

News in Review

13 January 2021

"It's your actions now that can make a difference"



The UK is at the "worst point" of the pandemic, Matt Hancock said as he addressed the nation on Monday. Government figures show that over 80,000 people have now died, while over 32,000 are currently in hospital.

The new variant of the virus, which is said to be up to 70% more transmissible, is putting the NHS under "significant pressure", the Health Secretary continued. He urged the nation to continue complying with lockdown restrictions, saying "it's your actions now that can make a difference."

Mr Hancock then moved his attention to the UK's ambitious vaccination programme – widely acknowledged as the country's path back to normality.

"Each of these jabs saves lives"

So far, 2.3m people have been vaccinated against the virus with 2.6m jabs given in total, with plans to offer a first jab to the top four priority groups by mid-February. These four groups encompass some 15 million people, and account for 88% of COVID-19 deaths.

Thousands of vaccination sites have sprung up across the country. Currently around 1,000 GP sites, 200 community pharmacies, 206 hospital hubs and seven mass vaccination sites are either fully operational or expected to be so very shortly.

Vaccination programmes are also underway in Scotland, Wales and Northern Ireland. The armed forces have been deployed to support the rollout in Wales, while over 163,000 Scottish residents have now received a first dose of a vaccine.

Growth expected to return in 2021

The global economy is expected to grow by 4% this year, according to a press

release from the World Bank. Following a 4.3% contraction in 2020, a slow, if 'subdued', return to growth is expected; however, the release emphasised the significant uncertainty of this outlook, with different growth outcomes possible depending on the success of policy makers' continued efforts to control the spread of the virus, the speed of vaccine delivery worldwide, and investment to promote sustainable growth.

World Bank Group President, David Malpass, commented, "While the global economy appears to have entered a subdued recovery, policymakers face formidable challenges in public health, debt management, budget policies, central banking and structural reforms, as they try to ensure that this still fragile global recovery gains traction and sets a foundation for robust growth."

UK economy will "get worse before it gets better"

New national restrictions are essential to control the spread of COVID-19, despite the further significant impact this will have on the economy, Chancellor Rishi Sunak told MPs on Monday. While over 800,000 people have lost their jobs since February 2020, the Chancellor stated that he is "confident that our economic plan is supporting the finances of millions of people and businesses." The government's fiscal stimulus measures have so far totalled £280bn, he concluded.

Despite government measures, the automotive and retail industries both recorded record lows for 2020, with car registrations falling to their lowest levels in nearly three decades and retail sales plummeting to a 25-year low. While the majority of lost car sales occurred

in spring, with showrooms closed and factories shut down, retail suffered most from lost sales during the peak Christmas season, with the majority of the high street forced to close amid rising cases.

More positively, recruitment picked up in December for the first time in three months, although most vacancies were for temporary positions, according to the latest Report on Jobs from the Recruitment and Employment Confederation (REC) and KPMG. Continued uncertainty surrounding the pandemic and the impact of Brexit is causing more employers to offer temporary, rather than permanent jobs, the report stated. The number of permanent positions also rose, albeit more modestly.

Capitol riots shock the world

The world watched in shock as supporters of outgoing US President Donald Trump stormed the Capitol Building last week, in a bid to prevent the formal confirmation of Joe Biden's election win. Following the insurrection, during which five people died, Democrats have filed an article of impeachment against President Trump for 'incitement of insurrection', accusing him of encouraging his supporters to storm the building amid false claims that the election had been 'stolen'. If impeached, President Trump will be the first US President ever to have been impeached twice. Meanwhile, President-elect Joe Biden's inauguration will be going ahead as planned on 20 January.

Here to help

Financial advice is key, so please do not hesitate to get in contact with any questions or concerns you may have.