

See all Business

LIVE Markets

Oil prices 'to plunge to \$60' by end of next year



The price of a barrel of oil will slump to \$60 by the end of next year as production surges, according to City analysts.

An increase in production by the Opec+ cartel will lead to a surplus in the market of 2.5m barrels per day next September, a note from Citigroup analysts said.

The bank predicts Brent crude, the international benchmark, will climb to \$82 a barrel in three months before dropping in the fourth quarter, eventually down to \$60 next year.

Oil prices have come under pressure after the Opec group and its allies said they would begin ramping up production from October after a period when the cartel has tried to suppress supplies.

Meanwhile, the IEA this week predicted that there would be a “staggering” surplus in the oil supplies of more than 8m barrels per day by 2030.

Citi analyst Max Layton said: “Oil balances look exceedingly weighty, with global balances moving into meaningful surplus even if Opec+ extends all cuts through to end-2025.”

Brent crude was last down 0.8pc below \$82 a barrel while US-produced West Texas Intermediate was down 0.9pc below \$78.

Read the latest updates below.

Indices

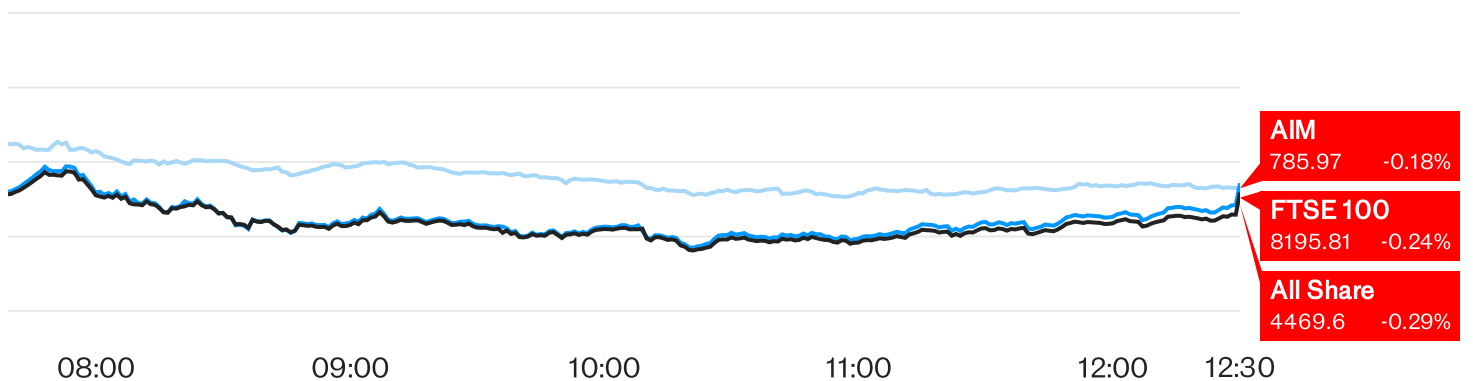
UK

World

Forex

Name	Last	+ / - %
FTSE 100	8195.81	-0.24%
FTSE 250	20386.11	-0.54%
All Share	4469.6	-0.29%
SmallCap	6734.74	-0.52%
AIM	785.97	-0.18%

— All Share — FTSE 100 — AIM



KEY MOMENTS

Chosen by us to get you up to speed at a glance

→ 1:33pm

US wholesale inflation declines in boost to hopes of rate cuts

→ **10:51am**

Oil to plunge to \$60 next year, warns Citi

→ **10:23am**

Chinese electric car giant surges despite 'nakedly protectionist' EU tariffs

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Elon Musk declares victory in fight over \$56bn pay deal

→ **7:15am**

Housing market recovery 'slips into reverse' amid election uncertainty

LIVE REPORTING RELATED STORIES

Chris Price



13 June 2024 • 1:41pm

1:41PM

US jobless benefit claims rise in boost to rate cut hopes

US jobless benefit claims rose last week in a sign the Federal Reserve may indeed cut interest rates later this year.

Initial claims rose to 242,000 in the week to June 8, according to the Labour Department, compared to 229,000 the previous week.

It comes as separate data show US producer prices unexpectedly fell in May amid lower energy costs, another indication that inflation was subsiding after surging in the first quarter.

Government data on Wednesday showed consumer prices unchanged in May for the first time in nearly two years, boosting financial market hopes that the Federal Reserve would start cutting interest rates in September.

The US central bank on Wednesday kept its benchmark overnight interest rate in the current 5.25pc to 5.5pc range, where it has been since last July. The Fed has raised its policy rate by 525 basis points since March 2022 to stamp out inflation.

Also on Wednesday, Fed officials pushed out the start of rate cuts to perhaps as late as December, with policymakers projecting only a single quarter-percentage-point reduction for this year.

Claims:

1/ Big spike in initial claims to 242K, the highest since last summer.

Will dig into whether there's any weird state level stuff shortly...

pic.twitter.com/CJt7t44H9G

— Guy Berger (@EconBerger) [June 13, 2024](#)

1:33PM

US wholesale inflation declines in boost to hopes of rate cuts

Wholesale inflation unexpectedly shrank in the US last month in a boost to hopes for interest rate cuts by the Federal Reserve later this year.

The producer price index (PPI) slumped by 0.2pc between April and May, according to the Labor Department, defying economists' predictions of growth of 0.1pc.

On an annual basis, PPI growth was unchanged at 2.2pc, having been expected to speed up to 2.5pc.

1:29PM

Yellen: US jobs market resembles pre-pandemic levels

US Treasury Secretary Janet Yellen said the US employment picture increasingly resembles the job market that existed prior to the pandemic and slowing wage growth is not a threat to add to inflation.

She told CNBC:

The labour market has become a little less hot, a little bit more normal.

The number of job openings has decline some. We've had a burst in labour force participation.

And so the labour market now is resembling what it looked like pre-pandemic. Wages are increasing but at a slower rate.

And so that doesn't really look like it's a threat to inflation.



US Treasury Secretary Janet Yellen said wages are increasing in America but at a slower rate | CREDIT: REUTERS/Anna Rose Layden

1:14PM

Staff ditch work-from-home Fridays and return to the pub

The end of workers only heading into the office on Tuesdays, Wednesdays and Thursdays has delivered a boost to Britain's pubs, the boss of Fuller's has said.

Our senior business reporter **Daniel Woolfson** has the details:

Simon Emeny said his pub chain had recently seen more customers returning to pre-pandemic working schedules, which has led to a rise in footfall across the entire week.

He said: "What we're seeing with urban areas, particularly London, is that Tuesday, Wednesday, Thursday is still strong, but actually we are seeing growth on Mondays and Fridays.

"We've seen a return to much more normalised consumer behaviour – there's definitely a big return to offices and good growth in tourism."

Pubs in urban areas that relied on sales from after-work drinks suffered post-Covid as many employees continued to work at home.

Read how employers are push to increase the amount of time workers spend in the office.



'People that I speak to are thriving being back in offices again', says Simon Emeny | CREDIT: Eddie Mulholland

12:58PM

Wall Street lacks direction ahead of wholesale inflation data

US markets were mixed in trading before the opening bell ahead of wholesale inflation figures that could sway expectations of interest rate cuts from the Federal Reserve.

May's producer price index reading and weekly jobless claims data are due before markets open.

The S&P 500 and Nasdaq closed at record highs as markets shrugged off the Fed's projection that it will make only one interest rate cut this year.

Solid gains in a handful of megacap technology stocks and expectations of a soft landing for the economy have been key factors behind the two indexes rallying this year.

A rally in tech stocks persisted in premarket trading, with shares of Broadcom soaring 13.5pc after the company raised its forecasts for revenue from chips designed for

artificial intelligence operations and announced a 10-for-1 forward stock split.

Peer Nvidia rose 2.2pc, though shares of other megacaps Amazon, Meta Platforms and Alphabet slipped between 0.2pc and 0.4pc.

In premarket trading, the Dow Jones Industrial Average was 0.3pc, the S&P 500 was up 0.1pc and the Nasdaq 100 had gained 0.6pc.

12:16PM

Manifesto contains no new tax rises, insists Starmer

Labour's manifesto plans to raise tax by £8.6bn feature "no surprises" for working people, Sir Keir Starmer has said.

Responding to a question from our political editor **Ben Riley-Smith**, the Labour leader said:

The tax rises we've set out in the manifesto, there's no surprises Ben, this morning, as you will see.

There are no tax rises that we haven't already announced.

Yes, we want to bear down properly on the non-dom tax status and make sure the super-rich pay their fair share in this country.

Yes, we want the oil and gas companies to pay fair tax on the massive profits that they're making.

Yes, we want to make sure that private equity loopholes aren't there, again, for the wealthy.

Yes, we've taken a tough decision in relation to VAT.

So we will take all of those measures but what you won't see in this manifesto is any plan that requires tax rises over and above those that we have already set out because we have been very clear, particularly in relation to working people, there's no increase in income tax, no increase in national insurance, and no increase in VAT.

12:06PM

Stock markets down after US rate cut blow

The FTSE 100 remains down after the US Federal Reserve said it expects to only cut interest rates once this year.

The UK's blue chip index is down 0.5pc today while the midcap index has fallen 0.7pc.

In the debt market, the yield on 10-year UK gilts has risen to 4.17pc, in line with other European bonds.

As Sir Keir Starmer launches the Labour manifesto, economists have said they think the election will have little impact on stock markets.

Ruben Gargallo Abargues, assistant economist at Capital Economics, said:

We don't think the Labour Party's return to power – which the polls suggest is very likely after the general election on 4th July – would have a major negative influence on UK equities over the next couple of years.

He added that the UK stock market's "composition and current valuation will have much more sway on its relative performance over the next couple of years than the UK's general election result".

11:57AM

Starmer accuses Tories of locking out communities from wealth creation

Sir Keir Starmer said the Tories had "disregarded" some communities as sources of economic dynamism, who have gone "ignored by the toxic idea" that growth is "something the few hand down to the many".

The Labour leader said:

Opportunity is not spread evenly enough. And too many communities are not just locked out of the wealth we create.

They're disregarded as sources of dynamism in the first place. Ignored by the toxic idea that economic growth is something that the few hand down to the many.

Today, we turn the page on that forever.

Sir Keir said all Labour's policies are "fully funded and fully costed", saying it is "non-negotiable" after the chaos unleashed by Liz Truss's mini-budget.

He said: “I make no apologies for being careful with working people’s money, and no apologies for ruling out tax rises on working people.”

11:46AM

Labour to spend £1.5bn on gigafactories

Labour has outlined in its manifesto how it will spend £1.5bn on new gigafactories for the car industry during the next parliament using money from a £7.3bn wealth fund.

In its manifesto, Labour said the National Wealth Fund “will have a target of attracting three pounds of private investment for every one pound of public investment”.

It will allocate:

- £1.8 billion to upgrade ports and build supply chains across the UK
- £1.5 billion to new gigafactories so our automotive industry leads the world
- £2.5 billion to rebuild our steel industry
- £1 billion to accelerate the deployment of carbon capture
- £500 million to support the manufacturing of green hydrogen.

11:38AM

Starmer: This is a manifesto for wealth creation

Sir Keir Starmer has said the Labour Party is launching a “manifesto for wealth creation, a plan to change Britain”.

Speaking in Manchester, he said: “Today we can lay a new foundation of stability and on that foundation we can start to rebuild Britain.”



Sir Keir Starmer gives his speech announcing the Labour manifesto | CREDIT: REUTERS/Phil Noble

11:35AM

Pound edges down as Starmer announces £7bn tax raid

The pound has edged down as the new Labour manifesto confirmed the party plans to raise around £7bn in revenue from tax.

Some £5.2bn would come from closing the non-dom loophole and cracking down on tax avoidance and £1.5bn from VAT and business rates on private schools, according to its calculations.

The rest would come from closing the carried interest tax loophole and increasing stamp duty on purchases of residential property by non-UK residents by 1pc, the document says.

The pound was down 0.1pc against the dollar at just under \$1.28, while against the euro it had fallen 0.1pc to €1.183.

11:16AM

Keir Starmer launches Labour manifesto - watch live

Sir Keir Starmer is unveiling the Labour Party's general election manifesto at an event in Manchester.

The Labour leader will be hoping his blueprint for Britain will help to propel him to power on July 4.

Follow live updates from our politics live blog editor **Jack Maidment** and watch the unveiling below:



10:51AM

Oil to plunge to \$60 next year, warns Citi

The price of a barrel of oil will slump to \$60 by the end of next year as production surges, according to City analysts.

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suppress supplies.

Meanwhile, the IEA this week predicted that there would be a “staggering” surplus in the oil supplies of more than 8m barrels per day by 2030.

Citi analyst Max Layton said: “Oil balances look exceedingly weighty, with global balances moving into meaningful surplus even if Opec+ extends all cuts through to end-2025.”

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10:37AM

Taiwan keeps interest rate at 2pc

Taiwan has left its interest rates unchanged as the outlook for its economy remains solid.

Its central bank left borrowing costs at 2pc — the highest since 2008 — at its quarterly meeting today.

Shivaan Tandon, emerging Asia economist at Capital Economics, said he expects strong growth to mean rates “remain on hold throughout 2024 and 2025”.

He said: “The upshot is that with growth set to remain strong, but inflation likely to stay low, the central bank will be in no rush to change interest rates.”

10:23AM

Chinese electric car giant surges despite ‘nakedly protectionist’ EU tariffs

The Chinese electric car giant BYD has seen its shares jump higher despite what Beijing has called “nakedly protectionist” tariffs imposed by the EU.

BYD, which is backed by Warren Buffett’s Berkshire Hathaway, jumped as much as 8.8pc in Hong Kong as tax increases imposed by the EU were less severe than feared.

China said today that it “reserves the right” to file a legal challenge with the World Trade Organisation over planned new EU tariffs on imports of its electric vehicles.

The European Union warned this week it would slap additional tariffs of up to 38pc on Chinese electric car imports from next month after an anti-subsidy investigation.

However, the European Commission proposed an extra duty of just 17.4pc on cars made by BYD, which has battled with Tesla this year for the title of the world's top-selling electric vehicle maker.



BYD shares jumped despite the EU announcing new tariffs on Chinese electric cars | CREDIT: AP Photo/Matthias Schrader

10:02AM

Tesla shares jump as Musk says \$56bn pay package winning support

Tesla shares have risen by 7pc in premarket trading after Elon Musk said shareholders were voting to approve his multibillion-dollar pay package by “wide margins” before the ballot had been concluded.

The electric vehicle maker has campaigned to convince shareholders to approve Musk's giant compensation package - worth as much as \$56bn - ahead of Tesla's annual shareholder meeting, happening later today.

“Both Tesla shareholder resolutions are currently passing by wide margins!” Musk wrote on his social media platform X, referring to the resolutions to approve his pay package as well as a plan to shift Tesla's place of incorporation from Delaware to Texas.

“Thanks for your support!!” the billionaire businessman added.

Official shareholder vote results have not yet been released.



Elon Musk said his 2018 pay deal, worth as much as \$56bn, is on track to be approved by shareholders | CREDIT: CHRIS DELMAS/AFP via Getty Images

9:42AM

Motorpoint blames rate rises and low demand for 'most difficult' year ever

The boss of used car supermarket Motorpoint has bemoaned the "most difficult" year in the group's history as annual losses widened after being hit by a shortage of second-hand vehicles and slumping demand.

The company revealed pre-tax losses of £10.4m for the year to March 31, against losses of £300,000 the previous year, as sales slumped by a quarter to £1.1bn.

Motorpoint said it was hit by a raft of sector-wide issues, including an acute shortage of used cars and falling prices, as well as tumbling demand from car buyers as higher interest rates pushed up financing costs.

Chief executive Mark Carpenter said: "The past financial year was the most difficult in our history, with multiple negative headwinds in the macro environment such as rising borrowing costs and subdued customer demand, coupled with industry-specific issues such as lower inventory and deflation."

But having moved early to restructure in the face of the woes, the group said it returned to profitability in the final three months of the year, while demand also recovered with retail sales by volume rebounding by 8.9pc.

Motorpoint Group PLC

Day

Week

Month

3 mths

6 mths

1 year

5 years

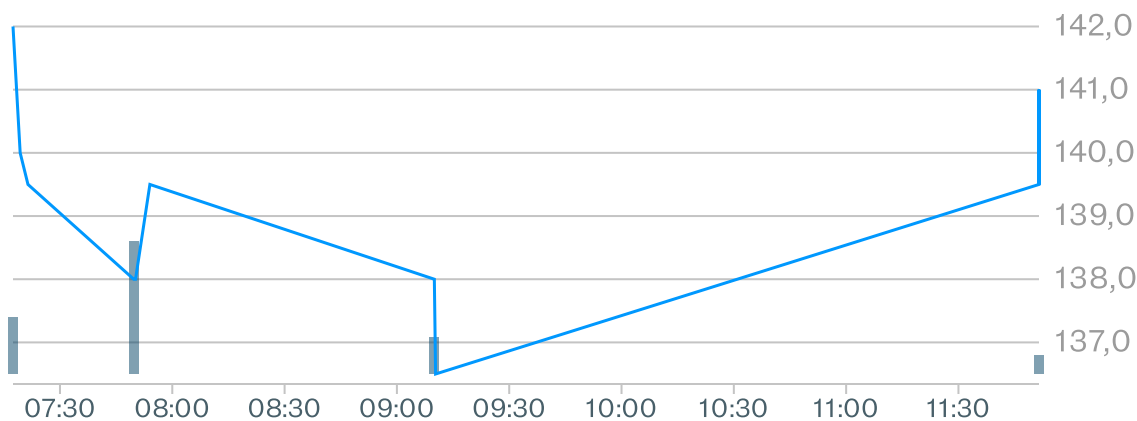
Last
141.0

Change
-1.5

+ / - %
-1.05%

Time
11:51:31

Previous close: 142.5



1 week
-0.35%

1 mth
-2.76%

3 mths
5.42%

YTD
23.14%

1 year
14.63%

Find more information on The Telegraph

9:24AM

UK capital markets showing 'tentative' signs of recovery, says Peel Hunt

Capital markets in London are showing "tentative" signs of recovery after two years of weak dealmaking, the boss of a top City broker has said.

Peel Hunt, which advised on the listing of Raspberry Pi this week, revealed pre-tax losses more than doubled to £3.3m in the year to March, as it pointed to the "ongoing challenge" of companies leaving the UK market at an ever increasing pace.

However, revenues grew by 4pc to £85.8m despite the prolonged spell of inactivity in capital markets.

Chief executive Steven Fine said:

Despite the challenging market backdrop, revenues have grown year on year and, whilst this wasn't quite sufficient to offset the inflationary cost environment, the business is well positioned as capital markets activity builds.

During the year we made good strategic progress, winning some of our largest corporate clients to date and building ever stronger relationships with our existing client base. In addition, we opened our Copenhagen office and our retail access product RetailBook raised funds to start its journey as an independent fully regulated business.

We are seeing tentative signs that a recovery from the lows of the last two years is underway, and we are delighted to have supported two clients with their initial public offerings on the London market as announced this month.

Peel Hunt shares fell by 4.7pc in early trading.

9:13AM

Gas prices rise amid Australian repairs

Gas prices have risen amid concerns about disruptions to supplies from Australia.

Dutch front-month futures, Europe's benchmark contract, rose as much as 3.4pc in a fourth consecutive day of gains.

Prices are up more than 10pc this year.

The latest concerns about supplies come as Chevron said it must carry out repairs on its Wheatstone platform, which have turned out to be larger than expected.

8:42AM

FTSE 100 falls as Fed revises forecast for interest rate cuts

UK stocks opened lower amid a series of weak company results and as the Federal Reserve projected fewer interest rate cuts this year.

The FTSE 100 was down 0.2pc while the mid-cap FTSE 250 dipped 0.3pc.

The Fed kept rates unchanged on Wednesday, as expected, and pushed out the start of rate cuts to perhaps as late as December.

Additionally, data showed US consumer prices were unexpectedly unchanged in May. Despite this, Fed officials revised their interest rate reduction forecast to just one quarter-point cut this year.

Among individual stocks, Wise plunged as much as 26pc amid a weak outlook for the year ahead.

Crest Nicholson slumped as much as 12.7pc after the housebuilder warned its annual profit would fall by about one-third and reported an 88pc slump in half-year earnings.

Meanwhile, Halma gained 7.4pc after the technology company beat estimates for full-year revenue and core profit.

BT was up 2.1pc after Mexican magnate Carlos Slim took a 3.16pc stake in Britain's biggest broadband and mobile operator.

Legal & General edged up 0.5pc after Patron Capital Partners emerged as one of the bidders for the life insurer's housebuilder CALA, in a deal expected to raise around £1bn.

Crest Nicholson Holdings PLC

Day

Week

Month

3 mths

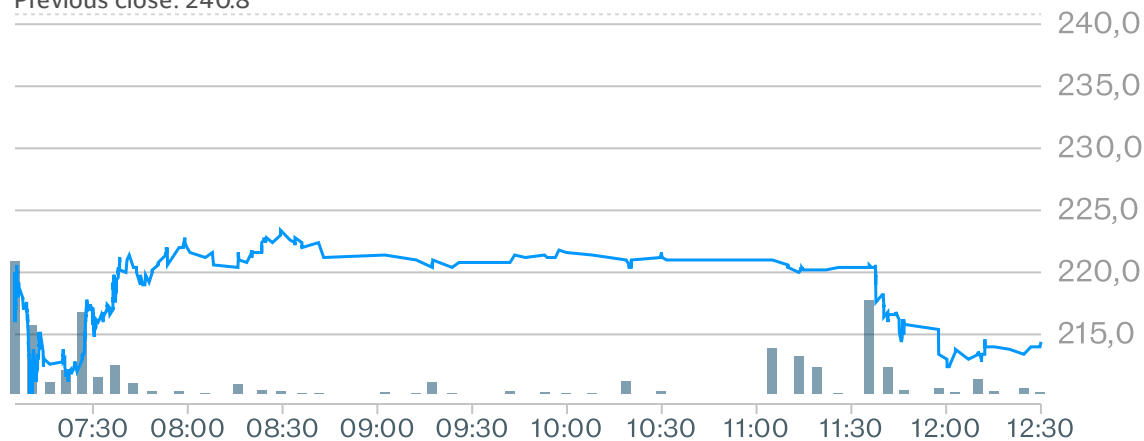
6 mths

1 year

5 years

Last	Change	+ / - %	Time
214.4	-26.4	-10.96%	12:30:01

Previous close: 240.8



1 week	1 mth	3 mths	YTD	1 year
-13.41%	3.98%	3.58%	4.54%	-0.09%

Find more information on The Telegraph

8:33AM

China threatens legal action over EU electric car tariffs

China has said “reserves the right” to file a suit with the World Trade Organisation over planned new EU tariffs on imports of its electric vehicles.

Beijing’s commerce ministry spokesman He Yadong said: “China reserves the right to file a suit to the WTO and take all necessary measures to resolutely defend the rights and interests of Chinese companies.”

It comes after the European Union said it plans to hit Chinese-made electric vehicle (EV) brands such as MG, Volvo and BYD with tariffs of almost 50pc, raising the prospect of a trade war with Beijing.

Brussels announced the provisional measures on Wednesday following an eight-month investigation into the issue that found electric car makers in China “benefit from unfair subsidies”.

8:27AM

Wise shares plunge amid concerns about falling interest income

Shares in Wise, one of Britain’s biggest fintech companies, have plunged after analysts said its outlook was “disappointing” and raised concerns about the impact of falling interest rates.

Wise revealed underlying income grew by 31pc to £1.2bn, helping it more than treble underlying profit before tax to £242m.

However, shares plummeted by 23pc after analysts raised concerns about future interest income amid falling interest rates and felt its guidance for the year ahead was “disappointing”.

Interest income will likely fall in the coming months as the Bank of England reduces interest rates.

Jefferies analyst Hannes Leitner warned that net interest income – the cash it generates on interest from customers’ deposits – faces “tailwinds” and raised concerns that the company is “using interest income to fund its core business, which is transitory”.

He added: “While the announced guidance is disappointing at first glance given the price reduction, however, we think the cuts boost confidence in medium-term growth.”

Wise PLC

Day

Week

Month

3 mths

6 mths

1 year

All

Last

760.5

Change

-83

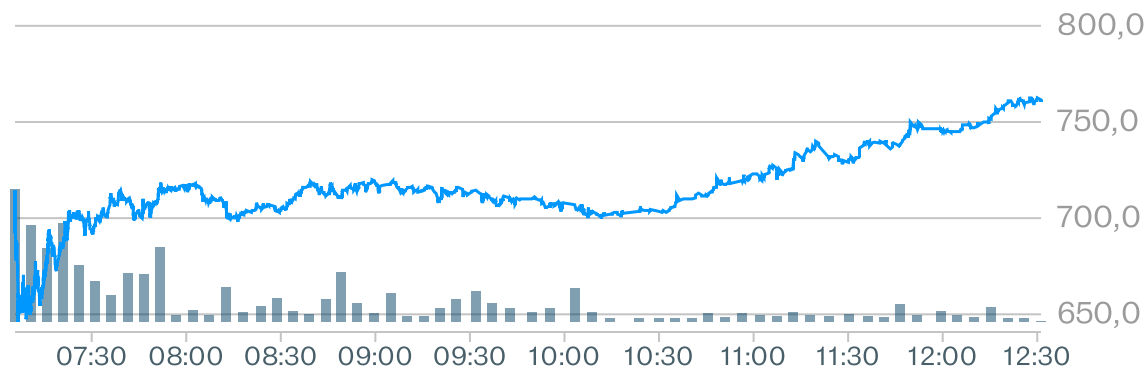
+/- %

-9.84%

Time

12:31:15

Previous close: 843.5



1 week

-8.76%

1 mth

-4.76%

3 mths

-16.30%

YTD

-12.99%

1 year

24.67%

Find more information on The Telegraph

8:04AM

UK markets fall at the open

The FTSE 100 has fallen at the open after the US Federal Reserve said it only expects to cut interest rates once this year.

The UK's blue chip stock index was down 0.2pc to 8,199.92 while the midcap FTSE 250 edged lower by 0.1pc to 20,478.54.

FTSE 100

Day

Week

Month

3 mths

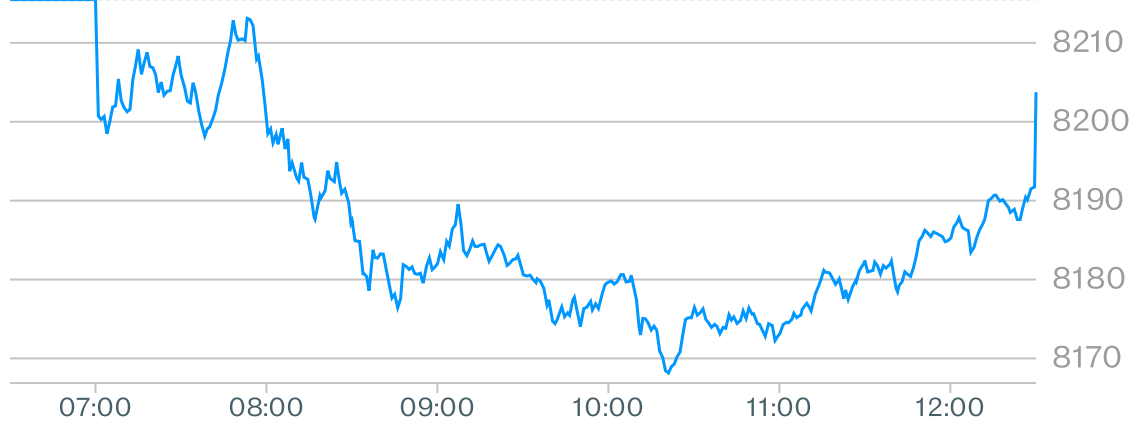
6 mths

1 year

5 years

Last	Change	+ / - %	Time
8195.8	-19.67	-0.24%	12:30:36

Previous close: 8215.5



1 week	1 mth	3 mths	YTD	1 year
-0.62%	-2.82%	5.78%	5.98%	8.26%

[Find more information on The Telegraph](#)

8:00AM

Virgin Money warns interest rate cuts will hit margins later this year

Virgin Money has warned that it faces “headwinds” from interest rate cuts in the second half of the year as it pauses some restructuring efforts ahead of its £2.9bn takeover by Nationwide Building Society.

The high street lender - which agreed to be bought by rival Nationwide in March - reported an 18pc rise in pre-tax profits to £279m for the six months to March 31, up from £236m a year ago.

Total customer lending edged 0.3pc higher to £72.7bn in the first half.

But the group said it is braced for its net interest margin - a key performance measure for retail banks - to be lower over the second half ahead of expected interest rate cuts and ongoing competition in the sector.

While it slashed its office space by around 35pc in the half-year, it said it has now put some restructuring activity on hold, which will limit cost savings that were due to be made.

Chief executive David Duffy said: “While we expect there to be headwinds through the second half of the year, we remain well placed to deliver growth in our target segments.”



Virgin Money warned that it faces 'headwinds' from expected interest rate cuts | CREDIT: REUTERS/Henry Nicholls

7:53AM

Fuller's toasts switch to tenanted pubs

Fuller's revealed a jump in profits as it invested more in improving its pubs and switched more of its establishments to become tenanted inns.

Like for like sales grew 11pc as it invested £27.2m in its sites, with overall revenues up 7pc to £359.1m and pre-tax profits up 39pc to £14.4m in the year to March. It also announced plans for more share buybacks.

The company turned 23 of its managed pubs and hotels into tenanted inns, where the management are obligated to buy stock from the landlord. It said this switch is on track to deliver an incremental £1m profit.

So far this year, bosses said like-for-like sales in the 10 weeks to June 8 were up 4.4pc.

Chief executive Simon Emeny said:

Fuller's has delivered these excellent results in the last financial year, despite the high inflationary environment.

As of today, those inflationary pressures - especially in regard to food and energy - have reduced, which gives us additional confidence in the coming year.



Fuller's said like-for-like sales were up 11pc despite the pressure from inflation | CREDIT: Frankie Julian

7:34AM

House sales falling amid delays to interest rate cuts, warns Crest Nicholson

Crest Nicholson said house sales have fallen back since Easter, after the Bank of England delayed its decision to cut interest rates until later this year.

The London-listed developer said that while the spring selling season “started well”, volatility in mortgage rates and a later rate cut than expected has caused it to lose momentum.

However, the house builder added that construction cost inflation has fallen from “mid-single digit percentages” to flat year-on-year over the first half of 2024.

Chief executive Peter Truscott said: “Going forward the group will benefit from its high-quality, higher margin land portfolio, and with an increased commitment to

operational efficiency and control, is well positioned to capture growth opportunities as market conditions improve.”

Mr Truscott will step down tomorrow after announcing his retirement in January, to be replaced by Martyn Clark, formerly of Persimmon Homes.



Crest Nicholson said house sales have fallen since Easter | CREDIT: Chris Ratcliffe/Bloomberg

7:21AM

Elon Musk declares victory in fight over \$56bn pay deal

Elon Musk has said Tesla shareholders have been voting to approve his \$56bn (£44bn) pay package which was rejected in a court ruling earlier this year.

The electric car maker's chief executive said investors are also backing plans to move the company's state of incorporation to Texas.

Mr Musk thanked shareholders for their support in a post on X, formerly known as Twitter.

Investors signed off on the \$56bn payment in 2018, provided Mr Musk hit certain targets.

However, the agreement was voided in January this year by a Delaware judge who warned that Tesla directors negotiating the package had failed to fully inform shareholders.

She also said the deal was “unfathomable” and suggested the board had been blinded by Mr Musk’s “superstar appeal”.

Both Tesla shareholder resolutions are currently passing by wide margins!

♥♥ Thanks for your support!! ♥♥ pic.twitter.com/udf56VGQdo

— Elon Musk (@elonmusk) [June 13, 2024](#)

7:15AM

Housing market recovery ‘slips into reverse’ amid election uncertainty

The housing market’s recovery has “slipped into reverse” after Rishi Sunak called a general election, surveyors have warned.

Confidence in the UK’s housing market is starting to dip, the Royal Institution of Chartered Surveyors (Rics) found.

New buyer demand fell in May according to a net balance of 8pc of property professionals, marking the weakest reading since November 2023.

Amid softening demand, the latest data suggests house prices fell slightly in May, Rics said, with a balance of 17pc of professionals seeing prices fall.

It comes as the Bank of England is only expected to make one interest rate cut this year, potentially as late as November, according to money markets.

Further dimming hopes of rate cuts, the chairman of the US Federal Reserve warned on Wednesday the battle to tame inflation is not over as policymakers signalled the central bank would cut rates only once this year.

Rics senior economist Tarrant Parsons said: “The recent recovery across the UK housing market appears to have slipped into reverse of late, with buyer demand losing

momentum slightly on the back of the upward moves seen in mortgage rates over the past couple of months.”

Rics chief executive Justin Young added: “Despite an improving overall outlook, today’s data reveals that confidence in the housing market is beginning to dip - just as parties launch their manifestos.”

Tony Jamieson, senior partner at estate agent Clarke Gammon, said:

The market has reached a state of inertia with everybody wanting for a Bank of England interest-rate cut and the result of the general election.

Even houses competitively priced are not getting as much interest as we would expect.



Confidence in the housing market is beginning to dip, according to Rics | CREDIT: Mike Kemp/In Pictures via Getty Images

7:09AM

Good morning

Thanks for joining me. Property professionals are raising concerns about the housing market today, which they fear has endured a slump since the election was called.

The Royal Institution of Chartered Surveyors (Rics) said surveyors think that house prices fell and that new buyer demand dropped in May.

5 things to start your day

- 1) **Mexican billionaire Carlos Slim buys £400m stake in BT** | Telecoms tycoon takes 3.2pc share weeks after company unveiled turnaround bid
- 2) **World faces 'staggering' excess of oil by end of decade, warns IEA** | Renewable energy and electric car booms will stunt demand alongside slowing Chinese growth
- 3) **Putin's Gazprom ordered to pay €13bn to German energy giant** | Uniper severs long-standing ties following two-year disruption of Russian gas supplies
- 4) **Le Pen victory threatens 'Liz Truss-style' debt crisis in France** | Finance minister warns voters over economic impact of backing National Rally party
- 5) **How Britain's economy went from 'gangbusters' to flatlining in four weeks** | Stagnating growth hurts PM's claim that the UK has 'turned a corner' from recession

What happened overnight

Asian shares mostly rose, as investors turned their attention to what the Bank of Japan might decide on monetary policy later this week.

The Bank of Japan is not expected to raise its benchmark rate when it wraps up its meeting on Friday, but the economy is under pressure from the dollar's prolonged surge against the Japanese yen.

In currency trading, the US dollar edged up to 157.01 Japanese yen from 156.71 yen.

As expected, the Federal Reserve kept its main interest rate steady on Wednesday following its latest policy meeting.

Japan's benchmark Nikkei 225 dipped 0.3pc to 38,753.27. Australia's S&P/ASX 200 gained 0.4pc to 7,749.20.

South Korea's Kospi jumped 1.2pc to 2,761.28. Hong Kong's Hang Seng gained nearly 0.3pc to 17,993.62, while the Shanghai Composite declined 0.3pc to 3,027.05.

In America, the S&P 500 added 0.9pc to its all-time high set a day earlier, closing at 5,421.03.

The Nasdaq Composite index also built on its own record and jumped 1.5pc, closing at 17,608.44, while the Dow Jones Industrial Average lagged the market with a dip of 0.1pc, closing at 38,712.21.

Meanwhile, the yield on benchmark 10-year US Treasury bonds fell to 4.32pc from 4.40pc late on Tuesday and from 4.60pc a couple of weeks ago.

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