

Street Lamp News



Despite lingering concerns from earlier tariff shocks and geopolitical tensions, equity markets rallied on AI-driven optimism, cooling inflation, and expectations of central bank rate cutting. The latter notably from the Federal Reserve in the US. Whilst at the same time, the US showed economic resilience with Gross Domestic Product (GDP) growth for the third quarter, with GDP being revised upwards to nearly 4% on an annualised basis. Positives certainly seemed to outweigh any negatives.

All equity regions delivered positive returns over the month with the best performing being the emerging markets and US posting returns of +4.2% and +2.8% respectively. US President Trump continues to talk down the strength of the dollar, arguing it would be good for US competitiveness. This coupled with interest rate cuts and challenges to the Federal Reserve's independence all have contributed to a weaker dollar, which declined a further 2% through September. A weaker dollar is normally a positive outcome for emerging markets, and so it proved. Generally it lowers the cost of financing and debt and can be a tailwind for capital flows. Alongside this, we have seen rising consumption and positive news flow from companies in the emerging regions.

Global equities were broadly up +2.1%, with the US +2.8%. Technology and AI-heavy stocks were the leaders on the back of continued euphoria over AI-driver optimism, while expectations of further interest rate cuts could potentially provide a tailwind for markets.

Japan, Europe and the UK lagged but still posted positive returns. If we take Japan as an example – the Nikkei 225, the index of the largest 225 companies hit an all-time high, passing through the 45,000 level for the first time. More positive news on tariff deals, corporate reforms and share buybacks were some of the drivers. It was a similar situation in our home market with the FTSE 100 also hitting all-time highs. While there remains concerns about what November's UK budget might bring, this did not hold the market back, and what was particularly pleasing to see was the domestic and small cap parts of the market outperforming large cap shares. Halfway through the month, we also saw Trump make his second UK state visit and agree to invest £150bn in the UK as part of the "Tech Prosperity Deal".

Though returns across bond markets were subdued relative to the equity markets, they were still positive, providing a good ballast to portfolios. Rate cuts in the US and controlled inflation were major contributors. The US government shutdown could have stoked concerns but was generally overlooked by markets.

A strong month all round. It's not often we see the central bank cutting interest rates when the economy is not in recession, which is the scenario in the US. This could potentially add fuel to the fire at a later date but is currently providing a tailwind for markets. It appears the thought of mid-term elections next year, is front and central in Trump's mind and he is looking to drive the US economy and the stock market to gain support. The risks are that this could contribute to inflation especially twinned with the impact of the tariffs. So far markets have favoured the positive interpretation over the negatives. However, we continue to monitor these factors, employing appropriate caution and diversification, whilst still looking to cherry-pick selective opportunities.



Office News

As of **1 December 2025**, the Financial Services Compensation Scheme (FSCS) is **increasing its deposit protection limit** — a significant development that strengthens financial safety for savers.

- The **standard protection cap** is rising from **£85,000 to £120,000 per person, per authorised institution**.
- The limit for **temporary high balances** (e.g., proceeds from a house sale, inheritance, or

Technical News

Gifting Before the Autumn Budget: A Window of Opportunity?

With the Autumn Budget approaching, there's growing talk that inheritance tax (IHT) rules could be under review. In particular, the long-standing exemptions around gifting may be in the Chancellor's sights. Right now, individuals can give away **up to £3,000 each tax year** without that gift forming part of their estate for IHT purposes. If the previous year's allowance wasn't used, it

Book Club

In *The Gift*, Dr. Edith Eger, a Holocaust survivor and clinical psychologist, offers a transformative guide to healing and personal freedom. Drawing from her own experiences and decades of therapeutic practice, she identifies twelve "mental prisons"—such as fear, guilt, and shame—that confine individuals and hinder their ability to live fully. Each chapter delves into one of these prisons, providing insights and practical tools to break free.

insurance payout) is going up to **£1.4 million**, up from the previous £1 million.

- These elevated protections apply for up to **six months** for temporary high balances.

This change follows a formal review by the Prudential Regulation Authority (PRA), which is required to reassess the cap periodically. The increase reflects inflation since the last adjustment in 2017.

can be carried forward once. There's also the **small gift exemption**, allowing gifts of **up to £250 per person** to any number of people each tax year.

For larger, **regular gifts made from surplus income**, there's another valuable but often overlooked exemption. Provided these payments come from income rather than capital — and don't reduce your own standard of living — they can remain outside the estate immediately, not just after seven years.

The key phrase there is *record-keeping*. HMRC will want evidence that these payments were made regularly and from income. A short note or spreadsheet can go a long way in demonstrating your intent later on.

Because gifting rules haven't been updated for decades, there's speculation the Government may "modernise" them — either tightening exemptions or simplifying the structure. Any such change could limit flexibility for families

Dr. Eger emphasizes that while we cannot always control our circumstances, we have the power to choose our responses. By confronting and reframing our limiting beliefs, we can reclaim our agency and embrace a life of purpose and joy. The book is both a compassionate memoir and a self-help manual, offering readers a roadmap to emotional liberation.

The Gift is a poignant reminder that healing is possible, and that the greatest gift we can give ourselves is the freedom to live authentically and without regret.

looking to help children or grandchildren while managing their own needs.

For those already considering gifts, **acting before the Budget** may allow you to make use of the current rules while they still apply. The right approach depends on your circumstances — balancing generosity with future security.

If you're unsure how best to structure a gift, or want to understand how potential rule changes could affect you, we're happy to talk it through.

Interesting fact: The word *pension* comes from the Latin *pensio*, meaning “payment.” In medieval times, pensions were often granted by monarchs to their loyal servants or even poets as a lifetime reward.

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