

## The City and Brexit: a disastrous brew in the making fo...

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This chart comes from the latest IMF [Global Financial Stability Report](#):

As the IMF notes:

*The transition to a post-Brexit world [will] need to be carefully managed to minimize disruption in market services and activities, and maintain a sound and effective supervision of financial activities. Because operating costs may increase during the transition as banks may have to duplicate operations and relocate staff, many banks have begun to draw contingency plans and explore various relocation alternatives. Some institutions may even opt to exit or scale back specific business lines.*

To put it another way, Brexit will cost vastly more than any financial transaction tax might and jobs will go.

Have no doubt that no deal would be very bad for those in the UK who will bear the burden of another major downturn of the sort Theresa May seems to be engineering. The people in question are not bankers, of course.