

Dear customers/readers,

I hope the year has started well for you.

January stands as a good illustration of what the markets have in store for 2024, when we expect the monetary policies of the US and European central banks to set the tone.

The first days of the year seemed to point to a phase of slight correction after the exuberance of late 2023.

It was no surprise that the market paused for a little breather.

The fall in bond yields was also interrupted (temporarily) at the beginning of the year.

The situation in China is looking increasingly threatening for the global economy.

Aware of the risks, the Chinese authorities have announced an aid programme to facilitate the granting of loans by the country's banks.

While that is a good thing, we will need to monitor how Xi Jinping's government reassures local investors after the collapse of the real estate giant Evergrande.

The US earnings season has been quite reassuring overall, especially for most large technology companies,

and to boot the latest economic data (gross national product growth, industrial activity, etc.) beat expectations.

US recessionary risk now seems negligible.

A short-term slowdown is likely, although it remains an uncertainty,

and that is all that was needed stop the haemorrhaging and trigger a rebound, allowing most Western stock markets to end the month in the green.

While the level of inflation is approaching the Fed's targets (2% annualised), the bank does not want to act too quickly and risk tempering enthusiasm in certain quarters.

In Europe, the strength of the economy is much less dazzling, but the hoped for announcement by Christine Lagarde of incipient rate cuts seems to be reassuring investors.

We believe 2024 could end with satisfactory results in anticipation of an economic recovery in 2025.

With this in mind, we have slightly increased our exposure to risky assets.



Performance of the main markets in 2024

	January 2024
Euro Stoxx 50	+2.81%
Stoxx Europe 600	+1.39%
S&P 500	+1.59%
S&P 500 Equal Weighted	-0.85%
BEL 20	-1.21%
MSCI WORLD	+1.14%
Nikkei 225	+8.43%
Hang Seng (Hong Kong)	-9.16%

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