Governor Carney does more twisting and turning over interest rates.

The Governor of the Bank of England has a consistent track record over interest rates. Three times he stated conditions for a possible increase, only to fail to put them up each time we reached those conditions. He then followed this tour de force by actually lowering them instead.

He has now again suggested rates might need to go up soon. Why should we believe him this time? He has after all made a mess of forecasting the economy for the period after the Brexit vote, expecting a sharp slow down and technical recession when for the first half year after the vote the economy accelerated. He has also shown a marked inability to predict his own actions in the past.

His latest reasoning is based on the thesis that overseas rates are trending upwards. The markets instead think US rates are going to stay down as they edge instead towards cancelling some of the QE and bonds they have bought up. Rates in large countries like India and Brazil are coming down, whilst rates in the Euroland and China do not look as if they are about to rise.

He also alleges that Brexit could harm the UK's productive capacity and thus worsen the trade off between inflation and growth. This reveals two substantial misunderstandings about our modern economy. The first is that if by any chance we do leave with no trade deal there will be considerable demand for imports to substitute for items like food where EU imports suddenly become dearer thanks to tariffs on top of the dearer Euro. As we have a large deficit it could actually boost productive capacity. The second is the Bank's old fashioned idea that as you approach capacity working so inflation shoots up ignores the simple fact that we are running an open economy. If we run out of domestically produced tomatoes we import a lot from somewhere else rather than putting up the price of UK ones. if UK wages costs start to rise the EU sends us plenty of extra workers to keep the wages down.

I note now that the pound is only 4% below its average in the months running up to the referendum against the dollar, and only 2% below against the yen. We don't hear about the pound anymore from all the Remain facing media! The Euro meanwhile goes from strength to strength against all major currencies.