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INDEPENDENT FINANCIAL ADVISERS

Election Update

21 June 2024



The election campaign clock keeps ticking with less than two weeks until polling day. All candidates have been beating the campaign trail and over 600,000 people registered to vote on deadline day.

A high or low turnout election?

Predictions from pollsters have suggested this could be one of the lowest voter turnouts in General Election history. Between 23 May – the first full day after Prime Minister Rishi Sunak called the General Election – to 18 June, over 2.7 million applications to vote were submitted. Over half were by people aged 34 and under.

Reform UK publishes its 'Contract'

On Monday it was Reform UK's turn to publish its 'Policy Documents' titled 'Our Contract with You,' as leader Nigel Farage took to the stage in South Wales to label this "the immigration election." Reform UK's 24-page document outlined a number of pledges, including scrapping net zero targets, a freeze on "non-essential" immigration, leaving the European Convention on Human Rights within 100 days and raising employers' National Insurance (NI) rates for foreign workers to 20%. Tax pledges included reducing the main Corporation Tax rate from 25% to 15% in three years and abolishing business rates for small and medium-sized businesses (SMEs), to be paid for by cutting bureaucracy and encouraging benefit claimants back to work. At the launch, Mr Farage said, "We are not pretending that we are going to win this General Election... Our aim and our

ambition is to establish a bridgehead in Parliament and to become a real opposition to a Labour government."

Reeves meets with City bosses

Also on Monday, Shadow Chancellor Rachel Reeves met with business leaders in the capital and told them, "The Labour manifesto has your fingerprints all over it" and was the result of "many of the conversations I've had with businesses and investors over the last three years." Labour is focusing on spreading the message about its newly-proposed 'National Wealth Fund,' which it claims would help create 650,000 jobs over five years.

SNP manifesto promises 'A Future Made in Scotland'

On Wednesday, Scottish National Party (SNP) leader John Swinney launched his party's manifesto in Edinburgh. He said if the SNP won a majority of seats in the Scottish Government, the SNP would commence "immediate negotiations" on Scottish independence talks. Swinney also said the SNP would introduce a Bill to keep the NHS in public hands, boosting NHS England funding by £16bn and providing an extra £1.6bn each year to Scotland's NHS. Other pledges included scrapping the two-child benefit cap and rejoining the European Union.

UK inflation falls to 2%, giving the Conservatives a boost

With the economy a key element of the election for voters, new inflation data from the Office for National Statistics shows Consumer Prices Index (CPI) inflation in the UK has hit the Bank of England's 2.0% target for the first time

in almost three years, down from 2.3% in April. Sunak said this was "great news" that indicated the UK economy had "turned the corner." However, Labour said that pressures on family finances were "still acute." Meanwhile, the Monetary Policy Committee held Bank Rate at 5.25% on Thursday.

Ipsos poll predicts big majority for Labour

On Tuesday, Ipsos published its first MRP (multi-level regression and post stratification) model of the 2024 General Election. It predicts Labour could win 453 seats and the Conservatives 115, giving Labour a majority of 256. However, it believes 117 seats are still 'too close to call.' The Liberal Democrats are poised to win 38 seats, SNP 15, Reform UK three, and the Green Party three. The polling projection suggested a Nigel Farage win in Clacton, a Jeremy Corbyn loss in Islington North, and several high-profile Conservatives, including Penny Mordaunt, Jacob Rees Mogg and Grant Shapps, on track to lose their seats. On Thursday, the Conservative campaign suffered a setback after it was confirmed Campaign Director Tony Lee had taken a leave of absence. The news came after two Conservative candidates (including Lee's wife Laura Saunders) were being investigated by the Gambling Commission over bets on the timing of the election.

Taking sensible steps

We can't foresee what will happen over the next few weeks, but looking after your financial future remains a priority. Please get in touch if you have any questions.

**The value of investments can go down as well as up and you may not get back the full amount you invested.
The past is not a guide to future performance and past performance may not necessarily be repeated.
All details are correct at time of writing (21 June 2024)**