

FINANCIAL SERVICES

Wall Street sees worst week since March as second wave of lockdowns continues

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U.S. stocks faced setbacks in October due to uncertainty around the pandemic and presidential election. Image credit: Unsplash

By LUXURY DAILY NEWS SERVICE

The stock market ended October on a downswing, suffering its worst week since March amid growing coronavirus cases and political uncertainty.

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In the United States, the three major indexes in the United States saw a second straight month of losses. With the presidential election days away, investor concern is also rising as European countries reimpose lockdowns.

Rough month

New restrictions across Europe, including nationwide lockdowns and weeks of curfews, are leading to uncertainty for brands as the holiday shopping season approaches ([see story](#)).

The S&P 500 ended the week down 5.6 percent, and down 2.8 percent for the month. The Dow Jones Industrial Average closed Oct. 30 with a weekly drop of 6.5 percent, to cap off a fall of 4.6 percent.

Even the Nasdaq fared poorly, as technology companies stumbled at the end of the month.

Despite sales growth in the third quarter, both Apple and Amazon saw their stocks fall this week. The Nasdaq's fall of 5.5 percent this week, punctuated by Friday's loss of 2.5 percent, put it into negative territory for the month with decline of 2.3 percent.

While there is no expectation that a new stimulus deal will be passed before the presidential election results are known, luxury stocks are typically better insulated from negative shifts in consumer confidence.

In September, the Savigny Luxury Index, which measures the market capitalization of 17 of the biggest public luxury groups, finished up 3.2 percent ([see story](#)). Announced on Oct. 29, French luxury conglomerate LVMH's updated deal to buy Tiffany & Co. at the reduced price of \$15.8 billion is being met with enthusiasm as industry experts say it suggests CEO Bernard Arnault is seeing tepid signs of recovery in the wider luxury market ([see story](#)).

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