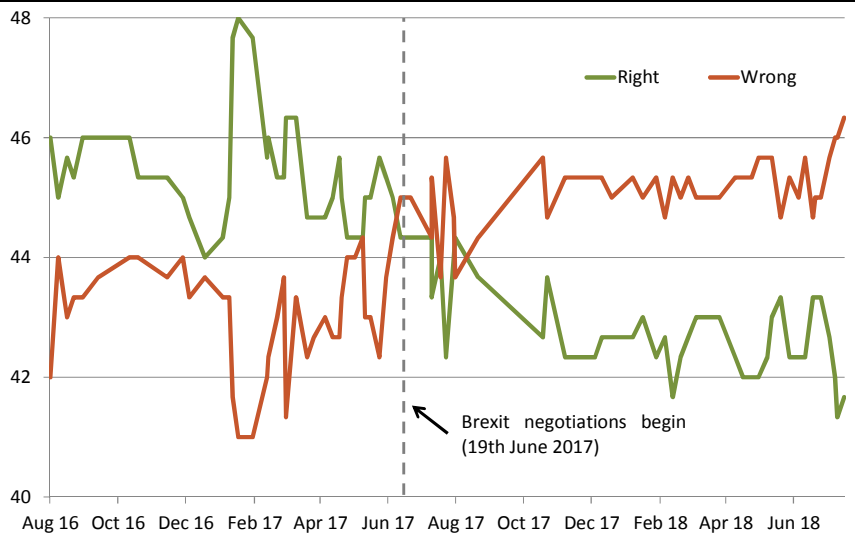


20 July 2018

## UK voters no longer like Brexit

Post-referendum polling - was the UK right or wrong to vote for Brexit?



Source: UK opinion polls. Chart shows opinion polls on the question of whether the UK was “right” or “wrong” to vote to leave the EU in June 2016. Three-poll average.

- **The sad irony about Brexit:** Since the UK decided in June 2016 to leave the EU, to return power to Westminster from Brussels, its Conservative-led government has struggled to come up with a plan for Brexit. Our chart shows a clear story. As the UK government has slowly but surely lost its illusions about what it can achieve in negotiations with the EU, voters have changed their tune about Brexit. The percentage of voters in favour of Brexit now lags the percentage against Brexit by five points – down from a four-point lead in August 2016.
- **Have the wheels fallen off the Brexit bus?** The UK never had a serious debate about what leaving the EU means and the choices available to the UK outside the single market. The Brexit negotiations have laid bare the exaggerated claims about the ease at which the UK could reshape its role in Europe and the world. Fresh appeals to sentimentalism by key Brexiteers such as MP Boris Johnson are now less effective than before. Since Mr Johnson and ex-Brexit minister David Davis resigned from the Cabinet in early July, the proportion of voters who believe that Brexit was the wrong choice has risen to its highest level.
- **Just how much “sovereignty” is optimal?** Exercising its sovereignty, the UK has chosen to leave the EU. However, in an interdependent world, the UK has to agree the terms on which it interacts with other countries with its partners. The more it insists that these terms need to always and fully reflect its own preferences, the less scope it leaves for mutually beneficial exchanges with other countries. Looking at voters’ dissatisfaction with the current Brexit process suggests that voters may want a softer line on Brexit which leaves the UK more closely linked to the EU even if that means that the UK has to accept more of the rules of the common market.
- **Putting the polls into perspective:** That a majority of people polled now think Brexit was the wrong choice does not mean a new referendum would end with the UK voting to stay in the EU. The pro-EU lead is too slim to reliably predict the outcome. Most likely, voters will not be asked again as the Tories will keep the current government together and avoid a new vote. Only if snap elections yielded a Labour-led coalition (25% chance), the new government may table a new referendum. This is a long shot. We only see a 10% chance that Brexit will be reversed.
- **How to make Brexit a success:** Upon leaving the EU the UK has two options: 1) to unilaterally cut all or most import tariffs – a bold move, but with large economic benefits after a period of potentially harsh adjustment; or 2) explain to voters the trade-offs involved in participating in multilateral trade agreements. In future trade deals with the EU or other nations, the UK will forfeit some capacity to decide the rules it applies to its markets. Until the options offered to UK voters reflect these realities, there is little chance that they will be happy with any Brexit outcome.

---

## Disclaimer

This document was compiled by the above mentioned authors of the economics department of Joh. Berenberg, Gossler & Co. KG (hereinafter referred to as “the Bank”). The Bank has made any effort to carefully research and process all information. The information has been obtained from sources which we believe to be reliable such as, for example, Thomson Reuters, Bloomberg and the relevant specialised press. However, we do not assume liability for the correctness and completeness of all information given. The provided information has not been checked by a third party, especially an independent auditing firm. We explicitly point to the stated date of preparation. The information given can become incorrect due to passage of time and/or as a result of legal, political, economic or other changes. We do not assume responsibility to indicate such changes and/or to publish an updated document. The forecasts contained in this document or other statements on rates of return, capital gains or other accession are the personal opinion of the author and we do not assume liability for the realisation of these.

This document is only for information purposes. It does not constitute investment advice or recommendation to buy financial instruments. It does not replace consulting regarding legal, tax or financial matters.

### Remarks regarding foreign investors

The preparation of this document is subject to regulation by German law. The distribution of this document in other jurisdictions may be restricted by law, and persons, into whose possession this document comes, should inform themselves about, and observe, any such restrictions.

### United Kingdom

This document is meant exclusively for institutional investors and market professionals, but not for private customers. It is not for distribution to or the use of private investors or private customers.

### United States of America

This document has been prepared exclusively by Joh. Berenberg, Gossler & Co. KG. Although Berenberg Capital Markets LLC, an affiliate of the Bank and registered US broker-dealer, distributes this document to certain customers, Berenberg Capital Markets LLC does not provide input into its contents, nor does this document constitute research of Berenberg Capital Markets LLC. In addition, this document is meant exclusively for institutional investors and market professionals, but not for private customers. It is not for distribution to or the use of private investors or private customers.

This document is classified as objective for the purposes of FINRA rules. Please contact Berenberg Capital Markets LLC (+1 646 949 9000), if you require additional information.

### Copyright

The Bank reserves all the rights in this document. No part of the document or its content may be rewritten, copied, photocopied or duplicated in any form by any means or redistributed without the Bank's prior written consent.

© 2018 Joh. Berenberg, Gossler & Co. KG

# Contacts



**BERENBERG**

PARTNERSHIP SINCE 1590

JOH. BERENBERG, GOSSLER & CO. KG

Internet [www.berenberg.com](http://www.berenberg.com)

E-mail: [firstname.lastname@berenberg.com](mailto:firstname.lastname@berenberg.com)

## EQUITY RESEARCH

### AEROSPACE & DEFENCE

Ryan Booker +44 20 3753 3074  
Andrew Gollan +44 20 3207 7891  
Ross Law +44 20 3465 2692

### AUTOMOTIVES

Cristian Dirpes +44 20 3465 2721  
Alexander Haissl +44 20 3465 2749  
Viktoria Oushatova +44 20 3207 7890  
Fei Teng +44 20 3753 3049

### BANKS

Adam Barrass +44 20 3207 7923  
Stephanie Carter +44 20 3207 3106  
Michael Christodoulou +44 20 3207 7920  
Andrew Lowe +44 20 3465 2743  
Alex Medhurst +44 20 3753 3047  
Eoin Mullany +44 20 3207 7854  
Peter Richardson +44 20 3465 2681

### BEVERAGES

Javier Gonzalez Lastra +44 20 3465 2719  
Matt Reid +44 20 3753 3075

### BUSINESS SERVICES, LEISURE & TRANSPORT

Zaim Beekawa +44 20 3207 7855  
Tom Burlton +44 20 3207 7852  
Roberta Ciaccia +44 20 3207 7805  
Najet El Kassir +44 20 3207 7836  
William Fitzalan Howard +44 20 3465 2640  
Stuart Gordon +44 20 3207 7858  
Annabel Hay-Jahans +44 20 3465 2720  
Joel Spungin +44 20 3207 7867

### CAPITAL GOODS

Nicholas Housden +44 20 3753 3050  
Sebastian Kuenne +44 20 3207 7856  
Philippe Lorrain +44 20 3207 7823  
Rizk Maldi +44 20 3207 7806  
Jaroslaw Pominkiewicz +44 20 3753 3035  
Simon Toennesen +44 20 3207 7819  
Ethan Zhang +44 20 3465 2634

### CHEMICALS

Sebastian Bray +44 20 3753 3011

### CHEMICALS (cont'd)

Anthony Manning +44 20 3753 3092  
Rikin Patel +44 20 3753 3080

### DIVERSIFIED FINANCIALS

Charles Bendit +44 20 3465 2729  
Chris Turner +44 20 3753 3019

### FOOD MANUFACTURING AND H&PC

Rosie Edwards +44 20 3207 7880  
Fintan Ryan +44 20 3465 2748  
James Targett +44 20 3207 7873

### FOOD RETAIL

Dusan Milosavljevic +44 20 3753 3123

### GENERAL MID CAP - DACH

Saravana Bala +44 20 3753 3043  
Martin Comtesse +44 20 3207 7878  
Charlotte Friedrichs +44 20 3753 3077  
Gustav Fröberg +44 20 3465 2655  
Javier Letten +44 20 3753 3176  
Alexander O'Donoghue +44 20 3207 7804  
Gerhard Orgonas +44 20 3465 2635  
Henrik Paganetty +44 20 3453 3140  
Benjamin Pfannes-Varrow +44 20 3465 2620

### GENERAL MID CAP - EU core

Beatrice Allen +44 20 3465 2662  
Christoph Greulich +44 20 3753 3119  
Andreas Markou +44 20 3753 3022  
Anna Patrice +44 20 3207 7863  
Trion Reid +44 20 3753 3113

### GENERAL MID CAP - UK

Joseph Barron +44 20 3207 7828  
Calum Battersby +44 20 3753 3118  
Robert Chantry +44 20 3207 7861  
Sam Cullen +44 20 3753 3183  
Ned Hammond +44 20 3753 3017  
Omar Ismail +44 20 3753 3102  
Anthony Plom +44 20 3207 7908  
Edward James +44 20 3207 7811  
Lush Mahendrarajah +44 20 3207 7896  
Benjamin May +44 20 3465 2667

### GENERAL MID CAP - UK (cont'd)

Eoghan Reid +44 20 3753 3055  
Owen Shirley +44 20 3465 2731  
Donald Tait +44 20 3753 3031  
Sean Thapar +44 20 3465 2657

### GENERAL RETAIL

Thomas Davies +44 20 3753 3104  
Michelle Wilson +44 20 3465 2663

### HEALTHCARE

Scott Bardo +44 20 3207 7869  
Alistair Campbell +44 20 3207 7876  
Klara Fernandes +44 20 3465 2718  
Tom Jones +44 20 3207 7877  
Joseph Lockey +44 20 3465 2730  
Samantha Osborne +44 20 3207 7882  
Michael Ruzic-Gauthier +44 20 3753 3128  
Laura Sutcliffe +44 20 3465 2669  
Charles Weston +44 20 3465 2746

### INSURANCE

Trevor Moss +44 20 3207 7893  
Emanuel Musio +44 20 3207 7916  
Iain Pearce +44 20 3465 2665  
Philip Ross +44 20 3465 2726

### LUXURY GOODS

Mariana Horn +44 20 3753 3044  
Lauren Molyneux +44 20 3207 7892  
Zuzanna Pusz +44 20 3207 7812

### MEDIA

Robert Berg +44 20 3465 2680  
Keisi Hysa +44 20 3207 7817  
Laura Janssens +44 20 3465 2639  
Alistair Reid +44 20 3207 7841  
Sarah Simon +44 20 3207 7830

### METALS & MINING

Charlie Clark +44 20 3207 3133  
Richard Hatch +44 20 3753 3070  
Laurent Kimman +44 20 3465 2675  
Michael Stoner +44 20 3465 2643

### OIL & GAS

Henry Tarr +44 20 3207 7827

### REAL ESTATE

Kai Klose +44 20 3207 7888

### TECHNOLOGY

Josep Bori +44 20 3753 3058  
Georgios Kertsos +44 20 3465 2715  
Tej Shkantiya +44 20 3753 3099  
Gordon Tveit-Duncan +44 20 3753 3100  
Tammy Qiu +44 20 3465 2673

### TELECOMMUNICATIONS

David Burns +44 20 3753 3059  
Nicolas Didio +44 20 3753 3091  
Usman Ghazi +44 20 3207 7824  
Laura Janssens +44 20 3465 2639  
Carl Murdock-Smith +44 20 3207 7918

### THEMATIC RESEARCH

Nick Anderson +44 20 3207 7838  
Oyvind Bjerke +44 20 3753 3082  
Steven Bowen +44 20 3753 3057  
Asad Farid +44 20 3207 7932  
Robert Lamb +44 20 3465 2623  
Paul Marsch +44 20 3207 7857  
Salha Shariff +44 20 3753 3097

### TOBACCO

Jonathan Leinster +44 20 3465 2645

### UTILITIES

Oliver Brown +44 20 3207 7922  
Andrew Fisher +44 20 3207 7937  
Lawson Steele +44 20 3207 7887

### ECONOMICS

Florian Hense +44 20 3207 7859  
Carsten Hesse +44 20 3753 3001  
Kallum Pickering +44 20 3465 2672  
Holger Schmieding +44 20 3207 7889

## EQUITY SALES

### SPECIALIST SALES

#### AEROSPACE & DEFENCE & CAPITAL GOODS

Cara Luciano +44 20 3753 3146

#### AUTOS & TECHNOLOGY

Edward Wales +44 20 3207 7815

#### BANKS, DIVERSIFIED FINANCIALS & INSURANCE

Iro Papadopoulou +44 20 3207 7924

Calum Marris +44 20 3753 3040

#### BUSINESS SERVICES, LEISURE & TRANSPORT

Rebecca Langley +44 20 3207 7930

#### CHEMICALS

Emma Buchy-Dury +44 20 3207 7816

#### CONSUMER DISCRETIONARY

Victoria Majgrot +44 20 3753 3010

#### CONSUMER STAPLES

Ramniqwe Sroa +44 20 3753 3064

#### HEALTHCARE

David Hogg +44 20 3465 2628

#### THEMATICS

Chris Armstrong +44 20 3207 7809

### SALES

#### BENELUX

Miel Bakker +44 20 3207 7808  
Bram van Hijfte +44 20 3753 3000

## SALES TRADING

### LONDON

Assia Adanouj +44 20 3753 3087  
Charles Beddouj +44 20 3465 2691  
Mike Berry +44 20 3465 2755  
Joseph Chappell +44 20 3207 7885  
Stewart Cook +44 20 3465 2752  
Mark Edwards +44 20 3753 3004  
Tom Floyd +44 20 3753 3136  
Tristan Hedley +44 20 3753 3006  
Peter King +44 20 3753 3139  
Simon Messman +44 20 3465 2754  
AJ Pulleyn +44 20 3465 2756  
Matthew Regan +44 20 3465 2750  
Michael Schumacher +44 20 3753 3006  
Paul Somers +44 20 3465 2753

### FRANCE

Alexandre Chevassus +33 1 5844 9512  
Dallia Farigoule +33 1 5844 9510  
Kevin Nor +33 1 5844 9505

### SCANDINAVIA

Mikko Vanhala +44 20 3207 7818  
Marco Weiss +49 40 350 60 719

### UK

James Burt +44 20 3207 7807  
Fabian De Smet +44 20 3207 7810  
Marta De-Sousa Fialho +44 20 3753 3098  
Jules Emmet +44 20 3753 3260  
Katie Ferry +44 20 3753 3041  
Robert Floyd +44 20 3753 3018  
David Franklin +44 20 3465 2747  
Karl Hancock +44 20 3207 7803  
Sean Heath +44 20 3465 2742  
Stuart Holt +44 20 3465 2646  
James Hunt +44 20 3753 3007  
James McRae +44 20 3753 3036  
David Mortlock +44 20 3207 7850  
Eleni Papoula +44 20 3465 2741  
Bhavini Patel +44 20 3207 7926

### PARIS

Vincent Klein +33 1 58 44 95 09  
Antonio Scoutto +33 1 58 44 95 03

### UK (cont'd)

Kushal Patel +44 20 3753 3038  
Richard Payman +44 20 3207 7825  
Christopher Pyle +44 20 3753 3076  
Adam Robertson +44 20 3753 3095  
Joanna Sanders +44 20 3207 7925  
Mark Sheridan +44 20 3207 7802  
George Smbert +44 20 3207 7911  
Alexander Wace +44 20 3465 2670  
Paul Walker +44 20 3465 2632

### GERMANY

Michael Brauburger +49 69 91 30 90 741  
Nina Buechs +49 69 91 30 90 735  
André Grosskurth +49 69 91 30 90 734  
Joerg Wenzel +49 69 91 30 90 743

### SWITZERLAND, AUSTRIA & ITALY

Duncan Downes +41 22 317 1062  
Andrea Ferrari +41 44 283 2020  
Gianni Lavigna +41 44 283 2038  
Jamie Nettleton +41 44 283 2026  
Yeannie Rath +41 44 283 2029  
Mirco Tieppo +41 44 293 2024

## EQUITY TRADING

### HAMBURG

David Hohn +49 40 350 60 761  
Gregor Labahn +49 40 350 60 571  
Lennart Pleus +49 40 350 60 596  
Marvin Schweden +49 40 350 60 576  
Omar Sharif +49 40 350 60 563  
Philipp Wiechmann +49 40 350 60 346  
Christoffer Winter +49 40 350 60 559

### LONDON

Christopher Brown +44 20 3753 3085  
Edward Burlison-Rush +44 20 3753 3005  
Richard Kenny +44 20 3753 3083  
Chris McKeand +44 20 3207 7938  
Ross Tobias +44 20 3753 3137  
Robert Towers +44 20 3753 3262

### COO Office

Greg Swallow +44 20 3207 7833  
Fenella Neill +44 20 3207 7868

### CRM

Laura Cooper +44 20 3753 3065  
Jessica Jarmyn +44 20 3465 2696  
Madeleine Lockwood +44 20 3753 3110  
Vikram Nayyar +44 20 3465 2737  
Rita Pilar +44 20 3753 3066

### CORPORATE ACCESS

Lindsay Arnold +44 20 3207 7821  
Robyn Gowers +44 20 3753 3109  
Dipti Jethwani +44 20 3207 7936  
Ross Mackay +44 20 3207 7866  
Stella Siggins +44 20 3465 2630  
Lucy Stevens +44 20 3753 3068  
Abbie Stewart +44 20 3753 3054

### EVENTS

Charlotte David +44 20 3207 7832  
Suzy Khan +44 20 3207 7915  
Natalie Meech +44 20 3207 7831  
Eleanor Metcalfe +44 20 3207 7834  
Rebecca Mikowski +44 20 3207 7822  
Sarah Weyman +44 20 3207 7801

## ELECTRONIC TRADING

Jonas Doehler +44 40 350 60 391  
Matthias Führer +49 40 350 60 597  
Sven Kramer +49 40 350 60 347  
Matthias Schuster +44 40 350 60 463



BERENBERG CAPITAL MARKETS LLC

Member FINRA & SIPC

Internet [www.berenberg-us.com](http://www.berenberg-us.com)

E-mail: [firstname.lastname@berenberg-us.com](mailto:firstname.lastname@berenberg-us.com)

### EQUITY RESEARCH

#### HEALTHCARE - MED. TECH/SERVICES

Ravi Misra +1 646 949 9028

#### HEALTHCARE - SPECIALTY PHARMACEUTICALS

Patrick R. Trucchio +1 646 949 9027

#### LEISURE

Brennan Matthews +1 646 949 9024

#### INDUSTRIAL MATERIALS

Paretoosh Misra +1 646 949 9031

#### SHIPPING & TRANSPORTATION

Donald McLee +1 646 949 9026

#### SOFTWARE & IT SERVICES

Alexander Frankiewicz +1 646 949 9029

Gal Munda +1 646 949 9021

### EQUITY SALES

#### SALES

Albert Aguiar +1 646 949 9218

Enrico DeMatt +1 646 949 9230

Kelleigh Faldi +1 617 292 8288

Ted Franchetti +1 646 949 9231

Shawna Giust +1 646 949 7216

Rich Harb +1 617 292 8228

Zubin Hubner +1 646 949 9202

Michael Kaye +1 646 949 9216

Jessica London +1 646 949 9203

Anthony Masucci +1 646 949 9217

Ryan McDonnell +1 646 949 9214

Emily Mouret +1 415 802 2525

Peter Nichols +1 646 949 9201

Kieran O'Sullivan +1 617 292 8292

Rodrigo Ortigao +1 646 949 9205

### CORPORATE ACCESS

Olivia Lee +1 646 949 9207

Robert Meyers +1 646 949 9215

Panthea O'Connell +1 646 949 9208

### CRM

LaJada Gonzales +1 646 949 9213

Monika Kwok +1 646 949 9212

### EVENTS

Laura Hawes +1 646 949 9209

### ECONOMICS

Mickey Levy +1 646 949 9099

Roiana Reid +1 646 949 9098

### SALES TRADING

Ronald Cestra +1 646 949 9104

Mark Corcoran +1 646 949 9105

Michael Haughey +1 646 949 9106

Christopher Kanian +1 646 949 9103

Lars Schwartz +1 646 949 9101

Bob Spillane +1 646 949 9102