

Channel Islands review – Ashton Barnes Tee

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A major theme so far in 2007 is that there has been massive growth in the number of hedge funds and private equity funds coming to Guernsey.

The rise of hedge funds is partly down to the popularity of them generally in the world markets, but Guernsey is receiving more than its fair share because of the favourable tax system and flexible regulation regime. While there have been threats of a backlash against hedge funds, this has yet to be seen.

There also seems to be a lot of private equity money around. This is because there has been sustained economic growth for the last 13 years and the stock market has been at historic highs in the UK and funds are coming to Guernsey because they can list from here. We are also seeing more European funds coming to Guernsey, again because of the tax and regulation regimes.

The activity among hedge funds and private equity should continue for the rest of this year, but whether it carries on much longer afterwards depends on the economy and the stock market.

Elsewhere, the development of ethical/religious-based Islamic funds and related products, which are becoming quite popular at the moment, should continue.

For more information:

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