

Britain is stumbling towards an economic abyss

A growing number of UK and global investors will move their assets overseas as Britain stumbles towards an economic abyss. The country's economy shrank in the second quarter - the first time in seven years.



Image source: Getty/Gallo

"Sterling has taken another pounding after the UK's economy was shown to have contracted in the second quarter, adding to the economic woes on top of no-deal Brexit concerns," says Nigel Green, founder and chief executive of deVere Group.

"The pound has fallen more than 4.5% against the dollar in July and August over fears Boris Johnson's government is pushing the country towards a no-deal Brexit –which most economists think would be economically damaging. Should the UK leave with no-deal, the pound is likely to remain weak for several years until the country and the EU readjusts.

"There is growing speculation too that there will be a general election in the autumn and this will add to the uncertainty for the pound and Britain's economy.

"The situation will get even more serious should a Jeremy Corbyn-led Labour government win that election. His high tax and low-profit policies and anti-business rhetoric would deliver a hammer blow to the already floundering economy."

He added that UK and global investors will be becoming increasingly nervous of this deteriorating situation. They will, inevitably and quite sensibly be looking to grow and safeguard their wealth by moving assets overseas through various

established international financial solutions.

"The pace of this trend is likely to increase over the next few months as the geopolitical issues intensify," he says.

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