

The pound and the letter

Some said the pound would tumble more when we sent the letter.

Instead this week in the run up to its delivery the pound has remained fairly steady at around \$1.24 and Euro 1.15, above the lows of October last year when the pound reached \$1.20 and 1.10 Euros. The cut in UK interest rates last summer and the rises in US interest rates have of course led to a stronger dollar. The world's leading currency has also risen strongly against the yen and the Euro.

The pound hit an all time low against the Euro of 1.04 in December 2008 when we were firmly in the EU and is now 10% above that. It is also well above its all time low against the dollar.