

Monthly Market Update

January 2019

The UK political world remained dominated by Brexit in January with Theresa May firstly suffering a 230 margin defeat of her original deal early in the month. Subsequently, she has won a vote for an amendment by 317 to 301, that called for scrapping the Brexit agreement's Irish border backstop in favour of "alternative arrangements".

She now has the task of trying to convince the EU leaders to amend the original agreement.

The FTSE 100 recovered from a tough end to 2018 by closing January at 6,968.85, up 3.6% on the 2018 year end level.

Over in the US, the Dow Jones 30 also bounced back, up 7.2% on the closing 2018 level.

In terms of currency, £ Sterling ended January at 1.31 US Dollars. This was 2.7% higher than the closing figure at the end of 2018.

Similarly, against the Euro, £ Sterling ended January at 1.15 Euros, which was 3.0% higher than the December closing figure.

Inflation, as measured by the Consumer Prices Index including owner occupiers' housing costs (CPIH), was 2.0% in December 2018 (this is December's data which is reported in January). This was down from 2.2% in November 2018. The 12-month rate for the Consumer Prices Index (CPI) rate which excludes owner occupied housing costs and council tax was 2.1% in December 2018, which was down from 2.3% in November 2018.

The Bank of England maintained interest rates at 0.75% in January following the increase in August last year. With little change to inflation, this means long-suffering deposit savers continue to lose money in real terms when you consider the rate of savings interest compared to the rate of inflation.

The Omnis Managed funds, Openwork Graphene Model Portfolios and Omnis Managed Portfolio Service provide you with a diversified asset allocation in line with your Attitude to Risk, investing in Developed Market Equities, such as UK, US, Europe and Asia Pacific as well as Emerging Market equities. Cautious and Balanced investors will also have significant holdings in UK and Global Bonds, as well as Alternative Strategies.

We believe this multi-asset approach aims to give you the best opportunity for the highest level of return for your stated level of risk.

Past performance is not a guide to future performance. The value of an investment and any income from it can fall as well as rise as a result of market and currency fluctuations. You may not get back the amount you originally invested.



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