

World news

- Chinese banks have recalibrated their appetite for risk on overseas infrastructure financing in 2019 as developing countries struggle to repay debts, according to Dealogic, a data company.
- China's investment in commercial real estate plummeted, from more than \$23bn in 2016 to less than \$1bn in the first three months of 2019.
- US jobless claims fell to the lowest level since December 1969 with the unemployment rate expected to remain at 3.8%. Average hourly earnings are estimated to have increased 3.4% year-on-year, unchanged from the previous month, official data showed.
- India's central bank carried out a second consecutive interest rate cut to 6%, encouraging investment ahead of this month's general election. The rate of inflation stood at 2.57% in February, which is within bank's target range.
- Germany's new factory orders fell 4.2% in February from the previous month as foreign orders plummeted, according to provisional data from Germany's statistics office. The drop was the biggest fall since January 2017, according to Factset. Year-on-year orders collapsed by 8.4%, the largest contraction since 2009.

Stocks, Commodities, Currencies

- Reduced output from Vale (the world's largest iron ore producer) following a dam disaster in Brazil, in addition to scaled back output from BHP and Rio Tinto due to damage caused by a cyclone off the western coast of Australia, has caused the price of iron ore to jump 7% in a week and pushed the benchmark cost to a two year high. Barclays and Citi have upgraded their price forecasts for the year as a result of constrained supply.

Friday to Friday

	Price / index	Week % change	Annual % change
FTSE 100	7,446.87	2.30	3.66
FTSE 250	19,538.30	2.20	0.04
Nikkei	21,807.50	2.84	1.11
CSI 300	4,062.23	4.90	5.38
S&P 500	2,892.74	2.06	11.07
Nasdaq	7,938.69	2.71	14.80
CAC 40	5,476.20	2.35	4.15
Dax	12,009.75	4.20	-1.89
\$ per £	1.3011	-0.18	-7.67
€ per £	1.1598	-0.08	1.04
Gold £/oz	990.64	-0.09	4.69
Brent Oil	70.34	2.85	4.81

Construction and Property

- Adjusted for seasonal influences, the IHS Markit/CIPS UK Construction Total Activity Index was 49.7, up fractionally from 49.5 in February but still below the 50.0 no-change threshold. The decline in total construction activity represented the first back-to-back fall in output levels since August 2016.
- Four of the five central London submarkets with the shortest office leases are in the City fringe. These areas are popular for tech and media organizations. Farringdon, Shoreditch, Clerkenwell and Aldgate have average lease lengths of 5, 4.7, 4.3, and 4.1 years respectively, well below the London average of 5.5 years, according to Colliers International.
- Andrew Stephenson was appointed as the new construction minister. He is the eighth person to take the role since 2010.

UK economic news

- Services PMI was 48.9 in March, down from 51.3 in February, the first fall in 2.5 years. The downturn in service sector output reflected a lack of new work to replace completed projects so far in 2019. This reduced pressure means that more firms reported smaller backlogs.
- Car sales fell by 2.4% in Q1 2019, which typically accounts for a third of annual sales. New investment in the industry fell by 80% over the last three years, partly due to Brexit uncertainty.
- ONS data showed that unit labour cost in the UK experienced a 3.1% increase in 2018, showing that wages grew faster than productivity. It is the fastest rate of increase in five years.
- The number of Chinese applications for Tier 1 investors visa rose 19% in 2018 year-on-year, according to data from the Home Office, reported by private equity firm Growthdeck. Chinese nationals comprised 63% of the 228 applications last year, up from 50% in 2017.
- Jaguar Land Rover will shut down four sites for a week as part of its Brexit mitigation plans drawn up before the 29th March deadline was extended. Staff will be paid but will be expected to make up hours later.
- Business confidence decreased to the lowest since 2012, according to the BDO optimism index, which charts how businesses expect output to develop in the next three to six months.

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