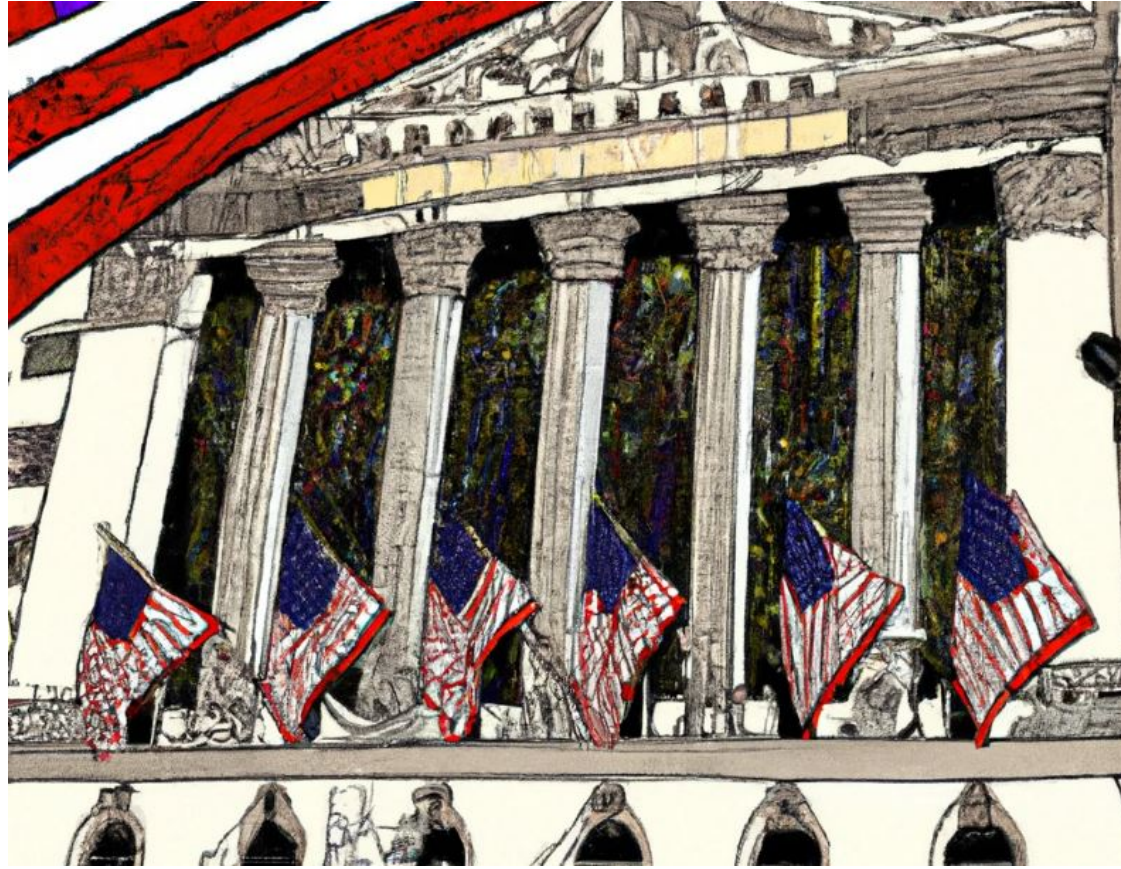


## Hot Inflation Hits US Markets

October 16, 2022 • Vol. 18



US inflation climbed to its highest level in 40 years

-1.55%

### Index Recap

The index ended lower as investors weighed inflation data and how it may impact the Fed's policies.

## Our top 3 scoops this week

### 1. US inflation hits 40-year high

The print is in and it's not looking good for the Fed. The US CPI rose 8.2% in September, reaching its highest level in 40 years. The report temporarily shook financial markets, sending Treasury yields up and stock market futures falling as investors priced in the possibility of further aggressive rate rises by the Fed. Jamie Dimon, CEO of JPMorgan Chase (Ticker : JPM) also warned that the US economy may tip into a recession next year. Yet, losses were quick to reverse as the likelihood of a 75-basis point rate hike in November grew and investors felt that the selling had become excessive.



[Does the stock market reversal lay a base for bulls to finally gain momentum?](#)

### 2. Kwasi Kwarteng's swift downfall

Truss bid farewell to Chancellor Kwasi Kwarteng on Friday, replacing him with Rishi Sunak supporter Jeremy Hunt. Truss and Kwarteng's radical approach to economic growth came under fire after they presented a "mini" budget with unfunded tax cuts, which raised questions about the UK government's financial situation. Unimpressed investors sparked an uprising, aggressively selling off government bonds, forcing the Bank of England to intervene with an emergency bond-buying scheme to avert a financial crisis. In a desperate attempt to salvage her career, Truss removed Kwarteng from his position after he served for just 39 days, making him the shortest serving chancellor since 1970.



[Will Truss' radical ideas force her resignation?](#)

### 3. XPeng shows off flying car at Dubai's Gitex

The future has made its way to the UAE. This week, XPeng (Ticker : XPEV) debuted its flying car, the X2, at Dubai's biggest annual tech event. The two-seater eVTOL (electric vehicle take-off and landing) aircraft's first flight lasted 90 seconds, showcasing an "important base for the next generation of flying cars," according to its manufacturer. The X2 is expected to make low-altitude, short-distance travels like medical trips and sightseeing a lot quicker and easier. The Chinese EV maker is also working to introduce the electric aircraft to other parts of the globe soon.



[Will Chinese auto-aviationists lead the flying car industry?](#)

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## How this can impact your portfolio

**If you're feeling optimistic about the stock market**

Here are some ETFs from [VettaFi](#) that you might want to check out

**If you want to have a go at the crypto industry**

[Here](#) are 7 crypto ETFs to help you get going

**If you're excited about the future of transport**

[Investopedia](#) shares 3 ETFs you may be interested in

[Build a long-term portfolio in Pasiv.](#)

## This week's poll

What is driving the surge in consumer inflation?

☐ Rising housing costs

☐ Consumers' high purchasing power

☐ Gas prices

☐ The Fed's inefficiency

[Submit](#)

### Winner of Last Week's Poll

We asked — "Which country will be the hardest hit by Opec's oil cuts?"

Lead response — "Germany"

### Disclaimer

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