

Investment Update 17th August 2020

It was a “tale of two halves” last week for the FTSE 100 index with the first three days of the week seeing strong gains which were countered by daily falls in the last two days of the week. These falls were primarily caused by worse than expected economic data from the United States and China.

Despite this, most global equity markets saw small gains for the week.

	Weekly performance up to 14 August 2020
FTSE 100 (UK)	+1.0%
Dow 30 (US)	+1.8%
Euro Stoxx 50 (Europe)	+1.6%
Nikkei 225 (Japan)	+4.3%

In terms of £ Sterling, it closed the week (to 14 August), at 1.31 US Dollars, which was 0.3% higher than the figure at the end of the previous week (7 August).

Against the Euro, £ Sterling closed on 14 August at 1.10 Euros, which was 0.2% lower than the closing figure on 7 August.

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.