Historical and Economic Factors of the Exclusive Banking Services

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Key words: exclusive banking services, historical, globalization, financial market, banking, growth

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The article is going to present global and national development factors of the exclusive banking services development at the stages of its occurrence.

Among the traditional factors of the development of global financial markets in the second half of the twentieth century, that had a significant influence on the development of an exclusive banking service as a sphere of international banking, following trends are observed [1]:

globalization of financial markets;

liberalization and deregulation of financial markets;

technological progress (including the computerization of banking and other financial innovations);

growth of the service sector (including financial) as a basis for the formation of the "knowledge economy".

As a result of the liberalization of the banking market in the advanced economies, held in the late 60s., the restrictions was not so strong and even canceled in some cases in the area of financial activities, the territorial expansion of banks, regulation of interest rates and charges for financial services. [2].

Since the mid 80-ies. Participants, because of the high level of competition, expanded the lists of operations permitted by law, and types of services - in addition to accepting deposits, issuing loans, settlements, issuance of guarantees, advisory services, banks were allowed to provide various non-bankingservices[2].

After the analysis of development trends of banking activities, the most significant drivers of management services proposals for the Private Wealth can be presented in the following way:

the development of competitive relations in the field of credit and financial services has stimulated the emergence of new market entrants;

legislative changes have led to the lifting of the severe restrictions that traditionally separate the different types of financial institutions;

active dissemination of financial innovations helped to expand the market and create demand for new products and services offered by banks.

There should be also noted the demand growth factors on the private capital management services [3]. Firstly, the formation of the demand for personal banking services from the English bourgeoisie and the French aristocrats who had emigrated to Switzerland and England during the French Revolution and considered various possibilities of preservation and augmentation of the accumulated state. Secondly, welfare of the population as a result of trade liberalization, customs restrictions easing. Increasing the

number of persons who have large amounts of capital, took place against the backdrop of post-war prosperity in Europe, the rapid development of North America, the oil boom in the Middle East. Thirdly, exclusive banking models have specific national features, due to traditions and legal features of the various states and the nature of Exclusive Banking Services market.

It is also interesting to pay attention on the sources of the EBS development.

Country	Sources of the EBS development
England	Inheritance transfer procedure
USA	Tax returns filling procedures
Sweden	Confidentiality principle

Here are historical and economic preconditions for the success of the Swiss EBS, which is based on the trust of customers: [3]

· political stability;

· developed equity markets;

· monetary stability;

· strong national currency;

· favorable geographic location;

· observance of banking secrecy;

· significant amounts of capital available for investment;

· transparent legal system;

· high level of professionalism and expertise of bank managers.

Thus, at an early stage of the emergence of an exclusive banking service, based on the preservation and augmentation of wealthy clients' capital, key drivers of market development are the strengthening of the processes of globalization, scientific and technological progress, the exacerbation of international competition, the liberalization of banking legislation, as well as national features of EBS.

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