

UK economic news

- The 'Meaningful Vote' on Brexit will be delayed until 12th March, as Theresa May hopes to win concessions from the EU following senior cabinet ministers threatening to vote against the current deal.
- The EU is keen to avoid the uncertainty of a three-month extension to Brexit and instead, it is rumoured that the EU is exploring options of replacing the 21-month transition period with extra time as a 'member state', allowing time for the future relationship to be defined.
- Britain's public finances saw a £14.9bn surplus last month. It is the largest surplus since records began in 1993, and £5.6bn greater than a year ago, beating economists' predictions and creating a springboard for the chancellor's Spring Statement in March.
- A report by the New Economics Foundation claims that a decade of austerity has limited UK GDP growth by just over £3,600/household.
- The outlook for the UK services industry is at its gloomiest since 2009, according to the CBI. The "unmistakably negative impact" from Brexit uncertainty has caused the largest profit falls in six years and sentiment is weakening at the fastest rate in a decade.
- Honda announced it will close its Swindon plant in 2021 claiming that it is "in the wrong place at the wrong time", and that there was "no single event" that was responsible. At least 3,500 jobs are at risk. The manufacturer is also closing its plants in Turkey.

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Friday to Friday

	Price / index	Week % change	Annual % change
FTSE 100	7,178.60	-0.80	-0.91
FTSE 250	19,269.59	1.49	-2.68
Nikkei	21,425.51	2.51	-2.13
CSI 300	3,520.12	5.43	-13.53
S&P 500	2,792.67	0.62	1.65
Nasdaq	7,527.55	0.74	2.59
CAC 40	5,215.85	1.22	-1.91
Dax	11,457.70	1.40	-8.22
\$ per £	1.3064	1.60	-6.57
€ per £	1.1517	0.93	1.32
Gold £/oz	1,018.42	-0.65	7.12
Brent Oil	67.12	1.31	-0.28

The UK labour market

- The UK added 167,000 jobs at the end of 2018, despite the slowdown in overall growth and concerns about the impact of Brexit uncertainty. The employment rate remained stable at a record high of 75.8%, as recorded by ONS.
- ONS data also showed a reduction of 57,000 people on zero-hour contracts.
- Average weekly pay grew 3.4% during 2018, the fastest rate since the financial crisis in 2008. This outpaced the rate of consumer inflation, delivering a pay rise in real terms.
- There were 61,000 fewer EU nationals working in the UK in Q3 2018 than a year before, while the number of non-EU nationals increased by 130,000.

Construction and Property

- Housebuilder Persimmon could lose the right to sell Help to Buy homes as concerns are raised over the company's behaviour regarding accountability and leadership pay packets. Contracts for the 2021 extension are being reviewed soon and the news pushed housebuilder share prices down.
- Interserve will reveal the details of its updated rescue plan next week.
- The CITB has reduced growth expectations by 0.3% for this year to 1.3%. The commercial sector is expected to see negligible growth over the next five years.
- The High Court has ruled that Brexit does not amount to a 'frustration' in the European Medicines Agency's 25-year, £500m lease in Canary Wharf.

Stocks, Commodities, Currencies

- News of a delay for the next round of US tariffs encouraged Chinese stock markets, pushing the Shanghai Composite Index up 20% since the start of the year.
- Global aluminium production fell 1.1% in January, to its lowest since November 2017. The majority of the reduction was due to China's winter shutdown but there is also evidence that Chinese producers are struggling because of weak demand and low prices.

World news

- A poll revealed that more than three-quarters of economists expect the US to enter a recession by the end of 2021, yet forecast further Federal Reserve rate increases this year.
- Despite a focus on reducing its \$34tn debt pile, China's leverage indicators are still strong, with new yuan loans exceeding estimates in January.