

Sources

August market commentary

1/7 <https://www.poundsterlinglive.com/gbp-live-today/5120-carney-and-british-pound-gbp>

Pound Sterling has fallen sharply back towards post-referendum lows on the warning that an interest rate cut to the 0.5% basic rate will likely be delivered by the Bank of England in the summer of 2016.

[The Speech was released at 16:00](#) and markets immediately picked up on this section:

"In my view, and I am not pre-judging the views of the other independent MPC members, the economic outlook has deteriorated and some monetary policy easing will likely be required over the summer."

The news had an immediate impact negative impact on Sterling which will likely suffer as a result of an expected reduction in capital inflows that lower interest rates will likely prompt.

GBP/USD is now towards the bottom of its post-referendum range and will in all likelihood test the 30 year support level at 1.3040 in the near future.

It must however be noted that the FTSE 100 has moved higher to its best level since August 2015 as UK corporates will welcome the prospect of lower exchange rates.

UK

2/7 Osborne abandons 2020 Budget surplus target <http://www.bbc.co.uk/news/business-36684452>

Savers and borrowers set for change <http://www.bbc.co.uk/news/business-36681988>

UK manufacturing up ahead of Referendum <http://www.bbc.co.uk/news/business-36681635>

4/7 Osborne pledges Corp. Tax cut to <15% <http://www.bbc.co.uk/news/business-36699642>

5/7 Business pessimism doubles after Brexit
<http://www.bbc.co.uk/news/uk-politics-uk-leaves-the-eu-36708774>

Growth in UK service sector slows <http://www.bbc.co.uk/news/business-36712890>

6/7 Sterling falls to new 30 year low against the dollar
<http://www.bbc.co.uk/news/business-36721016>

7/7 continues as more property funds stop withdrawals
<http://www.bbc.co.uk/news/business-36732154>

Amazon to create 1,000 new jobs across the UK <http://www.bbc.co.uk/news/business-36730755>

meanwhile M&S clothing is down by 8.9% <http://www.bbc.co.uk/news/business-36732737>

Tata to 'pause' UK steel sale <http://www.bbc.co.uk/news/business-36730759>

8/7 Post Brexit UK to start trade talks with India <http://www.bbc.co.uk/news/business-36744736>

Consumer confidence falls post Brexit <http://www.bbc.co.uk/news/business-36740602>

12/7 1,000 dairy farms close in last three years <http://www.bbc.co.uk/news/uk-england-36764592>

14/7 Spreadsheet Phil becomes Chancellor <http://www.bbc.co.uk/news/business-36789689>

15/7 BofE keeps rates on hold at 0.5% - £ jumps back to \$1.34

<http://www.bbc.co.uk/news/business-36792566> and

<http://www.bbc.co.uk/news/business-36794521>

18/7 ARM Holdings sold to Softbank for £24bn <http://www.bbc.co.uk/news/business-36822272>

Australia calls for Brexit trade deal <http://www.bbc.co.uk/news/uk-politics-36818055>

20/7 May hopes for 'frank and open' talks during Merkel visit

<http://www.bbc.co.uk/news/uk-politics-36841066>

IMF says Brexit will 'throw a spanner in the works of global growth'

The International Monetary Fund (IMF) has said the UK's decision to leave the European Union has "thrown a spanner in the works" of its global growth forecast.

Instead of predicting 3.2% growth in 2016, [the IMF's World Economic Outlook \(WEO\)](#) now expects only 3.1%.

It says the UK will be the worst affected of all the advanced economies. Its 2017 UK growth forecast has been slashed from 2.2% to 1.3% and this year's has been cut from 1.9% to 1.7%.

IMF link <http://www.bbc.co.uk/news/business-36834977>

21/7 Bank of England says economy has not slowed since Brexit vote

<https://www.theguardian.com/business/2016/jul/20/bank-of-england-agents-report-business-as-usual-after-brexit-eu-referendum>

Mortgage lending soars in June <http://www.bbc.co.uk/news/business-36854627>

UK Government borrowing down to lowest since 2008

<http://www.bbc.co.uk/news/business-36854269>

25/7 Chinese £1bn bet on Sheffield <http://www.bbc.co.uk/news/business-36880778>

Brexit heightens global economic risks says G20 <http://www.bbc.co.uk/news/business-36877568>

UK explores free trade deal with China <http://www.bbc.co.uk/news/business-36877573>

26/7 The start of negative interest rates? <http://www.bbc.co.uk/news/business-36889828>

28/7 UK economic growth accelerated ahead of Brexit vote

<http://www.bbc.co.uk/news/business-36903164>

Lloyds axes 3,000 jobs, cuts 200 branches, profits increase

<http://www.bbc.co.uk/news/business-36911896>

Europe

9/7 IMF says Brexit will hit growth in the Eurozone <http://www.bbc.co.uk/news/business-36743862>

11/7 Italy facing 20 years of economic woe <http://www.bbc.co.uk/news/business-36770311>

US

7/7 US trade deficit worsens - especially with China
<http://www.bbc.co.uk/news/business-36727814>

9/7 US jobs market rebounds strongly in June - 287,000 created
<http://www.bbc.co.uk/news/business-36743717>

US Congress puts limits on ex-Presidents' budgets <http://www.bbc.co.uk/news/business-36751079>

14/7 Yum Brands sales up <http://www.bbc.co.uk/news/business-36791108>

15/7 US shares close at record levels - 18,506 <http://www.bbc.co.uk/news/business-36797035>

20/7 While May hopes for 'frank and open' talks Trump clinches GOP nomination
<http://www.bbc.co.uk/news/election-us-2016-36841851>

25/7 Verizon agrees \$5bn deal for Yahoo <http://www.bbc.co.uk/news/business-36879831>

27/7 Twitter reports slowest revenue growth since 2013
<http://www.bbc.co.uk/news/business-36898334>

iPhone sales down again, but 15% drop not as bad as analysts had feared
<http://www.bbc.co.uk/news/business-36900134>

28/7 Fed keeps rate rise on hold <http://www.bbc.co.uk/news/business-36908353>

Facebook profits higher than expected <http://www.bbc.co.uk/news/business-36908354>

Far East

7/7 Samsung to have most profitable quarter in two years
<http://www.bbc.co.uk/news/business-36732287>

15/7 Line shares up 50% on Tokyo debut <http://www.bbc.co.uk/news/business-36794283>

Chinese economy grows more than expected in Q2 <http://www.bbc.co.uk/news/business-36801223>

25/7 Nintendo shares plunge on profit warning <http://www.bbc.co.uk/news/business-36880779>

28/7 Smartphones boost Samsung profits <http://www.bbc.co.uk/news/business-36911228>

Emerging Markets

2/7 Puerto Rico defaults on £779m debt <http://www.bbc.co.uk/news/business-36691258>

5/7 South Korea to have 'internet of things' <http://www.bbc.co.uk/news/technology-36710667>

And finally...

14/7 Nintendo shares up 50% on Pokemon Go <http://www.bbc.co.uk/news/business-36791275>

Pikachu pops up on Downing Street <http://www.bbc.co.uk/news/technology-36786671>

Last VCR makers presses stop and ejects <http://www.bbc.co.uk/news/uk-36896924>