



Market Update – December 2021

December rounded off a positive year for equities overall, with the S&P500 reaching new highs alongside a strong month for other indices. The strong month for risk assets, despite a continued inflationary back drop which saw US yields rise with views of less accommodative monetary policy arriving sooner, was met with some increase in volatility. The initial concerns over the Omicron variant's impact on the economy broadly faded despite December flash Services PMIs falling, Manufacturing PMIs remained healthy, as the market looked to the potential for further earnings growth in 2022.

