

BM Political Highlights

Week Beginning 15/01/18

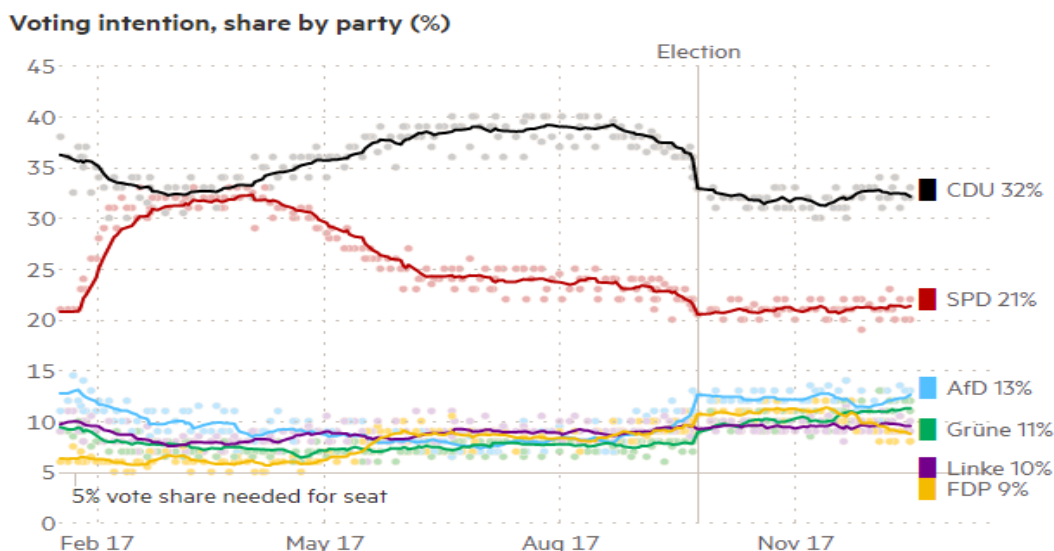
Top 3 Political Stories This Week

- Brexiteers [call for a 2nd referendum](#) as UK braces itself for [tough EU stance](#) over Phase 2 Trade talks
- Pres Trump's outbursts distract lawmakers from [DACA negotiations & potential US Govt shutdown](#)
- German SPD regionals [Berlin & Saxony-Anhalt](#) vote against the proposed 'Grand Coalition' with nationwide [SPD support dropping to 18.5% in INSA poll](#)

BlondeMoney View

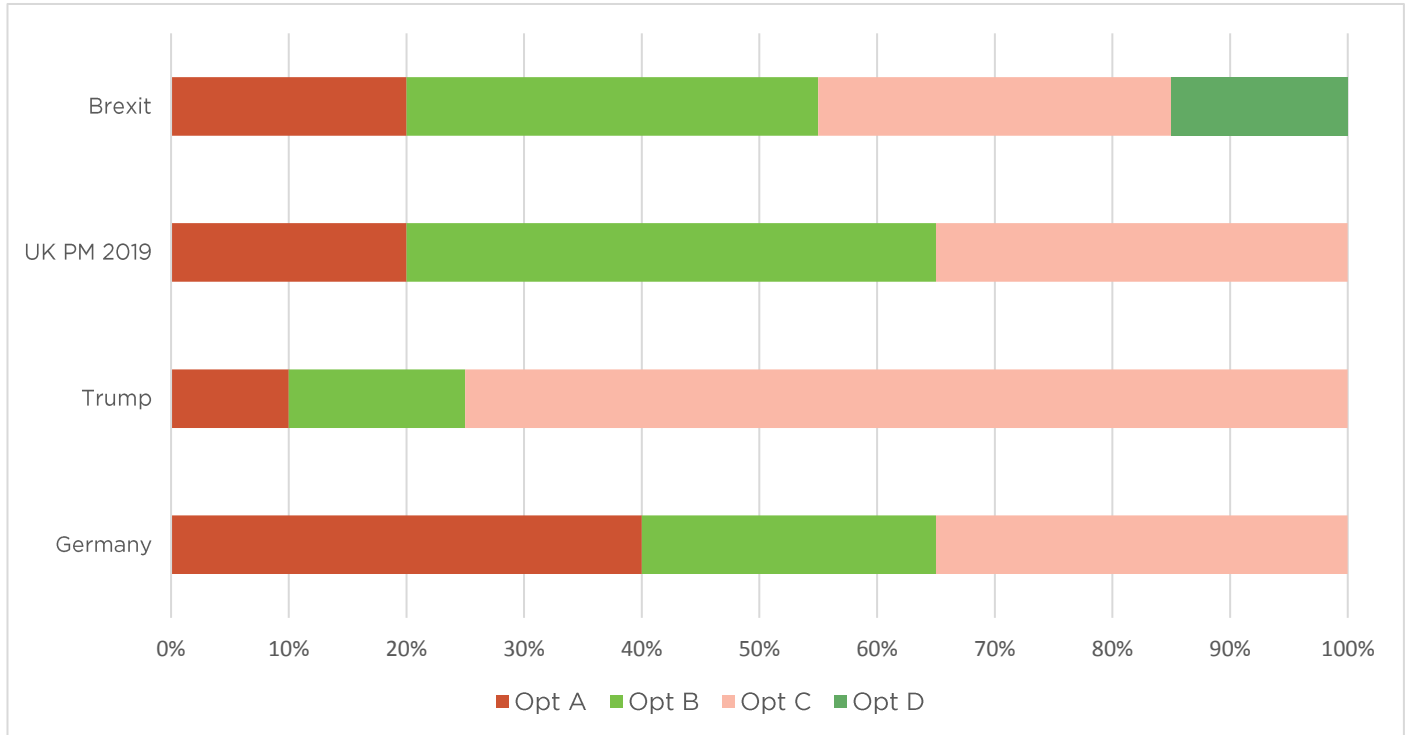
- The EU is unsurprisingly preparing a hard-line approach to Phase 2 talks. Extending EU citizens' rights until 2020, supervised by the ECJ, might be tough for Brexiteers to swallow, as by that stage it will be over four years since they voted to take back control. Then Norway pops up to suggest their EU arrangement might have to change if the UK receives anything special. BoJo is in despair: he would [vote Remain](#) if he knew we had to accept a Norway style time pressured deal. Theresa May's speech in Feb to outline her gov't's Brexit plan cannot come quickly enough to get everyone in line and on the same page. Meanwhile on the home front, Britain's second largest construction firm, Carillion, just entered liquidation, impacting people up and down the country - how will an unstable and divided Tory Cabinet deal with another crisis?
- Trump, fresh from his stable genius success of tax cuts, is now using the Congressional spat over government funding to press on with plans for his precious Wall. With a deadline of midnight Friday, will another temporary "continuing resolution" be passed, the fourth of this federal fiscal year? The atmosphere is poisonous, with the Democrats keen for a deal that includes DACA. The global view of Trump may be distracted by gossipy sideshows but the [debate with the WSJ](#) over whether he said 'I have' or 'I'd have [a good relationship with the N Korean leader]'
- Hitting new lows in the polls might be reason enough for SPD grassroots members to vote for the Grand Coalition on Jan 21st. If they don't, their party could face an even worse fate, should new elections be called. At that point either the CDU or SPD could face a defenestration of their leader, in order to present a fresh alternative to the electorate. Angela and Martin will be having sleepless nights. If the Grand Coalition fails, they may try and scabble together a confidence-and-supply agreement rather than go to elections; if the GC is voted through, they then face ruling with divisions within their own parties let alone the electorate.

Chart of the Week



Taken: <https://ig.ft.com/germany-poll-tracker/>

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
	+5%	-5%	+0%	+0%
UK PM JAN 2019	Jeremy Corbyn	Theresa May	Other	-
	+0%	-5%	+5%	
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	-
	+10%	-5%	-5%	

Change in percentage points is from last weeks edition

