

Brexit: For Companies and Banks, The Worst is Yet to Come

September 4, 2019

Executive Summary:



For European companies and banks, Brexit is like a looming hurricane, the severity of which remains uncertain.

Companies in the United Kingdom and on the Continent are battening down the hatches, fearing that although they've already felt the first effects, the storm itself has not yet made landfall.

Meanwhile, U.K. banks are bracing for the onset of what could be long-term headwinds brought on by the event, which many continue to be described as a self-inflicted injury—at least from an economic point of view—while others see it as an opportunity.

This report is not trying to predict the upsides and downsides of Brexit—too many economic analysts and pundits have gotten it wrong in the recent past already. What it does want to reflect, though, is the current sentiment of large corporates in the U.K. as well as on the Continent, also including the impact Brexit is having on the relationship with their banks.

You are invited to our [Brexit Webinar](#) September 18, 2019 Webinar with [Tobias Miarka](#) and [Thomas Jacques](#).

We recently interviewed corporate treasury professionals in the U.K. and on the Continent about how the ongoing Brexit uncertainties are impacting their companies' businesses, operations and bank relationships. Join us as we discuss the finding from our interviews with Corporate Treasury professionals:

- Current impact with a view to the next 5 years
- Preparedness to meet the potential challenges on businesses

- Operations movement in and out of the U.K. and Europe
- Corporate needs disruption with lending/working capital, cash management and trade finance

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Methodology:

Between May 30-July 8, 2019, Greenwich Associates conducted 61 interviews with treasury professionals at corporations with sales in excess of €500 million, of which 13 were domiciled in the U.K. and 48 on the Continent. Subjects covered included how the vote is impacting companies' businesses, operations and bank relationships and how effective their banks have been communicating changes following the U.K. referendum.



The data reported in this document reflect solely the views reported to Greenwich Associates by the research participants. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Greenwich Associates compiles the data received, conducts statistical analysis and reviews for presentation purposes in order to produce the final results. Unless otherwise indicated, any opinions or market observations made are strictly our own.

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