

News in Review

21 April 2021

"Vaccine equity is the challenge of our time"



A sobering milestone of three million global COVID deaths was surpassed last week, just a day after the Director General of the World Health Organization (WHO), Dr Tedros Adhanom Ghebreyesus, warned the world was "approaching the highest rate of infection" so far. The US, India and Brazil have recorded the highest number of confirmed cases so far, with a total of over one million deaths between them.

Currently, India is experiencing an overwhelming second wave of the virus, recording over 270,000 cases on Sunday alone. Given the situation, Prime Minister Boris Johnson said it was *"only sensible"* to cancel his trip to the country next week. From Friday, India will be placed on the UK international travel red list as concerns grow over a new variant.

Over 860 million doses of COVID vaccines have now been administered in 165 countries, however some countries are still waiting for their first shipments to arrive. Last Friday, Dr Tedros told UN officials, *"Vaccine equity is the challenge of our time - and we are failing."* WHO is establishing a global scheme, COVAX, encouraging wealthier countries to share their vaccines with lower-income countries, with intentions to deliver two billion global vaccine doses by the end of the year.

On home shores

Shoppers in England flocked back to the high street last week, after non-essential stores reopened in-line with the government's roadmap. It has been reported that footfall across all UK shopping destinations was up 87.8% week-on-week.

Speaking at a Downing Street conference on Tuesday, the Prime Minister announced an anti-viral task force to investigate treatments to help us *"live with this disease."*

In Scotland, some restrictions were eased early last week, allowing people to travel outside their local area for non-essential reasons and for six people from up to six households to meet outdoors. Nicola Sturgeon also confirmed on Tuesday that the reopening of hospitals, gyms and non-essential shops will go ahead as planned next Monday.

On Saturday, a one-minute silence was observed as the nation remembered the Duke of Edinburgh's lifetime of service, during his funeral in Windsor.

Headlines have been dominated this week by news of a controversial new European Super League, which quickly collapsed as all six English clubs withdrew.

Financial stability

The International Monetary Fund's recently released Global Financial Stability Report, entitled *'Pre-empting a Legacy of Vulnerabilities'*, praises policy support provided throughout the pandemic and the vaccination progress, which is enabling the global economy to emerge from the depths of the pandemic. However, it does highlight the extreme divergence between countries and regions in relation to this economic emergence. By way of example, the report outlines that many emerging markets face huge challenges, given the large external financing needs and the rise in US rates, bringing about a repricing of risk and tighter financial conditions.

Global markets

Last week, the FTSE 100 index rose above

7,000 for the first time since the beginning of the pandemic, with markets buoyed by reopening hopes. Across the pond, both the Dow Jones and S&P 500 average, closed at records on 16 April to finish the trading week. Following a series of strong economic data from China and the US, investors showed optimism about the prospects of a global economic recovery. Markets have since fallen back as rising infection cases weigh on sentiment.

Finance firms move jobs out of UK

According to a new report from think tank New Financial, entitled *'Brexit & The City: The Impact So Far,'* over 440 banking and finance firms have moved or are moving part of their business, staff, assets or legal entities from the UK to the EU, with more jobs and assets likely to leave Britain in the years ahead. Estimates suggest that £900bn in bank assets, representing 10% of the UK banking system, has either been shifted to the EU or been earmarked to move.

Job market 'broadly stable'

On Tuesday, the Office for National Statistics released the latest UK labour market statistics, saying the job market was *'broadly stable'* but *'remains subdued.'* The UK unemployment rate was estimated at 4.9%, 0.9% higher than a year earlier and down from 5% in the previous quarter.

Mortgage guarantee scheme

Announced in last month's Budget, a new government guarantee scheme, became available on 19 April. Various lenders are now offering mortgages to borrowers with a deposit of just 5%.

Here to help

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