



Corona Virus – Update

23 March 2020

Information for clients

You will not be surprised to learn that many of our clients are contacting us at the moment and asking for our advice on what they should do with their investments. We believe that there are three main issues arising in relation to the Coronavirus;

1. Most importantly there is the health impact. Statistically a large proportion of our clients will be infected with the virus and the vast majority of these will be fine. During the crisis our staff will be working from home but still available to help with any issues arising from health problems.
2. The social impact is fascinating to see, from the supportive and helpful community spirit in many parts of the country to the ugly scums fighting over toilet rolls and hand gel. This is a time when we must all pull together for the greater good of society. It will be difficult to function under increasingly restrictive regulations but we all hope it will only be for a relatively short period.
3. And finally, the financial considerations, which are obviously very far reaching, from future fiscal and social care policy to investment values and the viability of whole sectors of industry. As financial advisers the main question being posed is "should we get out of the market now" and as you can imagine this is an incredibly difficult question to answer. If we recommend cashing in investments and the market subsequently rises, we will not be very popular. Only those who remain in the market will benefit from the recovery. If we advise people to sit tight and ride out the storm and values continue to fall, we will once again be quite unpopular. History tells us that recoveries do happen after major markets falls, although the recovery period is uncertain and these are very uncertain times. The key message is...."Don't panic and Don't react". The only way to trigger a real loss from one's long term investment is to cash them in. Otherwise, the value of the investments, whether high or low, are only paper values. Money should remain invested until needed. **We will provide a more detailed market update in a few days.**



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