

Majorca Daily Bulletin

Wednesday, September 28 2016

1.10€ · Founded 1962 · N.16084 · Passeig de Mallorca 9 A,
Palma 07011



A real classic fiesta:
See PAGES 6 and 7

Sterling dives on “hard Brexit” worries

● Fears that there could be an exodus of banks from the City of London.

London.—Three months after Britain’s vote to leave the European Union, fears in currency markets of a “hard Brexit” that would drive an exodus of banks from London have knocked sterling to within sight of its weakest levels in decades.

It has been a rollercoaster ride for investors and companies worried by or speculating on the value of the pound. It slumped by more than 20 U.S. cents in

the days following the shock result of the 23 June vote but had recovered around a third of that by early this month.

That broadly reflects shifts in expectations of how the economy will deal with the fallout from talks that may deprive Britain of its membership of the single market as the quid pro quo for imposing controls on immigration.

Comments from some of the ministers

responsible for steering Brexit have raised expectations of that more disruptive scenario in the last 10 days, knocking sterling back below \$1.30 and to a six-week low of 87 pence per euro on Monday.

The pound was pinned around those levels yesterday, trading at \$1.2985 and just 0.4 percent stronger on the day against the euro at 86.36 pence.

“If you take (Prime Minister) Theresa May at her words, we will go for a hard Brexit and that is clearly a worry,” said Neil Mellor, a strategist with Bank of New York Mellon.

“It’s about the huge amount of activity that the UK would be precluded from doing. Clearing (of euro trades) is one issue and there are a lot of activities that relate to that.”



More illegal immigrants
held by police: SEE PAGE 3



80 MILLION VIEWERS

A record TV audience

● The television audience for the first U.S. presidential debate between Democrat Hillary Clinton and Republican Donald Trump looks set to approach 80-million viewer record set for such events in 1980, early Nielsen data cited by U.S. media suggested yesterday.

But the initial data from the four main broadcast networks suggested that Monday’s 90-minute debate, which was carried on multiple U.S. broadcast and cable networks, would not surpass 100 million viewers, as some analysts had predicted.