

BM Political Highlights

Week Beginning 16/04/18

Top 3 Political Stories This Week

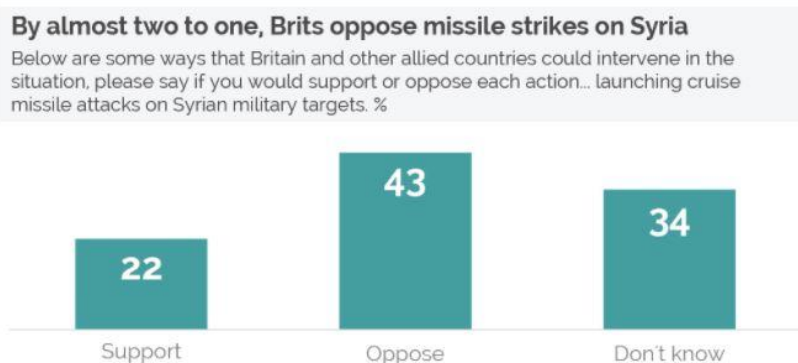
- UK PM May defends [no parliamentary vote](#) ahead of Syria air strikes and [apologises](#) to Caribbean leaders over immigration controversy; House of Lords begins vote on Brexit bill, expected to [defeat Government](#)
- Pres Trump hails Syria strike as ["perfectly executed"](#); White House [backtracks on more Russia sanctions](#); Pres Trump [intervenes with Cohen FBI probe](#)
- France Pres Macron [presents EU reform plan](#); Germany's Conservatives [aren't convinced](#)

BlondeMoney View

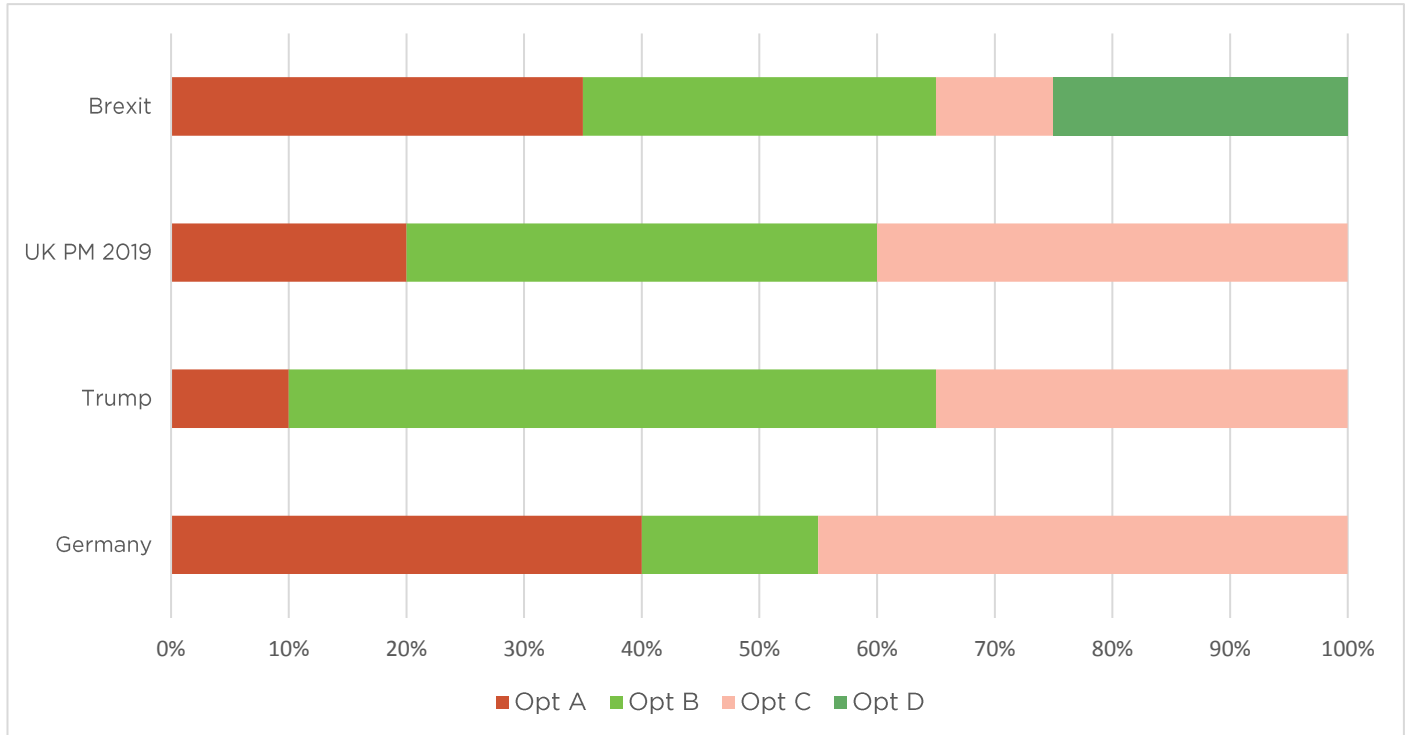
- UK PM May capitalised on international support over the Salisbury poisoning by throwing her hat in with Macron and Trump on air strikes against Assad's (alleged) use of [chemical weapons](#). She took some flak from the [House of Commons](#) for doing it without their blessing (including within [her own party](#)), but she faces a bigger threat right now from the House of Lords. Today her government is expected to lose the beginning of a series of votes which [amend](#) her Brexit Bill, with the most significant over the [UK staying within the Customs Union](#). If this passes today, she could face a tricky vote in a few weeks' time - unhelpfully after the local elections - once the issue comes back to the Commons. As [Labour](#), [Lib Dems](#) and [the SNP](#) have all supported a Customs Union, winning the vote would be tricky enough for a minority government let alone one so divided over the dreaded B-word. Without sounding too theological, it is in the Lords' hands. Meanwhile the [scandal](#) over incorrect deportation of Caribbean immigrants from [the Windrush generation](#) is now turning into a Brexit issue: [MEP Verhofstadt](#) questions whether the UK is capable of protecting the rights of EU citizens who may face a *"bureaucratic nightmare"* once the UK leaves. Markets still don't care, believing the transition period 'agreement' means the status quo will prevail.
- The US strikes against Syria had to proceed without UN Security Council banking, as Russia [exercised its veto](#), arguing there was [no conclusive proof](#) chemical weapons had been used. Pres Trump was apparently talked out of something bigger by [Defense Sec Mattis](#). Markets were relieved, for now. US Amb to UN Haley promised [on Sunday that more Russia sanctions](#) were *"coming soon"*. However, the White House announced that the President was still ["considering additional sanctions"](#) suggesting DJT has thought better of aggravating the Russians for a second time in as many weeks. Personal domestic troubles continue [to plague Trump](#): in an unprecedented move he sought to block his own Department of Justice from reading files seized from the office of his personal lawyer Cohen last week. Momentum is with Trump after the Syria strikes: his [approval rating](#) hit its highest level in a year, albeit it's still in negative territory. The [surprise retirement](#) of House Speaker Paul Ryan could mean Trump isn't the automatic choice for his party in 2020.
- Now that Germany has a functioning government, France Pres Macron is ramping up his role as lynchpin of the EU. In [a speech this week](#) on EU reform to the European Parliament he passionately sounded the warning over a *"fascination with the illiberal"* and that he does *"not want to be part of a generation of sleepwalkers"*. With Brexit negotiations bogged down and Eastern countries increasingly populist and anti-EU in stance ([Poland & Hungary](#)), the EU is in a precarious position. Macron's dream is dividing Germany. Conservatives within Merkel's government have scrambled together a position paper that opposes plan for an [EU 'monetary fund'](#) if it leaves national governments on the hook and without a veto. Her coalition partners, the SPD, feel [betrayed](#) by this opposition, as the coalition deal included a promise to move forward with EU reforms. These two stances are diametrically opposed and the longer it remains unresolved, the weaker Merkel becomes. This leaves Macron to Hoover up the power vacuum. He's already visited [China and Asia](#) to promote EU interests, and now he's taking the lead with the US, telling us that he ["convinced" Trump to stay in Syria](#) despite the US planning to go. Vive La France, but can he turn rhetoric into reality?

Chart of the Week

Source: [YouGov](#)



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	-
	+5%	+5%	-10%	
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