Asian Wealth Management Forum 2019 - Singapore

Post Event Supplement

Asian Wealth Management Forum 2019- Singapore Forum 2019 Post Event Supplement

The attendance was quite extraordinary, with more than 350 CEOs, COOs, Independent Asset managers and other senior practitioners attended – from a mix of local and international Private Banks, Retail Banks, Insurance Companies, Independent Firms & Family Offices, Asset Management Companies, and IFAs.

Thank you to all of our event partners: Henley & Partners, Leonteq Securities, Hawksford, Swissquote, CFA Institute, Sun Life Financial, VP Bank, Butterfield, InvestaCrowd, Trident Trust, CSOP Asset Management, MSCI, GMO, Global Precious Metals, Hawksford, Quantifeed, IPG, J. Rotbart & CO., Orbium, ERI, Jersey Finance, Allfunds, Casamont, DWF

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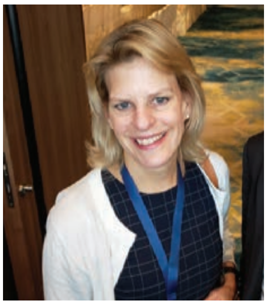

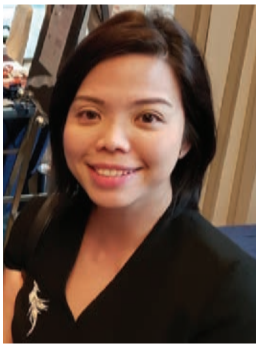

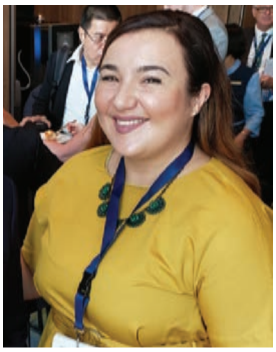


Connected
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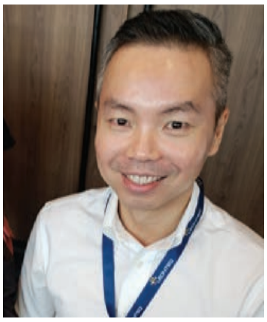

Asian Wealth Management Forum Singapore 2019 Summary

Hubbis is delighted to have hosted our 10th annual event for the private wealth management community in Singapore

THE REFRESHED FORMAT WE HAVE ADOPTED FOR our events in 2019 worked particularly well, including as it did head-to-head interviews, presentations, panel discussion and four workshops, an innovation we have introduced this year.

We are pleased to report that more than 350 attendees joined the event for the day, including 38 speakers. Together they represented a remarkable cross-section of the Asian wealth management industry, which is enjoying both a remarkable growth trajectory as the accumulation of private wealth accelerates, and is also facing numerous challenges driven by competition, the struggle to incorporate digital technologies and of course, the ubiquitous drive towards tighter regulation and compliance.

The Forum covered numerous aspects of wealth management today, as well as many vital features required for individuals and businesses to future-proof their careers and their operations in the face of the proliferating challenges ahead. The most fundamental impression from the day was that there are indeed perhaps more opportunities than there are challenges and that those who adapt will not only survive but also reap the rewards in the future. ■

[Link to Content Summary page](#)
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You can view all the content from the day.
Click here to view the content highlights page.

We asked leading industry experts - what are the opportunities and challenges for the year ahead? Click here to view the combined video highlights, or click on the links below to view the individual videos.

Or you can click on the links below and just listen to specific comments from the following individuals who are in the complete video;

VIDEO HIGHLIGHTS

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- Pierre Masclet, Indosuez Wealth Management
- Anurag Mathur, HSBC Bank
- Alvin Lee, Maybank
- Malik S. Sarwar, K2 Leaders
- Cara Williams, Mercer
- Marc Lansonneur, DBS Private Banking
- Gary Dugan, Purple Asset Management
- Ranjiv Raman, Schroders Wealth Management
- Haren Shah, Taurus Wealth Advisors
- Tony Wong, CSOP Asset Management
- Joshua Rotbart, J. Rotbart & Co.
- Julian Kwan, InvestaCrowd
- John Robson, Quantifeed
- Tuck Meng Yee, Allfunds
- Lee Woon Shiu, DBS Private Bank
- Laurence Lancaster, Sovereign Group
- An Kelles, Jersey Finance




PANEL DISCUSSIONS

Private Wealth Management in Asia: Adapting at a Time of Dramatic Change

A high-powered panel of private banking leaders in Asia assembled at the first panel of the day at the Hubbis Asian Wealth Management Forum in Singapore to offer their expert insights on the evolution of the wealth management model, and how that impacts their business in the region.

- Panel Members
  - *Adam Proctor, Managing Director, Head of Singapore, Australia and New Zealand, Citi Private Bank*
  - *Michael Blake, CEO Private Banking Asia, UBP*
  - *Anurag Mathur, Head of Retail Banking and Wealth Management, Singapore, HSBC Bank*
  - *Pierre Masclet, Asia Chief Executive Officer, Singapore Branch Manager, Indosuez Wealth Management*
  - *Alvin Lee, Head of Group Wealth Management & Community Financial Services, Maybank*
  - *Vincent Chui, Chief Executive, Morgan Stanley Asia International, Morgan Stanley*

Delivering Investment Products and Advice to Clients in Asia – the Optimal Approach

A panel of eminent wealth management experts gather for a discussion at the Hubbis Asian Wealth Management Forum to debate the role of technology in delivering wealth management solutions and whether passive will rule, or active and discretionary strategies will continue to play a role, or grow in importance.

- Panel Members
  - *Alexandre Bouchardy, Managing Director, Head of Asset Management Singapore and Head of Fixed Income and Equities Asia, Credit Suisse*
  - *Chee Loong Chong, Wealth Business Leader, Singapore, Mercer*
  - *Alexis Calla, Chief Investment Officer, Standard Chartered Private Bank*
  - *Tuck Meng Yee, Head of Investment Solutions Asia, Allfunds*
  - *John Robson, Chief Commercial Officer, Quantifeed*

The Rising Importance of Wealth Solutions and Planning for Asia's HNWIs

A 'Magnificent Seven' of panellists at the fourth discussion of the Hubbis Independent Wealth Management Forum surveyed the prevailing themes and trends facing investors in the current unsettled conditions by looking to the past, where history has a tendency to repeat itself, and also to the future, where a social conscience is likely to reap rewards. If lessons are learned from what has happened before in times of volatility and uncertainty, there is hope for investors to weather the storms.

- Panel Members
  - *Richard Nunn, Head of Business Development, Jersey Finance*
  - *Sean Coughlan, Managing Director, Trident Trust*
  - *Lee Wong, Head of Family Services, Asia, Lombard Odier*
  - *Harry Ng, Head of Wealth Planning Strategy & Solutions, Asia ex-Japan, Nomura*
  - *Woon Shiu Lee, Managing Director & Regional Head of Wealth Planning Family Office & Insurance Solutions, DBS Private Banking*
  - *Cara Williams, Senior Partner, Global Leader for Financial Intermediaries and Family Offices, Mercer*
  - *Lim Cho Peng, CEO, IPG Financial Services*

The Quest for Optimal Asset Allocation for Asia's HNWIs

A 'Fab Four' of investment experts looked at the US markets, where valuations appear stretched but momentum is still in its favour. They looked at Europe, which offers pockets of value, but considerable political and economic challenges. They surveyed Asia, where valuations are modest and economic growth robust, but where momentum has yet to propel an upward re-valuation. And at the alternative, illiquid markets, including private equity, precious metals and other assets, to see how they fit into a well-adapted portfolio. And agree that these somewhat uncertain times offer opportunity, not dismay.

- Panel Members
  - *Haren Shah, Managing Director, Head of Investments, Taurus Wealth Advisors*
  - *Ranjiv Raman, Head of Investments, Schroders Wealth Management*
  - *Marc Lansonneur, Managing Director, Head of Managed Solutions and Investment Governance, DBS Private Banking*
  - *Gary Dugan, Chief Executive Officer, Purple Asset Management*

Innovative, Interesting and Relevant Investment Solutions for Asia's HNWIs

A panel of experts at the Hubbis Asian Wealth Management Forum considered several key asset classes, strategies and technologies that are already impacting the Asian wealth management markets, or that soon will, from the digitisation of illiquid assets to the broadening universe of ETF strategies, and the growth of physical gold investments.

- Panel Members
  - *Tony Wong, Head of Intermediary Sales, CSOP Asset Management*
  - *Joshua Rotbart, Managing Partner, J. Rotbart & Co.*
  - *Joanne Siu, ETF Sales Director, Samsung Asset Management*
  - *Julian Kwan, Chief Executive Officer, InvestaCrowd*

PRESENTATIONS & WORKSHOPS

Henley & Partners: Working with Asia's HNWIs and Wealth Managers to Promote Investor Migration

Nirbhay Handa, Henley & Partners country head covering NRI, Sri Lanka & Bangladesh addressed the audience at the Hubbis Asian Wealth Management Forum to highlight the many appeals of secondary citizenship or residency around the world. The story she highlighted is very compelling for so many of the world's wealthy, with an estimated 34% of the globe's HNWIs already holding one of these alternatives. And as the world's leading investor migration consultancy, she reported that Henley is ideally positioned across Asia as experts on the programmes on offer and experts at working with Asian HNWI clients and families to achieve their goals.
View slides

Leonteq: Helping Wealth Managers Choose the Best SPs for their Asian Clients

Chinmay Patil, Executive Director, Investment Solutions for Leonteq Securities, is passionate about structured products and their ability to enhance both returns and safety for investment portfolios. He told delegates at the Hubbis Asian Wealth Management Forum how Leonteq works closely with the private banks and wealth managers to help them work with their HNWIs clients to build optimal structured product (SP) solutions. He emphasised the technical expertise of the firm, its digital excellence, and also its human face.

ERI Banking Software: Emerging Trends in API and Open Banking, Implications for Asia

Adrian Williamson, Director for Asia at ERI Banking Software, is a believer. His credo is that the key driving factors on the road to winning customers' trust and to providing better products and services include data, process and policy transparency, while at the same time maintaining data security. To achieve these goals, it is vital to adopt, invest in and implement new open banking systems. He told the audience at the Hubbis Asian Wealth Management Forum exactly why they too should put their faith in this evolutionary trend.
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Riding the ESG Wave: Wealth Management Industry Catching Up with Global Trend

"When the last tree is cut down, the last fish eaten, and the last stream poisoned, you will realise that you cannot eat money." This apparently is a Native American saying, which MSCI's Valentin Laiseca highlighted when giving his talk on Environment, Social & Governance (ESG) investing at the Hubbis Asian Wealth Management Forum. He is Head of ASEAN Index Sales and told the audience how MSCI provides ESG ratings and how the firm then analyses ESG fund manager scores with its Fund Metrics products. He explained how fund managers and other investors can implement ESG in their investment processes, and even how ESG can be incorporated into structured products.
View slides



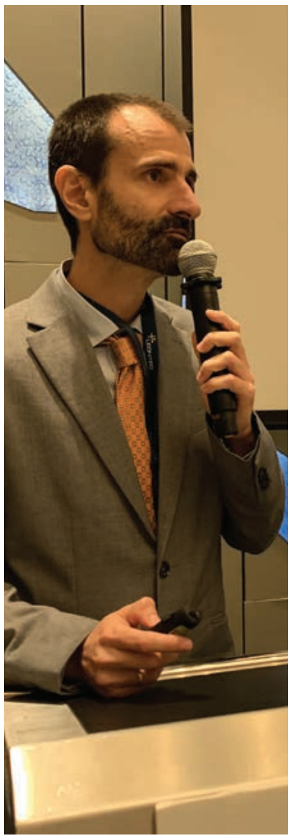

Cyprus: The Island of Investment, Citizenship and Residence Opportunity

Ioannis Ioannikiou, Legal Adviser for Casamont Cyprus, is an energetic advocate of the virtues of Cyprus as an investment and alternative citizenship destination for Asia's HNWIs. Not only does Cyprus offer a fast-track to a new EU passport, but the investment required can mostly be in the form of real estate, and as the island is benefitting from robust growth in tourism and leisure – with a major new casino resort on the way – there are good opportunities for both income and capital gains. Add to that the appeals of a benign tax regime, and it makes a compelling case to consider. Ioannikiou was in Singapore recently to give his insights to delegates at the Hubbis Asian Wealth Management Forum.
View slides

Gold – the Emotional Commodity that Ideally Fits Asia's HNWI Portfolios

Joshua Rotbart, Managing Director of precious metals firm J. Rotbart & Co, is passionate about his chosen profession. He says gold can be seen as an 'emotional commodity', a term he coined, as gold is something that people not lonely aspire to, but because as a store of value for investors it has even more appealing qualities. He told the audience at the Hubbis Asian Wealth Management Forum in Singapore how he is a 'gold person, not a financial person' and that he sees from history how gold will always be valuable, and the longer someone keeps it, the more it will appreciate. He said gold might not make people rich unless they speculate, but that it will help wealthy people and their families retain their fortunes.
View slides





Hawksford: Gearing Asia's HNWIs up to the Challenges of Family Governance
Marcus Hinkley is Head of Private Client Services for Asia at Hawksford, focusing on HNWIs and their business and estate planning needs. Having worked at some of the top private client law firms in New Zealand, the BVI, Cayman Islands, Guernsey and Singapore, he offered delegates at the Hubbis Asian Wealth Management Forum the benefit of his insights into the growing prominence of structured family governance for Asian clients.

K2 Leaders CEO on Optimal Approaches to Delighting and Retaining Clients
Malik Sarwar, CEO of wealth management firm K2 Leaders and Chairman of Hubbis, believes that professionals in the wealth management industry should focus their efforts on becoming the primary adviser to their valued clients. He presented a detailed and engaging Workshop at the Hubbis Asian Wealth Management Forum in Singapore highlighting his personal views on how professionals in the wealth management industry can enhance their levels of expertise, service quality and client-responsiveness and thereby win the role as the primary adviser to their clients. He explained what he calls his five levers of growth, as well as the key attributes and habits of effective advisers. He advised delegates to focus on becoming a differentiated adviser via continuous self-enhancement, being empathetic with their clients and then offering ideas and simple solutions for their needs.

Hubbis' Head of Learning on Accentuating the Human Advantage in Wealth Management
David MacDonald, Head of Learning Solutions for Hubbis, is a passionate believer in the power of the human. He believes that in the world of wealth management professionals should not be in the least part fearful of the digital revolution, but should use technology to enhance their skills, the delivery, their communication and thereby future-proof their roles and their careers. People need people, he believes, and he projects that this will long be the case, so professionals in this industry should enhance and emphasise their uniquely human skills while leveraging technologies to improve their own capabilities and proposition. And he advised the delegates at the Hubbis Asian Wealth Management Forum in Singapore that all this should take place against the backdrop of a well-formulated plan.
View slides

Future-Proofing for Investors

Traditionally, wealth has been both a safety net in the face geopolitical or economic uncertainty as well as an enabler of better opportunities and a pathway to greater success.

However, even for wealthy individuals and their families, one hindrance that remains is limited global connectivity, which is often a result of a person's country of birth and its given passport power. The passport that wealthy individuals hold can hamper their ability to respond to threats or new opportunities to access the global travel, cultural, and residence options that they find most appealing.

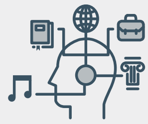
For families looking to protect their accumulated wealth, alternative citizenship provides an insurance policy — or a 'future-proofing' mechanism — for the 21st century. The more jurisdictions a family can access, the more diversified their assets will be and the lower their exposure to both country-specific sovereign risk and global volatility.

For many others, the decision to pursue alternative investments extends past monetary benefits and is based significantly on increasing opportunities for their families. Diversified citizenship portfolios provide greater international opportunities, stability, freedom, and security.

Benefits of alternative citizenship

Global mobility — Travel freely and seamlessly to more destinations across the world without lengthy and onerous visa applications.

Expanded horizons — Access the best career, educational, and cultural opportunities on a global scale.



Global opportunity — Take advantage of the world's leading business centers and expand commercial and investment possibilities.

Increased safety and security — Acquire a secure haven for individuals and their families in times of civil unrest, conflict, and terrorism.

Reduced risk — Lower exposure to global volatility and sovereign economic risk associated with a single nationality and diversify assets across more jurisdictions.

Expand your investment offering

Alternative residence and citizenship represent the most direct routes to global mobility, flexibility, and access. To meet this increasing demand by high-net-worth individuals, wealth managers and financial advisors need to expand their traditional offerings to satisfy their clients' ever-evolving needs.

By including residence and citizenship planning alongside traditional investment opportunities and guidance, advisors are in a unique position to further enhance their existing client relationships, giving them an added advantage over their competitors.

Why work with Henley & Partners

Henley & Partners was the first company to globally specialize in the field of residence and citizenship planning, at a time when most international lawyers and wealth planning professionals did not consider the subject to be of much relevance. Each year, hundreds of wealthy individuals and their advisors rely on our expertise and experience in this area.

The firm also runs a leading government advisory practice that has raised more than USD 8 billion in foreign direct investment. Trusted by governments, the firm has been involved in strategic consulting and in the design, set-up, and operation of the world's most successful residence- and citizenship-by-investment programs.

Henley & Partners is a unique firm in many ways. It is an international family that extends across all continents and far beyond its own partners and staff. It is also a firm with the power to change clients' perspectives and create new opportunities for families, businesses, and entire countries. Our highly qualified professionals work together as one team in over 30 offices worldwide.

Henley & Partners works closely with a selected number of firms, wealthy families, private banks, independent asset managers, tax advisors, law firms, family offices, and real estate agents, among others. We build strong ties so that your key staff understands our services thoroughly.

Our services for key intermediaries

- Regular internal training sessions
- Tailored event partnership opportunities, such as breakfast or lunch briefings, client events, and roadshows
- Special sponsorship packages and complimentary tickets to our annual Global Citizenship Conference
- Complimentary copies of our books, annual reports, and other publications
- Access to our online portal, which includes all digital marketing material
- Exclusive advance alerts and information on key developments relevant to residence and citizenship planning

Our service to your clients

We provide your clients with access to the world's most successful residence- and citizenship-by-investment programs. By working closely as a team, our specialists pool together their knowledge and experience so that the specific details of each client's case are considered from all relevant perspectives. We analyze the individual situation carefully, present the available options, and develop a plan of action. Each client is also assigned a personal advisor who coordinates the various specialists and ensures continuity of strategy and service.

Our extensive expertise and experience empower us to manage government procedures quickly and efficiently on behalf of your clients, which is why we have the highest success rate in the industry.

To find out more about the various programs available and how your clients can benefit from alternative residence or citizenship, please contact us at singapore@henleyglobal.com or +65 6438 7117 to set up a private consultation.

H&P Henley & Partners

Asian Wealth Management Forum 2019 - Singapore Video Highlights

At the Hubbis Asian Wealth Management Forum 2019 in Singapore on May 23rd, we asked leading industry experts - what are the opportunities and challenges for the year ahead?

Click here to view the video highlights.

We hope you enjoy this summary – it's packed with content from the forum. Click on the Speakers Name to view their BIO. You can also read the transcripts in this document - and click on Watch Video to view their exclusive interview.

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Who did we interview?

Pierre Masclet
Asia Chief Executive Officer,
Singapore Branch Manager
Indosuez Wealth Management
Watch Video

Anurag Mathur
Head of Retail Banking and Wealth Management, Singapore
HSBC Bank
Watch Video

Alvin Lee
Head of Group Wealth Management & Community Financial Services
Maybank
Watch Video

Malik S. Sarwar
CEO
K2 Leaders
Watch Video

Cara Williams
Senior Partner, Global Leader for Financial Intermediaries and Family Offices
Mercer
Watch Video

Marc Lansonneur
Managing Director, Head of Managed Solutions & Investment Governance
DBS Private Banking
Watch Video

Gary Dugan
Chief Executive Officer
Purple Asset Management
Watch Video

Ranjiv Raman
Head of Investments
Schroders Wealth Management
Watch Video

Haren Shah
Managing Director,
Head of Investments
Taurus Wealth Advisors
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Tony Wong
Head of
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CSOP Asset Management
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InvestaCrowd
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Lee Woon Shiu
Managing Director & Regional Head of Wealth Planning Family Office & Insurance Solutions
DBS Private Bank
Watch Video

Laurence Lancaster
Barrister-at-law,
Group Head of Tax
Sovereign Group
Watch Video

An Kelles
Business Development Director,
Greater China
Jersey Finance
Watch Video

Hawksford

Pierre Masclet
Asia Chief Executive Officer, Singapore Branch Manager
Indosuez Wealth Management
Watch Video

For Indosuez the main opportunity in the next three years, or even for the next decade, is the delivery of growth that is at least 10% a year. That is the market pace, so it shouldn't be so difficult. To achieve that, our main issue is obviously to deliver a complete service to a client, a full range of products and services, to make sure clients are surrounded by the management, by relationship managers, good assistants, obviously experts on wealth planning or investment advisors. The opportunity is we are clearly in a dynamic of growth in the past year. That was quite surprising and really successful, achieving 80% revenue growth over the past two years and we just want to continue that growth. What is important in our industry is to keep the relationship managers confident in the future of the industry. It is difficult because we are in front of challenging financial markets, low yield environments, markets that are quite shaky. But when you are able to deliver a full range of products and services, and weave a service that is really close to what client needs for all departments - compliance, risk, and all client-focused - usually you are successful.

Anurag Mathur
Head of Retail Banking and Wealth Management, Singapore
HSBC Bank
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The key opportunities and challenges actually are the same. They all hinge around how to deliver clients the best experience through technology and people seamlessly, while still offering good advice on how to manage their finances and grow their wealth, and maintain and grow trust. I think that's the central key challenge and opportunity.

Alvin Lee
Head of Group Wealth Management & Community Financial Services
Maybank
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Opportunities abound, I think we're in the right banking segment which is wealth management, and we're in the right geography, which is Asia. Wealth will continue to grow in this part of the world, so therein lies a lot of opportunities. Challenges, we still experience competition for talent, another challenge remains to be increased regulation and the ability to remain profitable in spite of all these challenges.

Malik S. Sarwar
CEO
K2 Leaders
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The industry's biggest challenge is we feel we are client centric, the industry, the individuals, the clients feel we are not; we are product pushers. That also an opportunity, because learning from the last crisis, we can actually be genuinely client centric by educating clients about markets, by helping them with financial plans to only meet their dreams and goals, and nothing else. In that approach, products come at the very end as a solution.

Cara Williams
Senior Partner, Global Leader for Financial Intermediaries and Family Offices
Mercer
Watch Video

There are a number of opportunities as well as challenges in general for wealth management. If you think of wealth management as private banking and family office, and even as far as mass retail, the opportunity set is the digitalisation of advice. This can be seen potentially as a challenge, but I actually believe it's an opportunity. A better way to engage with clients of all generations. Other opportunities are the fact that a lot more families are becoming more aware of the importance of advice and starting to recognise the fact that there needs to a set of portfolio management

and institutionalising their approach to how they do things. Challenges are, there are a number of players in this space, margins are tough, it's a hard business to run profitably. If you want to really provide your clients with the best services, that comes at a cost, so it's identifying the best ways to balance those two things.

Marc Lansonneur
Managing Director, Head of Managed Solutions and Investment Governance
DBS Private Banking
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We are definitely moving more and more to an advisory managed fee model, which needs to speed up. Commissions are going down and the whole industry must integrate and adapt. It's not only the commission issue, it's the offering. Meaning if you want to implement fees, advisory fees in particular, you need to justify the fees and not just add new types of fees to replace commission. It has to be justified by a real service and also by delivering good advice, benchmark advice, and ultimately performance for the client.

Gary Dugan
Chief Executive Officer
Purple Asset Management
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Some of the biggest opportunities at the moment are really a significant repositioning of the product line at an asset management business. In the past it's been largely about risk taking, now it's just about hunkering down, but still giving people some kind of income that they can live off. So you're typically asking clients to look at propositions that are going to be 4-5% returns over the medium term after costs. Now the challenge to that is the cost line. Still today the industry tries to generate at least 1% return out of a client. And that I think is just unsustainable. I think the industry could be down to half that level over the longer term. So we're looking at a return from the client of only 50 basis points, requiring the industry to get much more cost effective.

Ranjiv Raman
Head of Investments
Schroders Wealth Management
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Opportunities are that the big are getting bigger, so there is consolidation. One can view this as a threat, but we see this actually as an opportunity because they'll be greater transparency in the industry. Clients will get exactly what they are paying for, and banks and players will focus on their strengths, unique value propositions. I think that's what the industry's leaning towards.

Haren Shah
Managing Director, Head of Investments
Taurus Wealth Advisors
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The industry has changed a lot. Definitely margins have shrunk, and I think investors are getting a lot more sophisticated. And I think the level of demands from clients is increasing. One of our biggest challenges we are facing is a very discerning group of clients, and I think we need to up our game to make sure that we meet their expectations.

Tony Wong
Head of Intermediary Sales
CSOP Asset Management
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The challenges and opportunities are always coming from the same directions. In the past few years we have seen more and more wealth advisors, high net worth individuals talking about how they could open positions in the passive investment space rather than just keeping asking for active investments. And now people are actually looking at the ETF space.

Joshua Rotbart
Managing Partner
J. Rotbart & Co.
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The markets are very volatile. The world is in big debt. There's a very good opportunity now to diversify by investing in physical precious metals. The price of gold is way below its height in 2011. So we definitely recommend, considering the volatility and uncertainty in the world, to buy gold. And if you buy gold, do it physically, not necessarily by ETFs.

Julian Kwan
CEO
InvestaCrowd
Watch Video

We think there's a huge opportunity in the wealth management private banking area related to digital securities, because of the demand from clients for alternative assets and new products. And I think the nature of theses digital securities now have a lot more transferability and tradability of these private equity investments. So you'll see a flood of products coming into the wealth management private banking world that wasn't distributable before.

John Robson
Chief Commercial Officer
Quantifeed
Watch Video

Digital wealth management or Robo-advice as it's often called, has been a trending buzzword for some years. But at least in Asia, we haven't seen any clear winners emerging, and huge amounts of assets going into this part of the industry. It's a brave financial institution to say that they don't believe that there's a digital future for wealth management, but they haven't figured out quite which model to follow. We've recently seen a couple of the larger organisations such as DBS and Cathay United Bank launch platforms, and I think they're starting to really present the model that's going to be successful. Let's see whether they start to lead for the rest of the market.

Tuck Meng Yee
Head of Investment Solutions Asia
Allfunds
Watch Video

Opportunity is accessing an ever growing pool of wealth in Asia. That pool is growing, and is growing faster than the rest of the world. The challenge is being able to do that when the

industry frankly, is consolidating, and where technology is bringing more competitors to the traditional players. So how do you do what you do, where you have a bigger pool, but you still want to be a winner in that pool?

Lee Woon Shiu
Managing Director & Regional Head of Wealth Planning Family Office & Insurance Solutions
DBS Private Bank
Watch Video

These are one and the same to me. I think there are key elements that stand out, complexity and transparency. We live in a complex and transparent world, and these two elements make it a really, really good time for planners to get in the game and to really, really give the best advice they can give to the clients. Because of complexity and transparency the clients are more receptive these days to planning and advice. That's where the opportunities will arise, and that's when in terms of the whole range of what you can cover, is no longer just a trust. It's actually pre-trust planning for immigration, maybe succession planning for governance. You talk about insurance, talk about governance for sustainably giving in terms of philanthropy, it's the whole spectrum. I think these two elements really give advisors a field day to do what they want to do.

Laurence Lancaster
Barrister-at-law,
Group Head of Tax
Sovereign Group
Watch Video

In some respects, the challenges present the opportunities. We have openness, transparency, exchange of information going on in the industry and I think that does present challenges to the old way of doing things, but at the same time presents opportunities to us all in terms of doing things correctly, taking tax advice, spending more time on each case. There's probably likely to be less volume but more quality, so each case you're likely to spend more time on. It's going to require more effort, but at the same time, that presents opportunities.

An Kelles
Business Development Director, Greater China
Jersey Finance
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Where we see the opportunities for us, which are just challenges basically here, is you've got the Chinese expressions that wealth doesn't survive three generations. It's wealth planning, and not just the growth of revenue, it's actually preservation of wealth. This is where Jersey can help local people in their succession planning so that your wealth will actually survive three generations. ■

Asian Wealth Management Forum 2019 - Singapore

Exclusive Insights

At the Hubbis Asian Wealth Management Forum 2019 in Singapore on May 23rd, we asked leading industry experts for their exclusive and incisive insights

We hope you enjoy this summary – it's packed with content from the forum. Click on the Speakers Name to view their BIO. You can also read the transcripts in this document - and click on Watch Video to view their exclusive interview.

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We have a team of compliance experts where we specialise in international compliance such as regulatory, risk and corporate governance. Our practice includes advising financial institutions, corporate service providers (filing agents), trust and fiduciary companies, remittance agents, fund entities, commercial businesses and private clients.

We have the unique expertise to assist companies in developing and maintaining consistent and reliable operation, compliance and AML/CFT frameworks

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Indosuez Wealth Management

Anurag Mathur
Head of Retail Banking and
Wealth Management, Singapore
HSBC Bank

Alvin Lee
Head of Group Wealth Management
& Community Financial Services
Maybank

Ranjiv Raman
Head of Investments
Schroders Wealth Management

Laurence Lancaster
Barrister-at-law,
Group Head of Tax
Sovereign Group

An Kelles
Business Development Director,
Greater China
Jersey Finance

Julian Kwan
CEO
InvestaCrowd

John Robson
Chief Commercial Officer
Quantifeed

Tuck Meng Yee
Head of Investment Solutions Asia
Allfunds

Lee Woon Shiu
Managing Director & Regional
Head of Wealth Planning Family
Office & Insurance Solutions
DBS Private Bank

Valentin Laiseca
Head of ASEAN Index Sales
MSCI

Gary Dugan
Chief Executive Officer
Purple Asset Management

Haren Shah
Managing Director,
Head of Investments
Taurus Wealth Advisors

Joanne Siu
ETF Sales Director
Samsung Asset Management

Joshua Rotbart
Managing Partner
J. Rotbart & Co.

Tony Wong
Head of Intermediary Sales
CSOP Asset Management

Malik S. Sarwar
CEO
K2 Leaders

What's your best and worst possible scenario for this industry in the next three years?
Watch Video

There is no worst scenario. The reason is trend is the industry's friend. New money is being created and, now generational wealth transfer of USD30 to USD40 trillion means that the newer generation would also need help, albeit in a different form with more digital. The need for advice and how to invest in a complicated volatile world continues to grow, so this is a great opportunity. It's for us to lose.

Pierre Masclet
Asia Chief Executive Officer, Singapore Branch Manager
Indosuez Wealth Management

What digital expectations do clients have?
Watch Video

Clients are expecting banks to provide a user friendly experience. It starts with the account opening process. All banks have to work on the onboarding process for all clients, to simplify the process in terms of documentation, in terms of client experience. This is the topic that the industry is investing in quite a lot to facilitate improved client experience for onboarding. For the selling process, this is the same story. When we want to propose investments to clients, we have to simplify the process and to be able to deliver investment proposals that are tailor made for the clients, that clearly integrate all IT tools that are available in the market, with all Fintechs that are around us.

Anurag Mathur
Head of Retail Banking and Wealth Management, Singapore
HSBC Bank

How do clients want to be serviced?
Watch Video

Clients want a seamless experience. They want to be able to talk to their advisor, but they also want to be able to go online. They want consistent information. They want it to be easy to find. They want value adding advice. They want seamless execution. They want good pricing. And all of this has got to be cohesive and reliable. That is the challenge for the industry, but I think that's also the opportunity. At HSBC the way we're approaching this is to invest in the technology in digital, as well as in the people that are facing our clients, and not just the RMs, but actually everyone in the branch as well. I think the staff assisted digital, or the complement of the two, is actually going to be far more transformational and impactful in the next five years than the pure digital or robo.

Alvin Lee
Head of Group Wealth Management & Community Financial Services
Maybank

How do you find new clients?
Watch Video

Winning new customers is really about deepening the relationship with existing customers so that we delight them enough for them to want to introduce their friends and family to us.

Ranjiv Raman
Head of Investments
Schroders Wealth Management

How do you think Asian equity market performance will be in 2H 2019?
Watch Video

A lot will depend on the dollar. The dollar has remained sideways to softer. As long as that happens, these are positive tailwinds for

Asian markets. To me, the most encouraging thing is that earnings across Asia have been able to remain steady and we've seen a growth in top-line as well as bottom-line for most of the issues.

Laurence Lancaster
Barrister-at-law,
Group Head of Tax
Sovereign Group

In the transparent and complex world we now live in, what value do clients expect from us?
Watch Video

As a service provider, inevitably our fees tend to go up now in what we do. So the quality of service that we provide to clients has to be top notch. And someone mentioned in the discussion just then the integration of services, as well. Clients want to come to one provider and have them do everything for them, so a one stop shop. As fees are likely to go up, the quality of service has to be there. And I think they want to look at one provider to do everything for them. Albeit they'll be outsourcing various services, they want to have one person to go to.

An Kelles
Business Development Director, Greater China
Jersey Finance

How is the role of international financial centres changing?
Watch Video

Global developments on transparency, substance. IFCs need to be able to offer these things, and be able to catch up with the global developments. I think Jersey has taken the choice a long time ago to be a

front runner in transparency. We also have the expertise and the employees - we've got 14,000 people working in the financial industry. We are one of the few organisations that can actually offer substance, which is necessary to catch up with these global developments.

Julian Kwan
CEO
InvestaCrowd

What does Investacrowd do?
Watch Video

Investacrowd was founded in 2015 it's a licensed broker dealer based out of Singapore. We focus on investments, private equity, real estate, and venture capital. The last 18 to 24 months, we've been heavily focused on the digital security space, which is simply issuing traditional securities in a digital format, to bring a wild amount of benefits for investors and issuers.

What is Security Token Offering (STO) / Digital Security Offering (DSO)?
Watch Video

It's simply a traditional security offering, and instead of issuing an investor a piece of paper as a shareholding, we issue a digital share as a representation. Same rights, same rules, same distributions. Why would we bother doing that? Email's better than paper, a digital share is better than a paper share. Ultimately, there's a lot more transparency related to the company structure and the investments, as well as enhanced liquidity and tradability of the shares that are typically tied to very liquid assets.

How do investors benefit from investing in digital securities?
Watch Video

The typical issue with private equity investments is it's a seven to ten year hold, so the digital securities

will allow investors to actually trade in and out of these shareholdings on licensed platforms like ourselves, which we think will completely change the game for the private equity industry.

John Robson
Chief Commercial Officer
Quantifeed

What's the role of technology and AI?
Watch Video

Technology is increasingly going to be a part of wealth management. Most customers want an engaging interface and effortless wealth management to be delivered to them. I think AI is interesting. It's often predicted to be the new investment manager, but I think where we're going to see a stronger element of AI is in personalising investment portfolios to customers' needs and identifying the needs of customers in the sales process.

Tuck Meng Yee
Head of Investment Solutions Asia
Allfunds

Connecting customer data to market data – what does this mean?
Watch Video

Connecting customer data to market data essentially means how do you contextualize a customer's needs to the right solution from the financial market. It's an easy question to answer, but it's very, very difficult to execute. And frankly, I think people are still learning over time, and they're learning from other industries, for example the B2C retail industry as they are probably the leaders.

Lee Woon Shiu
Managing Director & Regional Head of Wealth Planning Family Office & Insurance Solutions
DBS Private Bank

Where are we now with CRS and AEOI?
Watch Video

CRS and AEOI are here to stay. We are in the full implementation phase. Most countries, with notable exemptions like Taiwan, Thailand and the Philippines, have gotten on board. For clients these days I think they have shifted from the point of view of "I want to just try to just see what I can around" to now saying that "I can't avoid it. And I want to do the right thing. What can I do?" The clients are then saying "I want to do the right thing," to us. We say to them that the only way to really address CRS is to have a fundamental change in tax residency and domicile.This conversation is being accepted by clients and they are taking baby steps towards achieving it. By moving their family members to Singapore, or moving them from a high tax country to a lower tax country, these are things they are prepared to do. It is a very fundamental way to really get to the bottom and heart of the CRS issue. So no more hiding, no more circumventing, but just getting right to the heart of the issue.

Has Singapore positioned itself in a very smart way?
Watch Video

Singapore's in a very sweet spot because the two regulators that are fronting the activities in this area, the EDB and the MAS of Singapore, are both seen by clients in this region as being very business friendly and being very visionary. Approximately three to four years ago, when the family office wasn't such a big thing in this part of the world, the regulators were very, very forthright in saying, "We want to position Singapore as the place to be for family offices," and that's when they really worked very actively with all the banks to make sure that the bankers knew that this was the pitch and went out flying the flags of Singapore. And through that process, we have actually garnered good talent in the last few years. Singapore's ecosystem for the family office has become so much richer because of the regulator's efforts. They're really in the forefront and doing the smart thing.

And secondly, I think in terms of being very, very friendly to offer attractive immigration opportunities for both the family office teams. You can either get an employment pass or a permanent residency. These two make it attractive for ultra-high net worth families to redomicile themselves in this part of the world. And long term, this is really going to be beneficial for Singapore because we're getting the best talent throughout the entire world from the ultra-high net worth families, so it's a very, very good play by the Singapore government.

Valentin Laiseca
Head of ASEAN Index Sales
MSCI

What's the growing relevance of ESG in Asian Wealth Management?
Watch Video

We see that institutional investors in Asia have embraced ESG in a very dramatic way. We've seen that from large asset owners, we've see that from pension funds, sovereign wealth funds, and large asset managers. We think that wealth managers are lagging behind. However, I don't think that's going to be the case for much longer, since there's a massive transfer of wealth going from baby boomers to millennials. We know that millennials tend to care a lot more about ESG considerations. They do care a lot more about sustainability. They do care a lot more about environmental issues, social issues, and so on. As a consequence, we see that demand from millennials that are being served by wealth managers in Asia will increase the demand for ESG products. We can help wealth management firms in various ways. We can provide the data that can be embedded in digital platforms for those millennials who want to create their own portfolios themselves, or create their own self screens. That could be things like not wanting to have companies that are producing tobacco in a portfolio. Or companies that are involved in any shape or form with the production of nuclear, or energy, or controversial weapons, or gambling, or tobacco. The list goes on. The other use case that we can identify is that discretionary portfolio managers and the manufacturers of investments, can use our ratings to integrate them into their own investment process, and as a consequence, we believe, and now there's more and more research backing this view, that those portfolios will have better risk adjusted returns and will offer better long term performance, as well as reduce risks.

Is there any evidence that investing in ESG investment products delivers additional performance?
Watch Video

We work with some wealth managers already in Asia, where they have used our indices as the basis for structured products in different ways, in different forms. It could Be Delta 1 nodes, or out-performance calls. And, the reason they find it attractive is not so much the ethical reason, but more the out-performance reason. So, out of all the different ESG indices that MSCI produces, I think we can confidently say that the large majority of them tend to outperform their market cap index. That provides great opportunities for wealth management firms to use those indices as the basis for products that tend to outperform, and

as such, this a great marketing tool for them as well. The out-performance is absolutely critical. The ethical pole is no longer enough, you have to show indices that outperform. This out-performance tends to be more obvious in emerging market and Asia, and we think the reason for that is because in emerging markets and Asia, you'll find more dispersion between good quality issue companies, and bad quality issue companies. While in markets such as Europe and US, the ESG standards are more standardised.

Gary Dugan
Chief Executive Officer
Purple Asset Management

Are investors overestimating return and underestimating risk?
Watch Video

The average investor is still significantly underestimating the amount of risk around and completely overestimating the amount of return. Unfortunately, the benefit of quantitative easing was to expand returns to unrealistic levels, to the point where people would completely believe in them, and that is not going to be delivered over the next four to five years. I still think that long term returns from equities, maybe down to 5%, bond returns at two to 3%, and that is just not on the radar screen of your average investor today.

Marc Lansonneur
Managing Director, Head of Managed Solutions and Investment Governance
DBS Private Banking

Is there an increasing interest in ESG?
Watch Video

There is increasing interest in ESG. The issue is that interest is coming from the industry, and institutional investors, private banks, product people etc. It's not coming yet from the clients, and that's a big gap. Does ESG contribute significantly in terms of business revenue today? Not at all. Will ESG contribute significantly? My personal view, and DBS' view, is it's a no brainer. We need to adapt the offering, to adapt to engagements, to adapt to the awareness of our clients, of our staff to ESG as soon as possible. That's a very important challenge and it requires a significant transformation of the product teams, of people's mindset. Not just onboarding products on the shelf, that's not good enough. We are not going to achieve anything by just doing this in the Asia wealth industry.

How will you generate income without taking unrealistic risk?
Watch Video

As a private banker and a wealth manager, our role is to provide investment solutions with an acceptable risk-reward outcome. I think the question is a bit biased, meaning that you can only get performance if you take a drastic risk which is not true. You have to adapt your risk, based on your appetite and what you are targeting, in terms of time investment horizon, risk, product volatility. But having said that, I think there is definitely a way to do it. You can still increase your risk through leverage for instance.

There is a good opportunity to leverage certain products, but the key is to take risk on a fully aware manner and with a diversification approach. A diversified portfolio will deliver much better performance than a high risk product that is highly concentrated.

Haren Shah
Managing Director, Head of Investments
Taurus Wealth Advisors

Are investors overestimating return and underestimating risk?
Watch Video

Investors have been a bit spoilt over the years. I think last year was a bit of a wakeup call for investors. Even this year, we had very good markets in the first few months of this year. I think what investors are definitely not realising is that risks have increased tremendously. We have risks introduced that previously were not there. A good example of that would be the potential of a full-fledged trade war even a tech war, and I think markets are reflecting that. There's still a high level of complacency in the markets, and I feel that investors are not fully comprehending that there are a lot more risks going into the rest of this year than where they came from.

What are the main investment themes and the products that will be most relevant in 2H 2019?
Watch Video

It all depends on the investor's expectations are. Every client has a different risk profile. Every client has different asset allocation. Some are very conservative but one thing is for sure, as we move into the second half of this year,

definitely one needs to take risk off, because I think the best returns are behind us. I would say that clients need to look at and ask themselves are things going to get better or are they going to get a bit more difficult? I do feel with all the uncertainties and the fact we're in a late stage economic run, the chances are that earnings are going to disappoint. Of central banks do cut industry that should not be bad news simply because I do feel that you can't continue to have a liquidity driven market, you need to have the fundamentals backing it up. We've been conservative. I think less risky assets will be the place to be. Alternatives might be an area where they maintain market neutral. But one definitely needs to take risk off the table.

Joanne Siu
ETF Sales Director
Samsung Asset Management

Is a multi-asset strategy still a good bet?
Watch Video

Our view is every investors should have a multi-asset portfolio allocation. For example, with the five into five, two, two, one scheme. That means that for 50% you should invest into corporate bonds. For example, to have some yield income. And then the remaining 50, we just cut it into 20%, and another 20%, and the remaining 10%. For 20% we can put into corporate ETFs, as well. For example, in the U.S. there are corporate ETFs listed that will give you sufficient or potential yield. And then for the remaining 20% you could put into commodity ETFs. For example, gold or oil ETFs. The reason behind this is for those commodity prices, they don't always go in the way the equity market does. The timing and percentage of allocation for commodities is very important, so allocate maybe 20% of your portfolio into that. And with the remaining 10%, you can place it into some leveraged or inverse product to capture the market upside or down.

What are the thematic investment opportunities that resonate with clients today?
Watch Video

Everybody is aware of 5G nowadays and pretty excited about that. For 5G, obviously

China is taking the lead. Look at those giants, for example, Baidu, Alibaba, and Tencent. They all started their 5G program in 2018. Baidu have the automobile testing completed last year and Alibaba have the online shopping experience. For Tencent, they have an AI game which is at the top of the free app store list today. This is just some of the magic that people can look to for their investment nowadays.

Joshua Rotbart
Managing Partner
J. Rotbart & Co.

Is gold still relevant today? Who is buying gold these days and why?
Watch Video

Gold is more relevant today than ever. Why? Volatility in the markets. We all talk about the correction that may be coming to the market, and gold performs very well when the markets go down. So there's an opportunity now to diversify the portfolio, by buying physical gold. The people that buy physical gold from us now are either via the wealth managers who refer their clients to us because they see the opportunity and they see how they can bring added value to their clients, or the high net worth clients directly.

Are cryptocurrencies taking investors' attention as the new gold?
Watch Video

Cryptocurrencies took some of the attention that was paid to gold because they appreciated so much. But what we realised in 2018, that's one thing cryptocurrencies are not, they're not store value. So to say that Bitcoin is the new gold is incorrect in terms of the fact that it cannot protect your wealth. It's very volatile, very speculative. It is a high risk investment, maybe a good investment, maybe not, that's not up to me. But it's not the store value.

Do's and Don'ts of buying physical gold
Watch Video

Buy gold professionally from a company that specialises in it. Buy gold from a company with serial numbers allocated to the client. And buy gold from refiners that are approved by the London Bullion Association.

Tony Wong
Head of Intermediary Sales
CSOP Asset Management

What developments have we seen for ETFs and Passive funds in Asia?
Watch Video

The industry is actually growing a lot faster and bigger in Asia as well, where we see lots of HNW individuals, private banks, discretionary portfolio managers are actually using ETF to formulate their core portfolio strategies. Adding onto that, in terms of the product range, where we see money market funds listed in Asia, especially in Hong Kong, with higher exposure on the leverages and inverse ETF, enabling investors to hedge against the portfolio using the inverse ETF in Hong Kong. ■

Private Wealth Management in Asia: Adapting at a Time of Dramatic Change

A high-powered panel of private banking leaders in Asia assembled at the first panel of the day at the Hubbis Asian Wealth Management Forum in Singapore to offer their expert insights on the evolution of the wealth management model, and how that impacts their business in the region.

These were the topics discussed:

- *What can you the industry do to improve the value proposition in wealth management?*
- *What is your USP?*
- *Is the revenue mix for wealth managers changing, and if so why?*
- *What changes are taking place with regard to client expectations and behaviour?*
- *Where will the future business and growth come from, and what are your priorities?*
- *Offshore or onshore, or both? Where is the long-term opportunity?*
- *How can you get the right people and proposition in front of the right clients?*
- *Is the RM becoming more or less important as part of the proposition?*
- *What's the future of Discretionary and Advisory Portfolio Management?*
- *What is your core advice for HNWIs today in a more volatile environment?*

PANEL SPEAKERS

- **Adam Proctor**, Managing Director, Head of Singapore, Australia and New Zealand, Citi Private Bank
- **Michael Blake**, CEO Private Banking Asia, UBP
- **Anurag Mathur**, Head of Retail Banking and Wealth Management, Singapore, HSBC Bank
- **Pierre Masclet**, Asia Chief Executive Officer, Singapore Branch Manager, Indosuez Wealth Management
- **Alvin Lee**, Head of Group Wealth Management & Community Financial Services, Maybank
- **Vincent Chui**, Chief Executive, Morgan Stanley Asia International, Morgan Stanley

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hubbis

THE KEY TAKEAWAYS

A global proposition helps, especially in the UHNWI space

In an increasingly global environment in which corporate and family wealth is so connected, as it is in Asia, global expertise across private banking, investment banking and securities is a massive advantage. Add this to a US HQ, said one banker, and it is a compelling story for UHNWI clients in North East Asia, who tend to have more connectivity to the US.

Financial stability essential

Asian clients in the decade since the global financial crisis need to be reassured of the financial stability of the private banks they work with.

The relationship must not be compromised

While digital solutions to day to day activities are increasingly liked by family offices and clients, especially younger generations, the larger transactions tend to still go through the RMs and clients continue to want a direct connection to those advisers and to their firms.

Keeping sight of human touch

While size clearly matters, there is room for large-scale boutique private banks that offer financial stability, history, and an open door for clients to the RMs and to the bank's top management. Strong internal support for the RMs adds to the proposition.

Agnosticism of platforms

The panel agreed that best-in-class products trump in-house products as clients demand objectivity and transparency.

Active still plays a core role

Passive funds such as ETFs play an increasing role in offering exposure around the globe at low entry costs, but for more specialised market activity, for example, emerging markets and others, active still has a core role to play.

Customised solutions

Bespoke offerings away from the commoditised mainstream debt and equity markets are increasingly well received by clients in Asia, who are prepared to sacrifice liquidity for stability and more predictable returns, from, for example, private debt, private equity, commercial real estate, or other alternatives.

Decisions and lifestyle

Family circumstances often drive global needs and investment decisions. Many investment and estate planning decisions amongst Asia's HNWIs are driven by their family situations, for example when children or grandchildren attend university overseas the families might invest in those markets. The ability to offer global connectivity and expertise is vital.

ASEAN's world of opportunity

ASEAN countries and the fast-rising population, already at more than 600 million, offers an enormous opportunity across the entire spectrum from newly affluent to UHNWIs and everyone in between. This offers the banks a long-term client base and the RMs a career path ahead, as they can grow their skills through these different wealth segments.

The shallow talent pool

Banks will continue to poach talent from other banks, but to rely on that approach for success is a recipe for failure, as ever more pervasive regulatory and compliance hurdles argue against that type of behaviour continuing. The best bankers need to understand highly complex financial products, be versatile and energetic, and think "out-of-the-box".

Adapting to volatility

The world is more volatile in 2019, and is likely to remain so for some time, so risk management is increasingly important, both for portfolios and for family wealth planning. A migration towards more illiquid, longer-term assets is advised.

VINCENT CHUI
Morgan Stanley

A PRIVATE BANKER WHOSE CORE MANDATE is ultra-HNWIs began. "Our focus is the ultra-segment," he reported, "major corporate and asset owners who are based in this part of the world, but principally the Greater China region, as well as the key family offices based in Singapore. As we are aligned to our global investment banking and securities operations, we are able to offer full advantage of that core competence to offer what we hope are differentiated investment solutions, wealth planning and hedging solutions to our clients, particularly entrepreneurs who are seeking to invest and expand from this part of the world."

"As there is considerable uncertainty right now," he continued, "we believe that as a quality private bank we can help them greatly, especially as many of the clients are closely involved with the US, which is our power base, and also with regards to wealth planning, an expensive proposition and therefore a service we must combine with other areas where you hopefully can get those clients to pay for the whole package."

The global access game

Another banker agreed that a global presence is extremely beneficial for clients. "It is a huge differentiator for us," he said, "and actually becoming even more powerful as the world becomes a smaller place and clients look for more global access. Not only are we global but with such an extensive onshore presence in 90

MICHAEL BLAKE
UBP

countries, we are able to offer local teams in those jurisdictions. For example, if we have a Singaporean client buying a hotel, for instance in New York, we'll get them a team in New York to work with the team here in Singapore. It all adds up to an incredibly fast-growing business for us."

The RM's place

He remarked that more of the family offices and the younger generation of clients want to go digital, but this in his view does not replace the relationship manager. "As things become more complex, RMs actually have an even more important role, especially for the advisory side of the business, and particularly where there are much larger transaction amounts, ten and hundreds of millions of dollars in one go. In those cases the clients want to be connected to the advisers, to have feedback on the market and other information. For consumer banking, digital is increasingly required, and we actually have a team in the US that invests in fintechs that will bring us the latest innovations."

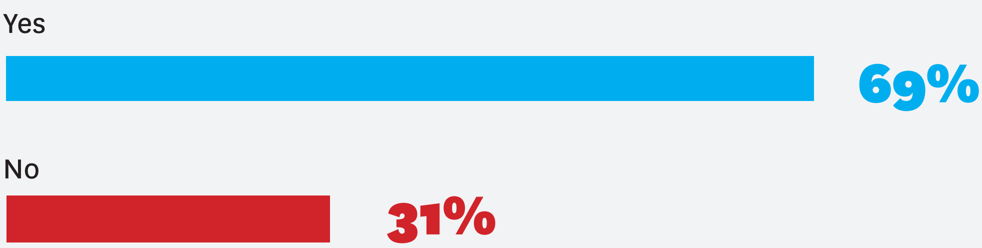
Being agnostic

As to products, the same banker explained that his firm is entirely product agnostic. "We do what is best for clients," he reported. "We think there is an edge in active management but we often also use ETFs for some of the easier market points, where they can play a very key role keeping costs down and giving exposure, providing liquidity. Whereas for example we go more active for specialised areas, for instance emerging market debt in South America. But our position is to provide the best for clients, which results in a very loyal long-term client base."

PIERRE MASCLET
Indosuez Wealth Management

Another banker remarked that his interface with clients in the region highlights that they all tend to look for a long-term relationship with a RM.

IS THERE A SIGNIFICANT SHORTAGE OF TALENT IN ASIAN WEALTH MANAGEMENT?



Source: Asian Wealth Management Forum 2019 - Singapore

Secondly, they look for financial strength and stability of the financial institution. And they look for a customised investment strategy.

Customisation counts

"Our focus is very much on delivering the latter," he explained, "and to do so we work very closely with our asset management business as a partner to build customised mandates for family offices and clients who have more than USD10 million with us, and then secondly, we believe that the most important relationship in the institution is the client and the RM, so we want to give the bankers the tools to provide advice to their clients, a broad range of products and a very transparent and fair remuneration structure as well."

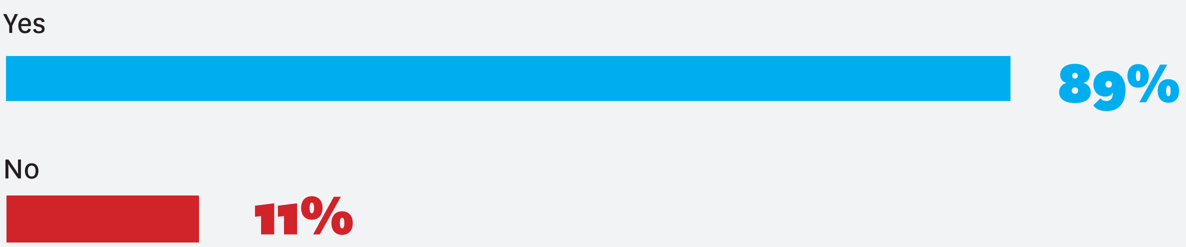
He added that each RM typically covers 20 to 30 clients and USD200 million or more or assets.

Keeping it human

Another banker noted that a core element of their differentiation is a USD1.4 trillion AUM asset management firm, as well as the group's global investment bank. "And we are human size in Asia, with around 400 people in the region," he noted, "and we size ourselves to be connected to our clients here, to emphasise the human touch. And for our clients to feel a friendly environment. Clients are overwhelmed by information, so the role of the RM is essential and the RM knows that they have the full support of the management when it comes to speed of decisions, to facilitate the best client experience."

ALVIN LEE
Maybank

DO BANKS RELY TOO MUCH ON HIRING EACH OTHERS BANKERS?



Source: Asian Wealth Management Forum 2019 - Singapore

Rocks against storms

A banker added that since the GFC, the solidity of the financial institution has become of greater importance for the client. "We all have similar offerings in the world of private banking," he remarked, "but one differentiation we focus on is private equity, an area we have made a specialisation form more than 18 years and where there has been great growth."

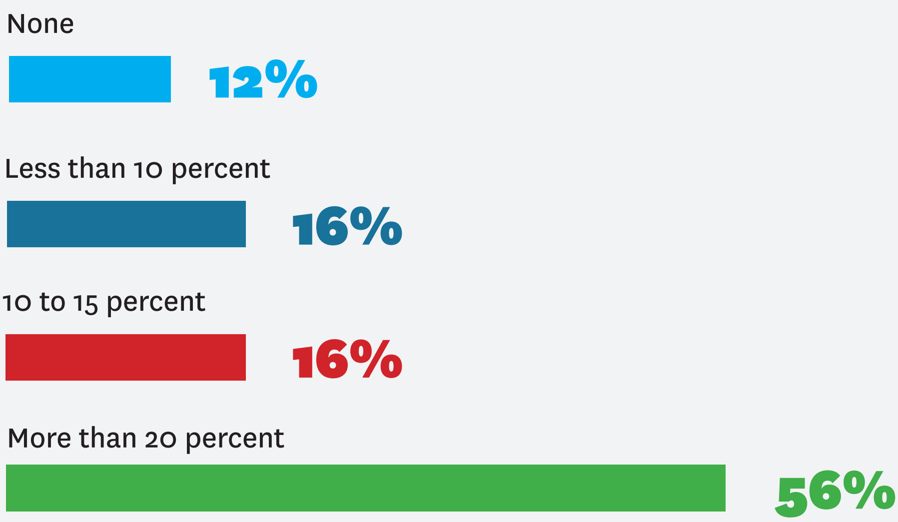
"We take a portfolio approach to private equity," he elucidated. "So, each year we select 20 funds and under an advisory model the client is paying a fee of 1%. There is no payment at all from the asset manager, it is a platform of funds we offer, and the clients then decide on country allocation, type of underlying assets and so forth."

Follow the family

A banker reiterated the importance of face to face advice for significant decisions, but stressed the importance of seamless execution and online capabilities, as well as seamless integration with their banking. "We find many of our HNW clients make investment decisions that are actually linked to their family circumstances and their lifestyle, for

ANURAG MATHUR
HSBC Bank

IF YOU MOVE BANKS HOW MUCH OF YOUR AUM WOULD YOU EXPECT TO MOVE?



Source: Asian Wealth Management Forum 2019 - Singapore

example an overseas property where a child might go to university, or where they might want to spend time in retirement. Their family circumstances often drive their global needs and their investment decisions. We are able to offer them connectivity and expertise across all of these countries and solutions. This is particularly important in a world where the wealthy have more and more investments overseas, and that is an ongoing trend."

ASEAN's vast opportunities

A banker whose core focus in on ASEAN and its 600 million, rapidly-expanding population. "We are a universal bank and a regional investment bank, we even have our own insurance arm and asset management," he reported. "We cover all segments, from emerging affluent, mass affluent, and then HNW and ultra-HNWIs. This helps us retain RMs, as they mature and move up the wealth spectrum, so we offer a career path as well as a job. It also helps retain clients, as they move along the spectrum."

He observed that the plain vanilla wealth management space is commoditised - generic products such as equities, unit trusts, bonds, and so forth. But for the wealthier clients, the solutions the bank offers help them solve more complex business and family matters. Around the region, we cannot compete in every space, so we look at where we can best compete, where we best add value and to achieve these best outcomes, we pride ourselves on our internal collaboration, which is one of our best attributes."

"WE ARE A UNIVERSAL BANK AND A REGIONAL INVESTMENT BANK, WE EVEN HAVE OUR OWN INSURANCE ARM AND ASSET MANAGEMENT," HE REPORTED. "WE COVER ALL SEGMENTS, FROM EMERGING AFFLUENT, MASS AFFLUENT, AND THEN HNW AND ULTRA-HNWIS. THIS HELPS US RETAIN RMS, AS THEY MATURE AND MOVE UP THE WEALTH SPECTRUM, SO WE OFFER A CAREER PATH AS WELL AS A JOB. IT ALSO HELPS RETAIN CLIENTS, AS THEY MOVE ALONG THE SPECTRUM."

ADAM PROCTOR
Citi Private Bank

The talent pool

Turning to the topic of talent, a banker observed that the energy of the RM in developing new approaches is a vital factor. Embarking on new initiatives, for example dedicated events to connect women RMs with women clients. "We cannot rely on clients transferring from one bank to another, and honestly we are less and less keen to attract those types of RMs. We seek energy, new ideas, out of the box ideas."

"The hardest part of my job without a doubt is finding talented bankers," added another voice. "In London in recent years it was much easier, but in this region very tough. We need bankers who can deal with UHNWIs and deliver a very complex platform. I interviewed 90 bankers in the last 12 months and hired five. We also need to keep good bankers longer, they tend to stay only a few years in this region, whereas in the UK it is seven or more years on average."

Keep invested, but up the risk management

As to advice for the prevailing market conditions, one banker noted how the bank keeps very close to clients to help them rebalance portfolios in these more volatile and unpredictable times. "We advise them to stay invested," he said, "but adjust. Time in the market rather than timing the market, we always advise."

"More direct investments," came another voice, "as that is what our clients are increasingly asking for." For direct investments, there is considerably less correlation to mainstream listed markets, making a compelling case for these less liquid investments to occupy a larger space in HNWI portfolios.

"We agree that it is now towards the late end of the cycle but there are some opportunities out there," said another banker. "Clients should remain invested, but perhaps buying more protection on the downside, moving long-only exposure to hedge funds to maintain that upside exposure but to reduce downside exposure, should things go pear-shaped."

"The world is more volatile in 2019," noted another expert, "so risk management is essential, not just in terms of financial risk management, but family risk management, and corporate risk management. Here in 2019, all of us have a duty to try to help our clients to avoid the pitfalls out there." ■

Delivering Investment Products & Advice to Clients in Asia the Optimal Approach

A panel of eminent wealth management experts gather for the second panel discussion at the Hubbis Asian Wealth Management Forum to debate the role of technology in delivering wealth management solutions and whether passive will rule, or active and discretionary strategies will continue to play a role, or grow in importance.

These were the topics discussed:

- *What role is technology playing in the delivery of investment strategies and execution?*
- *What digital expectations do clients have?*
- *Connecting customer data to market data - what does this mean?*
- *What's the role of technology and AI?*
- *Transparency, Margins, Costs and Fees - what's changing?*
- *The revenue squeeze is on. Where does your revenue come from in future?*
- *Active vs passive - what is the balance in the future in Asia?*
- *What's the future of Discretionary and Advisory Portfolio Management in Asia?*

PANEL SPEAKERS

- **Alexandre Bouchardy**, Managing Director, Head of Asset Management Singapore and Head of Fixed Income and Equities Asia, Credit Suisse
- **Chee Loong Chong**, Wealth Business Leader, Singapore, Mercer
- **Alexis Calla**, Chief Investment Officer, Standard Chartered Private Bank
- **Tuck Meng Yee**, Head of Investment Solutions Asia, Allfunds
- **John Robson**, Chief Commercial Officer, Quantifeed

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THE KEY TAKEAWAYS

Technology works 24/7

Compared to 10 or 20 years ago, technology can reach people 24/7 today. It can help deliver generalised and specific information and help HNWI clients see through the noise in the markets and build diversified portfolios.

Personalisation

Technology is now enabling wealth management firms to really personalise each customer's advice, enabling the providers to deliver an individual solution that is dedicated to the client's personal situation and preferences.

Use AI, don't just rely on it

AI can help in the planning and diversification of portfolios but does not provide all the solutions clients require. AI should be aligned with all the other traditional tools for research and analysis.

Embrace diversity to achieve diversity

To capture as much diversity as possible, pursue and embrace different mindsets.

Balancing transactions and advisory

The representative of a vast global investment adviser boasting nearly USD12 trillion in assets noted that portfolio investment management is a key area that financial institutions are focussing on, noting that ever so slowly transaction-based business is giving way to the retainer, AUM-based fee approach to dealing with their clients, seeing the customer as truly a long-term engagement. The relationships are becoming more transparent and with a greater emphasis on best-in-class products and advice, with more emphasis on fees than transaction fees, but there is further to advance in all these aspects.

Discretionary? Being realistic in Asia

The discussion moved on to the definition of discretionary and what role DPM will play in Asia, with a panellist arguing that in this region it is unlikely that DPM will gain maximum traction in the foreseeable future. His firm's definition of discretionary is that they have a client account a good portion of which is hands-on and the rest of which can be managed for them.

Looking beyond the mainstream

One expert extolled the virtues of active management, where the managers are fully assessed and able to deliver in niche markets, perhaps where there is less research, such as small and mid-caps in the developed markets, or some of the emerging market countries, regions and sectors. They said that those active managers who really are worth their salt would go to do a deep dive into those markets and finding the best ideas to populate to your portfolio.

ETFs, yes, but alongside active

The thrust of ETFs into the Asian wealth management scene is taking place alongside the development of more niche strategies and advice where the wealth managers believe they can truly add value, and for which the client will need to pay more in fees.

Active encouragement

A guest noted how markets such as China will best be exploited with an active approach, and a greater focus should be given changes to the MSCI inclusions and to the bond indices. In the biggest and most liquid developed or other markets, ETFs make sense, whereas for broad-based access to China, alpha should achieve better results.

COMPARED TO 10 OR 20 YEARS AGO, technology can reach people 24/7. "In the good old days," said one banker, "we had one PowerPoint presentation, kind of a one size fits all, but actually clients are different, some panic, some do not when things become more difficult, some see opportunity in adversity, some, maybe 30 per cent of the clients, like to have some frequent nudges. With technology, we can better make sure that we have a relevant message and help people to stay on track." And with that, he advised clients to see through market vicissitudes and the 'noise' and use the right products and ideas to maintain diversification.

"I think what technology is now enabling us to really personalise each customer's piece of advice, enabling us to see every customer as an individual," observed another expert. "It does not take away the human expertise, that can still be there in the construction of the investment portfolios and the decisions on asset allocation and asset classes, but technology can help translate that into each customer's personal experience."

Diversification of portfolios is the key, said another guest, noting that AI does not provide the solutions clients require, as yet, but the input towards diversification of allocation, enabled by technology and information, helps the wealth advisers achieve diversification for the clients. "Yes, you can't predict the future, so plan for the future instead," another panellist remarked.

ALEXANDRE BOUCHARDY
Credit Suisse

JOHN ROBSON
Quantifeed

Using AI to support theses

Another panellist remarked that AI has its uses but should be aligned with all the other usual tools for analysis. He cited the example of the iPhone X when it came out, with AI extrapolating that sales would be so robust, but actually, the verification of that using supply chain data indicated the phones were not flying off the shelves. "It is great to use these tools, but we must understand their inherent weaknesses and therefore risks, as well," he concluded. "So, we look for fund managers who can use these tools in context and use all tools to navigate markets holistically, rather than thinking tools such as AI really give them an edge."

"In our bank, all the investment process is only based on trying to capture as much diversity as possible," observed another panel member. "There is a famous finding, that says typically if you want to minimise your mistakes pursue different mindsets and access as much diversity as possible, and we do that through experts, news, media, research and so forth. Ultimately, we are trying to make sure we make slightly fewer mistakes and thereby really add value to the client."

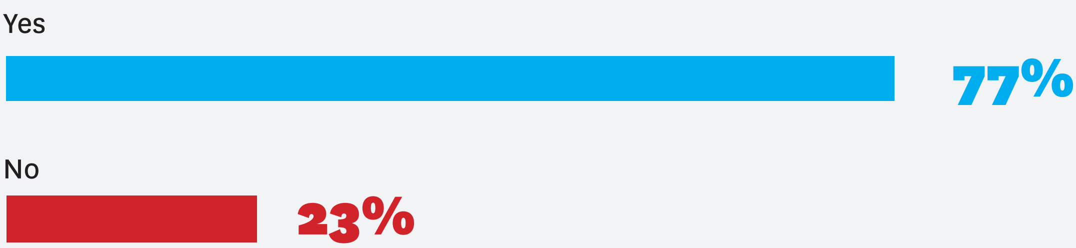
ALEXIS CALLA
Standard Chartered Private Bank

Removing the pain points

A platform provider said a key objective of their business model is to relieve pain points for their B2B clients. "The back-office pain points of reporting on performance, reporting on risk, rebate management for intermediaries," they said, "these are key pain points we solve."

He also observed that customers are pushing his firm to facilitate all the things that the panel was discussing - advice, transparency, low fees,

DO YOU THINK THE NEXT 12 MONTHS WILL BE MORE CHALLENGING THAN THE LAST 12 MONTHS?



Source: Asian Wealth Management Forum 2019 - Singapore

execution simplicity - through an experience that is completely effortless via a sophisticated, but easy-to-use technology interface that represents the company that they bank with.

Advisory gains sway

The representative of a vast global investment adviser boasting nearly USD12 trillion in assets noted that portfolio investment management is a key area that financial institutions are focussing on. "The transaction-based business is giving way to the retainer, AUM-based fee approach to dealing with their clients, not as a customer to whom to simply sell products, but really as a long-term engagement. The relationships are becoming more transparent and with a greater emphasis on best-in-class products and advice, with more emphasis on fees than transaction fees, but there is further to advance in all these aspects."

"THE TRANSACTION-BASED BUSINESS IS GIVING WAY TO THE RETAINER, AUM-BASED FEE APPROACH TO DEALING WITH THEIR CLIENTS, NOT AS A CUSTOMER TO WHOM TO SIMPLY SELL PRODUCTS, BUT REALLY AS A LONG-TERM ENGAGEMENT. THE RELATIONSHIPS ARE BECOMING MORE TRANSPARENT AND WITH A GREATER EMPHASIS ON BEST-IN-CLASS PRODUCTS AND ADVICE, WITH MORE EMPHASIS ON FEES THAN TRANSACTION FEES, BUT THERE IS FURTHER TO ADVANCE IN ALL THESE ASPECTS." "

He added that a movement towards more customised solutions is helping this process, including a strong emphasis on more illiquid, longer-term investments outside the public markets, including the trend towards private equity. "Advice and bespoke solutions are clearly a key focus," he remarked.

ETFs have their place

The thrust of ETFs into the Asian wealth management scene is encouraging the development of more niche strategies and

TUCK MENG YEE
Allfunds

advice. "Within our fixed income division of asset management since early 2010," an expert reported, "we have actually re-focussed our strategies towards more niche strategies where we truly believe that we can add value to our clients over time. For example, we look more at long-short strategies."

He referred to once such long-short fixed income strategy that produced 3% to 4.5% in Switzerland, translating to roughly 7% to 8% in US dollar terms. Another focus was on emerging corporate bond markets in Asia, looking at dollar-denominated paper. "We have done very well in this sector for the past seven years," he reported. "In short, ETFs are becoming more prevalent and they offer cheap access to many asset classes, but if you want something more tailor-made, something juicier, then the client must pay a bit more."

Active still core to the ecosystem

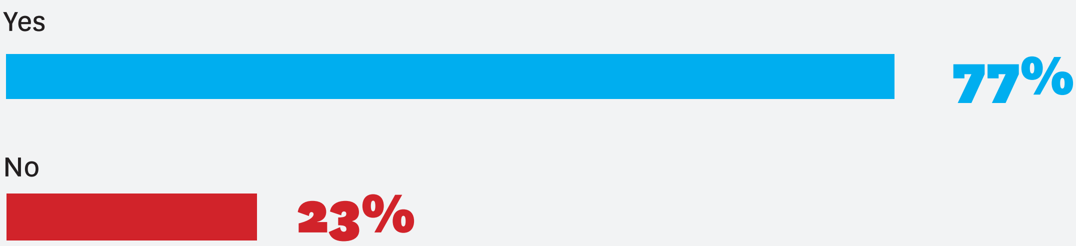
"We have a very strong view on passive versus active," they said. "We place great emphasis on manager research, and we firmly believe active managers have positive value to add to clients' portfolios. In the global developed markets there is so much coverage and the universe is so big that it might make a bit of sense to go to the passive, but if you did want to go to active in the smaller cap market space or even in some of the niche markets in EM, we believe it makes a lot of sense to go to the active managers, simply because this is the universe that today has far less research coverage. Those active managers who really are worth their salt would go to do a deep dive into those markets and finding the best ideas to populate to your portfolio."

Personalisation

"To me," added another guest, "the old segmentation used in the wealth industry is disappearing because we are starting to know a lot more about our client due to the use of technology in engaging with them and designing products for them. The challenge for us is to work out how to adapt to that and make sure we know the whole mindset by trying to embrace those changes and not approach things as we have in the past."

CHEE LOONG CHONG
Mercer

DO PRIVATE BANKS IN ASIA OPERATE IN A TRANSPARENT WAY?



Source: Asian Wealth Management Forum 2019 - Singapore

The discussion moved on to the definition of discretionary and what role DPM will play in Asia. “If discretionary is that the client passes the bank the money for them to run it themselves, then many people are still very reluctant doing that in the region,” he commented. “But if discretionary is that for some part of my investment I will use invest in a mutual fund, then you are also passing that away to a discretionary manager. The question is to what degree you are ready to trust someone else, and how much do you want to keep control of yourself. Our definition of discretionary is that we have a client account that we can help tailor and a portion of which we can manage for them. So, for example, some people are keen traders and sometimes they have the knowledge in one sector and actually let us do whatever we want with the rest of the money.”

And as a general comment, he added that clients in Asia have less of a long-term view than in Europe or perhaps the US. “The good old multi-income product to create balanced portfolios work well here,” he added. “Diversification with the flexibility to diverge and be more aggressive if required.”

Seeking alpha in China

Another guest closed the discussion by focussing on China. “China is here to stay. There are tectonic changes in the global forces today and you see that China increasingly has become a key force to be reckoned with and we like China strategies for a simple reason - the inclusion of equities into the MSCI as well as into the bond index. So, any investor should be thinking about how they want to increase Chinese exposure over time, and by using the right strategy and really talking to the right people. In the biggest liquid markets ETFs make sense,whereas for China alpha is preferred.” ■

The Rising Importance of Wealth Solutions and Planning for Asia's HNWIs

There is a need to plan years, even decades ahead, and incorporate flexible structures that allow adaptation to further regulatory changes, as well as the needs of the younger generations who will inherit so much of Asia's vast, and rapidly growing, private wealth. Trust, professionalism, and empathy in building out wealth planning conversations and constructing viable and compliant succession planning is essential. Which is always easy with the Asia clientele who have historically held their cards close to their chests.

These were the topics discussed:

- *What challenges do Asian families face in wealth and legacy planning, and how is that changing?*
- *Are they and their advisers ready for the inter-generational wealth transfer?*
- *What are the effects of regulatory change and future-focused compliance?*
- *Are private banks and advisers making the most of the opportunities?*
- *How are insurance solutions being structured and developed to fit this type of initiative?*
- *What other opportunities are being presented as wealth planning moves centre stage?*
- *How well has Singapore positioned itself to be the go-to centre for wealth planning for Asia's HNWIs and their families?*

PANEL SPEAKERS

- **Richard Nunn**, Head of Business Development, Jersey Finance
- **Sean Coughlan**, Managing Director, Trident Trust
- **Lee Wong**, Head of Family Services, Asia, Lombard Odier
- **Harry Ng**, Head of Wealth Planning Strategy & Solutions, Asia ex-Japan, Nomura
- **Woon Shiu Lee**, Managing Director & Regional Head of Wealth Planning Family Office & Insurance Solutions, DBS Private Banking
- **Cara Williams**,Senior Partner, Global Leader for Financial Intermediaries & Family Offices, Mercer
- **Lim Cho Peng**, CEO, IPG Financial Services

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THE KEY TAKEAWAYS

Vast opportunity awaits

Wealth management experts report a proliferation of interest amongst Asia's HNWIs and their families in the right structures and governance to transit their businesses and personal assets, to the next generation. As one panel remarked, the opportunities for the wealth management industry are indeed enormous.

Challenges open doors

Amongst the most pressing challenges is the quest for family harmony in this process. However, this can be addressed with robust structuring, with appropriate business and family governance and open communication. As this takes place, wealth advisers have greater opportunities to build out their relationships across their client generations.

Transparency and complexity

Transparency and complexity are both key drivers for change in the wealth planning universe in Asia. No longer can the old go-to structures such as BVIs address these many issues, more sophisticated and transparently compliant structures must be put in place. To achieve this, wealth managers involving themselves in this space needs to be rigorously professional to order to be adept and professional.

The IFC in the spotlight

As the global regulatory noose tightens, some of the IFCs that have less worthy reputations are likely to be passed over in favour of those IFCs that place sophistication, global connectivity, and transparency at the core of their proposition.

Tax - last but not least

All wealth planning should have tax in mind, but the final approval for structures should come from tax experts, not from the wealth management advisers themselves. Whatever structures are proposed need to be tried and tested for transparency and compliance, and also on a forward-thinking basis.

Insurance works

Liquidity is always important, but at the time of a family's stress, such as the death of a key member, liquidity is essential to manage liabilities and keep the family afloat through a difficult period while all is resolved. There are many insurance solutions that the sophisticated wealth adviser should highlight and then work with the appropriate experts to ensure the right outcomes. The conversation is no longer about why should a client should have life insurance, it is now more about what kind of life insurance, and are those life insurance policies tax compliant.

Think differently

There is also a trend towards passing on wealth gradually rather than at one time, on a client's demise. If this approach is followed, it helps the younger generations learn to manage wealth rather than suddenly have huge wealth arriving at one time.

Multi-generational engagement

According to one guest, only 13% of the third generation of an HNWI or ultra-HNWI family actually stays with the family bank. This highlights the vital importance of wealth managers building relationships across the generations.

Open doors...

An expert encouraged the advisers to help engender open communication amongst family members to address complex personal, family and other issues that are often swept under the carpet.

Advice on advice

Wealth management professionals should work within an ecosystem of excellence, and be able to recommend external advisers such as lawyers, accountants, trustees, custodians and others to their clients, who might not know the best-in-class service providers.

Keeping the record straight

Families must first build records of their global assets and then ownership structures before a wealth manager can devise the best structures for them. This is often a difficult process and must then be followed up by rigorous updating.

Beware of secrecy

Wealth management professionals should be aware that Asian clients, in particular, are not disposed to revealing all their details to a single adviser, so building trust and openness are essential to achieving the optimal results.

CARA WILLIAMS
Mercer

A LEADING LIGHT IN THE AREA OF WEALTH PLANNING gave their insights. "It is very clear that so many professionals in this room, and financial institutions and law firms, all of you, are seeing more and more clients who are preparing the next generation, they are looking for ways to transit the ownership as well as the management of their businesses and their assets to the next generation. Simply, the opportunities for us are huge."

And as to challenges, they highlighted the difficulty of achieving family harmony. "We talk a lot about structuring in relation to assets, but there is also the governance piece that needs to be looked at to ensure that family members are aligned to their value system, this governance process to ensure they make good decisions together. But even these challenges are opportunities for us, as we build relationships as advisers to help families over very difficult hurdles."

Two key drivers

Another expert added that there are two key features which make the current environment so attractive for wealth planning. "One is transparency," she said, "and the other is complexity. In the old days, it was 'ok, so we will just have a BVI and sweep everything under the carpet'. But with transparency and complexity, you must be more connected to regulations and local environments, in short, you have to be on all sides of knowing everything. Moreover, it must be

HARRY NG
Nomura

done at speed and in advance, for example ahead of changes to tax laws perhaps in China, or Taiwan, or wherever. We need to be complete professionals, to know enough about what is happening onshore so that your offshore advice becomes relevant and becomes precise and accurate."

An expert addressed the current role of the international financial centre. "If we wind the clock forward five or 10 years, we will probably reflect back on the recent few years as really pivotal years in the world of offshore, in the world of IFCs, because there is a real line in the sand that's forming now for finance centres that can keep up, that can manage the complexity referred to, that can lead the way to transparency. In a decade, perhaps, we will have a tighter cluster of IFCs that will dominate the way."

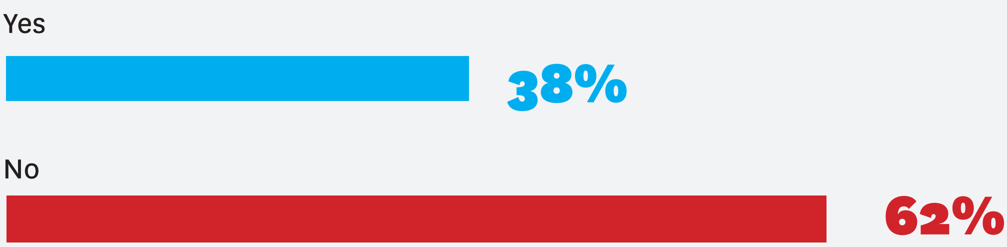
Real solutions, please

Another guest remarked that the younger generations of the HNWI families no longer want updates that they can see on the financial news channels or websites. "They want real solutions and advice, we must be prepared for different conversations when we go into any meeting nowadays, even on the wealth planning side."

Tax advice is always the last, and vital step to any planning, said another expert, especially with so much cross-border wealth across so many jurisdictions. "There are so many cross-border complications and issues that need to be resolved before you can actually finalise a structure and get somebody to sign on the dotted line," he remarked.

LIM CHO PENG
IPG Financial Services

IS THERE GROWING INTEREST IN DPM?



Source: Asian Wealth Management Forum 2019 - Singapore

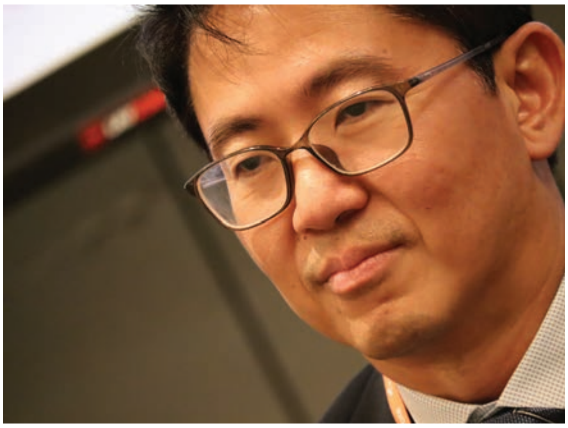
Insurance solutions

Insurance structuring is vital for the provision of liquidity. “A lot of our clients are asset rich and cash poor,” said one guest. “Liquidity cannot be ignored in a conversation, so we, for example, work closely with the key private banks in Asia. For those RMs and bankers who are not so confident in bringing this up, I think naturally you should go to your wealth planners and get them to help them with this subject, because if you are not having that conversation, someone, else some other banks will have that conversation.”

They added that the conversation is no longer about why should a client should have life insurance, it is now more about what kind of life insurance, and are those life insurance policies tax compliant. “These are real conversations these days, no more sweeping under the carpet, real questions addressing real issues for the clients and beneficiaries,” they noted.

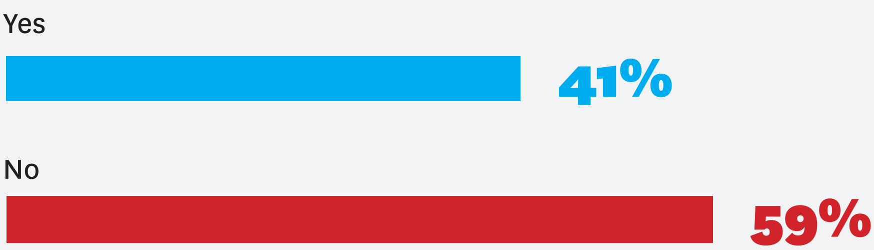
Another guest added that the insurers should work closely with the banks and wealth management advisers. “These days there are solutions such as variable universal life insurance solutions, there are private placement life insurance solutions and others, and as we know, the world we are living in is getting ever more complex. You can no longer simply create a structure, that doesn’t cut it because you need to really balance it with other solutions like insurance solutions, maybe family governance, before the entire jigsaw puzzle is complete.”

LEE WONG
Lombard Odier



LEE WOON SHIU
DBS Private Banking

AS THE YEAR AHEAD APPEARS TO BE MORE CHALLENGING, WILL YOU BE MORE FOCUSED ON HNW INSURANCE?



Source: Asian Wealth Management Forum 2019 - Singapore

They added that insurance has really become more dynamic in terms of investment types. "It is no longer just about insuring yourself and the family, it now spans tax, alternative assets, and has become much more complex, so you need the support of a larger team to help guide the client through these areas. You need to be the conductor of the orchestra of experts. And you must have the wherewithal to say: 'I don't know everything, but I know what I don't know and what my client needs to know'."

Consider the alternatives

An expert added that new ideas have emerged as well. "Rather than passing on wealth in a lump sum," he said, "clients think about ideas such as whole of life income plans; instead of passing over lump sums, they pass on income on the annual basis which is more manageable for some of these younger beneficiaries who may not be able to manage their wealth so well. The conversation has definitely evolved in the last 10 to 15 years."

"RATHER THAN PASSING ON WEALTH IN A LUMP SUM," HE SAID, "CLIENTS THINK ABOUT IDEAS SUCH AS WHOLE OF LIFE INCOME PLANS; INSTEAD OF PASSING OVER LUMP SUMS, THEY PASS ON INCOME ON THE ANNUAL BASIS WHICH IS MORE MANAGEABLE FOR SOME OF THESE YOUNGER BENEFICIARIES WHO MAY NOT BE ABLE TO MANAGE THEIR WEALTH SO WELL. THE CONVERSATION HAS DEFINITELY EVOLVED IN THE LAST 10 TO 15 YEARS."

Another perspective was offered by a guest who highlighted that only 13% of the third generation actually stays with the family bank. "So that shows clearly why it is so important for the private banks to engage with the second and third generations," they commented. "those generations are typically looking for very different types of investments and solutions from the patriarch or matriarch of that family. And the third generation, for example, you might be

SEAN COUGHLAN
Trident Trust

coming across not only online investments, but crowdsourcing, impact investing, philanthropic investments, so we need to understand what they are passionate about, what returns they seek and how much they are prepared to forgo for doing the right thing in their eyes."

A guest encouraged the advisers to help engender open communication amongst family members to address complex personal, family and other issues.

Another panellist advised that the bankers should be able to guide clients towards the best external advisers for different disciplines, in order to help manage the complexities, for example trustees, or tax advisers and others. "We often comb through a huge spectrum of advisers to find the right one," she said. "That is not an easy exercise, but it is where you can add value, because clients depend on you for their connectivity, they depend on you for their resource because the clients will not have access to all these advisers. Being able to facilitate the best in class from your network of advisers across all the markets where you do business is central to giving the best advice to them."

Keeping the record straight

For the families to know exactly what they own and to have complete detail on the ownership details is another vital step in effective wealth planning.

"In most first meetings," said one expert, "I have I tell the client that, unfortunately, they have to do some homework. Before I start providing a solution, I need to know what I'm dealing with. They must have a clear view of what assets they own today, how or where they are owned, and when it comes to the investment piece, we often talk to our clients also about asset consolidation as well as a reporting. When you look at the family office space today, very often it is required because they have come to this level of complexity and this level of asset holding that they want to reorganise and to rationalise what they own and how they manage it. Often it is all over the place, so we talk to them about using technology to consider consolidating as the first step."

RICHARD NUNN
Jersey Finance

Remember the Asian predilection...

A guest added that there is a cultural disinclination in Asia to tell one person about all the assets they have, even if they happen to know what they all are. "They prefer to dribble out the information to various bankers intentionally, so it often makes it tough for any banker to try to actually holistically help them with portfolio management or wealth planning. All you can do is really continue to reiterate the importance and that trust relationship is just so critical that they believe that they can tell that one banker everything that they have so that one banker can actually provide any kind of value."■

The Quest for Optimal Asset Allocation for Asia's HNWIs

A 'Fab Four' of investment experts looked at the US markets, where valuations appear stretched but momentum is still in its favour. They looked at Europe, which offers pockets of value, but considerable political and economic challenges. They surveyed Asia, where valuations are modest and economic growth robust, but where momentum has yet to propel an upward re-valuation. And at the alternative, illiquid markets, including private equity, precious metals and other assets, to see how they fit into a well-adapted portfolio. And agree that these somewhat uncertain times offer opportunity, not dismay.

PANEL SPEAKERS

- **Haren Shah**, Managing Director, Head of Investments, Taurus Wealth Advisors
- **Ranjiv Raman**, Head of Investments, Schroders Wealth Management
- **Marc Lansonneur**, Managing Director, Head of Managed Solutions & Investment Governance, DBS Private Banking
- **Gary Dugan**,CEO, Purple Asset Management

These were the topics discussed:

- *Is there an increasing interest in ESG?*
- *Are the U.S. markets and economy in trouble?*
- *Which sectors can we "reasonably" expect to grow?*
- *Are investors overestimating return and underestimating risk?*
- *How will you generate income without taking unrealistic risk?*
- *Is excess optimism and overconfidence - driving the markets to impossible levels?*
- *What are the main investment themes and the products that will be most relevant in 2H 2019?*
- *How has the Investment environment changed in Asia from 2017 to 2019?*
- *How do you think Asian equity market performance will be in 2H 2019?*
- *What's the interest of private clients in; Alternatives, Private equity, Hedge funds, Infrastructure, Property*
- *Where should you be allocated today and why? What's cheap and what's expensive? Equity, Fixed income, Currencies, Commodities*

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THE KEY TAKEAWAYS

Flexible approaches required

Clients need good advice and best-in-class ideas and products, and asset allocation. They do not need fixed and preconceived ideas on active versus passive, and advisers who exclude rather than include. Comprehensive portfolio formation that reflects a genuine understanding of the client needs and a broad array of types of assets and geographies and sectors is vital.

Good times, bad times

If there was a generalisation in the discussion, it was that active strategies are preferable in more difficult market conditions, as quality tends to outperform down markets.

De-risking in the face of volatility

Greater volatility today, and since February 2018, should be reflected in a de-risking of HNWI portfolios. Stay invested but be more cognizant of adaptations to improve the risk-reward profile.

Don't ask for it all

To build DPM assets, banks and advisers would do better to seek only a portion of the typical Asian client's assets, and alongside that offer open architecture to achieve best-in-class outcomes for the clients outside the discretionary portfolio.

Be transparent

Clients see transparency as a key factor in their asset allocation amongst wealth managers. The more information the provider can be as to their approach to fees, they better.

Go more conservative

Some experts advised that in light of the uncertainties the world faces, stay invested, but tend towards defensive sectors and income-paying stocks and safety net fixed income, with low leverage and solid, predictable free cash flows.

Go less liquid

Private investments, especially private equity, should form a sold portion of portfolios, as this helps the clients take a long-term view and achieve more balanced returns, over time.

Outlook uncertain

When quizzed for their views on the markets looking ahead, the best outcome one guest expected is a rise of about 10% in 2019, with selective Asian markets doing somewhat better than that. However, the most compelling feature of their replies was that there is considerable uncertainty about growth in the US market and also over the sustainability of such high valuations, driven as they have been by continuing momentum in recent years.

AN ASSET MANAGER BEGAN BY EXPLAINING his approach. "We are a B2B operation, we ask the clients what they want, we create the product the client wants, and then we manage it, including regular delivery of fintech reporting. Our client base has principally been in the UK, but more recently the Middle East and Asia, although in this region regulations tend to limit the availability of optimal products, so for example with an insurance wrapper, pension regulation or the local regulations in the market might limit the asset classes you could use, or might limit the duration you can put in terms of your products, or restrict structured products or hedge funds."

Horses for courses

Drawing on more than two decades of experience, he remarked that the world is not as definitively active as it was. "We would all like to believe that money should go to companies doing well and that will do in the future, that bad companies should not get the capital. But of course, in the real world, a lot of active managers have struggled. We researched and found that there are in fact market phases where the active manager does well. As an example, emerging markets when they're going up, go passive, but on the way down go active - quality does better to the downside, but not so well in the bull market."

HAREN SHAH
Taurus Wealth Advisors

The best of both worlds

"You need both worlds to achieve performance," said another expert, meaning both active and passive strategies. "For fixed income we much prefer the active solutions versus the asset class solution, which suit some markets and situations, especially more difficult conditions, and there is the factor investing, and smart beta product, which will also gain momentum moving forward, as they provide a very interesting middle solution in certain cases. And let's not forget the volatility, so long-short hedge funds, which also are good solution in certain market configurations."

The active versus passive debate, said another guest, depends on the type of client. "Often," he said, "clients will expect returns of 10% or 12% a year and say their risk profile is conservative, but they must understand that you have to take risks in order to achieve those kinds of returns. So we must communicate with the clients and make proposals that relate to their expectations and also reality. Value, for example, is a relative term, so we have seen in recent years that expensive gets more expensive and cheap stays cheap."

De-risking

"You need to adapt to the environment," he continued, "so the key is to add value by using all approaches. All too often clients are doing things because they are busy, their banker calls them up and gives them ideas and they say go ahead. But our approach is to achieve what the client wants to achieve and with the right approach, not in an inconsistent way. De-risking portfolios is a vital part of the approach, as all too often clients do not understand the risks sitting in front of them."

He added that in a family office environment, there is a very different approach from working in private banks. There is no drive to meet certain budgets. "We make our money in the business of looking after the clients, not in the markets."

He conceded also that there are times when clients leave the family office because returns are not what they expected. "This is when there is a mismatch between expectations and reality. You will never satisfy every client, but if you can achieve 90% to 95% I think you have done well." And time is the true gauge, as returns need to be measured over a longer period, not just one year at a time.

Open mindedness and client-centricity

Another expert noted that the first step is to identify the kind of exposure that the firm wants for its clients, with no set prerequisite in terms of active versus passive. "Completely open architecture for the investments, and even open architecture when it comes to where we book our clients," he reported. "the client needs to see that we can offer a whole suite of products and booked across multiple venues."

"COMPLETELY OPEN ARCHITECTURE FOR THE INVESTMENTS, AND EVEN OPEN ARCHITECTURE WHEN IT COMES TO WHERE WE BOOK OUR CLIENTS," HE REPORTED. "THE CLIENT NEEDS TO SEE THAT WE CAN OFFER A WHOLE SUITE OF PRODUCTS AND BOOKED ACROSS MULTIPLE VENUES."

"Traditionally," he explained, "we have been very much focussed on discretionary portfolio management and that still remains in terms of our focus. But what we have seen in Asia over the last few years is the increasing need for customisation, be it focussing on trust planning, wealth planning, income investing, or other areas. Asian clients want a lot more direct exposure and indirect involvement. And in terms of our positioning, we are going for more private and illiquid assets as the add-on to the liquid public market assets."

MARC LANSONNEUR
DBS Private Banking

Ask not for the world...

He added that the firm's DPM role - roughly 35% of the AUM - is in much managing our client portfolios, multi-asset classes, equities, fixed income and fund of funds, but that the demand is definitely diminishing on the fund of funds side and going towards a lot more direct exposure.

He gave more insight into the firm's DPM operations. "We do not see it as a replacement for advisory, we place it alongside. If the client has one hundred dollars, we do not ask for that in DPM, because we know Asian clients want engagement, more transactional flows. But at the same time he wants a certain pocket to be managed with maybe capital preservation or downside risk management, so we say look, give us one third of the portfolio as discretionary and for the rest we will engage you with ideas or our own ideas or from other institutions."

Be transparent

"We aim to be transparent throughout," he added, "so increasingly in all the portfolio proposals that we bring to clients, we disclose total expense ratios, even at the fund level, drilling down to not just management fee but total expense ratios because at the end of the day the clients should know I think very clearly and very transparently what he or she is getting advice on, what he or she is buying, and if we can offer a more efficient solution."

As to market positioning in the current and anticipated environment, he remarked that as so many asset classes are very correlated currently, a more balanced asset allocation is advisable, with a tendency to more of a barbell approach and private assets part. Seeing the volatility of 2018 and where markets are now, the key takeaway is to continue to stay invested in equities, bonds and spread allocation.

Balance to downplay correlation

A fellow panellist took up the point about correlation. "I don't think the volatility we are experiencing today is really much different from volatility we had previously. The more important factor is the interest rate environment and the change of the curve this year, as this is a game changer, bringing some positive fuel to the market, and we believe it will continue. So, stay invested, focusing on the right sectors which are really providing returns and results, and on more conservative dividend-paying stocks, low volatility assets on the other side of the risk curve. That is the kind of portfolio we will build today, as well as including some private investments, alternatives, and some gold as a protection."

As to private equity, he noted that prices are increasing due to demand, especially in real estate, but clients are more committed to staying in as there is no mark to market and liquidity is modest at best. "It's good because clients are forced, somehow, to be longer-term investors, so they are less subject to volatility. But we also need to recognise that liquidity is very important if there is any significant crisis."

The topic turned to women and wealth management, with a guest noting that women today represent 33% of global wealth, and that is rising fast. "As to strategic asset allocation or tactical asset allocation," one guest remarked, "I think tactical these days is a waste of time. It is interesting that when clients comes in as couples, the risk profile of the portfolio tends to adjust down, indicating that women perhaps are more pragmatic, take a much broader perspective on what that family wealth is actually supposed to achieve."

GARY DUGAN
Purple Asset Management

RANJIV RAMAN
Schroders Wealth Management

To close the discussion, the experts gave some of their personal views on the outlook for markets.

Forecast – sunny intervals, possibility of storms

"Equity markets will be down at the end of this year from where they stand today," said one guest. "I fear that the gains made will be wiped out but I also fear that the world's going to go absolutely crazy on quantitative easing and that there is a new brand of economics out there that says you can borrow forever, after all Japan has almost proven it. A serious economist just said just keep borrowing keep borrowing until the bond yield finally goes up. So, my fear is that prediction will be totally wrong - the central banks will just inject even more cash just to keep the powerful populist story going and we'll be at an even crazier level on asset prices."

"My view," stated another expert, "is that global equity markets probably will be up about 10% for the year. There is value and there is good traction. And there is a 10% premium on Asia in certain markets, in emerging equity markets. But we must all remain nimble."

"I cannot predict in numbers," said another panellist, "but I feel this is definitely a year for more defensive income strategies. Dividends, free cash flow low leverage. At the end of the year, we're moving towards elections in the US, and there is the volatility caused by trade wars. Asia, of course, remains very much driven by where the Dollar is going. In the Us, there are some indicators, for example from the autos sector, that the economy may not end up in the 3% growth range by the end of the year, but more like 2% which may be the new normal. From an earnings perspective Asia is the place to be, but be careful about the dollar vulnerable countries like the Philippines and Indonesia, which can tend to sell off in this kind of market."

"The way I see risk," said another guest on closing the discussion, "the best is behind us, so I think the key is to preserve what you have achieved this year and try to incorporate a lot more risk management. We are in a very unpredictable environment where the action and reactions are causing a lot of unpredictable end products. My advice is to try to build a portfolio based on your clients' expectations and needs, then monitor it, make the adjustments that you need to make. The key is to manage the volatility that I think is inherent in today's markets and then avoid the accidents and take advantage of the opportunities." ■

Innovative, Interesting and Relevant Investment Solutions for Asia's HNWIs

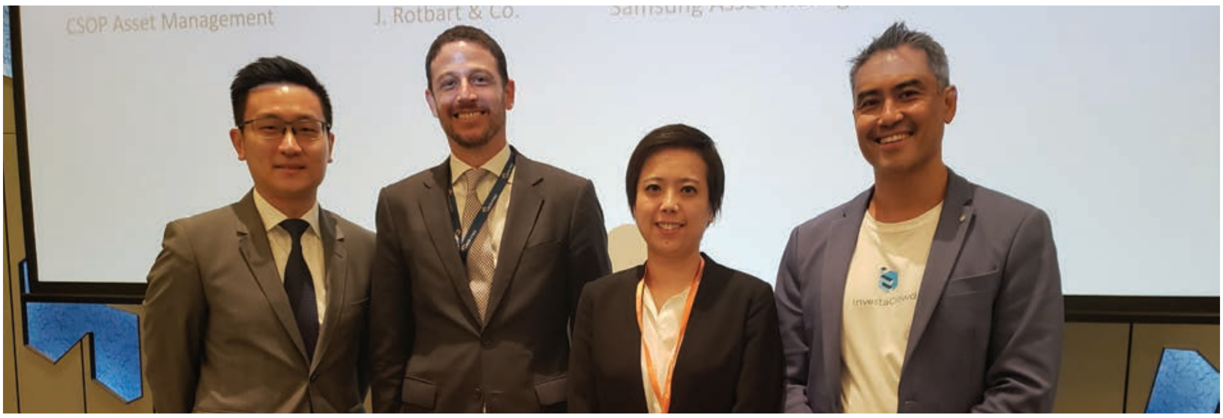
A panel of experts at the Hubbis Asian Wealth Management Forum considered several key asset classes, strategies and technologies that are already impacting the Asian wealth management markets, or that soon will, from the digitisation of illiquid assets to the broadening universe of ETF strategies, and the growth of physical gold investments.

These were the topics discussed:

- *What are digital securities and what relevance do they have to financial assets?*
- *How do investors benefit from investing in digital securities?*
- *Is gold an interesting asset class today? What role does it play in a client portfolio?*
- *Should investors buy physical or paper gold?*
- *What cash and money market alternatives exist today?*
- *The outlook for China*
- *What developments have we seen for ETFs and passive funds in Asia?*
- *What are the thematic investment opportunities that resonate with clients today?*

PANEL SPEAKERS

- **Tony Wong**, Head of Intermediary Sales, CSOP Asset Management
- **Joshua Rotbart**, Managing Partner, J. Rotbart & Co.
- **Joanne Siu**, ETF Sales Director, Samsung Asset Management
- **Julian Kwan**, Chief Executive Officer, InvestaCrowd



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hubbis

THE KEY TAKEAWAYS

Distributed ledgers to make illiquid assets more liquid

A major problem for growth markets such as private equity, backed by whatever assets are preferred, whether real estate or companies, is that such a long-term investment is illiquid. But one expert offered a solution to the problem in the form of digital securities enabled by blockchain technology for the shareholding structures for private equity and real estate investments, which can thereby turn illiquid holdings into easily tradeable assets.

The future, tomorrow

But the concept is not to stop at only the digitisation of private assets, the technology should, the expert advised, be applied to all public securities in the future. In short, they argued that this is the future of all issuances, whether stocks or bonds or private equity or venture capital, or whatever the underlying assets or structure.

Gold's many appeals

Gold dropped less than 2% in 2018 when some markets fell by up to 20% and well-known cryptocurrencies by 75%, or sometimes more. But physical gold is outside the global financial system, it is non-correlated and therefore a solid diversifier for portfolios, it is liquid and easily traded.

The ETF market expands

The universe of ETFs in Hong Kong, especially those offering access to the Chinese markets, is expanding rapidly, offering foreign investors the opportunity to buy into the mainland "A" share market, or dedicated strategies such as small- to mid-caps. Some ETFs are also offering a dedicated play on the development of 5G in China, housing companies that are taking the lead for the country's innovative 5G technology, such as Baidu, Alibaba and Tencent, which represent the largest three holdings in one fund. Another ETF offers a play on the infrastructure side of 5G.

New innovations in ETFs

The development of money-market ETFs and inverse ETFs now offer investors the means to access institutional style money-market investments in Hong Kong and US dollars out of Hong Kong, as well as a means to hedge the Hang Sengi Index through an inverse ETF on the HIS. These new opportunities are being well received by investors of all types.

Hold real gold, not ETFs

An expert advised that gold-backed ETFs offer investors easy access to speculative trading, but for true diversification and protection, bullion is the answer. He recommended that investors with a well-structured portfolio should hold between 3% and 10% of their portfolios in bullion.

JOANNE SIU
Samsung Asset Management

A SIGNIFICANT PROBLEM FOR GROWTH MARKETS such as private equity, backed by whatever assets are preferred, whether real estate or companies, is that such a long-term investment is illiquid. But one expert offered a solution to the conundrum.

Blockchain comes to private equity

"We offer an investment platform in Singapore that has for the past two years been investing in the latest technologies to develop blockchain technology for the shareholding structures for private equity and real estate investments," he reported. "We focus on advising on and issuing digital securities, which are simply a digital representation of a security or an asset. Our mantra is email is better than paper, a digital share is better than a paper share. There is more flexibility, there are more benefits, new investment products and enhanced liquidity for liquid assets if you own a digital security that represents exactly the same asset as a traditional security."

He expanded on what he explained is a topic of great relevance to HNWIs in Asia, namely access to private equity, and real estate private equity. "The problem," he commented, "is bankers and the wealth managers typically focus only on the liquid assets, so right now a big focus is to achieve a digital representation of the underlying private equity shares that can then be more liquid and more transparent. The biggest downside of private equity is illiquidity, so investors tend to be stuck for seven

JULIAN KWAN
InvestaCrowd

to 10 years but typically they are trying to return 15% to 20% IRR. If you can marry the liquidity elements or some of the best parts of public liquidity and stocks with private equity, then we have a whole new world of products. It is fascinating."

The future, now

He closed his comments with a statement that what his firm is working on right now is not a trend. "It is the future of all issuances, whether stocks or bonds or private equity or venture capital or whatever the underlying assets or structure."

Another expert looked at cryptocurrencies and their relationship to gold. "Bitcoin, for example, works as a currency," he said, "as it allows you to conduct payments away from the banking system, a bit like gold, but we have learned in the past year or two that it is no true store of value. Gold went down 1.7% in 2018, financial markets anywhere up to 20% and cryptocurrencies lost about 75%."

"BITCOIN, FOR EXAMPLE, WORKS AS A CURRENCY," HE SAID, "AS IT ALLOWS YOU TO CONDUCT PAYMENTS AWAY FROM THE BANKING SYSTEM, A BIT LIKE GOLD, BUT WE HAVE LEARNED IN THE PAST YEAR OR TWO THAT IT IS NO TRUE STORE OF VALUE. GOLD WENT DOWN 1.7% IN 2018, FINANCIAL MARKETS ANYWHERE UP TO 20% AND CRYPTOCURRENCIES LOST ABOUT 75%."

Democratising gold amongst Asia's wealthy

He went on to explain that his firm had entered a deal with a private bank in the Philippines to promote physical gold to the growing numbers of HNWIs and ultra-wealthy investors there. For regulatory reasons, he reported, the banks cannot do it themselves onshore, so the firm has an arrangement with the bank to access their clients and a profit-sharing arrangement that he explained is working well.

"Physical gold been around for 3000 years," he noted, "but it is new to many of those investors to buy it as a product, and they then keep it offshore because gold is heavily regulated in the Philippines, as it is in China. It means a lot of education for the bankers and their clients, but it works well for us to meet their clients and well for the bank as an innovative product that nobody else is offering there. The clients want security, they want to manage volatility, uncertainty, they want risk management. The bank understands that they need to bring some solutions for the clients."

TONY WONG
CSOP Asset Management

The expanding universe of ETFs in Asia

An expert turned the discussion to the ETF market, referring to Hong Kong listed ETFs. "We have six ETFs listed there," they reported, "and our message is we believe they are ideal products as a satellite for your asset allocation objectives."

One of the most exciting innovations is an ETF that tracks the development of 5G in China, housing companies that are taking the lead for the country's innovative 5G technology, such as Baidu, Alibaba and Tencent, which represent the largest three holdings in the fund.

Another expert promoting ETFs through Hong Kong remarked that a core mission is to direct more foreign investors into China. "It is a complex market," he said, "but we have 17 ETFs listed in Hong Kong Stock Exchange across various asset classes, including equities, fixed income, and representing some USD50 billion of funds, and to put that in context Singapore itself has roughly that same amount in total. Right now, we are therefore representing the largest grouping of China equities ETFs in the world."

China – play two sides

He went on to explain that currently the firm is neither overly optimistic, nor negative on China. "If people are worried about trade wars and their impact, we see that China is adaptable in terms of its fiscal approach towards rate cuts, and there are also positive tax reforms," he reported.

All of which should help china stave off the worst impact of any protracted or heightened trade conflicts. "Don't be overly bearish on China, therefore," he advised, "but on the other hand keep cautious over risk."

"At the end of last year," he added, "we made a call to go long China 'A' shares and small- to mid-cap Chinese stocks, and short the HSI market. Then right at the beginning of Q2 this year, we said investors should be looking at moving their assets to more safety, so bonds, fixed income, money markets and also using the inverse ETF to hedge against their core portfolios."

New ideas well received

He explained that the new money market ETFs have been popular, allowing retail and HNW investors access to corporate deposits on an overnight basis.

"This is a concept brought in from the US and Europe where it has been very successful," he said. "Investors can easily trade in and out at any time the market is open. And the inverse ETF is immensely popular, with a roughly HKD2 billion inflow this year and total AUM to date of HKD4.6 billion. We are soon to launch a two times inverse on the HSI market, so investors can effectively hedge against the HSI."

A guest explained that ETF fees are low, and in Hong Kong there is no stamp duty. Moreover, they noted that ETFs are transparent and easily tradeable. "In recent years," said another expert, "many more private banks and wealth managers, especially the DPM portfolio managers, are keen on a greater variety of ETF strategies, including the newer ideas such as inverse funds that offer alternatives to clients who cannot for whatever reasons access the futures and option markets."

JOSHUA ROTBART
J. Rotbart & Co.

With gold, stick to a hold

The discussion returned to gold, with an expert highlighting the difference between physical and paper gold. "Gold protects against unpredictability, volatility, it is non-correlated, it is outside the financial system and very valuable for risk management in a broader portfolio, which is why we recommend 3% to 10% allocated to gold. But in our view, it must be real gold, as ETFs are not good enough. Why? Because they are not fully backed by physical gold. Second, they are financial product, so redemption and settlement can be slow, especially in times of stress."

But gold is highly liquid, it can be sold quickly and settled very fast. "A client gives us the instruction to sell at 10am one day and by 4pm they have the money in their account. Additionally, gold is gold, it is not a promise to be paid in the future, it exists, you can touch it. ETFs are useful for trading or speculating, of course, but real gold offers far better protection." ■

Henley & Partners: Working with Asia's HNWIs and Wealth Managers to Promote Investor Migration

Nirbhay Handa, Henley & Partners, Country Head - India, Sri Lanka & Bangladesh and his colleague Rory McDaid, Client Advisor, addressed the audience at the Hubbis Asian Wealth Management Forum to highlight the many appeals of secondary citizenship or residency around the world. The story they recounted is very compelling for so many of the world's wealthy, with an estimated 34% of the globe's HNWIs already holding one of these alternatives. And as the world's leading investment migration consultancy, they said, Henley is ideally positioned across Asia as experts on the programmes on offer and experts at working with Asian HNWI clients and families to achieve their goals.

HANDA BEGAN THE TALK BY REPORTING THAT EVERY DAY we hear about a political or a military crisis around the world. "Three weeks back it was Sri Lanka, yesterday it was Jakarta," he noted. "So, people need an insurance policy. At Henley & Partners we work with wealthy families and individuals who are looking to acquire an alternative citizenship or a residence through investment which could serve as an insurance policy in times of need."

He then ran through the other key reasons. "The second primary reason families reach out to us is to achieve travel and settlement freedom" he explained. "For example if you hold a Bangladeshi passport, you can travel to only 41 countries without having to apply for a prior visa while with a Cyprus or Malta passport you can travel to more than 180 countries and also settle anywhere in the European Union (EU). So, travel and settlement freedom are important motivators for getting an alternative citizenship and therefore passport of another country."

Finally, lifestyle benefits are also a key reason a client may consider an alternative citizenship. He reported, "if you look at the developing markets, healthcare and education are

NIRBHAY HANDA, IMCM
Henley & Partners

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not particularly great. So, a client maybe keen to acquire a citizenship or an alternative residency of country that offers all these key advantages."

Working with wealth managers

Henley works closely with the wealth management community. "With private bankers, we strive to build a relationship based on reciprocity," he told the delegates. "We deal with high net worth clients day in and day out, and we are always on the lookout for a private banker whom we feel would be a good fit for families that we work with who might need private banking services."

Working with Henley

And as to working with Henley, Handa explained that the team always works from the outset to make sure they are the right firm to really help the client and then to ensure both parties build trust and understand each other.

"We have in-depth experience of our private clients needs and with working closely with the governments on their programmes," he added. "There is no other company that has the knowledge of both sides of the equation as deeply as Henley."

"We have helped various governments globally to structure their Citizenship-by-Investment (CBI) programs. We are the concessionaire for the Maltese government and designed the CBI program for them which is the benchmark within the investment migration industry. Similarly, we have had multiple government engagements with countries including the UK, Switzerland and Austria in Europe; Antigua and Barbuda, Saint Kitts and Nevis and Grenada in the Caribbean; Thailand in Asia; and most recently we were mandated to structure the CBI Program for the Republic of Moldova.

Residency, or citizenship

There are key differences, Handa reported. "I think most people would be aware, once you have citizenship, you have the right to vote, you can pass your citizenship to future generations. While with residence, it depends on the conditions as to whether you can work, and while residence might lead to citizenship, you cannot pass down residence to future generations and family members."

With citizenship, the client obtains a passport of that country and is protected under the constitution, and they have the right to vote. Citizenship also confers the same nationality on children and their offspring.

The programmes Henley promote

Handa's colleague Rory McDaid, Client Advisor for Henley, took the microphone, beginning first with some of the more important Caribbean programmes on offer, aided with an interesting video presentation.

The Caribbean offers excellent value for money and many key benefits. Caribbean CBI programs are a lower cost alternative, and for between USD100,000 to USD200,000, an Asian HNWI would be able to bring his or her whole family in.

The Caribbean option is also popular due to its elevated travel freedom. Compared to countries in Asia, such as India, Bangladesh, Sri Lanka, Thailand, the Philippines and many others, Caribbean passports offer visa-free travel to more countries. Grenada, for example, offers a visa waiver to the Schengen area as well as a visa waiver to China, so this has been very popular for people in the region who do business in China.

Henley currently focuses on four countries in the Caribbean that offer the most appropriate and cost-effective packages: Grenada, Antigua and Barbuda, Saint Kitts and Nevis and Saint Lucia.

Grenada

McDaid highlighted certain key advantages of Grenada, including efficient processing time, low capital outlay, visa-free travel to more than 140 countries including China, an E-2 Investor Visa Treaty (which has some advantages for the US), zero wealth, gift, inheritance, foreign income or capital gains tax and finally citizenship by descent. Grenada requires either a contribution to the National Transformation Fund starting from USD150,000 for a single applicant or purchase of government-approved and designated real estate with a value of at least USD220,000. If an investor chooses the real estate option, there is an additional government flat fee of USD50,000. There are also other smaller fees associated with these applications.

He noted also that the Grenada option is one of the most compelling citizenship programmes in the Caribbean, as well as enjoying advantages such as the largest offshore American medical university in the world.

The European options

McDaid then turned the spotlight on Europe, which is generally a more capital intensive option than the Caribbean. First up was EU member Cyprus, which is very popular in Asia today. It requires

an investment of EUR2 million into residential real estate, which you hold for five years.

Cyprus

Right now, he advised, there is a cap of 700 applications per year, and that limit will likely be met in Q4 this year.

The country, he explained, has plenty advantages and offers the opportunity for individuals to achieve tax residence through only spending 60 days per year in the country itself. It offers a 12.5% flat corporate tax rate and is one of the most tax effective jurisdictions in Europe.

There is further appeal in a new casino development, that will be Europe's largest integrated casino resort, due to open in 2021. With the Macau-based owner of City of Dreams as principal, the prospects for economic and property expansion are significant.

Malta: Prestigious and in the EU

He turned to Malta, and with the aid of a video, explained it is a beautiful island with an excellent education system and a wonderful history.

Malta is the only European citizenship-by-investment programme currently endorsed by the European Commission and nationality is protected by European law.

It is an exclusive programme, as has the most stringent due diligence procedures and applications are capped to a total of 1,800.

The process requires a non-refundable contribution of EUR650,000 to the government for the main applicant, plus EUR25,000 for their spouse and EUR25,000 for each applicant under 18 years old. The applicant must buy a property in Malta for at least EUR350,000 or rent a property for five years for at least EUR16,000 per year as well as invest at least EUR150,000 in a Maltese financial instrument for five years. Applicants must also hold private health insurance. It is generally a 12-month process before citizenship documents and passports are issued.

Austria is another country that Henley has recently begun working more closely with. With an entry point of either a EUR3 million donation or a EUR8 million investment, it is definitely an option only for the very wealthy to consider. And it takes time - up to two years for the process to run its course.

Looking further east

He then mentioned two other programmes that have been introduced, Moldova and Montenegro. They are Eastern

European countries not yet part of the EU, but they could be in the future. They are fairly cost competitive with the Caribbean examples and provide similar visa-free access to the Schengen."

Moldova, a low-cost alternative

Moldova offers visa-free travel to 121 countries and is also a Commonwealth of Independent States (CIS) country. This means that Moldovan citizens can go to Russia, Ukraine and Belarus without a visa. The citizenship programme is very efficient and requires a donation of EUR100,000, plus extra for dependents up to a total of EUR155,000 for a family of five or more. There is also a government contribution for the license of EUR35,000 per applicant.

A major benefit of Moldova is its strategic location. It has full Schengen access in terms of travel rights, but also looking eastwards has full travel access to all the ex-Soviet countries. The economy has been doing very well over the past three or four years, growing at a rate of 4% to 5%. There has been a lot of Chinese inbound investment through the Belt and Road Initiative, and the Moldovan government have really been putting a lot of focus in terms of new technologies, entrepreneurship and start-ups being created there.

The Residency Programmes

McDaid handed the microphone to another client advisor for Henley, Ms. Yelena Zemtsova, who explained that she is Russian and covers all the Russian speaking clients. "Clients can also acquire residence through investment and the difference when compared to CBI is that this is not a passport. Acquiring residence rights in a country like Portugal and Greece, also allows visa free travel in the Schengen area. This is quite interesting for people coming from countries which do not allow dual citizenship, such as India; if a HNWI doesn't want to give up his Indian passport, he can acquire Greek residency and be able to travel freely within the European Schengen area.

With that, she gave brief details highlighting the key countries that Henley covers in terms of residency, including the United States, Canada, Australia, New Zealand, UK, Switzerland, and the most popular currently, which are Portugal, Greece, and Thailand.

"In Portugal, for example," she reported, "you can get your residency if you invest EUR500,000 into real estate. For Greece, it is just EUR250,000, not a lot of money for the benefits of a residency card that allows you to ease of travel within the Schengen area. For Thailand, the government application fee ranges from USD16,000 to USD60,000 depending on the length of the residency." ■

GMO Firm Overview

Who we are

Founded in 1977, GMO is a private partnership whose sole business is investment management.

Who we serve

GMO proudly serves some of the most prestigious and sophisticated investors globally, focused on providing them with great investment results. We also work hard to partner with our clients by listening to them, answering their questions objectively, offering our insights proactively, finding ways in which we can add value for them, and following through on our commitments.

Our client base is comprised primarily of institutions, including corporate and public defined benefit and defined contribution retirement plans, endowments, foundations, financial intermediaries, and family offices.

How we serve our clients

GMO is a global investment leader with expertise in managing multi-asset class strategies as well as focused strategies in a number of specific asset classes. Our approach seeks to identify asset classes and securities for which we believe we can get paid to take risk and utilizes a long-term investment horizon, a belief in the power of mean reversion, discipline, conviction, and a commitment to research. We are willing to take bold, differentiated positions when opportunities warrant and have the patience and fortitude to invest with a long-term perspective.

We have managed portfolios through multiple market cycles and we constantly re-examine market opportunities across asset classes, testing our assumptions and embracing changing market dynamics. We utilize this deep experience to construct portfolios that we believe will offer our clients superior investment results. We also leverage our proven expertise to develop unique, insightful market research and commentary for our clients. We succeed when our clients succeed.

Assets as of December 31, 2018

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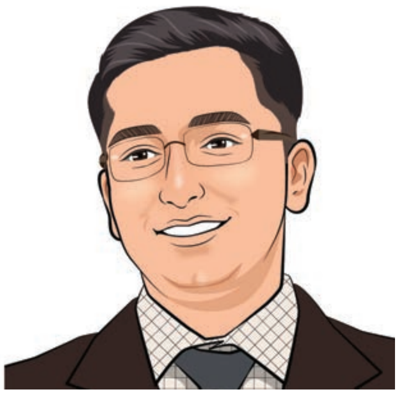
Leonteq: Helping Wealth Managers Choose the Best SPs for their Asian Clients

Chinmay Patil, Executive Director, Investment Solutions for Leonteq Securities, is passionate about structured products and their ability to enhance both returns and safety for investment portfolios. He told delegates at the Hubbis Asian Wealth Management Forum how Leonteq works closely with the private banks and wealth managers to help them work with their HNWIs clients to build optimal structured product (SP) solutions. He emphasised the technical expertise of the firm, its digital excellence, and its human face.

SWISS INDEPENDENT FINANCIAL SERVICES FIRM Leonteq Securities has been operating in Singapore for more than seven years, offering a range of bespoke structured investment products. The firm works with many external asset managers, private banks, and family offices, and today employs some 50 people in Singapore and around 15 in Hong Kong and has 5 people in its newly opened office in Tokyo, giving it excellent coverage in the region.

"At Leonteq we are highlight how technologically advanced we are," Patil began. "We focus on industrialising production and management of structured products in a scalable manner. But we also emphasise how connected we are on a personal level, working with the wealth management industry to help them and their clients."

"With any investment portfolio that you want to manage you need to have three key pillars in your process," he continued. "You need to have the ability to evaluate the opportunities at your disposal. Once you have taken on position you need to be able to monitor your portfolio and then if there are any actions needed you must have the ability to effectively reinvest your returns or restructure the portfolio. So, let's today try to dig deeper into how you evaluate opportunities and what we offer."



CHINMAY PATIL
Leonteq Securities

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Access to the world

He said the client needs to have access to global investment universe. "At Leonteq we allow you to structure structured products on 1900 equities or 150 indices and ETFs, REITs, credits, all the major currencies and some EM currencies as well, commodities, and so forth. Once you have decided what kind of investment universe you're targeting, you need to evaluate the risk appetite and based on that you decide what kind of product you want to invest in."

Not all investment mandates are the same and not all products are suitable for all clients, he noted. "So, our digital platform allows you to structure, price, and execute all the different types of products that you can think of on the risk-return scale starting from relatively safe capital guaranteed notes with modest returns to yield enhancement, participation notes and all the way to leverage trackers which have high risk, high return profiles."

Defining your goals

"Once you have decided what structure you want to do then the next question comes is you have your starting universe, you know what product you want to invest in but which underlying basket can give you optimal or highest return for a given risk level. And for that we offer a digital tool allows the client to run an optimisation on their watch list, for example we can run 680 combinations in just nine seconds, and that is for just one pricing run. The mission of course is the best structure for the client in each case."

The next task is that of monitoring the portfolio. "And as a part of the same toolkit we provide a very sophisticated portfolio analysis tool. We provide different country exposure, sector allocations, ratings allocations, all that exposure measuring the delta of the product which is the real sensitivity of your portfolio to the movement in the underlying assets."

Predicting the future

He also highlighted how Leonteq provides some fascinating innovative tools for predictive analysis, such as predicting the cash flows of the structured products, redemptions and so forth. "Our portfolio analysis tool provides this right out of the box, giving clients a snapshot in the coming months of what different cash flows they can expect. And not just with current market scenario but with different market scenarios."

Another tool allows the clients to map their current risk exposure against the new opportunities in structured products across sectors versus geographies.

Keeping it personal

"And finally," he noted, "we are also there to support you, as we know that not everything can be automated. Accordingly, there are times when you want to change the predicted cash flow in your portfolio and then my specialists in Leonteq can come up with new restructuring suggestions which will allow you to move ahead your cash flow to match your certain needs that might come up in the portfolio."

In the Workshop, Patil mined down into far more detail on the products on offer and how to arrive at the optimal structures.

As a very simple example, he explained the objective of building a diversified portfolio, which will generate effectively a 10% yield.

"We want to limit our concentration risk, so we want to have a lot of structured products, but in a systematic manner," he explained. "We will put a constraint that we will do worst of three. So, those who have done structured products before, structured products usually involve multiple underlyings and you take a view on the underlying basket. In this example, we will limit ourselves to the worst of three and for simplicity sake we will keep the maturity to one year six months tenure, but it will be an autocallable product, meaning the product can be called earlier and we will keep the strike level at 100% and a European barrier of 67%."

What that means, he explained, is if the view goes against the client there will be a physical delivery of shares at strike that is 100% of today's level, but that for that to happen on the final fixing date, on the final maturity date of the product, the worst performer has to be below 67% of its initial fixing level. "This means the client has a buffer of roughly about 33% there."

The thought process

Patil highlighted the thought process involved. "We obviously want to generate enough yield but the stocks that we choose as underlyings should show some sort of historical safety, we need to take into account how those underlyings have moved in in the past and choose only those stocks which give some sense of safety. Moreover, we cannot just do it based on some numbers, simple technical numbers, but we want to be able to back up our decision by fundamental research."

Patil offered slides to support a variety of case studies he highlighted, going into immense technical detail of the structuring and the thought processes behind them.

Digital filtering

He highlighted the ability with technology and research to align given risk parameters identify the highest yielding underlyings. Then comes the narrowing down by risk to see which underlying, for example, offer the determined standard, or target, yield with the highest degree of safety.

"What we achieve," he reported, "is to determine a measure of yield for a standard risk, a measure of risk for a standard yield, and a measure of fundamental research, a quantified way of fundamental metric. The next step is to combine these three criteria together and come up with a product that matches the client's appetite and return expectations, with the key factors weighted tidily to that client's investment mandates requirements."

Follow the process

He then showed the audience a model portfolio, with the benefit of some very detailed slides. "Structured products are not really rocket science," he stated. "You follow the process and you come up with something workable, something that is under control and working with Leonteq we can help the wealth management industry help their end clients achieve the best outcomes possible in the most technologically efficient manner, and supported always by our advisers and experts at our firm."

Working with the industry

A structured product is a binding contract, he added, on closing. "You cannot change it without the approval of the investor, so typically we as product manufacturers are one step removed from the investor. At Leonteq, our clients are the private banks and asset managers as they are the custodians talking to us on behalf of the investors, but we need the investors' approval before we create or change something." ■

Leonteq Securities: Building its Structured Products Proposition Across Asia Pacific

Leonteq is an independent financial services firm, listed on the stock exchange in Switzerland. Leonteq has around 480 employees globally in 11 offices. In Asia, the firm operates through the regional headquarters in Singapore, and has an office and onshore license in Hong Kong and Tokyo.

Switzerland is one of the largest markets globally for SPs in terms of volume, and Leonteq is one of the largest issuers. In 2018 the firm issued roughly 28,000 bespoke products, for a total traded volume globally of around CHF28.8 billion.

The firm is an expert at creating products for financial institutions, mostly private banks, securities houses, who sell them to their private clients. Leonteq also creates SPs tailored for institutional clients such as the asset managers and insurance companies, for their own investment purposes.

A key feature of SPs is that they can be customised to align directly the risk-return profile of the investors with their investment views. Crucially, they are not created by Leonteq based on any views the firm might have on the direction of any markets.

Leonteq is well known for having an outstanding technology platform, from which it can create these tailored SPs efficiently. The firm aims to be faster to price and issue new products, while proposing competitive pricing even for small trade sizes. Innovation and flexibility are core to Leonteq's abilities to suit local needs.

Structured products (SPs) are usually created from the combination of a liquid asset and a derivative, packaged in a single product. SPs are therefore tailor-made solutions that can be created on various asset classes, such as equities, indices, ETFs, mutual funds, commodities, FX, interest rates, credit and so forth.

SPs can for simplicity be defined in three categories. The first is the capital protection SP; this is typically created on low volatile underlying assets, such as fixed income and balanced funds. It allows the investor to participate simply in the fund performance with full capital protection.

The second SP would be classified as yield enhancement product. It is usually used on volatile underlying assets, such as equities, indices and commodities. Investors will receive a fixed guaranteed coupon/yield (the upside), while combining soft downside protection.

The third category is the participation product. It allows the investor to get more upside with the same downside risk inherent to the underlying asset(s); or the same upside with less downside exposure. These products are usually seen as equity replacement ideas.

ERI Banking Software: Emerging Trends in API and Open Banking, Implications for Asia

Adrian Williamson, Director for Asia at ERI Banking Software, is a believer. His credo is that the key driving factors on the road to winning customers' trust and to providing better products and services include data, process and policy transparency, while at the same time maintaining data security. To achieve these goals, it is vital to adopt, invest in and implement new open banking systems. He told the audience at the Hubbis Asian Wealth Management Forum exactly why they too should put their faith in this evolutionary trend.

"MY MISSION TODAY," WILLIAMSON BEGAN, "is to highlight the latest trends in how banks today can use open banking technology to accumulate and manage data, while at the same time building transparency, and always being mindful of preserving the rights of their clients."

Sweeping the world

Open banking is a new phenomenon that is sweeping the world, he reported. It is widely accepted in the European region, Australia, East Asia, the US and Canada with the leading banks implementing open banking as a platform. And the regulatory authorities are drafting guidelines, in-line with PSD2, to ensure implementation of a regulated and evolving platform.

This is a great opportunity that drives our FinTech industry," Williamson elucidates. "It provides a great opportunity to drive innovation in banking and also payment services."

Open to the future

Open banking he explained is a platform with a network of financial institutions and services available through Application

ADRIAN WILLIAMSON
ERI Banking Software

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Programming Interfaces (APIs), based on the revised Payment Services Directive (PSD2). This allows the bank to securely unveil the bank's data and allows for the inclusion of a variety of financial services, providing customers with a better user experience and the most relevant choices.

"What does this mean for businesses?" Williamson asked, rhetorically. "It means access to additional customer data, an increase estimated at almost 50%. It means a 65% improvement in time to market for new products and services. And it means an estimated 20% to 30% enhancement in revenues for financial institutions."

Adoption rules

He also highlighted how with open banking or any kind of new technology, adoption is the key. "What we can see around the world is that the banking industry has generally embraced open banking with open arms."

As to the latest emerging trends in API/Open Banking, Williamson explains that based on the current industry practices, key trends can be classified into a three-phase approach towards Open Banking implementation.

Step by step

Phase one, Williamson reported, is standard, involving the most basic compliance to the guidelines that have been issued, adherence to all the basic PSD2 implementation in progress.

Phase two is more important, as it involves the single marketplace and data insights. "Marketplace, or open banking, by nature, is data-intensive," Williamson observes. "If banks must rightly place customers at the centre of their services, it is critical to understand customer behaviour, patterns and expectations. By doing this, the bank becomes a one-stop shop when managing the relationship between themselves and their clients and this allows them to seamlessly manage the user experience between them and the client from a holistic standpoint. Hence, the crucial need for data analysis and insights."

Phase three involves data sharing. "The sharing of customer data within the marketplace and digital consent management lies at the heart of open banking," he reports. "And the end game for this whole process is the monetisation of this B2B data."

Keeping it clear

Williamson emphasises the vital need for transparency. "Data transparency and data security are conceptually different from an open banking perspective," he elucidates. "Data transparency and data security have an overlap and building transparency while keeping customers' interest and rights central to the mission is one of the key focus areas. With consent management, customer rights are preserved, and the customers have full privileges to choose the kind of information shared. So, we maintain customers' focus on open banking services rather than concerning the customer with worries over how and where their data is being used."

Scalable and impactful

The impact on banks is significant. "Tier 1 and Tier 2 banks across the globe have built dedicated departments, horizontally and/or vertically, to cater to open banking needs. This clearly infers that these financial service providers treat open banking as a scalable and beneficial approach."

As to the investment process and commitment, Williamson comments that the implementation of a phased approach is the optimal protocol.

Be realistic

"The investments required in the platform are significant," he notes, "especially for a conventional bank, in order to incorporate an open banking platform. The banks must recognise that return on Investment (ROI) cannot be expected for at least 12 to 18 months from the time of implementation, and the outcome for the first one or two years will mean a reduction in non-interest income component, with system expenses and operating expenses rising at the same time, so this is a hurdle the banks must accept and live with."

There are always regulatory, and compliance implications to anything a financial institution does these days. "The challenges and intricacies behind open banking are constantly evolving," Williamson notes, "as there are continual amendments to the regulatory guidelines, so compliance departments must regularly track the guidelines, understand the impact of changes and translating them into actionable steps."

Building the internal proposition

Williamson also observes that the FIs must continuously enhance expertise. "It is vital to explore ways to optimise captured data so that there is maximum utility to better serve the customers and enhance transparency. Many FIs are creating a new position of Chief Data Officer to build their expertise and to optimise the use of information as an asset. Moreover, one of the key success factors for a successful open banking platform lies in data management, hence the requirement also for a strong analytics platform."

Williamson also noted how for projects of this nature, change management is going to be very important. "Change management internally as well as externally," he explained. "Banks need to put in place a change management process in order to message the changes that impact them within the organisation to all stakeholders."

Analytics expertise

And as with any new implementation, they also need a robust analytics platform. "A new technology requires a genuine understanding of how best to use it. In order to fully monetise all the information that you have in place, you need to have a strong analytics platform to enable the monetisation of the information collected."

And he advises FIs to create both internal and external awareness. "FIs should ensure that their internal and external staff and customers are aware of the developments and their implications," he reports. "It is an extensive investment, with respect to time and effort, to bring all the aspects - system, people, process and technology - of a financial institution to be open banking ready." ■

Riding the ESG Wave: Wealth Management Industry Catching Up with Global Trend

"When the last tree has died, the last fish has been caught, and the last river poisoned, only then we will realise that we cannot eat money." This apparently is a Native American saying, which MSCI's Valentin Laiseca highlighted when giving his talk on Environment, Social & Governance (ESG) investing at the Hubbis Asian Wealth Management Forum. He is Head of ASEAN Index Sales and told the audience how MSCI provides ESG Ratings and how the firm then analyses ESG fund manager scores with its Fund Ratings products. He explained how fund managers and other investors can implement ESG in their investment processes, and even how ESG can be incorporated into structured products.

LAISECA BEGAN BY EXPLAINING THAT ESG is creating a major wave in the market currently. Institutions and individuals, especially millennials, are highly focused on ESG nowadays and this is a trend MSCI sees expanding in the wealth management space. Accordingly, as interest rises, MSCI has positioned itself to provide research and analytical tools for assessing the ESG risks of funds and portfolios, as well as investable ESG indices.

ESG in the spotlight

"You can see from leading financial newspapers such as the Financial Times how much greater focus there is today on the whole area of ESG Investing" Laiseca observed. "When we talk about ESG investing the definition to me is relatively simple - it is about incorporating environmental, social, and governance considerations in the investment process."

For more than 40 years, MSCI's research-based indexes and analytics have helped the world's leading investors build

VALENTIN LAISECA
MSCI

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and manage their portfolios. MSCI focuses on four areas of research, namely index, analytics, real estate and ESG is the fourth area, which is developing very fast indeed.

MSCI ESG Research products and services are designed to provide in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. ESG ratings, data and analysis from MSCI ESG Research are also used in the construction of the MSCI ESG Indexes.

Financially relevant

There is a growing body of research to indicate that ESG factors are correlated with higher company valuations and profitability. That is because there are ever more fund managers and the providers of those funds who are ever less tolerant of corporate ESG failures.

"Society is less tolerant," Laiseca commented. "Shareholders are less tolerant. The regulators are less tolerant. And you can see how an ESG incident immediately provokes what can be a huge drop in the stock price of the company involved. All this results in what we see as growing evidence that suggests that ESG factors are correlated with higher company valuations and profitability and lower risk."

Signing up, asking the questions

The United Nations Principles for Responsible Investing has grown to over 1,900 signatories representing almost USD82 trillion in AUM, up from USD10 trillion in 2006. There are several trends underpinning this growth. There is more scrutiny and understanding that emerging ESG risk factors may impact performance and what was previously unmeasurable can now be measured and rated. There is more ESG data and more accurate assessment of ESG performance is possible.

"In recent years there has been significantly more engagement from institutional investors for integrating ESG in their investment process and the wealth management industry is now following," he continued. "We see that 67% of Millennials believe investments are a way to express social, political, and environmental value, compared with only 36% of baby boomers, according to research from Accenture. Moreover, some 90% of millennials want to grow their allocations to responsible investments in the next five years as wealth transfer of some USD30 trillion takes place from baby boomers to 90 million millennials over the next few decades."

"Wealth holders are today asking different questions," he reported. "They ask how they can better align investments with their values. They question whether ESG can improve their long-term returns while managing risk. They worry about climate change and want to try to reduce risks there."

MSCI setting the standards

Laiseca reported that MSCI's flagship ESG rating research product, MSCI ESG Ratings, is fast becoming the standard for ESG ratings globally, much like the major brand name credit ratings agencies are the standard for rating borrowers and their obligations.

And the firm has ESG Fund Ratings that looks at managers based on the ESG qualities of their portfolio. "This product provides ESG transparency for more than 32,000 equity, fixed income and ETFs globally," he explained. "And we can then see which are the ESG leaders, which are defined by having a higher exposure to the best-in-class ESG companies we analyse."

In addition, banks can use MSCI ESG indexes as the basis of Structure Products. "Our ESG indexes offer different risk and return profiles and clients can use the one they find more suitable". In particular the ESG LEADERS, our flagship ESG index, has shown good outperformance relative to its market cap equivalent in Asia and Emerging Markets in particular. We have already had a Structure Product issuance with a local bank using this index, which was a great success.

Laiseca closed his talk by referring to the Native American saying: "Only when the last tree has died, when the last river has been poisoned and the last fish has been caught, only then we'll realise that we cannot eat money." With that, he reiterated MSCI's commitment to this fascinating growth area of the global financial markets. ■

INTERNATIONAL PLANNING GROUP: Meeting the changing needs of the affluent

Global boutique financial firm offers life-insurance-based solutions to address the complex considerations of high net worth individuals and their companies.

There has been a fundamental shift in the global marketplace toward total wealth planning to manage risk, maintain continuity and provide liquidity. Wealthy families and their companies—broadly thinking how their wealth is maintained, managed and transferred over time—are seeking a wide variety of long-term planning considerations, including:

- Providing for the potential impact of personal and corporate debt obligations;
- Implementing efficiently designed transparent and compliant tax-optimization strategies;
- Diversifying and protecting accumulated wealth;
- Providing for death tax or inheritance tax funding;
- Optimizing charitable giving;
- Insuring and planning for business continuity; and
- Maintaining and improving family financial security.

A Comprehensive Approach to Generational Wealth Planning

Many of these wealthy individuals and their related businesses are considering the use of structures that utilize a life-insurance-based approach. "Clients are seeking trusted, professional advice to address their planning concerns. These have several common elements, including a focus on enhanced liquidity, leveraging of existing capital and certainty," says Peter Tsih, Chief Executive Officer, Asia Pacific & EMEA, of International Planning Group (IPG).

IPG is recognized as an industry leader in the development of life insurance-based planning solutions. Over the past 40 years, the firm has combined competitive life-insurance products with trust and corporate structures to meet clients' complex global estate and business planning needs in more than 60 countries worldwide.

"Working with a professional firm focusing on liquidity planning, in addition to legal, tax and financial advisors, can help navigate potential conflict and concern and can ensure future plans mesh well with existing structures and family practices. Regular reviews are essential to understand the clients' evolving requirements and enhance existing plans," says Tsih.

"*Clients are seeking trusted, professional advice to address their planning concerns. These have several common elements, including a focus on enhanced liquidity, leveraging of existing capital and certainty.*"

PETER TSIH
Chief Executive Officer,
Asia Pacific & EMEA, IPG

Providing Trusted Advice

Since 2008, wealth management has become extremely challenging due to increased market volatility, dynamic interest rates, currency fluctuations and transparency concerns. In the current highly regulated environment, many high net worth clients have turned to the safety of conservatively managed liquid wealth offered by highly rated, global insurance companies.

As a global boutique financial firm catering to wealthy individuals, businesses and large international companies, IPG has access to products from the leading insurers across four continents. With offices in Singapore, Hong Kong, Zurich, Boston, Miami and Mexico City, the world's most respected private banks, investment managers, law firms and financial institutions have selected IPG as the preferred partner to provide trusted advice to their key clients.

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INTERNATIONAL PLANNING GROUP

Cyprus: The Investment, Citizenship and Residence Opportunity Island

Ioannis Ioannikiou, Client Advisor for Casamont Cyprus, was in Singapore to give a presentation at the Hubbis Asian Wealth Management Forum and highlighted the attractions of the Cyprus Investment Programme for Asia's HNWIs. Not only does Cyprus offers a fast route for someone to obtain European citizenship, but the investment required can mostly be in the form of real estate, and as the island is benefitting from robust growth in tourism and leisure – with a major new casino resort on the way – there are good opportunities for both income and capital gains. Add to that the appeals of a benign tax regime, and it makes a compelling case to consider. Ioannikiou was in Singapore recently to give his insights to delegates at the Hubbis Asian Wealth Management Forum.

IOANNIKIOU BEGAN WITH A BRIEF INTRODUCTION to Casamont, which he explained operates in Malta, Greece and Cyprus. "We are a real estate agency that offers access to unique property in the market, as well as advising many of the big landlords in Cyprus how to structure their investments and how to structure their products from planning to marketing strategies," he explained. ". And my core objective today is to highlight some of the key advantages of the Cyprus citizenship investment programme and tax residence in Cyprus as well as to highlight some of the attractive Cyprus investment and real estate opportunities.

He reported that the Cyprus programme is one of the fastest routes for someone to obtain European citizenship. "We heard in a presentation earlier today how Asia's HNWIs are increasingly seeking for alternative citizenship abroadfor family and asset and estate planning, as well as for lifestyle. Cyprus recognised this some years ago and has an excellent offering in the form of the Cyprus Investment Programme."

Fast-track to the EU

To qualify for the citizenship programme there are three main requirements. First of all, an investment of EUR2 million in

IOANNIS IOANNIKIOU
Casamont Cyprus

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the real estate sector or EUR2 million in a business which will employ five EU citizens or Cypriots. Or alternatively EUR2 million in alternative investment funds. All of the three criteria should be combined with a donation of EUR150,000 into a government fund.

"Investment in real estate is the fastest and most efficient route," he reported. "If you proceed with alternative investment funds or the business investment then a further investment of EUR0.5 million is required in a residential property."

The main applicant and his or her spouse or partner and their dependents up to 28-years-old are eligible, along with the primary applicants' parents. "Processing time," Ioannikiou explained, "might take six to eight months through to the granting of the alternative citizenship."

Modest demands on time

Importantly, the programme does not require the applicant and family to relocate. The applicant can become a non-domicile tax resident by staying there only 60 days, which is modest in comparison with other jurisdictions, which state at least 183 days as the minimum. The Cyprus Government has also reformed their taxation system so that it gives more benefits for those HNWIs who do not really want to spend too much time into the country but achieve this non-domicile status.

Additionally, there is zero taxation of dividends, zero per cent tax on capital gains. There are also many double tax treaties, and the Cyprus tax system and legal systems are typically based on British law as Cyprus was once a British colony.

Real estate the optimal investment route

Ioannikiou commented that real estate is the simplest investment route. "The property must be held for five consecutive years and the applicant can then liquidate afterwards, but a EUR500,000 investment in residential property should be retained for the rest of his/her life.

He then turned to the opportunities in the real estate sector, explaining that the real estate market in Cyprus has been well established for a long time, successfully connecting to tourism, second homes, and also people wanting to live and enjoy the simpler luxuries of life rather than spending time in crowded cities. "Cyprus is well known as a remarkably beautiful island," he reported, "and is a wonderfully safe and pleasant place for retirement, or holiday homes by the sea."

Major resort development

And he reported that Cyprus had recently granted a casino license to just one company and a monopoly for 30 years, for the Melco Group, which operates City of Dreams in Macau. Melco will build the biggest resort casino of Europe in what is a very large investment of EUR550 million and due to employ more than 2500 people.

Moreover, as this will be a mixed development of casino hotels, conference centres and other leisure facilities, this will further drive tourism demand and of course, provide a very considerable boost for the Cyprus economy.

He added that investment in real estate in an overseas market should be approached professionally, with appropriate local advice and expertise, which Casamont offers. "The market is robust, prices are improving, but of course one should be sensible as to where to invest and what to buy, as well as considering future liquidity for exit routes."

He highlighted how construction of the Melco-licensed resort has already started, and alongside that is an associated residential property investment, Citrine Estates, which will be attached to the casino and will benefit from rental or possibly purchase demand from some of those anticipated 2500 employees and of course later from visitors.

The appeals of Citrine Estates

Citrine Estates will offer a variety of investment options tailored to HNWIs, including the possibility of purchasing a complete block of apartments at a recent estimated price of EUR2.3 million, thereby satisfying the investment criteria for citizenship applications and providing an attractive real estate investment leveraging the casino development's future impact on the market. There are also villas of two to four bedrooms available, as alternatives to the individual apartments, or blocks of apartments.

"Citrine is very wisely selected by our clients due to its quality, its location, the capital appreciation potential And the rental income of 3% to 5% on investment," he reported.

Ioannikiou also highlighted a second property opportunity in the form of beach-front villas in Ayia Napa, the island's main tourist destination, with those tourists pouring in from the main season start in March through to late November.

An island in the Mediterranean sun

He closed his talk by reiterating Cyprus' very considerable appeals as an investment destination and through its citizenship programme. "Look at the programme's advantage for a variety of reasons," he said, "and approach the investment aspects professionally from both the entry and exit perspectives, and the Asian HNWI will achieve. ■

Gold – the Emotional Commodity that Fits Asia's HNWI Portfolios

Joshua Rotbart, Founder and Managing Partner of precious metals firm J. Rotbart & Co., is passionate about his chosen profession. He says gold is an 'emotional commodity', a term he coined, as gold is something that people not only aspire to, but because as a store of value for investors, it has even more engaging qualities. He told the audience at the Hubbis Asian Wealth Management Forum in Singapore how he is a 'gold person, not a financial person' and that he realized through history how gold will always be valuable, and the longer someone keeps it, the more it will appreciate. He said gold might not make people rich, but that it will help wealthy people and their families retain their fortunes.

ROTBART CLEARLY HAS AN UNWAVERING BELIEF IN the value of holding physical gold. He explained that it is non-correlated to mainstream financial assets, it is a hedge against inflation and currency depreciation, it can easily be bought, stored and insured outside the global financial system, it is highly liquid and, above all else, it has stood the test of the past several millennia as both a store and an enhancer of value.

Physical gold, he told the fascinated delegates, is not a financial product. "That means it can be held privately," he explained. "It can be held directly by the client, or at secure logistics storage facilities in different countries, and clients can then also have access to it. If clients sell, they can get same day settlement as it is highly liquid."

He explained that the precious metals market is monitored by the London Bullion Market Association, which supervises the refiners, the logistics operators, and the entire precious metals ecosystem to ensure it is professional and sound. "As long as you stay within this ecosystem," he reported, "you are fine."

JOSHUA ROTBART
J. Rotbart & Co.

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Asia – a region of 'gold bugs'

Joshua observed that Asian people and investors have long had a love affair with gold. "This region has been a region of gold bugs long before that term was coined," he reported. Wherever you go in Asia, whether Thailand, China, Vietnam or other countries, people buy gold as a gift when a child is born, for cultural or religious ceremonies such as weddings, festivals and other special occasions. They like to buy gold jewellery when they have spare money.

Rotbart explained that the precious metals investment industry has nowadays become highly professionalised in Asia, with an outstanding infrastructure of secure storage and logistics service providers, and insurance coverage, with specialists such as his firm that work in an entirely professional approach with clients who seek to buy, store and sell physical metals, especially gold bullion.

A professional industry

"We offer the professional level of services that investors must seek out for this type of purchase," he reported. "Clients can trade remotely, we work globally, we store gold in many top-flight locations, we offer a worldwide service across all time zones, and when clients call, we answer. We handle all logistics seamlessly, so the client can relax throughout the entire process. We are the one-stop gold-plated service provider."

Rotbart told the audience that his Hong Kong-based firm had for the past nine years been helping individuals, companies and financial institutions buy, sell, transport and store physical metals such as gold, platinum, palladium and silver.

Some do's and don'ts

Rotbart then listed certain 'dos' of buying gold. He advises clients to use a professional company that can provide professional services and storage. Make sure that insurance is in place, make sure there is an insurance policy on your gold, which is itself an insurance policy. Stick to the London Bullion Market Association ecosystem: refiners that are accepted by the market. Gold must be 24-carat investment grade (99.99% pure). "Buy one-kilogram bars, which are the most acceptable in the market, and avoid working with anyone in the market that might be less than 100% professional."

"When you store gold in secure logistics facilities, he noted, it is stored privately and away from cybersecurity risk. "The risk of someone stealing from a secure storage location in Singapore or in Hong Kong and getting away with it," he commented, "is virtually zero, and if it did happen, it is fully insured."

Gold, he explained, offers long-term returns similar or even better than equities or bonds, and it is important for diversification purpose because when the markets go down, gold tends to go up. Gold, he noted, did not move much in 2018 until equity markets went down.

Gold's golden history

Rotbart then highlighted the ancient history and long 'culture' of gold, which since its first discovery has been a standard of prosperity. Gold, he said, is tangible and in an age where privacy is dying, gold and other tangible assets retain some privacy.

Gold is also trusted, it is liquid, governments buy and hold it, especially these days, USA, Germany, Russia, Kazakhstan, Turkey and China. It is therefore still a core part of our global monetary system, while not being directly exposed to financial intermediaries. It can be cashed in virtually anywhere in the world. And it is highly liquid, as investors can, for example, easily trade USD50 million in a swift phone call.

Gold is also excellent for wealth protection, as it is a stable earner with low volatility, Rotbart explained. "Gold appreciates over time and if you look at the volatility of gold compared to, for example, the S&P 500 Index, at the end of 1999 was at 1,458 and gold was at USD 290/ ozt. At the end of 2017 gold was at USD 1,291/ ozt while the S&P 500 was at 2,673 - A ratio of 4.45:1.83. That is a remarkable outperformance. So, it is an excellent medium to long-term hold."

Keeping stress levels down

"Since the US went off the gold standard, gold has been performing very much in line with both US stocks and emerging markets, and performs far better than cash," Rotbart reported.

"Moreover, if you look at how gold performs in times of market stress, it performs remarkably well when equity markets are going down, at times of global financial stress, so it provides the hedge, the cushion, for your clients to reduce volatility and manage their risk. And as it is separate to the global banking and financial system, there is no counterparty risk. Accordingly,

it is an excellent tool for wealth protection. In short, one can see it as an investment and as an insurance policy."

He also highlighted how USD35 cash in 1965 is equivalent to roughly USD300 today, inflation adjusted. "Well," Rotbart noted, "you can see how gold as a cash substitute performs far better than cash, as today's price around USD1400 is almost five times higher than the adjusted cash price."

Buy the physical

He moved on to why HNWIs should buy physical rather than paper gold. "Even the best gold ETFs are not backed 100% with physical gold," he reported, "Even the very best ETFs, and I won't name names, are not fully backed by the physical asset, as they use derivatives and other instruments to maintain the daily fluctuations. We therefore strongly urge clients who want to do more than simply speculate on gold prices to buy physical for medium to long term holdings. If the ETFs had to be redeemed, they simply would not have enough gold to cover that."

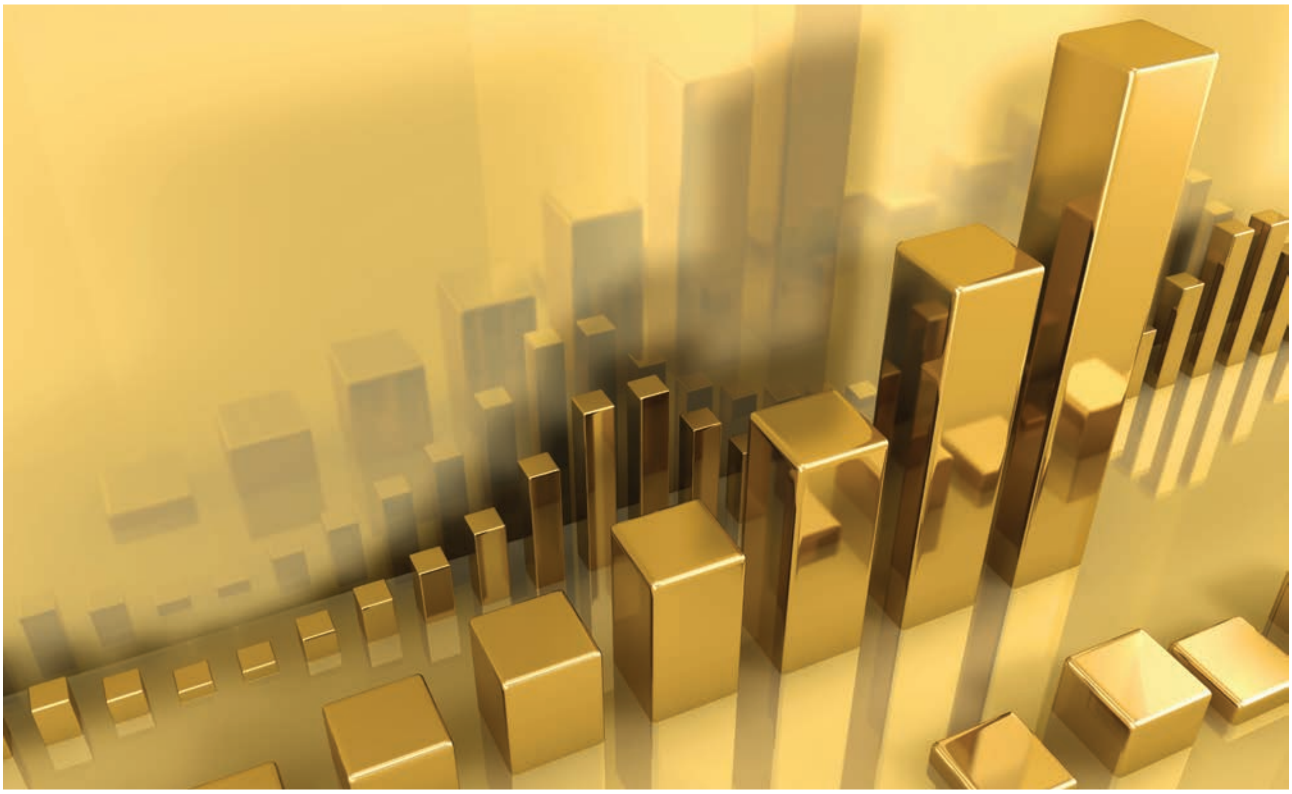
The right amount...

As to how much of any portfolio investors should hold in physical gold, Rotbart cited Ray Dalio, Founder of investment firm Bridgewater Associates, who stated: "...Most people should have roughly 10% of their assets in gold, not only as a good, long-term investment but also for its effectiveness in diversifying the other 90% of assets people hold..."

Rotbart elucidated on why gold is an excellent tool for portfolio diversification. "As a guide, we believe most of our clients hold between 3% to 10% of their assets in physical metals; gold is considered a very good hedge, because historically when the market falls gold will usually fare better."

Adding gold to the wealth manager's suite

Rotbart closed with a word on why wealth management experts, such as those listening to his talk, should include gold in the suite of products and ideas for their clients. "You are bringing in non-mainstream concepts and an additional creative solution," he remarked. "Your clients will appreciate when you offer something that is not necessarily linked to your institution, you can work safely and efficiently with professional firms such as ours, and you can make money from it, as there are transaction fees, storage fees and other recurring fees." ■



K2 Leaders CEO on Optimal Approaches to Delighting and Retaining Clients

Malik Sarwar, CEO of wealth management firm K2 Leaders and Chairman of Hubbis, believes that professionals in the wealth management industry should focus their efforts in becoming the primary adviser to their valued clients. He presented a detailed and engaging Workshop at the Hubbis Asian Wealth Management Forum in Singapore highlighting his personal views on how professionals in the wealth management industry can enhance their levels of expertise, service quality and client-responsiveness and thereby win the role as primary adviser to their clients. He explained what he calls his five levers of growth, as well as the key attributes and habits of effective advisers. He advised delegates to focus on becoming a differentiated adviser via continuous self-enhancement, being empathetic with their clients and then offering ideas and simple solutions for their needs.

SARWAR BEGAN BY ASKING THE AUDIENCE how many people in the room have several accounts, with banks, insurers or asset managers. "Pretty much everybody I see," he observed. "And what I want to do today is explain why it is essential to become the primary adviser in wealth management, and offer some insight into how to achieve that objective and remain in that important position."

He explained that studies done in the US have shown that average people have three or more accounts, with the primary relationship getting 50% to 70% of total client assets, whether those are investments, deposits, borrowing against property or something else. "The multiplier in becoming a primary adviser is two to three times the secondary or tertiary account or adviser," he said. "So today I want to explain my five levers of growth as a guide for winning and retaining that pre-eminent role with the customer."

MALIK S. SARWAR
K2 Leaders

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Five levers for Growth

Sarwar expounded on what he calls the five key levers of wealth management business growth: (1) omnichannel, (2) acquiring, deepening, and retaining clients, (3) delighting clients, (4) hunting for returns by following a planning-led process, and (5) empowering talent.

These levers go hand in hand with attributes vital to the success of primary advisers, ranging from continuous self-enhancement to leveraging the power of colleagues. By cultivating these essential attributes and practices, the successful adviser can evolve into a primary adviser—the one whom the client calls first when they have a question, a problem or there is a significant market event.

He added that from a client's perspective, they want to be made to feel important. "It is all about the client," he said, "not the adviser."

He suggested that recognising the client's 'worth' as the keystone of the relationship will help the provider become the primary adviser. "The mission," he argued, "is to become the primary adviser, and to target clients by crafting value-added ideas and solutions which help them achieve their dreams and goals."

Omnichannel

Sarwar then went into considerable detail concerning each of these levers of growth. Omnichannel, he proposed, is the touchpoint for a seamless client experience across all channels: digital, call centre, advisers, and specialists.

Clients deserve to be served the way they want and not the way that is convenient for the bank. This necessitates a 24/7 omnichannel that they can tap into at a time and place of their choosing. Clicks are winning over bricks, especially for millennials and the emerging affluent (those entering the HNW segment through work or inheritance).

While digital is fast becoming the preferred mode of engagement by clients, it is during times of personal crises that the client needs a financial doctor, so the adviser must be ready and able to help the client navigate volatile financial markets. "One rule of human psychology from studies conducted in the US," Sarwar pointed out, "is that by adding a second person to a key client relationship, client loyalty to the organisation rises by 70%."

To incorporate an effective human component into the omnichannel, the firm in question must have qualified and inspiring advisers led by effective sales managers and strengthened by a team of seasoned specialists and service staff. Digital connectivity provides the most convenient tool for clients to access their portfolio information, market insights, as well as goal-led ideas on protection, education, retirement, and estate planning.

The primary adviser acts as a holistic wealth manager of the client's assets, liabilities, and the legal architecture of how they are held and transferred. Further, the adviser must be a relentless risk manager of the client's finances and a private investment banker for bespoke opportunities, such as PE deals in a growth sector in ASEAN.

Sarwar believes that an adviser's success in wealth management today requires absolute commitment and a dedication to knowledge–of self, of the client, of competition, of markets, of technologies, and of the team. He also focussed on the importance of self-knowledge for the relationship manager who aims to be a primary adviser.

"Knowing your own style and adapting that to the client at the other end is really important," he clarified. "For instance, if somebody is analytical, give them data. If they are expressive, ask them about their day or their family before jumping into the business discussion. Know your target market and secure your clients early on in your careers so that that they grow with you, and you grow your business with them." Knowing your bank's true values and value-add to the clients (when compared with that of competitors) is crucial to the lasting success of the franchise.

"For instance, if somebody is analytical, give them data. If they are expressive, ask them about their day or their family before jumping into the business discussion. Know your target market and secure your clients early on in your careers so that that they grow with you, and you grow your business with them."

ADR: Acquire, Deepen and Retain

The ADR mantra always rings true: acquire, deepen and retain clients.

The best acquisition method is to ask for introductions from happy clients, ensuring that TPO is followed: time, place and the occasion for requesting an introduction.

No financial firm quite captures the imagination of Disney, Apple, Amazon or Ritz. Many global and regional banks are vying for a coveted brand position, but the winners will be those that delight their clients.

Sarwar then shared his views on individual client relationships, stressing four essential categories: (a) intimate, (b) warm, (c) acquainted and (d) unknown. The 'intimate' category is composed of those clients with a valid risk profile who conduct transactions with their adviser on a regular basis. This usually follows the 80/20 rule wherein the closest 20% of clients generate 80% of the revenues. The 'warm,' 'acquainted,' and 'unknown' categories must be carefully nurtured to ensure that the firm can acquire those potential 'gems' and transition them to the 'intimate' category.

Sarwar underscored the concept of a relationship-driven revenue stream, where the primary adviser typically maintains over 50% of a client's assets, including financing, structuring, investments, banking, foreign exchange, and estate planning.

"Who," he asked, "does the client think of first when they have a need or something major happens in the market? The answer is the primary adviser, and it is they who generate two to four times more business than the secondary advisers."

Delighting through Continuous Self-enhancement

Sarwar proceeded to discuss what he sees as the best habits of primary advisers. "Above all, they practise continuous self-enhancement," he noted. "They prepare their work and diligently execute their plan. They keep the client updated on market views and trends, always linking back to the client's situation. They strive to anticipate their clients' needs and recommend appropriate solutions. And they mobilise a team of specialists, aiming to leverage the power of these colleagues to unlock client potential across generations."

To elucidate the ethical framework of the adviser's role, he used the acronym ICC: integrity, competence, and compassion. Sarwar maintained that integrity is all about doing the right thing for the client. Competence involves continuous knowledge-building—achieving new certifications, becoming more digitally-enabled, honing more effective communication skills, and taking advantage of a variety of free resources, such as TED Talks, Khan Academy, and Open University courses.

Compassion entails understanding and being mindful of the client's life goals and mission, anticipating and reacting accordingly, employing good communication, and leveraging information, data, and artificial intelligence adeptly.

The most important imperative in ICC is to be there for your client when there is a significant event in the market or in their life. The primary adviser anticipates what clients really want. They target key markets and demographics, helping clients rebalance and adjust during each market situation, be it up or down, and learning lessons from companies that know how to bring about genuine delight for their clients.

Malik Sarwar & his World of Wealth Management Experience

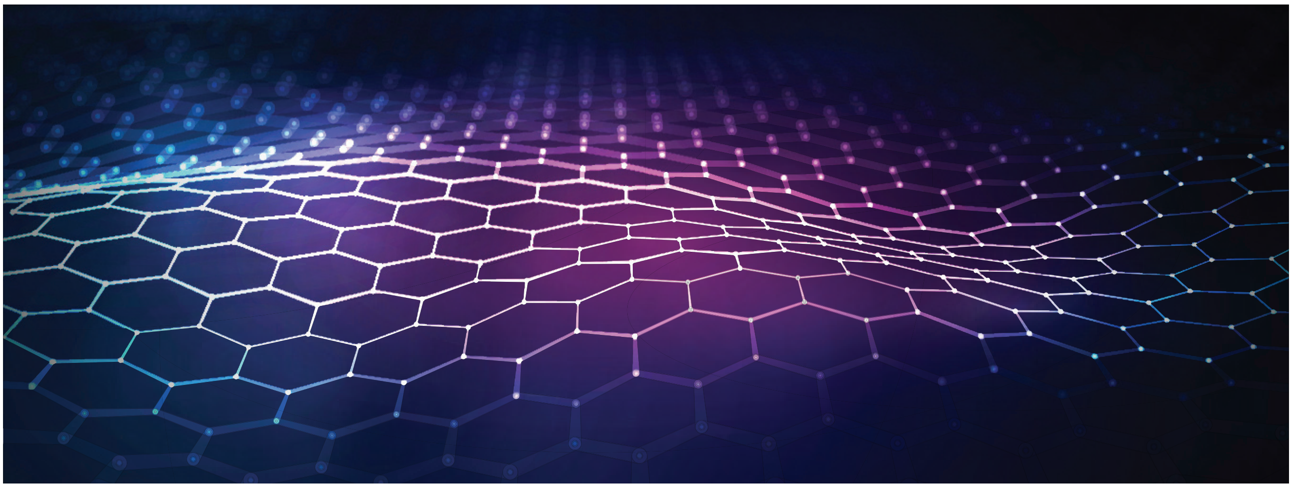
Malik Sarwar has operated at the leading edge of global wealth management for more than three decades, working across the US, Asia, and MENA. His career successes include Global Head of Sales Management/Wealth Development at HSBC, as well as business leadership at ADIB (Global Head of WM); US Head of UHNW at Permal Group; a period at Citigroup as WM Head, Asia/President CIS, US; a stint at Merrill Lynch as Director/Country Head; and a role as Senior Adviser at Bain & Company.

Currently, Sarwar is CEO of K2 Leaders Inc, a New York-based wealth management advisory firm which provides teaching, coaching, and consulting for wealth management institutes, business schools, and financial industry clients. He is a noted speaker and moderator at industry conferences. Sarwar also finds time to be a Council Member of GLG as well as a Development Partner/Adviser of Acumen, an impact investing firm in NY.

Hunting for Returns

There is an industry-wide fear of talking about products, lest this be construed as product-pushing. The client must see the benefit—and risk—of the product as part of solution fulfilment.

In a low-interest-rate environment, the hunt for returns is on. When Goldman Sachs Marcus offered higher rates on deposits to retail



clients in the US, many HNW clients also jumped on the bandwagon. Apparently, some senior executives of competitor banks were pushing their own less attractive offerings and putting their own money in Marcus deposits. These attractive returns must be discussed with conservative investors. Similarly, a high-dividend equity portfolio of blue-chip global stocks can earn a client an income along with potential capital gains in the long term. Structured products, PE and HF products, too, can offer significant returns for illiquid investments by sophisticated investors.

All of these are product solutions furnished after the client conducts a thorough financial planning review to determine their own risk profile and financial objectives.

Talent Empowerment

Treat your employees as key clients and they will take care of the bank's clients. Yet this is easier said than done.

For the frontline, the merry-go-round of hiring experienced advisers and losing them to the next ambitious or desperate bank has yielded no net benefit either to the firms or the clients. The only ones who have benefited are the bankers.

How does one break this vicious cycle of hiring, investing, losing, rehiring, etc.? One way is to match the success of the firm with that of senior advisers by making their compensation more long-term. The other way is to hire people with the right will and values, grooming them to become advisers. This is more sustainable if the firm has the patience to construct the hockey stick growth plan.

Sarwar closed his workshop with the observation that the world is inundated with information and starved for knowledge. "If you give your clients knowledge that is really relevant for them, those clients will feel you have not wasted their time; you will have added value. The essence of this business is raising quality within your organisation and making clients happy." ■

Hubbis' Head of Learning on Accentuating the Human Advantage in Wealth Management

David MacDonald, Head of Learning Solutions for Hubbis, is a passionate believer in the power of human involvement in wealth management. He believes that in the world of wealth management professionals should only be fearful of the digital revolution if they are complacent and not proactive in harnessing technology to enhance their skills, the delivery, their communication and thereby future-proof their roles and their careers. People need people, he believes and projects that this will long be the case, so professionals in this industry should enhance and emphasise their uniquely human skills while leveraging technologies to improve their own capabilities and proposition. And he advised the delegates at the Hubbis Asian Wealth Management Forum in Singapore that all this should take place against the backdrop of a well - formulated plan.

A STRAW POLL OF ATTENDEES AT MACDONALD'S WORKSHOP highlighted that many of them are client-facing wealth management advisers. "You deal with the clients, so the most important thing in your future career is you and your relationship with your clients," MacDonald began. "Those client-facing professionals that can communicate incisively, sensitively and meaningfully with their clients and who can identify and articulate their added-value, can prosper in Asia's high-growth wealth management market.

Helping Advisers Enhance their Proposition

He explained that his Workshop was designed to focus on the crucial and uniquely human skills and behaviours that the delegates might want to consider in their quest to remain relevant in the hearts and minds of the clients that they already serve and that hope to help.

DAVID MACDONALD
Hubbis

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He asked if the audience felt they were taking the right steps to future-proof themselves? "If you are not," he cautioned, "then beware, as we are reaching an inflexion point that consulting firm Mercer highlighted in a study, concluding that artificial intelligence, machine-learning and robo-advice are gaining ever more traction. Like self-driving cars, like Amazon's impact on the world of retail, like Netflix's power over the world on online streaming, this is not going away. You need to realise that, strategise, plan, and react."

He warned delegates of the dangers of not refining their human skills to align with and complement AI and machine learning. "Those who recognise this need can provide their clients with excellent advice and outcomes," he said. "Those who do not heed this advice might risk obsolescence."

Humans Will Prevail

But MacDonald explained his strong belief that the advantages of human interaction in the wealth management industry will remain extremely important, but that to achieve a dedicated and highly client-centric service, the human connection should be emphasised and digital tools such as artificial intelligence and machine learning should add to their skills, not take them out of the picture.

"Many of you here today have a long career ahead of you in which technology and AI will play an ever-increasing role," he remarked. "As I said, Mercer believes we are at an inflexion point, some people call it the fourth industrial revolution. The pace of change is so rapid that we are in danger of being overtaken by it."

Mercer's Cautionary Tales

He highlighted how Mercer extrapolates that as the speed of change increases, and the reach of that change extends, potentially in the not-too-distant future, all businesses could be run artificially without human intervention.

"So," he wondered, "why would clients waste their time with a human being who might let them down, might not offer good information and who then charges them money for it?"

MacDonald's theory is that if advisers want the outcome of their client conversations, their interactions, their engagements to evolve, they need to take into account the fact that the clients can now do a lot of things without their involvement, cheaper, quicker, and more reliably.

Capgemini's Analysis

MacDonald then cited the results of a survey conducted by Capgemini in its World Wealth Report 2018. He noted that according to the report, high net worth individuals (HNWIs) across the globe continue to demand hybrid advice, with more than 50% globally saying that it was highly important. The conclusion, according to Capgemini, is that hybrid advice forms a critical top-line growth enabler for firms, with 68.7% of HNWIs globally indicating hybrid advice was a significant factor regarding decisions related to asset consolidation with their primary wealth management firm.

"And we know out here in Asia particularly," he noted, "people very rarely rely on one advisor, one wealth manager, or one banker. They spread it around, that is part of their risk management."

Moreover, MacDonald presented another finding from the Capgemini report, that HNWI clients in Asia are more receptive to the concept of Big Tech companies such as Google or Amazon moving into the world of banking and finance than HNWIs in any other part of the world.

The Tech Tsunami

"Wealth managers beware," MacDonald warned, "as almost three-quarters of Asia's HNWIs said they would consider Big Tech entrants, whereas the rest-of-the-world figure is only just over 50%. And countries such as Indonesia and India register results well over 90%. In short, do not take any client relationship for granted, find out what it is that the client values and what no Big Tech data factory can do for them."

"Here in Singapore," he added, "the figure is 70%, that's a lot of people saying - absolutely, if these brands or others like them started offering wealth management solutions it would be of more than a passing interest to see what they might be able to offer. So, it is no longer just the banker next door who is your competitor, it is Big Tech, fintech, all sorts of tech-enabled competitors."

"And we know out here in Asia particularly," he noted, "people very rarely rely on one advisor, one wealth manager, or one banker. They spread it around, that is part of their risk management."

The Darwinian Theory

MacDonald then highlighted a quote from the naturalist Charles Darwin, who said that it is not the strongest of the species that survives, nor the most intelligent, but those who are most adaptable to change.

"You need a strategy to work hand in hand with AI, fintech, automation, call it what you want," he implored the audience, "thereby freeing you up to do more of the human things, because the tech can take care of some of the boring admin elements, the less human things, that should be a key part of your strategy."

"When it comes to building that essential trust with clients, human relationships rule," MacDonald proffered, before urging the audience to think about how they could improve their relationships with their clients. "Emphasise and exploit your human connections while augmenting your capabilities with digital tools such as AI and machine learning," he instructed, "... because if you do not, you risk losing your clients."

First There Was Trust

If the relationship manager hopes to be able to encourage his client to reassess priorities and then change his course of action, trust must first exist, and the client and relationship manager need to move forward in some form of 'partnership' relationship where there is a commonly acknowledged path and a tailored outcome. But trust in the financial services industry, MacDonald observed, is not always easy to achieve or maintain.

"If we are going to remain relevant," he advised, "we must do something to fix the statistics that show half of our clients already don't trust us, because, in five years' time when they latch on to any new Facebook wealth management platform or offerings from other familiar online brands, things will be truly challenging."

"Wealth management is all about selling, and selling means influencing others to think and do things that they have not yet considered," MacDonald continued. "To succeed, you must be able to convince and prove to your client that they cannot do without you. Trust, reliability, relationships, these are the human competitive advantages."

Emphasise Your Difference

"Being human," he elucidated, "will only be intrinsically valuable if we can isolate what it is that differentiates us from machines. Already, there are algorithms that can calculate how wealth should best be distributed in an investor's portfolio. If there is no need for human contact, and it can be done faster, cheaper and more reliably, then why use a human wealth management adviser at all?" To offset that danger, it comes down to building and expanding that essential trust with clients and building your human skills.

But what are some of those skills? What are some of the things that only humans right now and for the foreseeable future are capable of doing and that AI, machines, robo-advisors, and algorithms, are not?"

Seeing the World from Different Viewpoints

Empathy, MacDonald proposed, is one essential for the adviser's success. "You must see the world from their perspective, not from your perspective. Empathy is a key skill."

Communication and questioning, specifically questioning, are other vital attributes and skills, he observed. "For me," he said, "questioning is the most important aspect of our communication in our professional lives, potentially some of our personal lives too, but in our professional lives our ability to question to a deep level, to a thought-provoking level, to a persuasive level, I think is the key skill that I struggle to find in many that I interface with."

He quoted a well-known statement that observed that all buying decisions are based on emotion and that people use facts and logic after the decision to justify the decision. "We must get to where the emotions and decisions lie within our clients, somehow. When you are making big decisions around large sums of money or the future of your family, it is tough for a robot or algorithm to draw that kind of thinking out through a couple of questions."

Connect to the Client's Future

Imagination and vision are also essential characteristics. "How many people talk to your clients regularly about their dreams for the future?" he wondered. "This type of stimulating talk enacts critical thinking and leads to visioning and imagination being called for in the discussion."

The early discussion is essential, he advised. "Think about how you achieve a positive feeling early in the meeting. And appearing wise rather than simply smart is also essential. Another of my favourite quotes states you can tell who is smart by their answers, but you can see how wise they are by their questions. So, questions are one of the best weapons in your armoury." But importantly, he advised the audience to engage the clients with questions, not interrogate them. "Engage them emotionally," he implored.

MacDonald then expanded on this by explaining what engagement is. "What you see as your next step? How quickly would you like to take action? How much do you want to commit to this new idea? How important is it that you achieve it? Any of those things are

'engage' type questions, giving you ideas on what the next steps should look like, getting the client to take ownership of the next step. If you are constantly saying to your client, I think you should do this, I suggest you should do that, I recommend you should do this, they do not own the solution, and ownership is such a very powerful persuasion tool," he observed.

Ownership Results in Action

Accordingly, if the client feels ownership over the idea, the dream, the fear, the future goals, the aspirations, if they own it, there is a much higher likelihood that they will take some action. The adviser helps them to articulate it through the power of his, or her, questions. "You don't tell him what it should be or what you think it needs to be, but if they take ownership, they are more likely to act on it and stick with it."

MacDonald closed his Workshop by identifying several skills that will help improve critical thinking. Conducting research, and identifying biases is vital. "Are we all aware of our buyers' biases," he wondered, "what they are, how they were formed, why the clients are sticking with them and how to overcome them? Learn to infer from what you are hearing. This helps you to remain relevant, to focus on your human skills."

Encourage the Decision, Don't Demand It

He closed with the reiteration that selling is all about influencing people to change. "It is a uniquely human skill to engage people at an emotional level, and that is not done best by shoving your product range under someone's nose and saying - so which one do you want? Questioning, getting the client to think emotionally about their future situation, what they are trying to avoid, or what they are trying to create, these are all essentials. Think about what you need to do to elevate more of your clients to the status of a partner. A human partner, not a robotic partner."

MacDonald also introduced the concept of human skill training. "There are certain dimensions of behaviour that are scientifically measurable," he elucidated, "and one of particular importance in wealth management is the opportunity/fear dimension of how we engage others. This measures our predisposition towards optimism or pessimism. The 2,000 or so assessments that I have done with individuals across the region in the past 10 years show some 80% of people fall into the pessimistic category."

He therefore advised not to load clients up with fear statements, trying to scare them into certain decisions, as they will not relate to you positively. "Instead, talk about their goals, their aspirations, make them feel positive about the future," MacDonald advised, "and this will improve your relationships with your clients."

MacDonald ended his talk by reiterating that those in the wealth management industry would do best to truly focus on improving relationships with their clients and joining forces with digitalisation rather than discounting it.

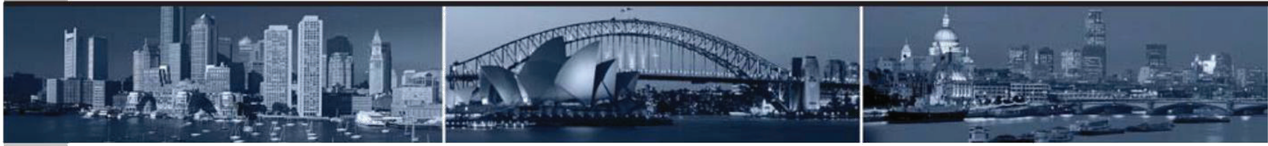
Become the Trusted Adviser

"Talk to your clients, ask them what they want and need," he entreated, "and work hard to become their most trusted adviser in these changing times. By being genuinely perceptive of the relationship needs of the people that you deal with, and by being clear on what human value you can contribute to whom, you will be successful. Good luck!"

"Change your reality," said MacDonald on closing his talk. "AI will only get more powerful, more ubiquitous. So, be more perceptive of the human relationship needs of your clients, not the return needs, not their asset class needs, not their risk needs, not their financial planning needs, their relationship needs. They need you to be their human relationship manager and deliver on that. Accordingly, you must establish which of these needs or which of these human behaviours each and every one of your clients' needs and they are all different.

Don't treat everyone the same or expect that they feel the same in terms of what you deliver to them. Be unique and make your clients feel unique." ■

GMO Firm Overview



Who we are

Founded in 1977, GMO is a private partnership whose sole business is investment management.

Who we serve

GMO proudly serves some of the most prestigious and sophisticated investors globally, focused on providing them with great investment results. We also work hard to partner with our clients by listening to them, answering their questions objectively, offering our insights proactively, finding ways in which we can add value for them, and following through on our commitments.

Our client base is comprised primarily of institutions, including corporate and public defined benefit and defined contribution retirement plans, endowments, foundations, financial intermediaries, and family offices.

How we serve our clients

GMO is a global investment leader with expertise in managing multi-asset class strategies as well as focused strategies in a number of specific asset classes. Our approach seeks to identify asset classes and securities for which we believe we can get paid to take risk and utilizes a long-term investment horizon, a belief in the power of mean reversion, discipline, conviction, and a commitment to research. We are willing to take bold, differentiated positions when opportunities warrant and have the patience and fortitude to invest with a long-term perspective.

We have managed portfolios through multiple market cycles and we constantly re-examine market opportunities across asset classes, testing our assumptions and embracing changing market dynamics. We utilize this deep experience to construct portfolios that we believe will offer our clients superior investment results. We also leverage our proven expertise to develop unique, insightful market research and commentary for our clients. We succeed when our clients succeed.

FIRM-WIDE ASSETS UNDER MANAGEMENT
$63 Billion

MULTI-ASSET CLASS	EQUITIES	FIXED INCOME	ALTERNATIVES

Assets as of December 31, 2018

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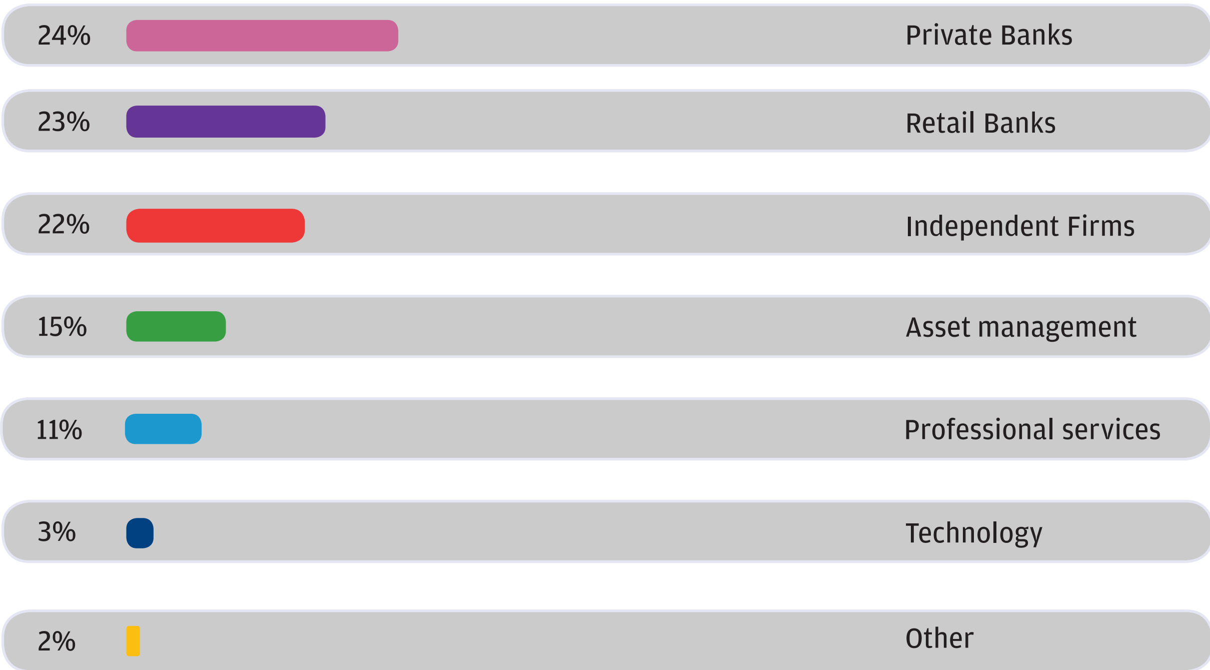
Summary

Hubbis is delighted to have hosted our 10th annual event for the private wealth management community in Singapore. The refreshed format we have adopted for our events in 2019 worked particularly well, including as it did head-to-head interviews, presentations, panel discussion and four workshops, an innovation we have introduced this year.

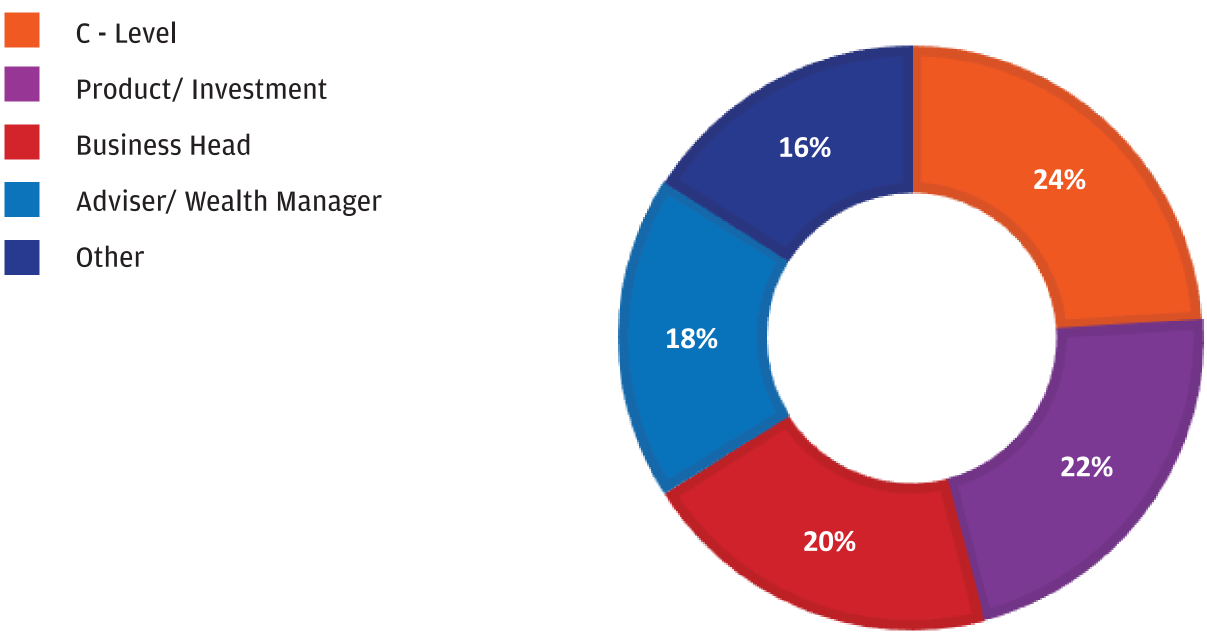
We are pleased to report that more than 350 attendees joined the event for the day, including 38 speakers. Together they represented a remarkable cross-section of the Asian wealth management industry, which is enjoying both a remarkable growth trajectory as the accumulation of private wealth accelerates, and is also facing numerous challenges driven by competition, the struggle to incorporate digital technologies and of course, the ubiquitous drive towards tighter regulation and compliance.

The Forum covered numerous aspects of wealth management today, as well as many vital features required for individuals and businesses to future-proof their careers and their operations in the face of the proliferating challenges ahead. The most fundamental impression from the day was that there are indeed perhaps more opportunities than there are challenges and that those who adapt will not only survive but also reap the rewards in the future. ■

Attendee Profile



Job role



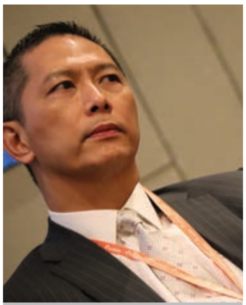
Attendees from these firms

360T
AAM Advisory
Abacus Capital
Allfunds
Asiaciti Trust
Assetfort Capital
AT Asset Management
Avallis Investments
AZ Investment Management
Azimuth Research
Bank J Safra Sarasin
Bordier & Cie
Butterfield
Casamont Cyprus
CGS-CIMB
China Access Wealth Management
Chronos
CIMB Private Banking
Citi
Citi Private Bank
Connor, Clark & Lunn
Cornerstone Family Office
Cornerstone Planners
Credit Suisse
Credit Suisse Private Banking
Crossbridge Capital
Crossinvest
CSOP Asset Management
CTBC Bank
Cult Wines
Daiwa Capital Markets
Danareksa Investment Management
DBS Bank
DBS Private Banking
Deutsche Bank Wealth Management
DWF Compliance
EFG Bank
EisnerAmper
ERI Banking Software
Expat Financial Planning
Expersoft Systems
Ferrell Asset Management
Fiera Capital Asia
Finalix
Financial Alliance
FinChat Technology
Finexis
First Abu Dhabi Bank
Fition Wealth Management
Foord Asset Management
FPA Financial
Global Precious Metals
GYC Financial Advisory
Hawksford
Henley & Partners
HL Private Bank
Hong Leong Bank
House of Hiranandani
Howden
HP Wealth Management
HSBC Bank
HSBC Private Banking
ICHAM
Indosuez Wealth Management
Infinity Financial Services
InvestaCrowd
IPCG
IPG Financial Services
IPP Financial Advisers
Ivy and Oxbridge
IZCAP
J O Hambro Capital Management
J. Rotbart & Co.
Jersey Finance
K2 Leaders
KGI Securities
Leonteq Securities
Lombard Odier
Lumen Capital Investors
Malca Amit
Mandiri Investment Management
Marc Faber Group
Marcuard Heritage
Marcuard Trust
Maybank
Mercer
Mindful Wealth
Montserrat Capital
Morgan Stanley
MSCI
Nomura
OCBC Bank
Ojets
Orbium
Paragon Capital Management
Pershing
Phillip Capital Management
Phillip Securities
Pictet
Prime Asia Asset Management
Prime Portfolio
PromiseLand Independent
Purple Asset Management
Quantifeed
RBC Wealth Management
Reyl & Cie
RHB Asset Management
RHB Bank
RHB Islamic Asset Management
River Valley Asset Management
Rong Viet Securities
Samsung Asset Management
San Pacific Investments
Schroders Wealth Management
Sherpa Funds Technology

Silver Bullion
SingAlliance
Singapore Consultancy
Singapore Life
SingCapital
Sofos Capital Management
Sovereign Group
St. James's Place Wealth Management
Standard Chartered Bank
Standard Chartered Private Bank
Swiss-Asia Financial Services
Takayu
Taurus Wealth Advisors
Techemy Advisory
Tokio Marine
Trident Trust
UBP
UCAP Asset Management
UOB Bank
Valuevest Financial Services
Vision Venture Capital
VP Bank
WellFarer Group
Yara Advisers

Speakers

Pierre Masclet
Indosuez Wealth Management



Vincent Chui
Morgan Stanley

Michael Blake
UBP

Julian Kwan
InvestaCrowd

Joanne Siu
Samsung Asset Management

Adam Proctor
Citi Private Bank

Anurag Mathur
HSBC Bank

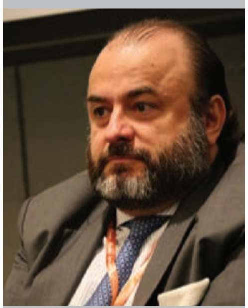
Alvin Lee
Maybank

Joshua Rotbart
J. Rotbart & Co.

Tony Wong
J. Rotbart & Co.

Chee Loong Chong
Mercer

Tuck Meng Yee
Allfunds

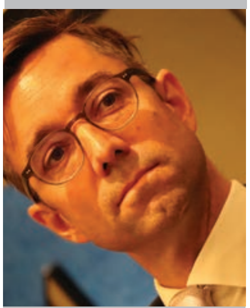


Alexis Calla
Standard Chartered Private Bank

Haren Shah
Taurus Wealth Advisors

Ranjiv Raman
Schroders Wealth Management

John Robson
Quantifeed



Alexandre Bouchardy
Credit Suisse

Chinmay Patil
Leonteq Securities

Marc Lansonneur
DBS Private Banking

Gary Dugan
Purple Asset Management

Marcus Hinkley
Hawksford

Rory McDaid
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Valentin Laiseca
MSCI

Adrian Williamson
ERI Banking Software

Nirbhay Handa, IMCM
Henley & Partners

Ioannis Ioannikiou
Casamont Cyprus

David MacDonald
Hubbis

Woon Shiu Lee
DBS Private Banking

Harry Ng
Nomura

Sean Coughlan
Trident Trust

Lee Wong
Lombard Odier

Richard Nunn
Jersey Finance

Lim Cho Peng
IPG Financial Services

Cara Williams
Mercer

Key voting poll results

The Hubbis Asian Wealth Management Forum 2019 event in Singapore on May 23rd provided fascinating and thought-provoking discussions and talks for the assembled delegates. As usual we also polled the attendees and mined out the following nuggets.

- 69% of attendees believe there is a significant shortage of talent in Asian Wealth Management
- 90% of the audience agree that banks rely too much on hiring each other's bankers
- 56% of the audience predict they would move more than 20% of their client's AUM if the move banks
- 88% agree that the next 12 months will be more challenging than the last 12 months
- 95% of our attendees believe that fees will be further squeezed in the next three years
- According to our audience only 10% of private banks in Asia operate in a transparent way
- 62% of attendees are not seeing a growing interest in DPM
- Half our audience will be more focused on HNW insurance over the year ahead, but half will not
- Is it easy to find the most competent tax and legal advisers in Asia - the resounding answer was no

Asian Wealth Management Forum 2019 - Singapore Testimonials

At the Hubbis Asian Wealth Management Forum 2019 in Singapore on May 23rd, we asked leading industry participants what they thought about our event today.

We hope you enjoy these Testimonials.
Click on the Speakers Name to view their BIO.
You can also read the transcripts in this document - and click on Watch Video to view their exclusive interview.

Link to Content Summary page
Link to Photos
Link to Event Homepage

Who did we ask?

Pierre Masclet
Asia Chief Executive Officer,
Singapore Branch Manager
Indosuez Wealth Management
Watch Video

Anurag Mathur
Head of Retail Banking and
Wealth Management, Singapore
HSBC Bank
Watch Video

Alvin Lee
Head of Group Wealth
Management & Community
Financial Services
Maybank
Watch Video

Ranjiv Raman
Head of Investments
Schroders Wealth Management
Watch Video

An Kelles
Business Development Director,
Greater China
Jersey Finance
Watch Video

Julian Kwan
CEO
InvestaCrowd
Watch Video

John Robson
Chief Commercial Officer
Quantifeed
Watch Video

Tuck Meng Yee
Head of Investment Solutions Asia
Allfunds
Watch Video

Lee Woon Shiu
Managing Director & Regional Head
of Wealth Planning Family Office &
Insurance Solutions
DBS Private Bank
Watch Video

Valentin Laiseca
Head of ASEAN Index Sales
MSCI
Watch Video

Gary Dugan
Chief Executive Officer
Purple Asset Management
Watch Video

Marc Lansonneur
Managing Director, Head
of Managed Solutions and
Investment Governance
DBS Private Banking
Watch Video

Joanne Siu
ETF Sales Director
Samsung Asset Management
Watch Video

Pierre Masclet
Asia Chief Executive Officer, Singapore Branch Manager
Indosuez Wealth Management
Watch Video

Hubbis has always been a great partner for the industry of wealth management, quite close to all bankers in the industry, and quite close to Indosuez. I have had the real pleasure to work with Michael for a long time, and it's a real pleasure, because it's really professional, and when I see all the expertise delivered by Hubbis, maybe for trainings or for such events, like today. This is really quite professionally done, that really enable all bankers to have a better view of the industry.

Anurag Mathur
Head of Retail Banking and Wealth Management, Singapore
HSBC Bank
Watch Video

It's my first Hubbis event, with a very interesting agenda, lots of interesting speakers. I'm looking forward to meeting new people, getting new perspectives, I'm excited.

Alvin Lee
Head of Group Wealth Management & Community Financial Services
Maybank
Watch Video

In a growing segment like wealth management, these events are important to raise awareness amongst the players, so I think it's good.

Ranjiv Raman
Head of Investments
Schroders Wealth Management
Watch Video

It's good to have the trends in the private banking industry. What do clients want? What do clients need? What'll be interesting is to have more panel discussions, with two people almost like a rapid fire kind of contest. That would be good to turn it on its head, and to get more questions from the audience. I think that would be good as well, and make the event more interactive.

An Kelles
Business Development Director, Greater China
Jersey Finance
Watch Video

This is one of the most amazing events, and this is one of the reasons that Jersey Finance likes to work with Hubbis. It has so many relevant people coming, and it is one of the most best attended events I know in Asia.

Julian Kwan
CEO
InvestaCrowd
Watch Video

It seems that a lot of the participants from the private banking wealth management world are a lot more open to technological advancements like digital securities, versus a couple of years ago. So we're seeing we're opening a lot more

doors, a lot more partnerships, a lot more appetite for what we're doing, and I think that's great and healthy.

John Robson
Chief Commercial Officer
Quantifeed
Watch Video

I think this is a great conference. It really lends itself to coming up with different viewpoints on how the market is developing. That includes viewpoints from the traditional path of the high net worth wealth management sector and the private banks, together with technology. Hubbis provides a great opportunity for these viewpoints to coalesce into a vision of where the market's going.

Tuck Meng Yee
Head of Investment Solutions Asia
Allfunds
Watch Video

Good turnout - a very good turnout. Quite surprising actually, given that it's not the end of the earth.

Lee Woon Shiu
Managing Director & Regional Head of Wealth Planning Family Office & Insurance Solutions
DBS Private Bank
Watch Video

I think it's a great event. I think it's really lively. Kudos to the master of ceremony, Michael, for making everything so fun. Really loved it. Thank you.

Valentin Laiseca
Head of ASEAN Index Sales
MSCI
Watch Video

It's a fantastic event considering how important wealth

management is to Asia, and especially to Singapore where wealth is a very important part of the financial industry. I encourage you to continue doing the fantastic job you're doing, getting us all together and debating. I think you're very good at getting us to discuss issues. Sometimes those issues are painful, but they need to be discussed because certainly the industry is undertaking very important transformations.

Gary Dugan
Chief Executive Officer
Purple Asset Management
Watch Video

I'm really enjoying the events here in Asia, consistently good. Presentations have been good, and we've seen some very lively panel discussions. I think there's more realism around about the challenges that we're seeing in the industry, but still a positive outlook on wealth growth, which is very encouraging for Asia.

Marc Lansonneur
Managing Director, Head of Managed Solutions and Investment Governance
DBS Private Banking
Watch Video

It's always a pleasure to participate at this conference. First, in terms of networking, but also with topics that are always interesting to discuss. To be candid, the issue is it's not too easy to have new topics and always be saying something completely original. I think what is very important is to explain the strategy even if may sometimes be boring. Consistency in wealth management is the key.

Joanne Siu
ETF Sales Director
Samsung Asset Management
Watch Video

Thanks for letting Samsung Asset Management to be one of the sponsor for the event. We are very excited and happy to be here.

Testimonials from the audience

"Hubbis events always manage to invite knowledgeable & interesting speakers. Good job!" ***- Ho Chin Shin***

"Thank you for inviting sponsors and participants to this great event, we definitely came out of the event more enlightened in many aspects related to the challenges in the wealth management industry. It was a great event and we would recommend it!" ***- Hieu Nguyen - CEO - Rong Viet Securities Corporation, Viet Nam.***

Asian Wealth Management Forum 2020 - Singapore

Thursday 14th May, 2020

Thank You to Our Sponsors

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