



## MARKET REPORT

### Monday 22<sup>nd</sup> February 2021

#### Market Headlines

The UK government confirmed all adults would be offered a coronavirus vaccine by the end of July.

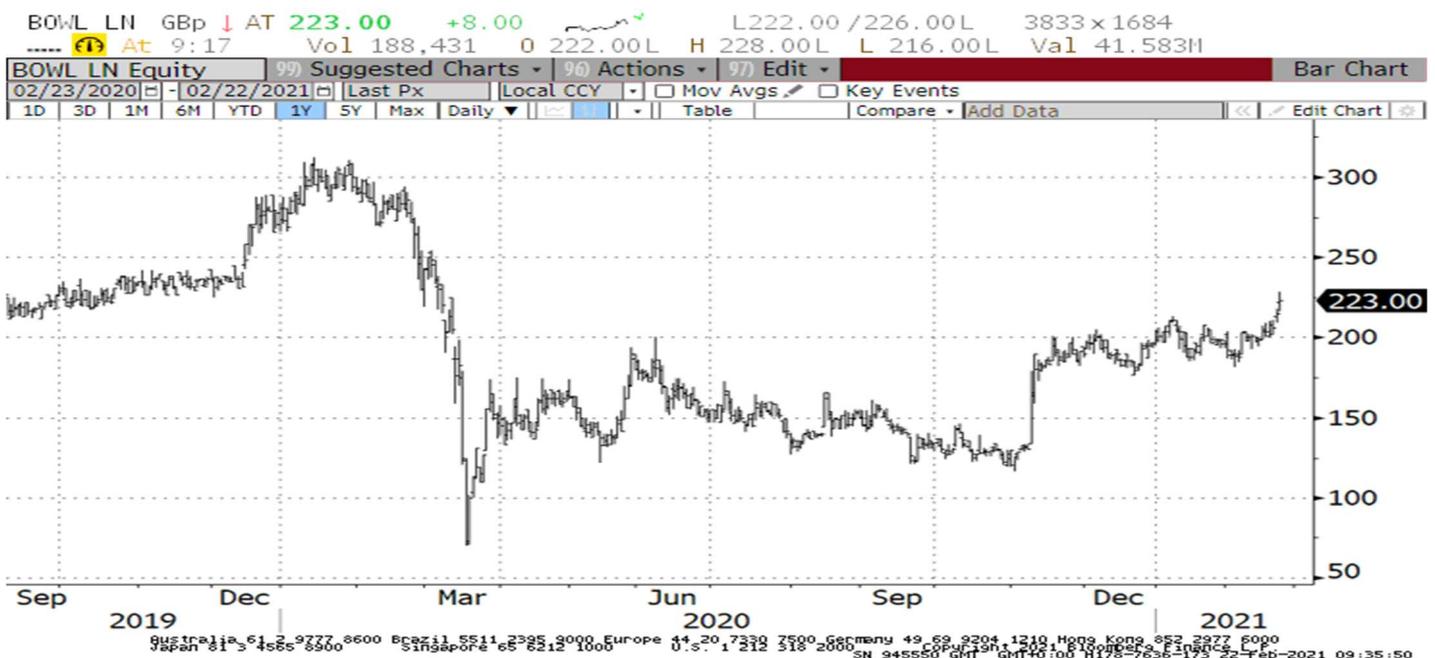
The Chinese central bank kept interest rates unchanged with the one-year prime rate at 3.85%, the tenth successive month rates have been on hold.

Sterling surpassed \$1.40 to its highest level since April 2018.

The Nikkei 225 rose 0.5%, the Hang Seng dropped 1.1% and the Shanghai Composite closed down 1.5%. European markets were lower.

#### Investments on our buy list

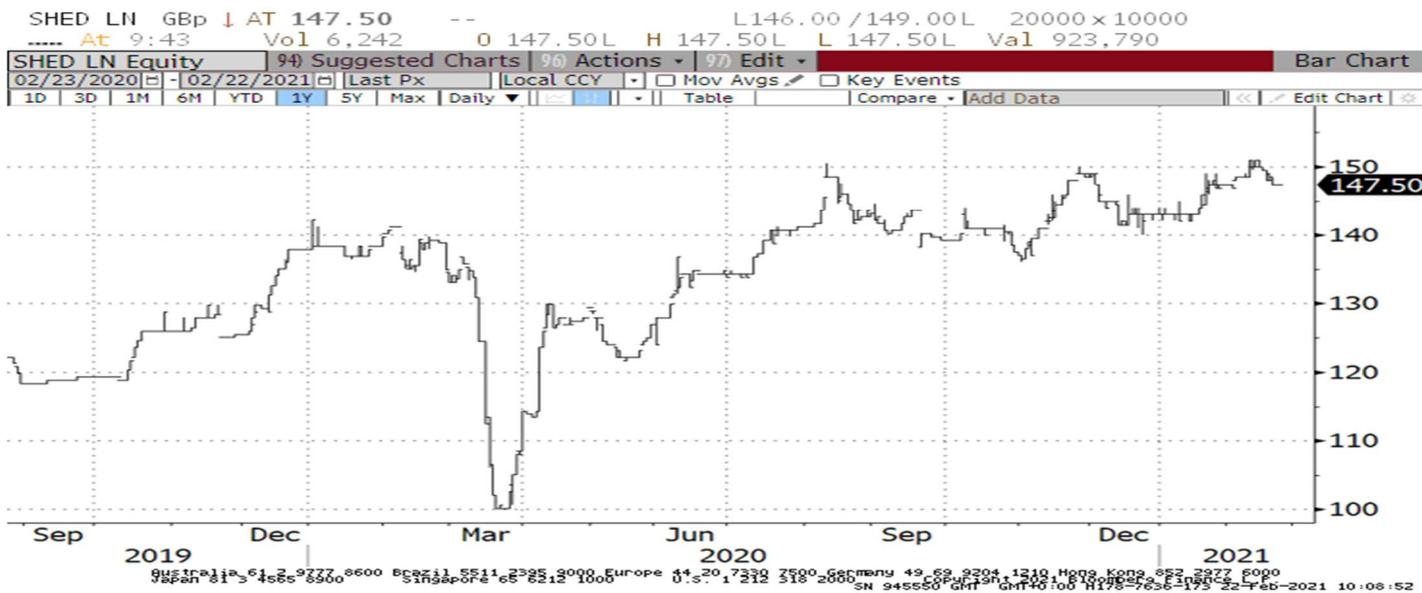
**Hollywood Bowl (BOWL)** – Panmure Gordon raised the stock to buy on Friday with a price target of 255p. The broker highlighted the positive outlook for the ten pin bowling market in the post-Covid environment. It underlined the opportunities for consolidation and growing non-bowling revenues. The pandemic certainly interrupted what was a positively developing story for Hollywood Bowl, and the market is starting to look ahead to its resumption. The shares have recovered more than half of the pandemic-induced collapse and we see further gains.



Source: Bloomberg

**Urban Logistics REIT (SHED)** – on Friday announced £28m of off-market acquisitions. The assets were described as “attractive” as they fulfilled the location requirement (last mile delivery) and offered a blended net initial yield of 6.87%. The assets are all single-let properties servicing high quality logistics tenants.

The shares continue to trade at a small discount to NAV and offer a yield of 4.8%.



Source: Bloomberg

### Chart of the day

European stocks are weaker this morning as bond yields continue to rise amid growing concerns about inflation. The focus on inflation risks has arisen as metals such as copper and nickel have jumped in price. Ten-year U.S. Treasury yields climbed to the highest in about a year and Asian stocks turned lower as investors fretted about risks to the economic recovery if price pressures mushroom. Copper is regarded as the most economically sensitive metal so increasing demand for it is usually a good sign, but booming prices for that and other commodities does raise inflation concerns.



Source: Bloomberg

## Recap of Friday

U.K. stocks closed the week on the defensive having given up all of the gains from Monday's strong rally

Miner Antofagasta was the biggest riser up 7.2% after copper hit an eight-year high

Chancellor Rishi Sunak hinted at future tax rises after official figures showed the government running a record deficit in January

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