

China's A4 Revolution

December 4, 2022 • Vol. 25



Chinese demonstrators hold blank sheets of paper to protest the country's strict COVID restrictions

+1.13%

Index Recap

The S&P 500 rose as the possibility of a slowdown in the pace of rate rises pacified some investor worries.

Our top 3 scoops this week

1. China's 'zero COVID' protests rattle the markets

The world's second largest economy is facing **protests** against its strict 'zero-COVID' policy as the government's relentless use of lockdowns, COVID tests and quarantines weighs on personal freedom. Global stocks fell sharply on Monday before picking up again, with the S&P 500 and Nasdaq experiencing their biggest **losses** since November 9, the first trading session after the US mid-term elections. The protests broke out after a fire in Urumqi killed 10 people as rescue efforts were hampered by COVID restrictions. The growing unrest has left investors worried about the state of China's economy and the increased level of political risk in the country.



[Will China finally put an end to its strict COVID rules and open up its economy to the globe?](#)

2. Jay Powell hints at slowing interest rate hikes

US stocks rose after Fed chair Jerome Powell confirmed on Wednesday that **smaller** rate hikes are likely in the future and could begin in December. The announcement is a product of hope that inflation has peaked, yet the fight against price instability is far from over. Powell pointed out that policy changes like raising rates and reducing the Fed's bond holdings typically take time to propagate across the economy. The S&P 500 rose over 3% during Wednesday's session, in reaction to the news, its best day in more than two weeks. The tech-heavy Nasdaq composite also rose 4.4% after Powell's remarks were released.



[Is this the moment financial markets have been waiting for?](#)

3. Trading volumes fall as investors watch the World Cup

The World Cup's got everyone munching on popcorn and hooked to the telly, and investors are no different. With matches coinciding with trading hours, the World Cup season means a **slowdown** in trading volumes for the stock market. In fact, analysts suggested trading volumes could have fallen over 99% during the US's crunch match against Iran. Historically, too, US equity trading volume dropped during games in which the country was playing.



[Could the US's advancement in the world cup impact stock returns?](#)

Pasiv can help you invest.

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How this can impact your portfolio

If you want to learn more about **passive funds in China**

Here is a list of China ETFs from [VettaFi](#)

If you want to learn more about **interest rate rises**

You might want to have a look at [these](#) ETFs

If you want to increase your **exposure to sports and gaming**

[Yahoo!](#) has just the funds for you

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

This week's poll

Who will win the 2022 World Cup?

<input type="radio"/> Brazil	<input type="radio"/> Argentina
<input type="radio"/> United States	<input type="radio"/> France

[Submit](#)

Winner of Last Week's Poll

We asked — *"Is Manchester United worth the billions?"*

Lead response — "\$3.2B"

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