

The economy one year on from the referendum

The Remain campaign told us it would be bad short term news for the economy if we voted to leave.

They told us interest rates would go up. One year on the base rate is down from 0.5% to 0.25% ,and the government 10 year borrowing rate is down from 1.4% to 1.02%.

They told us the economy would dive and there would be a winter recession. Instead the economy has grown by 2% over the last year, more than the Eurozone.

They told us the stock market would fall. Instead the FTSE 100 Index of leading shares is up by a massive 25%

After the vote with the FTSE 100 rising, they said they meant the FTSE 250, the Index of domestic companies, would fall. That is up by 20%

They said housebuilding would be hit and there would be a housing collapse. Starts of new homes are up 15%.

They said the car industry would be damaged. It has instead achieved record output and record exports for this century.

I said none of the above would happen, and forecast continuing growth. I was told I must be wrong because the IMF, the World Bank, the President of the USA, the UK Treasury and the leading US Investment banks all knew voting leave would do short term economic damage.

They got one thing right. The pound did go down more – it was falling well before the vote. I always ducked that question, as I thought it might go down.