



November 2022: A summary for investors

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What's happened in November?

- Some optimism in markets
- US interest rate rises look set to slow down
- UK cost of living crisis bites hard with inflation at a 41 year high
- Autumn statement takes tax burden to highest level since World War 2
- COP27 agreed to support developing nations worst affected by climate change
- Continued uncertainty as the global economy slows

Market summary

Conditions remain tough in the UK, with inflation at its highest level for over 40 years and the Bank of England announcing the biggest interest rate rise in over 30 years in November.

Brits already facing increasing food, energy and transport prices are now seeing the cost of borrowing rise too, affecting their mortgages, credit card debt and loans.

That, combined with the tax increases announced in the Chancellor's Autumn statement saw the UK economy shrink by 0.2% in Q3.

There was better news globally. In the US, lower food and fuel prices gave markets an injection of positivity as inflation fell to its lowest rate since January, suggesting interest rate rises are likely to slow down.

In US politics, the Democrats did better than expected in the mid term elections, but with the Republicans now in charge of the House of Representatives, Mr Biden can expect challenges ahead.

In Egypt, COP27 reached an historic agreement where developed nations will provide funding for those developing countries most affected by climate change.

While November gave glimpses of a brighter investment outlook, uncertainty remains with the global economy continuing to slow down and the war in Ukraine far from over.

It's important to remember that significant movements can often happen in a single day. Staying invested is the key to avoid missing out.

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Version date: 05/12/2022