

Election outcome

It was much as expected and resulted in our portfolio performing brilliantly as markets rise and sterling falls.

Any decisions in the immediate aftermath of such an event are fraught with danger, but we should expect huge volatility to come. We struggle to see another election coming, thus we stick with the strategy through market gyrations

47 million people were eligible to vote last night and some 69% actually did. Of the potential voters, 28% voted Conservative, and 27% voted for Labour. Corbyn was pretty good at motivating his supporters to action, i.e. the young and the disenfranchised, in the same way that led to Trump's election, the Conservatives much less so. There are still an awful lot of people choosing not to vote.

What we must hope is that the establishment finally understands that the speed of change and the empowerment of the digital age both reinforce prejudice and motivate action that ensures predicting any election outcome, anywhere in the developed world, is very challenging.

Politics slowly becomes more marginalised as the global digital world allows everyone to just circumnavigate tax, regulation, disbelieving all they are expected to understand and believing only what they want to.

Having predicted the outcomes of the 2010 election hung parliament, the slim lead for the Tories in 2015, the BREXIT vote and now very accurately this election as well as reasonable perspectives on EU and US elections; I think we can assume our view of the future to be reasonably accurate.

In general, I think this puts back monetary reform in the developed world, thus we can expect more printing of money, fudging bailouts and so on.

I suggest the EU will forge ahead post German and - maybe Italian - elections to reform and thus create a scenario in which Britain remains in some association with the EU.

The Italian question, of both the election and the enormous and unaffordable debt, comes down to:

- the mother of all bailouts to avoid disaster for the world, or
- banking collapse
- administration change
- leading to EU exit and Euro mess

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