**This quarterly newsletter is designed to provide a brief overview of what's been happening in *the global economy and* world markets.**

***Equities***

In stark contrast to US markets having experienced the worst December performance since 1931, they experienced the best January since 1987, with the S&P 500 rising 8% over the month. Indeed market rises were experienced almost globally, with the UK lagging with the more defensively orientated FTSE All Share up 'only' 4.2% for the month as the appetite for risk rocketed.

Similarly FANG stocks (Facebook, Amazon, Netflix and Google) bounced back from their worst return ever in December to clock up a rise of 31% in January.

One significant exeption to these rises was the CHINEXT (the 'Chinese Nasdaq') which fell 1.8% due to the Chinese GDP falling below +6.5% for the first time in history.

February saw a continuation of the January trend, as prices continued to rise across the World despite the worsening US economic environment (and negative signs in China too).

The FTSE All Share Index rose 2.3%, ironically held back by 'progress' on Brexit, and with a no-deal appearing less likely, we saw a rise in Sterling, which in turn reduced the attractions of (trade dependant) UK plc.

In March, prices continued to rise, boosted in Sterling terms by the pound's 1.7% fall. In local currency, the best performance came from Chinese shares, with the Shanghai Composite Index rising by over 5%, although most regions saw gains.

The FTSE All Share was the next best performer, rising 2.67% in March, partly boosted by the decline in Sterling, but also as a result of perceived parliamentary progress on the Brexit-hopes that lawmakers would coalesce around a common position.

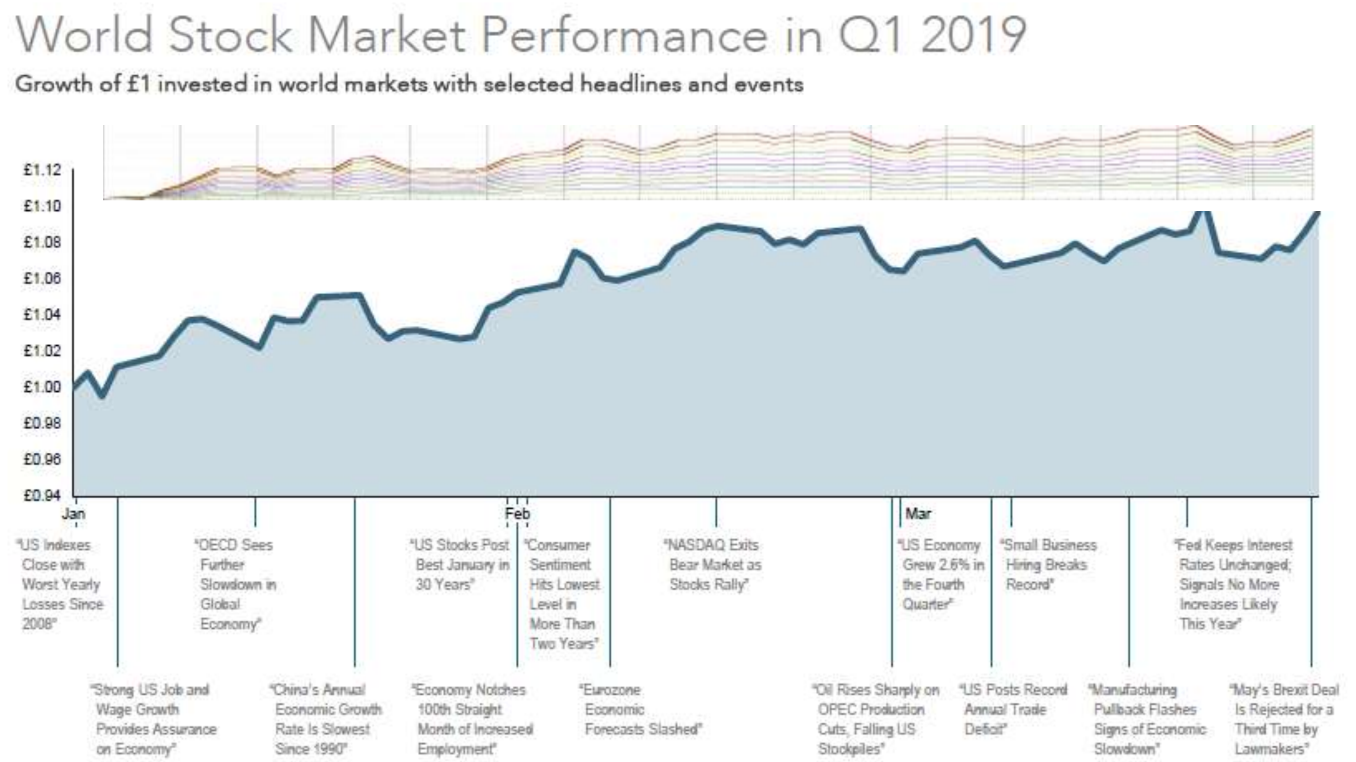
***Fixed Interest***

Contrary to normal trends, generally attributed to Chairman Jerome Powell making a U-turn indicating that the Federal Reserve (Fed) would not raise interest rates this year (having previously projected two hikes for 2019), Janualry also saw bond prices rise.

After further rises in early February, bonds saw small falls, with Italy experiencing sharper declines as worries began to mount due to the up-coming (early March) General Election.

March again saw rises in Government bonds, although Emerging Markets lagged over concerns elections in Argentina and India weighed on pricing.

**Again, as demonstrated in the chart below, our range of portfolios have followed the course of the market, with higher risk strategies having performed better (as expected) due to their greater exposure to the greater rises of the equity markets.**




*These headlines are not offered to explain market returns. Instead, they serve as a reminder that investors should view daily events from a long-term perspective and avoid making investment decisions based solely on the news.*

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***Equity & Bond Returns***

For the Quarter, there was a risk rampage, with nearly all asset classes soaring on Fed ‘reflation’ hopes. It was the best Quarter for Global equities since 2012 and the best performance for US (and Chinese) equities since 2009.

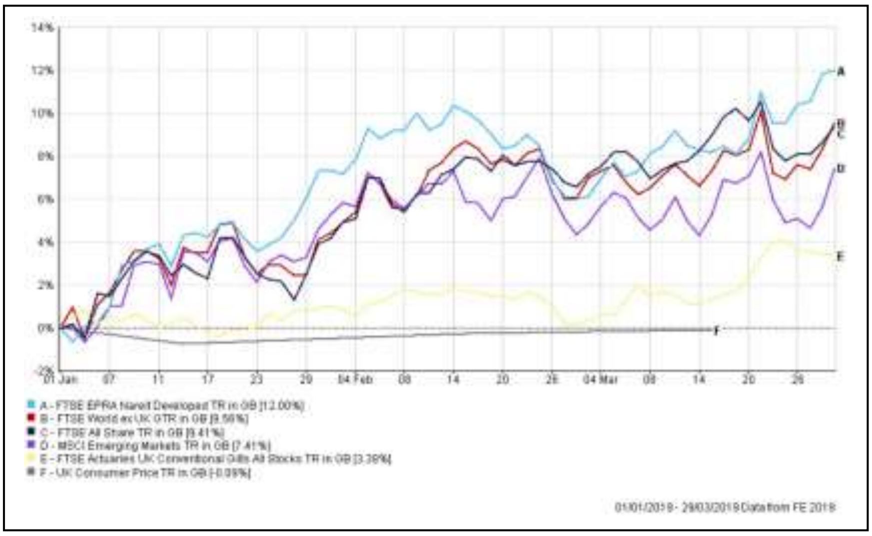
Central Banks once again pumped funds into the financial system (over $1 trillion) which may explain the unusually correlated performance of Bonds with Equities, although this will have had less impact upon our portfolios as it was the riskier Bonds that saw the greatest returns, and we of course focus upon the higher quality (therefore lower risk) end of the scale.

***Property***

Prices rose strongly across the board in January, boosted by the performance of global stock prices, with the UK seeing gains of almost 9%...although this was ‘dwarfed’ by Latin America which saw rises of 14.5%.

February saw a continuation of those gains at first, but prices fell away by mid-month, leaving most regional markets lower. The only gainer was the UK, up 2.1% as the prospects of a “no-deal” Brexit appeared to recede.

In March it was one-way traffic as almost all regions saw large gains with Emerging Markets leading the way seeing almost 10% gains, however in an about turn from February the UK was well behind experiencing a scant 0.15% return.




**These two charts illustrate the variations across the different underlying sectors and the volatility associated with each, highlighting that all sectors saw positive performance over the quarter, with:**
**Property outperforming Equities,**
**Equities outperformning Bonds, and**
**higher risk Bonds outperforming lower risk ones.**