

TOP 5 TRENDS COVID-19

April 2020

EXISTING & NEW CLIENTELE



The majority of existing clients aren't ready to focus on planning yet; the focus is on keeping themselves and their family safe.

However, there is a surge in new clients making enquiries into wills. 2/5 of those aged 50+ do not have a will in place, according to Co-op, the funeral planner.



ESTATE PLANNING

With the current decline in asset class valuations, we are beginning to see the transfer of assets and consequent capital gains tax on a smaller gain (or possibly no gain at all). Clients are also beginning to transfer assets in decline into trusts.

ENTREPRENEURS

Entrepreneurial clients are in crisis mode, only interested in saving their businesses. Funds are being sought through unconventional means such as non-bank lending or financing backed by physical assets like art or wine. The nimbleness of smaller private banks is potent in the current environment as it could enable faster approvals of external providers.



RETROSPECTIVE TRENDS

Senior private client lawyers are reflecting on the 2007-2008 financial crisis & looking for trends in areas where business picked up when assets were depressed, to know what will prove popular to clients in 2020.

FREEDOM OF MOVEMENT



Restrictions placed on the movement on clients is severely curtailing movement across the world.

Issues include tax residency and status, POEM tests for trustee meetings and substance requirements of physical presence.

Can they be replaced by tele/video conferencing?

Looking forward with future tax changes to be implemented to support the current bailouts, will movement change for UHNW across jurisdictions? Additionally, how countries have handled the health crisis will be considered as clients age.