# Monthly Review, Asset Allocation & Outlook

April 2024

## Highlights of the Month

- Global equities and fixed income fell as higher than expected inflation print fueled higher for longer rates narrative
- In equities, MSCI All Country World Index declined 3.4% while MSCI EM Index rose by 0.3%
- Bonds sentiment turned sour in April as rate cut expectations in 2024 were pushed back
- In fixed income, Barclays Global Aggregate Index & Bloomberg EM Aggregate Index declined 2.5% and 1.6%, respectively
- Brent rose 0.4% MoM to close at USD 87.86/bbl on increasing geopolitical risks
- Base metals rose, as demand concerns alleviated; Bitcoin declined by 15.5% during the month
- MENA equities were sluggish during April and the S&P Pan Arab Composite Large Mid Cap Index was down 2.0%
- We remain overweight on equities and maintain neutral on fixed income

## Global Review

Hotter than expected inflation, hawkish messaging from the fed speakers and escalation in geopolitical tensions in the middle east led both equity and fixed income markets to drop. Powell stated at an economic conference that the economy has not given policymakers confidence that inflation is firmly on the way back down to the central bank's goal of 2% and it is likely to take longer than expected to achieve that confidence. Expectations of rate cuts in 2024 dropped further with fed fund futures indicating only 1 rate cut vs 6 rates cuts at the beginning of the year. 2-Year and 10-Year US Treasury yields rose 42bps and 48bps, respectively, to close the month at 5.04% and 4.68%.

Global equities benchmark MSCI All Country World Index dropped 3.4% while Barclays Global Aggregate Bond Index fell 2.5%. High yield bonds outperformed investment grade bonds with Barclays Global High Yield Index falling only 0.8%. Bloomberg Commodity Index rose 2.2% as base metals such as Copper and Aluminum rallied 12.8% and 12.6% on alleviating demand concerns and supply issues.

**Global Equities:** Within equities, emerging markets outperformed developed markets with MSCI EM Index rising 0.3% while MSCI World Index falling 3.9%. The outperformance of EM was driven by a strong rebound in Chinese equities and a continued rally in Indian equities. Defensives outperformed cyclicals with MSCI All Country World Defensive Index falling 2.0% while Cyclical Index plummeting 3.9%. S&P 500 Index fell 4.2%, thereby breaking its five consecutive months of winning streak on rising real rates. US Treasury 10-year real yield rose 40bps to end the month at 2.28%. Nasdaq Composite Index fell 4.4%. Real estate, IT, materials, consumer discretionary and financials were the worst performing sectors declining 8.6%, 5.5%, 4.6%, 4.4% and 4.3%, respectively. Russell 2000, a small cap index of US stocks sold aggressively falling 7.1%. Real estate and small caps being highly rate sensitive were the worst impacted on a higher for longer rate narrative. Earnings remained strong with one-third of the S&P 500 companies that had reported earnings about 80% of those surprised to the upside and exceeded expectations by 10%.

Both CPI and Core CPI came above expectations on MoM basis rising 0.4% vs expectation of 0.3%. On YoY basis too both measures come above expectations with CPI rising 3.5% and Core CPI rising 3.8% vs estimates of 3.4% and 3.7%, respectively. Shelter and energy costs drove most of the MoM increase in CPI. Energy rose 1.1% after climbing 2.3% in February, while shelter costs were higher by 0.4% MoM and up 5.7% YoY. Services inflation continued to be strong with car insurance, car repair and medical inflation rising 2.6%, 1.7% and 0.6% MoM. Super core inflation rose 0.65% MoM. PCE and core PCE came in at 0.3% MoM, both were in line with expectations. YoY PCE and core PCE were 2.7% and 2.8%, above expectations of 2.6% and 2.7%.

The US economy delivered mixed signals with strong growth in nonfarm payrolls (+315,000) and retail sales. 1Q2024 QoQ annualized real GDP grew 1.6%, vs 3.4% in 4Q2023 and below expectations of 2.5%. Personal spending grew 0.8% MoM vs expectation of 0.6%. Personal income grew 0.5% vs 0.3% expected. US Retail sales rose 0.7% vs 0.4% expected. University of Michigan sentiment fell to 77.9 in April from 79.4 last month.

European equities outperformed US with MSCI Europe ex-UK Index falling 2.6%. Eurozone April Flash Composite PMI rose to 51.4 from 50.3 in March vs estimate of 50.7. Euro Area April core CPI further moderated to 2.7% YoY from 2.9% in March, thereby strengthening chances of rate cuts. UK equities rallied with FTSE 100 Index rising 2.4% as UK listed commodities companies performed strongly. Japanese equities also fell as a further drop in Yen increased concerns about imported inflation weakening domestic demand.

**Fixed Income:** As a result of stronger than anticipated data that came out during the month, we saw a significant repricing of interest rate expectations in the market, and yields pushing higher. The narrative of "higher for longer" interest rates gained traction, with initial expectations of 6 rate cuts in 2024 now completely priced out. The revised view now anticipates a maximum of two cuts this year.

The FOMC meeting on May 1st, 2024, as expected, maintained rates unchanged. The Fed reiterated its commitment to achieving the 2-3% inflation target but signaled a data-dependent approach to future adjustments. We believe this policy stance, coupled with the likelihood of peak interest rates and a healthy growth outlook supported by robust consumer spending and business investment, presents a compelling opportunity for fixed income investors. Locking in currently attractive yields could be beneficial as strong corporate fundamentals suggest low default risks.

Global corporate dollar bond issuances stood at $279bn in April, ~7% higher than March. As compared to April 2023, issuance volumes were up 60%. 73% of the issuance volumes came from IG issuers with HY comprising 14% and unrated issuers taking the remaining 13%. Asia ex-Japan & Middle East G3 issuance stood at $23.7bn, down 33% MoM whilst being higher by 39% YoY. 63% of the volumes came from IG issuers with HY issuing 34% and unrated issuers taking the rest. The largest deals globally in April were by European Investment Bank $5bn, followed by sovereign issues from Canada. Besides these, several bulge bracket banks in the US also topped the tables including Morgan Stanley's $3bn, JP Morgan $3bn and Goldman Sachs $5bn deals. In the GCC region, key issuers were the Abu Dhabi Government ($5bn) and ADQ ($3bn).

Yield curve dynamics: We expect the US yield curve (2s10s) to start steepening from its current level once the US Fed starts its easing cycle or shows signs that the easing cycle is about to begin.

Base case scenario: We see soft landing as the highest probability scenario: In the case of a soft landing, we expect a lower 10y UST and a bearish dollar. This scenario we believe will drag 10y yields closer to 3.8% by YE-2024.

The EM Bond Index gave negative returns in April. Barclays Emerging Markets Aggregate Index (EMUSTRUU Index) returned -1.7% m-o-m, meanwhile, Bloomberg EM GCC Credit + HY Index (BGCCTRUU Index) returned -2.1% during the month, while Bloomberg Global Aggregate Index (LEGATRUU INDEX) returned -2.5% in April.

**EM Equities**: MSCI EM Index rose 0.3% in April. Asia largely contributed to this gain, rising by 0.9%. LATAM was down 4.0% during the month while EMEA was down 0.4% MoM. In Asia, China rallied 6.4% due to the solid gains by Tencent and Alibaba, which were up 14.3% and 5.9% respectively. This helped offset losses in Korea which was down 3.3% for the month.

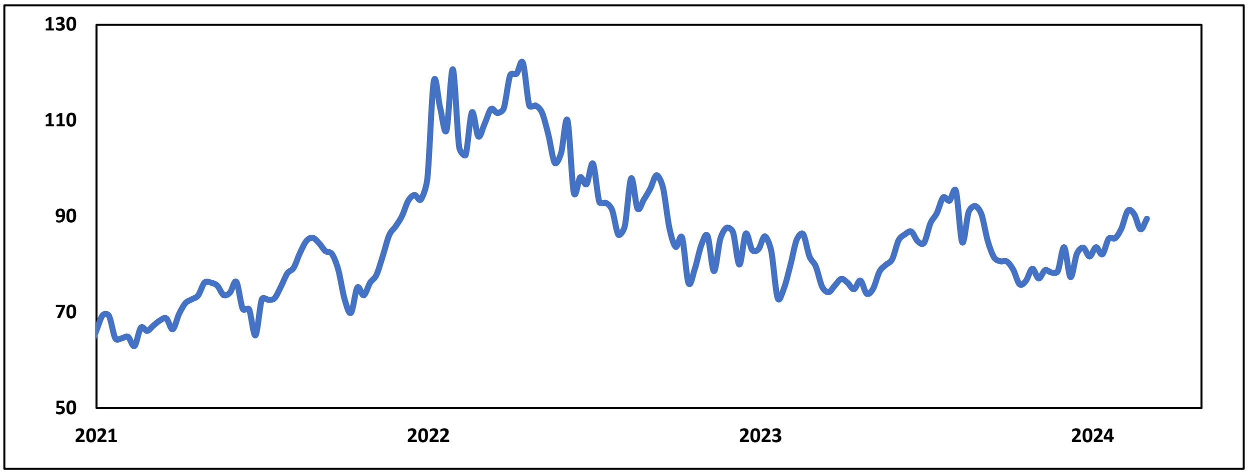
**Commodities**: Brent oil closed at USD 87.9/bbl, up 0.4% MoM. Oil prices have gained 14% YTD on expectations that economic growth in the US and China would boost demand, geopolitical tensions in the Middle East as well as controlled supply from OPEC+. **Natural gas**: Henry hub prices gained 12.9% MoM to reach USD 2.0/mmbtu, due to rising demand and an ongoing decline in output.

**Petchems**: SE Asia LDPE, PP and HDPE rose by 2.7%, 1.0% and 1.0% MoM, respectively. SE Asia LLDPE, MEG and Methanol were down 1.0%, 2.7% and 3.3% MoM, respectively. YTD prices are up due to growing demand and an uplift in oil prices.

**Metals**: Nickle, copper, and aluminum gained 15.1%, 12.8% and 12.6% respectively on rising demand and falling supplies. **Precious metals**: Gold prices rose by 2.5%, taking its YTD gains to 10.8%. Gold has rallied this years on strong demand from global central banks and Chinese investors.

**Currencies**: EM currencies (MSCI EM Currency Index) fell by 0.5%, while the US Dollar (DXY Index) rose by 1.7%. The Brazilian Real (-3.5%) and the Mexican Peso (-3.4%) were the worst performing EM currencies. The Chilean Peso (+2.1%) and the South African Rand (+0.5%) were the best performing ones.

**Brent crude oil prices ($/bbl)**




*Source: Bloomberg, Daman Investments*

**MENA Equities:** GCC markets continued to witness profit taking in April, with the S&P Pan Arab Composite Large Mid Cap Index falling by 2.0%. Kuwait All Share Index was the worst performer, losing 3.8%. Dubai's DFMGI was down 2.1%, followed by Abu Dhabi's FADGI and Qatar's DSM, which were down 1.7% and 1.2%, respectively. Saudi's TASI was flat for the month. Regionally, Turkey's XU100 Index gained 9.9% followed by Pakistan's KSE 100 Index which was up 6.0% for the month. Egypt's EGX30 Index fell 9.1%.

In the UAE, banks witnessed a contraction in their net interest income during Q12024. Average NIMs declined 5bps YoY and 11bps QoQ. ADIB was an outlier and saw its NIMs improve as funding costs remained stable. Provisioning over was lower as asset quality improved, with stage 2 and stage 3 loans decreasing. Emirates NBD witnessed a sizable reversal in provisions from its corporate loan book. Loan growth was mixed and was mainly driven by corporates. The EGP devaluation also impacted loan growth for banks with an exposure to Egypt. The UAE Central Bank announced that banks may defer personal and car loan instalments for up to six months for customers impacted by heavy rains which took place during the month, without imposing additional fees or interest.

In Saudi Arabia, net interest income for banks came under pressure as funding cost rose, however asset quality remained resilient leading to lower provisioning. Loan growth was good, coming from both corporates and mortgages, while deposits also grew which helped improve overall liquidity.

## Major Indices Performance

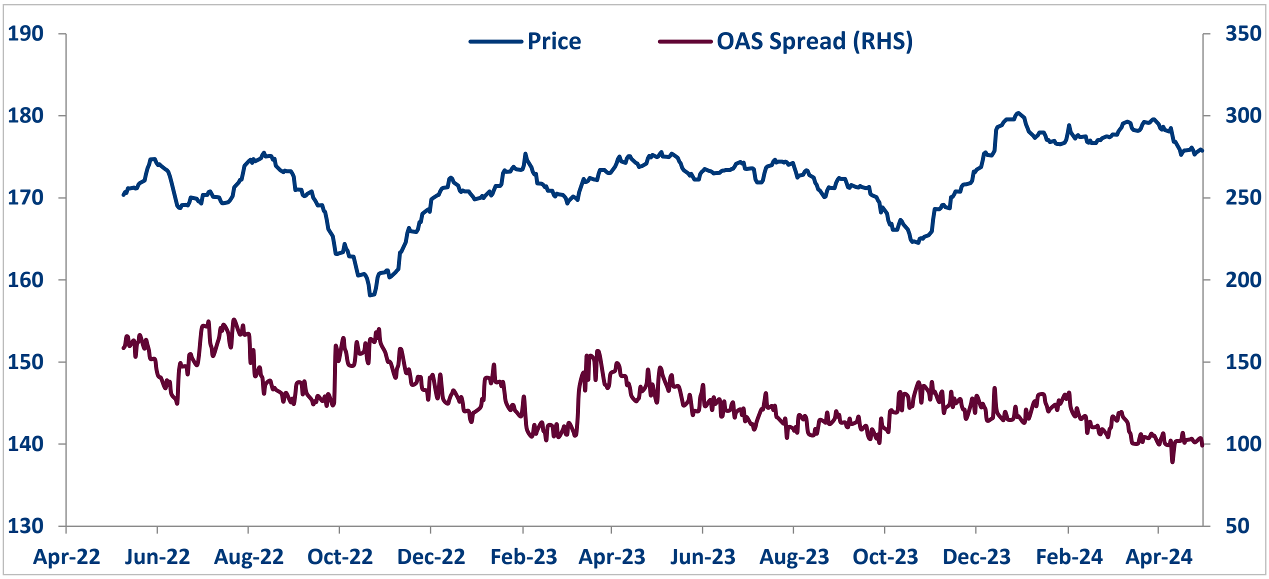
| Major Indices Performance | Value | MTD Return | YTD Return | PE (x) 1Yr Fwd | PB (x) 1Yr Fwd | Div. Yield 1Yr Fwd |
|---|---|---|---|---|---|---|
| Saudi Arabia - TASI | 12,395 | -0.1% | 3.6% | 17.4 | 2.4 | 3.9% |
| Dubai - DFMGI | 4,156 | -2.1% | 2.4% | 8.1 | 1.1 | 5.5% |
| Abu Dhabi - FADGI | 9,067 | -1.7% | -5.3% | 14.9 | 1.9 | 3.9% |
| Qatar - DSM | 9,727 | -1.2% | -10.2% | 10.5 | 1.3 | 5.3% |
| Kuwait - All Share | 7,051 | -3.8% | 3.4% | 11.3 | 0.6 | 7.7% |
| Oman - MSM30 | 4,784 | 3.2% | 6.0% | 10.0 | 0.7 | 5.6% |
| Bahrain - BHSEASI | 2,029 | -0.7% | 2.9% | 7.7 | 0.7 | 8.3% |
| Egypt - EGX30 | 24,449 | -9.1% | -1.8% | 6.8 | 2.0 | 4.4% |
| Morocco - MOSENEW | 13,319 | 2.4% | 10.1% | 18.7 | 2.3 | 3.3% |
| S&P Pan Arab Composite | 163 | -2.0% | -2.2% | 13.9 | 1.7 | 4.2% |
| Israel - TA35 | 1,950 | -3.0% | 4.5% | 10.9 | 1.5 | 2.6% |
| Turkey - XU100 | 10,046 | 9.9% | 34.5% | 5.5 | 1.4 | 4.4% |
| Pakistan - KSE100 | 71,125 | 6.0% | 14.0% | 3.5 | 0.8 | 8.2% |
| S&P 500 | 5,036 | -4.2% | 5.6% | 21.5 | 4.3 | 1.5% |
| STOXX 600 | 505 | -1.5% | 5.4% | 14.3 | 1.9 | 3.4% |
| MSCI EM | 1,046 | 0.3% | 2.2% | 12.9 | 1.6 | 2.9% |
| MSCI All Country World | 757 | -3.4% | 4.1% | 18.2 | 2.8 | 2.0% |
| MSCI World | 3,305 | -3.9% | 4.3% | 19.1 | 3.1 | 2.0% |

| Major Indices Performance | Value | MTD Change | YTD Change |
|---|---|---|---|
| Barclays GCC Credit +HY Index | 176 | -2.1% | -2.6% |
| FTSE MENA Broad Bond Index | 161 | -2.3% | -1.7% |
| Dow Jones Sukuk | 96 | -1.6% | -2.5% |
| Barclays Global Aggregate Index | 450 | -2.5% | -4.6% |
| Barclays Global High Yield Index | 1,541 | -0.8% | 1.3% |
| Barclays US Treasury Index | 2,203 | -2.3% | -3.3% |
| Barclays US Corporate Index | 3,127 | -2.5% | -2.9% |
| Barclays US Corporate High Yield index | 2,493 | -0.9% | 0.5% |
| JPM EM Global Bond Index | 567 | -2.2% | -0.5% |
| Bloomberg Barclays Emerging Markets Hard Currency Aggregate Index | 1,169 | -1.65% | -0.1% |
| Bloomberg Barclays US Aggregate Bond Index | 2,091 | -2.5% | -3.3% |
| Markit CDX Emerging Markets Index | 97 | -0.3% | -0.5% |
| Barclays EM High yield | 1,451 | -0.6% | 4.1% |
| Barclays EM Corporate Index | 282 | -1.3% | 0.9% |
| 10-year US Treasury yield* (%) | 4.68 | 48 | 80 |
| 30-year US Treasury yield* (%) | 4.78 | 44 | 76 |
| US Treasury 2-10 Spread* | -35.74 | 6 | 2 |
| US Treasury 2-30 Spread* | -25.33 | 3 | -3 |
| 10-year US Treasury Real yield* (%) | 2.28 | 40 | 57 |
| 10-year Germany Treasury yield* (%) | 2.58 | 29 | 56 |
| US Breakeven 10 Year* | 2.40 | 8 | 23 |
| 10-year Saudi Arabia Govt USD Bond yield* (%) | 5.43 | 49 | 86 |
| 8-year Abu Dhabi Govt USD Bond yield* (%) | 5.11 | 58 | 93 |
| 4-year Kuwait Govt USD Bond yield* (%) | 5.20 | 70 | 97 |
| 9-year Oman Govt USD Bond yield* (%) | 6.15 | 45 | 76 |
| 10-year Bahrain Govt USD Bond yield* (%) | 7.26 | 34 | 41 |
| 7-year Qatar Govt USD Bond yield* (%) | 5.00 | 51 | 81 |
| 10-year Egypt Govt USD Bond yield* (%) | 10.64 | 36 | -300 |
| EIBOR 3M* (%) | 5.32 | 10 | -1 |
| QAIBOR 3M* (%) | 6.00 | 0 | -25 |
| Dubai 5 Year CDS* (bps) | 35 | 5 | -1 |
| Qatar 5 Year CDS* (bps) | 43 | 5 | -2 |
| 2-year US Treasury yield* (%) | 5.04 | 42 | 79 |

*Source: Bloomberg, Daman Investments AssetManagement*   *Note: *In basis points*

## Barclays GCC Credit +HY Index




*Source: Bloomberg, Daman Investments Asset Management*

## Major Commodities and Currencies

### Performance

| | Value | MTD Change | YTD Change |
|---|---|---|---|
| Brent crude oil (USD/bbl) | 87.86 | 0.4% | 14.0% |
| Natural Gas (USD/mmbtu) | 1.99 | 12.9% | -20.8% |
| Gold (USD/Ounce) | 2,286 | 2.5% | 10.8% |
| Copper (USD/MT) | 9,892 | 12.8% | 16.9% |
| Aluminium (USD/MT) | 2,585 | 12.6% | 10.2% |
| Nickel (USD/MT) | 19,065 | 15.1% | 16.4% |
| Urea Middle East (USD/MT) | 290 | -12.1% | -10.1% |
| Methanol China (USD/MT) | 294 | -0.3% | 4.3% |
| SE Asia Polyethylene (USD/MT) | 1,040 | 0.0% | 6.1% |
| Polypropylene (USD/MT) | 1,010 | 0.0% | 6.3% |
| US Dollar Index | 106.22 | 1.7% | 4.8% |
| MSCI EM Currency index | 1,714.84 | -0.5% | -1.5% |
| JPM EM Currency index | 46.16 | -0.8% | -4.1% |
| EGP/USD | 0.021 | -0.9% | -35.5% |
| TRY/USD | 0.031 | -0.2% | -8.9% |
| PKR/USD | 0.359 | -0.1% | 1.1% |
| ILS/USD | 0.267 | -1.4% | -3.2% |
| EUR/USD | 1.07 | -1.1% | -3.4% |
| GBP/USD | 1.25 | -1.0% | -1.9% |
| USD/JPY | 157.80 | 4.3% | 11.9% |

# Global Asset Allocation and Outlook

## Global Asset Allocation and Outlook

Bad news has finally started to become good news for the market given stickier inflation prints during the first quarter. After a steep drop in risk assets in the month of April, there is a strong rebound during the first 10 days of May on a moderation in labor market, fed being less dovish, signs of slowdown in the economy and earnings being generally stronger than expectations. Nonfarm payrolls increased by 175,000 in April, below the 240,000 estimate. The unemployment rate ticked higher to 3.9% against expectations of 3.8%. Powell also said risk to the economy and inflation are balanced, thereby pushing back against further hiking rates, and maintaining that rates are restrictive enough.

We believe most of the drop in core PCE from a peak of 5.6% to 2.8% currently is due to the supply chain improvement due to the lag effects of the high rates impacting demand. We expect the restrictive rates to put pressure on demand and bring inflation gradually down to 2% over the next 1 year with slight bumps along. While being vigilant of the risks, we still see a soft landing as our base case scenario and expect inflation to trend down. Hence, we maintain our overweight position on equities and keep bonds at neutral.

## Asset Allocation

| | Underweight | Neutral | Overweight |
|---|---|---|---|
| **By Asset class:** | | | |
| Equities | | | ■ |
| Fixed Income | | ■ | |
| Alternatives | | ■ | |
| Cash | ■ | | |
| **Equities - by region:** | | | |
| DM | | | ■ |
| US | | | ■ |
| Japan | | | ■ |
| Euro Area | ■ | | |
| EM | | ■ | |
| EM Asia | | ■ | |
| EM Europe | ■ | | |
| EM MENA | | | ■ |
| EM LatAm | | | ■ |
| **Fixed Income - by region:** | | | |
| South Asia | | | ■ |
| Far East Asia | | ■ | |
| Latin America | | | ■ |
| MENA | | | ■ |
| Sub-Saharan Africa | ■ | | |
| Central & Eastern Europe | ■ | | |
| **Fixed Income - Rates vs Spreads:** | | | |
| Rates | | | ■ |
| Spreads | | ■ | |
| **Fixed Income - Credit:** | | | |
| Global Investment Grade | | ■ | |
| Global High Yield | | | ■ |

## Global Asset Allocation and Outlook

**Global Equites:**

•In equities, we believe a proper bottom-up analysis is important to own quality stocks with solid balance sheets, high operating cash flows and contained leverage to protect from market volatility tied to fluctuation in macroeconomic data and reset of rate cut expectations

•We see a diversified portfolio with a dividend yield cushion to be better equipped to face market volatility. We see a barbel portfolio split between technology and cyclical sectors as well placed to navigate macroeconomic and geopolitical uncertainties that we may face in 2024

•Performance to broaden out with cyclical sectors, healthcare and utilities participating which were laggard in 2023

•We continue to prefer an exposure to large cap technology names which will continue to witness strong earnings growth (2023-25e CAGR of above 15%) driven by tailwinds tied to cloud computing, AI and data center demand

•We avoid names on higher risk sides of the capital structure such as unprofitable tech and biotech names, etc. We would prefer to wait till the 2Q 2024 to get further clarity on path of monetary policy.

We maintain overweight on US on better than earnings and economic growth and AI driven momentum. We see the US economy holding up much better than Europe given relatively stronger consumer spending and consumer confidence. US will continue to be the driver of innovation in sectors such as AI, semiconductors, clean energy, biotech, etc. **We prefer a balanced mix of quality growth and quality cyclical in US.**

**Preferred Picks:**

**Technology and communication services:** Alphabet, Microsoft, Nvidia, AMD, Amazon, Adobe, Sales Force, META, Netflix

**Healthcare:** Pfizer, Merck

**Industrials/Auto:** GM, Ford, Caterpillar, Deere

**Financials:** Visa and Mastercard

**Airlines:** Delta Airlines, United Airlines

**Utilities:** Nextra Energy

**Consumer Staples:** Walmart

We stay underweight on Europe as we expect earnings growth to struggle on a weaker macro - economic growth environment despite lower relative valuation vs US (14.3x vs 21.5x). We remain overweight on Japan given the start of a strong capex cycle - driven by both domestic and foreign driven investment, and expectation of strong corporate profit growth.

We keep EMs to neutral. However, there are strong structural domestically driven economic growth stories such as India, Indonesia, Mexico and Brazil, which we continue to remain overweight on.

**MENA Equities:**

We have barbelled our equity portfolio by adding high dividend yield names with high beta names to provide defense to our portfolios given increased volatility. We advocate a quality bias and strong active management approach to take benefit of market volatility and selective security picking, focusing on balance sheet quality and cash flows visibility. Tactically, we have increased our cash position, with liquidity invested in short term treasury bills. We believe that markets can continue to see some correction in the near term on lower rate cut expectations and heightened geopolitical risks. For us to deploy the cash, we need to find better-than-expected inflation reports over the next couple of months.

MENA markets trade at a 10% premium to the MSCI EM Index on a 1-year forward PE basis, which is in line with the long-term average premium of 10%. If oil trades above USD 70/bbl, we believe the MENA market will continue to trade at a premium to EM. We continue to see selective opportunities in the Saudi and UAE due to their government's commitment towards economic diversification leading to a sustained spending on infrastructure, industrial, oil and gas and tourism projects.

Our preferred plays include:

- Banks: Al Rajhi, SNB
- Capital Goods: Riyadh Cables, Shaker
- Financial Services: Al Ansari, Investcorp Capital
- Healthcare: Mouwasat
- Real Estate: Aldar, EmaarDev, Emaar Prop, TECOM
- Telecommunication Services: STC, Yahsat
- Transportation: AD Ports, Budget, DTC
- Utilities: AWPT, DEWA, Empower

## Global Asset Allocation and Outlook

**EM Fixed Income:**

*Maintain defensive stance and focus on quality to manage challenges ahead.* Fixed income, and markets in general, have shown mixed signals this year despite macro challenges, tight monetary policy, geopolitical tensions, and rates and commodity volatility, among others. Barclays Global Aggregate Index is down 4.6% for the year, while High Yield Index has shown resilience (+1.3% YTD). We continue to position defensively across sectors and focus on higher quality issuers with stronger cash flow and balance sheet dynamics. Whether we end with a scenario of sub-trend economic expansion or mild recession, high quality fixed income tends to outperform lower parts in the quality spectrum and can represent a hedge for investors.

*Saudi Arabia.* KSA remains the major market in MENA region keenly watched by investors and gave a return (I14669US Index) of 2.5% in April following positive returns during the prior month. The country has already raised substantial dollar debt in 1Q 2024.

What we like:ARACEN, DAR AL-ARKAN, SAUDI Govt, SECO, KSA Sukuk, ARAMCO, PIF

*UAE*. Abu Dhabi sovereign yield has one of the lowest spreads in the region. Investors will continue to look at non-oil GDP growth in terms of signs of diversification. Additionally, the government is likely to continue executing on key themes such as industrialization, sustainability, and infrastructure.

What we like: ABU DHABI Govt, ARADA Sukuk, DAMAC, DIB Sukuk, EIB, EMAAR Sukuk, ESIC Sukuk, FAB Sukuk, GEMS, PD Sukuk, Sobha Sukuk, ABU DHABI National Energy, UAE Govt, ADCBUH Perp, EBIUH Perp, DP World

*KUWAIT* –Budget deficit and lower share of non-oil revenues remain a cause of concern for the country. As of April 2024, the country has just one bond KUWIB 3 ½ 03/20/27 outstanding (USD4.5bn) currently yielding 5.0%.

What we like: KWIPKK (Kuwait Projects)

MEXICO - The Banco de México (Banxico) board left the benchmark rates unchanged at 11% saying it expects inflation to take longer to return to target. Headline inflation remains under pressure resulting in upside revisions for end-2024 forecasts. The annual headline inflation rate rose to 4.63% in H1 April from 4.35%. Meanwhile, general elections which are due to take place on 2 June 2024 will be keenly watched by market participants, with voters set to elect a new president.

What we like: PEMEX

INDIA – The growth momentum story should continue to be the major theme in India in 2024. Moreover, inflation declined lower to 4.85% y-o-y in april from 5.09% y-o-y in the prior month. We believe the RBI will likely remain in a wait and watch mode and will look for signals from US Fed before deciding the timing and magnitude of rate cuts.

What we like: INCLEN, ADANI PORTS

***About Daman Investments***

***Daman Asset Management is a dedicated MENA specialist offering mutual funds strategies and bespoke investment products, which have been built on our independent research insights and backed with a proven track record of delivering superior risk-adjusted returns which have substantially outperformed peers and regional benchmarks. Our experienced team manages investments on behalf of local and regional institutions, family offices and high net worth individuals.***

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