

Aligning Global Capabilities, Regional Expertise and the Personal Touch in Asia

Pierre Masclet has immersed himself in wealth management for more than 28 years, and unusually, in this day and age, only with one firm. He is justifiably proud of the achievements of Indosuez Wealth Management, which since 2016 is the re-launched global private banking brand of the Crédit Agricole Group. Masclet met with Hubbis to recount his evolution to his current role as Asia CEO and Singapore branch manager, and to explain why the group is so intently focused on growing the Asian operations, and how that can be achieved.

Executive summary

Pierre Masclet, Asia CEO and Singapore Branch Manager of Indosuez Wealth Management (Indosuez), is feeling positive. He reports that the firm has increased revenues by 80% since the start of 2017 and assets under management have risen to over USD14 billion in Asia, up more than 40% following the late 2017 acquisition of Crødit Industriel et Commercial's private banking business in Singapore and Hong Kong. And staff numbers in Asia have grown to roughly 350 out of the 3150 strong Indosuez wealth management team worldwide.

Masclet and his team believe that Indosuez offers clients in Asia a unique combination of global capability aligned with impartiality and a human-scale organisation that should encourage those clients to feel as if they belong to a "family" and where the doors to the top management, to product experts, or to analysts and economists are always accessible.

Like the Credit Agricole group at large, Masclet extols the virtues of transparency and compliance, arguing that the client must have clarity and a feeling of comfort in all facets their interaction with the firm.

He also emphasises the firm-wide focus on the vital issues of today for current and future generations of wealth market clients - from wealth preservation to planet earth preservation, from face-to-face banking to robo-advisory, from tailored private equity investments to mainstream financial market assets founded and managed on sound ESG principles.

Asia is a key region for us, regional wealth is expected to grow over the next five years at roughly 10%, compared to an average of 3% in Europe, we expect to grow in line with the market.

Asia is therefore a focal point for the expansion of the Indosuez operations through the hiring of high-quality talent, through investment in digitalisation, in further development of the broad, objectively-sourced universe of products the firm offers, and potentially through acquisitions, such as evidenced by the late 2017 purchase of the CIC Asian operations.

Masclet and his colleagues are keeping their eyes firmly on what he calls the "client experience" to ensure that every facet of the client's interaction with the firm's professionals, team-members, product suite and services are as excellent, personable and rewarding as possible.



“WE ARE REALLY RATHER SATISFIED with the results in the recent past,” Masplet reports, “as the integration of CIC has been quite a success. We have even seen some net new inflows from the CIC clients.”

Singapore is the regional centre for Indosuez, with Hong Kong as its second flagship centre, while both offices act as booking centres for Asia. Masplet presides over the entire Indosuez Asian operations from his base in Singapore, where he also acts as the Indosuez branch head for what is an active, diverse banking and credit operation.

He acknowledges how difficult 2018 was in the global financial markets, with 95% of all asset classes declining, but reports that despite this the current growth and targets are still to achieve about 8% to 10% annual growth in AUM in the region.

Human scale

Masplet adds that Indosuez is proud of its interaction with the full array of Crédit Agricole’s banking, investment banking and asset management operations and skills in Asia, where the group employs some 5000 plus people.

“Yet we still maintain the human-scale for our clients, for them to retain access to the key stakeholders, whether that is the senior management, the risk department, compliance and, of course, the relationship managers and product specialists. Additionally, we want to offer our clients access to as many of our specialists as possible within the Asia region, whereas we find that many competitors centralise their expertise.”

Masplet believes Indosuez is ideally positioned to compete in the current and anticipated

market environment. “As I said, we have the support of a major international group, yet we are a human-sized organisation that offers a wide array of products and services. This is really rather rare in our business.”

Client-centricity

Masplet knows intuitively from his long experience that the key to Indosuez’s long-term success must always lie with the client. “Making sure clients are satisfied with our products, services, and performance is essential,” he comments. “We are therefore continuously fine-tuning the product platform, adding additional services, for example we added in 2018 real estate specialist in Singapore, or promoted some specific discretionary portfolio management mandates

that whereas many of the regional and local banks have a wide range to offer, those competitors often tend to be more focussed on specific types of products, whereas Indosuez, he states, offers “A service offering on a par with the major world players within a human-sized bank”. And total objectivity is essential in determining the choice of products, whereas too often competitors include many in-house products for their clients and are often overtly encouraged by their senior management to push those ideas.

Digitalisation is another area of progress for Indosuez. Masplet notes that parent company Indosuez Wealth Management Group has undertaken a worldwide digital upgrade programme dedicated to enhancing the client experience.

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Product agnosticism

He elaborates on the range of products and services by explaining

And another vital area of focus has been staffing, with the continuing quest to bring in new talent. “We believe we are now better positioned than ever before in this regard, but we must keep investing money and management time.”

Masplet explains that Indosuez remains an offshore operation, in Hong Kong and Singapore, and



PIERRE MASCLÉT
Indosuez Wealth Management

that the firm has no specific plan to open new branches or subsidiaries elsewhere in the region. "We have demonstrated that we can be successful as we are structured over the past two years and we believe we can continue on that path."

Keeping things in the open

Masclét believes that as long as the firm can deliver on performance, the client will accept the fees, if reasonable and in line with the added value of the offering and the product. "Accordingly, we have no concerns on this," he reports. "We offer such a wide array, from structured products, forex, DPM, advisory mandates, pure execution, private equity, funds so forth, and it is therefore the client who decides the type of relationship they want with us, and the type of products they prefer."

Ahead of the game when it comes to regulatory change, reinforcing compliance and risk frameworks, the Bank decided in 2010 to withdraw its operations from tax havens and other non-cooperative territories in line with CA Group Strategy. Today, Indosuez only open accounts for clients

Getting Personal

Pierre Masclét is rare in this world today, as he has been with the Credit Agricole Group for his entire 28-year plus career to date, and all that time he has focused on wealth management. His rise to CEO of Indosuez Wealth Management in Asia and also Singapore branch manager, with a team of more than 350 and Asia-wide aspirations, is a testament to his consistent approach and to his commitment to the cause.

Masclét was born and raised in residential Neuilly-sur-Seine, a suburb just to the west of Paris. His studies saw him later attend the famous Ecole Supérieure de Commerce de Paris, one of the pre-eminent business school in France. In addition, he studied law and tax law at university, followed by a further qualification in international tax.

"My career has always been in wealth management with the group, first in France, then Switzerland and now in Asia," he reports. "I have gained a wide experience of all facets of this business, from both the investments and front-office sides."

In Paris, he explains that he was marketing officer, then relationship manager, then team leader, then head of products, then head of commercial. In Geneva, he was head of Markets & Investments and in Asia this background has clearly stood him in good stead for his current CEO role, which combines oversight of both the product and the commercial sides.

Spare time is spent actively when time permits, including pastimes such as tennis, swimming, running and wakeboarding. Favourite family holidays are skiing, often in the French Alps and often twice a year. "My wife and four children, two elder daughters and two younger sons, all aged between 25 and 15, are accomplished skiers," he reports, "so I just follow them and love the walks and scenery in the mountains."

Masclét's wife is also an accomplished entrepreneur, he reports, having originally studied at HEC, another prestigious French business school, and in the years since having successfully launched and then sold a number of businesses.

Quiet moments at home might see Masclét listening to music, or engrossed in reading, for example currently in a lengthy biography of Lee Kuan Yew, Singapore's founding father.

who are resident in countries that participate in the Automatic Exchange of Information programme, which is committed to full reciprocity of information.

Looking to the future

To remain as relevant as possible, Masolet says the firm must address the real issues the next generations are facing. “We must focus on topics such as the environment, cyber-security, sustainability, education and so forth, not just on topics such as financial markets. We just had a summit that took place in Hong Kong in February 2019 that focused

proliferating,” he adds, “so the experience of our bankers is vital to aid our clients in sifting through the often-overwhelming amount of information out there. Helping the clients understand the relationship between macroeconomics and the impact on the financial markets is also very important.”

“Unlike many other banks, we make a major effort to monitor the ESG performance of all our portfolios,” he adds, “as the next generation appreciate that we have a finite time horizon in which to cut excessive consumption and pollution on our planet.”

improve these ratings. We see things changing quite positively and rapidly, in this regard.”

Masolet’s key priorities

Masolet has several important goals for the year or two ahead, including continuing growth in revenues, growth in AUM, recruitment of new talent and further enhancement of the platform in terms of both product and all types of services, as well as further digitalisation.

“A different way of expressing all this,” he says, “is further improvement of the client experience, from account opening to the way we interact with the bankers for different multichannel delivery, through all the product solutions and so forth. The client experience must be front and centre.”

Each touch point with the client, from front to back of the bank, must reinforce the quality and integrity of the offering. “Each client will have different ways to interact and the quality of interaction with all the stakeholders in the bank is vital, so the clients participate in the whole process, so that they enter into our family here, so to speak, meaning that the clients can see how closely we all work together and they can easily interact with absolutely everybody at the firm. It goes back to what I explained earlier about being a human-scale organisation.” ■

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Additionally, the distribution channels must be relevant, so, for example, Masolet observes that in the future the younger generations see digital banking, and other delivery protocols as the new normal. “Information is

He notes that Indosuez is deeply committed to ESG principles and investing, “We rate all our clients’ portfolios according to ESG performance,” he reports. “We give them the ESG rating for each security, as well as their whole portfolio, then it is up to the clients to work with us to help



Indosuez Wealth Management: A Long History and a Sharp Focus on the Future

The name Indosuez has a heritage in Asia dating back to Banque de l'Indochine, originally founded in 1875. Since then, the bank has built a strong reputation advising entrepreneurs and families across the world, providing bespoke financial advice and tailored investment services.

Parent company Credit Agricole Group had bought over Banque Indosuez in the mid-1990s and by 2005 had also acquired Credit Lyonnais. Today, Credit Agricole remains one of the biggest international banking groups worldwide, ranked 13th in the world (source: The Banker, July 2018).

The group has a long history in wealth management, and it was back in January 2016 that Credit Agricole Private Banking announced that its operations across Europe, the Middle East, Asia-Pacific and the Americas would henceforth be united under a new organisational structure and renamed Indosuez Wealth Management, which then became the global wealth management brand of Credit Agricole group.

Today, Indosuez Wealth Management is present in 14 countries, with some 3,150 staff serving high-net-worth and ultra-high-net-worth clients worldwide and client assets under management of EUR122.8 billion (at date).

The rebranding was the culmination of the Indosuez Wealth Management group's strategic transformation that had begun in 2012 and that was designed to reflect the bank's 140-year heritage, and its business model, ambitions and footprint across the globe for the years ahead.

The bank said at the time that the single brand was part of a wider process of aligning subsidiaries in different geographies to offer what it described as a streamlined and cross-border service to families and entrepreneurs across the globe. Globalising the brand thereby created a single identity for clients and employees alike, an identity that was designed to embody the core values and strengths of the bank.

The bank stated in a release in early 2016 that that the "added value resides in the fact that it can offer the full range of services of the large banks thanks to being part of Credit Agricole group while its nimble size and highly committed staff enable it to provide tailored advice and support, with dedicated teams of experts, to create, manage, protect and pass on enduring wealth".

At the time, the bank's core offering was structured to reflect three core activities, all of course inter-related. The first is "Structuring Wealth", which helps families and entrepreneurs develop efficient wealth structures covering private and professional assets and liabilities and that also includes a global corporate finance offering today.

The second area is "Investing Wealth", under which the bank aims to offer best-in-class, tailored investment solutions, in all asset classes, with high value-added services. The third, but not least, category, is "Banking and Beyond", which covers precision banking, privileged access to the group network including Credit solutions such as Insurance Premium Financing, Jet Financing and Single Stock Financing.

The bank operates today across Europe, in France, Belgium, Spain, Italy, Luxembourg, Monaco and Switzerland, in Asia-Pacific with offices in Hong Kong, Singapore and New Caledonia, the Middle East in Abu Dhabi, Dubai and Lebanon, and Latin America and Miami.

The group has a long history in Asia. Banque de l'Indochine first opened its doors in Singapore in 1905. By the time of the Asian financial crisis in 1997, and after the mid-1990s consolidation of the Indosuez acquisition, the group's presence in Singapore consisted of a Credit Agricole Indosuez branch and four merchant bank and brokerage subsidiaries. Today, all activities are consolidated under the Indosuez Wealth Management brand.

The bank likes to describe itself as "Architects of Wealth", offering clients what it calls "exceptional service and expert advice in order to optimise the structure of their wealth and their investment decisions".

In Indosuez's literature on its Singapore-based operations, it states that the "multi-disciplinary and highly-qualified teams primarily work with families, UHNW individuals and entrepreneurs, helping them manage, protect and pass on their wealth" and notes that the firm also "offers its solutions to associations and foundations as well as financial intermediaries such as independent wealth managers and family offices".

The firm also explains that the Indosuez Wealth Management services in Singapore can be supplemented with the support of other expert teams from the Credit Agricole group, putting specialised global capability and expertise at the client's disposal. The firm also works closely with Credit Agricole CIB, the group's corporate and investment banking arm, to assist clients, entrepreneurs and managers alike, with the challenges they face, including corporate financing transactions.

In Asia, the bank has also committed to environmental protection projects in China backed by the Indosuez Foundation (Switzerland), such as "Pur Projet", which aims to preserve forests and encourage the cultivation of medicinal plants in the Yunnan province, and "Save Our Species", which works to conserve two species of conifers native to the northern Guangxi region.

