



saltydog

INVESTOR

Successful trend investing

August 2024

Hard Times ...

After Labour's landslide victory, I hoped that there might be a period of stability. Unfortunately that hasn't been the case. In recent weeks we've witnessed the worst rioting in the UK for over a decade.

It started in Southport, after three young girls, aged 6, 7 and 9, were stabbed at a Taylor Swift-themed dance class. Eight children and two adults were also seriously injured.

A peaceful vigil then turned into a violent riot, fuelled by misinformation and anti-immigrant sentiment, with a local mosque becoming a focal point for the unrest.

According to the BBC, the local MP, Patrick Hurley, said that the "thugs", who were not from the town, were using the "deaths of three little kiddies for their own political purposes".

Over the next few days, anti-immigrant and racist violence erupted in towns and cities all across the country, highlighting deep divisions that the far-right is trying to exploit. More than 1,000 arrests have been made following the recent outbreaks of violent disorder.

There has been a noticeable increase in support for far-right movements in both the UK and Europe in recent years. This trend is driven by a combination of growing economic instability, concerns over immigration, national identity, and a backlash against the perceived elite political establishments.

Many of these factors also contribute to Donald Trump's popularity in the United States.

Since preparing the last newsletter, there have also been some significant developments in the US presidential election.

On 13th July, there was a failed assassination attempt on Donald

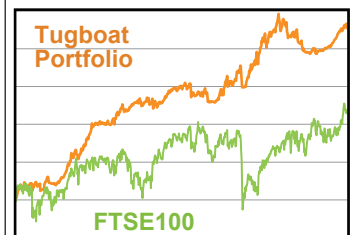
Trump. It happened during a campaign rally near Butler, Pennsylvania, when a gunman opened fire, hitting Trump in the ear and injuring three other attendees, one of which died. The ex-president was lucky to survive, but it has bolstered his standing among his core supporters, who see him as a strong figure fighting against adversity.

Around the same time the President, Joe Biden, was looking weak after a number of poor performances. When he accidentally introduced the President of Ukraine, Volodymyr Zelenskyy, as President Putin,

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Riots spread across UK towns and cities

Our Tugboat portfolio has gone down by 1.1% over the last four weeks. 😞



Average Annual Return 4.9%
Tugboat Portfolio **4 - 5**

Ocean Liner **6 - 7**

This portfolio has lost 1.7% over the last four weeks. 😞

Sector Performance 2024

Our look at the IA Sector performance for the last few months. **8**

The yen carry

Saltyblog **8**

Sector and Fund Performance Tables and Graphs, showing IA sector trends, and highlighting the best performing funds.

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Hard Times ...

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and then referred to Donald Trump as his 'Vice President', the writing was probably on the wall. He has subsequently pulled out of the presidential race, making way for his Vice President, Kamala Harris.

Trump's lead in the polls has reduced in recent weeks ... game on.

There have been some other significant geopolitical movements in the last few weeks. I won't list them all, but here are a couple ...

There's been a marked escalation of violence between Israel

and Hamas, with thousands of casualties on both sides. And, there's been a shift in emphasis in the Russian-Ukraine War, as the Ukrainians have launched a counteroffensive in the east, successfully establishing a presence and control over several areas within Russian territory, particularly in the Kursk region.

Instead of becoming more stable, it feels like the world has become a more volatile place in the last few weeks.

Stock Market Update

We have seen some dramatic swings in stock markets around the world in the last couple of

months. July wasn't too bad, but the beginning of August was seriously disappointing.

The majority of the stock market indices that we track went up in July.

The FTSE 100, which went up in March, April, and May, took a turn for the worse and went down by 1.3% in June. However, it recovered in July, gaining 2.5%. The FTSE 250, which also went down in June, did even better, ending the month up 6.5%.

Across the channel, the rises were less spectacular, but the Paris CAC 40 still went up by 0.7% and the Frankfurt DAX made 1.5%.

The American markets were more mixed. In the US, the Dow Jones Industrial Average went up by 4.4%, and the S&P 500 gained 1.1%, but the Nasdaq went down by 0.8%. In South America, the Brazilian Ibovespa went up by 3.0%.

The Japanese Nikkei 225 lost 1.2% in July, and the Chinese markets also struggled. The Shanghai Composite fell by 1.0%, and the Hong Kong Hang Seng went down by 2.1%. The Indian Sensex did better, gaining 3.4%.

This month hasn't started well, but most indices are now considerably ahead of where they were a week ago.

Stock Market Indices	2024							
	January	February	March	April	May	June	July	1st to 17th August
FTSE 100	-1.3%	0.0%	4.2%	2.4%	1.6%	-1.3%	2.5%	-0.7%
FTSE 250	-1.7%	-1.6%	4.4%	0.4%	3.8%	-2.1%	6.5%	-2.6%
Dow Jones Ind Ave	1.2%	2.2%	2.1%	-5.0%	2.3%	1.1%	4.4%	-0.4%
S&P 500	1.6%	5.2%	3.1%	-4.2%	4.8%	3.5%	1.1%	0.6%
NASDAQ	1.0%	6.1%	1.8%	-4.4%	6.9%	6.0%	-0.8%	0.2%
DAX	0.9%	4.6%	4.6%	-3.0%	3.2%	-1.4%	1.5%	-1.0%
CAC40	1.5%	3.5%	3.5%	-2.7%	0.1%	-6.4%	0.7%	-1.1%
Nikkei 225	8.4%	7.9%	3.1%	-4.9%	0.2%	2.8%	-1.2%	-2.7%
Hang Seng	-9.2%	6.6%	0.2%	7.4%	1.8%	-2.0%	-2.1%	0.5%
Shanghai Composite	-6.3%	8.1%	0.9%	2.1%	-0.6%	-3.9%	-1.0%	-2.0%
Sensex	-0.7%	1.0%	1.6%	1.1%	-0.7%	6.9%	3.4%	-1.6%
Ibovespa	-4.8%	1.0%	-0.7%	-1.7%	-3.0%	1.5%	3.0%	4.9%

Data source: Morningstar

Membership Scheme

If you know someone else who would be interested in making the most of their investments, please go to the 'membership scheme' section of our website www.saltydoginvestor.com and give us their details.

We will e-mail them, and encourage them to come on board. If they subscribe and pay membership for at least 3 months, then we will send you £50 as a thank you.

**Recommend
a friend**
and you could receive

£50

Portfolio Update

RICHARD WEBB



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. The second and third quarters were less encouraging, but there was a rally during November and December.

We started reducing our exposure to the equity markets fairly early on in the year. In the February 2023 newsletter our 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%.

By this January's newsletter we had already started to reduce the overall amount invested in the 'Safe Haven' funds, but it was still relatively high. 80% in the Tug, 60% in the Ocean Liner and 40% in the Speedboat.

Since then, we've been dropping it further, when markets have been rising, and holding it level if there has been some short-term volatility.

When we were producing last month's newsletter, it had fallen to 40% in the Tug, 20% in the Ocean Liner, and 10% in the Speedboat. In the last few weeks we have moved it up again, as we have seen the majority of the sectors starting to fall.

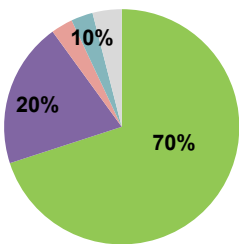
Our example portfolios

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.

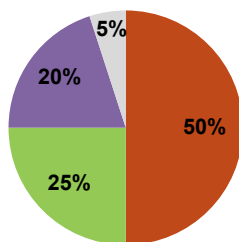
The overall sector performance has deteriorated significantly since the last newsletter. However, there are still some sectors in the 'Slow Ahead' and 'Steady as She Goes' sectors showing four-week gains, along with some of the Specialist SubZones.

Portfolio 1 - The Tug

Optimum conditions

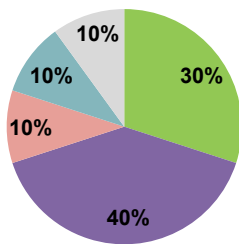


Market conditions
14/08/2024

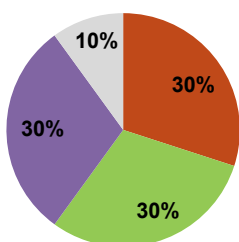


Portfolio 2 - The Ocean Liner

Optimum conditions

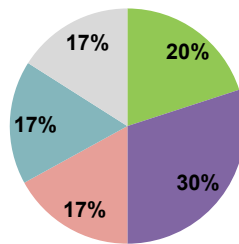


Market conditions
14/08/2024

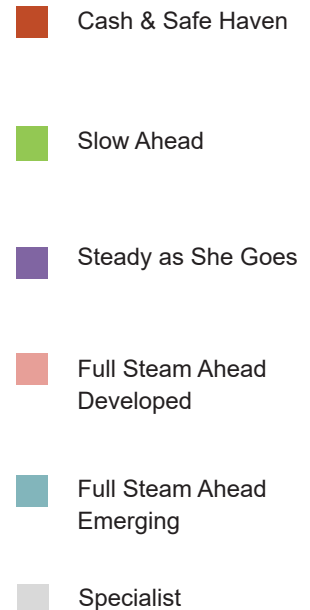
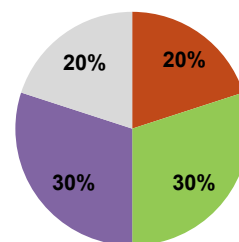


Portfolio 3 - The Speedboat

Optimum conditions



Market conditions
14/08/2024



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

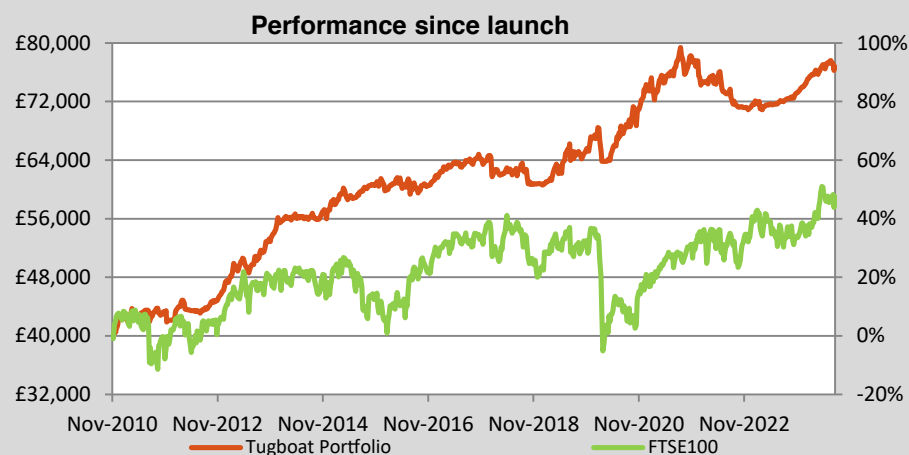
The aim is to run it in such a way that it avoids any major market falls, but also makes gains when they rise.

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 £76,500.

In the last twelve months it has gone up by 6.6%.

Returns

Portfolio Launch Date	23/11/2010	Return in the last 4 weeks	-1.1%
Initial Investment	£40,042	Return in the last 3 months	-0.1%
Current Value	£76,776	Return in the last 6 months	2.2%
Return since launch	91.7%	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	112	£18,857	£17,706	£1,151	6.5%	24.6%
23/03/2023	L&G Cash Trust fund	Safe	108	£18,570	£17,642	£928	5.3%	24.2%
06/07/2023	Liontrust Balanced	Slow	249	£6,232	£6,090	£143	2.3%	8.1%
28/09/2023	Schroder High Yield Opportunities	Slow	108	£8,503	£8,000	£503	6.3%	11.1%
21/03/2024	Ninety One UK Special Situations	Steady	313	£4,169	£4,000	£169	4.2%	5.4%
23/05/2024	Schroder UK Smaller Companies	Steady	179	£2,047	£2,000	£47	2.3%	2.7%
06/07/2023	MI TwentyFour AM Monument Bond	Steady	16,196	£5,337	£5,000	£337	6.7%	7.0%
18/07/2023	J O Hambro UK Equity Income	Steady	209	£2,935	£3,000	£-65	-2.2%	3.8%
14/09/2023	Jupiter India	Specialist	266	£3,877	£3,159	£718	22.7%	5.0%
	Cash			£6,249				8.1%
	Total Portfolio Value			£76,776				

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

We are investing £4,000, 5.2% of the portfolio, in the L&G Strategic Bond fund.

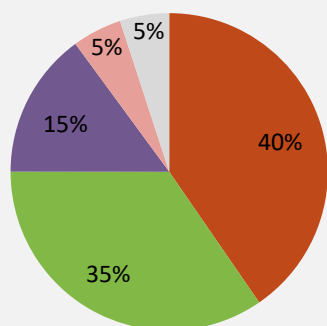
Tugboat Portfolio

Other transactions this month

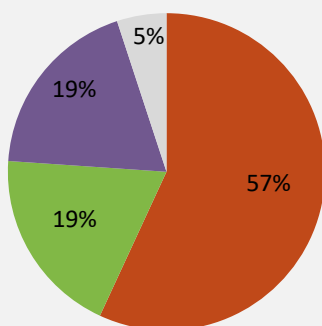
Fund	Group	Value (£)	Transaction	Date
Liontrust SF Managed	Slow	£2,959	Sell	18/07/2024
J O Hambro UK Equity Income	Steady	£3,000	Buy	18/07/2024
Royal London Sustainable World	Slow	£3,693	Sell	25/07/2024
Liontrust Balanced	Slow	£5,000	Reduce current holding	25/07/2024
UBS US Growth	Developed	£1,500	Reduce current holding	25/07/2024
Royal London Short Term MMF	Safe	£5,000	Increase current holding	01/08/2024
L&G Cash Trust fund	Safe	£5,000	Increase current holding	01/08/2024
UBS US Growth	Developed	£2,033	Sell	08/08/2024

Group Allocation

10th July 2024



14th August 2024



- Cash & Safe Haven
- Slow Ahead
- Steady as She Goes
- Full Steam Ahead - Developed
- Full Steam Ahead - Emerging
- Specialist

After a difficult 2022, last year started well. However, the subsequent months proved challenging. Fortunately, there was a final flourish in November and December.

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

Unfortunately, market conditions have deteriorated since the last newsletter and so we have increased our cash and Safe Haven holdings.

Why we've done what we've done

'Cash & Safe Haven' - Up from 40% to 57% of the portfolio, but falling to 52%.

Both of our portfolios have been heavily invested in the Money Market funds from our 'Safe Haven' Group since 2022. However, earlier this year we saw overall fund performance improving. We started to reduce our exposure to the 'Safe Haven' funds and began reinvesting in some potentially more rewarding funds. In recent weeks, overall sector performance has taken a turn for the worse and so we have reversed that process. We are currently buying another low-volatility (Vindex 1) fund from the 'Slow Ahead' Group.

'Slow Ahead' - Down from 35% to 19% of the portfolio, but rising to 24%.

The Mixed Investment 40-85% Shares sector was the best performing sector in the 'Slow Ahead' Group, based on its four week returns, and now it's the worst. We have sold two of the funds that we were holding from this sector, and reduced the third. We are in the process of buying a fund from the £ Strategic Bond sector, which is currently the sector with the best four-week return.

'Steady as She Goes' - Up from 15% to 19% of the portfolio.

A few weeks ago, we added the JO Hambro UK Equity Income fund. The timing wasn't great, and it's had a bit of a rocky start, but it has picked up in the last week or so. We will be monitoring it closely.

'Full Steam Ahead' & Specialist - Down from 10% to 5% of the portfolio.

We have sold the UBS US Growth fund. It was in the portfolio for over a year and performed well for us, but it's recently suffered some significant one-week falls. Time to cash in and move on.

Ocean Liner Portfolio

Objective

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

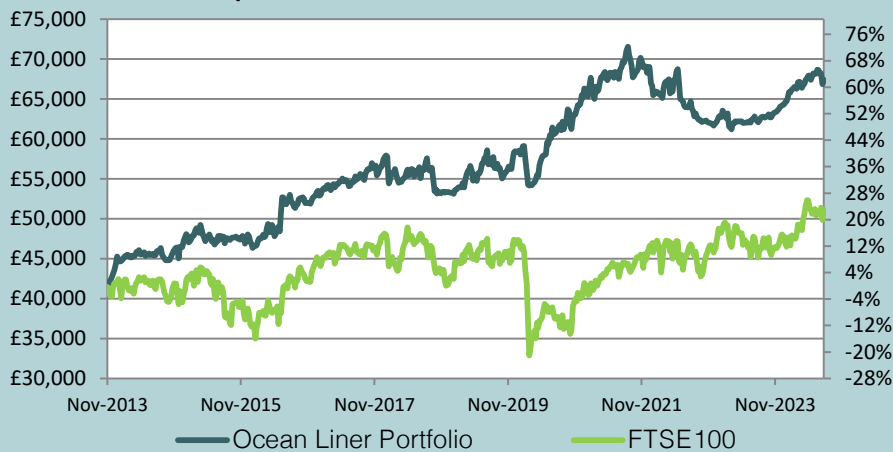
We had been running our cautious 'Tugboat' for three years and wanted to demonstrate how our fund performance data could be used to run a more adventurous portfolio.

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

Portfolio performance since launch in November 2013



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 almost 63%.

Our initial investment of just under £41,500 is now worth nearly £67,500.

In the last twelve months it has gone up by 8.3%.

Returns

Portfolio Launch Date	23/11/2013	Return in the last 4 weeks	-1.7%
Initial Investment	£41,452	Return in the last 3 months	-0.3%
Current Value	£67,437	Return in the last 6 months	2.4%
Return since launch	62.7%	Average Annual Return since launch	4.6%

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	112	£8,516	£7,974	£541	6.8%	12.6%
01/08/2024	L&G Cash Trust	Safe	108	£7,513	£7,500	£13	0.2%	11.1%
06/07/2023	Liontrust Balanced	Slow	249	£5,259	£5,114	£145	2.8%	7.8%
28/09/2023	Invesco High Yield	Slow	356	£10,718	£10,000	£718	7.2%	15.9%
08/06/2023	MI TwentyFour AM Monument Bond	Steady	16196	£6,412	£6,000	£412	6.9%	9.5%
07/12/2023	Ninety One UK Special Situations	Steady	313	£7,636	£7,000	£636	9.1%	11.3%
10/05/2024	Schroder UK Smaller Companies	Steady	179	£5,218	£5,000	£218	4.4%	7.7%
18/07/2023	J O Hambro UK Equity Income	Steady	209	£2,446	£2,500	£-54	-2.2%	3.6%
31/08/2023	Jupiter India	Specialist	266	£4,564	£3,480	£1,084	31.1%	6.8%
04/07/2024	Stewart Inv India Subcontinent	Specialist	527	£2,451	£2,500	£-49	-2.0%	3.6%
	Cash			£6,705				9.9%
Total Portfolio Value				£67,437				

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

We are investing £5,000, 7.4% of the portfolio, in the Man GLG Sterling Corporate Bond fund.

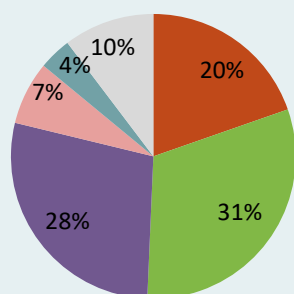
Ocean Liner Portfolio

Other transactions this month

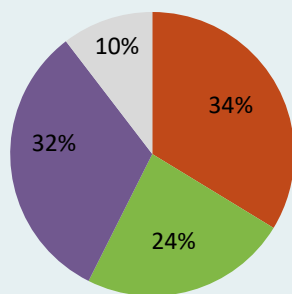
Fund	Group	Value (£)	Transaction	Date
J O Hambro UK Equity Income	Steady	£2,500	Buy	18/07/2024
Liontrust Balanced	Slow	£5,000	Reduce current holding	25/07/2024
UBS US Growth	Developed	£2,500	Reduce current holding	25/07/2024
L&G Cash Trust	Safe	£7,500	Buy	01/08/2024
UBS US Growth	Developed	£1,980	Sell	08/08/2024
L&G Global Technology Index	Emerging	£2,199	Sell	08/08/2024

Group Allocation

10th July 2024



14th August 2024



- Cash or Safe Haven
- Slow Ahead
- Steady as She Goes
- Full Steam Ahead - Developed
- Full Steam Ahead - Emerging
- Specialist

Most sectors made gains last year, but it wasn't easy. They nearly all had a good start, making sensible returns in January, but then went off the boil. Fortunately, we saw a rally during November and December.

For most of this year, 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.

However, in the last few weeks the majority of the sectors have been going down, and so we have taken a more defensive position.

Why we've done what we've done

'Cash & Safe Haven' - Up from 20% to 34% of the portfolio, but soon to be 27%.

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 market conditions improved, we brought this figure down to 20%, but in the last few weeks we've nudged it back up again. Overall sector performance has deteriorated, and we have sold some of our more volatile funds. We are in the process of buying another low-volatility (Vindex 1) fund from the 'Slow Ahead' Group.

'Slow Ahead' - Down from 31% to 24% of the portfolio, but heading back to 31%.

We have reduced our holding in the Liontrust Balanced fund from the Mixed Investment 40-85% Shares sector. It's still the best performing sector in this Group over twenty-six weeks, but it has struggled for the last four. We are buying a less volatile fund from the £ Corporate Bond sector.

'Steady as She Goes' - Up from 28% to 32% of the portfolio.

Just before the recent downturn, we bought the JO Hambro UK Equity Income fund. It has just started to recover from its initial losses. but it's early days. As long as it keeps going up, we'll stick with it.

'Full Steam Ahead' & Specialist - Down from 21% to 10% of the portfolio.

The North America and Technology & Technology Innovation Sectors both generated double-digit returns in quarter one, and made further gains in quarter two. Unfortunately they've had a particularly difficult time over the last four weeks. We have sold the two funds that we were holding from these sectors.

Sector Analysis 2024

At the beginning of each year, we publish the Investment Association's average sector performance for the previous twelve months. Here we look at what has happened so far this year.

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

Unfortunately, this year didn't

start particularly well. Only 11 sectors went up in January.

In February things improved, with most sectors making gains,

and March was even better. Things then took a turn for the worse in April with only 10 sectors making gains.

In May, 27 out of the 34 sectors went up. June was slightly worse with only 24 sectors making gains, but last month was slightly better with 26 sectors making positive returns. The best was North American Smaller Companies with a one-month gain of 5.8%.

Investment Association Sector	Annual Returns (%)		Monthly Returns 2024 (%)							1st Jan to 31st July
	2022	2023	Jan	Feb	Mar	April	May	June	July	
Safe Haven										
Standard Money Market	1.2	4.8	0.5	0.4	0.4	0.5	0.4	0.4	0.5	3.1
Short Term Money Market	1.0	4.0	0.4	0.4	0.3	0.4	0.4	0.4	0.4	2.8
Slow Ahead										
£ Strategic Bond	-11.7	8.0	-0.1	-0.5	1.6	-1.3	0.7	1.1	1.5	3.0
£ Corporate Bond	-16.4	9.3	-1.0	-0.7	2.1	-1.5	0.5	1.2	1.5	2.0
£ High Yield	-9.8	10.9	0.7	0.4	0.9	-0.3	0.9	0.7	1.3	4.8
Mixed Investment 0-35% Shares	-10.2	6.1	-0.6	0.1	2.0	-1.0	0.6	1.1	1.0	3.2
Mixed Investment 20-60% Shares	-9.6	6.9	-0.4	0.5	2.4	-0.7	0.9	1.0	1.0	4.8
Mixed Investment 40-85% Shares	-10.1	8.1	-0.1	1.4	2.8	-0.7	1.0	1.4	0.6	6.6
Steady as She Goes										
UK Smaller Companies	-25.6	0.4	-0.2	-1.4	2.9	2.9	6.1	-1.8	4.5	13.6
UK Equity Income	-2.2	7.1	-1.4	-0.5	4.4	2.7	3.2	-1.3	4.1	11.6
UK All Companies	-9.2	7.4	-0.9	-0.1	3.9	1.8	3.2	-1.2	3.6	10.7
UK Index Linked Gilts	-35.3	0.5	-5.7	-0.7	3.9	-3.1	0.1	1.3	1.5	-3.0
UK Gilts	-24.3	3.6	-2.6	-1.3	2.2	-2.5	0.2	1.8	1.4	-1.0
Global & GEM Bonds*	-7.4	4.7	-0.7	-0.2	1.0	-1.1	0.2	0.6	1.0	0.7
UK Direct Property	-7.8	-0.4	-0.5	-0.9	0.2	0.1	0.6	0.0	0.7	0.3
Flexible Investment	-9.1	7.3	0.0	1.7	2.8	-0.5	0.9	1.3	0.4	6.6
Full Steam Ahead - Developed										
North American Smaller Companies	-13.7	10.8	-1.8	4.9	3.8	-5.1	2.1	-0.3	5.8	9.3
Japan	-8.4	11.0	2.8	3.5	2.7	-3.7	-0.5	0.6	3.9	9.4
European Smaller Companies	-21.9	8.0	-1.9	1.4	3.7	-0.6	4.0	-3.7	2.7	5.5
Global Equity Income	-1.1	9.3	0.7	2.3	3.0	-1.5	1.0	1.1	1.3	8.0
Europe Including UK	-8.2	13.3	-0.3	2.2	3.6	-1.4	3.2	-1.7	0.8	6.3
Europe Excluding UK	-8.9	14.3	-0.2	3.0	3.5	-1.4	2.8	-2.1	0.1	5.8
Global	-11.3	12.7	0.4	4.1	3.3	-2.4	1.4	1.8	0.0	8.7
North America	-10.1	16.7	1.8	5.0	3.7	-3.1	1.4	3.5	-0.3	12.3
Full Steam Ahead - Emerging										
Asia Pacific Including Japan	-12.7	2.4	-2.4	3.9	1.1	-0.5	-0.2	2.7	-0.2	4.3
Global Emerging Markets	0.3	7.7	-3.7	5.0	2.2	1.2	-0.9	3.8	-2.1	5.3
Asia Pacific Excluding Japan	-6.8	-0.9	-4.3	4.7	2.5	1.3	-0.2	4.2	-2.2	5.8
China/Greater China	-15.9	-20.4	-9.7	9.5	0.7	5.8	-1.0	-1.7	-3.9	-1.6
Tech & Tech Innovations	-27.0	38.7	3.2	5.7	1.8	-3.7	2.6	6.4	-4.4	11.6
Specialist / Thematic										
Infrastructure	1.6	-2.8	-3.2	-0.5	2.3	-0.9	3.0	-1.5	4.3	3.2
Financials and Financial Innovation	-17.7	12.7	1.6	3.8	3.7	-2.9	1.0	0.1	3.0	10.5
India/Indian Subcontinent	-1.5	17.1	2.0	2.6	0.4	3.4	-1.1	8.1	1.8	18.3
Healthcare	-3.0	-2.1	1.0	3.9	2.1	-4.2	0.5	3.3	1.4	8.1
Latin America	17.0	23.4	-4.5	0.0	1.9	-3.0	-4.8	-5.8	-0.8	-16.0

* 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



The yen carry.

The severe drop in the Japanese stock market at the beginning of the month may have been partly due to the unwinding of the 'yen carry' trade.

This trade involves borrowing yen at Japan's low interest rates and converting it into higher-yielding currencies to invest in assets like bonds, stocks, or commodities.

The profit comes from the difference between the low borrowing cost and the higher returns abroad. However, the trade carries risks. If the yen strengthens against other currencies, the cost of repaying yen loans increases, potentially erasing profits.

The yen carry trade has been popular in periods of global economic stability but can quickly unwind when the tide turns, leading to significant market fluctuations as speculators rush to cover their positions.

The Bank of Japan rather unexpectedly lifted the interest rate at the end of July, only its second increase in seventeen years. This move triggered the yen's appreciation, putting the carry trade at risk. The Nikkei 225 fell by 2.5% the day after the announcement and then went into freefall. It dropped by 5.8% the next day, which was a Friday, and the following Monday lost a further 12.4%.

I'm glad to say that since then it has started to recover.

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.

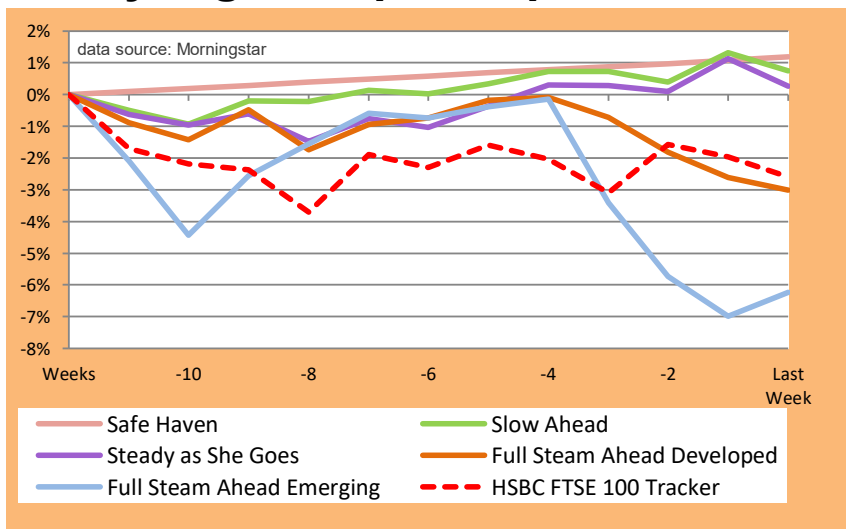
Need more information? Check out the 'How To' guides on our website - saltydoginvestor.com

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

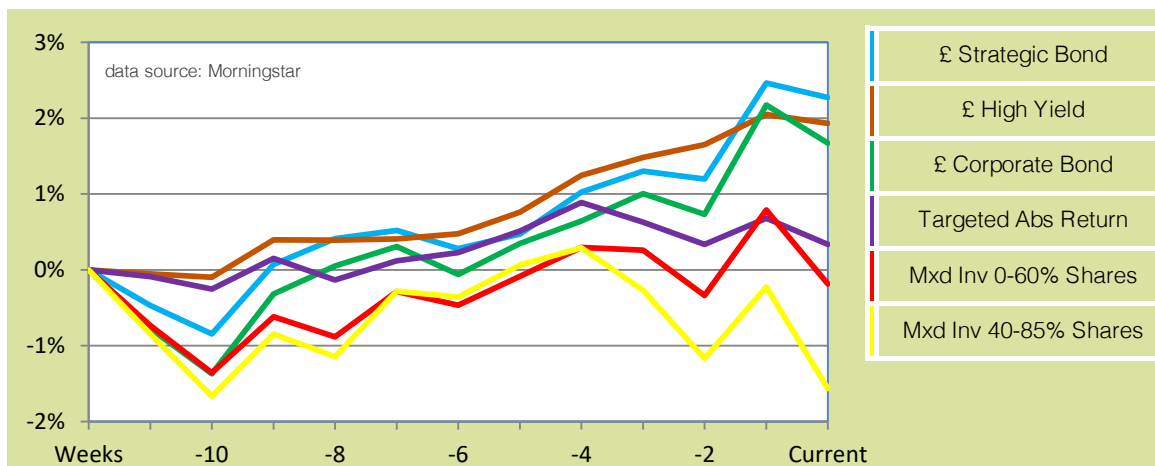


Group Performance for Last Week

Safe Haven	0.10%
Slow Ahead	-0.6%
Steady as She Goes	-0.9%
Full Steam Ahead Developed	-0.4%
Full Steam Ahead Emerging	0.8%
HSBC FTSE 100 Tracker	-0.6%

The HSBC FTSE 100 Tracker went down 0.6% last week, but the Emerging Group went up 0.8% to brake the run of losses over the previous 3 weeks. The Slow, Steady, and the Developed Group made losses.

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
£ Strategic Bond	1.3%	2.3%	4.1%	-0.2%	1.3%	-0.1%	0.3%	0.6%	0.2%	-0.2%	0.1%
£ Corporate Bond	1.0%	1.7%	4.0%	-0.5%	1.4%	-0.3%	0.4%	0.3%	0.4%	-0.4%	0.3%
£ High Yield	0.7%	2.0%	4.4%	-0.1%	0.4%	0.2%	0.2%	0.5%	0.3%	0.1%	0.0%
Targeted Abs Return	-0.5%	0.5%	3.5%	-0.3%	0.3%	-0.3%	-0.3%	0.4%	0.3%	0.1%	0.3%
Mxd Inv 0-60% Shares	-0.5%	-0.2%	4.3%	-1.0%	1.1%	-0.6%	0.0%	0.4%	0.4%	-0.2%	0.6%
Mxd Inv 40-85% Shares	-1.8%	-1.6%	4.4%	-1.3%	0.9%	-0.9%	-0.6%	0.2%	0.4%	-0.1%	0.9%
Average:	0.0%	0.8%	4.1%	-0.6%	0.9%	-0.3%	0.0%	0.4%	0.3%	-0.1%	0.3%

The Sterling Strategic Bond Sector

This is one of the UK fixed income sectors designed for funds principally targeting income. The sector classification is ...

Funds which invest at least 80% of their assets in Sterling denominated (or hedged back to Sterling) fixed interest securities. At any point in time the asset allocation of these funds could theoretically place the fund in one of the other Fixed Interest sectors. The funds will remain in this sector on these occasions since it is the Manager's stated intention to retain the right to invest across the Sterling fixed interest credit risk spectrum.

Overall Group Performance

This Group's average four-week return was a 0.1% gain in the June issue. Last month it made a further 0.5%, but since then it has gone sideways.

All of the sectors in this group went up in 2023, and they also had a reasonable start to this year.

In the first quarter of 2024 they all made further gains. The Mixed Investment 40-85% Shares sector did the best, with a three-month return of 4.2%.

It was a similar story in the second quarter. All sectors went up, with the Mixed Investment 40-85% Shares sector continuing to lead the way. However, it only went up by 1.7% during April, May and June.

In last month's newsletter, the best performing sector was Mixed Investment 40-85% Shares, with a four-week return of 0.9%. Next up was the £ Corporate Bond sector, up 0.7%, followed by the Mixed Investment 0-60% Shares sector, which had made 0.5%. The remaining three sectors had all risen by 0.4% in the previous four weeks.

This month only the three UK Bond sectors are showing gains, and the Mixed Investment 40-85% Shares sector has dropped to the bottom of the table with a four-week loss of 1.8%.

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

A new top dog

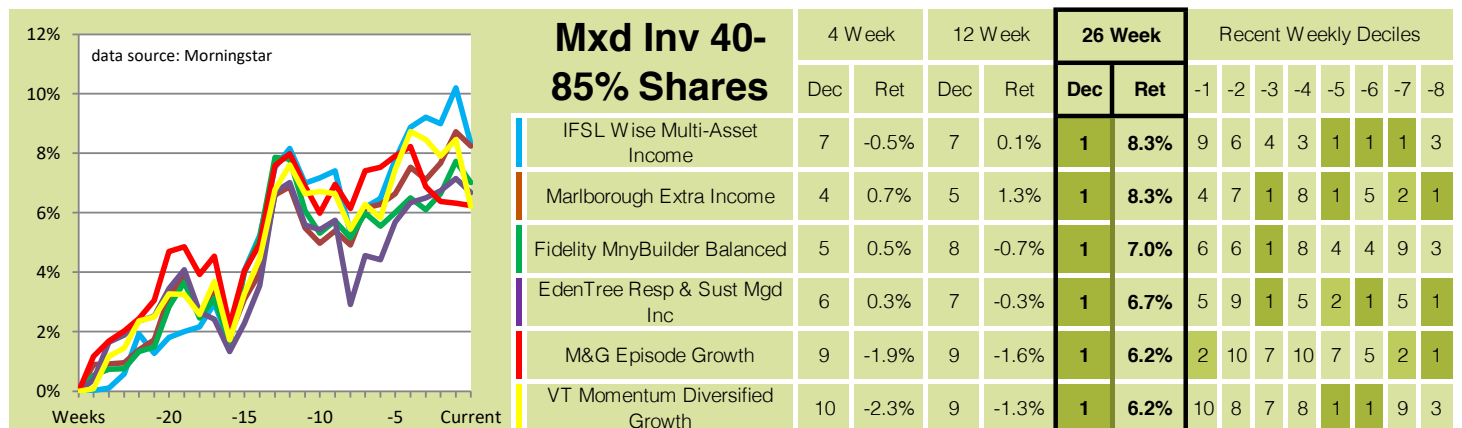
The £ Strategic Bond sector was in second place in the June newsletter, with a four-week return of 0.4%. It dropped to fourth place last month, although it had gained a further 0.4%. This month it has moved to the top of the table, and its four-week return has risen to 1.3%.

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

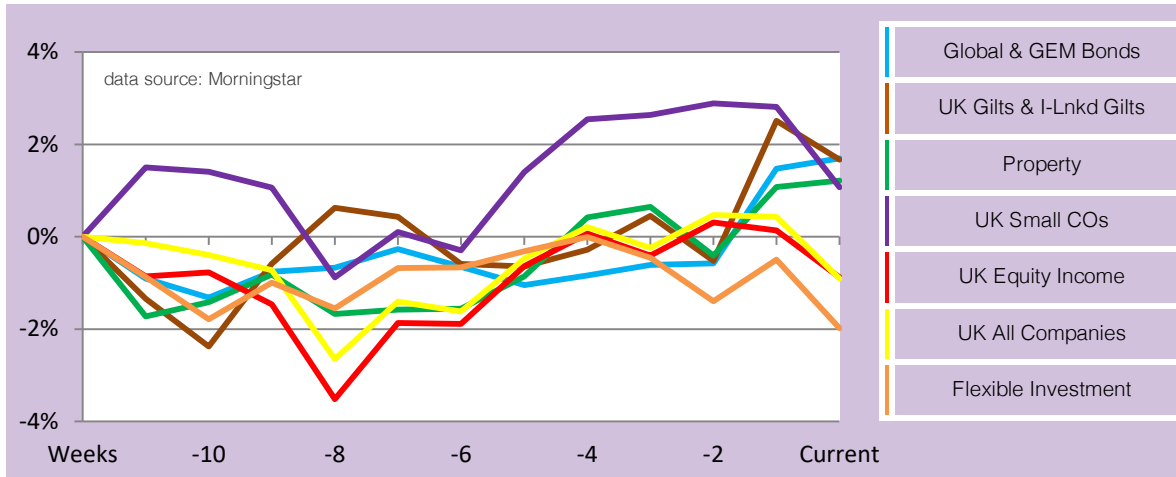


From first to last and back again, and again

The Mixed Investment 40-85% Shares sector moved to the top of the table in the February newsletter, and was still there in the March, April, and May issues. Then, in June, it dropped to the bottom of the table, with a four-week loss of 0.3%. However, in the next four weeks it went up by 0.9%, which was enough to put it back in first place in last month's edition. This month, it has dropped back to last place with a four-week loss of 1.8%.



Performance by Saltydog Group - Steady as She Goes



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

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
Global & GEM Bonds	2.6%	1.8%	2.9%	0.2%	2.0%	0.0%	0.2%	0.2%	-0.4%	-0.4%	0.4%
UK Gilts & I-Lnkd Gilts	1.9%	1.6%	4.0%	-0.8%	3.0%	-1.0%	0.7%	0.4%	-0.1%	-1.0%	-0.2%
Property	0.8%	1.2%	3.5%	0.1%	1.5%	-1.1%	0.2%	1.3%	0.7%	0.0%	0.1%
UK Equity Income	-1.0%	-1.0%	11.7%	-1.0%	-0.2%	0.7%	-0.5%	0.7%	1.2%	0.0%	1.7%
UK All Companies	-1.2%	-1.0%	9.2%	-1.3%	0.0%	0.7%	-0.4%	0.7%	1.1%	-0.2%	1.2%
UK Small COs	-1.6%	0.9%	11.5%	-1.7%	-0.1%	0.2%	0.1%	1.1%	1.7%	-0.4%	1.0%
Flexible Investment	-2.1%	-2.1%	4.1%	-1.5%	0.9%	-0.9%	-0.4%	0.3%	0.3%	0.0%	0.9%
Average:	-0.1%	0.2%	6.7%	-0.9%	1.0%	-0.2%	0.0%	0.7%	0.7%	-0.3%	0.7%

Global & GEM Bonds

The Investment Association now has over twenty sectors for funds investing in bonds and gilts. Funds are classified based on the type of bond that they invest in, and what currency they are denominated in.

There are four main types of bond. Corporate, Government, High Yield and Mixed. The currency categories for the Developed Markets are Sterling, Euro, US Dollar, and Global. Emerging Markets have local, hard, and blended.

For our analysis we split out the UK sectors, but put the rest into our combined Global & Global Emerging Market Bonds sector.

Overall Group Performance

The four-week average for the sectors in this Group was a 0.1% loss in the June newsletter, but a 0.2% gain last month. This month it's down 0.1% again.

In 2022, all of the sectors in this Group went down; two fell by around 25% and the worst lost 35%. Fortunately, last year ended up being much better, but mainly due to a strong performance at the end of the year.

In the first quarter of 2024, the best performing sector was Flexible Investment with a three-month return of 4.5%. Next up, was the UK All Companies sector, with a 2.9% gain, and then the UK Equity Income and UK Smaller Companies sectors. Not all sectors went up. The UK Gilts, Index-Linked Gilts, and UK Direct Property sectors went down.

In quarter two, the UK equity sectors continued to perform well. The best, UK Smaller Companies, went up by 7.3%. UK Equity Income made a 4.6% gain, and UK All Companies rose by 3.9%. The UK Gilt & Index-Linked Gilts saw further losses.

Last month, the UK equity sectors and Flexible Investment were up, but Property, Bonds and Gilts were down.

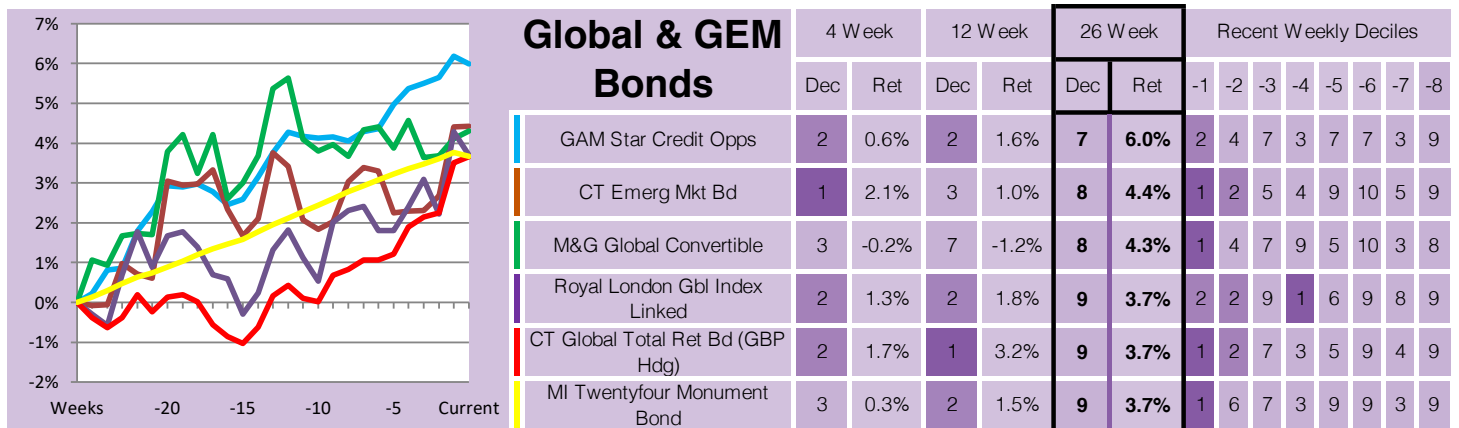
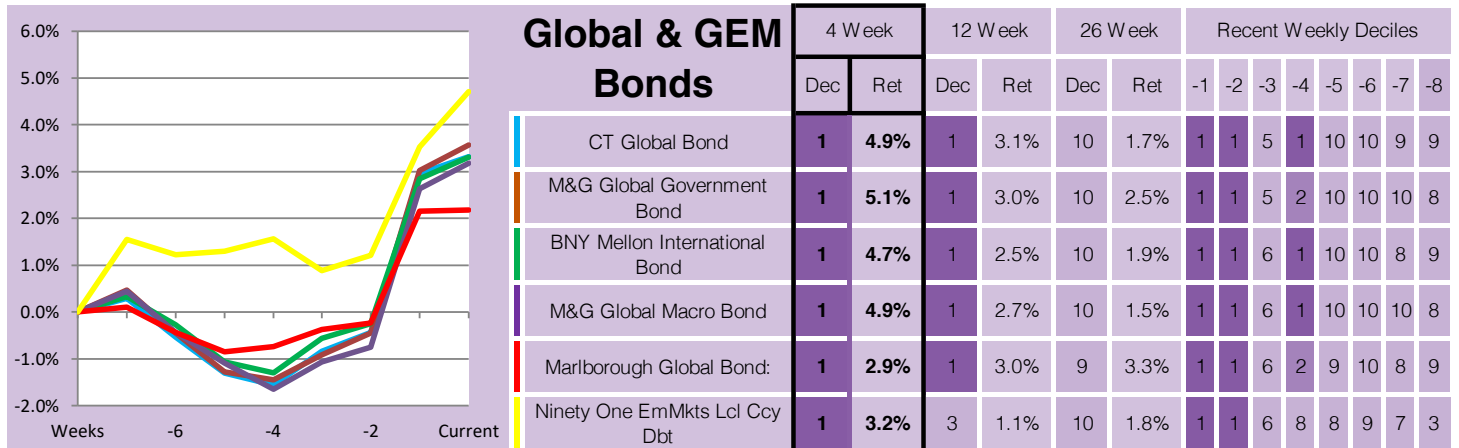
This month it's the other way around. Our combined Global & Global Emerging Market Bond sector is now at the top of the table with a four-week return of 2.6%.

Performance by Saltydog Group - Steady as She Goes

From last to first

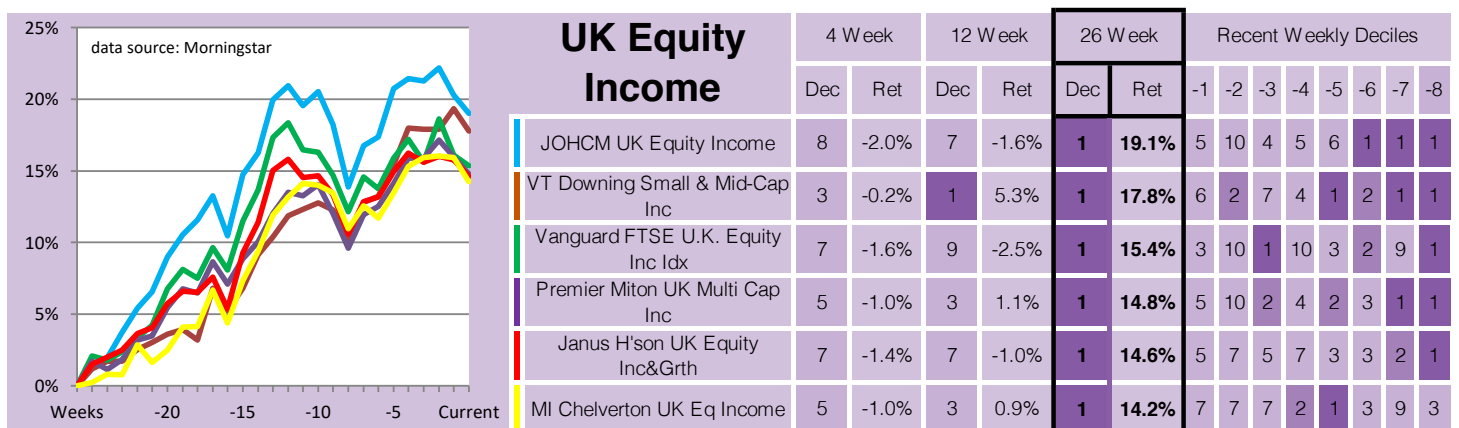
Our combined Global & Global Emerging Market Bonds sector was in sixth place in the June newsletter, having fallen by 0.8% in the previous four weeks. A month later, and it had dropped to last place, although its four-week loss was only 0.3%. This month it has moved to the top of the table with a four-week return of 2.6%.

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

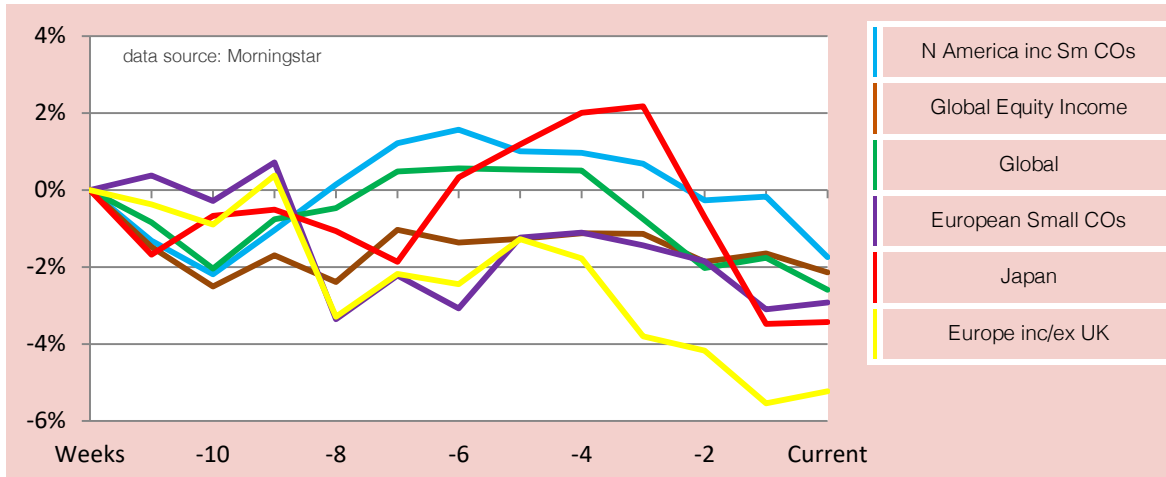


Last month's leader

The UK Equity Income sector was at the bottom of the table in the June issue, with a four-week loss of 1.0%. Last month it jumped up to first place, having gained 0.8%, but this month it has dropped to fourth place, after suffering another 1.0% loss.



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
Global Equity Income	-1.0%	-2.1%	4.5%	-0.5%	0.2%	-0.7%	0.0%	0.1%	0.1%	-0.3%	1.4%
European Small COs	-1.8%	-3.0%	5.7%	0.2%	-1.3%	-0.4%	-0.3%	0.1%	1.8%	-0.9%	1.1%
N America inc Sm COs	-2.8%	-1.8%	3.3%	-1.6%	0.1%	-0.9%	-0.3%	0.0%	-0.6%	0.3%	1.1%
Global	-3.2%	-2.8%	3.1%	-0.8%	0.3%	-1.3%	-1.3%	0.0%	0.0%	0.1%	1.0%
Europe inc/ex UK	-3.4%	-5.2%	2.0%	0.3%	-1.4%	-0.4%	-2.0%	-0.5%	1.2%	-0.3%	1.1%
Japan	-5.4%	-3.4%	-0.8%	0.0%	-2.8%	-2.9%	0.2%	0.8%	0.9%	2.2%	-0.8%
Average:	-2.9%	-3.1%	3.0%	-0.4%	-0.8%	-1.1%	-0.6%	0.1%	0.6%	0.2%	0.8%

The Global Equity Income Sector

This is one of the equity sectors classified by the Investment Association. Their definition is:

“Funds which invest at least 80% of their assets globally in equities. Funds must be diversified by geographic region and intend to achieve a historic yield on the distributable income in excess of 110% of the MSCI World Index yield at the fund’s year end.”

Funds are tested over three year rolling periods by taking a simple average of the yield achieved for each fund at its year end. Funds which failed the test are then reclassified.

Overall Group Performance

In the June newsletter, the overall Group four-week average was a loss of 0.4%, but last month it rose by 0.3%. In the most recent four weeks, it has gone down by 2.9%.

All of the sectors in this Group went up last year, mainly due to a good start in January and a final flourish in November and December. The months in-between were nothing to write home about.

This year got off to a reasonable start. By the end of the first quarter, all of the sectors were reporting three-month gains. The best, North America, had risen by 10.8%.

The second quarter was less encouraging. The North America sector went up by 1.7%, but

North American Smaller Companies was down 3.3%. The Japanese and European sectors had also fallen.

In last month’s newsletter, the European sectors were showing four-week losses, but the other sectors had all made gains.

Since then, things have taken a turn for the worse. All of the sectors in this Group are now showing losses over four and twelve weeks. At the bottom of the table is the Japan sector, which has fallen by 5.4% in the last four 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.

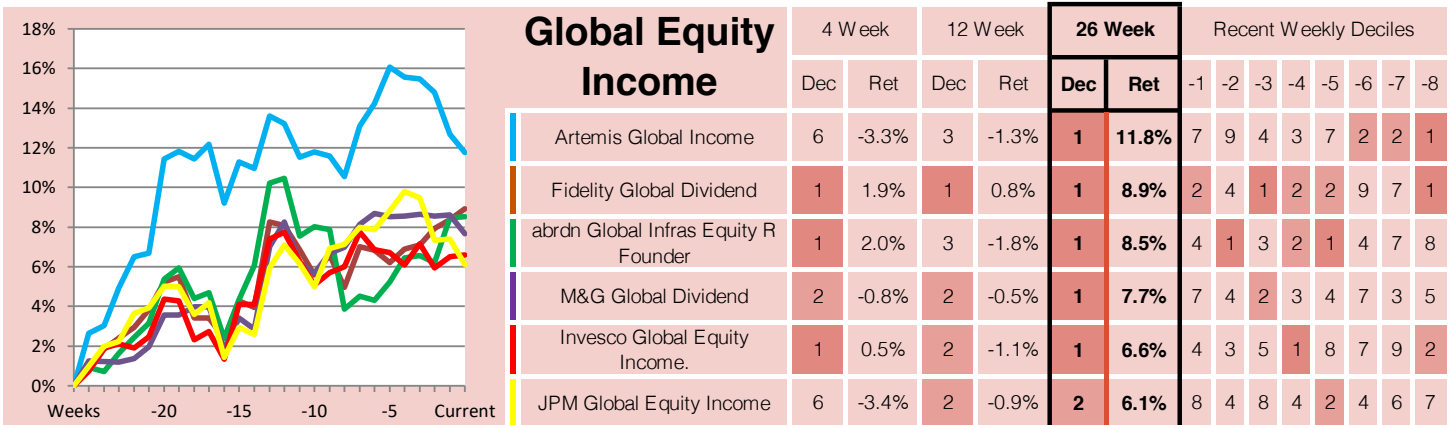
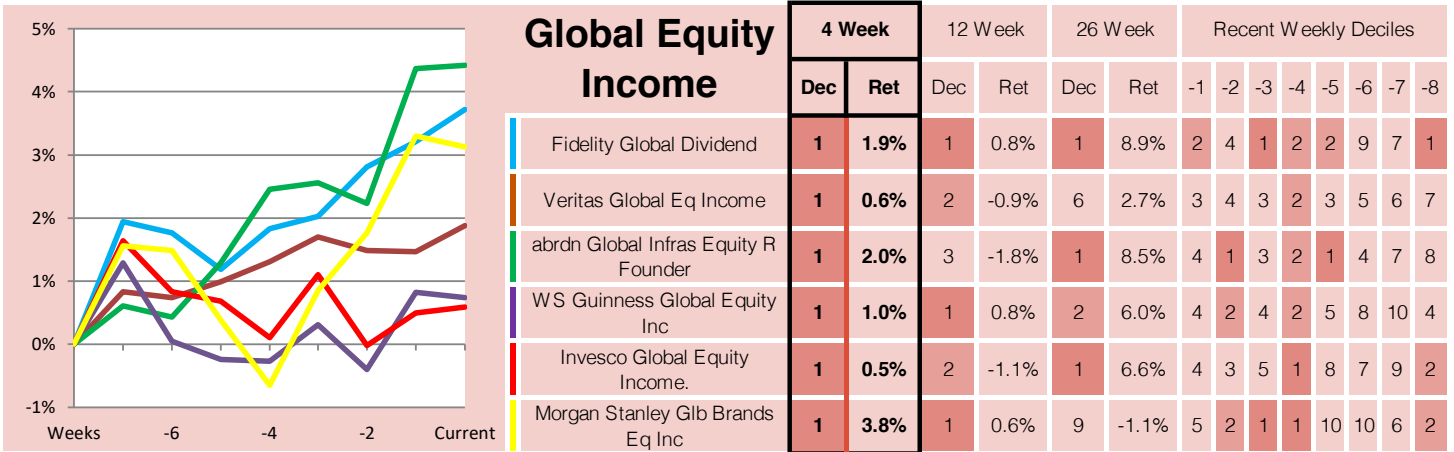
We also include the ‘Property’ sector in this Group.

Performance of the Full Steam Ahead Developed Group

This month's least worst

In the June newsletter, the Global Equity Income sector was at the bottom of the table having lost 1.3% in the previous four weeks. A month later and things were looking a bit more rosy, it had moved up to fourth place with a four-week gain of 0.4%. This month it has climbed into first place, but unfortunately it is now reporting a four-week loss of 1.0%.

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

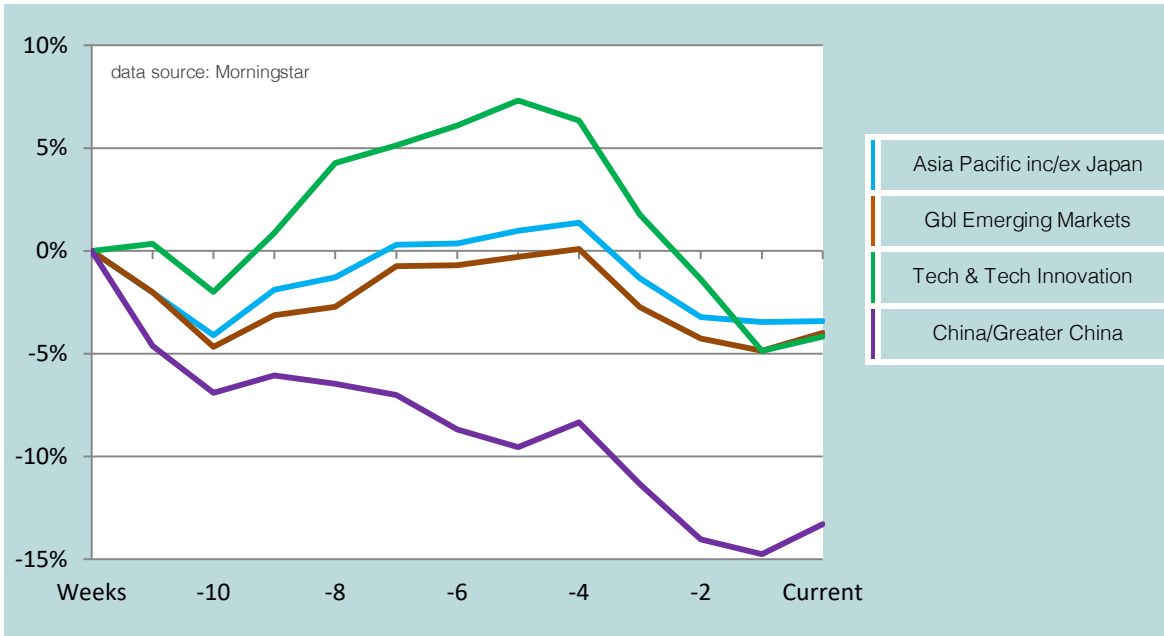


Last month's top dog

The combined North America and North American Smaller Companies sector was in fourth place in the June newsletter, with a four-week loss of 0.8%. However, in the next four weeks it went up by 2.1%, which took it to the top of the table in last month's issue. This month it has dropped to third place, with a four-week loss of 2.8%.



Performance for the Full Steam Ahead Emerging Group



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.

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	-4.2%	-4.2%	4.8%	0.9%	-0.6%	-1.5%	-2.8%	0.4%	0.4%	0.0%	2.0%	
Asia Pacific inc/ex Japan	-4.8%	-3.6%	6.4%	0.0%	-0.2%	-1.9%	-2.7%	0.4%	0.6%	0.1%	1.6%	
China/Greater China	-5.1%	-12.8%	3.0%	1.5%	-0.7%	-2.7%	-3.0%	1.2%	-0.9%	-1.7%	-0.6%	
Tech & Tech Innovation	-10.2%	-4.5%	-0.5%	0.7%	-3.5%	-3.2%	-4.6%	-1.0%	1.2%	1.0%	0.9%	
Average:	-6.1%	-6.3%	3.4%	0.8%	-1.3%	-2.3%	-3.3%	0.3%	0.3%	-0.1%	1.0%	

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

The Group's overall four-week average was a loss of 1.2% in the June newsletter. Last month it was up 2.2%, but this month it's showing a 6.1% loss.

2022 was a year of losses. 2023 was much better, although the China/Greater China sector still went down by 20%. The best performing sector was Tech & Tech Innovation with an annual return of almost 39%.

In the first quarter of this year, most sectors made further gains. Tech & Tech Innovation led the way, with a three-month gain of 11%. The only sector in this Group that did not go up was the China/Greater China sector, and it only fell by 0.5%.

All of the sectors went up in the

second quarter. The Asia Pacific excluding Japan sector had the best three-month return, up 5.3%, but Tech & Tech Innovation wasn't far behind, up 5.1%. The Chinese sector rose by 3.0%.

In the July newsletter, the Technology sector was at the top of the table, with a four-week gain of 6.6%. The Asia Pacific and Global Emerging Markets sectors had gone up by 2.9%, but China/Greater China was showing a 3.5% drop.

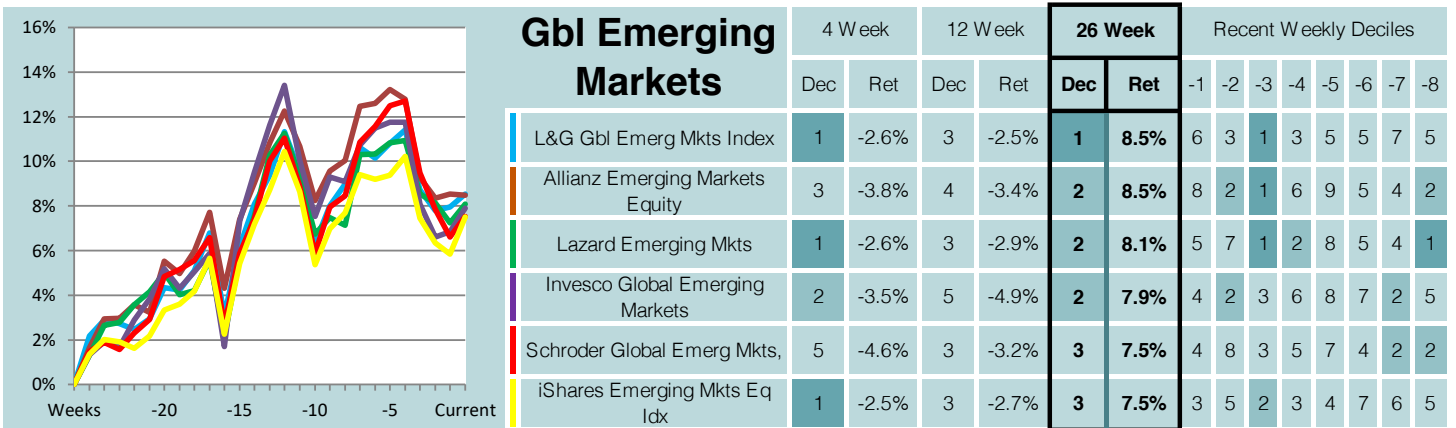
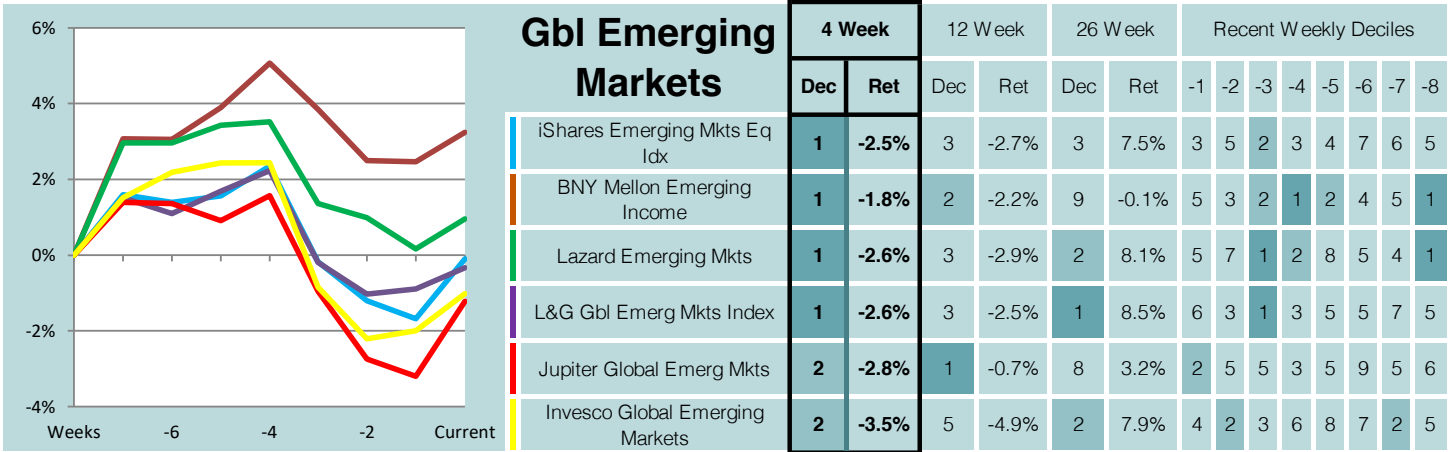
Since then all of these sectors have suffered significant losses.

Performance of the Full Steam Ahead Emerging Group

The best of a bad lot

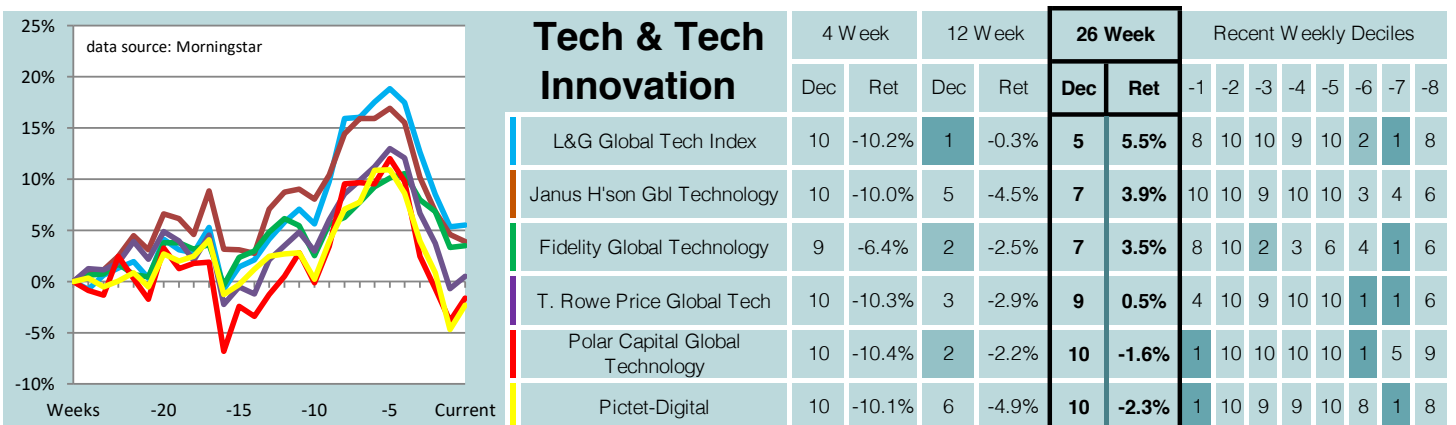
The Global Emerging Markets sector was in third place in the June newsletter with a four-week loss of 2.0%. It then went up by 2.9%, in the next four weeks, but remained in third place in the July edition. This month it has moved to the top of the table, but has gone down by 4.2% in the last four weeks.

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

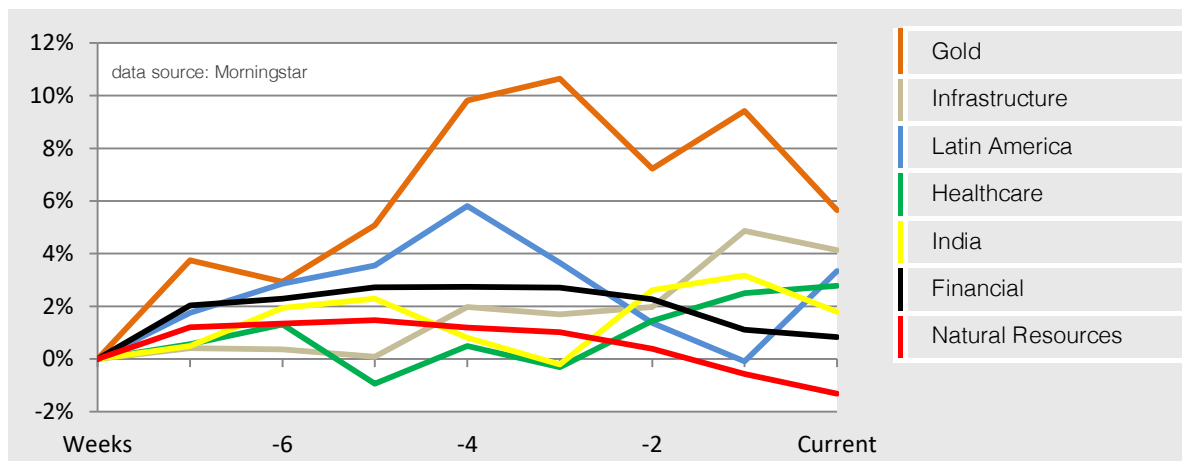


From first to last

In May, the Technology & Technology Innovation sector was at the bottom of the table, having fallen by 1.4% in the previous four weeks. However, it then recovered and by the June newsletter was up in first place with a four-week gain of 2.6%. It held on to the top spot last month, having gained a further 6.6%. This month it isn't looking so clever. It has dropped to the bottom of the table, with a four-week loss of 10.2%, and has wiped out its gains from the last twenty-six weeks.



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
Healthcare	2.3%	2.9%	6.1%	0.3%	1.1%	1.8%	-0.8%	1.4%	-2.2%	0.7%	0.6%
Infrastructure	2.1%	-0.3%	9.9%	-0.7%	2.9%	0.3%	-0.3%	1.9%	-0.3%	0.0%	0.4%
India	0.9%	5.9%	12.1%	-1.4%	0.6%	2.8%	-1.0%	-1.5%	0.4%	1.4%	0.5%
Financial	-1.9%	-2.6%	5.6%	-0.3%	-1.1%	-0.4%	0.0%	0.0%	0.4%	0.3%	2.0%
Natural Resources	-2.5%	-6.0%	3.0%	-0.7%	-1.0%	-0.6%	-0.2%	-0.3%	0.1%	0.1%	1.2%
Latin America	-2.6%	-10.5%	-10.9%	3.4%	-1.5%	-2.3%	-2.2%	2.3%	0.7%	1.1%	1.8%
Gold	-4.4%	-1.0%	25.8%	-3.8%	2.2%	-3.4%	0.8%	4.7%	2.2%	-0.8%	3.7%
Average:	-0.9%	-1.7%	7.4%	-0.5%	0.4%	-0.3%	-0.5%	1.2%	0.2%	0.4%	1.5%

Overall Performance

Last month the SubZone four-week average was a 0.1% gain, but most SubZones were reporting four-week losses. This month it's a 0.9% loss.

In the June newsletter, the India SubZone was at the top of the table with a four-week return of 3.6%, followed by the Healthcare sector which had gone up by 0.3%. All of the other SubZones had gone down in the previous four-weeks.

The India SubZone held on to the top spot in last month's edition. It had gone up by 5.5% in four weeks, 8.4% in twelve weeks, and 17.3% in twenty-six weeks. Financial was the only other SubZone showing a four-week gain. It had gone up by 1.0%. The Healthcare sector had dropped

down to fifth place, with a 1.0% loss.

This month the Healthcare sector has moved up to the top of the table. In the last four weeks it has gone up by 2.3%, and it is showing a twelve-week return of 2.9%, and a twenty-six week return of 6.1%.

In second place is the Infrastructure SubZone, with a four-week return of 2.1%, and then it's the India SubZone, which has gone up by 0.9%. All of the other SubZones have made losses over the last four weeks.

The Healthcare SubZone

There are only two funds that we analyse that focus on investing in companies that operate in sectors related to healthcare, including industries such as pharmaceuticals, healthcare equipment and services.

They are the Legal & General Global Health & Pharmaceutical Index fund and the AXA Framlington Health fund.

This month they are in first and seventh place in our Specialist sector table, based on their decile rankings over the last four weeks. The L&G fund has gone up by 3.1% in four weeks, 3.8% in twelve weeks, and 6.7% in twenty-six weeks.

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.

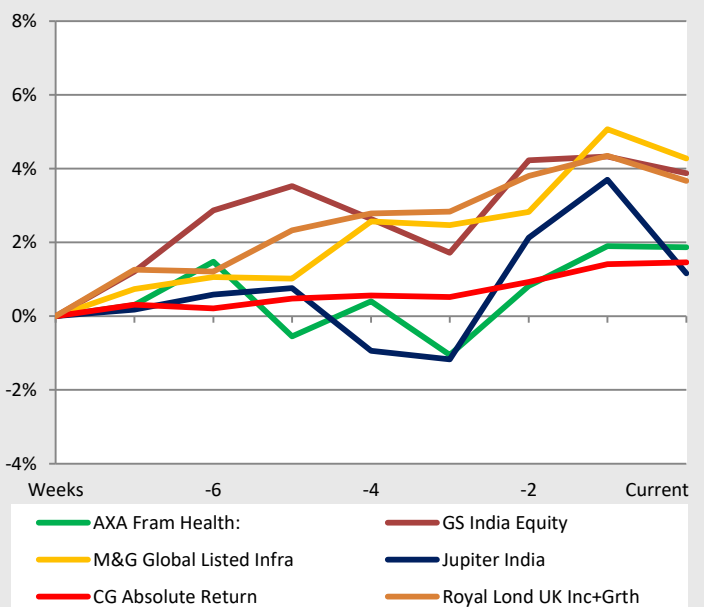
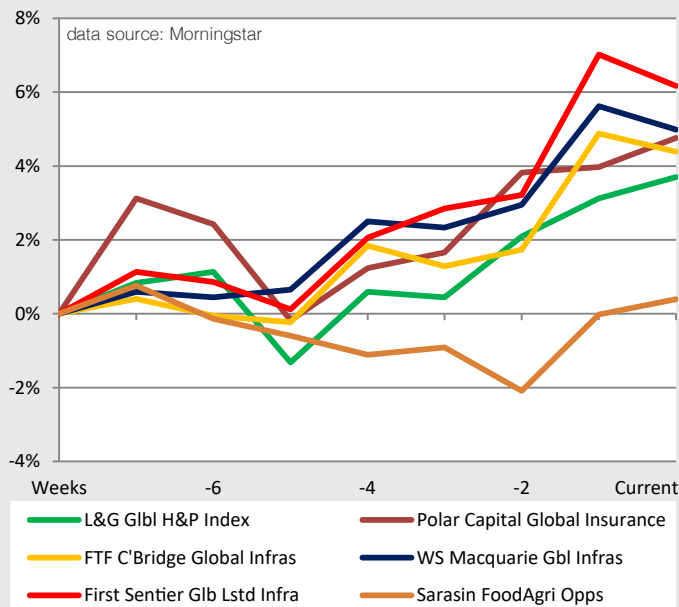
In total we analyse around 65 funds in this sector, most of which do not fall within one of the SubZones.

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
L&G Gbl Health&Pharma Index	Healthcare	1	3.1%	2	3.8%	6	6.7%	2	3	2	4	4	10	5	6
Polar Capital Global Insurance	Financial	1	3.6%	4	0.8%	2	11.3%	2	5	2	3	4	10	9	1
FTF ClearBridge Global Infrs	Infrastructure	1	2.5%	5	-1.3%	3	9.1%	5	1	4	6	3	8	9	8
WS Macquarie Global Infrs,	Infrastructure	1	2.5%	4	-0.2%	3	11.3%	5	2	3	4	4	7	7	7
First Sentier Gbl Lstd Infra	Infrastructure	1	4.1%	3	1.5%	2	11.6%	7	1	4	2	3	9	8	5
Sarasin Food & Agri Opps	Nat Res	2	1.5%	6	-2.9%	8	1.1%	3	2	7	3	8	9	9	7
AXA Fram Health:	Healthcare	2	1.5%	2	2.1%	6	5.5%	3	3	2	8	5	9	3	8
GS India Equity	India	2	1.2%	1	8.5%	2	14.0%	4	5	1	7	9	4	2	5
M&G Global Listed Infrastructure	Infrastructure	2	1.7%	5	-0.7%	4	8.6%	6	2	4	4	4	8	4	7
Jupiter India	India	2	2.0%	1	4.2%	3	9.4%	10	3	1	4	10	7	4	9
CG Absolute Return		3	0.9%	3	1.2%	7	4.1%	3	4	4	4	6	7	7	8
Royal London UK Income + Grth		3	0.9%	3	1.1%	2	11.7%	6	4	3	3	6	3	7	4
Pictet-Water	Nat Res	3	1.0%	6	-3.0%	7	4.3%	6	7	2	1	2	10	9	5
Jupiter Monthly Alternative Income		3	0.8%	2	2.0%	5	8.3%	7	2	6	3	5	3	6	6
Stewart Inv Indian Sbcntnt Sustnby	India	3	0.8%	1	7.0%	1	16.3%	8	6	1	7	9	7	2	8
Invesco Global Financial Capital	Financial	4	0.3%	3	1.7%	6	6.9%	4	4	5	3	6	4	5	9
CT Monthly Extra Inc		4	0.1%	4	0.4%	2	12.0%	5	3	5	5	5	6	5	5
WS Canlife UK Equity and Bond Inc		4	0.0%	5	-1.5%	5	7.7%	6	5	3	5	6	5	6	6
HSBC Monthly Inc		4	0.1%	5	-1.1%	5	8.2%	7	4	3	5	7	4	6	5
AXA Fram Biotech:		4	0.1%	1	9.2%	4	8.4%	8	6	1	7	1	10	1	10
Stewart Inv APAC Ldrs Sstby		5	-0.1%	2	3.0%	3	9.0%	2	5	5	6	7	6	4	7
BGF World Energy D4 GBP	Nat Res	5	-0.9%	7	-5.2%	6	5.9%	4	8	7	1	10	8	1	2
Baring Global Agriculture.	Nat Res	5	-0.6%	8	-7.1%	9	-1.7%	6	7	7	1	9	9	6	6
VT Gravis Clean Energy Income	Infrastructure	5	-0.2%	5	-1.0%	4	8.8%	7	2	5	7	3	9	5	10
Liontrust India	India	5	-0.3%	2	4.0%	4	8.9%	9	4	2	8	10	5	2	8
AXA Framlington FinTech	Financial	6	-1.5%	7	-4.7%	10	-3.5%	2	7	8	5	8	6	2	3
BlackRock Dynamic Diversified		6	-1.4%	4	0.3%	7	4.1%	5	5	6	6	5	6	8	7
WS Guinness Global Energy	Nat Res	6	-1.0%	7	-5.2%	4	8.6%	8	6	7	2	10	3	1	2
Janus H'son Gbl Financials	Financial	6	-1.3%	7	-3.4%	3	9.5%	8	8	4	2	8	2	8	2

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 seven that have managed to achieve it five times. There are a further 32 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 - August 2024	Aug 21 to Jan22	Feb 22 to Jul 22	Aug 22 to Jan 23	Feb 23 to Jul 23	Aug 23 to Jan 24	Feb 24 to Jul 24
Funds that have risen by 5% or more in 5 out of 6 periods						
HSBC GIF Turkey Equity	1.6%	15.1%	88.7%	11.3%	16.3%	19.9%
WS Morant Wright Nippon Yield	6.0%	1.7%	6.6%	9.7%	10.1%	14.7%
Polar Capital Global Insurance	10.3%	8.5%	16.0%	-4.9%	10.6%	11.8%
Invesco Global Equity Income	6.0%	1.5%	6.9%	7.7%	7.3%	8.9%
WS Guinness Global Equity Income	5.2%	6.0%	-0.1%	6.6%	5.7%	8.8%
Man GLG Japan Core Alpha	7.5%	4.5%	10.5%	6.1%	7.8%	8.6%
FTF ClearBridge US Equity Income	9.8%	5.9%	-0.9%	5.7%	6.0%	6.9%
Funds that have risen by 5% or more in 4 out of 6 periods						
Ninety One UK Special Situations	4.2%	-7.8%	11.2%	5.3%	11.9%	19.1%
Stewart Inv Indian Subcontinent	11.3%	4.1%	-0.9%	8.4%	6.5%	18.4%
GS India Equity	10.0%	-2.8%	-3.6%	9.2%	16.8%	17.0%
Jupiter India	11.2%	-0.8%	2.9%	14.1%	29.7%	16.8%
Jupiter Asian Income	6.0%	5.2%	6.6%	-2.6%	3.6%	16.2%
L&G Global 100 Index	8.2%	2.8%	-3.3%	12.1%	8.3%	15.4%
Liontrust India	9.4%	-0.3%	0.2%	7.8%	19.3%	14.1%
Artemis Income	5.4%	-1.3%	5.8%	-0.9%	5.9%	13.1%
WS Morant Wright Japan	5.1%	0.4%	4.3%	11.0%	11.3%	12.4%
Fidelity Index USA	5.4%	3.1%	-3.0%	9.9%	8.8%	11.7%
MI Thornbridge Global Opps	17.4%	-3.1%	16.8%	6.5%	4.8%	11.3%
Invesco Emerging Mkts ex China	-7.1%	17.2%	8.3%	7.9%	4.3%	10.9%
WS Guinness Global Energy	36.7%	13.6%	15.9%	-4.1%	1.6%	10.7%
AXA Fram Biotech	-11.0%	12.8%	8.5%	-6.9%	9.8%	10.6%
Invesco Global Equity	5.0%	0.8%	1.3%	8.9%	11.4%	10.5%

Data source: Morningstar

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WHAT'S HOT AND WHAT'S NOT

GOING UP

UK GDP grows by 0.6% in Q2

UK Retail Sales up 0.5% in July

Trump survives assassination attempt

Team GB wins 65 medals in Paris 2024 Olympics

Djokovic finally wins Olympic Gold

GOING DOWN

Mass riots in the UK

Biden steps down as democrats' nominee

Nikkei 225 goes down by 12.4% in one day

Djokovic loses second Wimbledon final to Carlos Alcaraz

Graham Thorpe - RIP.

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