Pound steadies as Johnson prepares Brexit battle

London

¬ terling steadied around \$1.29 yesterday as dealers took a breather at the end of a dizzying week and on the eve of a vital vote on UK Prime Minister Boris Johnson's Brexit deal.

The stage was set for the House of Commons, which is to meet for the first time on a Saturday in 37 years for a knifeedge vote.

The spotlight in Europe then turns towards Sunday evening, when markets in Asia will deliver their initial verdict on the outcome -- and the potential for a chaotic Brexit on October 31.

Johnson has vowed Britain will exit the bloc that day come what may.

IMF head Kristalina Georgieva urged caution while welcoming signs that Britain can reach a

"When there is a will, there is will holds in all quarters," Geor- outcome," he warned. gieva told reporters at the start Fund annual meeting.

narios -- so expect big moves," ensure smooth trading. warned ETX Capital analyst Michael Baker.

"On Sunday night, the markets



deal to exit the European Union. British prime minister Boris Johnson faces an uphill task in getting his Brexit deal past lawmakers

Dave Ramsden, the Bank of Britain leaving the EU without Johnson's government, said it of the International Monetary England's policymaker oversee- a divorce deal -- a move many ing markets and banking, told commentators warn could be "The market (is) really gam- Bloomberg that its foreign ex- economically catastrophic. bling on tomorrow's vote and change desk would be manned has not priced in fully all sce- overnight Sunday/Monday to under \$1.29 as it became evident twice so far this year after law- than last year -- and blamed "less ades, due in part to a lengthy that Johnson faced an uphill task in getting the deal past lawmak-

Rollercoaster trade

ers, with opposition MPs and In rollercoaster deals, the some in his own Conservative will start opening from the Far pound had rallied Thursday party saying they were against it. years, it is hard to think that it its full-year revenue plus profit the possibility of more violent East ... and it could be a hugely to almost \$1.30 on news that

an agreement that would avoid Party (DUP), which props up was "unable" to back him.

Britain voted in June 2016 to cent to 48.38 euros in Paris afdeals.

"Based on everything that has happened over the last three day after the company lowered dipped 0.5 pc amid concern over Most importantly, Northern will pass and then Brexit is on guidance," said CMC Markets protests over the weekend.

Key figures	around	1400	GMT
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Pound/dollar:	▼ at \$1.2884 from \$1.2891 at 2100 GMT	
Euro/pound:	▲ at 86.46 pence from 86.29 pence	
Euro/dollar:	▲ at \$1.1133 from \$1.1125	
Dollar/yen:	▼ at 108.57 yen from 108.66 yen	
London - FTSE 100:	▼ 0.2 pc at 7,169.78 points	
Paris - CAC 40:	▼ 0.6 pc at 5,638.23	
Frankfurt - DAX 30:	▼ 0.1 pc at 12,643.40	
New York - Dow:	▼ 0.1 pc at 26,994.32	
EURO STOXX 50:	▼ 0.2 pc at 3,579	
Tokyo - Nikkei 225:	🔺 0.2 pc at 22,492.68 (close)	
Hong Kong - Hang Seng:	▼ 0.5 pc at 26,719.58 (close)	
Shanghai - Composite:	▼ 1.3 pc at 2,938.14 (close)	
Brent North Sea crude:	▲ 0.2 pc at \$60.02 per barrel	

the road to completion," Baker analyst David Madden. remarked.

Sharp Chinese slowdown

Wall Street stocks dipped in In non-Brexit news, Europe's early trading as solid earnings a deal... and my hope is that the volatile open, regardless of the negotiators had hammered out Ireland's Democratic Unionist car sector hit the skids after from Coca-Cola and American Express were offset by a weak Chinese economic report and Renault shares crashed 12 per uncertainty over Brexit.

China reported growth of just leave the European Union but it ter warning that 2019 revenues 6.0 pc in the third quarter, its However, sterling then dipped has delayed its departure date would be three to four pc lower slowest rate in nearly three decmakers rejected previous Brexit favourable than anticipated" trade war with the United States.

The Shanghai market closed "Renault shares slumped to- off 1.3 pc while Hong Kong

US widens EU trade war with new tariffs

• In the line of fire are civilian aircraft from Britain, France, Germany and Spain -- the countries that formed Airbus

The United States imposed tariffs on a record \$7.5-billion worth of European Union goods

Brussels

The United States imposed L tariffs on a record \$7.5-billion worth of European Union goods yesterday, earning a swift threat of retaliation by the EU. The tariffs, which took effect just after midnight in Washington (0401 GMT), came after talks between European officials and US trade representatives failed to win a last-minute reprieve. Airbus, French wine and Scottish whiskies are among the high-profile targets with Europe ready to hit back against its own list of iconic or politically sensitive US products next year. The WTO-endorsed transatlantic onslaught from US President Donald Trump also comes trade war with China and could countries that formed Airbus -- to attack in recent months. Wine to bring in (to Europe)" when risk destabilising the global economy further.



US tariffs on European goods

The World Trade Organization has approved US tariffs worth \$7.5 billion (6.8 billion euros) in retaliation for EU's support of Airbus

EU 28

retaliate, in the framework of course of the WTO. These decisions would have very negative consequences **BRUNO LE MAIRE** FRENCH ECONOMY MINISTER

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Tariff: 25%

Tariff: 10% france, Germany, Spain, Britain +-



Products of country/ie

Britain

No. of product/s

European Trade Commissioner Cecilia Malmstrom said in a statement after attempts to negotiate a truce went nowhere. "This step leaves us no alter-

native but to follow through in due course with our own tariffs in the Boeing case, where the US has been found in breach of WTO rules," she added.

Speaking in Washington hours before the tariffs came into effect, France's Economy Minister Bruno Le Maire warned the move would have serious repercussions.

The tariffs kick in just days after the United States was given the formal go-ahead by the World Trade Organization, an official approval previous

Trump trade tactics have lacked.

cars around mid-November.

This would be a serious blow

for the German automotive sec-

tor in particular, even if giants

such as Volkswagen or BMW

also manufacture in the United

Europeans easily import their

cars into the United States,

N8703.

Trump said.

"Our products are very hard

As recently as Wednesday,

G7 says Libra should not launch until risks 'adequately addressed'

Washington

conditions.

Renault sounds alarm

French auto giant Renault re-

leased a gloomy sales outlook.

 $F^{\it acebook\,
m should\, not\,
m launch}_{
m its\, global\, digital\, currency}$ Libra until proper regulations are in place to handle the potential risks, the Group of Seven said Thursday.

And France's Economy Minister Bruno Le Maire warned that a currency like Libra could undermine sovereign nations' control over their exchange rates.

"It's a matter of democracy, not just a simple economic question," Le Maire told reporters, saying Facebook's currency could have an "immediate global reach" through the social network's huge membership. Le Maire presented the Group of Seven nation's statement on Libra, saying "no global stablecoin project should lators. begin operation until the legal, regulatory and oversight challenges and risks are adequately addressed," including the potential for money laundering and terror financing. But, he told reporters, "The key question is the question of sovereignty."

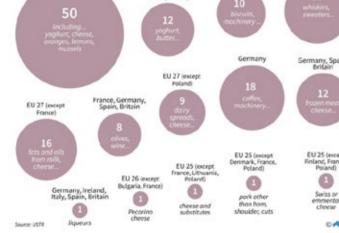


Facebook founder Mark Zuckerberg was in Washington as G7 ministers prepare to release a report about the social network's plan to release a

In the line of fire are civilian

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KNOW WHAT



more when imported to the US. ny will now face 25pc tariffs.

But the tariffs also target con-

The Airbus-

descended into

Trump singled out the Europeans for being unfair with the US on trade, but said his door was open to negotiate a settlement. 'Very hard' The Europeans fear above all that Trump will impose heavy duties on imports of European

as Washington is mired in a Germany and Spain -- the wine, which Trump had vowed which will now cost 10 per cent from France, Spain and Germa-

"We regret the choice of the

The epic legal battle between Boeing row is just Airbus and Boeing at the World one of several issues Trade Organization began in 2004 when Washington accused Britain, stoking transatlantic tensions that quickly France, Germany and Spain of providing illegal subsidies and grants to support the production of acrimony when Trump took office in 2017. a range of Airbus products.

A year later, the EU lleged that Boeing had received \$19.1 billion worth of prohibited subsidies from 1989 to 2006 from various branches of the US

States.

"Do we want

c o m have... the same power, and the same sovereignty, states" over currencies. Libra, which

has faced a steady drumbeat of in Washington.

digital currency

stern warnings from central bankers and financial regu-

European Central Bank board member Benoit Coeure presented a report on digital currencies to the G7 finance ministers, who are gathering on the margins of the annual meetings of the International Monetary Fund and World Bank.

The report said a framework a private for oversight of Libra "is an absolute prerequisite," and urged pany to regulators to coordinate their work to prevent issuers from seeking out the most favorable country from which to operate. *Facebook*'s digital currency as democratic chief David Marcus told reporters in Washington that the issues raised by Le Maire are "legitimate concerns."

"We're determined to answer these concerns with real would be solutions that will meet or exbacked by ceed the standards of the curreserve assets unlike rent system," he told a small cryptocurrencies like Bitcoin, group of reporters at an event

aircraft from Britain, France, sumer products such as French US to move ahead with tariffs,

