

UK economic news

- UK food price inflation reached 2.5% in March, the highest rate in almost six years as a result of last year's extreme weather that affected the planting of crops, according to British Retail Consortium (BRC). This was up from 1.6% in February.
- Retail sales rose 0.6% in Q1 2019, below the 1.8% growth rate recorded in Q1 2018, according to the BRC. The figure is low due to Brexit uncertainty yet the 2018 figures include the Easter sales in March, whereas this year Easter is in April.
- According to a study conducted by the European Commission, in March, consumer confidence dropped to -12 in the UK, the lowest reading in eight years and below that of most peers, including -2 for Germany.
- Latest research from Leeds University's Credit Management Research Centre showed that companies in London and south-east received 75% of all private equity investment in the UK between 2011 and 2017. The study looked at the equity finance deals by small to medium-sized enterprises, and knowledge intensive and high-growth firms.
- UK's annual productivity growth fell from 2.2% between 2000 and 2007 to 0.5% between 2010 and 2017. Productivity growth is expected to fall to 0.2% in 2019 due to the buoyant job market and weak output growth.

Footfall and Retailers

- Debenhams has gone into administration and its lenders have taken back control after rejecting an offer from Sports Direct. The group will continue to restructure by optimising its store portfolio to improve trading and reduce debt and lease obligations.

Friday to Friday

	Price / index	Week % change	Annual % change
FTSE 100	7,437.06	-0.13	2.37
FTSE 250	19,711.71	0.89	-0.64
Nikkei	21,870.56	0.29	0.42
CSI 300	3,988.62	-1.81	3.03
S&P 500	2,907.41	0.51	9.45
Nasdaq	7,984.16	0.57	12.35
CAC 40	5,502.70	0.48	3.53
Dax	11,999.93	-0.08	-3.56
\$ per £	1.3088	0.59	-8.20
€ per £	1.1575	-0.20	0.05
Gold £/oz	987.12	-0.36	4.49
Brent Oil	71.55	1.72	-1.42

Construction and Property

- House prices fell 1.6% in March, compared with February, yet prices were 2.6% higher in Q1 compared with the same period in 2018, Halifax data showed.
- Rightmove announced that prices on its website jumped by an average of 1.1%, an increase of £3,447 in the month to April 6 but remain 0.1% below the level of a year ago.
- Retail warehouse vacancy rates hit 7.5% at the end of 2018, up from 6.3% in Q2 and the biggest increase recorded since Trevor Wood Associates began compiling data at the end of 2001. Most of the rise could be accounted for by retailers going into administration or entering company voluntary arrangements as a result of tough trading conditions.

World news

- US and China negotiations are advancing with the hope of reaching a deal to end the trade war by May. Markets hit a six-month high due to hopes of a resolution between the two countries.
- The President of the European Central Bank, Mario Draghi, is paving the way for more monetary action to combat the region's latest economic slowdown - the downward shift in the swap rate indicates the markets' doubt the bank's ability to hit its inflation target.
- Turkey's unemployment rate rose to 14.7% in January 2019, up from 10.8% in January 2018 and the highest level since April 2009, according to official data, due to employment suffering the fallout from the first recession in a decade.
- Asset managers are increasingly looking at China and other Asian markets to boost their client base. China accounts for 40% of emerging market assets and its share is predicted to grow from \$5.3tn to \$9tn by 2023, according to Morgan Stanley and Oliver Wyman. China is tipped to become the world's second-largest investment market in two years, behind only the US.
- Eurozone manufacturing conditions deteriorated in March to 47.5, down from 49.3 in February, the lowest level since April 2013 and the second successive month of falls in the Purchasing Managers Index.

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