

The dollar is surging against all currencies – this has nothing to do with Brexit

I see that the usual suspects in the pro Remain press and BBC are out and about arguing that the recent falls in sterling against the dollar are the result of Brexit speculations. What nonsense. The pound has been very stable against the Euro in recent weeks, staying around 1.12 to 1.13 Euros to the pound. Sterling has risen against the vulnerable emerging market currencies. It bought 5.7 Turkish lira in May and now buys 7.4. It has been stable against currencies like the Australian dollar and the New Zealand dollar, not currencies which are experiencing any Brexit effects either!

The dollar is going through a period of great strength for a variety of economic reasons. It is proving very uncomfortable for many emerging market countries and companies that have borrowed in dollars. That is the story, not Brexit. Some of the journalists and commentators involved claim to be independent well informed people providing fact based analysis, so can they begin by explaining these simple facts about recent currency movements?