



Brexit implications for financial markets (and for London's role as a Financial Centre)

Dean Turner
Economist, UK Investment Office
Chief Investment Office GWM

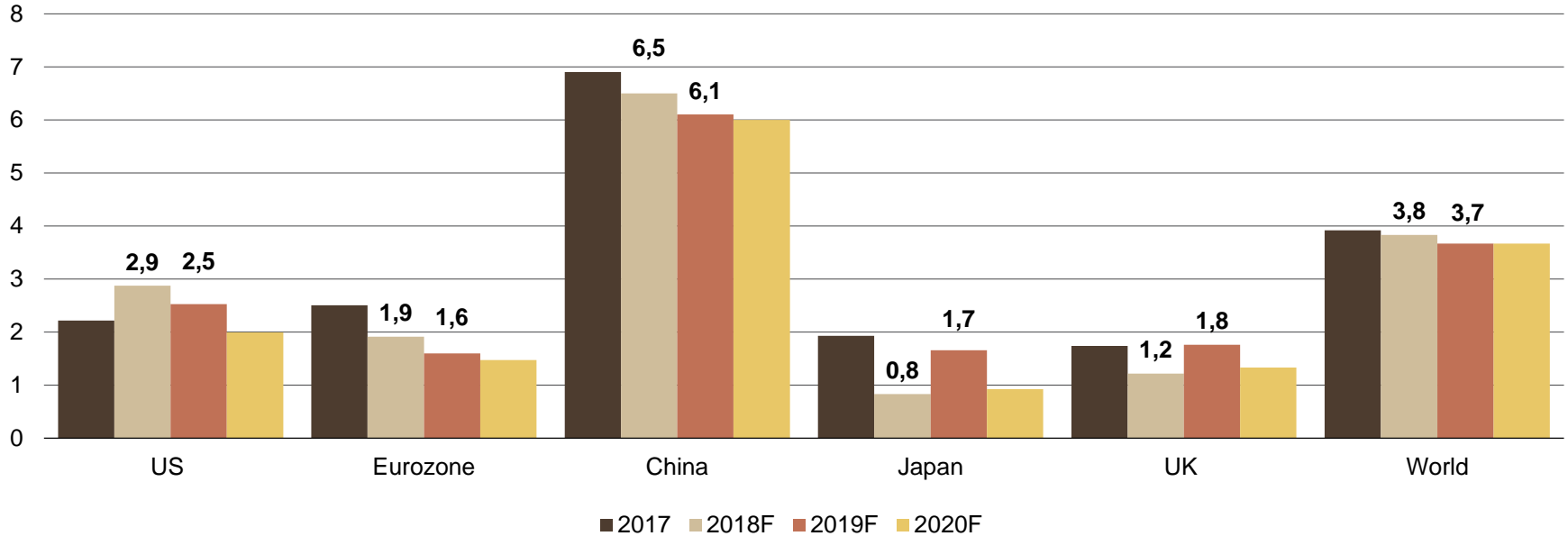


Brexit – where next?

- Everything has changed, and nothing has changed...
 - Deal – based on the negotiated Withdrawal Agreement
 - Renegotiate towards a softer Brexit
 - No deal
- Plan B: let's give Plan A another go...
- Delay beyond March 29 seems inevitable. More uncertainty for the UK economy and markets

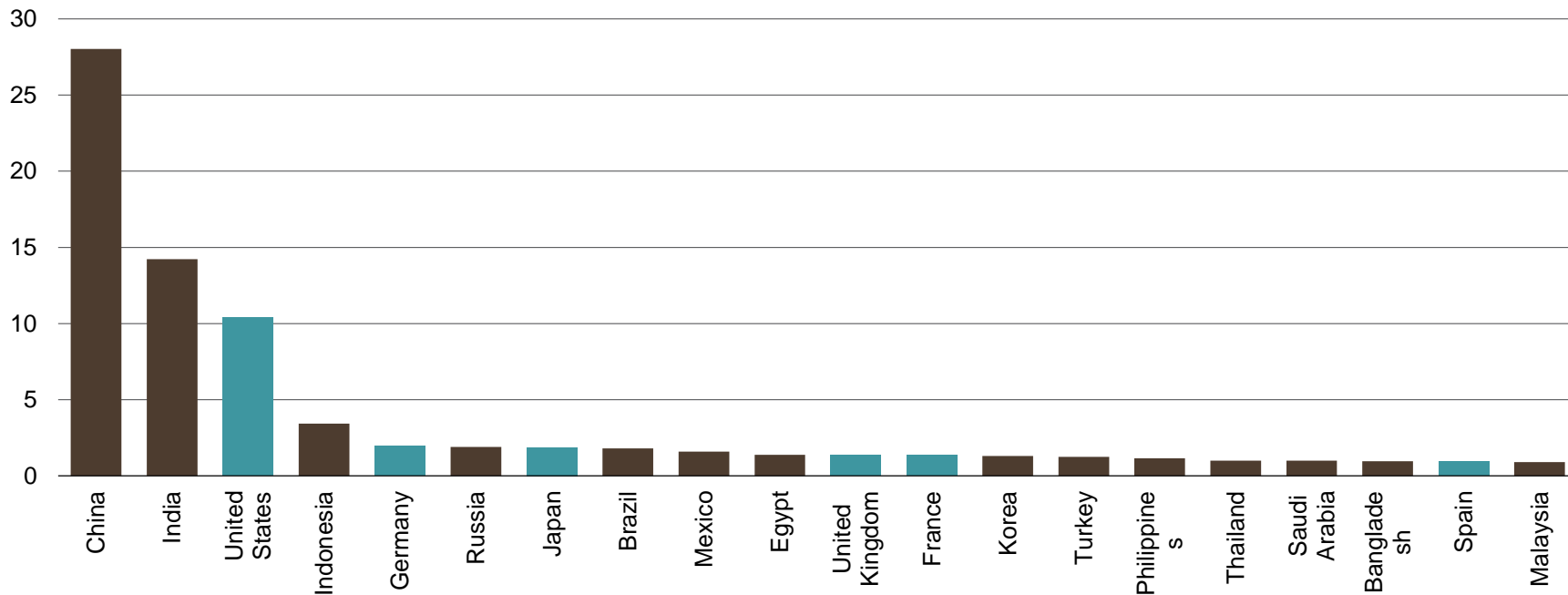
Brexit isn't the only focus for markets – global growth momentum is slowing

Real GDP growth by selected country and region, %, year-on-year



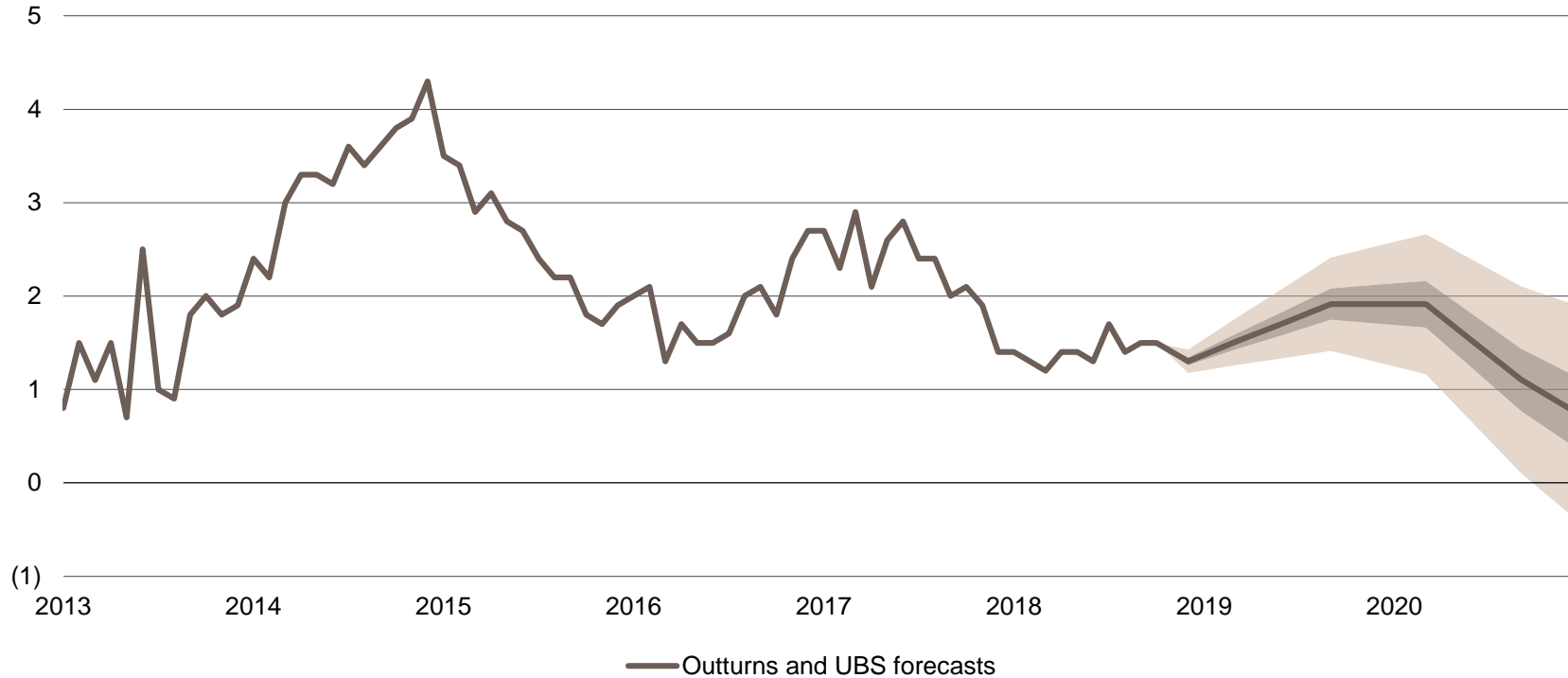
UK and Europe contribution to global growth is not high

Contribution to global GDP growth (PPP-adjusted) in the next 5 years, IMF projections, in % of total



UK economy – growth recovery at risk from further delay

UK real GDP growth, % year-on-year



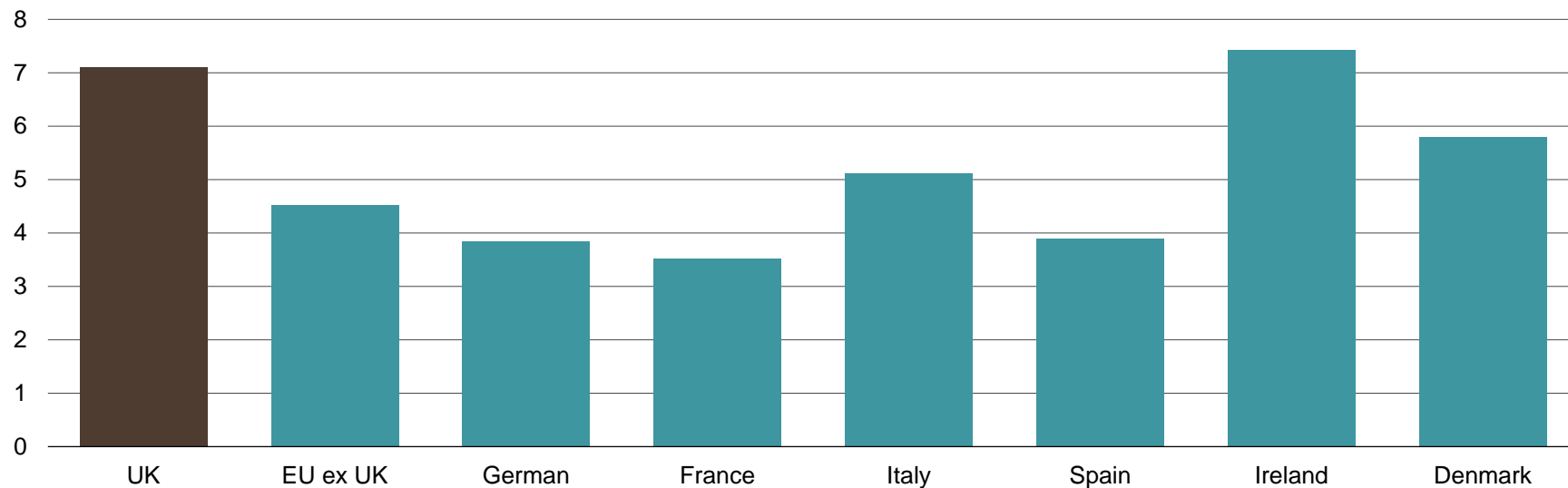
FX – GBP poised for a rebound against a generally weaker USD

GBPUSD exchange rate, forwards and UBS forecasts



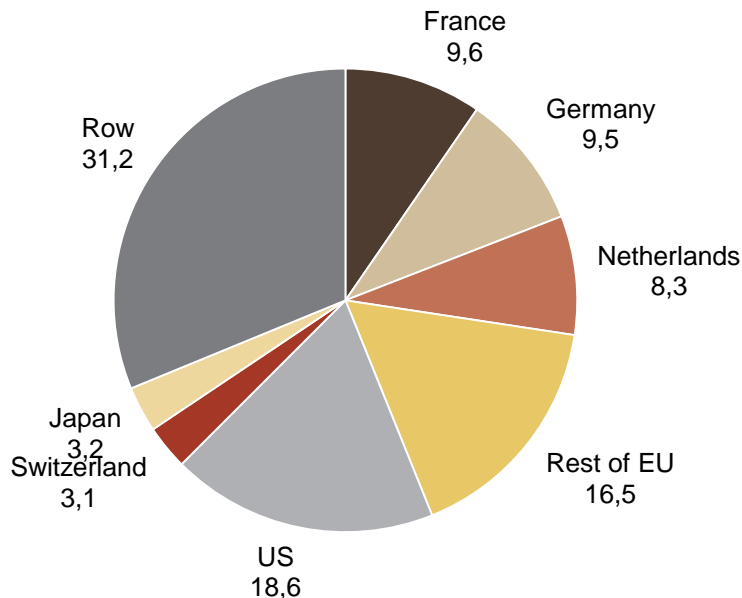
The importance of financial services to the UK economy

Financial and Insurance services as a share of GVA, %



Europe is the key export market for UK financial services

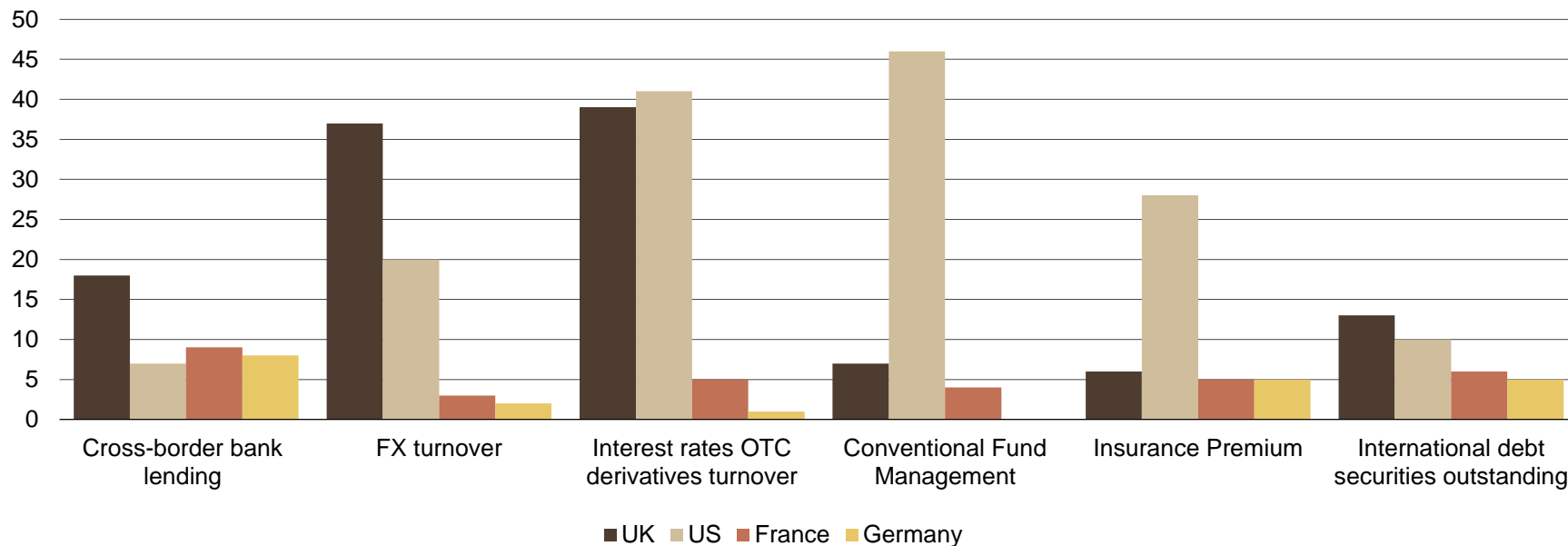
UK financial services net exports , %, 2017



- UK net exports of financial services at \$88bn is the largest of any country in the world (US \$47bn)
- EU accounts for 44% of UK financial services exports
- US accounts for 19%

London's position in key financial markets

Financial centre indicators share by country %



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