

# UK ELECTIONS - JUNE 8TH 2017

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**Theresa May finally relented to the mounting pressure from within the Conservative Party and announced that a general election will be held on the 8th of June 2017.**

This calculated risk is a very shrewd move and will likely redefine the UK political landscape well beyond the fixed-term of the next government.



The timing of the announcement was a surprise given that the Prime Minister had repeatedly stated that her priority was Brexit and that a general election would have to wait until 2020. There are several reasons for this change in timing, but arguably it is consistent with her pledge to structure the best deal for the UK in exiting the European Union.

The main opposition parties are in meltdown and last week's local council elections confirmed a massive shift towards the right of centre. **The Conservatives gained 563 seats and Labour lost 382 seats. The Liberal Democrats lost 42 seats and UKIP was wiped out having retained only 1 of its 146 seats.**

It would be premature to assume that these results will be replicated at the general election, but it is very clear that the Prime Minister is in a commanding position. The most recent opinion polls indicate that the Tories are 16 points ahead of Labour and are set to increase their majority in the House of Commons from 17 MPs to more than 100 MPs. A result along these lines will hopefully silence the fringe players in UK politics such as Nicola Sturgeon and give the government a stronger mandate in the challenging talks with Brussels.

**An enhanced Conservative Party majority in the next government will also increase the chances of adopting the proposals set out by the Boundary Commission under the Parliamentary Voting System and Constituencies Act 2011**



Under the plan, the number of MPs in the House of Commons will be reduced from 650 to 600. The implied result from the 2015 election under the new boundaries would have eliminated 29 Labour seats and the Conservative majority would have increased to 38 seats. If voting demographics remain unchanged, the new boundaries favour the Tories and will make life even more difficult for future generations of Labour leaders.

The results of recent elections and referendums suggest that it has become more difficult to predict the outcome. It is not clear why traditional polling methods have become more unreliable. However, in this case I believe the polls to be accurate and I expect a landslide victory for Theresa May and the Conservative Party.

**This bodes well for the upcoming Brexit negotiations and in the long-term for a stronger and more balanced UK economy.**

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