

UK economic news

- Theresa May announced she will resign as Conservative leader on 7 June, paving the way to a leadership contest.
- In April, month-on-month retail sales were flat, yet higher than the 0.3% fall expected, according to ONS data. In the three months to April, sales increased by 1.8%, with a 9.4% increase in online sales, a record quarter for e-commerce.
- EU Elections in the UK saw the Brexit Party top polls in every region apart from London which was won by the Liberal Democrats. The Brexit Party won 29 seats, Lib Dem 16 and the Conservatives and Labour secured 4 and 10 seats respectively.

UK construction and property

- In the latest RIBA Future Trends survey showed sentiment among London architectural practices slumped into negative territory from a score of 0 in March to -7 last month.
- Figures released in the BMF's Builders Merchants Building Index show positive sales growth through UK builders' merchants during the first quarter of the year. Total Q1 sales were up +5.9% year-on-year. Landscaping products saw the strongest annual growth (+15.6%).
- Take-up of office space in Manchester city centre is expected to top 1m sqft for the sixth consecutive year following a steady start to 2019. In Q1 2019, 61 city centre deals totaling 317,733 sq ft took place, according to Cushman and Wakefield.
- First quarter take up in England's industrial and logistic sector dropped to the lowest level in six years, according to Colliers International.
- Investment into UK student accommodation, investment-grade private rented sector and senior living rental sector is expected to reach £146bn by 2025, rising from £87.3bn in 2019, according to analysis by Knight Frank.

Friday to Friday

	Price / index	Week % change	Annual % change
FTSE 100	7,277.73	-0.96	-5.85
FTSE 250	19,129.57	-1.89	-9.38
Nikkei	21,117.22	-0.63	-5.94
CSI 300	3,593.91	-1.50	-5.83
S&P 500	2,826.06	-1.17	3.85
Nasdaq	7,637.01	-2.29	2.73
CAC 40	5,316.51	-2.24	-4.08
Dax	12,011.04	-1.86	-7.16
\$ per £	1.2696	-0.22	-4.70
€ per £	1.1337	-0.52	-0.70
Gold £/oz	1,010.65	0.64	3.27
Brent Oil	68.69	-5.84	-10.14

Global news

- An analysis from Bloomberg estimates that if the trade war between the US and China continues, global GDP could take a \$600bn hit in 2021. A solution is still possible, with president Donald Trump and Xi Jinping set to meet at the G20 summit at the end of June.
- The Chinese government's first seizure of a bank in more than two decades reverberated through markets, driving up funding costs for smaller lenders and adding pressure to shares.
- The European Commission will announce next week if it will propose a disciplinary procedure for Italy over its failure to rein in debt. Under EU laws, EU members need to keep their deficit below 3% of GDP and their debt under 60% of GDP. At 132% of output, Italy's debt is more than twice the EU limit.

Stocks and commodities

- U.S. crude inventories rose to their highest since July 2017, which combined with increased geopolitical tensions leading to growth concerns have worked to push prices down, putting WTI (West Texas Intermediate) on track for the biggest weekly drop in 2019 following a large sell-off. However oil prices are still 30% up on the year to date.
- Whilst subject to sanctions, Iran is storing excess oil on land and at sea. Currently 16 tankers holding 20 million barrels are being used for storage with ten tankers being stationary for four weeks.
- Last week the Chinese renminbi reached a six month low against the dollar of \$6.9190 as trade wars take their toll. Questions are being raised over whether the government will allow it to depreciate through the \$7 mark.
- The Dry Bulk Shipping market has seen a large correction following disruptions to the iron ore market. Allied, a shipbroker, said that "dry bulk shipping is still facing severe backlash [from] frivolous trade negotiations"
- British Steel was forced into liquidation but will continue to trade whilst new owners are sought, according to the Receivers.
- UK stocks suffered last week as traders kept watch on the race to choose Britain's next Prime Minister.
- Escalating tensions over the U.S. - China trade war weighed on investment sentiment after talks stalled, pushing global stocks towards their first month-on-month decline in a year.

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