

UK economic news

- The House of Lords is to vote on an amendment to the EU withdrawal Bill, regarding staying in the Customs Union. It is expected to receive strong support which would be a heavy defeat for the government.
- Government focus is being placed on the Commonwealth as beacon for free trade post-Brexit with the UK offering to fund work towards common standards across members. The Commonwealth Heads of Government Meeting will be held in London for the first time in 20 years. Narendra Modi will be the first Indian Prime minister in nine years to attend the meeting
- UK manufacturing output fell 0.2% in February, the first decline in almost a year. Year-on-year, output grew 2.5% but is below the 3.3% predicted by economists.
- New high street store openings are at their lowest since 2010, with only 4,083 new stores in 2017, according to The Local Data Company.
- British Gas announced a 5.5% rise in the energy prices. The move will affect 4.1m customers and will increase the average bill by £60 per year.
- Consumer credit decreased “significantly” in Q1 2018 according to the Bank of England. Nearly 39% of lenders reported that unsecured lending fell and was largely driven by a changing appetite to risk.

Materials and commodities

- The World Trade Organisation has warned that US-China trade tensions are hitting global growth, affecting business confidence and investment decisions. The WTO’s director-general stated that “a cycle of retaliation is the last thing the world economy needs.”
- The air-strikes in Syria have pushed Brent crude oil to its highest level since 2014

Friday to Friday

	Price / index	Week % change	Annual % change
FTSE 100	7,264.56	1.13	-0.86
FTSE 250	19,838.54	1.58	1.60
Nikkei	21,778.74	0.98	18.19
S&P 500	2,646.30	1.99	14.06
Nasdaq	7,106.65	2.77	22.42
CAC 40	5,3153.02	1.08	4.81
Dax	12,442.40	1.64	2.75
\$ per £	1.4257	1.17	1.38
€ per £	1.1569	0.79	-1.90
Gold £/oz	944.72	-0.16	-8.27
Brent Oil	72.58	8.15	29.86

World News

- Producer prices in the US rose 0.3% last month. This was more than the 0.1% expected, suggesting that inflationary pressure is continuing to build at a steady pace.
- China will allow foreign financial groups to take majority stakes in securities, fund management, futures and life insurance companies ‘in a few months’. The party has promised to open China’s financial market and to ease foreign investment in the automotive, ship building and aviation sectors.
- Chinese President, Xi Jinping, has warned that claims of life-long rule have been “misinterpreted” and that he is “personally opposed” to life long-rule.

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UK Property / construction

- Construction output in February 2018 was 3.0% lower than in February 2017, it’s largest annual fall since March 2013. The fall was led by infrastructure which decreased 9.4%. Adverse weather conditions could be partly to blame.
- London house prices are falling, out of step with the rest of the UK. London house prices have fallen 1.6% year-on-year according to Rightmove whereas the average UK price has reached a record national average of £305,732.
- According to the British Property Federation, the number of Build to Rent homes under construction has increased to 33,075 (+47%), with nearly 40% of these in the London.
- Some London homes with Grenfell-type cladding have seen their values slashed by surveyors as legal disputes over who should pay and banks refusal to lend to potential buyers drive the markets down.
- UK living rooms in new homes are nearly a third smaller than equivalent homes built in the 1970s, research by LABC Warranty showed.
- The next chair of the Construction Industry Training Board (CITB) will come from the Department for Education, rather than a senior figure from the construction industry when James Wates steps down from the role he has held for eight years.
- Main contractors who do not pay suppliers promptly will be banned from public sector contracts.
- According to Construction News, receivers believe that Carillion’s construction arm had liabilities of nearly £7bn when it collapsed at the beginning of the year. However, this estimate is likely to change as more certainty around where liabilities lie and clarity on pension schemes is known.