

THAT WAS THE WEEK THAT WAS

By Vermeer Partners

Week ending 30th April 2021



MACRO

- In the UK, the ONS said that households' net wealth rose to £11.4tn, the equivalent of £172,000 per person
- In the US, Fed Chairman Jerome Powell said the recovery is "uneven and far from complete." While he noted that inflation pressures could rise in the coming months, these "one-time increases in prices are likely to only have transitory effects on inflation"
- US data showed that the pace of government spending increased at an annual rate of 6.3%, the fastest since 2002

STATISTIC OF THE WEEK

Big tech continues on a roll. In every minute of the first three months of 2021, the "Famous Five" **Apple**, **Alphabet**, **Amazon**, **Facebook** and **Microsoft**, sold products and services worth about \$2.5m combined. Profits before tax came in at \$88bn – more than \$1bn of profit for every working day

COMPANY NEWS

Another very busy week for results. We are 44% of our way through Q1 results season and numbers have, on the whole, been outstanding:

- **Microsoft** showed consistency across all its divisions with revenues of \$41.7bn and earnings above consensus expectations
- **Alphabet** released very strong results with revenue growth of 34% and a big share buy-back
- **Amazon** posted impressive revenues of \$108.5bn and continued to see very strong growth in its cloud business
- **Keyence**, the Japanese factory automation specialist, revenue for the quarter came in at ¥161.3bn, up 15% year-on-year, marking an all-time high
- **BP's** debt came down to \$33bn and they are buying back \$500m of shares
- Office-space provider **IWG's** first-quarter update showed encouraging trends in both franchise agreements and enterprise accounts

FUNDS

Taylor Maritime announces its \$250m fund launch to take advantage of the historic low pricing in second hand geared dry bulk cargo ships

SMALL-CAP NEWS

Following on from the successful equity raise earlier in April, the management of **Kistos**, led by Andrew Austin, completed the reorganisation of the Tulip Oil debt this week by successfully secured binding commitments for a new €90m senior secured bond issue with maturity in November 2024. This brings this exciting purchase closer to completion

THIS WEEK IN HISTORY

1933: The last day for Americans to turn in their gold after Executive order 6102 outlawed the ownership of gold. US citizens were forced to exchange their gold for \$20.67 per ounce

1994: Nelson Mandela claimed victory in the wake of South Africa's first democratic elections; President F.W. de Klerk acknowledged defeat.

RE-OPENING TIMES

Certain vowels just aren't arning thir kp anymor. On Monday, a Scottish asst managr, formerly known as Aberdeen, said it would nix a fw of th troublmakrs as it rebrands to Abrdn

MARKET DATA

% returns	1 Week	1 Month	1 Year	5 Years
UK Equities (% return GBP)	0.56	3.06	20.82	32.31
World Equities (% return GBP)	-0.25	3.94	33.01	109.63
10 Year US Treasury Yield	1.65	1.73	0.64	1.83
GBP / USD (fx rate)	1.38	1.37	1.26	1.46

As at 30th April 2021. Source: Financial Express

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