

PRESS RELEASE

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COVID-19: short-term and long-term impacts

Within its extensive European network, FECIF has gathered the views of 16 experts across 10 countries to find that the coronavirus is, perhaps not surprisingly, creating a **major short-term impact, but there is cautious optimism in the longer term.**

FECIF has recently surveyed Germany, France, Italy, Spain, UK, The Netherlands, Belgium, Luxembourg, Switzerland, Czech Republic with regards to the impact of COVID-19 on our industry.

The research shows, unsurprisingly perhaps, that there is a strong consensus that COVID-19 is clearly having a negative impact on the financial advisory sector's activity (87% of respondents thought so). Possibly less foreseeable was the shared view that things will re-start quite rapidly and extensively once the lockdown is over.

Most participants believe that COVID-19 will have a profound impact on long-term matters such as pension provision; the combination of lock-down, market crash, economic recession and increased health spending is expected to further deteriorate pension systems (80% of experts feel this).

There is no consensus on European countries' ability to act decisively on pensions; 40% believe that their country will but 33% stated no and 27% felt this may be the case), but there was a shared view that increased savings will be needed.

On the long-term impact on savings, the views of the survey were also very mixed. There is a consensus that the situation will generate an increased need to save (60%). But at the same time, there are serious concerns that lower disposable incomes will make it difficult to save more (60% as well). **Both responses should make us worried about consumer consumption in the months and years to come.**

Full details and survey results can be found at: www.fecif.eu/news/FECIF%20COVID-19%20survey%20May%202020.pdf

The initial outcomes of FECIF's latest research were unveiled to its membership at its recent Board Meeting and AGM. At the latter meeting Martin Klein, Managing Director at VOTUM, became the new Chairman of the pan-European Federation. VOTUM is one of the main trade associations for financial services professionals in Germany.

Klein took over from David Charlet, following his highly successful term in the role. Charlet became the new Chairman of FECIF's Advisory Committee, a highly important position as this team drives all of the Federation's advocacy work.

"FECIF members represent a unique and growing community," Klein stated. "Our constant exchanges and research lead us to a better understanding of the situation in the other

countries of the community. We are all convinced of the importance of the European project; therefore, it must be our aim to ensure that the temporary border closures during the Corona crisis do not lead to further divisions. The future course for the post-Corona period must be set at European level. The German EU Council Presidency, starting on July 1st, will play a central role in this process.”

Ends

About FECIF

FECIF (The European Federation of Financial Intermediaries and Financial Advisers) is a Brussels-based non-profit organization, chartered in June 1999 for the support and promotion of the role of financial advisers and intermediaries in Europe. FECIF has subsequently also made the protection of consumers one of its main objectives.

FECIF represents in excess of 30 trade bodies or industry organisations; via these it acts on behalf of around 300,000 advisors and intermediaries in Europe - and around 640,000 individuals in total.

More Details

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