

News in Focus

Tuesday 12 May 2020

"Our next steps will be surefooted and sustainable"



'Stay at home' remained the overwhelming message this Bank Holiday weekend, which also marked a very different VE Day anniversary to the one originally envisaged. A two-minute silence was held on Friday as the nation paused to commemorate 75 years since this auspicious day.

Instead of packed crowds, the Red Arrows flew over the empty streets of London. Later, communities across the country threw socially distanced street parties and neighbours came together to sing the wartime classic *'We'll Meet Again'*, recognising in its lyrics similarities to the current situation.

Speaking on Thursday, Foreign Secretary Dominic Raab readjusted the nation's expectations of an immediate relaxing of lockdown measures, saying: *"Our next steps will be surefooted and sustainable. Any changes we make will be carefully monitored. If people don't follow the new rules...we will tighten the restrictions again."*

"A conditional plan"

On Sunday the nation waited with bated breath for the Prime Minister's speech unveiling the government's 'roadmap' to restart society and the economy. Mr Johnson began by thanking the nation for their *"effort and sacrifice"*, adding that *"it would be madness now to throw away that achievement by allowing a second spike."*

What came next was the outline of a conditional plan, with further details laid out in a statement in Parliament on Monday, accompanied by a 50-page three step plan. The Prime Minister emphasised that it was *"a conditional plan"*, with actions dependent

on a new, five-level Covid Alert System that will determine the restrictions required.

The plan will follow three steps. First, those unable to work from home (for example those in the construction or manufacturing sectors) should return to work but take steps to avoid public transport. From Wednesday, people will be able to exercise outdoors as much as they like. Second, schools will reopen for certain primary age pupils from 1 June at the earliest. If backed by the science, stage two will also involve the reopening of certain shops. Third, some of the hospitality industry and other public places may be allowed to reopen from 1 July at the earliest – providing they are able to safely enforce social distancing.

The Prime Minister Boris Johnson has called for the public to exercise *"good, solid, British common sense"* in adapting their lives to the next phase of the virus response.

He added that the time will soon come to quarantine everyone coming into the country arriving by air. He signed off his statement, *"For now we must stay alert, control the virus and save lives."*

The three-step plan will apply in England only, as the devolved governments in other parts of the UK have powers to control their own lockdown measures.

Trade tensions easing

Equity markets saw a boost at the tail end of last week as some countries around the world tentatively reopened their economies, while trade tensions between the US and China calmed on Friday as the two superpowers reviewed the Phase 1 trade deal.

US unemployment figures appeared at odds with buoyed market sentiment, with data showing 20.5 million job losses in April. Meanwhile, despite its bleak economic prognosis, the Bank of England shored up sterling by maintaining a strong stance on monetary policy.

The royal seal of approval

To mark the VE Day anniversary, 75 years to the hour after her father King George VI's address to the nation at the close of World War II, the Queen gave a moving speech on Friday to pay homage to Britain's sacrifices – both then and now. She said, *"When I look at our country today, and see what we are willing to do to protect and support one another, I say with pride that we are still a nation whose brave soldiers, sailors and airmen would recognise and admire."*

Onwards and upwards

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

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