



IN THIS ISSUE:

○ Are we in for a 'quiet' summer?

△ Politics leads the science now

◇ HNWs want more financial advice

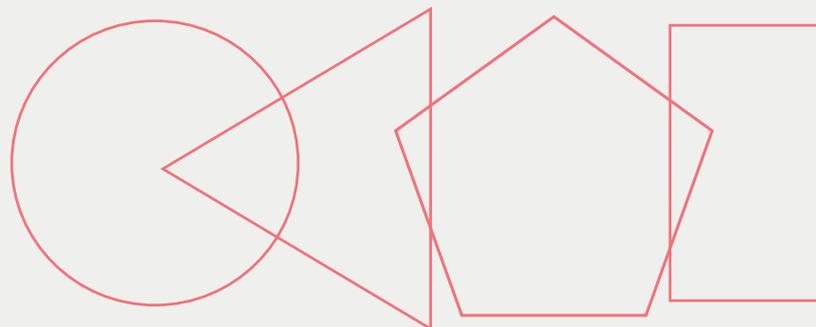
Capital City Media

AN MRM GROUP PUBLICATION



Forward Look

July 2020



 @MRMComms

 MRMCommunications

 @CapitalCityLDN

 Capital City Media Ltd

Who else is expecting a 'quiet' summer?

Not me, I can tell you. If the recent news of Rebekah Vardy's impending lawsuit against Coleen Rooney for libel (remember Wagatha Christie?) is anything to go by, H2 is going to be quite the experience for us all.

I think we can all agree H1 was a rollercoaster to say the least. Six months' worth of extraordinary events that no-one could have predicted, from Australian bush fires and a confrontation between the US and Iran in January, to mass protests in June, and everything else in between. Does all this take a break for the summer holidays?

This question seems to have started floating around the MRM (virtual) Towers Zoom calls of late. Just how busy do we think things will be in summer? Typically it's the time when families book time off for school holidays, journalists turn the coverage dial down to "press release copy & paste" mode and the City decamps for a break.

But I doubt that this year. For a start, many of us are already in our retreats, diligently working from home. The kids have been in quasi-summer-holiday purgatory since March and journalists have more breaking news than they can shake a (very tired) stick at. The rollcall of stuff that's going to happen in July is impressive.

For starters, the government has announced a sort of Independence Day of our very own this year on 4 July, when many previously too-risky businesses such as pubs, theme parks and hairdressers come open again.

This is good news not just from a freedom-to-do-what-we-want aspect, but it's good economic news too. A friend recently told me he would happily pay £10 for a cold pint in a pub garden right now. While that's a bit dear for this penny-pincher, I imagine quite a lot of people probably agree with him.

But the unfortunate side of this is the negative impact that opening the economy back is going to have. Companies will soon start having to make tough choices. While an emergency budget may be on the cards for early July (no confirmed date as of yet), with stimulus measures to boot, this will be temporary as the cost of protecting jobs and the economy becomes clearer later in the year.

Alongside the typical dates for the diary such as inflation (15 July) and employment (16 July) that will hold important economic data on how the UK is coping as it emerges from lockdown, we have the Link Dividend Monitor (20 July) which could provide valuable insights into how companies are handling investors amid significant cashflow issues.

Elsewhere, the appeal against women's state pension age changes begins hearing in the High Court on 21 July, the same day the House of Commons rises for recess. But the message going forward, which is de rigueur for 2020, is expect the unexpected. Every single month, week, and daily news cycle seems to remind us of that. A challenge to overcome, but an opportunity to participate in too.



Edmund Greaves, consultant - news and content, MRM

Politics now leads the science as economic realities kick in



Paul Montague-Smith - senior counsel - public affairs, MRM

The shine has definitely come off Boris Johnson's government.

The Conservative poll lead has fallen further and (according to YouGov) more people now think the Prime Minister is doing badly than doing well. Its U-turn on schools and the coronavirus tracking app fiasco have yet to be reflected in the numbers, so we can expect them to get worse.

Combined with an 80 seat majority that's no longer looking insurmountable - with rebellious backbenchers unhappy about issues like Huawei, the travel quarantine and liberalising Sunday trading - there's already briefing about a reshuffle in September, designed to give an impression that the PM will get a grip.

I can't remember a reshuffle that shifted the dial with the public. Perhaps it's partly laying the ground for what might come of the classic lobbying scandal that's been steadily brewing. The Housing Secretary is facing very difficult questions about his approval of a development for a party donor, leading to allegations of cash for favours.

It appears politics is now leading the science on coronavirus. The 'baby steps' are coming thick and fast - faster than the impact they will have on the R rate can be measured. Economic realities have kicked in and the impact of lockdown on the public finances and jobs has hit home within Number 10.

But without the 'world class' tracking system that has been promised, the risk of further waves is significant. Many MPs think a further lockdown can't be afforded. If another wave hits, it's unclear whether public health will be the priority.

To help jumpstart the economy the Chancellor is shortly set to announce measures to stimulate spending and activity. Former Chancellors Sajid Javid and Alistair Darling agree that a VAT cut should be implemented. Other prime candidates are a cut to employer NICs, guaranteed apprenticeships and a programme to help people get back into work.

So a stimulus now, with probably some tax rises to be announced in November.

As government loans to SMEs start to turn sour, which many inevitably will, the banking sector faces an unenviable task of having to chase down credit they themselves wouldn't have issued. Their reputation will probably take an unfair hit as a result, unless calls for debt write-off or debt to equity schemes are heeded by the government.

The legal deadline for extending the Brexit transitional period is passing on 1 July as is the planned deadline for assessing equivalence in financial services. While some flexibility around certain issues are only now being signalled by the parties, the key arguments are still playing out, including over the UK's adherence to the Northern Ireland protocol in the Withdrawal Agreement.

The government recently published its plans for regulating the financial services sector after Brexit, which are designed with an outcomes-based equivalence agreement in mind and which the EU has been resisting. The UK has now pushed back the date by which it said it wanted the broad outline of an agreement from June to October. The chances are probably 50/50 of a WTO outcome or, as George Osborne puts it, "a deal to keep on dealing."

The government has also sent a signal of where its focus for financial services will be in the years ahead in choosing Nikhil Rathi as the FCA's new chief executive. With a background in international financial services at the Treasury and as chief executive of the London Stock Exchange, it's hoped he's best placed to keep the UK a leading global financial centre. Chris Woolard, the interim chief executive, has a background more focused on policy, competition and communications. It is likely he will now move on.

That's not to say domestic issues will fall off the radar. In a recent speech Charles Randell, the FCA Chair, set out a manifesto for the further changes in regulation and industry behaviour that it wants to see as we enter a recovery, including introducing more of a polluter pays principle. If you have a moment it's [worth a read](#).

A quarter of high-net-worths want more information to help improve their finances



Mike Richards, director, Capital City Media

A quarter of high-net-worth individuals (HNWIs) want more information to help with their money, research from TI Media has found, while this group overwhelmingly still look to trusted advisers during the crisis.

TI Media has looked at HNWIs and their views on finance and how they've changed over the past three months. The sample size was 120 – men and women of all adult ages, earning £70k+ and 87% owned some form of assets.

The headline findings were:

- Just under a third (31%) have said they will be taking their finances more seriously
- One in four (25%) would like more information on managing their finances more effectively
- Three in five (59%) would like financial products to be easier to compare and understand
- Just under half (46%) are confident their financial investments are getting maximum returns

When asked who they trust about finance, this group mentioned their financial adviser first (45%), then accountants (28%), family & friends (18%) and financial websites (15%).

During this period 22% have increased their investments, while 8% have decreased them. One in five (21%) of this group worry about their financial investments. More than half (55%) use an adviser.

Nine in 10 (90%) have said 'no' to payment holidays. One in three (33%) are concerned about their retirement

finances. Nearly a quarter (23%) find pensions confusing and 13% would be interested in a financial wealth check.

People getting out and about

Our Out-of-home (OOH) colleagues at Open Outdoor (part of Dentsu Aegis) have conducted a mobility index, showing if people are travelling and where. It would appear that 67% of the UK population are moving about – this is creeping up week by week.

While few people are travelling to city centres, it would appear Bristol is a place where people are moving about more and in certain pockets of Greater London: Neasden, Croydon and Colindale.

People have rarely gone further than 2km, but this will change given many shopping centres will be re-opening soon thus providing more opportunities for people to see out of home inventory.

This week's study shows that people are now venturing outside their own exclusion zone. This demonstrates the emerging value of OOH advertising.

Elsewhere, even with Germany slowly returning to normal in the past four weeks, the German financial daily newspaper, Handelsblatt, has seen increases of 42% to their homepage and 110% to their finance section.

In the UK, Trustnet's traffic grows each week with last week showing a year-on-year change of nearly three-fold of consumers looking at news on the site. Another finance research site which has shown growth with its newsletters is Morningstar, with 22% growth globally and 27% in the UK.

Don't go quiet in the crisis – advice for sport

Sport is returning. Looking across the industry landscape and the difficult decisions that have been taken so far, it's not a moment too soon, says Richard Wheat, founder and director at MRM



For now it is without crowds and probably with bigger viewing broadcast audiences and plenty of forced innovation. Then, in time, our amphitheatres will be filled again and the best escapism there is will enrich our lives – and salvage the many livelihoods reliant on sport.

For now, many budgets have been cut. Many team members have been furloughed. Many revenue streams have run dry. But if there is one thing organisations cannot afford to dial back on, it is their reputation. Right now, they are being judged. By fans, the media and investors. By employees, participants and politicians.

This is not the time to hibernate when it comes to engaging with these audiences. How you are acting today through this crisis, defines how they think about you tomorrow and for a long time to come. If you do not continue to interact with key stakeholders – in fact more so now than ever – why should they engage with you when sport returns?

Clearly that cannot involve spending money at a level you don't have, so it requires a considered approach. To that end, here's some of the recommendations we're sharing with our clients:

1. Be guided by your purpose and values. Stay true to them. Good times will return and you cannot afford to damage your culture and brand DNA with short-termism.
2. Don't waste this platform. What you do now as an organisation is of more interest than when there is sport to enjoy.
3. Show empathy. Know your audience. Be sensitive to the pandemic that is impacting every family in the world in some way. Explain how you're being of benefit to the communities in which you operate.
4. This is an actually a real opportunity to reset expectations. Be clear about what will return, what you can fix and what you can't. Use this time to take your key stakeholders on the journey with you, including being

honest about some of the hurdles ahead.

5. Ensure corporate affairs is present in your boardroom and on your executive committee. How you come across is defined by the decisions you take and the way you behave.

6. Be honest and open. Everyone has been impacted by this, and by being transparent and taking fans with you on the journey as we get back to normality it will enhance the bond you already have with them.

By means of illustration – recently we helped Lancashire Cricket to tell its story, on the back of record financial results for the prior year. A great achievement juxtaposed with a completely different picture evolving in front of our eyes for 2020.

We asked ourselves, is this crisis really a good time to announce record results? Yes, because they're interesting and newsworthy. But more than that, this was an opportunity to shed light on the challenges facing sports clubs now in the midst of the pandemic and set expectations for the future. This wasn't a time to shy away from a record 2019 nor bury the proverbial head in the sand hoping the challenges of this new world just go away – quite the opposite in fact.

We were lucky enough to be working with a Chief Executive in Daniel Gidney and the wider management team who was prepared to talk about pressing topics, and we worked together to ensure the opportunity to illustrate a very well run business was not lost, while trying to share any insights Lancashire Cricket has to help other clubs to enhance their own businesses from a financial perspective.

The media has not vanished during the crisis, and they haven't gone quiet. Indeed, with so little taking place on the pitch it stands to reason they need to create a new type of content until things return. Telling your story could be that very content. Every club, whether it's cricket, football or anything else, should do the same. Tell that story and don't go quiet in the crisis.

Why don't you stop saving and do something more useful with your money instead?



Paul Beadle, associate director, MRM

Since I was a kid I've been told to save. Every birthday or Christmas I'd pop down to the building society and put away a handful of pound notes.

As an adult I have also followed this principle to a lesser or greater extent, depending on how flush I was. But not anymore. I think saving is dead. Well, mostly.

I have several savings accounts dotted around the place, but most of them pay less than the rate of inflation, so I am literally losing money having my cash locked up.

I'm not suggesting that everyone goes out on a massive spending spree, but I do think there are more useful ways of using your money if you're lucky enough to have spare cash at the moment.

Pay off your debts

Even the cheapest credit cards are charging interest rates of 20% APR, often much higher.

So if you've got any kind of credit card balance, paying some or all of that off makes much better financial sense than saving.

The same goes for bank overdrafts, which tend to be an eye-watering 40% APR or more at the moment.

Paying off personal loans and car finance can be trickier because they often don't allow overpayments and may charge a penalty if you want to repay them early, but it's worth checking with your lender to see what your options are.

And if you've got a number of different debts, think

about consolidating them into one loan with a lower interest rate and an easier to manage single monthly payment.

If your mortgage allows you to make over payments this is also worth considering. Even though mortgage interest rates tend to be much lower than other lending, it's usually the biggest debt most people have.

Making a dent by paying off more can drastically reduce the length of your mortgage term and the amount you pay overall.

Get a LISA if you're saving up for a house

Ok, this is a savings account, but probably the only type worth having at the moment.

Even though most cash lifetime ISAs (LISA) still pay a pitiful interest rate, the government will add a 25% bonus to anything you save.

If you save the maximum £4,000 a year, for example, the government is effectively giving you an extra £1,000 on top, so the interest earned is just gravy!

There are a few conditions to be aware of: you need to be 18 or over and under 40, you should be a first-time home buyer, and you need to have had the LISA for at least 12 months before buying a property with a mortgage.

Originally you could only withdraw the money when buying your first home, but the government has loosened these rules for people struggling financially during the Covid-19 outbreak.

☞☞ While interest rates are so ridiculously low, it makes sense to consider what else you can do with your money to strengthen your financial position.

You can also use a LISA to save towards your retirement and benefit from the same government bonus. However, you'll have to wait until you're 60 before you can touch the cash and many experts believe a pension is still better for most people. Check out the pros and cons of retirement LISAs here.

You should only consider a LISA if you are saving up for a home or for retirement as the rules stipulate this is the only way to unlock the government bonus. Sadly I'm too old for a LISA!

Put more in your pension

A pension is arguably one of the most tax efficient ways of saving, but of course you can't normally touch the money until you're 55, so this is longer-term planning.

It can be particularly beneficial if you have a company pension where your employer matches your contributions, because often the more money you put into your pension, the bigger the chunk they add as well.

Pensions give excellent upfront tax relief, but when it comes to withdrawing, the rules and tax implications get more complicated.

I still struggle to understand all the options, so if you do too, it's best to talk to your pension provider or your HR department if you have a company scheme to find out what's possible. You can also check out The Pensions Advisory Service.

Saving for a rainy day?

It is sensible to have something put away for emergencies, whether it's for covering an unexpected bill or a cushion if there's a hiccup in your income. The

equivalent of three months' salary is usually the rule of thumb.

If you follow that route, find the best paying instant access cash ISA possible to benefit from tax-free savings and think of it for emergencies only.

Equally, if you're planning a new purchase, putting money aside for a few months to save up is always more sensible than taking out hire purchase or putting yourself in debt on a credit card.

It's also worth taking a look at what you're actually spending your money on at the moment, like our Undercover Money Reporter did, because you might find yourself with even more spare cash by getting rid of unnecessary expenses.

I'm not saying that the savings habit is dead forever, but while interest rates are so ridiculously low, it makes sense to consider what else you can do with your money to strengthen your financial position.

For me, I'm going to put more into my pension on a monthly basis and I'll be cashing in an ISA with a derisory 0.25% interest rate to pay off a bit more of my mortgage.

After that, who knows, but until the world comes back to some sense of normality – which could be a while – I will be actively monitoring my money to make sure I make the most of what I have.

This article was first published on money-saving blog Mouthy Money on 12 June 2020.

10 top money podcasts to improve your financial knowledge



Kat Jenkins, account executive, MRM

The rise of podcasts as a digestible alternative for consuming news and information hasn't escaped the financial media. The medium is booming, and with easy portability and listening on smartphones, doesn't look like it is going anywhere any time soon.

Podcasts are a great – and free – way to learn about money in fun and easily digestible chunks. They are also a great way to stay up to date with the latest industry news and trends.

But which ones are worth checking out? There are many to choose from but here's a list of a few excellent podcasts to get you started.

For investment enthusiasts

Invest like the best

Invest Like the Best, hosted by American investor Patrick O'Shaughnessy, is a great pick for wannabe stock market gurus. It has insightful and accessible content, regardless of finance and investment knowledge.

Patrick hosts a wide range of guests sharing their words of wisdom, covering an even wider range of topics, from investing and business to personal development and education.

It even offers a balanced view on digital currencies – or cryptocurrencies – which can be hard to find. But this podcast nails it and will help you get to grips with the fundamentals.

Vox markets

Hosted by private investor Justin Waite, Vox Markets is a top pick once you've got the fundamentals of investing under your belt.

Justin offers plenty of fascinating insights into potential

investments and always has an army of radio-friendly experts on hand to give their view on companies and the stock market. New episodes are released daily.

IC podcasts

This weekly show is brought to you by the team at Investor's Chronicle, a well-respected magazine aimed at more experienced investors.

It takes on a slightly more high-brow tone than many of the podcasts on this list, but this comes with excellent discussions and analysis on what sectors and companies are about to do well and why.

Masters of scale

Hosted by LinkedIn founder and investor Reid Hoffmann, Masters of Scale is a great podcast for stepping up your investing game to individual stock picking.

Every week Hoffmann speaks with business giants, from Microsoft's Bill Gates to Spotify's Daniel Elk, looking at how they grew their businesses and their top tips for success.

It's a great podcast to tune in to if you feel ready to try your hand at stock picking.

For the nuts and bolts of money

Meaningful money

Meaningful Money, hosted by financial adviser Pete Matthew, is great at boiling down complicated personal finance topics into simple, everyday language.

It's a great starter podcast to learn more about how to invest and manage personal finances. It covers everything from pensions and wills to getting on the

Podcasts are a great – and free – way to learn about money in fun and easily digestible chunks. They are also a great way to stay up to date with the latest

housing ladder and investing.

Each show is split into two segments, starting with things you need to know, followed by the things you should be doing to move forward on the subject. With over 300 episodes, it's a top choice for personal finance education.

Money for the rest of us

Money for the Rest of Us, is a great podcast focused on financial education, created and hosted by J. David Stein, an author and former money manager.

It is a podcast about money: how it works, how to invest it and how to live without worrying about it. It is great for demystifying the financial world and bringing that knowledge into practical everyday life context.

In her financial shoes

Hosted by financial coach and planner Catherine Morgan, In Her Financial Shoes is a personal finance podcast aimed at women.

It regularly features the stories of female entrepreneurs to help educate on personal finance and practical money management. It also has great tips for how to stay on track on your finances, from budgeting to investing, and covers current finance news events.

Freakonomics

Hosted by Stephen Dubner and Angela Duckworth, the Freakonomics podcast tackles a range of economic issues and how they matter in everyday life. From how to prevent a great Depression to whether your name affects your professional success no topic is out of bounds as they look at an array of topical subjects.

Based upon Dubner's book Freakonomics and Super Freakonomics, this podcast is great for anyone who wants to get into the economic side of money and finance, but isn't sure where to start.

For the latest money news

Money box

Money Box, hosted by Paul Lewis, takes a look at the latest news relating to finance, gathering real people and experts to debate and discuss the big issues. It also has some great personal finance advice if you want to make the most of your money as well as stay informed on the latest finance news.

The Covid-19 coverage from Money Box has been especially strong. It delves into the stories of the people financially impacted by the pandemic and gives great advice on how to tackle the issues addressed, covering topics such as universal credit, applying for government support and mortgage holidays.

Robinhood snacks

Hosted by Jack Kramer and Nick Martell, Robinhood Snacks tackles their top three business stories in 15 minutes, so it's perfect if you want quick-fire news.

They cover anything that could impact global markets, from stocks to something an outspoken CEO may have tweeted. It does have a slight US focus, having been created by the American trading platform Robinhood, but it is definitely still a worth a listen if you want to stay up to date on the top finance issues.

This article first appeared on money-saving blog Mouthy Money



Dates for your diary...

01/07/2020 CIPS / Markit Manufacturing PMI

01/07/2020 British Chambers of Commerce Economic Survey

01/07/2020 Govt furlough scheme becomes more flexible

02/07/2020 CMA deadline to publish online platforms and digital advertising market study final report

02/07/2020 Economic secretary gives evidence to Lords Committee

03/07/2020 GfK interim COVID-19 flash report on UK's consumer confidence

03/07/2020 ONS: Coronavirus and the economic impacts on the UK

04/07/2020 Pubs, restaurants, cinemas, barbers, churches and theme parks to reopen subject to conditions

06/07/2020 UK monthly car registrations figures

06/07/2020 UK Finance: Business Finance Review

08/07/2020 Money Marketing Awards held virtually

08/07/2020 Local government financial statistics England 2020

KEY

Economy, Insurance & Investing

Mortgages & Housing

Public Policy & Regulation

Pensions & Benefits

Other



Dates for your diary...

09/07/2020 House of Lords question on banks quarantining internet transfers

10/07/2020 ONS: Analysis of services and production growth in 2019

13/07/2020 UK Regional PMI

14/07/2020 Office for Budget Responsibility's fiscal sustainability report

14/07/2020 Barclaycard Consumer Spending Data monthly figures

14/07/2020 NIESR Monthly GDP Tracker

14/07/2020 ONS: Monthly GDP estimates

15/07/2020 ONS: UK producer prices

15/07/2020 ONS: Services Producer Price Indices

15/07/2020 FCA Annual Public Meeting

15/07/2020 ONS: UK monthly inflation figures

15/07/2020 UK Finance: Card Spending statistics

KEY

Economy, Insurance & Investing

Mortgages & Housing

Public Policy & Regulation

Pensions & Benefits

Other



Dates for your diary...

16/07/2020 Government consultation on expanding the dormant assets scheme closes

16/07/2020 Investment Week Investment Marketing and Innovation Awards online ceremony

16/07/2020 ONS: UK monthly unemployment figures

16/07/2020 Bank of England Credit Conditions Survey

16/07/2020 Bank of England's Bank Liabilities Survey

16/07/2020 ONS: Coronavirus and the economic impacts on the UK

17/07/2020 ONS: UK government debt and deficit

20/07/2020 Link Q2 UK Dividend Monitor

21/07/2020 ONS: Public sector finances

21/07/2020 National Institute Economic Review

21/07/2020 Appeal against raising of women's pension age

21/07/2020 House of Commons rises for summer recess

KEY

- Economy, Insurance & Investing
- Mortgages & Housing
- Public Policy & Regulation
- Pensions & Benefits
- Other



Dates for your diary...

22/07/2020 ONS: Profitability of UK companies

24/07/2020 Flash UK PMI

26/07/2020 CBI Growth Indicator Survey

27/07/2020 Bank of England Asset Purchase Facility Quarterly Report

29/07/2020 Bank of England Monetary & Financial Statistics

30/07/2020 ONS: GDP, UK regions and countries

31/07/2020 Lloyds Bank Business Barometer

31/07/2020 Govt furlough scheme deadline to make a claim

KEY

Economy, Insurance & Investing

Mortgages & Housing

Public Policy & Regulation

Pensions & Benefits

Other



Capital City Media

14 Buckingham Street
London, WC2N 6DF

020 3326 9900

www.mrm-london.com
www.capitalcitymedia.co.uk

