

APRIL 2021

– CONNECT –

WELCOME

Welcome to the second edition of Connect, JTC Private Office's quarterly newsletter. In this edition we share our latest news and Head of JTC Private Office, Matthias Belz, gives his thoughts on the current Crypto currency market.

Other content includes Senior Manager, Victoria Blackburn, discussing why some clients fail to take good advice and the 'explosive growth of the family office in the twenty first century'. We have also included our African Family Firms roundtable video and our first in a series of three webinars in partnership with Latitude, covering the current Citizenship and Residency situation in Europe.

MARINA CRISTIANI WINS SILVER AT THE 2021
CITYWEALTH POWERWOMEN AWARDS

▶ MARINA CRISTIANI

Senior Director
Head of New York

JTC Senior Director and Head of New York, Marina Cristiani, has won silver in the 2021 Citywealth Powerwomen awards in the category USA – Woman of the Year Leadership – Financial organization (Director).

Marina, who has recently been promoted to Senior Director, has more than 20 years of experience working with UHNW individuals and international HNW families. She has a strong focus on Latin America, providing tailor made solutions for her clients' estate planning needs.

The Citywealth Powerwomen awards champion women in the wealth sector and highlight the female leaders of today and tomorrow. The awards spotlight individuals and companies who support caregiving responsibilities, female leadership, and celebrate diversity.



Q & A WITH MATTHIAS BELZ

CRYPTO CURRENCIES



► **MATTHIAS BELZ**
Head of JTC Private Office

Why is there such interest in virtual currencies?

There is certainly a hype around virtual currencies, purely because they are relatively new. The concept of a currency that you can control directly outside of the banking system definitely appeals to some. If we look back to the creation of currencies, it's based on trusting the value of the currency and the ability to exchange it with a stranger.

Allow me to speculate that the current interest in virtual currencies is maybe down to the distrust in traditional currencies, rather than a strong trust in crypto currencies. Increased government debt and spending, combined with an overheated financial market, is scaring a lot of people. The fear of excessive taxation, increased inflation or worse, devaluation, is a real threat and talked about within the investor community on a regular basis. Hence, crypto currencies are quickly becoming part of a diversified portfolio, which I expect to be a standard allocation in a few years. We have clients who personally bought crypto currencies some time ago, and they expect banks to adapt to their needs and hold them directly in future.

With multiple surges and drops of its value on exchanges in the past, is it a reliable investment?

Indeed, crypto currencies are rather volatile. For example, Tesla announces its acceptance and we see a major rise, followed by a steep decline a few weeks later.

But as I mentioned earlier, I think crypto currencies will become part of a standard HNW portfolio, just like Private Equity, Venture Capital and other derivatives which are risky and difficult to understand. This investment should be for the long term and only a limited part of the overall portfolio.

I don't consider it as a reliable investment (yet)... besides, one should differentiate between the top 10 currencies and "the rest of the pack"...

Are crypto currencies and crypto currency exchanges regulated? If not, why not?

One of the major problems in regulating crypto currencies, apart from the technical difficulties and ultimate beneficial owner (UBO) identification, which can be overcome, is the fundamental fact that they are not recognised as legal tender.

Whilst the US Commodity Futures Trading Commission (CFTC) gives guidelines and attempts to regulate the market, I'm sure all major exchanges, starting from the US SEC, are looking into regulations for virtual currencies.

The UK only regulates it for AML purposes, Switzerland is quite advanced and wishes to be one of the early movers. Gibraltar offers an exchange, but from what I hear, there is some reluctance and most major players are waiting for a premier financial centre to establish a more widely accepted and robust exchange.

Do people pay tax on their crypto currencies holdings?

Well, let's assume first that crypto currency holdings are reported and included in the annual tax return. Then it all depends where they are tax resident, because countries approach crypto currency taxation differently.

The US, for example, taxes only upon sale/ exchange or use. In the UK you are taxed on ownership above a certain threshold and Portugal doesn't tax crypto currencies at all.

In general, I believe most countries would like to tax crypto currencies somehow, but they lack the access and data to do so effectively, and it will take years for most to apply a workable and fair tax regulation.





STOP LOOK AND LISTEN ...

WHY SOME CLIENTS FAIL TO TAKE GOOD ADVICE



► VICTORIA BLACKBURN
Senior Manager

Taking the time to seek appropriate advice, listen to it and implement it, it's as simple as safely crossing the road – but why do so many people get it wrong? There are many reasons why. JTC Private Office Senior Manager, Victoria Blackburn explains why some people are still making simple, yet costly mistakes.

[READ THE FULL ARTICLE](#)

THE EXPLOSIVE GROWTH OF THE FAMILY OFFICE IN THE TWENTY FIRST CENTURY



► VICTORIA BLACKBURN
Senior Manager

The world has witnessed more stability in the last half century than ever before, despite global pandemics and financial crises. So for those in the top wealth percentile, things are markedly improved, and with this comes an even greater need to manage one's time and money more effectively. Senior Manager, Victoria Blackburn discusses some of the key reasons why we have witnessed an explosion in the setup of family offices in recent years.

[READ THE FULL ARTICLE](#)





JTC PRIVATE OFFICE & LATITUDE WEBINAR

WATCH THE WEBINAR



LATITUDE

RESIDENCY & CITIZENSHIP

JTC Private Office & Latitude collaborated on a first of a three-part webinar series, titled **the World is on the Move**.

Head of JTC Private Office, Matthias Belz, invited CEO of Latitude, Eric Major, to talk about residency and citizenship in Europe. JTC Private Office Senior Manager, Victoria Blackburn & Private Client Services, Director, Karen O'Hanlon also joined the discussion.

The webinar focused on the trends and opportunities that have arisen since the COVID-19 pandemic and touched on some of the issues that are currently affecting high net worth individuals.

The group covered topics such as:

- ▶ Why clients decide to relocate
- ▶ Countries currently popular in the residency and citizenship space
- ▶ JTC Private Office case studies

AFRICAN FAMILY FIRMS WITH MATTHIAS BELZ



▶ **MATTHIAS BELZ**
Head of JTC Private Office

Matthias Belz, Head of JTC Private Office, was joined by Martin Fitchet from Knight Frank advisory and Andrew Morton of Ashburton Investments for a virtual roundtable. The discussion was hosted by Nike Anani and Tsitsi Mutendi, co-founders of African Family Firms (AFF), a non-profit organisation whose mission is to help family businesses survive and succeed with the proper support, tools and knowledge.

Nike and Tsitsi focused the discussion on the future of wealth and wealth management for African Family Firms, and they ask Matthias how family offices can help.

WATCH THE ROUNDTABLE





ABOUT JTC PRIVATE OFFICE

JTC Private Office is a modern and fully customisable service for high net worth individuals and families. Its ultimate purpose is to create time for clients, who are typically asset-rich but time-poor.

JTC has been delivering market-leading private client services for over 30 years and is able to call on the expertise and experience of c.1200 experts in 25 offices globally.

JTC Private Office provides clients with a single point of contact to coordinate and manage the delivery of multiple services, as required, both within and external to JTC. This dedicated service is supported by our award winning technology platform, 'Edge' which gives clients direct and secure access to all their important data, information, documentation and reporting in one place and at the touch of a button.

From sophisticated solutions to everyday support, we work with our clients and their advisors as a 'manager of managers', not only to protect their family's wealth, but to take care of the other details that can consume their time.



MEET THE JTC PRIVATE OFFICE TEAM

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