



## Forex traders to benefit from stronger sterling?

Friday, 26/11/2010

Foreign exchange currency trading professionals could be dealing with a stronger UK pound in the near future, if the government decides to heed the advice of one expert.

According to Jonathan Davis, economist and wealth manager at Jonathan Davis Wealth Management, the Bank of England's Monetary Policy Committee (MPC) must boost the country's current base interest rate up from 0.5 per cent, which may help to increase the value of sterling.

This measure, Mr Davis believes, could act as a catalyst for the wider economy's recovery in the aftermath of the global downturn.

"The only way the UK will get out of its mess is to raise the value of our currency by cutting the deficit and then cutting the debt," he observed.

Mr Davis was speaking after MPC member Andrew Sentence recently called on the Bank of England to raise the base rate to 0.75 per cent in the near future.