

Market Update 27th July 2020

Global equity markets had a difficult week as markets reacted to tensions between the United States and China.

The situation between the United States and China has been brewing recently. Tensions have been on the rise in relation to Hong Kong as the Chinese government is tightening its control over the region. Last week, the US government closed a Chinese consulate in Houston, and as a response, the Chinese government ordered the US consulate in Chengdu to close.

	Weekly performance up to 24 July 2020
FTSE 100 (UK)	-2.6%
Dow 30 (US)	-0.8%
Euro Stoxx 50 (Europe)	-1.6%
Nikkei 225 (Japan)*	+0.2%

*closed 23 and 24 July due to public holiday

In terms of £ Sterling, it closed the week (to 24 July), at 1.28 US Dollars, which was 1.8% higher than the figure at the end of the previous week (17 July).

Against the Euro, £ Sterling closed on 24 July at 1.10 Euros, which was 0.2% lower than the closing figure on 17 July.

Inflation, as measured by the Consumer Prices Index including owner occupiers' housing costs (CPIH) was 0.8% in June 2020 (this is June's data which is reported in July). This was up from 0.7% in the previous month largely due to rising prices for games and clothing. The 12-month rate for the Consumer Prices Index (CPI) rate which excludes owner occupied housing costs and council tax was 0.6% in June, up from 0.5% in May.

There were no further changes to the Bank of England base rate last week following the two previous cuts in March. The current rate remains at 0.1%.

The Omnis Managed funds, Openwork Graphene Model Portfolios and Omnis Managed Portfolio Service provide you with a diversified asset allocation in line with your Attitude to Risk, investing in Developed Market Equities, such as UK, US, Europe and Asia Pacific as well as Emerging Market equities. Cautious and Balanced investors will also have significant holdings in UK and Global Bonds, as well as Alternative Strategies.

We believe this multi-asset approach aims to minimise global equity market falls in volatile periods.

Past performance is not a guide to future performance. The value of an investment and any income from it can fall as well as rise as a result of market and currency fluctuations. You may not get back the amount you originally invested.