

News in Review

14 April 2021

"A major step forward in our roadmap to freedom"



As the country embarked on its latest easing of lockdown measures, the Prime Minister urged *"everyone to continue to behave responsibly."* In a statement released ahead of the reopening of non-essential shops and pub gardens, Mr Johnson described the rule relaxations as *"a major step forward in our roadmap to freedom"* and added, *"I'm sure it will be a huge relief for those business owners who have been closed for so long, and for everyone else it's a chance to get back to doing some of the things we love and have missed."*

Monday saw the second step in England's unlocking roadmap implemented. As well as shops reopening and pubs and restaurants being allowed to serve food and drink outdoors, the latest easing allows a range of other businesses including hairdressers, gyms and theme parks to reopen. In addition, members of the same household can now go on holiday in self-contained accommodation, driving lessons can resume and care home visitors have increased to two per resident.

On the same day, all shops and close-contact services in Wales reopened, driving lessons resumed and travel in and out of the country from the rest of the UK was permitted. Northern Ireland's stay-at-home order also ended on Monday with up to 10 people from two households allowed to meet in a private garden, while outdoor retail reopened and click-and-collect services at non-essential shops resumed. First Minister Nicola Sturgeon announced travel restrictions around Scotland will be relaxed this Friday and people will be allowed to meet outdoors in larger groups, with further easing expected on 26 April.

Vaccine milestone

During a week in which the news agenda was dominated by the Duke of Edinburgh's sad passing, there was continuing good news on the vaccination front with the total number of first and second doses passing the 40 million mark. In addition, the government confirmed it had met its target of offering a first dose to the top nine priority groups by 15 April. The Prime Minister described the achievement as a *"hugely significant milestone in our vaccine programme."* Over 45s in England are now being invited for their jobs.

UK economy grew in February

The latest gross domestic product (GDP) statistics, published on Tuesday, revealed the UK economy grew by 0.4% in February. Despite this monthly rise, GDP remained 7.8% below its year earlier level. Official data also showed a partial recovery in trade with the EU during February, following a sharp decline at the start of the year. Commenting on the trade figures, an Office for National Statistics spokesperson said, *"Exports to the EU recovered significantly from their January fall, though still remain below 2020 levels. However, imports from the EU are yet to significantly rebound, with a number of issues hampering trade."*

Retailers report higher spending

Figures also released on Tuesday suggest retail sales in March were higher than both a year earlier and pre-pandemic levels. British Retail Consortium statistics show like-for-like sales 8% above their March 2019 level and 20% higher than last March. Footfall data also showed shoppers rushing back to the high

street on Monday as non-essential retail reopened across England and Wales. Retail analyst Springboard said footfall was up 146% compared to the previous week across all UK shopping destinations, although that was still 16% below the level recorded on the same day in 2019.

Construction activity rising

Survey data published last week showed that construction output in the UK is currently growing at its fastest rate since September 2014. The IHS Markit construction Purchasing Managers Index jumped to 61.7 in March, a sharp rise from the previous month's reading of 53.3 and well above analysts' expectations. The improvement was due to a combination of delayed projects getting the go-ahead and a strong boost from the housebuilding sector.

Housing market picks up momentum

The latest analysis from the Halifax also reported *"something of a resurgence"* in the UK housing market during March. The country's largest mortgage lender reported a 6.5% annual rise in house prices, with market confidence boosted by continuing government support measures. Halifax Managing Director Russell Galley said, *"The extended Stamp Duty holiday has put another spring in the step of home movers, whilst for those saving hard to buy their first home, the new mortgage guarantee scheme provides an alternative route onto the property ladder."*

Here to help

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