

## News in Review

31 March 2021

*"It is only because of months of sacrifice and effort that we can take this small step to freedom"*

**The Prime Minister has stressed "we must proceed with caution" and warned that we do not know "exactly how strong" the country's defences against another wave of COVID will be despite the UK's "very impressive" vaccine rollout. Speaking at a Downing Street briefing on Monday, on the day stay-at-home rules ended in England, Mr Johnson added, "it is only because of months of sacrifice and effort that we can take this small step to freedom today."**

Monday saw the second phase of step one in England's unlocking roadmap implemented. As well as lifting the stay-at-home order, this latest easing allows two households or groups of up to six people to meet outside, while outdoor sports facilities have reopened and weddings are once again permitted with up to six people in attendance.

Lockdown restrictions are being relaxed in different stages across the devolved nations. In Wales, the 'stay-local' rule was lifted last Saturday, with six people from up to two households now able to meet outside. From Thursday, up to six people or two households will be allowed to meet outdoors in Northern Ireland, while the stay-at-home order in Scotland is due to end on Friday.

### Vaccine announcement

Mr Johnson's statement on Monday, delivered from the new Downing Street media suite, also provided details of a recently agreed vaccine deal with GlaxoSmithKline. The Prime Minister announced that "between 50 and 60 million doses" of the yet-to-be approved Novavax

vaccine will now be finished and bottled at the British pharma giant's facility in Barnard Castle.

Another vaccination milestone was reached last week, with more than 30 million UK adults now having received at least one dose of a COVID-19 vaccine. There were also signs of a truce in the UK-EU vaccine dispute, with EU leaders stopping short of implementing an export ban, following discussions at a virtual summit held last Thursday. This came a day after a joint UK-EU statement had pledged that the two sides would work together to ensure vaccine supplies.

### Retail sales recovery

A number of economic statistics were released over the past seven days, including retail sales figures which revealed a partial recovery from January's lockdown-induced plunge. Sales volumes rose by 2.1% in February, with growth partly driven by increased spending on home improvement and outdoor products, as consumers began preparing for the easing of lockdown restrictions. The CBI's latest Distributive Trades Survey, published last Thursday, also found that retailers expect sales to grow in the year to April, the first time that expectations have been positive since the end of 2019.

### Inflation dips unexpectedly

Last week also saw release of the latest inflation statistics, with a slump in clothes prices and cheaper second-hand cars, pushing February's Consumer Prices Index (CPI) down to 0.4%. The drop defied analysts' expectations, with the consensus in a Reuters poll of economists predicting

a slight increase from January's figure of 0.7%. Despite the fall, most economists still believe inflationary pressures are set to mount, with the CPI rate expected to rise towards the Bank of England's 2% target during the coming months.

### Fewer redundancies planned

On Friday, the BBC published Insolvency Service figures which suggest British firms are planning fewer job cuts. The data showed that 26,600 redundancies were proposed in February, a fifth lower than January's figure and slightly below the level recorded in February 2020. Despite this improvement, more job losses were announced during the week, with eight John Lewis store closures putting 1,465 jobs at risk and Santander's plans to close 111 branches set to affect 840 of the bank's employees.

### Suez Canal reopens

The *Ever Given* featured heavily in the news over the past seven days. The giant container vessel ran aground last Tuesday and spent most of the week blocking one of the world's busiest trade routes. It was refloated on Monday afternoon following a salvage operation involving a flotilla of powerful tugboats, allowing ships to sail through the Suez Canal once again. Authorities hope to clear the backlog of around 300 vessels by the end of the week.

### Here to help

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

