	5.9%	-2.2%	-2.9%	-4.4%	-6.3%	8.1%	1.3%
Sensex	-3.0%	9.7%	1.7%	9.7%	-0.7%	1.0%	0.2%
Ibovespa	-7.2%	15.9%	-1.3%	15.1%	-4.8%	1.0%	-1.8%

Data source: Morningstar

Portfolio Update

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.

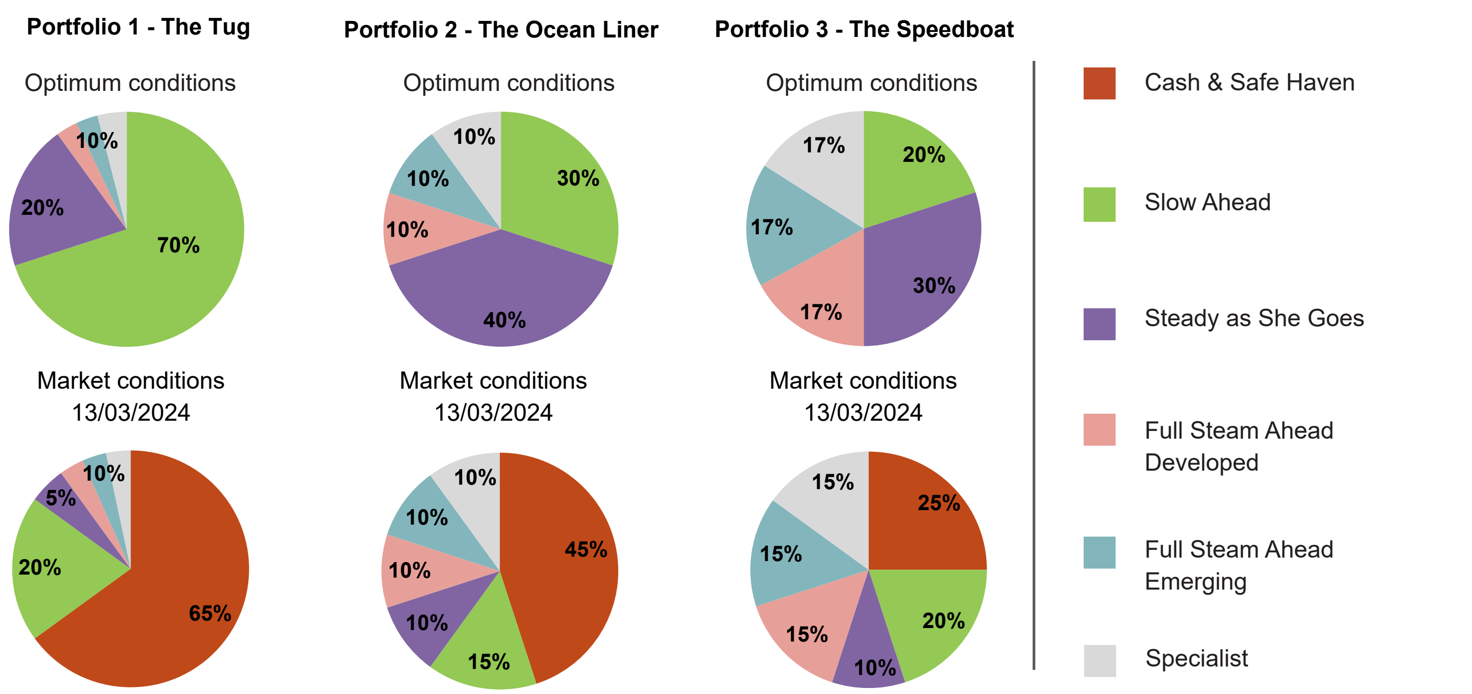
I'm glad to say that November and December were much better with nearly all sectors making gains.

January wasn't quite as good, but the situation improved in February. Most sectors are now showing gains over four, twelve and twenty-six weeks. For the last few months, we have been reducing our cash and 'Safe Haven' funds and increasing our exposure to the equity markets.

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.

The overall sector performance has improved in recent months and so we have been increasing our allocation to funds in the more adventurous sectors. There are plenty of funds to choose from, especially in the 'Full Steam Ahead Groups' and the Specialist sector. Unfortunately, the 'Steady as She' Goes sector is still struggling.



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 supermarket to demonstrate how the data that we produce can be used to run a simple portfolio.

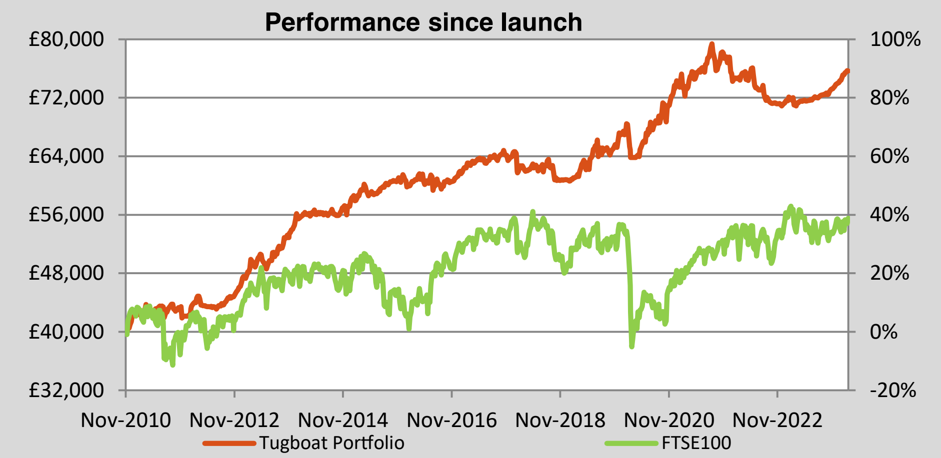
The aim is to run it in such a way that it avoids any major market falls, but also makes gains when they rise.

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



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 £75,000.

Since its launch in 2010 it has produced an average annual return of 4.9%.

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	2.9%
Current Value	£75,679	Return in the last 6 months	4.6%
Return since launch	89.0%	Average Annual Return since launch	4.9%

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	110	£18,528	£17,456	£1,071	6.1%	24.5%
23/03/2023	L&G Cash Trust fund	Safe	105	£18,263	£17,448	£815	4.7%	24.1%
08/06/2023	abrdn Sterling Money Market	Safe	124	£10,625	£10,238	£387	3.8%	14.0%
06/07/2023	Liontrust Balanced	Slow	245	£4,835	£4,500	£335	7.4%	6.4%
28/09/2023	Schroder High Yield Opportunities	Slow	104	£5,260	£5,000	£260	5.2%	7.0%
22/02/2024	Royal London Sustainable World	Slow	363	£5,101	£5,000	£101	2.0%	6.7%
06/07/2023	MI TwentyFour AM Monument Bond	Steady	15,718	£3,213	£3,039	£173	5.7%	4.2%
15/06/2023	UBS US Growth	Developed	319	£3,621	£3,000	£621	20.7%	4.8%
14/09/2023	Jupiter India	Specialist	247	£3,745	£3,000	£745	24.8%	4.9%
Cash				£2,490				3.3%
Total Portfolio Value				£75,679				

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

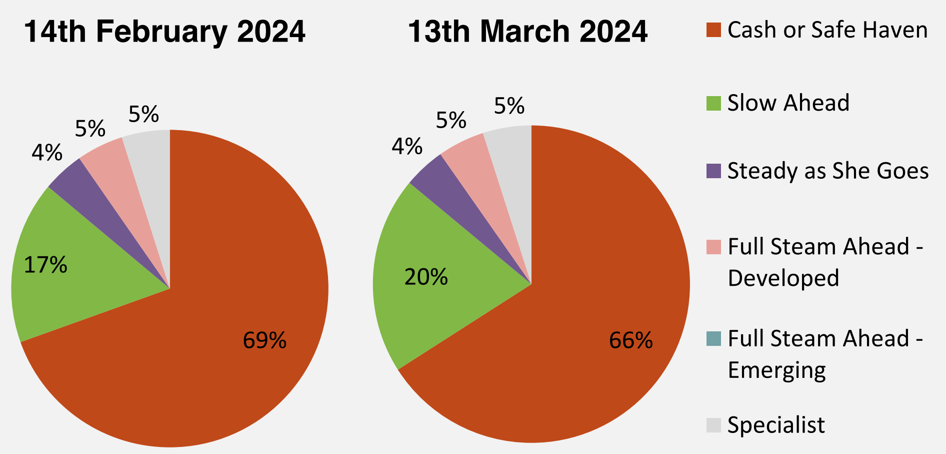
We are reducing our holding in the UBS US Growth fund by £1,500 and increasing our holding in the Royal London Sustainable World fund by £1,500.

Tugboat Portfolio

Other transactions this month

Fund	Group	Value (£)	Transaction	Date
Royal London Sustainable World	Slow	£2,500	Buy	22/02/2024
Royal London Sustainable World	Slow	£2,500	Increase current holding	29/02/2024
Aegon Strategic Bond	Slow	£2,487	Sell	29/02/2024

Group Allocation



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 was 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.

This year started slowly, but picked up towards the end of January. Since then, we've been steadily reducing our cash and overall exposure to the 'Safe Haven' Group, and increased our holdings in funds from the other Groups.

Why we've done what we've done

'Cash & Safe Haven' - Down from 69% to 66% of the portfolio.

Both of our portfolios have been heavily invested in the Money Market funds from our 'Safe Haven' Group for the last year. However, in the last few months, we've seen equity markets strengthen and so we've reduced our exposure to the 'Safe Haven' funds and started to reinvest in some potentially more rewarding funds. Since the last newsletter the amount in cash or the Safe Haven funds has fallen by a further 3%.

'Slow Ahead' - Up from 17% to 20% of the portfolio, and rising to 22%.

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 made further gains since the last newsletter. We've recently sold the Aegon Strategic Bond fund and invested in the Royal London Sustainable World fund from the Mixed Investment 40-85% Shares sector. We've already added to it once and are in the process of adding to it again.

'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 0.6% since the last newsletter and has made over 5.7% since we first went into it in July last year.

'Full Steam Ahead' & Specialist - About to drop from 10% to 8% of the portfolio.

We are reducing our holding in the UBS US Growth fund. It's gone up by 0.9% since the last newsletter but other funds have done better.

Ocean Liner Portfolio

Objective

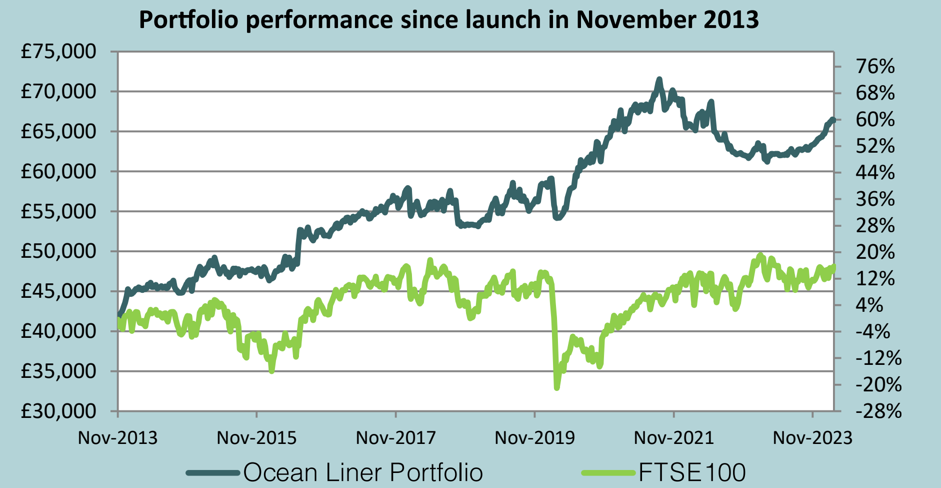
In November 2013 we launched our 'Ocean Liner' Portfolio.

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



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 60%.

Our initial investment of just under £41,500 is now worth over £66,400.

Since its launch in 2013 it has produced an average annual return of 4.7%.

Portfolio Launch Date	23/11/2013	Return in the last 4 weeks	0.9%
Initial Investment	£41,452	Return in the last 3 months	4.2%
Current Value	£66,412	Return in the last 6 months	5.8%
Return since launch	60.2%	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	110	£13,322	£12,467	£856	6.9%	20.1%
30/03/2023	L&G Cash Trust fund	Safe	105	£5,570	£5,285	£285	5.4%	8.4%
08/06/2023	abrdn Sterling Money Market	Safe	124	£7,964	£7,662	£302	3.9%	12.0%
06/07/2023	Liontrust Balanced	Slow	245	£4,835	£4,500	£335	7.4%	7.3%
28/09/2023	Invesco High Yield	Slow	295	£6,369	£6,000	£369	6.1%	9.6%
08/06/2023	MI TwentyFour AM Monument Bond	Steady	15718	£3,274	£3,000	£274	9.1%	4.9%
07/12/2023	Ninety One UK Special Situations	Steady	290	£3,218	£3,000	£218	7.3%	4.8%
15/06/2023	UBS US Growth	Developed	319	£4,531	£4,024	£507	12.6%	6.8%
29/02/2024	M&G Japan	Developed	3772	£2,479	£2,500	-£21	-0.9%	3.7%
31/08/2023	Jupiter India	Specialist	247	£7,282	£6,000	£1,282	21.4%	11.0%
14/12/2023	Pictet Digital	Emerging	52614	£5,316	£5,000	£316	6.3%	8.0%
Cash				£2,251				3.4%
Total Portfolio Value				£66,412				

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

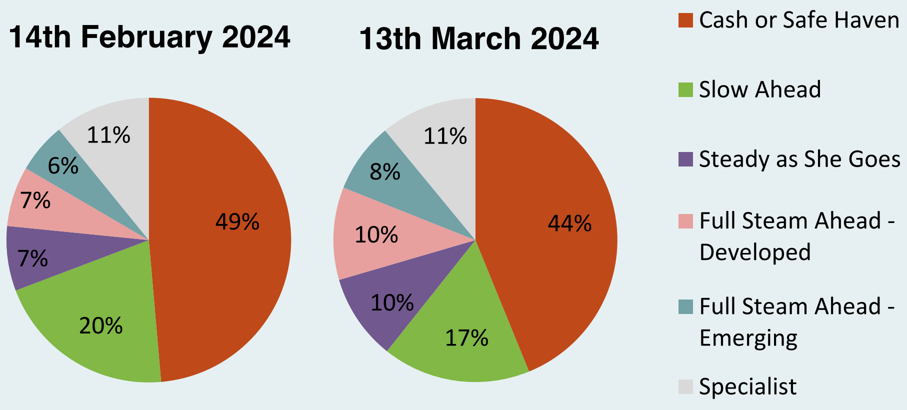
We are reducing the UBS US Growth fund by £2,000 and investing £2,000 into the Man GLG Continental Europen Growth fund.

Ocean Liner Portfolio

Other transactions this month

Fund	Group	Value (£)	Transaction	Date
Pictet Digital	Emerging	£1,500	Increase current holding	15/02/2024
Ninety One UK Special Situations	Steady	£1,500	Increase current holding	22/02/2024
Jupiter Strategic Bond	Slow	£2,496	Sell	29/02/2024
M&G Japan	Developed	£2,500	Buy	29/02/2024

Group Allocation



Most sectors made gains last year, but it wasn't easy. The majority had a good start, making sensible returns in January, but then went off the boil. Fortunately, we saw a rally towards the end of last year and after a disappointing October, most sectors made healthy gains in November and December.

After a resonable couple of months, nearly all sectors are now showing gains over four, twelve and twenty-six weeks. We have been reducing our cash and the amount invested in the 'Safe Haven' funds and increasing our exposure to funds from the other Groups.

Why we've done what we've done

'Cash & Safe Haven' - Down from 49% to 44% of the portfolio.

At the beginning of the year, we had over 60% of the portfolio either in cash or the Money Market funds from the 'Safe Haven' Group. As overall market conditions have improved, we have been reducing this figure and investing in funds with greater exposure to the equity markets. Since the last newsletter, the amount allocated to cash and the 'Safe Haven' funds has fallen by another 5% and is now down to 44%.

'Slow Ahead' - Down from 20% to 17% of the portfolio.

We are still invested in the Liontrust Balanced fund from the Mixed Investment 40-85% Shares sector and the Invesco High Yield fund from the £ High Yield sector. Both of these funds have gone up since the last newsletter. However, we have recently sold the Jupiter Strategic Bond fund which looked promising when we went into it but then ran out of steam.

'Steady as She Goes' - Up from 7% to 10% of the portfolio.

We are still holding the MI TwentyFour AM Monument Bond fund, which is slightly higher than it was this time last month, and have added to the Ninety One UK Special Situations fund, which has gone up by 5.9% since the last newsletter.

'Full Steam Ahead' & Specialist - Up from 24% to 29% of the portfolio.

The UBS US Growth, Jupiter India, and Pictet Digital funds have all gone up over the last four weeks. In the last month we have added the M&G Japan fund into the mix and are in the process of reducing the UBS US Growth fund to enable us to invest in the GLG Continental European Growth fund.

Sector Analysis 2024

In most newsletters we publish the Investment Association's average sector performance for the previous month, along with some recent history.

Most sectors went up in 2023, but mainly due to a strong rally at the end of the year.

At the beginning of November, only 15 out of the 34 sectors that we monitor were up on where they were at the start of the year. By the end of the year 29 sectors had made gains.

Unfortunately, this year didn't start particularly well. Only 11 sectors went up in January, and all of the sectors in the 'Steady as She Goes' Group went down.

However, last month we saw things pick up, with most sectors making gains, but it was still far from a clean sweep. The best performing sector was China / Greater China, up 9.5%.

Investment Association Sector	2023 Quarterly Returns (%)				2024	
	Q1	Q2	Q3	Q4	Jan	Feb
Safe Haven						
Standard Money Market	0.9	1.1	1.4	1.4	0.5	0.4
Short Term Money Market	0.8	0.9	1.2	1.1	0.4	0.4
Slow Ahead						
Mixed Investment 40-85% Shares	2.3	0.2	-0.2	5.8	-0.1	1.4
Mixed Investment 20-60% Shares	1.6	-0.4	-0.1	5.7	-0.4	0.5
£ High Yield	2.1	1.3	1.5	5.6	0.7	0.4
Mixed Investment 0-35% Shares	1.7	-1.0	-0.3	5.7	-0.6	0.0
£ Strategic Bond	1.7	-1.0	0.3	6.9	-0.1	-0.5
£ Corporate Bond	2.2	-2.8	2.1	7.8	-1.0	-0.7
Steady as She Goes						
Flexible Investment	1.8	0.3	-0.2	5.2	0.0	1.7
Global & GEM Bonds*	1.0	-1.5	0.7	4.6	-0.8	0.1
UK All Companies	2.6	-0.8	0.9	4.5	-0.9	-0.1
UK Equity Income	1.9	-1.6	2.2	4.6	-1.4	-0.5
UK Index Linked Gilts	5.1	-8.7	-4.5	9.5	-5.7	-0.7
UK Direct Property	-0.4	0.6	-0.5	-0.1	-0.5	-0.9
UK Gilts	2.0	-5.5	-0.7	8.2	-2.6	-1.4
UK Smaller Companies	-3.0	-1.4	-1.8	6.8	-0.2	-1.4
Full Steam Ahead - Developed						
North America	3.2	5.0	0.5	7.2	1.8	5.0
North American Smaller Companies	1.2	3.0	-1.6	8.1	-1.8	4.9
Global	4.1	2.4	-1.1	6.9	0.4	4.1
Japan	3.2	2.9	0.7	3.8	2.8	3.5
Europe Excluding UK	8.1	0.0	-2.2	8.1	-0.2	3.0
Global Equity Income	2.4	1.0	0.3	5.4	0.7	2.3
Europe Including UK	7.5	0.0	-1.7	7.3	-0.3	2.2
European Smaller Companies	5.4	-2.7	-3.8	9.5	-1.9	1.4
Full Steam Ahead - Emerging						
China/Greater China	0.0	-12.8	-0.1	-8.5	-9.7	9.5
Tech & Tech Innovations	15.8	7.7	-0.7	12.0	3.2	5.7
Asia Pacific Excluding Japan	1.3	-3.9	-0.8	2.5	-4.3	4.7
Asia Pacific Including Japan	1.6	-2.0	-1.1	4.0	-2.4	3.9
Global Emerging Markets	2.6	0.8	-0.8	4.9	-1.6	-0.1
Specialist / Thematic						
Healthcare	-3.5	0.6	-3.0	3.9	1.0	3.9
Financials and Financial Innovation	-0.9	2.3	2.2	8.8	1.6	3.8
India/Indian Subcontinent	-5.8	9.9	7.1	5.7	2.0	2.6
Latin America	1.1	10.8	-1.5	11.9	-4.5	0.0
Infrastructure	-1.4	-2.9	-5.1	7.0	-3.2	-0.5

* 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

Gold sets new all-time high.

Earlier this month, the spot price of gold briefly surpassed $2,200 for the first time ever. While it has since experienced a slight decline, the precious metal has still gone up by around 5% so far this year.

There are various possible reasons why …

Gold is traditionally considered a 'Safe Haven' asset and a reliable store of value, particularly during periods of geopolitical uncertainty. Wars in Ukraine and Gaza, coupled with impending elections, most significantly in the US, could have fuelled demand for gold.

Another factor supporting prices has been central bank gold-buying since 2022, especially by China, which has bolstered demand for the precious metal. This trend continued throughout 2023 and has carried over into 2024.

And then there's the inverse relationship between gold and interest rates. As rates rise, the demand for gold typically diminishes, as investors find higher returns in bonds and fixed-interest securities. Conversely, when interest rates fall, gold prices tend to rise. With inflation approaching government targets, expectations of interest rate reductions by central banks have spurred investor confidence, contributing to gold's recent performance.

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.

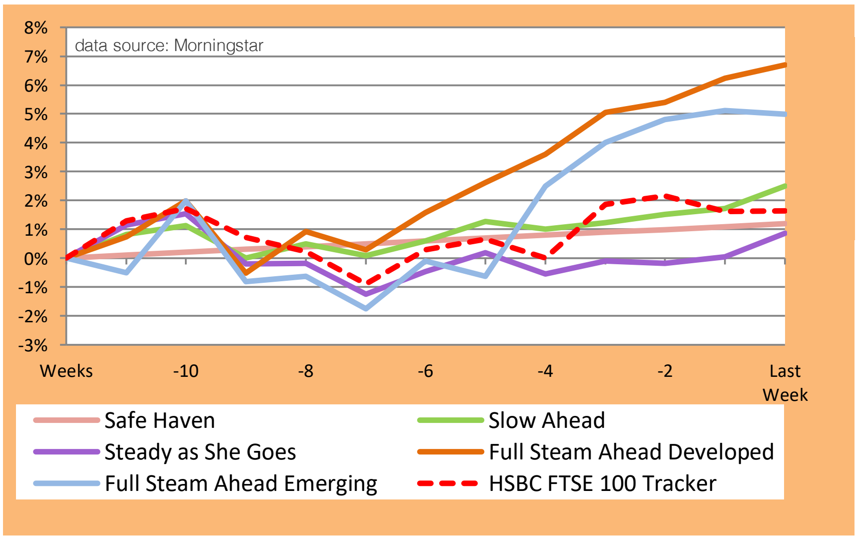
These are:	**Safe Haven:**	Very low risk, but also very low returns.
	Slow Ahead:	Normally a low risk level and often with adequate returns.
	Steady as She Goes:	Generally low to medium risk, with potentially higher returns.
	Full Steam Ahead Developed:	Higher risk, but potentially higher returns.
	Full 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

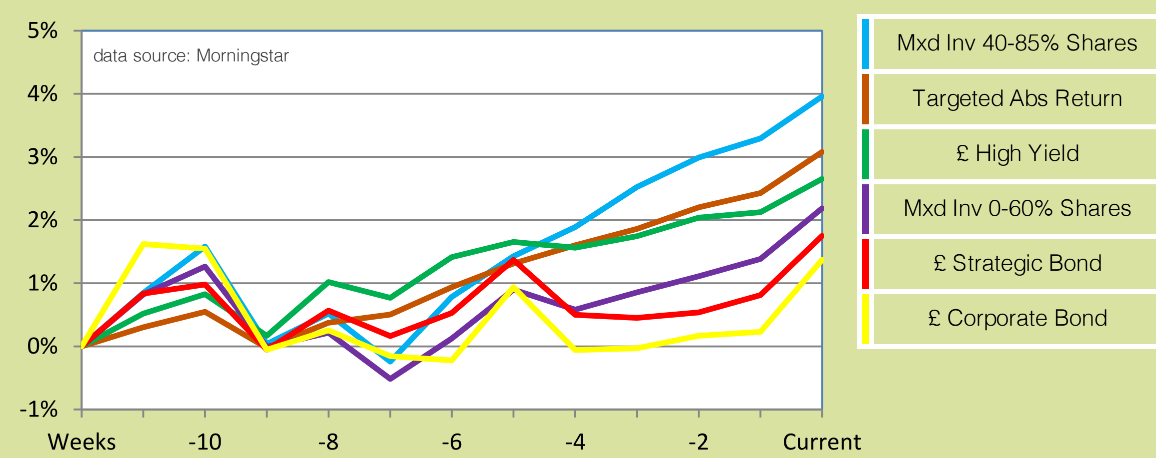


Group Performance for Last Week

Safe Haven	0.10%
Slow Ahead	0.8%
Steady as She Goes	0.8%
Full Steam Ahead Developed	0.5%
Full Steam Ahead Emerging	-0.1%
HSBC FTSE 100 Tracker	0.0%

0.8% gains last week for both the Slow Group and for the Steady Group.
The Developed Group continued its progress with a gain of 0.5%, and the HSBC FTSE 100 Tracker and the Emerging Group were flat.

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
Mxd Inv 40-85% Shares	**2.1%**	4.0%	8.0%	0.7%	0.3%	0.5%	0.6%	0.5%	0.6%	1.0%	-0.8%
Mxd Inv 0-60% Shares	**1.6%**	2.2%	6.3%	0.8%	0.3%	0.3%	0.3%	-0.3%	0.8%	0.6%	-0.7%
£ Corporate Bond	**1.5%**	1.4%	8.4%	1.1%	0.1%	0.2%	0.0%	-1.0%	1.2%	-0.1%	-0.4%
Targeted Abs Return	**1.5%**	3.1%	6.8%	0.6%	0.2%	0.3%	0.3%	0.3%	0.4%	0.4%	0.1%
£ Strategic Bond	**1.3%**	1.7%	7.3%	0.9%	0.3%	0.1%	-0.1%	-0.9%	0.8%	0.4%	-0.4%
£ High Yield	**1.1%**	2.7%	8.1%	0.5%	0.1%	0.3%	0.2%	-0.1%	0.2%	0.6%	-0.2%
Average:	*1.5%*	*2.5%*	*7.5%*	*0.8%*	*0.2%*	*0.3%*	*0.2%*	*-0.3%*	*0.7%*	*0.5%*	*-0.4%*

The Mixed Investment Sectors

These are the Flexible Investment, Mixed Investment 40-85% Shares, Mixed Investment 20-60% Shares, and the Mixed Investment 0-35% Shares sectors. There are so few funds in the 0-35% sector that we have combined them with the Mixed Investment 20-60% Shares and called them 'Mxd Inv 0-60% Shares'.

These sectors can hold a combination of equities and fixed interest assets, and it's down to the fund manager to vary the proportions. They replaced the old Active, Balanced, and Cautious Managed sectors.

Overall Group Performance

This Group's average four-week return was a 1.6% gain in the January issue. Last month it made a further 0.5%, and this month it's gone up by 1.5%.

All of the sectors in this group went up in 2023, however it wasn't plain sailing. The year started well with all sectors making gains in the first quarter, but only because of a strong start in January.

Quarter two wasn't as good. Only two sectors, £ High Yield and Mixed Investment 40-85% Shares made gains over the three months.

The third quarter 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.

In this January's newsletter all sectors were up over four, twelve and twenty-six weeks. The £ Corporate Bond sector was at the top of the table with a four-week return of 2.0%.

Last month only four out of the six sectors were up over four weeks, but they were all still showing gains over twelve and twenty-six weeks. Since then, all of the sectors in this Group have gone up.

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.

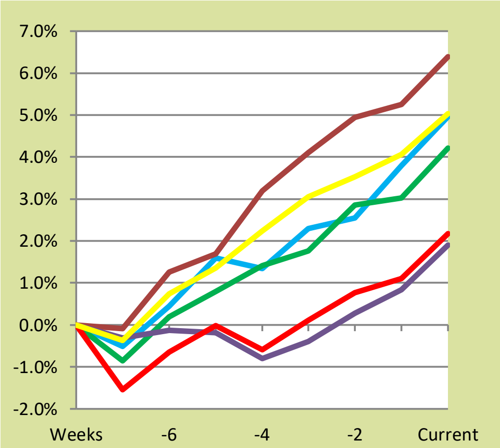
The 'Targeted Absolute Returns' funds are also in this Group and they aim to deliver positive returns in any market conditions. Typically funds in this sector would normally expect to generate absolute returns on a 12 month basis.

Performance by Saltydog Group - Slow Ahead

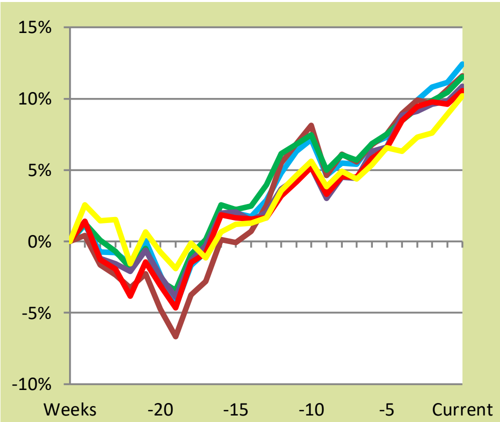
Still on top

The Mixed Investment 40-85% Shares sector was in fourth place in the December newsletter, having gained 2.9% in the previous four-weeks. It then moved up to second place in January, although its four-week return had dropped to 1.8%. In the last issue it was in the top spot, even though its four-week return had dropped to 1.4%. Since then it's gone up by 2.1% and remains in pole position.

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



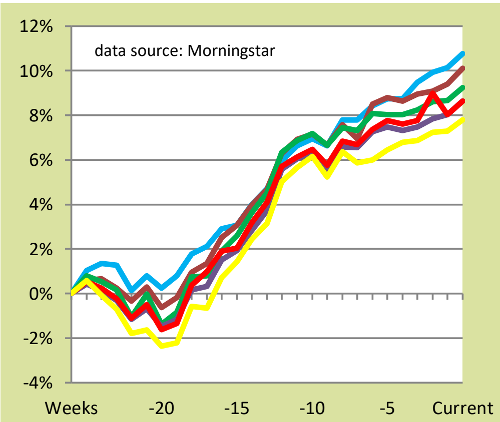
Mxd Inv 40-85% Shares	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Premier Miton MA Gr & Inc	1	3.7%	1	6.4%	1	10.2%	2	1	5	1	5	2	2	6
Royal London Sustainable World	1	3.2%	1	7.3%	1	12.4%	2	3	1	1	1	8	1	2
Evelyn MM Endurance Bal'd	1	2.8%	1	4.8%	3	8.8%	2	7	1	4	2	7	2	9
Aegon Sustainable Divers Grth	1	2.7%	6	2.2%	8	5.7%	3	2	1	3	7	10	8	3
Ninety One Glbl Mlt-Asst Sust Gr	1	2.8%	9	1.1%	9	4.8%	3	3	2	2	6	7	3	10
Janus H'son Instl Global Responsible Mgd	1	2.8%	1	5.1%	1	11.5%	4	2	3	1	1	7	2	4



Mxd Inv 40-85% Shares	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Royal London Sustainable World	1	3.2%	1	7.3%	1	12.4%	2	3	1	1	1	8	1	2
Liontrust SF Managed 2	1	2.4%	1	5.8%	1	11.6%	5	1	10	1	1	6	1	6
Janus H'son Instl Global Responsible Mgd	1	2.8%	1	5.1%	1	11.5%	4	2	3	1	1	7	2	4
Sarasin Global Equity Real Return	3	1.9%	1	6.9%	1	10.9%	4	7	3	4	1	10	1	2
Liontrust Balanced	3	1.9%	1	7.2%	1	10.6%	5	10	4	1	1	6	1	1
Premier Miton MA Gr & Inc	1	3.7%	1	6.4%	1	10.2%	2	1	5	1	5	2	2	6

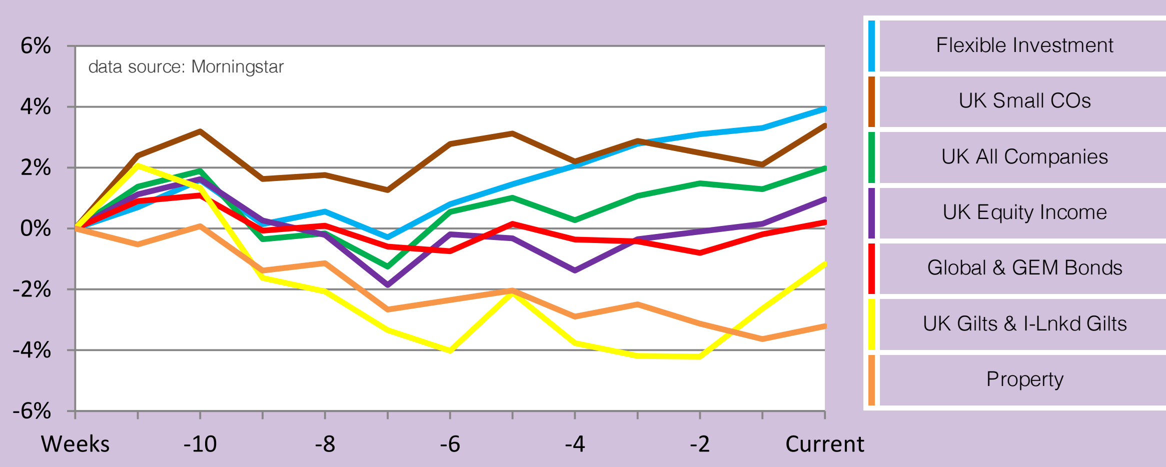
From third to last

In last month's newsletter the £ High Yield sector was in third place, based on its four-week return of 0.5%, but it was the leading sector over twelve weeks, up 5.3%, and twenty-six weeks, up 7.1%. In the last four weeks it's gained a further 1.1%, but has fallen to the bottom of the table. It's not doing badly, it's just that other sectors are currently doing better.



£ High Yield	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Schroder High Yield Opportunities	3	1.9%	2	4.5%	1	10.8%	8	6	3	2	4	9	5	1
Invesco High Yield UK	8	1.4%	3	3.6%	1	10.1%	7	4	8	4	5	10	1	7
Marlborough Hi Yield Fixed Int:	9	1.1%	4	2.7%	2	9.2%	8	9	4	5	4	10	4	2
Aegon High Yield Bond.	8	1.2%	4	2.9%	3	8.6%	8	7	4	6	4	10	4	1
Baillie Gifford High Yield Bond.	9	0.9%	4	2.8%	3	8.6%	8	10	1	6	4	9	5	2
L&G Active Global High Yield Bond	9	0.9%	4	2.7%	5	7.8%	9	9	4	7	2	9	8	5

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 Gilts & I-Lnkd Gilts	**2.6%**	-1.3%	4.9%	1.5%	1.6%	0.0%	-0.4%	-1.7%	1.9%	-0.7%	-1.3%
UK Equity Income	**2.4%**	0.9%	5.5%	0.8%	0.3%	0.2%	1.0%	-1.1%	-0.1%	1.7%	-1.6%
Flexible Investment	**1.9%**	4.0%	7.2%	0.6%	0.2%	0.3%	0.7%	0.6%	0.7%	1.1%	-0.8%
UK All Companies	**1.7%**	2.0%	6.2%	0.7%	-0.2%	0.4%	0.8%	-0.7%	0.5%	1.8%	-1.1%
UK Small COs	**1.2%**	3.3%	5.8%	1.3%	-0.4%	-0.4%	0.7%	-0.9%	0.3%	1.5%	-0.5%
Global & GEM Bonds	**0.6%**	0.1%	3.6%	0.4%	0.6%	-0.4%	-0.1%	-0.5%	0.9%	-0.2%	-0.7%
Property	**-0.3%**	-3.4%	1.2%	0.4%	-0.5%	-0.6%	0.4%	-0.9%	0.3%	0.3%	-1.5%
Average:	*1.4%*	*0.8%*	*4.9%*	*0.8%*	*0.2%*	*-0.1%*	*0.5%*	*-0.7%*	*0.6%*	*0.8%*	*-1.1%*

UK Gilts & Index-Linked Gilts

There are two Investment Association sectors for funds investing in UK Government Securities (Gilts).

Funds in the UK Gilts sector must invest at least 95% of their assets in Sterling denominated (or hedged back to Sterling) government backed securities, with a rating the same or higher than that of the UK, with at least 80% invested in conventional UK Gilts. The definition of the Index-Linked Gilts sector is similar, except that the core 80% must be invested in UK Index-Linked Gilts.

We combine these sectors for our analysis.

Overall Group Performance

The four-week average for the sectors in this Group was a 2.1% gain in the January newsletter, but a 0.4% loss last month. This month it's a 1.4% gain.

In 2022 all of the sectors in this Group 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 most sectors making gains in the first quarter. Quarter two also 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 three sectors made gains, UK Equity Income, UK All companies, and Global & Global Emerging Market Bonds. All of the sectors in this Group then made losses in October, but they recovered in November and most also went up in December.

In the January newsletter all sectors were showing gains over four, twelve and twenty-six weeks. The best, UK Smaller Companies was up 4.4% in four weeks.

Last month only three sectors were up over four weeks. This month is looking better. Only the Property sector hasn't gone up in the last four weeks. All sectors are up over 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.

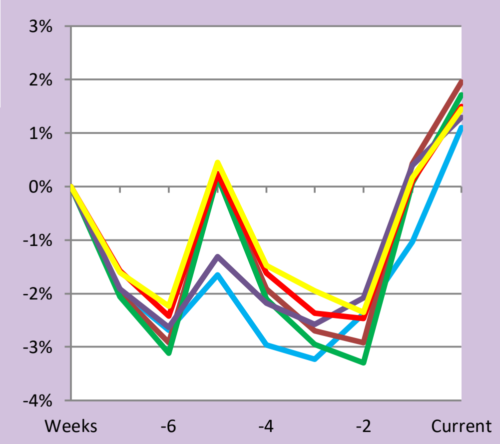
www.theinvestmentassociation.org

Performance by Saltydog Group - Steady as She Goes

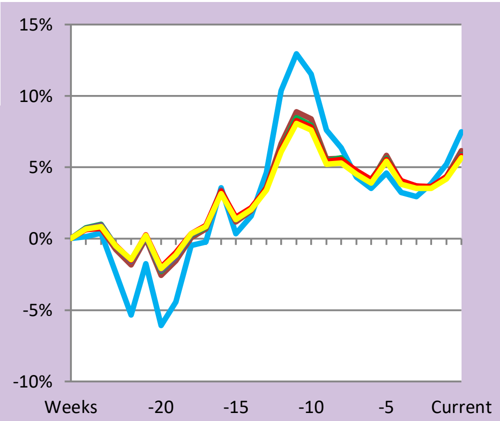
A new top dog

The combined UK Gilts and UK Index-Linked Gilts sector was in fifth place in the January newsletter with a four-week return of 1.7%. Last month it dropped to sixth having lost 1.7% in the previous four-weeks. Since then it has gone up by 2.6% and is now at the top of the table.

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



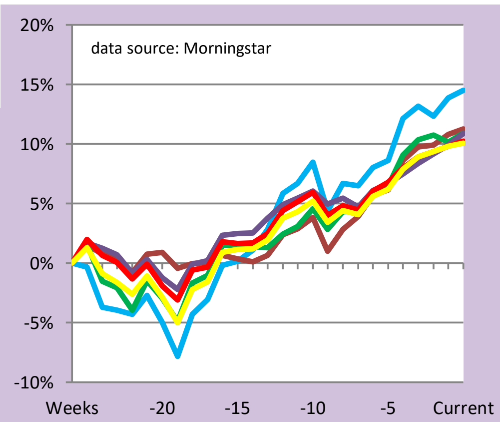
UK Gilts & I-Lnkd Gilts	4 Week Dec	4 Week Ret	12 Week Dec	12 Week Ret	26 Week Dec	26 Week Ret	-1	-2	-3	-4	-5	-6	-7	-8
Vanguard U.K. Long Dur Gilt Idx	1	4.1%	10	-2.6%	3	7.5%	1	1	2	9	8	3	10	9
iShares Index Linked Gilt Idx	1	3.9%	10	-2.4%	9	3.2%	2	1	8	10	10	1	10	9
Janus H'son Index Lnkd Bond	1	3.8%	10	-2.6%	9	3.2%	2	1	8	10	10	1	10	10
Vanguard U.K. Infl-Lnkd Gilt Idx	1	3.5%	10	-2.9%	9	3.0%	4	1	4	10	6	2	10	9
L&G All Stks Idx Lkd Gilt Index	2	3.1%	10	-1.8%	9	3.4%	3	1	7	10	10	1	10	8
M&G Index-Linked Bond	2	2.9%	10	-1.7%	8	3.8%	3	1	8	10	10	1	10	8



UK Gilts & I-Lnkd Gilts	4 Week Dec	4 Week Ret	12 Week Dec	12 Week Ret	26 Week Dec	26 Week Ret	-1	-2	-3	-4	-5	-6	-7	-8
Vanguard U.K. Long Dur Gilt Idx	1	4.1%	10	-2.6%	3	7.5%	1	1	2	9	8	3	10	9
Allianz Gilt Yield	4	2.1%	9	-0.4%	4	6.2%	2	2	6	10	10	1	10	5
CT £ Bond	5	1.8%	9	-0.4%	5	5.9%	2	2	7	9	9	1	10	5
abrdn UK Government Bond	5	1.9%	9	-0.3%	5	5.8%	2	2	7	9	9	1	10	5
M&G Gilt & Fixed Interest Inc	6	1.7%	9	-0.5%	5	5.8%	3	3	6	10	9	1	10	4
iShares UK Gilts All Stocks Idx	6	1.8%	9	-0.4%	5	5.7%	2	3	7	9	9	1	10	4

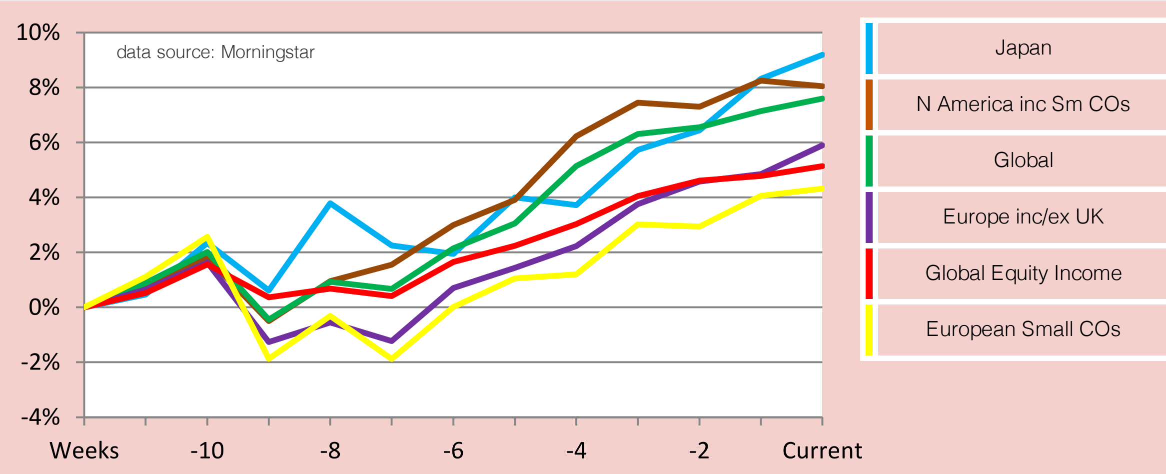
Last month's leader

The Flexible Investment sector was in sixth place in the December newsletter with a four-week return of 2.7%. By the January issue it had moved up to fourth place, having gained 1.8% in the previous four weeks, and last month it was in first place, even though its four-week return had dropped to 1.5%. This month it has moved down to third in the table with a four-week return of 1.9%.



Flexible Investment	4 Week Dec	4 Week Ret	12 Week Dec	12 Week Ret	26 Week Dec	26 Week Ret	-1	-2	-3	-4	-5	-6	-7	-8
Liontrust SF Managed Growth 2	4	2.1%	1	8.2%	1	14.5%	6	1	10	4	1	5	6	2
TB Enigma Dynamic Growth	3	2.4%	1	8.7%	1	11.3%	7	2	5	4	1	6	4	1
Liontrust Global Alpha	6	1.7%	1	8.3%	1	10.9%	6	8	4	2	1	5	6	1
Man Stockmarket Managed	2	3.1%	1	5.7%	1	10.9%	4	3	3	5	1	5	6	4
BMO Managed Growth.	4	2.1%	1	5.6%	1	10.2%	7	4	4	5	1	4	5	2
SVS Brown Shipley Dynamic	4	2.0%	1	6.0%	1	10.1%	8	4	4	4	1	5	6	2

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
Japan	**5.6%**	9.6%	10.5%	0.9%	1.9%	0.7%	2.0%	-0.3%	2.1%	-0.3%	-1.5%
Europe inc/ex UK	**3.7%**	6.1%	12.9%	1.0%	0.3%	0.8%	1.5%	0.8%	0.7%	1.9%	-0.7%
European Small COs	**3.2%**	4.4%	10.6%	0.3%	1.1%	-0.1%	1.8%	0.1%	1.0%	1.9%	-1.6%
Global	**2.5%**	7.9%	11.9%	0.5%	0.6%	0.3%	1.2%	2.1%	0.9%	1.5%	-0.3%
Global Equity Income	**2.1%**	5.3%	9.6%	0.4%	0.2%	0.6%	1.0%	0.8%	0.6%	1.2%	-0.3%
N America inc Sm COs	**1.8%**	8.2%	12.8%	-0.2%	1.0%	-0.1%	1.2%	2.3%	0.9%	1.4%	0.6%
Average:	*3.1%*	*6.9%*	*11.4%*	*0.5%*	*0.8%*	*0.4%*	*1.5%*	*1.0%*	*1.0%*	*1.3%*	*-0.6%*

The Japan Sector

Within its Overseas Equities category, the Investment Association used to have two sectors dedicated to Japanese funds. One was Japan and the other was Japanese Smaller Companies.

Because there weren't many funds in the Japanese Smaller Companies sector, we always grouped the two sectors together for our analysis.

In November 2023, the Investment Association dissolved the Japanese Smaller Companies sector because there weren't enough funds to make it viable.

All funds which invest predominantly in Japanese equities will now be in the Japan sector.

Overall Group Performance

In the January newsletter, the overall Group four-week average was a gain of 1.7% and last month it was 2.7%. This month it's even better - a four-week gain of 3.1%.

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%. The second quarter was more mixed. The North American sector was the best, with a three-month gain of 5.0%, but the worst sector, Japanese Smaller Companies, went down by 2.9%.

In the third quarter the best sector was Japan, but it only went up by 0.7%. The Japanese Smaller Companies, North America, and Global Equity Income sectors also made gains. The remaining sectors went down. All sectors went down in October, but then rallied strongly in November and December.

In January's newsletter, all sectors were up over the previous four weeks and last month only one sector, Japan, was showing a four-week loss.

This month all sectors are up over four, twelve, and twenty-six 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.

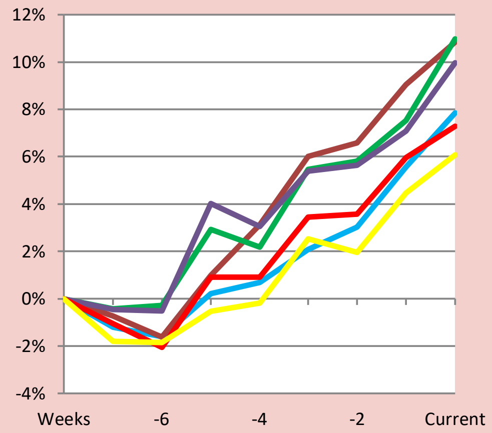
We also include the 'Property' sector in this Group.

Performance of the Full Steam Ahead Developed Group

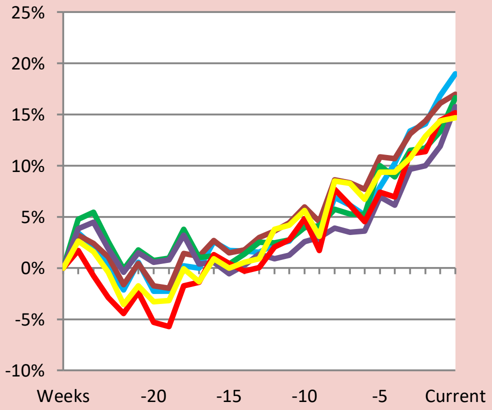
From last to first

The Japan sector was third in the table in the January newsletter with a four-week return of 1.9%. Last month it dropped to the bottom of the table and it was the only sector in this Group that hadn't gone up in the previous four weeks. However, it was only showing a loss of 0.1%. In the last four weeks it has gone up by 5.6% and it is now at the top of the table.

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



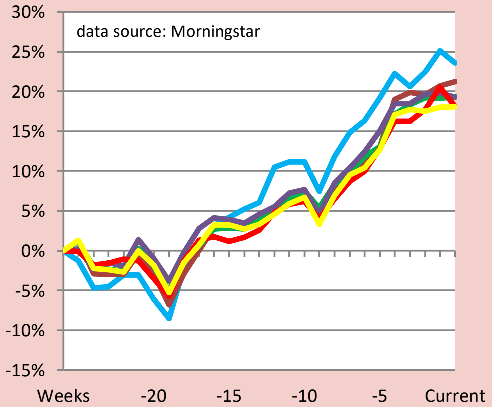
Japan	4 Week Dec	4 Week Ret	12 Week Dec	12 Week Ret	26 Week Dec	26 Week Ret	-1	-2	-3	-4	-5	-6	-7	-8
Man GLG Japan CoreAlpha	1	7.4%	2	12.3%	5	12.7%	1	1	3	5	8	2	10	8
Janus H'son Japan Opportunities	1	7.9%	1	16.3%	1	19.0%	1	1	5	1	4	1	10	7
WS Morant Wright Nippon Yield	1	9.1%	1	14.7%	2	15.8%	1	2	6	1	10	1	10	6
WS Morant Wright Japan	1	7.1%	1	13.8%	2	16.6%	1	2	7	2	10	1	10	6
abrdn Japanese Equity	1	6.5%	1	13.1%	4	13.1%	2	1	7	1	9	1	10	8
Baillie Gifford Japanese.	1	6.4%	2	11.2%	7	10.8%	2	1	10	1	8	4	10	10



Japan	4 Week Dec	4 Week Ret	12 Week Dec	12 Week Ret	26 Week Dec	26 Week Ret	-1	-2	-3	-4	-5	-6	-7	-8
Janus H'son Japan Opportunities	1	7.9%	1	16.3%	1	19.0%	1	1	5	1	4	1	10	7
Nomura Japan Strategic Value	1	5.7%	1	12.9%	2	17.0%	4	2	2	2	9	1	10	5
WS Morant Wright Japan	1	7.1%	1	13.8%	2	16.6%	1	2	7	2	10	1	10	6
WS Morant Wright Nippon Yield	1	9.1%	1	14.7%	2	15.8%	1	2	6	1	10	1	10	6
JPM Japan	1	7.7%	1	12.8%	3	15.2%	5	1	7	1	9	1	10	9
CT Japan	2	4.9%	3	10.5%	3	14.7%	7	2	1	6	9	1	10	5

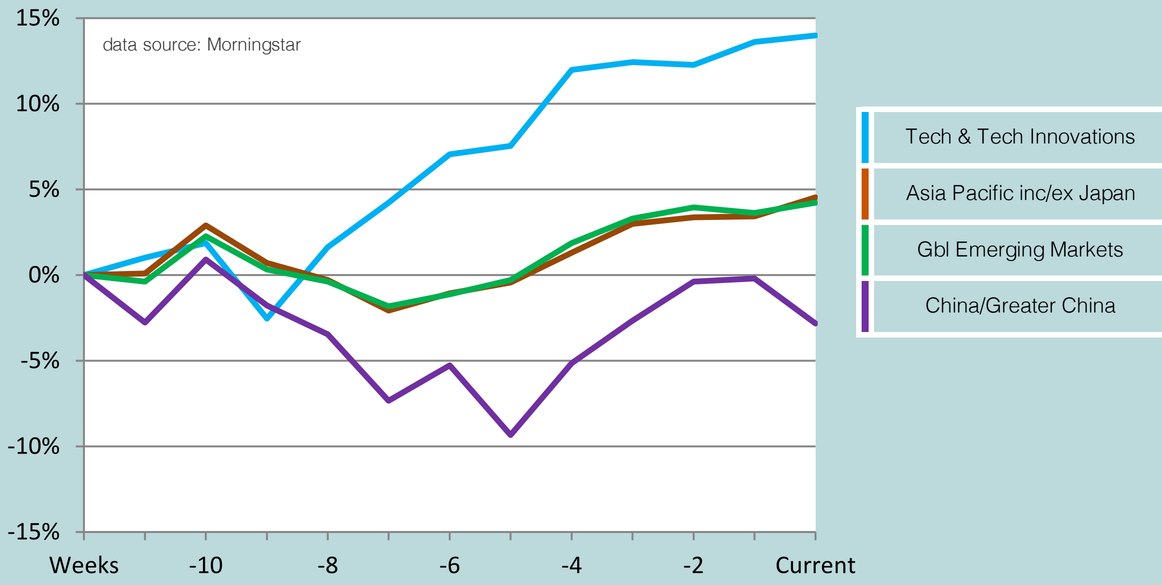
From first to last

The combined North America & North American Smaller Companies sector was at the bottom of the table in the November issue with a four-week loss of 0.6%. By the December newsletter it had moved up to third place, with a four-week return of 3.5%. A month later and it was up in second place, having gained 2.00% in the previous four weeks. It only missed out on the top spot by 0.05%. Last month it was in first place, up 5.4% in four weeks, but since then it's been overtaken. Even though it has gone up by 1.8% in the last four weeks, it's now at the bottom of the table.



N America inc Sm COs	4 Week Dec	4 Week Ret	12 Week Dec	12 Week Ret	26 Week Dec	26 Week Ret	-1	-2	-3	-4	-5	-6	-7	-8
New Capital US Growth	9	1.1%	2	11.9%	1	23.6%	10	1	1	10	3	1	6	1
FTF Franklin US Opportunities	8	1.9%	1	15.1%	1	21.2%	6	4	9	9	1	2	7	1
Janus H'son US Growth	8	1.9%	1	13.6%	1	19.3%	7	9	4	7	1	4	4	1
T. Rowe Price US Lg Cap Gth Eq	10	0.7%	1	13.1%	1	19.3%	9	9	2	10	2	1	4	1
SVS Sanlam Nth USA Equity	8	1.6%	1	12.7%	2	18.1%	10	1	1	10	2	1	7	1
UBS US Growth	10	0.9%	1	12.9%	2	18.1%	7	7	9	9	1	2	8	1

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	**3.3%**	4.6%	4.8%	1.1%	0.0%	0.4%	1.7%	1.7%	0.6%	1.0%	-1.8%
Gbl Emerging Markets	**2.4%**	4.3%	5.7%	0.6%	-0.3%	0.7%	1.4%	2.2%	0.8%	0.7%	-1.4%
China/Greater China	**2.1%**	-2.4%	-12.2%	-2.6%	0.2%	2.3%	2.5%	4.2%	-4.1%	2.1%	-3.9%
Tech & Tech Innovations	**1.7%**	13.6%	23.0%	0.4%	1.4%	-0.2%	0.5%	4.4%	0.5%	2.8%	2.6%
Average:	*2.4%*	*5.0%*	*5.3%*	*-0.1%*	*0.3%*	*0.8%*	*1.5%*	*3.1%*	*-0.5%*	*1.6%*	*-1.1%*

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 gain of 0.6% in the January newsletter. Last month it was up 3.2% and this month it's showing a 2.4% gain.

2022 was a year of losses. 2023 was much better, although the China/Greater China sector still went down by 20%. The year started well with most sectors making gains in the first quarter. The one exception was the China/Greater China sector, but it had only gone down by 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 three sectors went down. The third quarter was less dramatic. Only the Global Emerging Market sector went up, making 0.2%, but the losses in the other sectors were relatively small compared with quarter two.

In October all sectors went down, but most recovered in November and December.

In January's newsletter only two of the four sectors were up over the previous four weeks. Last month it was three sectors as China/Greater China continued to struggle.

In the last four weeks all sectors in this Group have gone up.

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.

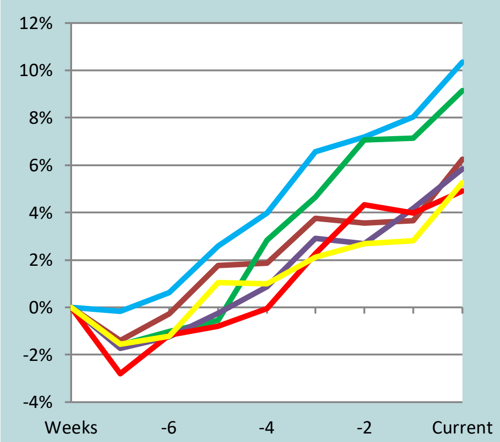
The 'Technology & Technology Innovations' sector is also in this Group. It may not fit exactly with our 'Emerging Markets' theme, but the funds have a similar level of volatility, and so we put it into the 'Full Steam Ahead' Group with the fewest other sectors.

Performance of the Full Steam Ahead Emerging Group

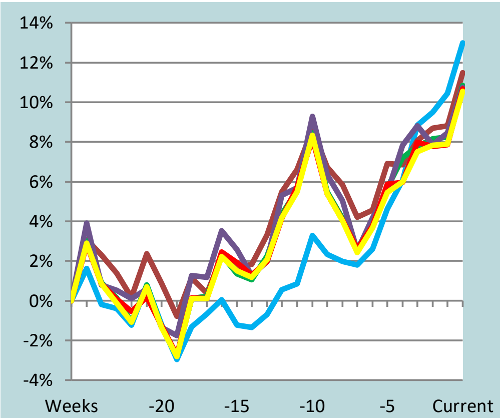
Back on top

The combined Asia Pacific including Japan and Asia Pacific excluding Japan sector was at the top of the table in the January newsletter with a four-week return of 2.2%. Last month it dropped to third place, but had still gone up by 1.6% in the previous four weeks. This month it is back in the top spot with a four-week gain of 3.3%.

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



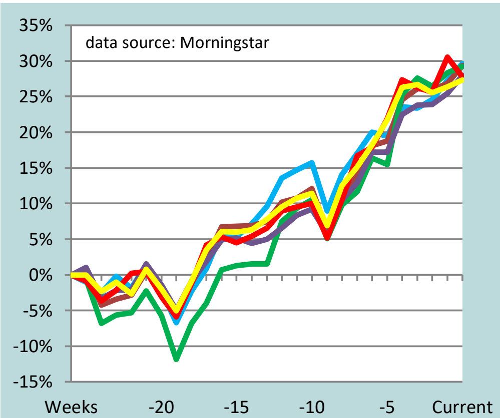
Asia Pacific inc/ex Japan	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	**Ret**	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Marlborough Far East Growth	**1**	**6.5%**	1	12.4%	1	13.0%	1	2	6	2	9	1	7	2
HSBC Pacific Index	**1**	**4.4%**	2	6.3%	2	10.7%	1	4	10	4	10	1	6	4
Baillie Gifford Pacific	**1**	**6.4%**	1	11.8%	4	6.2%	1	5	1	4	4	5	8	5
Janus H'son Asian Dividend Inc	**1**	**5.1%**	2	6.4%	2	10.5%	2	1	10	4	9	3	9	6
M&G Asian	**1**	**5.0%**	6	3.5%	5	5.3%	4	7	2	3	10	5	4	8
Jupiter Asian Income	**2**	**4.3%**	3	5.7%	2	11.5%	1	4	6	7	10	1	9	5



Asia Pacific inc/ex Japan	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	**Dec**	**Ret**	-1	-2	-3	-4	-5	-6	-7	-8
Marlborough Far East Growth	1	6.5%	1	12.4%	**1**	**13.0%**	1	2	6	2	9	1	7	2
Jupiter Asian Income	2	4.3%	3	5.7%	**2**	**11.5%**	1	4	6	7	10	1	9	5
iShares Pacific ex Jpn Eq Idx	3	3.4%	2	6.2%	**2**	**10.8%**	1	4	7	9	8	2	6	5
Royal London APAC ex Jpn Eq	5	2.7%	4	5.2%	**2**	**10.7%**	1	3	10	8	7	3	4	8
HSBC Pacific Index	1	4.4%	2	6.3%	**2**	**10.7%**	1	4	10	4	10	1	6	4
L&G Pacific Index	2	4.3%	3	6.1%	**2**	**10.5%**	1	5	7	6	10	2	5	5

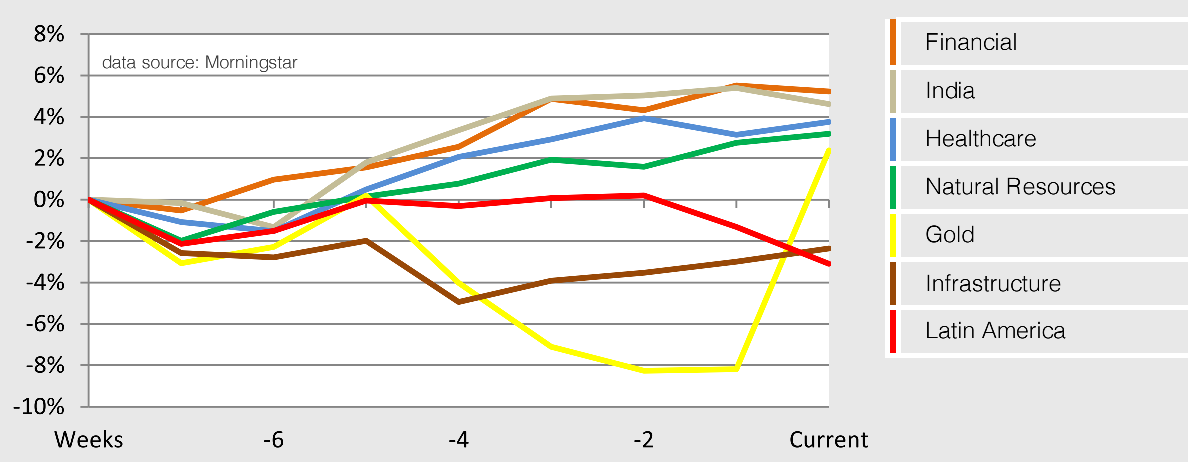
From top to bottom

The Technology & Technology Innovation sector was at the top of the table in the November newsletter with a four-week gain of 0.9%, and it was still there in December, having gained a further 4.7%. In January it dropped to third, having lost 0.1% in the previous four weeks. It then had a remarkable comeback, rising by 10.7% in four weeks which put it back at the top of the table in last month's newsletter. Since then, it has gone up by 1.7%, but the other sectors in the Group have all done better. It's now at the bottom of the table, based on its four-week return, but still a long way ahead over twelve and twenty-six weeks.



Tech & Tech Innovations	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	**Dec**	**Ret**	-1	-2	-3	-4	-5	-6	-7	-8
Pictet - Robotics	1	4.9%	1	14.1%	**1**	**29.6%**	2	1	4	10	4	7	2	1
T. Rowe Price Global Tech	2	3.9%	1	17.4%	**1**	**29.3%**	1	2	9	7	1	4	1	1
Liontrust Global Technology	4	3.1%	1	20.3%	**1**	**29.2%**	5	1	10	4	1	7	1	1
Janus H'son Gbl Technology	1	4.5%	1	20.1%	**1**	**28.0%**	2	1	9	7	2	6	1	1
Polar Capital Global Technology	10	0.3%	1	17.2%	**1**	**27.7%**	9	1	10	10	2	1	6	1
Pictet-Digital	9	0.9%	1	16.3%	**1**	**27.3%**	4	3	10	9	3	1	2	1

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
Gold	6.1%	-2.7%	3.5%	10.6%	0.1%	-1.2%	-3.1%	-4.2%	2.5%	0.8%	-3.1%
Financial	2.7%	6.6%	14.7%	-0.3%	1.2%	-0.6%	2.3%	1.0%	0.6%	1.5%	-0.5%
Infrastructure	2.6%	-3.3%	1.2%	0.6%	0.5%	0.4%	1.0%	-3.0%	0.8%	-0.2%	-2.6%
Natural Resources	2.4%	1.1%	-0.1%	0.4%	1.2%	-0.3%	1.2%	0.6%	0.7%	1.4%	-2.0%
Healthcare	1.7%	8.9%	7.4%	0.6%	-0.8%	1.0%	0.8%	1.6%	2.0%	-0.4%	-1.1%
India	1.2%	8.7%	15.5%	-0.8%	0.4%	0.1%	1.5%	1.6%	3.1%	-1.2%	-0.2%
Latin America	-2.8%	-2.9%	5.8%	-1.8%	-1.5%	0.1%	0.4%	-0.3%	1.5%	0.6%	-2.1%
Average:	*1.7%*	*2.1%*	*6.0%*	*1.2%*	*0.1%*	*0.0%*	*0.5%*	*-0.3%*	*1.4%*	*0.3%*	*-1.4%*

Overall Performance

Last month the SubZone four-week average was a 0.1% loss. This month it's gone up by 1.7% and only one SubZone isn't reporting a four-week gain.

Over the last six months, the best performing SubZone has been India, it's gone up by 15.5%.

In the September newsletter it was at the top of the table with a four-week return of 6.1%, and it was still there in October, although its four-week return had fallen to 0.8%.

In November it dropped to fourth place with a four-week gain of 0.4%. A month later and it had dropped to fifth place, but had still gone up by 3.3% in the previous four weeks. In January it moved up to second place and in last month's newsletter it was back at the top of the table.

This month it has dropped down to sixth place with a four week return of 1.2%.

We now have a new SubZone at the top of the table. In the last newsletter the Gold SubZone was down in sixth place having lost 4.1% in the previous four weeks. It was down 3.9% over twelve weeks and 3.0% over twenty-six weeks. However, a one-week gain of 10.6% has propelled it to the top of the table. It's still showing a loss over twelve weeks.

The 'gold' funds

There are four funds in our Gold SubZone and they tend to all move together. Three are currently at the top of our Specialist sector page, and then one is a bit further down.

The leading fund is BlackRock Gold & General with a four-week return of 7.5%.

It's a relatively large fund, with a portfolio value of around £750 million. It "invests at least 70% of its total assets in global equity securities (e.g. shares) of companies which derive a significant proportion of their income from gold mining or commodities such as precious metals".

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.

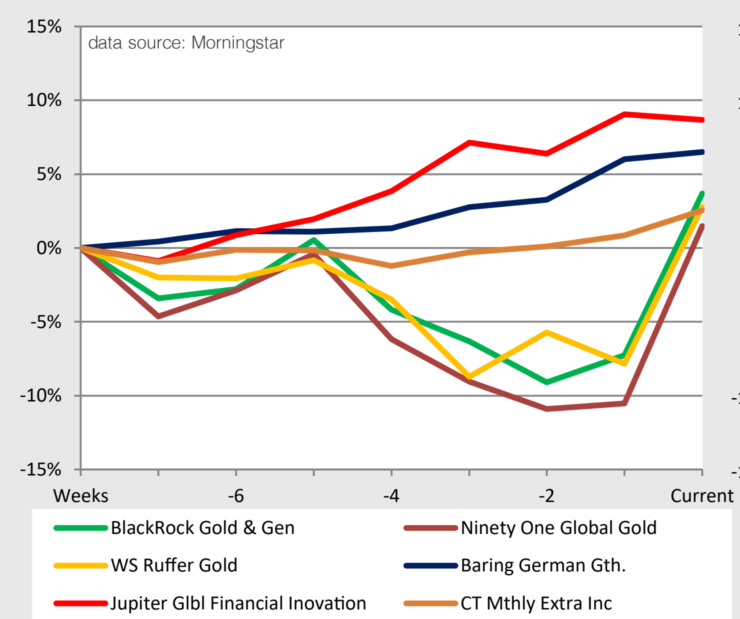
In total we analyse around 65 funds in this sector, most of which do not fall within one of the SubZones.

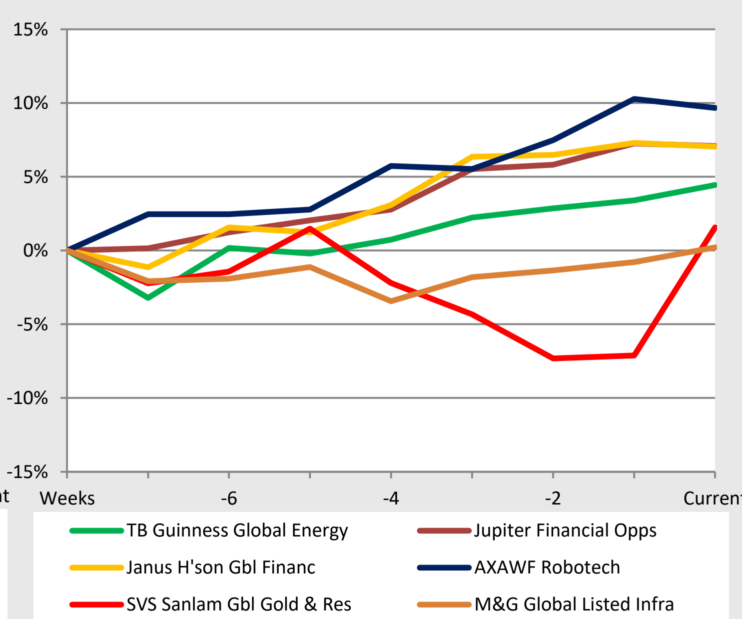
Specialist Sector - 4 Week Data

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
BlackRock Gold & General	Gold	1	**7.5%**	10	-4.9%	8	1.7%	1	2	10	10	10	1	6	10
Ninety One Global Gold	Gold	1	**7.2%**	10	-5.9%	8	1.3%	1	7	10	10	10	2	2	10
WS Ruffer Gold	Gold	1	**6.2%**	4	4.8%	3	10.9%	1	10	1	10	9	5	8	7
Baring German Growth.		1	**5.2%**	3	6.5%	2	13.2%	5	1	3	4	5	9	5	1
Jupiter Global Financial Inovation	Financial	1	**4.9%**	1	10.8%	1	23.4%	7	2	9	1	3	5	2	4
CT Monthly Extra Inc		2	**3.8%**	5	2.8%	5	6.9%	2	4	4	5	8	9	4	4
TB Guinness Global Energy	Nat Res	2	**3.8%**	5	3.4%	9	-3.4%	3	6	2	3	5	10	1	9
Jupiter Financial Opps	Financial	2	**4.3%**	2	9.3%	2	14.4%	6	3	5	1	5	6	4	2
Janus H'son Gbl Financials	Financial	2	**4.0%**	2	8.1%	2	16.4%	7	4	6	1	3	9	1	5
AXAWF Robotech		2	**4.0%**	1	11.0%	1	17.8%	8	1	1	9	2	8	7	1
SVS Sanlam Global Gold & Res	Gold	3	**3.4%**	10	-4.6%	8	0.1%	1	7	10	10	10	2	5	8
M&G Global Listed Infrastructure	Infrastructure	3	**3.7%**	7	-1.5%	7	3.3%	3	5	3	2	9	7	7	7
Pictet-Clean Energy	Nat Res	3	**3.7%**	3	5.9%	3	12.6%	4	2	8	6	1	6	6	2
Stewart Inv APAC Ldrs Sstby		3	**3.3%**	4	4.9%	6	5.8%	5	5	5	2	5	6	9	5
Pictet-Water	Nat Res	3	**3.6%**	3	7.6%	2	15.9%	6	5	2	1	2	5	5	3
FTF ClearBridge Global Infras	Infrastructure	4	**2.9%**	9	-2.4%	7	3.4%	4	3	7	4	10	3	9	8
Guinness Sustainable Energy	Nat Res	4	**2.8%**	7	-0.9%	9	-2.3%	5	1	10	4	2	4	3	9
WS Macquarie Global Infras,	Infrastructure	4	**2.6%**	8	-1.9%	7	3.2%	5	8	2	3	9	4	8	8
Schroder Asian Discovery		4	**2.6%**	4	5.5%	5	6.4%	7	4	3	3	1	4	10	6
BGF World Energy D4 GBP	Nat Res	4	**2.6%**	5	3.4%	10	-3.9%	8	2	8	2	4	10	1	9
AXA Fram Health:	Healthcare	5	**2.3%**	2	9.2%	4	7.7%	2	9	1	7	4	2	9	5
Baring Korea:		5	**2.4%**	4	4.5%	6	5.4%	2	9	4	6	2	1	6	8
BGF Sustainable Energy		5	**2.4%**	7	-0.9%	8	2.2%	3	3	8	7	4	8	6	7
Invesco Global Financial Capital	Financial	5	**2.0%**	5	2.8%	3	10.4%	3	7	3	8	7	8	5	2
Jupiter India	India	5	**2.4%**	1	16.2%	1	29.9%	4	9	8	1	2	1	10	1
VT Gravis Clean Energy Income	Infrastructure	6	**1.9%**	10	-8.7%	10	-7.5%	2	3	7	9	10	10	9	9
BlackRock Dynamic Diversified		6	**1.9%**	5	3.4%	4	8.1%	2	7	4	8	6	7	4	3
Royal London UK Income + Grth		6	**1.8%**	6	0.6%	5	6.1%	4	5	7	7	8	8	3	6
First Sentier Glb Lstd Infra	Infrastructure	6	**1.9%**	8	-1.8%	6	3.8%	6	8	2	4	8	4	6	9

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





Global Bond Analysis

In 2021, the Investment Association introduced a whole range of new sectors to provide more specifc information about Global Bonds. Every few months we have a closer look at how they are doing.

On Page 8 we look at the monthly performance of most of the Investment Association sectors. This includes UK Gilts and Index Linked Gilts, as well as £ Corporate Bonds, £ High Yield Bonds and £ Strategic Bonds. All the other bond sectors are represented by our Global and GEM Bond sector.

Here we drill down into the performance of all the other individual bond sectors over the last couple of months.

Nearly all of these bond sectors went up in 2023, the only exception was USD Government Bond, down 1.9%.

After the first two months of this year most of these sectors have gone down. The worst, Euro Government Bond, has lost 3.0%. The best, GEM Bond - Blended, has made 1.1%.

Investment Association Sector	Returns (%)				1st Jan to 29th Feb
	2022	2023	Jan	Feb	
Euro Corporate Bond	-7.3	5.1	-1.3	-0.5	-1.8
Euro Government Bond	-12.2	4.6	-2.1	-0.9	-3.0
Euro High Yield Bond	-5.7	9.4	-0.8	0.6	-0.2
Euro Mixed Bond	-12.0	5.3	-1.7	-0.9	-2.5
USD Corporate Bond	-1.7	1.9	0.1	-0.6	-0.5
USD Government Bond	-0.4	-1.9	0.0	-0.5	-0.4
USD High Yield Bond	-1.2	6.1	0.2	0.7	0.9
USD Mixed Bond	-1.5	1.0	0.3	-0.4	-0.1
Global Corporate Bonds	-11.9	6.7	0.0	-0.8	-0.9
Global Government Bond	-7.8	1.3	-1.6	-0.8	-2.3
Global High Yield Bond	-7.3	9.2	0.1	0.4	0.5
Global Inflation Linked Bond	-10.3	2.7	-1.1	-0.6	-1.7
Global Mixed Linked Bond	-8.8	4.9	-0.3	-0.4	-0.7
G.E.M Bond - Blended	-12.4	4.3	-3.7	5.0	1.1
G.E.M Bond - Hard Currency	-8.0	8.5	-0.8	0.7	-0.1
G.E.M Bond - Local Currency	-10.1	6.1	-0.5	0.9	0.4

Data source: Morningstar

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WHAT'S HOT AND WHAT'S NOT

GOING UP

WTI crude oil at 4-month high

Gold over $2,200/oz

Bitcoin sets new all-time high above $73,000

European, Japanese, and US markets set new record highs

John Lewis back making annual profit

GOING DOWN

Tesla shares down over 30% this year

UK wage growth falls in 3 months to January

Sham elections in Russia

Sir Lenny Henry's final Comic Relief

Bees stop play at the Indian Wells Tennis Masters