

Trumped Brexit

Free trade, will this still be there when President Trump takes residence in the Oval Office. Within the UK, more specifically the Midlands, politics aside, people are keen to see if the Trump rhetoric will come to pass. The reason why this is important to the Midlands is because the Midlands is one of the UK's largest regional exporters to the US.

You should also bear in mind that there are strong ties between the US and UK which are not just linked through a common language but through a way of doing business and an understanding which is sometimes misunderstood by our European neighbours.

Will there be a trade war with China? Will free trade treaties such as NAFTA be torn up and consigned to the dustbin of history? More importantly, will the special relationship that the UK has with the US help move the UK and the Midlands to the front of the queue when dealing with the US which is the world's leading economy?

Some people may recall Nigel Farage stood shoulder to shoulder with Trump so clearly he has an affinity with the UK. One of Trump's call to arms was a "Brexit x 10". One thing that is clear is Trump is not a politician but a businessman. He has made millions of dollars through his business acumen and as such he will understand how the UK is different to other European economies.

There is a paradox in that Trump will want to be drawing up the drawbridge around the US but will he leave a side door open for the UK? Maybe Theresa May will discover this when she visits early next year.

Currently the UK has the advantage of a devalued pound, this will not last forever and potentially the dollar may start to drop in value if there are trade wars. So looking forward to 2017 all I can simply say is the world economy is still in a good place, inflation is low, business confidence is starting to increase and time will tell what Trump is standing for however some turbulence is to be expected especially when Article 50 is triggered in March next year.

What is really interesting is the reaction of the European leaders when they heard about Trump. This may mean notwithstanding the Europeans may try to avoid having a dialogue with the US, they will want to ensure that the Anglo-American relationship is preserved through the UK which can only help the UK's hand in the Article 50 negotiations as the EU will not want to alienate the world's largest and 5th largest economy together.

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