



The Week in Review

Monday 30 March



The week everything changed

We saw a different face on the Downing Street podium on Friday afternoon, as Minister for the Cabinet Office Michael Gove took centre stage, while the Prime Minister self-isolated after testing positive for COVID-19. Gove announced plans to begin a large-scale testing programme of health workers and the construction of two further NHS Nightingale hospitals in Birmingham and Manchester.

In a video posted to his Twitter account, Boris Johnson was keen to emphasise he was suffering mild symptoms and would continue to lead the government (in the fight against COVID-19).

It's life...but not as we know it

As confirmed cases of the virus surged, on 23 March, the Prime Minister appealed to the nation to stay at home to slow its spread. The government imposed strict restrictions on everyday life, which will be in place for at least three weeks. Mr Johnson said the country faced a "moment of national emergency" and staying at home was necessary to protect the NHS and save lives.

Chancellor casts another safety net

On 26 March, the Chancellor, Rishi Sunak unveiled much-anticipated measures to help self-employed workers in the wake of the crisis, telling them: "You have not been forgotten."

Although stringent eligibility criteria apply, many self-employed workers will be able to claim a taxable grant worth 80% of their average monthly trading profits, to help them cope with the financial impact of the virus. Although not available until June, up to a maximum of £2,500 a month for up to three months will be paid in one lump sum. In an unprecedented level of support for the self-employed community, 95% of people who are majority self-employed will benefit from the scheme. The Chancellor added a caveat to the scheme: "I must be honest and point out that in devising this scheme it is now much harder to justify the inconsistent contributions between people of different employment statuses. If we all want to benefit equally from state support, we must all pay in equally in future."

On the same day, as expected, The Bank of England held interest rates at a record low 0.1%.

Global fiscal measures

G20 governments have promised a multi-trillion revival effort, major central banks have reduced rates, eased monetary policy and restarted asset purchases. Once agreed, the US stimulus package helped support markets last week. After a three-day surge driven by government and central bank measures, the FTSE 100 fell at the end of the week following news of the PM's self-isolation. In the US, a sharp increase in infections impacted markets at the tail end of the week.

Following a conference call of G20 Finance Ministers and Central Bank Governors last Monday (23 March), International Monetary Fund Managing Director, Kristalina Georgieva, commented: "The outlook for global growth for 2020 is negative, but we expect recovery in 2021. To get there, it is paramount to prioritise containment and strengthen health systems everywhere. The economic impact is and will be severe, but the faster the virus stops, the quicker and stronger the recovery will be."

A united front

In a heartening moment on Thursday evening, UK landmarks adopted a blue hue and millions across the country took part in a Clap for Carers, as the nation showed their support for those on the front line. An emotive moment for many as we stood unified, appreciative and proud. In an astounding act of selflessness, over 750,000 people have signed up to become NHS volunteers, tripling the government's initial request for 250,000 supporters to help the most vulnerable in society.

Communication is key

We are here to reassure you that we continue to work hard and are here to support you. We understand that although concerns exist, so too do opportunities. Financial advice is key, so please don't hesitate to get in contact with any questions or concerns you may have.

The value of investments can go down as well as up and you may not get back the full amount you invested. The past is not a guide to future performance and past performance may not necessarily be repeated.