

### World news

- Italy's budget agreement meant avoiding EU sanctions. The compromise will reduce the budget deficit target to 2.04% of GDP from 2.4%.
- US and China are, for the first time, in face-to-face negotiations since a 90-day truce was declared in the trade tariff war between the two nations. This move, along with China's stimulus measures increased stocks and currencies across Asia.
- The US economy created 312,000 new jobs in December far exceeding the 177,000 predicted, according to the latest labour department data. Unemployment is at 3.9%, a historic low, and the average hourly pay increased at an annual rate of 3.2%.
- Retail sales in Eurozone rose by 0.6% during November, Eurostat data showed. The figure exceeded the 0.1% predicted by Reuters.

### Construction and Property

- UK house prices grew at an annual pace of 0.5% in December, Nationwide data showed. It is the slowest annual rate since February 2013.
- Sales of properties valued in excess of £10m tripled after the drop in sterling following the Brexit vote. Figures from HM Revenue and Customs showed that almost 300 homes were sold for more than £10m each in the tax year to April 2017, an increase from the 100 sold during the preceding 12 months.
- Building merchants' sales in October 2018 were 6.8%, the highest since the recording began in July 2014, the Builders Merchants Federation Index showed.
- A Construction News specialist contractor index showed that specialist contractor median pre-tax margins grew to 6.7% in the latest financials, from 5.5% in previous accounts.

### Friday to Friday

	Price / index	Week % change	Annual % change
FTSE 100	6,837.42	1.54	-11.48
FTSE 250	17,795.88	1.89	-14.98
Nikkei	19,561.96	-2.26	-17.51
S&P 500	2,531.94	1.86	-7.70
Nasdaq	6,738.86	2.34	-5.57
CAC 40	4,737.12	1.25	-13.41
Dax	10,767.69	1.98	-19.16
\$ per £	1.2738	0.34	-6.07
€ per £	1.1162	0.62	-0.91
Gold £/oz	1,009.46	0.28	3.81
Brent Oil	57.06	9.31	-15.62

### Retailers

- Aldi sold a record of nearly £1bn of goods in the UK during December, its official statement said. Aldi opened 65 new stores during 2018, reaching a total of 827, as it aims for 1,200 shops in the UK by the end of 2025.
- Morrisons announced it will decrease the price of more than 900 products, cutting as much as 20% off. The move reflects shoppers desire to spend less and the poor health of retail.
- HMV went into administration for the second time as it's said to be hit by a 'wave of digital disruption sweeping across the entertainment industry'. Regional menswear chain Greenwoods also went into administration.
- Wagamama announced a 15.4% increase in turnover to £81.5m. The Asian-themed chain increased sales by almost 10% for the past year, outperforming the UK restaurant sector. This is seen as especially positive as customer demand is shifting towards eating at home and more experience-based leisure activities.

### UK economic news

- Britain's household debt reached a new peak as UK homes now owe an average of £15,385 to credit card firms, banks and other lenders, according to the TUC. Household debt rose sharply in 2018 due to austerity and wage stagnation. The amount owed by British households rose to a combined £428bn in Q3 2018, with each household owing £886 more than it did 12 months previously.
- UK financial services moved almost £800bn in staff, operations and other assets to Europe since the Brexit referendum, according to EY.
- The number of EU students enrolling at the UK's 24 leading research universities decreased by 3% in 2018/19 academic year, following a 7% increase in 2016/17 and increases in most years during the past decade.
- Figures from the Centre for Retail Research showed that nearly 10,500 restaurant industry workers lost their jobs in 2018, while expenditure on business rates rose to £564.7m, £106m more than in 2017.
- Latest report from The British Chamber of Commerce said that 81% of manufacturers and 70% of service sector firms reported difficulties finding skilled staff, the lowest level since 1989 amid record levels of UK employment and fewer EU27 nationals coming to Britain.
- New car sales decreased by almost 7% in 2018, according to the Society of Motor Manufacturers and Traders, due to weakened consumer confidence, the diesel emissions scandal and a new, more rigorous testing regime. This is the biggest drop in car sales since 2008.

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