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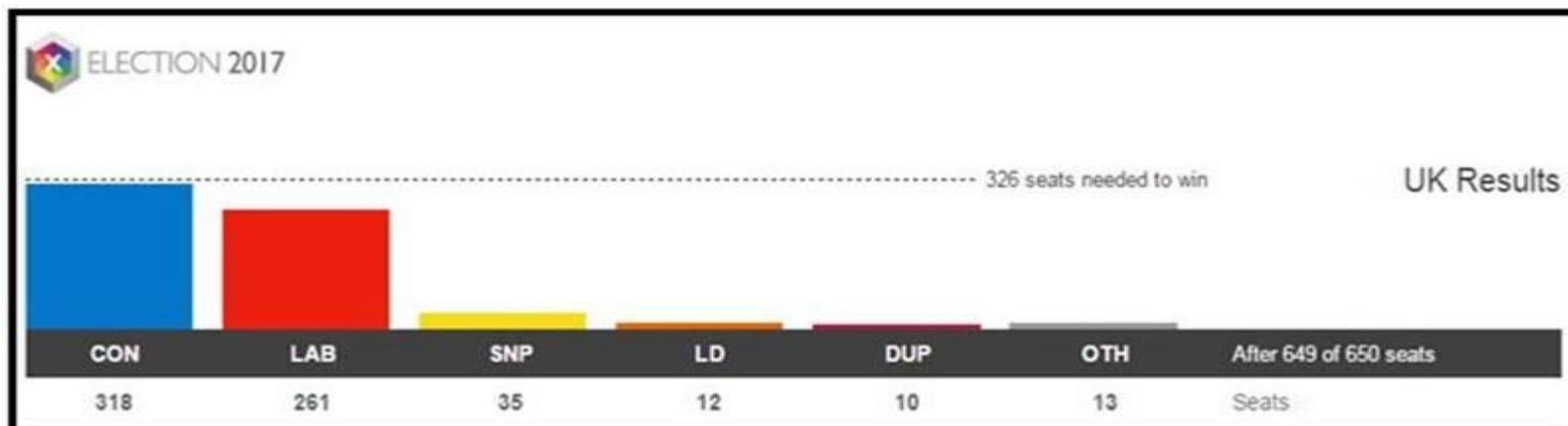
International

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UK General Election: UK election ends in hung parliament; PM May's gambit backfires

- Theresa May's next step is to ask the Queen for permission to form a new government after the UK voted for a hung parliament after shock losses for the Conservatives in the 2017 general election.
- With 649 of 650 seats declared, the Conservatives won 318 seats, eight seats short of the figure needed to win outright. The Labour party won 261 seats, the Scottish National Party (SNP) won 35 and the Liberal Democrats won 12.



Source: BBC News

- The Labour party increased its share of the vote by 9.6%, while the Conservatives were up by 5.5%.

- The Conservatives remained the largest party in England, but no party has an overall majority in the Commons.
- Mrs. May is believed to have struck a deal, but not a formal coalition agreement, with Northern Ireland's Democratic Unionist Party (DUP) who won 10 seats and will narrowly give her the numbers she needs to pass legislation in the Commons, but it's clear a significant period of political instability lies ahead.
- Mrs. May has said she will form a government that will lead Britain through Brexit talks, however it's hard to see how negotiations won't be delayed.
- Standing outside 10 Downing Street today, the prime minister told reporters: "This Government will guide the country through the crucial Brexit talks which begins in just 10 days and deliver on the will of the British people by taking the United Kingdom out of the European Union."
- That means a now weaker Mrs. May has just over a week to properly establish the minority government, strike an official deal with the DUP and sketch out a new vision for Brexit, all amid calls for her own resignation.
- Meanwhile, the EU's chief Brexit negotiator has said talks on Britain leaving can only begin when the UK is ready.

Great Britain Pound (GBP) to United States Dollar (USD) exchange rate



Source: Bloomberg

- At the time of writing, the pound reached an intraday low of £1.2636 after peaking at £1.2958 yesterday reflecting uncertainty over the UK's future.

FTSE 100 Index and STOXX 600 Index



Source: Bloomberg

- The FTSE index of leading UK shares has increased by 0.56% to reach £7491.65. The STOXX 600 index also increased by 1.31% to reach £341.66.



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