

# RedStar<sup>★</sup>

Wealth Management

Red Star News  
January 2019



It would be very strange not to mention Brexit, even though most of us are probably getting heartily sick of the topic. As you can imagine, I've put off writing this introduction so many times because I don't want to make some Brexit related comment which will look out of date by the time you read it. Given the fact that politicians resign, others are appointed, votes are announced and then postponed, I've decided I can't wait any longer to get pen to paper so, hello,

welcome to our second newsletter. I hope this finds you all refreshed and looking forward to 2019!

As of writing, the UK Parliament's Brexit vote is scheduled for the 15th of January but who knows what will happen next in Brexitland? The uncertainty it all creates is clearly worrying for many businesses and markets but please remember that if you have any specific concerns, we're always here to discuss them with you; please don't hesitate to pick up the telephone.

International Women's Day takes place in March and we'll be taking part in local events in and around Blackpool with a specific focus on financial knowledge and education for young women. We'll be particularly involved in an event at Blackpool Sixth Form College and you can read more about this later within this newsletter.

As ever, we aim to provide you with a friendly and personal service, and we are always here to help you; I keep saying it because I mean it ; please don't ever hesitate to get in touch!



## Our London office

Last time we mentioned that we planned to open an office in London - a proper office, not just a pretend office with a telephone number.

Well, we've done it; we now have an official London office. It's in a lovely new, modern building very close to Bank

underground station. The address is actually, One Poultry, London EC2. We rather like the address!

You might be wondering why a Blackpool firm feels the need for a London office and, more importantly, whether this means we're becoming 'all southern' and forgetting our northern customers. The answer is most emphatically no to both of those suggestions.

We've always had a fair number of clients in and around London and this keeps growing as we're referred onto their friends and colleagues (we like to think this is because of a combination of our northern charm and our professionalism). Our new office will allow us to provide the level of service to our southern clients that all Red Star clients expect whilst being closer to them and their other professional advisors. In the past a large number of our client meetings 'down south' happened in various coffee shops and having a proper base means we can offer a more confidential and professional setting for these meetings.

Our main office will always be in Lancashire and it will remain to be the centre of our operations. Kristen already spends a considerable amount of time away from the office visiting clients and many of you will have dealt with the awesome Sue who runs the Blackpool office in Kristen's absence. Ironically, the London office will allow Kristen to work more efficiently when down south because it will give her a proper base so this will be good news for all of Red Star's clients, wherever they are.



## New Role For The Lovely Sue

Most of you will have either spoken to or have written correspondence with the lovely Sue in our Blackpool office. This isn't a preamble to saying she's leaving us, but she will be taking on an additional role within Red Star. We're excited, for her and for us, to announce that Sue has taken on an additional role as Business Development Manager. She'll be doing this alongside her current customer support duties so don't worry she'll still be looking after you all!



## Fylde Coast International Women's Day Festival

It's International Women's Day on the 8th of March 2019.

Blackpool 6th Form College is hosting a women's day festival, organised by The Washington Group on the 9th of March. The aim is to inspire local young women between the ages of 14 and 16 by celebrating the countless achievements of women throughout the region.

The festival has the support of Kelly Massey Team GB 4 x 400m Olympic Champion and local Fylde Coast woman and Pentathlon GB Medallist Dr Nic Robinson (nee Rowley).

Some of the partners for the event are: Bpm Sports and Elite Margins, Blackpool 6th Form, Blackpool Transport, Regenda, Fleetwood Town Football Trust, Blackpool Community Football Trust, Fylde & Wyre Councils and Homestart and Blackpool Fylde and Wyre. In addition, there will be 29 Fylde Coast schools involved, over 100 local businesses and 30 role models.

Kristen has volunteered to be one of the local role models. She'll be paired with a group of girls who will find out all about her background, the things in her life that have inspired her and how she has built up a successful local business. The young women will then collaborate to produce a 'case study' outlining Kristen's path through life.

The aim is to inspire the young women and demonstrate that there really isn't anything that should hold them back from achieving whatever goals they aspire to.



## Tax Changes for April 2019

Following the Chancellor's Autumn 2018 Budget, there will be a couple of changes to the personal tax allowances that come into effect on the 6th of April 2019.

The amount you can earn before paying tax will rise to £12,500 per annum. The 40% rate threshold will increase to £50,000; there's no change to the 45% threshold, it stays at £150,000 per annum.

Another change coming into effect on the 6th of April is that the residence nil rate band for inheritance tax will increase from its current level of £125,000 to £150,000. For some people, this could have an effect on their estate planning so please get in touch if you'd like to discuss this.



# What's Happening To Your Money?

It's fair to say that there are plenty of variables in the world's financial markets at the moment and, in fact, writing this short overview makes me wonder where to start!

Starting at home, the continuing uncertainty around Brexit has tended to put a downward pressure on UK shares and Sterling in general. Until there is any definite outcome to Brexit (whatever happens) we would assume this downward pressure will continue.

Looking at Europe, whilst Brexit has less of an effect, it obviously is having a negative effect. In addition, Italy's spending plans continue to be at odds with core European policy leading to fears that this disagreement will escalate.

We've seen US mid-term elections in the last quarter and whilst the results were generally market friendly, the continuing trade war between the US and China has had a negative effect on US share prices. It is to be hoped that the ninety day 'cease fire' in this trade war and the on-going negotiations will halt the increase of further disputes.

Headlines in the media would lead us to believe that the Chinese economy is in some form of downward spiral, especially with Apple almost entirely blaming its recent profit warning on lower demand for its products in China. Remember though, that whilst the growth rate of the Chinese economy has slowed, it's still growing at a rate that most other economies in the world could only dream of!

On a more positive note, whilst the majority of key equity markets saw a great deal of turbulence earlier in the quarter, other than the UK and Europe most have moved into positive territory towards the latter part of the quarter and even European and UK equities only declined slightly.

Ten year US Treasury yields hit a multi-year high of 3.25% within the quarter although they have now fallen back slightly to 3%.

Looking forward, we see global stock markets to be reasonably neutral over the medium term with potentially troublesome areas such as the UK being balanced by resilient US economic growth. A policy of slightly favouring Asian equities over US and European equities might be seen to be prudent.



## Kristen Durose - Managing Director

Kristen has worked in the financial service profession since 1998 and has qualifications in Mortgage Advice, Equity Release (Lifetime Mortgages), Customer Services in a Regulated Environment and Trusts.



## Paul Gardner - Consultant

Paul has had more than 30 years experience of providing investment advice for his clients. This includes 20 years on behalf of a major insurance company and the last 10 years as an Independent Financial Adviser.

The Blackpool Office, 7 The Pavilions, Avroe Crescent Blackpool, FY4 2DP. 01253 486346  
The London Office, One Poultry, London, EC2R 8EJ, 0207 043 2463  
Email : [office@redstarwealth.co.uk](mailto:office@redstarwealth.co.uk), Website : [www.redstarwealth.co.uk](http://www.redstarwealth.co.uk)