THE END OF AN ERA

Queen Elizabeth II, Britain’s longest-reigning monarch, has died aged 96. On Saturday, Charles, the eldest of Elizabeth’s children, will be formally proclaimed king and at 73 years of age, will be the oldest person to accede to the throne in British history. In London, the Queen’s coffin will be placed in Westminster Hall prior to her state funeral, which will be marked by a public holiday.

The ECB raised interest rates by an unprecedented 75 basis points yesterday to tame inflation, even though a recession is now increasingly likely as the bloc has lost access to vital Russian natural gas. This now brings its deposit rate to 0.75%, up from 0 and raised the main refinancing rate to 1.25% - the highest level since 2011. The Governing Council gave guidance as they expect to further raise rates to dampen demand and guard against the risk of a persistent upward shift in inflation expectations.

Stocks and US equity futures advanced as investors assessed whether monetary tightening to tackle inflation is getting closer to being priced in. S&P 500 contracts are up +1.00%. European natural gas prices eased and oil pared some of its second consecutive weekly losses.

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Economic news to watch today

CA: Net change in employment (August)
CA: Unemployment rate (August)
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