



Market Update – October 2020

Markets lost ground in October, particularly in Europe where countries are struggling to contain a second wave of the coronavirus. With cases surging, a number of European nations introduced new lockdowns which, although not as strict as those seen earlier in the year, still present stern headwinds to economic growth. In the US, politicians failed to reach agreement over a new stimulus deal to support the economy in the wake of the pandemic. With the presidential election looming large, Technology and HealthCare stocks underperformed on predictions that Democrats would win control of the Senate and introduce tougher regulations. All in all, October was a tough month to navigate but perhaps represented the high-point of uncertainty. With the US election now passed, and with talk of vaccines soon being rolled out, visibility on the future outlook should now begin to improve.