Plan B: Pub and travel shares hit after reports of fresh Covid rules

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RAVEL, leisure and pub shares are taking a hammering following a report that the public face new restrictions in an attempt to curb the spread of the Omicron coronavirus variant.

The FT is reporting that three senior Whitehall officials have briefed that the government has decided to implement the "Plan B" restrictions, including the order to work from home.

In response, investors sold off shares in certain firms.

BA owner IAG tumbled 5%, while Premier Inn owner Whitbread was off 3%.

Cineworld tumbled 7%, with Wizz Air, TUI, easyJet and JD Wetherspoon all taking losses.

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Analysts at trading app dabbl say more than a £1 billion was taken off the value off leisure shares.

Compass, the catering group, lost £750 million in market value alone.

Some are fearful of what new restrictions could do to the economy.

Julian Jessop at free market think tank the Institute of Economic Affairs, said:

“Even without a full national lockdown, the additional Covid restrictions apparently being considered in Whitehall could easily knock 2 per cent off GDP – costing the UK economy £4 billion a month – and force the taxpayer to stump up billions more to prevent a new wave of bankruptcies and job losses.

Angela Love, director at Active Workplace Solutions, said:

“We have to accept that Covid is part of our personal and professional lives now. Much of the workforce has already adapted well on more than one occasion, proving that it can work effectively from just about anywhere. However, the conversation will again turn to what the role of the office is with less and less people coming in five days a week. We certainly cannot have another lockdown.”