

World News

- Emerging markets suffered their biggest portfolio outflows in a year and a half in May, as foreign investors dumped emerging market assets in response to rising US interest rates and a straightening US dollar.
- Spain experienced the second-highest month of job creation seen for 11 years. Moreover, Spain's purchasing managers' index (IHS Markit) came in at 56.4 in May, up from 55.6 in April.
- Production across the German and French industrial sectors unexpectedly decreased by 1% and 0.5% in April.
- Giovanni Tria, the new Italian finance minister, made assurances that Italy will stay committed to the eurozone. The news pleases EU officials and investors about Rome's economic policies.
- European Central Bank bond buying programme will be questioned in their Thursday's meeting.

G7 summit summary

- Relations between the US and its closest allies plunged to a new depths on Sunday after the G7 summit ended with attacks from President Donald Trump about the dishonesty of its allies. Further trade tensions are expected between the US and Canada following increased tension at the summit.

Materials and commodities

- The international trade dispute is casting a shadow over world equities markets as investors react to the G7 summit.
- The eurozone economy has come under pressure from rising oil prices, amplified by the euro's slide and weaker growth.

Friday to Friday

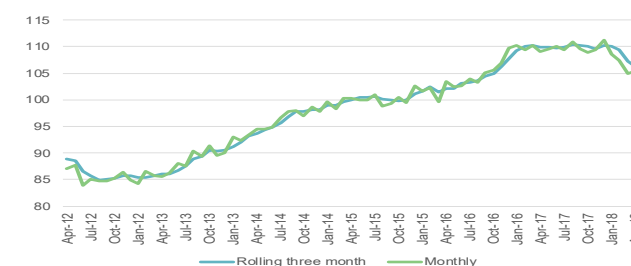
	Price / index	Week % change	Annual % change
FTSE 100	7,681.07	-0.27	0.02
FTSE 250	21,160.54	0.84	-1.16
Nikkei	22,694.5	2.36	-0.81
S&P 500	2,779.03	1.62	-0.30
Nasdaq	7,645.51	1.21	-1.55
CAC 40	5,450.22	-0.28	-0.82
Dax	12,766.55	0.33	-0.06
\$ per £	1.3404	0.36	-1.15
€ per £	1.1387	-0.43	-0.42
Gold £/oz	968.39	-0.08	0.15
Brent Oil	76.46	-0.43	-3.76

UK economic news

- UK manufacturing output fell by 0.8% in April, the largest decrease in five and a half years.
- British Retail Consortium showed that total retail spending increased 4.1% in May, the fastest rate of growth since January 2014 in a month not distorted by the timing of Easter.
- Shopping centres retail vacancies rise to 19.9% from 19.7%, Local Data Company's index showed.
- Purchasing's Manager's Index rose to a three-month high of 54.0 in May, up from 52.8 in April. The rebound increased hopes of further improvements.
- The latest Report on Jobs, produced by IHS Markit and the Recruitment and Employment Federation showed retail was a dark spot in an otherwise healthy UK labour market in May. The index showed the overall growth in demand for staff is at a six-month high, rising to 61.9 from 61.5 in April.

UK Property / construction

- Construction output continued to decline in the rolling three-month series, falling by 3.4% in April 2018, the largest fall since August 2012.



- The Housing Secretary, Dominic Raab, published new regulations that will give councils more powers to deliver more homes.
- The London Development Barometer by M3 consulting, showed that developers in London are more optimistic about the future despite the political and economic climate.
- Industrial land values in some parts of the UK hit £4m per acre by the end of April 2018 due to ongoing supply/demand imbalance, according to Carter Jones latest industrial overview.
- Attracting people from other sectors should play a bigger part in meeting construction's skills needs, according to a new CITB research. The report, Construction and Built Environment: Skills Transferability in the UK, found there will an even bigger need "to boost skills transferability as recruitment becomes more difficult post Brexit".

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