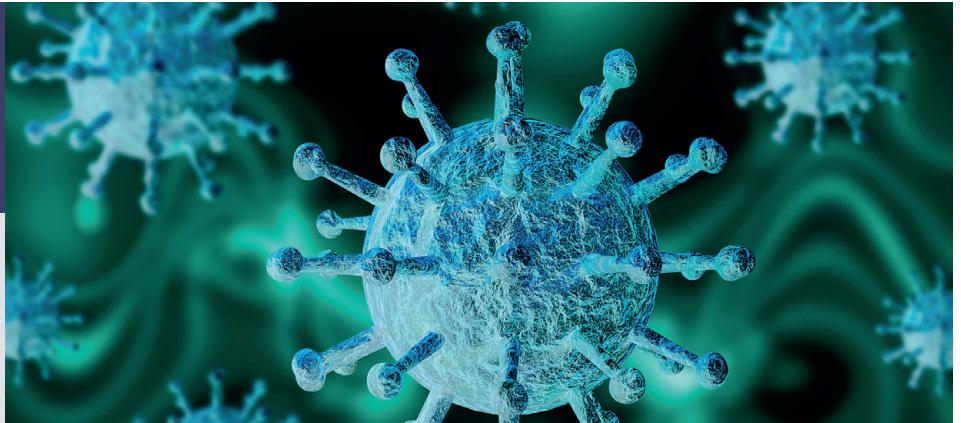




The Week in Review

Monday 14 September 2020

"It is so important that we take these tough measures now"



With the number of coronavirus cases rising across the UK, the Prime Minister was back on the Downing Street podium last Wednesday to announce new measures. As we enter the autumn, with the country at a critical moment and the average rate of new infection four times higher than in mid-July, the government announced the introduction of the rule of six. From Monday (14 September) social gatherings of more than six people (of all ages) are banned in England. This limit applies to indoor and outside settings and is enforceable by police, who will issue fines or make arrests.

A support bubble or single household larger than six, will still be able to gather and COVID-secure venues such as gyms, restaurants and places of worship, can still hold more than six in total. The rules do not affect education and work settings.

Boris Johnson said, *"we must act"* to avoid another lockdown, adding, *"Let me be clear – these measures are not a second national lockdown – the whole point of them is to avoid a second national lockdown... I wish that we did not have to take this step, but, as your Prime Minister, I must do what is necessary to stop the spread of the virus and to save lives... it is so important that we take these tough measures now."* Matt Hancock said the new rules will not be kept in place *"any longer than we have to."*

During the briefing, the Prime Minister also outlined *'Operation Moonshot'*, an expansion of testing to ten million a

day by early 2021. Frequent testing of the population would allow people without the virus to conduct their lives as normal, allowing the economy and society to remain open despite the virus being in circulation. Boris Johnson said the government was *"working hard"* to increase testing capacity to 500,000 tests a day by the end of October.

Scotland has also limited the number of people who can meet to six people. Nicola Sturgeon said the six can be from no more than two households, but children under the age of 12 will not count towards the total. Rules vary across the UK.

Regional restrictions tighten

As cases rise, tighter coronavirus restrictions have been introduced in Bolton and will apply to parts of the West Midlands from Tuesday. Restrictions on home visits in the west of Scotland have been expanded and in Wales, the county borough of Caerphilly has been placed under a local lockdown. Last week, the Welsh First Minister, Mark Drakeford announced that people in Wales must wear face masks in shops and other indoor public spaces from Monday. Restrictions on visiting other households are also due to be reintroduced in parts of Northern Ireland.

Quarantine list additions

Last week, in a change of policy for the government, England introduced island-specific quarantine, rather than restrictions applying to an entire country. Travellers arriving in England from seven

Greek islands needed to self-isolate from 4am last Wednesday. Mainland Portugal was placed back on the quarantine list last week, effective from Saturday (12 September) morning. Meanwhile, Sweden has been added to England, Scotland and Wales' safe lists.

Economic growth and trade talk wranglings

According to official figures from the Office for National Statistics, the UK economy grew by 6.6% in July, the third month in a row of economic expansion. Despite this, output remains below pre-pandemic levels and the ONS outlined the UK *'has still only recovered just over half of the lost output caused by the coronavirus.'* The UK's economy is 11.7% smaller than it was in February.

Despite subdued trading, the FTSE 100 ended higher last week. Trade deal negotiations between the UK's Brexit negotiator Lord Frost and his EU counterpart Michel Barnier continued last week. The UK has published a bill to rewrite parts of the withdrawal agreement it signed in January, but the EU is demanding the UK drops plans to alter it. Lord Frost said, *"Challenging areas remain and the divergences on some are still significant"*, but UK negotiators *"remain committed"* to reaching a deal by the middle of October.

Here to help

Financial advice is key, so please do not 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.