



# SMYTHE & WALTER

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## The Week in Review

Monday 22 June



### ***"There is genuine cause to celebrate a great, British achievement"***

At Tuesday's Downing Street briefing, the Prime Minister announced a significant development in the fight against coronavirus. A low-dose, cheap and widely available steroid treatment, dexamethasone, has been found to reduce the risk of death by a third for patients on ventilators and by one-fifth for those on oxygen.

Boris Johnson praised the British scientists involved and patients who volunteered for trials. He said the drug will be made available across the NHS and that the government has taken steps to secure supplies, adding, *"I am delighted that the biggest breakthrough yet has been made by a fantastic team of scientists right here in the UK... there is genuine cause to celebrate a great, British achievement and the benefits it will bring not just in this country but around the world."*

On Friday, the UK's alert level was downgraded to level three, when the virus is considered in general circulation and a gradual relaxation of restrictions can be actioned. The government is said to be reviewing the 2m social distancing rule.

### **Preparing for a full return to school in September**

The Prime Minister fleshed out details to help England's school children catch up. Over the next academic year, £650m will be given to primary and secondary schools, plus £350m is pledged to fund a National Tutoring Programme for the most disadvantaged pupils.

Education Secretary Gavin Williamson said that in September, the government was *"signed up... to bring every child back, in every year group, in every school."* Williamson said class size limits imposed to curb the spread of the virus could be increased to allow every child to return.

Following Manchester United footballer Marcus Rashford's campaign, the government made a u-turn, enabling around 1.3 million children to claim free school meals vouchers during the six-week summer holidays.

### **New test and trace technology required**

Matt Hancock said the UK is moving to a test and trace model using technology provided by Apple and Google, abandoning the current coronavirus-tracing app after testing showed it was not effective on Apple smartphones.

### **Lockdown easing around the UK**

On Thursday, Scotland's First Minister Nicola Sturgeon announced lockdown easing measures, including the reopening of most shops from 29 June. On Friday, Welsh First Minister Mark Drakeford announced non-essential shops can re-open from Monday. In Northern Ireland, when schools re-open the 2m social distancing rule will be reduced to 1m to allow full classes to attend.

### ***'The outlook for the UK and global economies is unusually uncertain'***

Last Thursday, the Bank of England's Monetary Policy Committee (MPC) voted to increase the size of its bond-buying programme and will pump an extra

£100bn into the UK economy to help fight the coronavirus-induced downturn. The MPC also chose to retain interest rates at a record low of 0.1%.

The MPC expressed in their meeting minutes, that the fall in global GDP in Q2 will be less severe than expected and that there are signs that services output and consumer spending are picking up. The minutes cited: *'The unprecedented situation means that the outlook for the UK and global economies is unusually uncertain. It will depend critically on the evolution of the pandemic, measures taken to protect public health, and how governments, households and businesses respond to these factors.'*

US equity markets turned negative on Friday as fears of an increase in infections intensified. News of Apple's temporary closure of 11 stores in the US as virus cases rise, dampened expectations of a quick economic recovery stateside. European stock markets edged higher on Friday, as hopes for more stimulus to boost the global economy and a reasonably quick rebound remain strong.

### **Back on the ball**

It's been a long wait for football-lovers, but on Wednesday, the Premier League kicked off again after a 100-day pause. All 92 league games left to play, will do so behind closed doors and packed into 40 days, before the season concludes on 26 July.

### **Onwards and upwards**

We are here to guide you through these uncertain times. Financial advice is key, so please get in touch with any concerns or queries 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.***