

UK news

- **Jobs** | According to the Institute for Employment Studies, for every job opening, there are eight people claiming unemployment benefits. This compares to 1.5 pre-covid. The number of vacancies has fallen by nearly half a million since the start of the crisis.
- **Unwinding furlough** | The National Institute for Economic and Social Research (NIESR) has warned that unemployment will rise to 10% by the end of the year. The thinktank also forecasts GDP to be 10% lower this year and remain 6% lower than previous forecasts in 2024.
- **Second wave?** | Whilst defending the new quarantine rules for Spanish travellers, Boris Johnson warned that Europe was “starting to see in some places the signs of a second wave of the pandemic”.
- **Business finances** | Figures from the Treasury show that UK businesses have borrowed £50bn in state-backed coronavirus loans.

Global news

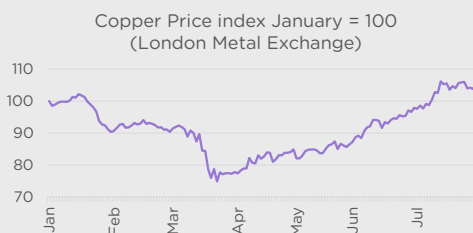
- **New normal?** | Google is the latest large employer to announce that its employees will not need to return to an office until July 2021.
- **US election** | Donald Trump has suggested a delay to the Presidential election which is due to take place in November as it might mean a greater reliance on postal votes. The President claims that fraud is higher amongst postal votes, but there is no evidence of widespread fraud.
- **Q2 GDP** | Growth figures for the Eurozone and the US were announced this week, and have been summed up in the table to the right.

Country	GDP % change
Germany	-10.1%
France	-13.8%
Spain	-18.5%
Italy	-12.4%
US	-32.9%

Commodities

The price of Copper recovered above its January peak, having increased 42% from its March low. The metal’s supply chain has been significantly disrupted resulting in a shortage. Vale expects prices to remain high through 2020.

Other metals such as aluminium, steel scrap and lead remain below their January peaks.



Construction and property news

- **Help to Buy** | In light of delays caused by Covid-19, ministers are drawing up plans to extend the scheme beyond the December deadline.
- **Plant sales** | According to the Construction Equipment Association, the UK market for construction and earthmoving equipment fell 39% in the first half of 2020 (by unit sales). The Q2 figure was -54% year-on-year.
- **Draft Building Safety Bill** | The Government has published the draft Building Safety Bill in which will ‘bring forward changes that will improve building and fire safety, so that people will be, and will feel, safer in their homes’. It will introduce a new, more stringent set of rules for high-rise residential buildings together with a regulator that will enforce new rules and take strong action against those who break them. The regulator will have three main functions: to oversee the safety and standard of all buildings, to directly assure the safety of higher-risk buildings; and to improve the competence of people responsible for managing and overseeing building work

Friday to Friday

	Price / index	Week % change	Annual % change
FTSE 100	5,897.76	-3.69	-20.38
FTSE 250	16,932.65	-1.92	-12.05
Nikkei	22,071.89	-2.99	4.67
CSI 300	4,735.90	5.11	26.38
S&P 500	3,271.12	1.73	11.56
Nasdaq	10,745.27	3.69	34.25
CAC 40	4,783.69	-3.49	-10.74
Dax	12,313.36	-4.09	3.71
\$ per £	1.3128	2.67	8.26
€ per £	1.1108	1.07	1.78
Gold £/oz	1,510.11	1.60	27.45
Brent Oil \$/barrel	43.50	0.37	-29.71

Weekly Summary

The week was dominated by news of a second wave across various parts of the world and the political reaction around the world. In the UK Boris Johnson said that there was a need to “squeeze [the] brake pedal” on easing restrictions after large swathes of the UK had new restrictions put in place.

Supply chains around the world continue to be disrupted, pushing the price of copper higher, increasing concerns over material prices in the second half of the year.

As we move further from the beginning of the Covid-crisis, its full impact is becoming known, with record-breaking falls in quarterly GDP in Q2 around the world.

More insight

We’ve recently launched a YouTube channel where you can find our recent virtual forum events on Net Zero Carbon, and Viable Offsite: Unlocking the Fundamentals

[alinea’s YouTube Channel](#)

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