

BM Political Highlights

Week Beginning 12/02/18

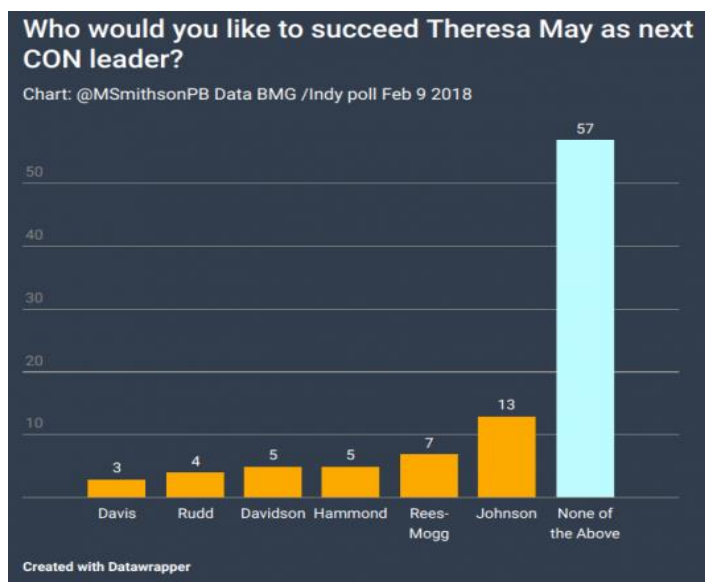
Top 3 Political Stories This Week

- UK Govt announces a series of [“Road to Brexit” speeches](#), starting today with Foreign Sec Johnson
- Pres Trump unveiled his [\\$1.5trn infrastructure plan](#) on Monday; [Wall St](#) & [Congress](#) are sceptical. Trade war threats upped with tariffs on [steel & aluminium suggested](#)
- Merkel admits giving the SPD the finance ministry was [“painful”](#); SPD leader Schulz resigns, after having to [relinquish](#) the foreign ministry job, with [Andrea Nahles](#) set to replace him

BlondeMoney View

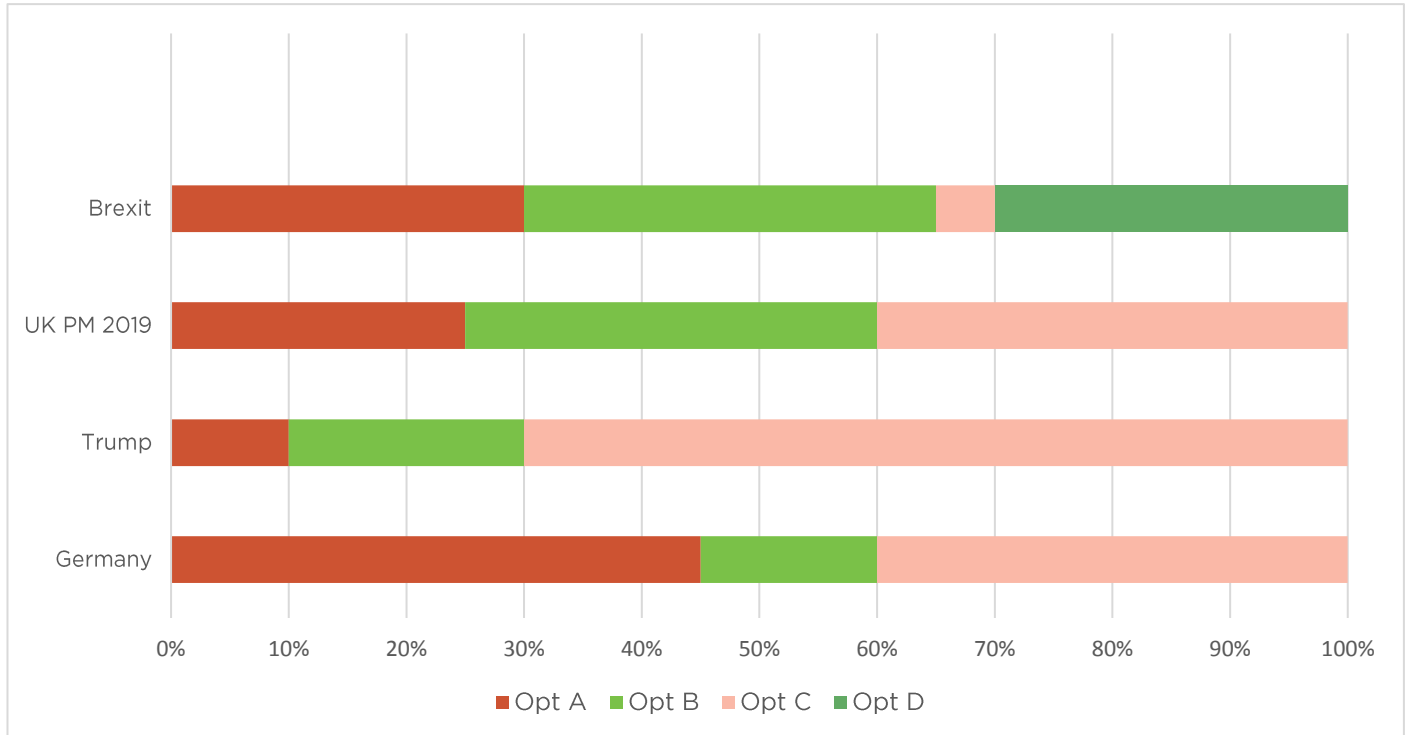
- Announcing the speeches was the easy part for TM; now she must send out the troops. Her most eye-catching minister, BoJo, went first. He delivered a [typically optimistic speech](#), *“Brexit is not grounds for fear but hope”*. His charm offensive was centred on uniting the country, *“If we are to carry this project through to national success - as we must - then we must also reach out to those who still have anxieties”*. He warned Brexiteers not to *“gloat”*. This is a change in tone from the government, designed to consign the Maybot to the dustbin; Boris emoting that *“In the end these are people’s feelings and people’s feelings matter”*. Meanwhile [Chlr Hammond wrote in a Swedish paper](#) the technocratic conclusion that a *“future partnership must cover the full range of our economies, including financial services”*. Will these approaches be enough to prevent a split within the Tory Party? Remainer [Anna Soubry](#) already told the BBC that Tory rebel MPs would join with Labour to vote down any Brexit deal. Will it be enough to prevent business from leaving? The Japanese Amb to the UK warned that if [Japanese companies cannot profit from operating in the UK, they will stop - “it is as simple as that”](#). The tinder pile is getting higher, expect the March European Council meeting to strike the match.
- US Foreign Policy shifted with the Olympic Games this week. Starting with VP Pence [sitting feet away](#) from Kim Jong Un’s sister & chief advisor Kim Yo-Jong and ending with the US now being [open for direct talks](#) with the secular state. Is the MAGA momentum now on a roll? At home, the President announced his infrastructure plan but failed to impress many lawmakers and private investors – it will be at least a few weeks before anything meaningful goes to either House. More pressingly Trump continues to [aggravate the Chinese with a threat of a trade war](#) – the Chinese are looking at [soybean crops](#) to respond, even though that would hit their own domestic economy as much as the US. Mutually Assured Destruction or will MAGA prevail?
- The SPD, despite getting many desirable ministerial positions in GroKo, are still a party in disarray. Martin Schulz had to step down as leader, following [outrage](#) by his former ally Sigmar Gabriel over Schulz’s attempt to steal the foreign ministry role from him, despite having said he wouldn’t serve in a coalition. Few tears were shed over his humble resignation comment that *“it’s appropriate that my personal ambitions should take a back seat to the interests of the party”*. Thanks Martin. New leader [Nahles](#) (former leader of youth wing JuSos) is expected to wrangle the necessary votes from the 460,000 SPD members to approve the coalition on March 4th. (An interesting side note: that is the same day as the Italian election so most of Europe will be holding its breath). Beyond that, Germany is clearly a nation divided. Despite giving the SPD the finance ministry, Merkel warned: *“I want to say that we have also approved the policies and the finance minister cannot simply do as he likes.”*

Chart of the Week



Source: <http://www2.politicalbetting.com/index.php/archives/2018/02/12/none-of-the-above-takes-44-lead-in-new-con-leadership-poll/>

BlondeMoney Probabilities:



n.b. these are subjective estimates made by BlondeMoney

	OPTION A	OPTION B	OPTION C	OPTION D
BREXIT	No Brexit	Leave March 2019	Leave after March 2019	Disorderly Brexit
	0%	0%	0%	0%
UK PM JAN 2019	Jeremy Corbyn	Theresa May	Other	-
	0%	0%	0%	
TRUMP	Trump leaves before end of term (resigns, removed, Impeached etc)	Trump wins a second term	Trump leaves after one term	-
	0%	0%	0%	
GERMANY	Merkel leaves before end of term (resigns or removed)	Merkel stays, AfD national support falls	Merkel stays, AfD national support increases	-
	0%	0%	0%	

Change in percentage points from last week's edition

