

# Monthly Market Update

## June 2019

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As we start the second half of the year, the Conservative Party are close to choosing their new leader (and likely to be Prime Minister) from the final two candidates - Jeremy Hunt and Boris Johnson. Boris Johnson appears to be the favourite and he is committed to leaving the European Union on 31 October 2019, with or without a deal.

While this news dominates local headlines, the on-going trade war rhetoric between the United States and China has been more significant for global stock markets. The more positive noises leading up to the G20 summit meeting was good for markets and this has been followed with encouraging headlines after the meeting between Donald Trump and Xi Jinping.

As such, the FTSE 100 Index closed June at 7,425.63, which was 3.7% higher than the May closing level.

In the US, the Dow Jones 30 enjoyed a bigger gain of 7.2%, ending June at 26,599.96.

In terms of currency, £ Sterling ended June at 1.27 US Dollars. This was 0.5% higher than the closing figure at the end of May.

Against the Euro, £ Sterling ended June at 1.12 Euros, which was 1.1% lower than the May closing figure.

Inflation, as measured by the Consumer Prices Index including owner occupiers' housing costs (CPIH), was 1.9% in May 2019 (this is May's data which is reported in June). This was down from 2.0% in the previous month. The 12-month rate for the Consumer Prices Index (CPI) rate which excludes owner occupied housing costs and council tax was 2.0% in May 2019, again down from 2.1% in April 2019.

The Bank of England maintained interest rates at 0.75% in June. The last change was an increase in August last year. This means long-suffering deposit savers are likely to continue to lose money in real terms when you consider the rate of savings interest compared to the rate of inflation.

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 give you the best opportunity for the highest level of return for your stated level of risk.

*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.*



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