

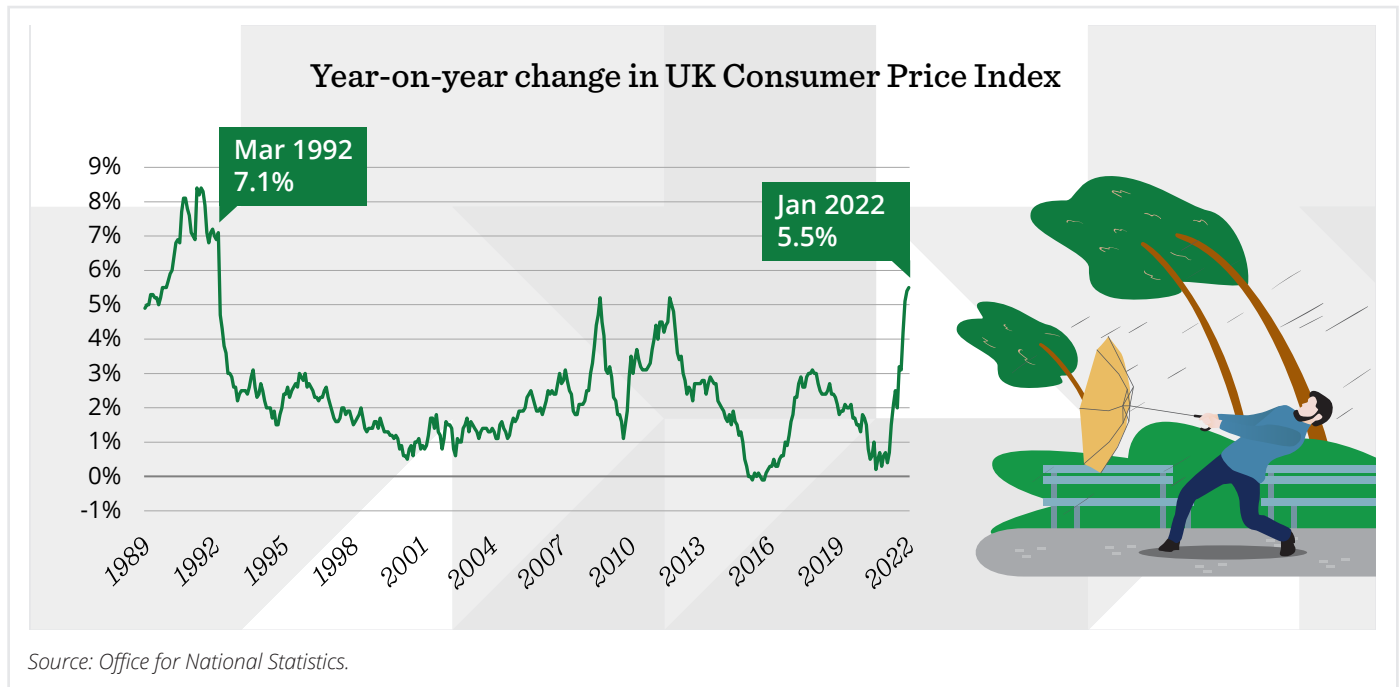


Between the lines

Week
08

Storm Britain: strongest inflation gusts in 30 years

Annual UK (CPI) inflation hit a 30-year high of 5.5% in January. Even so, worse is yet to come for hard hit UK households. According to recent reports, the regulator Ofgem is set to raise the UK energy price cap by 54% in April with the typical household energy bill expected to rise by more than £690, to £1,971 a year.



Astra makes huge strides

Shares in the pharma giant AstraZeneca jumped 4% on Monday (21 Feb) when the company hailed the latest trials of its breast cancer drug, Enhertu, as a “huge step forward”, just days after revealing another cancer drug breakthrough.

AstraZeneca reported that Enhertu was shown to have slowed the progress of metastatic breast cancer, improving the survival prospects of those with the condition. The drug was developed in partnership with the Japanese firm Daiichi Sankyo with trial subjects showing “statistically significant and clinically meaningful” results compared to standard chemotherapy. It now plans to seek global regulatory approval for the treatment.

The announcement comes six days after it declared similarly encouraging results from trials of Lynparza for use on prostate cancer. Last year, Lynparza generated revenues of more than \$2.7bn as a proven ovarian and breast cancer treatment.

The shares are now up some 18% in the last year with the company hiking its dividends this month for the first time in a decade.



Russian tanks rumble into Ukraine

Global equity markets briefly recoiled on Monday (21 Feb) following Russian President Vladimir Putin’s decision to send armoured divisions into the Ukraine. But a relatively toothless response from western allies saw markets quickly recover.

In the latest round of political brinkmanship, Mr Putin took advantage of Presidents Day, a federal holiday in the US, to announce that Russia now officially recognised the two breakaway regions of Donetsk and Luhansk in eastern Ukraine as independent entities.

Later that day, a number of conspicuously unmarked tanks were reported rolling through the streets of Donetsk. By Wednesday (23 Feb) media outlets were reporting shelling in the region and moves to conscript troops to the Ukrainian cause.

Mr Putin has chosen his opening well with western markets already straining against a slowly unfurling global energy crisis and record inflation. Although the business sanctions announced against Russia lacked bite, by Tuesday, Germany had halted the approval of the Nord Stream 2 gas pipeline project.

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