



### **Market Update – November 2020**

*Markets surged in November on a benign US election result and positive vaccine news. The election delivered what will likely be a split Congress, although this won't be confirmed until the outcome is known of the Georgia runoff in January. Should Republicans retain control of the Senate, they are set to block increases in corporate and capital gains taxes proposed by Democrats during the campaign. A divided Congress also makes a substantial stimulus package less likely, forcing the Fed to maintain for longer its efforts to keep borrowing costs low. Elsewhere, there was welcome news in the fight against the virus as a number of vaccine trials proved successful, leading to a strong rally in shares of companies hit hardest by the pandemic.*