



June 13, 2016

UK: Results night

EU referendum results guide

- *On EU referendum results night the bulk of the declarations in 382 local counting areas are expected between 3-5am BST.*
- *Although it is thought the broadcasters won't publish exit polls, news from any privately commissioned exit polls may influence markets sometime before many of the votes are counted.*

This report is for information purposes only and is not intended to take a position on the EU referendum. RBC adopts a neutral stance on the outcome of the EU referendum.

The UK's referendum on EU membership is now less than two weeks away, so it is time to look ahead to the timetable for results night. Unless the opinion polls (Exhibits 1 & 2) make a decisive move away from near 50/50 in the next few days, it looks as though markets could be genuinely torn on the outcome as voters go to the polls. This sets the scene for a potentially volatile night as the results come in and investors and traders finally find out if it is to be 'Leave' or 'Remain'.

On 23 June, the polls will be open from 7am until 10pm BST. The vote counting process will begin as soon as the polls close. To illustrate the estimated declaration times for the results see Exhibit 3. It shows that;

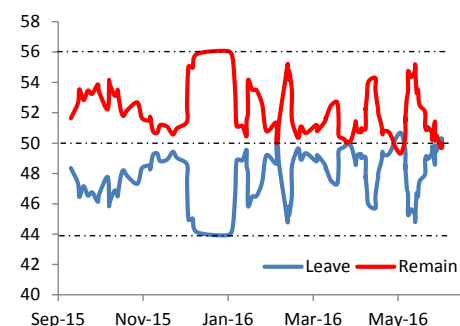
- Results will come in slowly at first; just 18 of 382 'local counting areas' representing around 5% of voters are expected to have declared before 2am BST on 24 June.
- The busy period for results is expected to be between 3-5am BST at the end of which over three-quarters of the votes are anticipated to have been counted and declared.
- It is likely to be after 7am BST on 24 June when a final national result is confirmed, even if that eventual outcome may become apparent before that based on the early results.

The chart has been constructed by taking information from the electoral commission on estimated declaration times for each of the 382 'local counting areas' that will each publicly declare their results when the votes have been counted. It also makes use of ONS data on the number of registered voters in each of the areas (which varies widely from <2,000 in the Isles of Scilly to >700,000 in Birmingham).

Of course, it must be borne in mind that the estimated declaration times are indeed just estimates and could turn out to be very different in reality. Also, the voter registration data we used are from December 2015 but we think it is reasonable to assume that changes since then won't have materially altered the relative weights between the 382 counting areas. Nevertheless, we stress this is just an indicative guide to the timing of the results based on the information available.

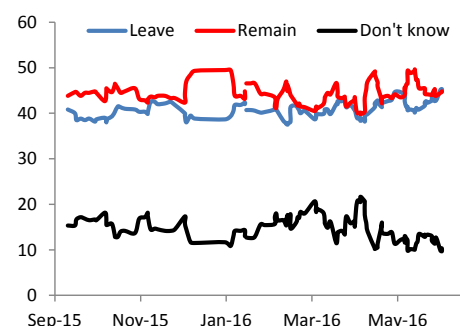
All values in GBP unless otherwise noted.
Priced as of prior trading day's market close, BST (unless otherwise stated).

Exhibit 1: "Poll of polls" summary measure of support for Remain and Leave at the UK referendum on EU membership, excluding "don't knows", %



Sources: What UK Thinks website, RBC Capital Markets

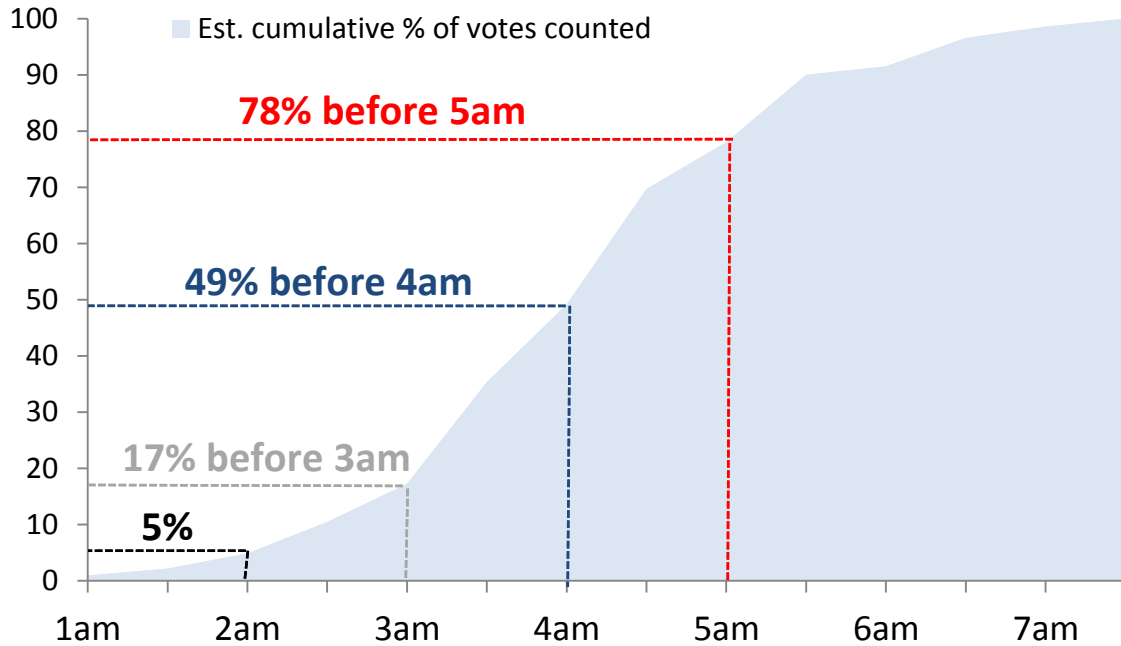
Exhibit 2: "Poll of polls" summary measure of support for Remain and Leave at the UK referendum on EU membership, including "don't knows", %



Sources: What UK Thinks website, RBC Capital Markets

RBC's assessment of the economic and market implications of a Leave outcome is covered in detail in [Brexit...or do you mean Smexit?](#)

Exhibit 3: Estimated cumulative proportion of results by declaration time on 24 June for EU referendum (BST), %



Sources: Electoral Commission, ONS, RBC Capital Markets

The table below summarises the same information with confirmation of when the results are expected to come in for those following in other time zones.

Exhibit 4: Estimated cumulative proportion of results by declaration time for EU referendum, %

BST	EDT	HKT	AEST	Cumulative vote share, %
24-Jun	23/24-Jun	24-Jun	24-Jun	
01:00	20:00	08:00	10:00	1
01:30	20:30	08:30	10:30	2
02:00	21:00	09:00	11:00	5
02:30	21:30	09:30	11:30	10
03:00	22:00	10:00	12:00	17
03:30	22:30	10:30	12:30	35
04:00	23:00	11:00	13:00	49
04:30	23:30	11:30	13:30	70
05:00	00:00	12:00	14:00	78
05:30	00:30	12:30	14:30	90
06:00	01:00	13:00	15:00	92
06:30	01:30	13:30	15:30	97
07:00	02:00	14:00	16:00	99

Sources: Electoral Commission, ONS, RBC Capital Markets

The data presented here suggest that it is most likely that the time between 3-5am BST on Friday 24 June will be the busy period for results, with confirmation of the final result a little later in the morning. Although this suggests the active time for markets may be well into the early hours of Friday morning, news of any exit polls shortly after 10pm could be influential if a clear result is indicated. It is thought that the broadcasters won't be commissioning exit polls, but private polls commissioned by some financial institutions may have a bearing on markets some time before the bulk of the official declarations.

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