

Time to see the UK's strengths – steady pound since 2012

Amidst all the hyperbole over short term movements in sterling it is worthwhile looking at the longer trend. Today sterling is around the same level against the Euro as it was at the beginning of 2012. It is almost a fifth higher against the yen, and around one fifth down against the dollar. Over this time period the dollar has been strong against all major currencies, running with higher interest rates and expectations of higher rates than elsewhere in the advanced world. The yen has been particularly weak thanks to negative rates and the creation so many extra yen by the authorities.

One of the odd features of the protracted and often repetitious UK debate about Brexit is the wish of so many to look for weaknesses and problems on the UK side, and to fail to analyse the weaknesses and difficulties on the EU side in the forthcoming talks. On Tuesday I pointed out to the PM during the exchanges on her statement about the EU summit that the questions to be asked need to be asked of the 27.

I began by asking how can a group of civilised democracies that are meant to believe in decent values not reassure British citizens living on the continent legally that they can stay there after exit? I do not for one moment think the Spaniards will want to evict UK pensioners living in their own villas on the Costa Brava, for example. Nor do I see how they could do so legally. However, why is it asking too much of the EU and the Spanish government not to confirm that of course they are welcome to stay. After all, the UK government has been very clear that we would like all EU citizens legally in the UK to stay as long as they wish, but do need similar confirmation for our citizens on the continent.

I also asked for confirmation that it is clearly in the interests of business and governments on the continent to carry on trading tariff free, with no more barriers than they currently face, once the UK has left. The UK will willingly offer continental countries tariff free access to our market as long as we have the same to theirs. The choice rests with them, as the UK would recommend tariff free but can live with WTO most favoured nation terms.

Whilst we are about it, we should ask the rest of the EU how they intend to implement their Treaty obligation to have good relations with neighbouring states and to promote trade with them. As the EU is always keen to ensure we follow the letter as well as the spirit of the Treaty I assume the same applies on this important issue.

The UK voted to take back control of our laws, our money and our borders. We are doing so based on the referendum of the UK voters, and now also on the back of a Commons vote with a majority of 372 to leave. Under the Treaty we do not owe them any money apart from our regular contributions.