

Mixed reaction

The news on most people's lips at the moment (not that you can see) is masks are to be made compulsory for shopping, with shoppers who fail to comply risking being slapped a £100 fine.

While some see this as a positive step forward, many are arguing the rule should have been implemented months ago.

My own feelings are this has been a supply issue, rather than a sudden awakening of the risks from the government. At home, during our weekly online grocery shop over the last two weeks, we've been buying supplies and they seem to be readily available. They don't seem to fit particularly well and mainly prove as a gesture of solidarity to other shoppers.

Younger generations appear to be adopting the 'when life gives you lemons' mentality, with underage drinkers reportedly dressing as elderly citizens with face coverings and purchasing alcohol. I suppose times have moved on from your friend's older brother or sister doing it for you.

Gyms, indoor swimming pools and leisure centres will be opening from 25th July and there will be further convenience services that are likely to follow as a result. The road traffic will start to build gently from here and that is likely to end my relatively eventless travel movements up until now.

Prices at the fuel pumps have been a local barometer for me during the pandemic. The lows of near £1.00 per litre of diesel have steadily risen to £1.16, suggesting demand is slowly returning following more economic activity.

Around the globe, further woes are evident as India surpassed 1 million Coronavirus cases while Brazil has now seen more than 2 million cases. This pales into insignificance compared to the US, which has so far seen more than 3.5 million cases.

The number of deaths per day has begun rising again with America's Sun Belt – the region between Southern California and Florida – enforcing more stringent restrictions as opposed to reopening the economy. The big question is whether the recovery is sustainable alongside the biggest single day increases since the pandemic began.

In the UK the National Cyber Security Centre (NCSC) has accused a group of Russian cyber spies known as "Cozy Bear" of attacking Coronavirus research facilities across the US, the UK and Canada, while in a separate development, the UK Government has revealed that Russian groups promoted leaked documents on a potential US-UK trade deal in a bid to interfere in last year's General Election.

This has added to Boris Johnson's workload further still, who is currently busy digging up 5G phone masts and stripping £2bn of infrastructure put in place for Huawei to become the UK's data provider in a sudden u-turn, causing a "cumulative delay" to the roll-out of 5G

Head Office

Thremhall Park, Start Hill,
Bishop's Stortford,
Hertfordshire, CM22 7WE

T: 01279 215585
E: info@desirewm.com

North Office

The Craggs Country Business Park,
New Road, Cragg Vale,
West Yorkshire, HX7 5TT

T: 01422 413696

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As a result, we are not just keeping an eye on what's coming down the pipeline in the next few weeks and months, we are also taking a medium-term view too. In the US that time-horizon is dominated by the Presidential election in November. It is early days yet, but a Biden White House would be a very different proposition and arguably the stock market is beginning to price it in.

In the US, it's not just earnings that will be in focus next week. There's a string of economic data too, with consumer prices, retail sales and the so-called Beige Book, which collates anecdotal evidence from business owners which will start to be digested.

Although Britain officially left the European Union at the end of January, it has entered a kind of limbo for 11 months known as the transition period in which it still operates within the bloc's customs union and single market on a temporary basis. That will come to an end at the end of December and negotiations are well under way with further attention building as the summer holidays begin.

The global outlook for UK investors improved this week with further portfolio value improvements throughout our Active range. The risks to investors remain, but the hope through advances made in a potential vaccine are encouraging. The other notable point is the ongoing push to reduce the restrictions for many by Boris today which will help the economy further. Increases in cases of Coronavirus are likely to lead to local action or restrictions, rather than national lockdowns which crippled the nation.

In summary, further progress has been made this week within global markets, there are a number of ongoing challenges which we are monitoring but the focus is very much on the improving medium to longer term outlook.

Have a very good weekend.

Kindest regards

Wesley Fox Dip (PFS)
Managing Director