saltydog INVESTOR

Successful trend investing

May 2023

Have the central banks beaten inflation?

The latest figures suggest that inflation is starting to fall in the UK, US, Europe, Japan and China. Maybe it'll soon be time for the banks to stop raising interest rates.

Just over a year ago, the National Institute of Economic and Social Research (NIESR) predicted that Retail Price Inflation (RPI) in the UK could hit 14.5% this year. At the time RPI had already risen from 1.2% in December 2020 to 9.0% in March 2022. It then continued to rise pretty steadily until October when it hit 14.2%. Since then, it's been going down, but it is still around 13.5%.

The Consumer Price Index (CPI), which doesn't take into account housing prices, is typically lower. In December 2020 it was 0.6%, it peaked last October at 11.1% and it has now dropped to 10.1%.

When the Bank of England talks about its 2% target it's referring to the CPI. So, it's heading in the right direction, but still has a long way to go. The NIESR have revised their forecast and currently believe that inflation will be 5.4% in the final quarter of 2023. The Office of Budget Responsibility are more optimistic and anticipate it dropping to 2.9%.

To combat inflation the Bank of England has been increasing interest rates. For most of 2020/2021 they were at an all-time low of 0.1%, but then started to go up. It has just raised them from 4.25% to 4.5%, that's the 12th consecutive rise. They are now at their highest level for nearly 15 years.

The UK is not alone when it comes to record levels of inflation, but we do seem to have been hit harder than many other economies. The EU's average inflation rate was 8.3% in March, but it does vary quite a lot from country to country. In Hungary it's currently running at a rate of 25.6% while in Luxembourg it's down at 2.9%. In Germany it is 7.8% and in France it is 6.7%.

In the US, inflation peaked last June at 9.1% and has dropped every month since then. They

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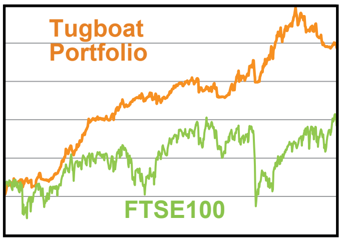
"UK GDP grows by 0.1% in first three months of 2023"

Our Tugboat portfolio has gone up by 0.3% over the last four weeks.



Have the central banks beaten inflation?

> Continued from p1

have just released the annual figure for April which was 4.9%, slightly lower than the 5.0% forecast.

The Federal Reserve has taken an even harder line on interest rates which are now in the 5.00% to 5.25% band.

Increasing interest rates may bring down inflation as it becomes more expensive to borrow and spend money, but it can also have negative effects on the economy. Higher interest rates increase the cost of borrowing for individuals and businesses, leading to a decrease in consumer spending and business investment. This can slow down economic growth and job creation. It can also lead to increased debt servicing costs, making it harder for individuals and businesses to pay off their debts.

The central banks have got a difficult job to do balancing the need to keep reducing inflation without pushing their economies into recession.

The latest GDP figures would suggest that at the moment they've got it about right. In the UK the Office for National Statistics has just released its first quarterly estimate which shows that the economy increased by 0.1% during the first three months of the year, following on from 0.1% growth in the final quarter of last year. GDP is still lower than it was before the covid pandemic, but at least we've avoided the recession that many people predicted.

In the US the situation is even better. GDP increased at an annual rate of 1.1% in the first quarter of this year.

If inflation continues to fall, without the need to increase interest rates too much further, and we avoid a recession, then we should be able to look forward to improving economic conditions.

Stock Market Update

Last month nearly all of the major stock markets that we track made gains. The main exception was the Hang Seng, which went down by 2.5%.

The UK indices bounced back after a difficult March, with the FTSE 100 making 3.1% and the FTSE 250 going up by 2.6%. The French and German markets weren't far behind, the CAC 40 gained 2.3% and the DAX rose by 1.9%. The Japanese Nikkei 225 went up by 2.9% adding to the 2.2% it made in March.

The Nikkei 225, DAX and CAC 40 are the only indices in the table that have gone up in each of the last four months.

The Shanghai Composite made a more modest gain, but still went up by 1.5%. However, it was beaten by some of the other emerging markets, the Ibovespa made 2.5% and the Sensex rose by 3.6%.

The Dow Jones Industrial Average went up by 2.5%, the S&P 500 made 1.5%, but the Nasdaq, which had done particularly well in March, only just managed to avoid a loss.

Index	Country	January 2023	February 2023	March 2023	April 2023	1st May to 12th May	Year-to-date
FTSE 100	UK	4.3%	1.3%	-3.1%	3.1%	-1.5%	4.1%
FTSE 250	UK	5.3%	0.3%	-4.9%	2.6%	-1.2%	1.8%
Dow Jones Ind Ave	US	2.8%	-4.2%	1.9%	2.5%	-2.3%	0.5%
S&P 500	US	6.2%	-2.6%	3.5%	1.5%	-1.1%	7.4%
NASDAQ	US	10.7%	-1.1%	6.7%	0.0%	0.5%	17.4%
DAX	Germany	8.7%	1.6%	1.7%	1.9%	-0.1%	14.3%
CAC40	France	9.4%	2.6%	0.7%	2.3%	-1.0%	14.5%
Nikkei 225	Japan	4.7%	0.4%	2.2%	2.9%	1.8%	12.6%
Hang Seng	Hong Kong	10.4%	-9.4%	3.1%	-2.5%	-1.3%	-0.8%
Shanghai Composite	China	5.4%	0.7%	-0.2%	1.5%	-1.5%	5.9%
Sensex	India	-2.1%	-1.0%	0.0%	3.6%	1.5%	2.0%
Ibovespa	Brazil	3.4%	-7.5%	-2.9%	2.5%	3.9%	-1.2%

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 was a difficult year for investors.

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%.

There were signs of a rally in October and November. December wasn't so good, but most sectors were up over the quarter.

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

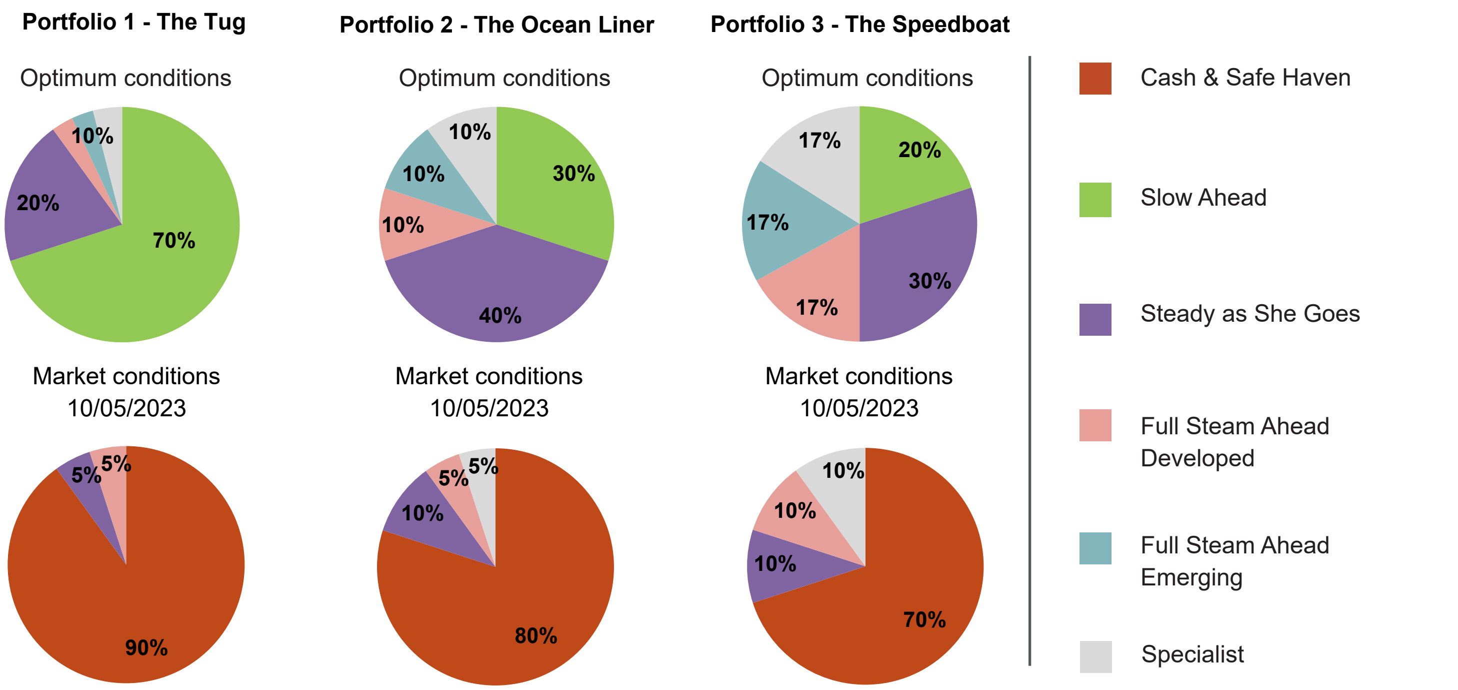
We started reducing our exposure to the equity markets a couple of months ago. In the February newsletter our hypothetical 'Tug' portfolio had 60% in cash and the Safe Haven funds. That increased to 75% in the March edition and last month it moved up to 90%. Over the same period the amount allocated to 'Safe Haven' in the Ocean Liner moved from 40% to 80%, and in the Speedboat it went from 20% to 70%.

There's currently nothing in the latest performance numbers to suggest that we should be being any more adventurous.

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 not changing the amount allocated to cash and Safe Haven funds in any of the portfolios. We will wait until we see signs of the sectors performing better before we start to reinvest.



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.

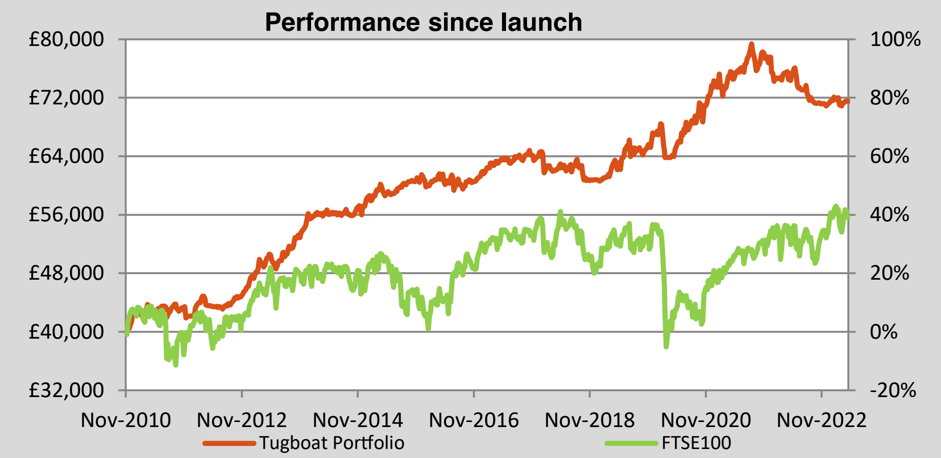
The aim is to run it in such a way that it avoids any major market falls, but also makes gains when they rise.

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 £71,500.

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

Returns

Portfolio Launch Date	23/11/2010	Return in the last 4 weeks	0.3%
Initial Investment	£40,042	Return in the last 3 months	-0.8%
Current Value	£71,523	Return in the last 6 months	0.3%
Return since launch	78.6%	Average Annual Return since launch	4.8%

Current Holdings

Initial Trade Date	Fund Name	Group	Current Price (p)	Current Value (£)	Original Cost (£)	Gain (£)	Gain (%)	Portfolio %
13/10/2022	Royal London Short Term MMF	Safe	105	£12,739	£12,456	£283	2.3%	17.8%
23/03/2023	L&G Cash Trust fund	Safe	101	£10,053	£10,000	£53	0.5%	14.1%
09/02/2023	Schroder UK Alpha Plus	Steady	103	£2,522	£2,500	£22	0.9%	3.5%
05/01/2023	M&G European Sust Paris Aligned	Developed	2,831	£2,649	£2,500	£149	6.0%	3.7%
Cash				£43,559				60.9%
Total Portfolio Value				£71,523				

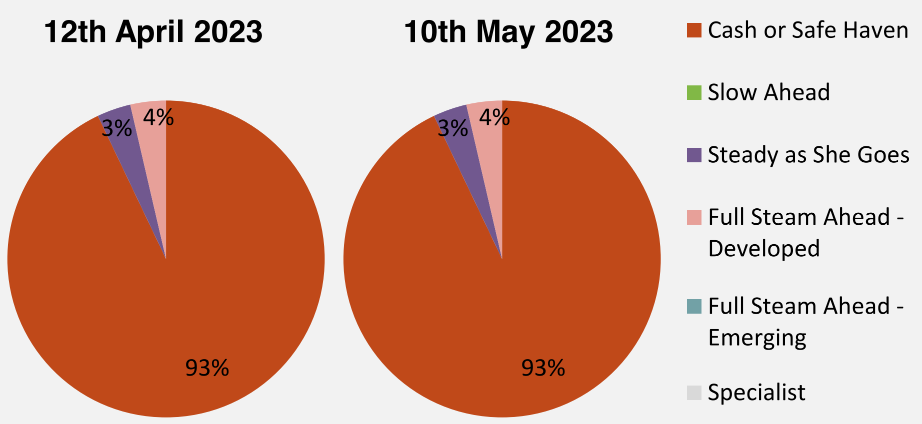
Pending Transactions (these are orders that have been placed, but not yet reflected in the figures above)

Tugboat Portfolio

Other transactions this month

Fund	Group	Value (£)	Transaction	Date
We have not made any changes since the last newsletter				

Group Allocation



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 an improvement during October and November and, although December was disappointing, most sectors made gains in the final quarter of last year.

We started to reinvest towards the end of last year, but the recovery soon petered out.

In the last couple of newsletters I've said that we have been reducing our exposure to the equity markets. This month we're not making any changes.

Why we've done what we've done

Although we review our portfolios every week, we do not always make changes. In an ideal world we wouldn't need to because we would already be fully invested in the best performing funds from the best performing sectors, and they would all be making steady progress.

Unfortunately, that's not the case at the moment. Over the last four weeks the number of funds making positive returns has been dropping .... it's gone from over 80% to less than 20%. Only 2.1% of the funds that we monitor have made gains in each of the last four weeks.

It's not a great time to be invested which is why we're predominantly in cash or the money market funds. Sometimes it pays to be patient and wait for the overall market conditions to improve. The Royal London London Short Term Money Market fund and the L&G Cah Trust fund have both gone up since this time last month, and if they keep going at their current rate they would produce an annual return of around 4.5%.

The Money Market sectors have done better than all of the sectors in the 'Slow Ahead' Group over four and twelve weeks. That is why our largest holdings are in two of the Money Market funds, and we don't hold any funds from the 'Slow Ahead' Group.

Last month the best performing sector was UK All Companies from the 'Steady as She Goes' Group. We currently hold one fund from that sector, Schroder UK Alpha Plus.

The European sectors were the best performing sectors in the 'Full Steam Ahead Developed' Group, and we are still holding the M&G European Sust Paris Aligned fund that we bought at the beginning of January. It's currently showing a gain of 6.0%.

Ocean Liner Portfolio

Objective

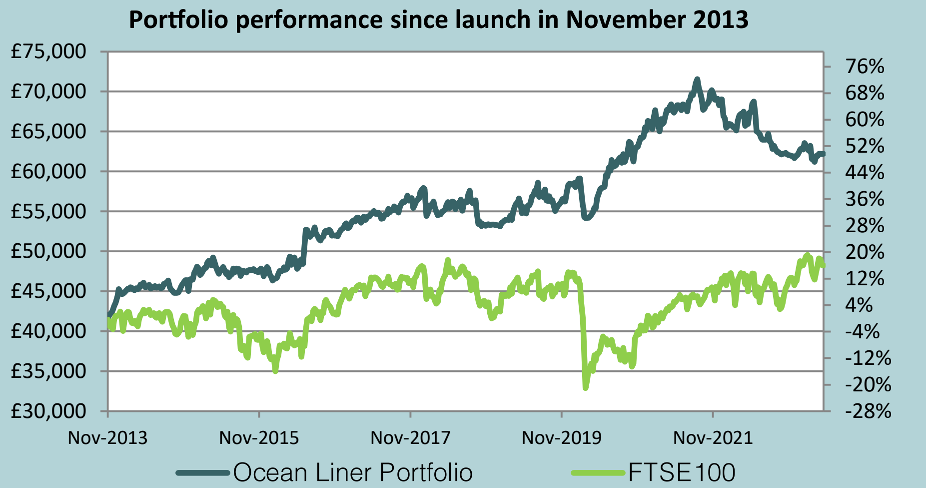
In November 2013 we launched our 'Ocean Liner' Portfolio.

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 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 4.4%.

Returns

Portfolio Launch Date	23/11/2013	Return in the last 4 weeks	0.6%
Initial Investment	£41,452	Return in the last 3 months	-0.6%
Current Value	£62,190	Return in the last 6 months	-0.5%
Return since launch	50.0%	Average Annual Return since launch	4.4%

Current Holdings

Initial Trade Date	Fund Name	Group	Current Price (p)	Current Value (£)	Original Cost (£)	Gain (£)	Gain (%)	Portfolio %
13/10/2022	Royal London Short Term MMF	Safe	105	£12,750	£12,467	£283	2.3%	20.5%
30/03/2023	L&G Cash Trust fund	Safe	101	£12,557	£12,500	£57	0.5%	20.2%
02/03/2023	Ninety One UK Special Situations	Steady	241	£2,881	£2,949	-£68	-2.3%	4.6%
17/11/2022	Man GLG Continental European	Developed	800	£2,830	£2,495	£334	13.4%	4.5%
05/01/2023	M&G European Sust Paris Aligned	Developed	2831	£2,649	£2,500	£149	6.0%	4.3%
13/04/2023	BlackRock Gold & General	Specialist	1494	£1,984	£2,000	-£16	-0.8%	3.2%
Cash				£26,539				42.7%
Total Portfolio Value				£62,190				

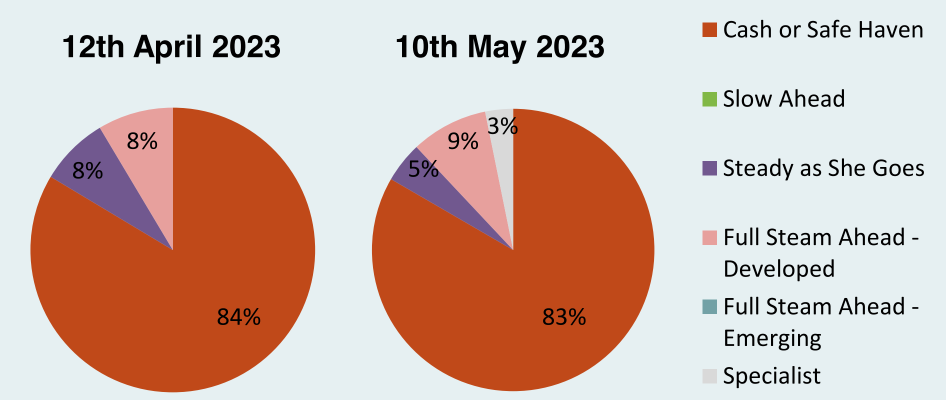
Pending Transactions (these are orders that have been placed, but not yet reflected in the figures above)

Ocean Liner Portfolio

Other transactions this month

Fund	Group	Value (£)	Transaction	Date
Ninety One UK Special Situations	Steady	£2,000	Reduce current holding	13/04/2023
BlackRock Gold & General	Specialist	£2,000	Buy	13/04/2023

Group Allocation



Nearly all of the Investment Association sectors went down in 2022, but most started to recover in the final quarter. The rally began in mid-October, and in November we started investing.

This year started well so we added to some of our existing holdings and bought a few more. Unfortunately, the recovery from the beginning of the year has faltered.

A couple of months ago we started increasing our cash position. This month we haven't made many changes.

Why we've done what we've done

Our portfolios are reviewed on a weekly basis, but in the last few weeks we haven't needed to make any changes. I wish I could say that it's because we are already fully invested in the top-performing funds from the best sectors and that they are making steady progress.

Unfortunately, that's not the case. Only three of the Investment Association sectors have gone up in each of the last three weeks - Short Term Money Market, Standard Money Market and UK Direct Property. There are also only three sectors that have made gains in each of the last three months - Short Term Money Market, Standard Money Market and Europe including UK. As a result, we are predominantly invested in cash or money market funds, waiting for better market conditions.

The Royal London Short Term Money Market fund and the L&G Cash Trust fund have both gone up since last month, with an annual return of approximately 4.5% if they continue at their current rate. Money Market sectors have outperformed all of the sectors in the 'Slow Ahead' Group over four and twelve weeks, which is why our largest holdings are in two of the Money Market funds, and we do not hold any funds from the 'Slow Ahead' Group.

Last month, UK All Companies from the 'Steady as She Goes' Group was the best performing sector, and we currently hold one fund from that sector, Ninety One UK Special Situations.

The European sectors have been the best performing sectors in the 'Full Steam Ahead Developed' Group so far this year. We continue to hold the Man GLG Continental European Growth fund, which has made13.4% since we bought it in November, and the M&G European Sust Paris Aligned fund, which we purchased in January and is currently up 6.0%.

Gold has been the best performing SubZone in the Specialist sector, over four, twelve and twenty-six weeks, and we have recently invested in the BlackRock Gold & General fund.

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 and some of them were pretty hefty. European Smaller Companies went down by 22%, UK Smaller Companies fell by 26%, Technology lost 27%, and the worst, UK Index-Linked Gilts, ended the year down 35%.

Although December was disappointing, the final quarter of last year was better than the previous three, and 2023 started well. Most sectors went up in January.

However, in February a significant number of sectors went down, and that trend continued through March. April was more mixed, but not much better.

Most sectors are still showing year-to-date gains, but the bulk of those gains were made in January.

Investment Association Sector	Annual Returns (%)			2023				1st Jan to 30th April
	2020	2021	2022	Jan	Feb	Mar	April	
Safe Haven								
Standard Money Market	0.5	-0.1	1.2	0.3	0.3	0.3	0.4	1.3
Short Term Money Market	0.1	-0.1	1.0	0.3	0.2	0.3	0.2	1.0
Slow Ahead								
£ High Yield	3.5	4.2	-9.8	3.1	-0.5	-0.5	0.7	2.8
Mixed Investment 40-85% Shares	5.5	11.2	-10.2	3.4	-0.3	-0.8	0.6	2.9
Mixed Investment 20-60% Shares	3.5	6.3	-9.7	3.0	-0.8	-0.6	0.6	2.2
£ Strategic Bond	6.1	0.9	-11.7	3.0	-1.6	0.3	0.5	2.2
Mixed Investment 0-35% Shares	4.0	2.6	-10.2	2.6	-1.2	0.3	0.3	2.0
£ Corporate Bond	7.9	-2.0	-16.3	3.7	-2.1	0.8	0.3	2.5
Steady as She Goes								
UK All Companies	-6.2	17.1	-9.2	4.5	1.6	-3.4	2.6	5.3
UK Equity Income	-10.9	18.3	-2.2	4.2	1.9	-4.1	2.3	4.2
UK Smaller Companies	7.0	20.6	-25.6	3.2	-0.2	-5.7	1.9	-1.1
UK Direct Property	-3.8	7.4	-7.8	0.1	-0.2	-0.4	0.7	0.3
Flexible Investment	7.0	11.4	-9.1	3.5	-0.7	-0.9	0.5	2.3
Global & GEM Bonds*	5.8	-2.3	-6.6	1.7	-1.4	0.8	-0.2	0.8
UK Gilts	9.0	-5.3	-24.3	2.7	-3.6	3.0	-1.6	0.3
UK Index Linked Gilts	11.9	3.9	-35.3	3.9	-5.8	7.5	-4.6	0.3
Full Steam Ahead - Developed								
Europe Including UK	7.0	17.5	-8.2	6.0	1.2	0.2	2.1	9.8
Europe Excluding UK	10.5	15.6	-8.9	6.0	2.1	-0.1	1.4	9.6
Global Equity Income	3.4	18.9	-1.1	2.5	0.5	-0.7	1.1	3.5
European Smaller Companies	18.0	19.4	-21.9	5.3	2.4	-2.3	0.9	6.3
Global	14.8	17.6	-11.3	4.5	-0.2	-0.1	-0.2	3.9
North America	16.5	25.2	-10.1	3.7	-0.3	-0.2	-0.2	3.0
Japan	13.9	1.6	-8.4	3.7	-2.1	1.7	-0.6	2.6
Japanese Smaller Companies	13.2	0.3	-7.0	1.9	-3.1	0.6	-2.2	-2.9
North American Smaller Companies	23.5	14.5	-13.9	6.6	0.9	-5.9	-2.4	-1.3
Full Steam Ahead - Emerging								
Asia Pacific Including Japan	26.8	0.2	-12.7	5.3	-4.1	0.5	-2.5	-0.9
Global Emerging Markets	13.6	-0.3	-12.3	5.8	-4.1	0.4	-2.6	-0.9
Tech & Tech Innovations	44.8	16.3	-27.2	9.3	1.0	4.9	-2.8	12.5
Asia Pacific Excluding Japan	19.9	1.5	-6.8	6.2	-4.7	0.1	-2.9	-1.6
China/Greater China	32.8	-10.5	-15.9	8.4	-7.4	-0.4	-6.2	-6.2
Specialist / Thematic								
India/Indian Subcontinent	9.7	29.0	-1.5	-3.3	-1.0	-1.7	2.4	-3.6
Healthcare	15.7	13.9	-3.1	-0.7	-2.0	-0.8	1.7	-1.8
Infrastructure	-1.5	13.0	1.2	0.9	-1.7	-0.9	1.5	-0.3
Financials and Financial Innovation	11.2	14.4	-18.4	6.4	0.4	-7.2	1.3	0.3
Latin America	-15.6	-11.5	17.0	6.3	-3.4	-1.5	-0.3	0.8

data source: Morningstar

saltyblog

A PERSONAL VIEW

The US debt ceiling

Every few years the issue of the US debt ceiling triggers panic in America. Will the government run out of money? Will government officials get paid? Will social security payments continue? Will the government default on its interest payments?

The chances are that everything will be fine, but it does provide the opportunity for some political brinkmanship.

The US debt ceiling is a legal limit on the amount of money the federal government can borrow to fund its operations and pay its bills. The limit is set by Congress and has to be periodically raised to accommodate the growing debt.

It's currently set at $31.4 trillion and that's not enough. The government could find itself unable to pay its bills as early as the beginning of next month.

The problem is that the Republicans and Democrats have to reach an agreement. The President wants the ceiling raised without any conditions, but the Republicans will not approve any deal that does not include significant spending cuts. We're now just waiting to see who blinks first.

The debt ceiling may serve as a necessary check on government spending, but at the same time it creates unnecessary uncertainty and risk for the economy. I'm sure there must be a better way of doing it.

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:

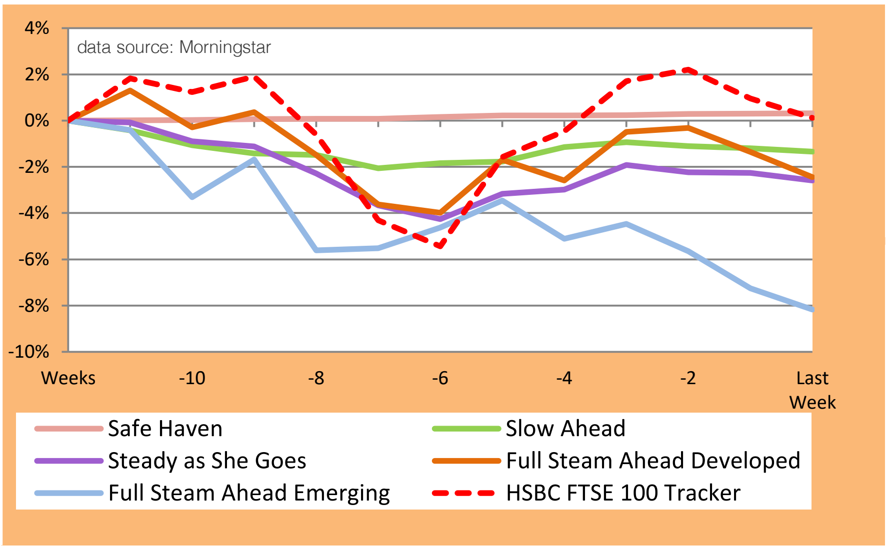
	Safe Haven:	Very low risk, but also very low returns.
	Slow Ahead:	Normally a low risk level and often with adequate returns.
	Steady as She Goes:	Generally low to medium risk, with potentially higher returns.
	Full Steam Ahead Developed:	Higher risk, but potentially higher returns.
	Full Steam Ahead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

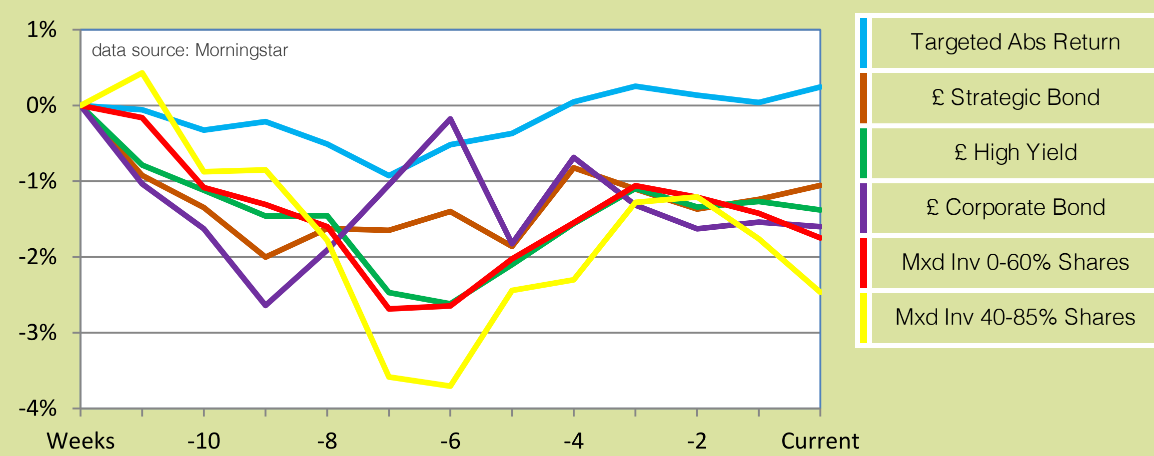


Group Performance for Last Week

Safe Haven	0.01%
Slow Ahead	-0.1%
Steady as She Goes	-0.3%
Full Steam Ahead Developed	-1.1%
Full Steam Ahead Emerging	-0.9%
HSBC FTSE 100 Tracker	-0.8%

A poor week with all main Groups making losses and the HSBC FTSE 100 Tracker dropping 0.8%. The Developed Group had the bigest loss of 1.1%.

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
Targeted Abs Return	**0.2%**	0.3%	1.8%	0.2%	-0.1%	-0.1%	0.2%	0.4%	0.2%	0.4%	-0.4%
£ High Yield	**0.2%**	-1.4%	6.3%	-0.1%	0.1%	-0.2%	0.5%	0.5%	0.5%	-0.1%	-1.0%
£ Strategic Bond	**-0.2%**	-1.0%	5.6%	0.2%	0.1%	-0.3%	-0.3%	1.0%	-0.5%	0.3%	0.0%
Mxd Inv 40-85% Shares	**-0.2%**	-2.4%	4.2%	-0.7%	-0.6%	0.1%	1.0%	0.1%	1.3%	-0.1%	-1.8%
Mxd Inv 0-60% Shares	**-0.2%**	-1.7%	4.2%	-0.3%	-0.2%	-0.2%	0.5%	0.5%	0.6%	0.0%	-1.1%
£ Corporate Bond	**-0.9%**	-1.6%	4.9%	-0.1%	0.1%	-0.3%	-0.6%	1.1%	-1.6%	0.9%	0.9%
Average:	*-0.2%*	*-1.3%*	*4.5%*	*-0.1%*	*-0.1%*	*-0.2%*	*0.2%*	*0.6%*	*0.1%*	*0.2%*	*-0.6%*

Targeted Absolute Return

This is one of the Investment Association sectors designated for ‘funds principally targeting an outcome’.

Funds are managed with the aim of delivering positive returns in any market conditions, but returns are not guaranteed. Funds in this sector may aim to achieve a return that is more demanding than a “greater than zero after fees objective.”

Funds must state the timeframe over which they aim to meet their objective, and it must not be longer than three years.

Overall Group Performance

The average four-week return for this Group was a loss of 1.5% in the March issue. Last month it was up 0.3%, but this month it’s down 0.2%.

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

In October and November all of the sectors went up, but they went down in December.

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 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 last month’s newsletter the leading sector was £ Corporate Bond, up 1.2% over four weeks. The £ Strategic Bond and Targeted Absolute Return sectors were also up over four weeks. The Mixed Investment 0-60% Shares sector was level and the other two sectors made losses.

This month only two sectors are showing four-week gains.

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.

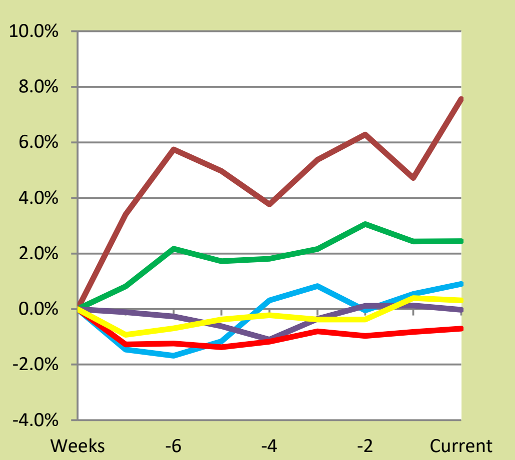
The 'Targeted Absolute Returns' funds are also in this Group and they aim to deliver positive returns in any market conditions. Typically funds in this sector would normally expect to generate absolute returns on a 12 month basis.

Performance by Saltydog Group - Slow Ahead

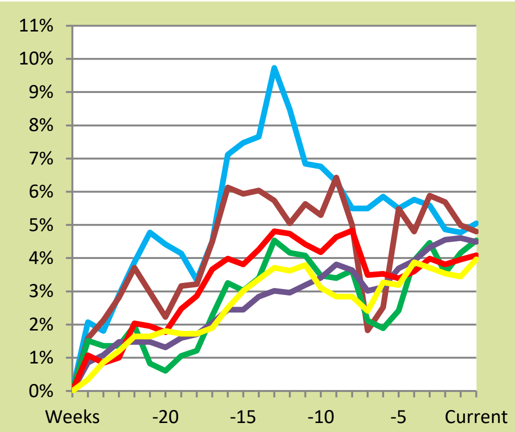
Back on top.

The Targeted Absolute Return sector was at the top of the table in the March newsletter. It had gone down by 0.5% in the previous four weeks. Not great but better than all of the other sectors in this Group. Last month, it was down in third place with a four-week gain in 0.5%. Since then it's gone up by 0.2%, enough to put it back in pole position.

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



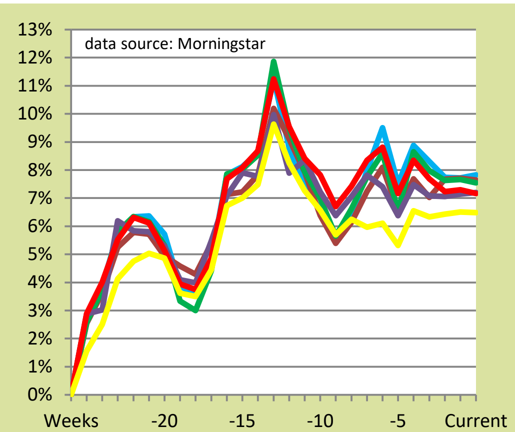
Targeted Abs Return	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	**Ret**	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Janus H'son MM Abs Return	**1**	**0.6%**	1	0.4%	6	4.5%	1	1	10	4	1	5	8	8
VT Argonaut Absolute Return	**1**	**3.8%**	1	12.0%	10	-2.0%	1	10	1	1	10	8	1	1
BlackRock Europ Abs Alpha	**1**	**0.6%**	1	3.0%	10	0.9%	3	9	1	5	9	7	1	2
Aegon UK Equity Abs Return	**1**	**1.1%**	3	-0.6%	10	-0.2%	6	5	1	3	10	7	8	4
7IM Real Return	**2**	**0.5%**	3	-0.6%	7	4.1%	2	3	5	5	8	7	7	7
TM Tellworth UK Select	**2**	**0.5%**	2	0.2%	10	0.9%	5	1	3	7	8	5	6	6



Targeted Abs Return	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	**Dec**	**Ret**	-1	-2	-3	-4	-5	-6	-7	-8
Baillie Gifford Multi Asset G	8	-0.7%	9	-3.2%	**5**	**5.0%**	1	6	10	7	8	7	5	4
Janus H'son Europ Abs Return	3	0.0%	2	-0.2%	**5**	**4.8%**	6	9	6	2	10	1	3	10
Janus H'son MM Abs Return	1	0.6%	1	0.4%	**6**	**4.5%**	1	1	10	4	1	5	8	8
Janus H'son Abs Return	2	0.5%	1	1.5%	**6**	**4.5%**	5	4	2	5	8	5	6	6
7IM Real Return	2	0.5%	3	-0.6%	**7**	**4.1%**	2	3	5	5	8	7	7	7
JPM Unconstrained Bond	3	0.1%	1	0.3%	**7**	**4.0%**	1	6	5	7	5	7	2	5

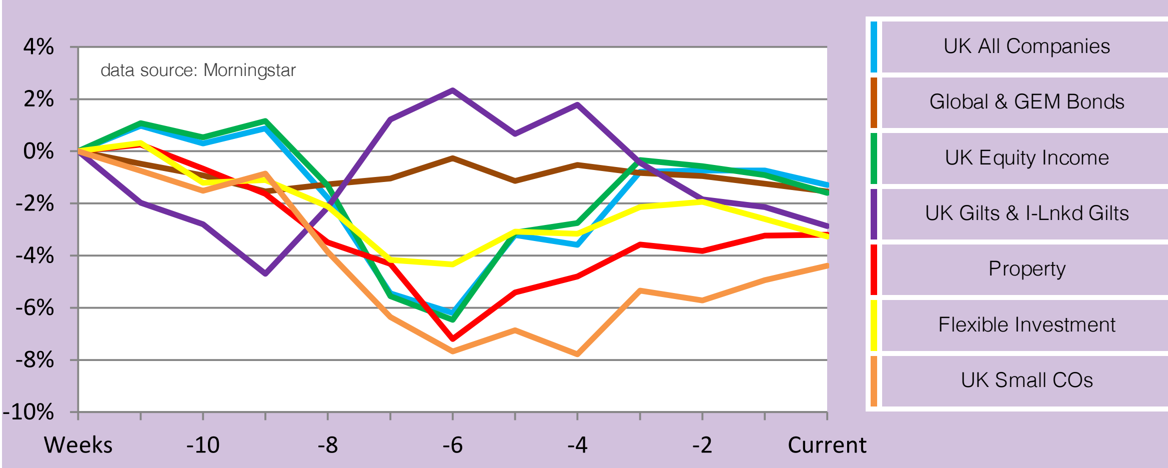
From last to first, and back again

In March's newsletter, the £ Corporate Bond sector was at the bottom of the table, having gone down by 1.9% in the previous four weeks. Last month it jumped to the top of the table with a four-week return of 1.2%, but now it's back in last place. It's gone down by 0.9% in four weeks, and 1.6% in twelve weeks, but has made 4.9% over twenty-six weeks.



£ Corporate Bond	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	**Dec**	**Ret**	-1	-2	-3	-4	-5	-6	-7	-8
BlackRock Corporate Bond	9	-1.0%	4	-0.9%	**1**	**7.8%**	2	5	9	9	2	10	1	1
M&G Strategic Corp Bond	4	0.0%	5	-1.3%	**1**	**7.6%**	4	5	1	9	3	9	2	2
Liontrust SF Corporate Bd 2	9	-1.0%	6	-1.8%	**1**	**7.6%**	5	5	7	9	1	10	2	1
Royal London Corp Bond	6	-0.3%	3	-0.6%	**2**	**7.2%**	3	3	4	8	3	8	9	2
Schroder UK Corporate Bond	10	-1.1%	7	-2.2%	**2**	**7.2%**	5	4	9	9	2	9	4	2
Rathbone Ethical Bond	4	-0.1%	6	-1.6%	**2**	**6.5%**	4	4	3	8	2	8	6	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 Small COs	**3.4%**	-4.4%	4.1%	0.6%	0.8%	-0.4%	2.4%	-0.9%	0.8%	-1.3%	-2.5%
UK All Companies	**2.3%**	-1.5%	8.5%	-0.6%	0.0%	0.0%	2.8%	-0.4%	3.0%	-0.7%	-3.7%
Property	**1.6%**	-3.3%	-3.5%	0.0%	0.6%	-0.2%	1.2%	0.6%	1.8%	-2.9%	-0.8%
UK Equity Income	**1.1%**	-1.8%	8.3%	-0.7%	-0.3%	-0.2%	2.4%	0.4%	3.4%	-0.9%	-4.2%
Flexible Investment	**-0.1%**	-3.3%	3.9%	-0.7%	-0.7%	0.2%	1.0%	-0.1%	1.3%	-0.2%	-2.0%
Global & GEM Bonds	**-1.0%**	-1.5%	1.1%	-0.3%	-0.3%	-0.1%	-0.3%	0.6%	-0.9%	0.8%	0.2%
UK Gilts & I-Lnkd Gilts	**-4.6%**	-3.0%	-1.3%	-0.7%	-0.3%	-1.4%	-2.2%	1.1%	-1.7%	1.1%	3.4%
Average:	*0.4%*	*-2.7%*	*3.0%*	*-0.3%*	*0.0%*	*-0.3%*	*1.1%*	*0.2%*	*1.1%*	*-0.6%*	*-1.4%*

The UK Equity Sectors

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

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

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

Overall Group Performance

The four-week average for the sectors in this Group was a 2.3% loss in the March newsletter followed by a 0.8% loss last month. This month it's up 0.4%.

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.

Over the first quarter most sectors were up, the exceptions were UK Direct Property and UK Smaller Companies.

In last month's edition the leading sector, UK Gilts & Index Linked Gilts, was up 3.9% over four weeks. Global & GEM Bonds was in second place, up 0.7%. The remaining sectors had all gone down. This month the Gilt and Bond sectors have dropped to the bottom of the table. UK Smaller Companies is now at the top.

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.

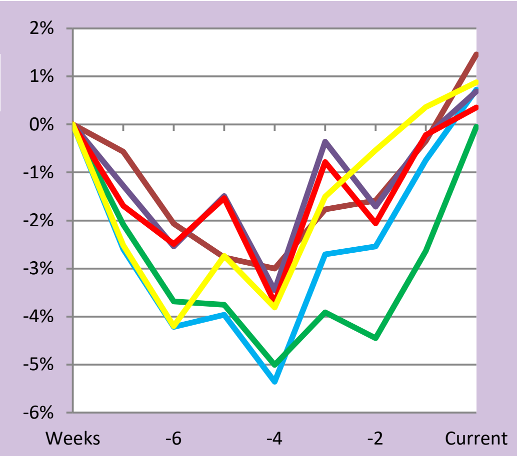
www.theinvestmentassociation.org

Performance by Saltydog Group - Steady as She Goes

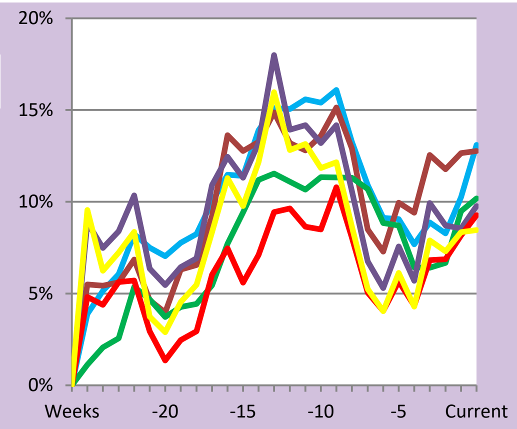
From last to first

The UK Smaller Companies sector was at the bottom of the table in the March newsletter, with a four-week loss of 3.8%, and it was still there in last month's edition, with a four-week loss of 3.9%. In the last four weeks it has gone up by 3.4% and it is currently at the top of the table.

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



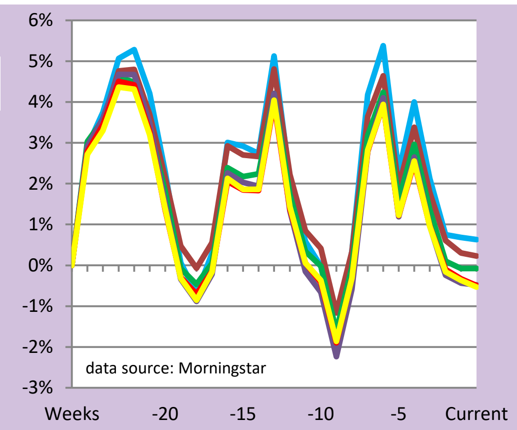
UK Small COs	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Royal London UK Smaller Companies	1	**6.2%**	8	-3.6%	7	3.5%	1	1	4	4	9	9	9	5
Unicorn UK Sm COs	1	**4.5%**	7	-3.2%	5	7.4%	1	1	4	8	6	9	9	2
TM Tellworth UK Smaller Cos	1	**5.0%**	5	-1.7%	1	13.1%	1	1	8	8	9	9	9	4
abrdn (AAM) UK Smaller Companies	1	**4.2%**	9	-4.9%	9	1.3%	1	1	10	2	10	7	8	3
abrdn UK Smaller Companies	1	**4.1%**	9	-5.0%	9	-0.3%	1	1	10	3	10	8	6	3
Jupiter UK Small Cos Focus	1	**4.8%**	7	-3.1%	8	3.3%	1	2	1	5	9	7	9	4



UK Small COs	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
TM Tellworth UK Smaller Cos	1	5.0%	5	-1.7%	**1**	**13.1%**	1	1	8	8	9	9	9	4
Fidelity UK Smaller Companies	3	3.1%	3	-0.4%	**1**	**12.8%**	3	2	8	3	7	5	7	8
LF Gresham House UK Micro Cap	2	3.5%	3	-0.8%	**2**	**10.2%**	1	1	3	9	10	9	9	2
Sarasin UK Thematic Smaller Co	2	3.9%	8	-3.6%	**3**	**9.8%**	1	5	9	1	10	6	8	7
CT UK Smaller Coms	1	4.7%	3	-0.3%	**3**	**9.3%**	1	2	5	5	9	6	7	5
Janus H'son UK Sm COs	2	4.0%	8	-3.9%	**4**	**8.5%**	3	2	8	2	10	6	7	6

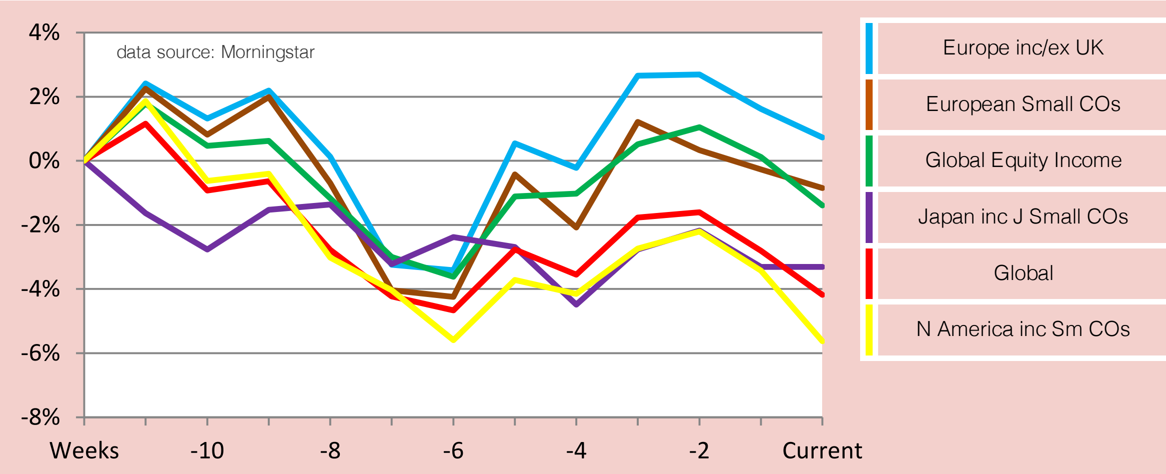
From first to last

The UK Gilts & Index-Linked Gilts sector was at the bottom of the table in the January and February newsletters. In March it was in fifth place, having gone down by 2.2% in the previous four weeks. Last month it jumped up to the top of the table with a four-week return of 3.9%. Since then, it has fallen by 4.6% and dropped to the bottom of the table.



UK Gilts & I-Lnkd Gilts	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
Allianz Gilt Yield	10	-3.2%	4	-1.4%	**9**	**0.6%**	3	5	10	10	1	10	1	1
M&G Gilt & Fixed Interest Inc	10	-3.1%	5	-2.0%	**9**	**0.2%**	3	6	9	10	1	10	1	1
abrdn UK Government Bond	10	-3.0%	5	-1.8%	**9**	**-0.1%**	3	5	10	10	1	10	1	1
Janus H'son Instl UK Gilt	10	-3.1%	5	-1.8%	**9**	**-0.5%**	3	5	10	10	1	10	1	1
iShares UK Gilts All Stocks Idx	10	-2.9%	5	-1.9%	**9**	**-0.5%**	4	5	9	10	1	10	1	1
L&G All Stocks Gilt Index I	10	-3.0%	5	-1.9%	**9**	**-0.5%**	4	5	9	10	1	10	1	1

Performance for the Full Steam Ahead Developed Group



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

Sector	Percentage Return Data										
	4wks	12wks	26wks	Wk -1	Wk -2	Wk -3	Wk -4	Wk -5	Wk -6	Wk -7	Wk -8
European Small COs	**1.2%**	-1.1%	13.8%	-0.6%	-0.6%	-0.9%	3.3%	-1.7%	3.8%	-0.2%	-3.3%
Japan inc J Small COs	**1.2%**	-3.3%	4.7%	0.0%	-1.1%	0.6%	1.7%	-1.8%	-0.3%	0.8%	-1.9%
Europe inc/ex UK	**0.9%**	0.5%	12.6%	-0.9%	-1.1%	0.0%	2.9%	-0.8%	4.0%	-0.2%	-3.4%
Global Equity Income	**-0.4%**	-1.5%	4.5%	-1.5%	-0.9%	0.5%	1.5%	0.1%	2.5%	-0.6%	-1.8%
Global	**-0.7%**	-4.2%	2.1%	-1.4%	-1.2%	0.2%	1.8%	-0.8%	1.9%	-0.4%	-1.4%
N America inc Sm COs	**-1.5%**	-5.6%	-2.9%	-2.2%	-1.2%	0.5%	1.4%	-0.4%	1.9%	-1.6%	-1.0%
Average:	*0.1%*	*-2.5%*	*5.8%*	*-1.1%*	*-1.0%*	*0.2%*	*2.1%*	*-0.9%*	*2.3%*	*-0.4%*	*-2.1%*

The European Sectors

Funds investing predominantly in Europe fall into three different Investment Association sectors.

Europe including UK for funds investing at least 80% of their assets in European equities. They may include UK equities, but these must not exceed 80% of the fund's assets.

Europe excluding UK for funds which invest at least 80% of their assets in European equities and exclude UK securities.

European Smaller Companies for funds investing in companies from the bottom 20% of the European market by market capitalisation.

Overall Group Performance

In the March newsletter, the overall Group four-week average was a loss of 1.5% and last month it was a slightly smaller loss of 1.2%. This month it's a gain of 0.1%. At least it seems to be improving.

Last year, all of the sectors in this Group went down and the worst, European Smaller Companies, fell by nearly 22%.

In 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%.

Most of the gains were made in January when all of the sectors in this Group went up. In February the European sectors continued to do well, but the North America, Japan, Japanese Smaller Companies and Global sectors went down. The following month only the Japan, Japanese Smaller Companies, and Europe including UK sectors made gains.

In the April newsletter, only one sector was up over four weeks, Global Equity income with a four-week return of 0.1%.

This month the European and Japanese sectors are reporting four-week gains. Most sectors are down over twelve weeks, but up over twenty-six.

The sectors in the 'Full Steam Ahead Developed' Group ...

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

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

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

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

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

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

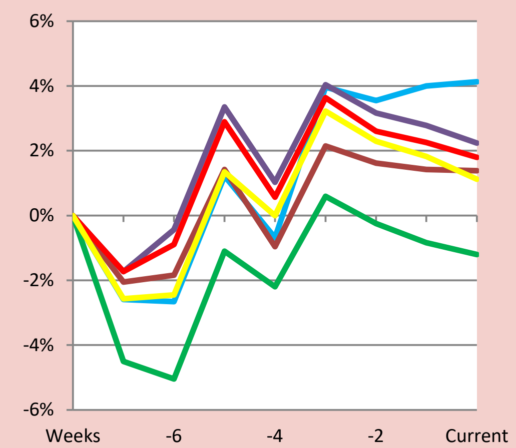
We also include the 'Property' sector in this Group.

Performance of the Full Steam Ahead Developed Group

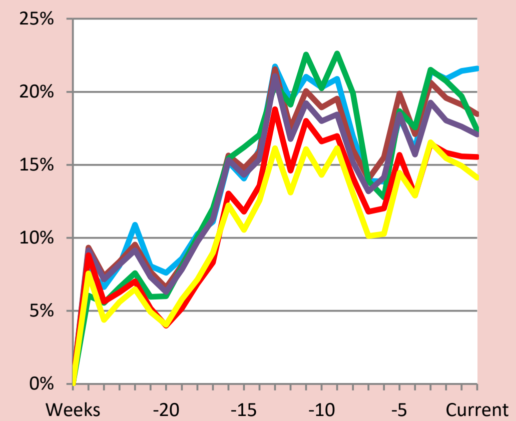
A new top dog

The European Smaller Companies sector was in second place in the March newsletter although it had gone down by 0.8% in the previous four weeks. Last month it was down in fifth place, with a four-week loss of 1.5%, but since then it has gone up by 1.2% and is now at the top of the table.

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



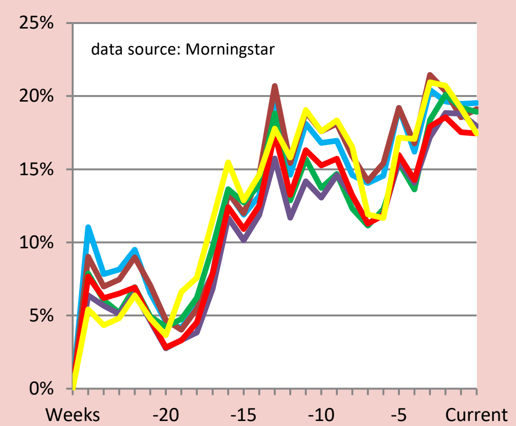
European Small COs	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	**Ret**	Dec	Ret	Dec	Ret	-1	-2	-3	-4	-5	-6	-7	-8
abrdn European Smaller Companies	**1**	**4.8%**	2	1.8%	1	21.6%	1	1	9	1	9	2	4	7
CT Eurp Sm COs	**1**	**2.3%**	3	0.8%	1	15.5%	2	2	9	2	10	3	3	6
Baring Europe Select.	**3**	**1.0%**	4	-1.2%	2	12.0%	2	3	10	2	7	2	6	9
Jupiter Europe (ex UK) SmlComs	**3**	**1.2%**	3	0.8%	1	18.5%	3	2	10	2	10	2	1	5
Jupiter European Smaller Coms	**3**	**1.2%**	3	0.3%	1	17.1%	3	2	10	2	10	2	2	5
Schroder Europ Sm COs	**3**	**1.1%**	3	0.9%	2	14.1%	3	3	10	1	8	2	3	7



European Small COs	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	**Dec**	**Ret**	-1	-2	-3	-4	-5	-6	-7	-8
abrdn European Smaller Companies	1	4.8%	2	1.8%	**1**	**21.6%**	1	1	9	1	9	2	4	7
Jupiter Europe (ex UK) SmlComs	3	1.2%	3	0.8%	**1**	**18.5%**	3	2	10	2	10	2	1	5
Invesco Europ Small COs.	6	-0.2%	4	-1.5%	**1**	**17.4%**	8	4	9	1	6	1	8	10
Jupiter European Smaller Coms	3	1.2%	3	0.3%	**1**	**17.1%**	3	2	10	2	10	2	2	5
CT Eurp Sm COs	1	2.3%	3	0.8%	**1**	**15.5%**	2	2	9	2	10	3	3	6
Schroder Europ Sm COs	3	1.1%	3	0.9%	**2**	**14.1%**	3	3	10	1	8	2	3	7

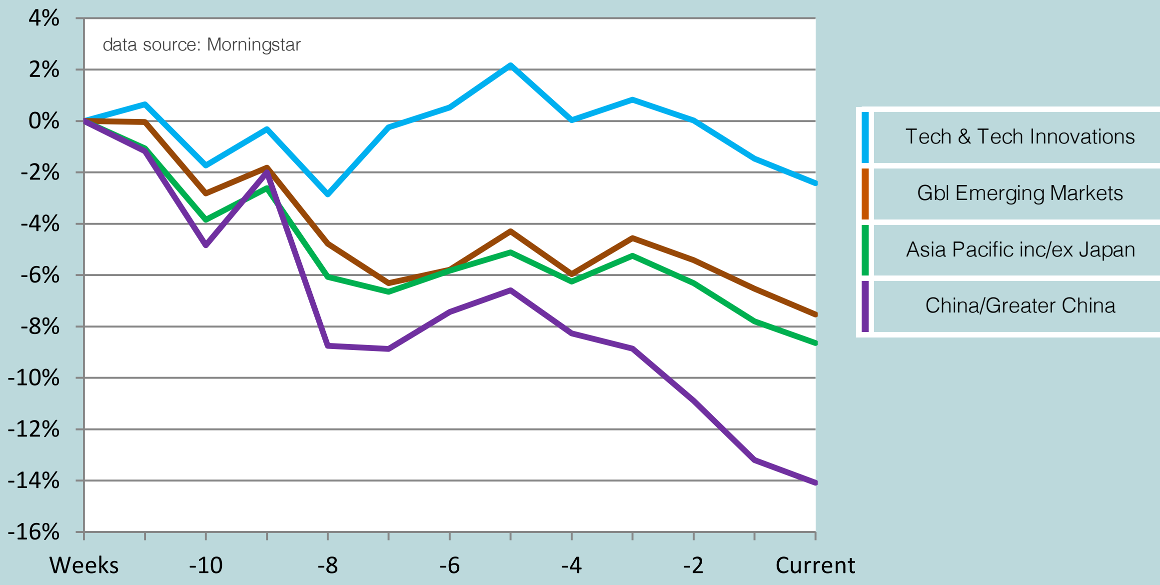
From second to third

The combined Europe including UK and Europe excluding UK sector was at the top of the table in the March newsletter. Last month it dropped down to second place, with a four-week loss of 0.5%, and this month it's moved down to third place, even though it has gone up by 0.9% in the last four weeks.



Europe inc/ex UK	4 Week		12 Week		26 Week		Recent Weekly Deciles							
	Dec	Ret	Dec	Ret	**Dec**	**Ret**	-1	-2	-3	-4	-5	-6	-7	-8
Allianz Continental European	1	2.9%	1	4.3%	**1**	**19.5%**	1	1	9	1	10	2	2	3
BlackRock Continental Europ	1	2.0%	1	3.2%	**1**	**19.1%**	1	8	10	1	9	3	1	5
Man GLG Continental Europe	1	4.7%	1	5.4%	**1**	**18.9%**	2	3	1	1	8	4	1	3
CT Select European Equity	1	3.4%	1	5.6%	**1**	**18.0%**	4	1	1	3	8	3	2	5
CT Eurp Sel	1	2.8%	1	3.7%	**1**	**17.4%**	2	5	4	1	8	3	2	5
Schroder Europ Alpha Plus	4	0.3%	2	1.4%	**1**	**17.4%**	6	7	8	1	3	1	5	9

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
Gbl Emerging Markets	**-1.6%**	-7.4%	0.2%	-1.0%	-1.1%	-0.9%	1.4%	-1.7%	1.5%	0.5%	-1.5%
Asia Pacific inc/ex Japan	**-2.4%**	-8.4%	2.4%	-0.8%	-1.5%	-1.1%	1.0%	-1.1%	0.7%	0.8%	-0.6%
Tech & Tech Innovations	**-2.4%**	-2.6%	10.0%	-1.0%	-1.5%	-0.8%	0.8%	-2.1%	1.6%	0.8%	2.6%
China/Greater China	**-5.7%**	-13.5%	1.2%	-0.9%	-2.3%	-2.0%	-0.6%	-1.7%	0.8%	1.4%	-0.1%
Average:	*-3.0%*	*-8.0%*	*3.4%*	*-0.9%*	*-1.6%*	*-1.2%*	*0.7%*	*-1.7%*	*1.2%*	*0.9%*	*0.1%*

Global Emerging Markets

The Investment Association definition of the Global Emerging Markets sector is:

"Funds which invest 80% or more of their assets in equities from emerging market countries as defined by the relevant FTSE or MSCI Emerging Markets and Frontier indices. The maximum frontier equity exposure is restricted to 20% of the total fund."

There are around 20 countries that are classified as emerging, and another 25 that are classified as frontier i.e with investable stock markets that are less established than those in the emerging markets e.g Vietnam, Kenya, Romania ...

Overall Group Performance

In the March newsletter, the overall four-week Group average was a loss of 5.6%, but last month it was a gain of 5.6%. This month it's down 3.0%.

The sectors in this Group tend to be the most volatile.

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%.

The Technology sector gained a further 1.0% in February, but the other sectors all went down.

In March the China/Greater China sector went down by 0.3%, but the other sectors went up. The Technology sector gained 5.0%, ending the quarter up 16%.

In the last newsletter the Technology sector was at the top of the table with a four-week return of 2.9%, then it was China/Greater China, up 0.5%. The Asia Pacific and Global Emerging Market sectors had made losses.

This month the Global Emerging Markets sector has moved to the top of the table, even though it's down over four weeks.

The sectors in the 'Full Steam Ahead Emerging' Group ...

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

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

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

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

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

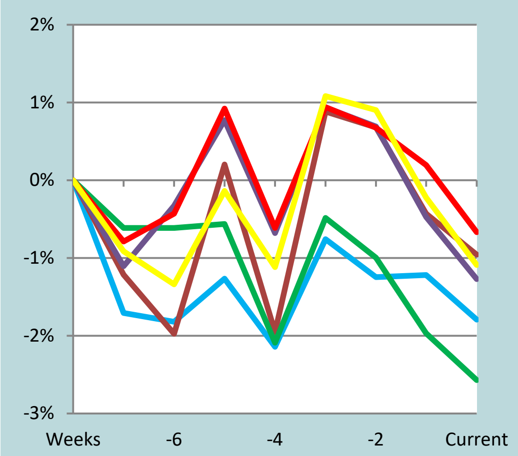
The 'Technology & Technology Innovations' sector is also in this Group. It may not fit exactly with our 'Emerging Markets' theme, but the funds have a similar level of volatility, and so we put it into the 'Full Steam Ahead' Group with the fewest other sectors.

Performance of the Full Steam Ahead Emerging Group

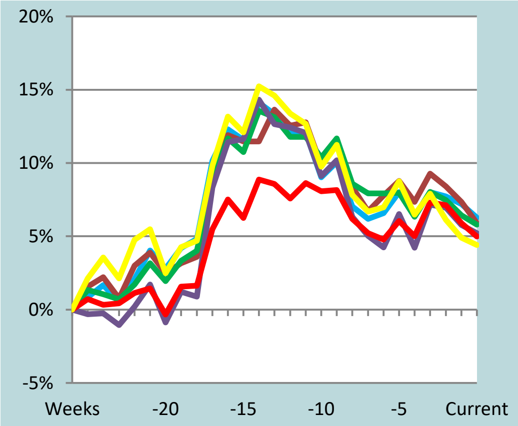
A new leader

The Global Emerging Markets sector was in second place in the March newsletter with a four-week loss of 4.7%. Last month it dropped to third place, but with a smaller four-week loss of 0.2%. Over the last four weeks it has lost a further 1.6%, but made its way to the top of the table.

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



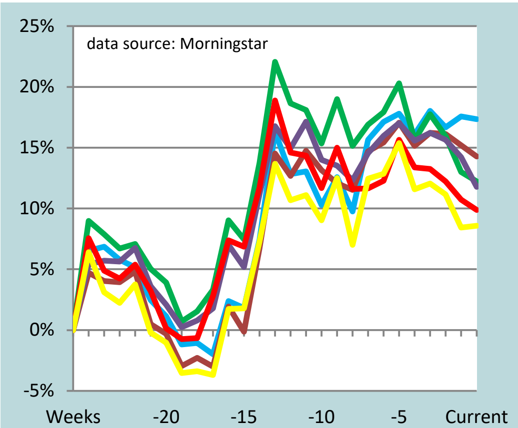
Gbl Emerging Markets	4 Week Dec	4 Week Ret	12 Week Dec	12 Week Ret	26 Week Dec	26 Week Ret	-1	-2	-3	-4	-5	-6	-7	-8
BNY Mellon Emerging Income	**1**	**0.3%**	1	-3.9%	7	0.4%	3	1	2	3	2	8	9	10
M&G Global Emerging Mkts	**1**	**1.0%**	3	-6.4%	3	5.2%	3	3	1	1	10	2	10	8
JPM Emerging Markets Income	**1**	**-0.5%**	2	-5.4%	3	5.8%	4	2	2	3	6	10	9	5
Allianz Emerging Markets Equity	**1**	**-0.6%**	2	-5.8%	5	2.3%	5	4	1	2	5	5	6	8
Invesco Global Emerging Markets	**1**	**-0.1%**	2	-5.2%	2	6.3%	6	1	1	3	6	4	7	6
Lazard Emerging Mkts	**1**	**0.0%**	1	-2.4%	3	5.0%	6	3	1	1	2	4	10	7



Gbl Emerging Markets	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
Invesco Global Emerging Markets	1	-0.1%	2	-5.2%	**2**	**6.3%**	6	1	1	3	6	4	7	6
abrdn Emerging Markets Income	3	-1.4%	2	-5.9%	**3**	**5.9%**	8	2	3	2	4	6	5	9
JPM Emerging Markets Income	1	-0.5%	2	-5.4%	**3**	**5.8%**	4	2	2	3	6	10	9	5
M&G Global Emerging Mkts	1	1.0%	3	-6.4%	**3**	**5.2%**	3	3	1	1	10	2	10	8
Lazard Emerging Mkts	1	0.0%	1	-2.4%	**3**	**5.0%**	6	3	1	1	2	4	10	7
FTF Templeton Gbl Emerg Markets	4	-1.9%	4	-7.9%	**4**	**4.4%**	3	3	8	4	9	3	8	8

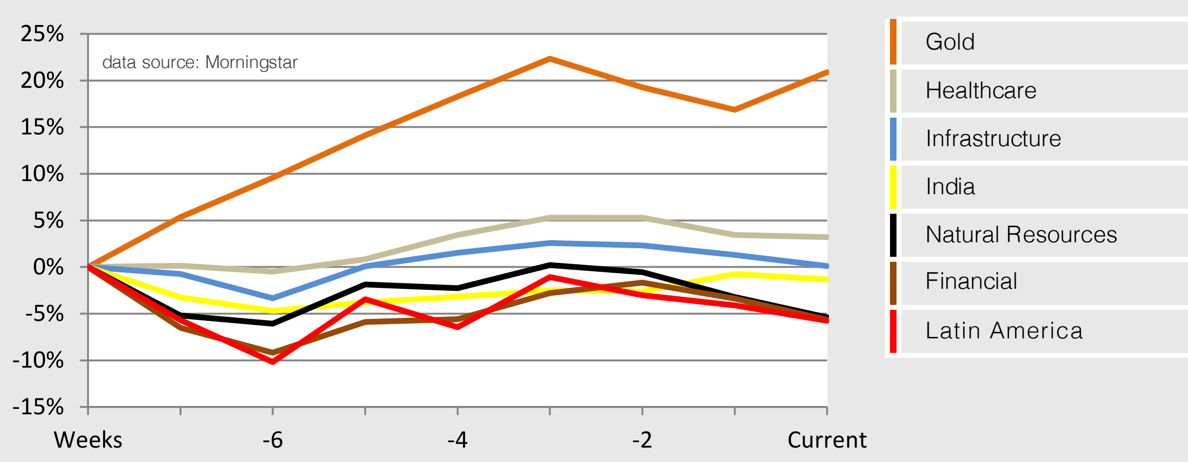
Last month's winner

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 last month it remained at the top of the table having gone up by 2.9% in the previous four weeks. This month it's dropped to third with a four-week loss of 2.4%.



Tech & Tech Innovations	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
L&G Global Tech Index	1	1.1%	1	4.0%	**1**	**17.3%**	1	1	5	2	5	8	4	1
Liontrust Global Technology	2	-0.8%	1	1.4%	**1**	**14.3%**	5	2	1	5	7	4	7	1
Pictet - Robotics	6	-2.9%	2	-5.4%	**1**	**12.2%**	4	9	8	2	10	2	5	1
Janus H'son Gbl Technology	7	-3.3%	1	-2.8%	**1**	**11.8%**	10	4	2	6	4	6	4	1
Fidelity Global Technology	6	-3.1%	1	-4.1%	**1**	**9.9%**	4	5	4	8	9	1	7	3
Polar Capital Global Technology	5	-2.7%	1	-1.9%	**1**	**8.6%**	1	9	4	7	10	1	8	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	2.3%	11.8%	35.3%	4.0%	-2.4%	-3.1%	4.0%	4.2%	4.5%	4.2%	5.3%
India	1.8%	-2.4%	-10.7%	-0.6%	1.9%	-0.1%	0.7%	0.6%	0.9%	-1.4%	-3.3%
Latin America	0.5%	-4.1%	-16.3%	-1.7%	-1.1%	-1.9%	5.4%	-3.0%	6.7%	-4.5%	-5.7%
Financial	-0.2%	-8.7%	-1.2%	-2.3%	-1.7%	1.1%	2.8%	0.3%	3.3%	-2.7%	-6.5%
Healthcare	-0.3%	-0.4%	-2.6%	-0.3%	-1.8%	0.0%	1.9%	2.6%	1.3%	-0.6%	0.1%
Infrastructure	-1.4%	-1.8%	-1.9%	-1.2%	-1.0%	-0.2%	1.0%	1.5%	3.4%	-2.6%	-0.7%
Natural Resources	-3.1%	-8.4%	-8.2%	-2.2%	-2.7%	-0.8%	2.5%	-0.4%	4.2%	-0.9%	-5.2%
Average:	*0.0%*	*-2.0%*	*-0.8%*	*-0.6%*	*-1.3%*	*-0.7%*	*2.6%*	*0.8%*	*3.5%*	*-1.2%*	*-2.3%*

Overall Performance

Last month the SubZone four-week average return was a 0.9% gain, but only three of the SubZones were up over four weeks. This month it's level.

Some of the best performing funds last year were from the specialist SubZones.

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

In last month's issue, the Gold SubZone was back at the top of the table with a four week return of 19.4%. Healthcare was second, up 3.4%, and then Infrastructure which had made 1.4%. The other SubZones had gone down.

This month Gold is still on top, but its four-week return has fallen.

The Gold funds

In last month's newsletter, the best performing funds were from the Gold SubZone, and it's the same this month.

At the top of the 'Specialist' table are the Ninety One Global Gold and BlackRock Gold & General funds. SVS Sanlam Global Resources is far behind.

We call them 'the Gold funds', but they don't invest in physical gold. They typically invest in companies involved in exploring, mining, processing, or dealing and investing in gold and other precious metals.

The BlackRock Gold & General fund is the largest with a portfolio value of around one billion pounds.

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.

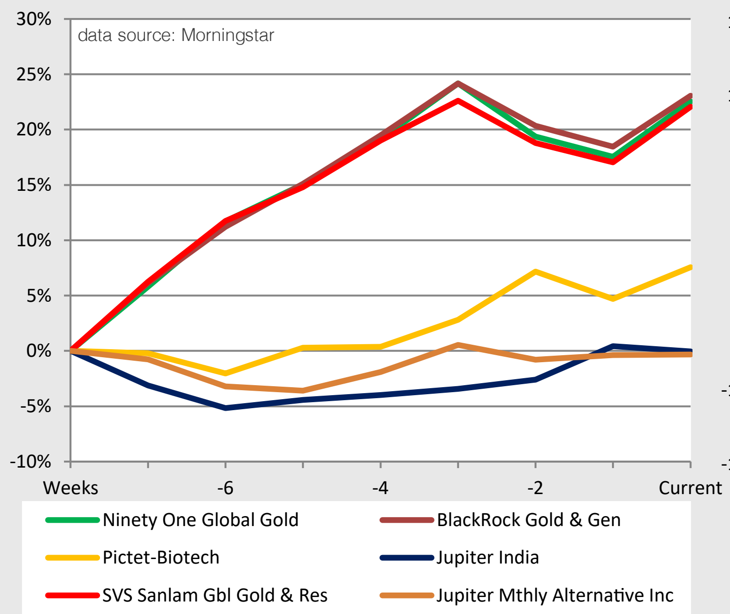
In total we analyse around 65 funds in this sector, most of which do not fall within one of the SubZones.

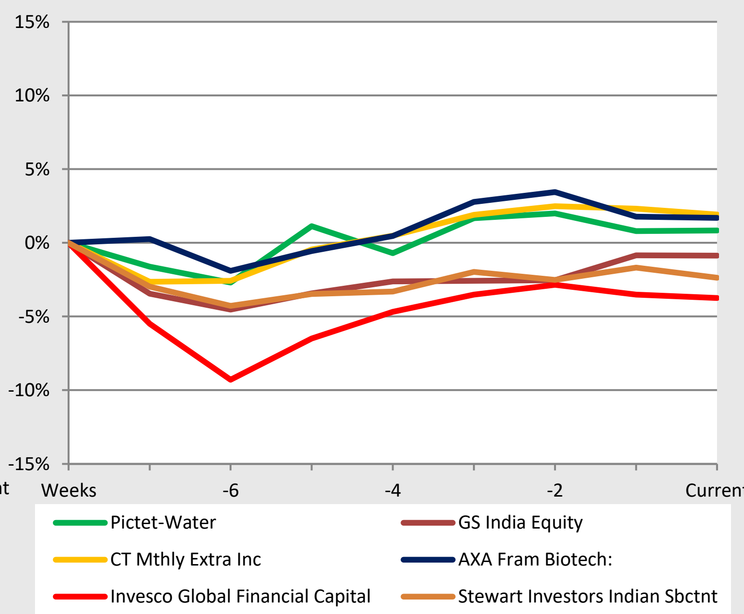
Specialist Sector - 4 Week Data

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
Ninety One Global Gold	Gold	1	3.0%	1	13.6%	1	40.1%	1	7	10	1	1	5	1	1
BlackRock Gold & General	Gold	1	3.3%	1	13.6%	1	36.9%	1	8	10	2	1	3	1	1
Pictet-Biotech		1	7.3%	2	0.3%	7	-4.1%	1	9	1	4	7	7	7	3
Jupiter India	India	1	3.9%	2	1.1%	8	-7.9%	5	1	2	10	6	9	8	7
SVS Sanlam Global Gold & Res	Gold	2	2.8%	1	13.4%	1	33.3%	1	7	10	2	1	5	1	1
Jupiter Monthly Alternative Income		2	1.5%	7	-3.6%	7	-3.6%	2	2	8	4	3	10	9	4
Pictet-Water	Nat Res	2	1.5%	5	-2.8%	4	0.7%	2	5	3	4	9	4	5	5
GS India Equity	India	2	1.8%	6	-3.6%	9	-11.9%	3	1	5	10	6	9	5	7
CT Monthly Extra Inc		2	1.4%	2	0.5%	2	7.8%	4	2	3	7	5	8	3	6
AXA Fram Biotech:		3	1.2%	5	-2.5%	8	-7.5%	3	6	2	5	4	8	8	2
Invesco Global Financial Capital	Financial	3	0.9%	7	-4.9%	2	10.3%	4	4	2	8	3	6	10	9
Stewart Investors Indian Sbctnt	India	3	0.9%	7	-4.2%	9	-11.2%	6	1	7	7	7	9	6	6
Baring German Growth.		3	0.9%	2	1.8%	2	15.4%	7	4	4	4	8	3	4	7
CT Latin America	Latin Am	3	0.8%	6	-3.0%	10	-14.8%	8	5	9	1	9	1	10	9
Schroder Small Cap Discovery		4	0.5%	7	-5.2%	4	1.7%	5	2	7	7	8	9	2	5
Liontrust India	India	4	0.7%	6	-2.8%	9	-11.6%	8	1	7	9	5	8	6	7
Jupiter Financial Opps	Financial	4	0.7%	9	-7.4%	6	-2.3%	8	7	2	3	5	3	8	10
abrdn Latin American Equity	Latin Am	4	0.6%	5	-2.6%	10	-16.3%	9	4	8	2	9	1	10	8
AXA Fram Financial:	Financial	4	0.7%	8	-6.7%	5	-1.0%	9	6	1	2	8	6	7	8
BlackRock Dynamic Diversified		5	0.2%	3	0.0%	3	5.5%	2	2	6	10	7	10	2	2
LF Ruffer Gold	Gold	5	0.2%	1	6.6%	1	30.7%	2	10	4	3	1	1	2	1
HSBC Monthly Inc		5	0.4%	4	-0.9%	2	7.6%	5	3	5	8	4	8	3	6
LF Canlife UK Equity and Bond Inc		5	0.4%	4	-2.0%	3	5.9%	5	3	6	7	5	5	6	8
AXA Fram Health:	Healthcare	5	0.1%	3	-0.4%	5	-2.2%	5	6	5	6	2	9	5	2
Baring Korea:		6	0.0%	9	-8.3%	5	-2.1%	3	9	10	1	10	7	3	3
Royal London UK Income + Grth		6	0.0%	5	-2.8%	3	5.6%	6	4	7	6	4	7	5	7
Sarasin Food & Agri Opps	Nat Res	6	0.1%	7	-6.1%	7	-4.9%	7	7	1	5	8	6	5	8
Liontrust Latin America	Latin Am	6	0.1%	8	-6.6%	10	-17.7%	9	5	10	1	10	1	10	9
Guinness Sustainable Energy	Nat Res	7	-0.6%	9	-7.7%	5	-2.2%	2	10	5	3	10	3	8	5

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





6 x 6 Report - three month update

Every three months we generate our 6 x 6 report looking for funds which have consistently achieved gains of 5% in six months. We're hoping to find funds which have managed to do this for six consecutive six-month periods, and sometimes we do. This month we haven't got any, however we have found three that have managed to achieve it five times. There are a further 144 that have managed it four times. The table below shows the ones with the best returns over the last six months.

Saltydog Investor 6x6 Report - May 2023	May 20 to Oct 20	Nov 20 to Apr 21	May 21 to Oct 21	Nov 21 to Apr 22	May 22 to Oct 22	Nov 22 to Apr 23
Funds that have risen by 5% or more in 5 out of 6 periods						
M&G Global Dividend	6.5%	23.9%	7.5%	7.2%	-6.7%	10.1%
TB Guinness Global Equity Income	7.7%	12.8%	7.4%	9.2%	-0.5%	5.2%
L&G Global 100 Index	6.5%	20.9%	9.6%	5.7%	-1.8%	5.1%
Funds that have risen by 5% or more in 4 out of 6 periods						
abrdn European Small Companies	17.7%	23.1%	15.9%	-19.9%	-13.0%	22.2%
CT Pan European Focus	14.2%	13.1%	9.6%	-7.3%	-8.3%	22.1%
Man GLG Continental Europe	12.7%	15.3%	8.3%	-16.7%	-8.3%	21.9%
CT European	7.6%	22.6%	6.4%	-4.8%	-6.3%	21.6%
Allianz Continental European	17.9%	23.4%	9.2%	-18.9%	-13.6%	21.4%
Jupiter Europe (ex UK) Small Cos	19.2%	20.3%	12.8%	-20.3%	-15.5%	21.2%
Fidelity Sust European Equity	5.8%	19.1%	6.1%	-9.6%	-7.4%	20.1%
BlackRock Continental Europe	20.5%	22.1%	15.2%	-15.4%	-7.6%	20.1%
CT European Select	9.7%	18.2%	8.0%	-14.9%	-6.4%	19.8%
Jupiter European Smaller Coms	24.0%	17.8%	11.9%	-20.5%	-15.0%	19.4%
V'guard FTSE Dev Eur ex UK Eq Idx	8.3%	24.0%	7.3%	-7.2%	-5.4%	19.0%
abrdn Europe ex UK Equity	7.4%	15.6%	10.0%	-13.4%	-10.0%	18.7%
HSBC European Index	6.3%	24.2%	7.2%	-7.1%	-5.2%	18.6%
M&G European Index Tracker	5.7%	23.9%	6.4%	-6.9%	-5.1%	18.4%
L&G European Index	5.9%	23.9%	6.9%	-6.9%	-4.8%	18.3%
Schroder European Sust Equity	7.3%	24.3%	8.1%	-11.0%	-9.3%	18.3%
Invesco Global Focus	32.9%	7.8%	6.4%	-22.4%	-14.6%	17.9%
abrdn UK Value Equity	5.9%	57.2%	7.1%	-1.8%	-12.7%	17.8%
Royal London Europ Growth	6.9%	22.3%	8.6%	-7.3%	-3.5%	17.5%
FTF Martin Currie Glb Uncons	5.7%	16.5%	7.9%	-17.2%	-10.9%	17.4%
BlackRock European Dynamic	22.6%	24.1%	9.9%	-18.1%	-6.9%	17.4%

If you are managing your own investments, but need fixed tariff financial planning, then Saltydog have negotiated special rates for subscribers with IFA firm JPM Asset Management Ltd. For more information give them a call on 01184 181818, or visit their website www.jpmasset.co.uk

WHAT'S HOT AND WHAT'S NOT

GOING UP

Bank of England raises interest rates to 4.5%

Gold back above $2,000.

UK economy grows in first quarter of 2023

Windpower creates more electricity than gas in UK

Liverpool hosts Eurovision for Ukraine

GOING DOWN

Royal Mail boss quits

US inflation drops below 5.0%

Cyclone Mocha threatens Bangladesh

Brent crude oil fall to $75

Archbishop of Canterbury fined for speeding