



Gibraltar is not and will not be immune to the recession but we are well placed...better **placed than most, as a small diversified economy**

We believe Gibraltar will emerge strengthened in partnership with our **excellent financial services operations within** banking, insurance, etc – we believe we are well placed to emerge strengthened from these unprecedented turbulent times

(Chief Minister, Peter Caruana – at the RAC Club, Gibraltar Day, Oct 08)



OH MY GOD

I recall having read the above, back in Oct 08 with an element of doubt – lets face it, it was in Oct that the doom and gloom really hit new heights and our world wide economic crisis could only be described by the most eloquent and educated of professionals with an “OH MY GOD!!!!”. Yes, you will recall share prices tumbling, unemployment figures in the U.K reaching the 2 million mark (with prediction of 3 million unemployed by mid 2009), retail and private banks generally seizing up, leading to pretty much a full stop on lending and of course, Gordon Brown and Darling announcing fiscal stimulus packages that would kick-start the economy.....no disrespect to the Prime Minister or the Chancellor, but the only stimulus or kick-starting that transpired out of all of this, took place in the City and it was probably administered by underpaid medical staff treating a great many financial gurus arresting by the dozen.

A red October

So yes, October was without doubt our worst month of the year. Many of our clients seeking to invest in property were dumbstruck by the current world economic crisis and understandably applied there concerns to Gibraltar to; interestingly, some would politely say, “still thinking, will get back to you” other’s would just laugh at the prospect of buying anything and some weren’t so polite, let’s just leave it at that!

Regardless, we were able to see the year end and to our surprise November and December were relatively good months considering.

The outlook for now

January came along a little too quick for my liking; what did 2009 have in store for us, I wondered? Well, this chilly month smacked us right in the face, but in all the right ways that is. I have to give credit where credit is due on this one and bow down to the huge efforts made by Lorraine Laguea, who was instrumental in closing some spectacular transactions.....all with my help of course. We had arrived into a new year with such concern and fear and had failed to realize that the realities of our own economy were really quite different from those around us and I was reminded of FDR and his inaugural speech when he famously said “the only thing we have to fear is fear itself” yes, yes, yes, I know I am quoting lots of big historical icons of our past and yes it does make me feel a little more important as I write this, all the traits of an Estate Agent I guess.

So, we have continued to work hard and as fearlessly as possible and although, I am fully aware that there are some businesses in our own sector and other sectors too, that are feeling the pinch (or should I say punch!), we like to think that our business model is somewhat different to others;

- We are established and have our feet very much on the ground.
- Our ability to create genuine relationships with clients is only a result of their trust in us.
- Referrals are by far our biggest source of business.

In conclusion

Well in answer to the headline on the front cover NO we are not recession proof, it would be arrogant to suggest that we are, but can we assume that the quote that I began this article with is true.....YES, absolutely!

Interestingly, it was Steve Kingstone a journalist for the BBC who asked me if I thought Gibraltar was recession proof in an interview with him. My reply will hopefully make it through endless edits of that interview, which happened to form part of a news feature on Gibraltar by the BBC....here's the funny thing; the reason for the interest in our little economy is that we are likely to be one of very few economies around the world that will post a growth in our GDP; some positive news on the airwaves was a welcome prospect.

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