

### UK Economy

- Bank of England advises banks to hold £6bn buffer for risks beyond Brexit. BoE raised the counter-cyclical buffer by 0.5% to 1% (£11.4bn in aggregate). The increase is intended to force lenders to put aside more capital during good times to draw down in bad.
- Milken Institute ranked London as the best-performing city in Europe due to a flourishing tech sector.
- PMI figures for October are stronger than September figures. October saw a rise to 55.6 from 53.6 in September, significantly beating the 53.3 expectation.
- ONS: UK's Outward Foreign Investment was £1,199.5bn in 2016, up from £1,032.5bn. This was largely due a pickup in inward mergers and acquisitions activity.
- E-commerce sales by business in the UK non-financial sector were £511bn in 2016, up from £503bn in 2015, ONS figures show.
- US-based Life Science Investment Fund is planning to invest up to \$1bn in the UK, a move likely to be seen as a vote of confidence in the business environment post-Brexit.
- Retail: Marks & Spencer is reconsidering its new store redevelopments and the property portfolio. Toys R Us proposed to close 25 of its 105 UK stores.

### Commodities and Currencies

- Sterling gained 2% against the dollar and 1% against the Euro in response to progress in Brexit negotiations. Investors are ready to rally behind sterling and push it closer to pre-Brexit levels if Theresa May will deliver an offer to Brussels that secures the UK a transition deal with the EU.
- Bitcoin is at an historic high, trading at \$11,300.

### Friday to Friday

	Price / index	Week % change	Annual % change
FTSE 100	7300.49	-1.47	8.47
FTSE 250	19854.4	-0.45	13.87
Nikkei	22819.03	1.52	23.84
S&P 500	2642.22	1.53	20.54
Nasdaq	6847.59	-0.60	30.29
CAC 40	5316.89	-1.36	17.40
Dax	12861.49	-1.52	22.33
\$ per £	1.3510	1.29	6.54
€ per £	1.1341	1.49	-4.58
Gold £/oz	949.93	-1.66	2.72
Brent Oil	63.73	-0.20	17.82

### World News

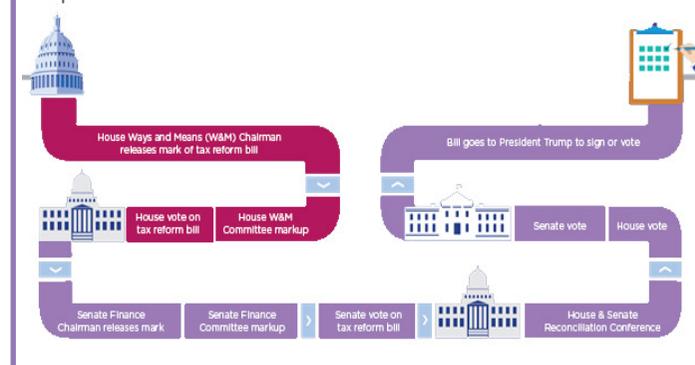
- US private sector adds 235,000 jobs in October, 125,000 higher than September figures, exceeding the 200,000 estimate.
- New study shows overall eurozone manufacturing expanded at its second-highest rate on record of 60.1. Anything above 50 indicates expansion.
- India's economy experienced 6.3% growth after five quarters of decline. The increase is driven by a strong manufacturing sector.
- Investor sentiment in eurozone declined to 31.1 this month from 34 in November, pulling back from the highest level in 10 years, the Sentix index showed. The figures are not worrying as the investors are taking a step back to assess market conditions as the year comes to a close.
- Potential new European industries tariffs are discussed. These would make it harder to fend off low-cost imports from China.

### UK Property / construction headlines

- Latest Markit/CIPS construction activity for November rose to 53.1, up from 50.8 in October. It is the highest reading in five months with growth solely due to housing as a result of Help to Buy whereas commercial construction activity fell once again.
- Sadiq Khan published the Draft of his London Plan. He proposed density changes and set up a target of building 65,000 houses every year, with half being affordable. The new developments need to achieve the 'highest standards' of fire safety. The draft will go through a three-month consultation before being examined in public (autumn 2018). The final London Plan will be published in Autumn 2019.

### US path to tax reform

The proposed reform tax made one step forward as the Senate approves them, however, a few more major steps are required for its implementation.



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