

Q4, 2022

# Events Driving Global Instability and Risk



## Global: Tech and Finance Majors Announcing Mass Layoffs in Oct-Dec 2022

- The global tech sector witnessed a mass job cut in November 2022 with more than 60,000 layoffs in the month, and 235,000 year to date
- Investment bank Goldman Sachs also announced c.4000 layoffs (c.7% of the workforce), kicking off what may be an industry-wide reduction round
- Tech companies have cited the pandemic as well as over-hiring during periods of rapid growth as reasons for the mass layoffs



## Russia-Ukraine Conflict: Russia Annexes Four Ukrainian Oblasts in Oct 2022

- In defiance of the international law, Russia has annexed parts of Ukraine into Russia in early October 2022
- The four regions of Donetsk, Luhansk, Kherson, and Zaporizhzhia comprise c.15% of Ukraine's territory
- Fierce fighting in the east and south of Ukraine continue while Russian missile and drone attacks have devastated Ukraine's civil infrastructure, leaving millions without power, heating and water



## USA: Fed Raising Rates to Highest Level in 15 Years in Dec 2022

- The Federal Reserve reinforced its inflation fight by raising its key interest rate for the seventh time in 2022 and signalling more hikes to come
- The Fed boosted its benchmark rate a half-point to a range of 4.25% to 4.5%, its highest level in 15 years
- Though smaller than its previous three-quarter-point hikes, the latest move will further heighten the costs of many consumer and business loans and the risk of a recession



## China: Abandonment of COVID-19 Restrictions Leads to Massive Spike in Infections in Dec 2022

- China is seeing Covid spreading across the country, with cities and provinces reporting millions of daily infections surpassing the official national tally and predicting that outbreaks will peak during January 2023
- BF.7, a subvariant of highly infectious Omicron, which had driven the surge in global Covid cases around the same time last year, is said to be behind the current spike



## UK-Europe: Four Decade High Inflation Levels Causing a Cost of Living Crisis in Oct-Dec 2022

- Inflation reached 11.1%, a 41-year high, in the UK October 2022, before easing to 10.7% in November 2022
- Increases in the costs of consumer goods, underpinned by strong demand from consumers and supply chain bottlenecks, have been factors causing rising inflation
- The cost of living is climbing at an exceptionally fast pace across the OECD, with inflation in most OECD countries reaching levels not seen in the last four decades



## Afghanistan: Taliban Rulers Ordering an Indefinite Ban on University Education for the Country's Women in Dec 2022

- Blanket ban on education banishes women from public life in Afghanistan
- Public executions and floggings as punishments in keeping with Sharia law also returning, belying hopes that the current regime would be different from the one of 1996-2001

Source: FT, NYT, WSJ, ET, CNN, Vox, Bloomberg

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# Events Driving Global Development and Progress

## Politics, Economics, Environment and Society



**Politics: Biden-Harris Administration Announces US\$3.7 Billion to Kick-Start America's Carbon Dioxide Removal Industry in Dec 2022**

- This will help build a commercially viable, just, and responsible carbon dioxide removal industry in the US



**Politics: US Congress Passes Landmark Bill to Protect Same-Sex Marriage in Dec 2022**

- The vote in the House of Representatives saw 39 Republicans join a united Democratic majority in a rare show of bipartisanship, provoking loud cheers on the floor less than 10 days after the Senate passed the same bill

**Environment: Net Zero Asset Managers Initiative Hits US\$66 Trillion AUM in Nov 2022**

- More than 290 asset managers have joined the NZAM initiative, committing to transition their investment portfolios over time to be in line with achieving net zero GHG emissions by 2050



**Economics: COP27 Reaches Breakthrough Agreement on New Loss and Damage Fund for Vulnerable Countries in Nov 2022**

- Developing countries made strong and repeated appeals for the establishment of a loss and damage fund, to compensate the countries that are the most vulnerable to climate disasters, yet who have contributed little to the climate crisis

**Environment: G20 Leaders Agree to Pursue Efforts to Limit Temperature Rise to 1.5C in Nov 2022**

- Leaders at the G20 meeting in Bali agreed to pursue efforts to limit the rise in global temperatures to 1.5 degrees Celsius and recognized the need to speed up efforts to phase down coal use, in a potential boost to the COP27 climate talks



## Science & Technology

**Healthcare: Cancer mRNA Vaccine Completes Pivotal Trial in Dec 2022**

- The experimental vaccine, made by Moderna and MSD, is designed to prime the immune system to seek and destroy cancerous cells



**Healthcare: AI Clinical Decision Support Tool Can Help Predict COVID-19 Prognosis in Nov 2022**

- The model achieved high performance and was accurate throughout the two-year study, which spanned four COVID-19 waves and three dominant variants

**Technology: U.S. Department of Energy National Laboratory Makes History by Achieving Fusion Ignition in Nov 2022**

- A major scientific breakthrough decades in the making that will pave the way for advancements in national defence and the future of clean power

**Healthcare: Researchers Successfully Perform In-Womb Therapy in Nov 2022**

- Researchers have performed successful gene therapy on an in-womb fetus, treating a rare genetic disease

**Healthcare: AI Solves Protein-Folding in Oct 2022**

- DeepMind's AlphaFold program has made the breakthrough to predict the 3-D structure of over 200 million different proteins



**Technology: James Webb Telescope Spots Galaxies Near the Dawn of Time in Nov 2022**

- New telescope provides deepest and sharpest images ever of the distant universe

**Healthcare: FDA Approves first ever haemophilia treatment in Nov 2022**

- The FDA has approved a functional gene therapy to treat the rare blood clotting disease haemophilia B



**Technology: EIC Approves EUR 1.6bn Investment for Breakthrough Technologies in Dec 2022**

- This opens funding opportunities for scientists and innovators to scale up breakthrough technologies and create new markets



**Environment: Historic Biodiversity Deal at COP15 Agreed to Restore, Conserve and Manage 30% of Ecosystems in Dec 2022**

- This framework contains global goals and targets aiming to protect and restore nature for current and future generations, ensure its sustainable use as well as spur investments for a green global economy

**Society: EU Council Approves Rules to Improve Gender Balance on Listed Company Boards in Oct 2022**

- New rules aim at the promotion of improved gender balance on the boards of public companies, bringing the proposals closer to being enshrined into law

**Politics: EU Strikes Deal on World's First Carbon Border Tariff in Dec 2022**

- The EU struck a political deal to impose a carbon dioxide emissions tariff on imports of polluting goods such as steel and cement, a world-first scheme aiming to support European industries as they decarbonise



**Society: The United Nations Human Rights Council Holds Special Session on Iran in Nov 2022**

- The council has a crucial role to play in drawing international attention to human rights crises such as the one in Iran, investigating them, and establishing accountability mechanisms to document and respond to the abuses committed