

The complimentary client newsletter of:



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The Week in Review

Monday 6 July 2020

"We're not out of the woods yet"



Last week, as the coronavirus global death toll passed half a million, England was preparing for the next significant step in lockdown easing measures. Businesses including pubs, restaurants and hairdressers, reopened on what was dubbed 'Super Saturday' – 4 July. In a press conference on Friday afternoon, the Prime Minister cautioned, "We are not out of the woods yet."

On Monday evening, Health Secretary Matt Hancock, announced local lockdown measures in Leicester, as infection rates spiked locally. Non-essential shops and schools were closed, and the wider reopening of facilities due across England on 4 July were unable to take place.

Speaking about local lockdowns, Boris Johnson reiterated, *"We always said there would be local outbreaks requiring local action. This is to be expected and will, I'm afraid, be a feature of our lives for some time to come. But that should not take away from the great progress we have made, together, as a country against this vicious disease."*

"Build, build, build"

In a speech, made in the West Midlands, the PM announced a £5bn plan to save Britain's economy, he likened the *"ambitious"* plan to Franklin D. Roosevelt's 'New Deal' programme, implemented in the 1930s to help the US recover from the Great Depression. Nearly a century later, the Prime Minister says he wants to use the coronavirus crisis as an opportunity *"to build the homes, to fix the NHS, to tackle the skills crisis, to mend the indefensible gap in*

opportunity and productivity and connectivity between the regions of the UK."

Mr Johnson's pledge to *"Build, build, build"* effectively puts construction at the heart of the government's economic strategy, with the money to be used to fund infrastructure projects across the UK.

V-shaped recovery?

A raft of job losses were announced last week as the economic toll of the pandemic continues to weigh heavily. Cuts announced were largely from retail and aviation, two of the hardest hit industries.

On Tuesday, Andy Haldane, Chief Economist at the Bank of England, said that early evidence indicates the UK economy is set for a V-shaped recovery. Several unofficial economic indicators, including high street footfall, Google searches and data on credit card transactions, suggest the recovery had come *"sooner and faster"* than forecasters had anticipated. Haldane also suggested that, if the recovery was to continue at this pace, the UK economy could contract by just 8% this year, far lower than the Bank of England's prediction of 17% in May.

Education and air bridges – summer holidays back on the agenda

At a Downing Street special briefing on Thursday, Education Secretary Gavin Williamson, spoke about how schools have been advised to minimise contact between pupils when they all return in September. He also confirmed that exams will go ahead in summer 2021 and that parents who chose to keep their children out of education will face fines.

Last Friday, the government finally announced the list of countries from which travellers, arriving back in England after July 10, will be exempt from quarantine. Devolved nations will announce their own quarantine plans in due course.

Around the UK

In Scotland, face coverings will become mandatory in shops as coronavirus restrictions are eased. Non-essential shops have reopened, and bars and restaurants are due to later this month. Nicola Sturgeon confirmed the 2m physical distancing rule would be eased for some premises when the country enters the next phase of its route map on 10 July. Wales' First Minister Mark Drakeford announced the lifting of the five-mile travel restriction in Wales from Monday. Some Welsh pubs and restaurants will be able to reopen outdoors from 13 July. On Friday, restaurants, bars, hotels and some visitor attractions reopened in Northern Ireland.

On Sunday

In a moment of remembrance, the nation clapped once more to mark the NHS's 72nd birthday.

Also on Sunday, the government unveiled a £1.57bn support package to help protect the futures of UK theatres, galleries, museums and other cultural venues.

Here to help

Financial advice is key, so please do not hesitate to get in contact with any questions or concerns you may have.

The value of investments can go down as well as up and you may not get back the full amount you invested. The past is not a guide to future performance and past performance may not necessarily be repeated.