New York Replaces London as World's Top Financial Centre

A survey has indicated that London has been replaced by New York as the world's most attractive financial centre, as Brexit prompts banks to shift jobs out of the City to keep access to Europe's single market.

The UK's decision to leave the EU poses the biggest challenge to the City of London's finance industry since the 2008 global crisis, as it may mean that banks and insurers lose access to the world's biggest trading bloc. The Z/Yen global financial centres index ranks 100 centres every six months on factors such as infrastructure and access to high-quality staff. The rankings are based on nearly 2,500 respondents working in the industry and provide a guide to the relative performance of financial centres globally.
New York took first place in the latest ranking, followed by London, Hong Kong and Singapore. London's score fell by eight points from six months ago, the biggest decline among the top contenders. The survey's authors said this reflected the uncertainty around Britain's departure.
"We still don't know whether London will be able to trade with all the other European financial centres," Mark Yeandle, co-creator of the index, said. "The fear of losing business to other centres is driving the slight decline and people are concerned about London's competitiveness."
Since Britain voted in 2016 to leave the EU, some of the world's most powerful finance companies have started moving staff from London to countries that will remain in the bloc to preserve the existing cross-border flow of trading.
Experts predict that between 3,500 to 12,000 financial jobs would go because of Brexit in the short term and more might disappear later.
A Bank of England official, however, expressed optimism about the future. "The big point, regardless of what happens with Brexit, is that Britain will remain a global financial centre," said Alex Brazier, the central bank's executive director for financial stability. "There may be some jobs moving as firms execute their contingency plans, but I don't expect the big picture to change."
(source: *The Independent*)

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