



Market Update – January 2021

The year started positively with vaccine roll-outs launched in numerous countries, hopefully signalling the beginning of the end to a pandemic that has plagued the world for over a year. In the US, despite the unprecedented attack on Capitol Hill on 6th January, the inauguration of President Biden passed peacefully and he has wasted no time in implementing his agenda. The results of the Georgia run-offs handed control of the Senate to the Democrats, which in turn allowed Biden to propose a \$1.9tn coronavirus relief package. The last few days of January saw markets give up their gains in the face of another unprecedented attack, this time in the form of retail investors coordinating in online forums to instigate a series of short squeezes. The most notable of these was the failing video game retailer Gamestop, whose shares surged in excess of 1,000% to cause substantial losses at a number of hedge funds.