



## Investment & Retirement Specialists

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## January 2019 Economic and Market update

2018 was an extremely tough year but year to date the markets have bounced back nicely.

Here are some of the months highlights:

- In December the US Benchmark S&P 500 Index fell -9.2%, its worst December return since 1931.
- U.S. stocks however recovered its December losses, rising 7.9% on the back of better than expected earnings results which was its best January since 1987.
- The South African Equity market continued to rally in January, gaining 2.8%, with the best performing asset class being property which rose 9.2% after its shocking performance last year.
- The Federal Reserve gave South Africa a little present last week as it signalled more dovish stance with a decision to keep interest rate unchanged.
- With the news of the unchanged rate the Rand strengthened 7.6% against the Dollar and so trading at a much better level.
- The best performing shares in January were financial services as can be expected with a stronger rand environment and returned 5.9% in January.



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Disclaimer: All values and calculations were calculated by Global & Local's technical department and can therefore differ from official figures.