



### **Market Update – October 2019**

*After a weak start, equities posted solid returns in October as optimism grew around the completion of 'phase 1' of a trade deal between the US and China. Bond yields continued to bounce back from their late-summer slump despite ongoing weak economic data and an uninspiring start to earnings season. As expected, the Fed cut rates by twenty-five basis points, its third cut this year, but the guidance was neutral with Chairman Powell's comments indicating that the latest round of stimulus is now over. A new Brexit deal was negotiated between the UK and EU, but the deadline for leaving has been extended again to 31<sup>st</sup> January. The UK is set to hold a general election on 12<sup>th</sup> December, the result of which is at present very unpredictable.*