



US inflation surprises to the upside in January

Inflation in the US unexpectedly rose in January to 3%. This underscores the challenges facing the world's largest economy in controlling their rate of inflation whilst trying to lower interest rates to stimulate the economy. Interestingly, a lot of this rise can be attributed to the price of eggs alone which rose 15% off the back of the recent avian flu outbreak. Regardless of the driver, the rate was higher and as such stocks and bonds suffered in the wake of the announcement as investors reduced the probability of the US cutting rates again in 2025.

Want to discuss how this impacts your clients?

Contact Your Relationship Manager

This document is not intended in isolation as an offer or solicitation or recommendation to use or invest in any of the services or products mentioned herein. Investors should be aware that the value of the portfolio and the income from it can go down as well as up so you may get back less than you invested. Past performance is not necessarily a guide to future returns. The value of investments denominated in foreign currency may fall as a result of exchange rate movements. The investments and services referred to in this document may not be suitable for all investors and, if in doubt, you should seek qualified independent financial advice. Any opinions, expectations and projections within this note are those of TAM Asset Management International Limited, represent only one possible outcome and do not constitute investment advice.

TAM Asset Management International Limited is regulated by the Financial Services Commission of Mauritius and is an authorised Financial Services Provider regulated by the South African Financial Service Conduct Authority.