

BEA Sets its Sights on Expanding the Investment Library and Greater Connectivity to the Greater Bay Area



Jaye Chiu is Head of Investment Products & Advisory for Bank of East Asia, a role he took on in July 2020. Hubbis met with him recently to hear of the latest developments taking place at BEA and some of the projects coming to fruition in the foreseeable future. BEA is one of the largest independent family-owned banks in Hong Kong, with more than 100 years of history, and with a DNA that is distinctly Greater China, and with an extensive branch network across China. Accordingly, the bank is especially well positioned to participate Greater Bay Area wealth management initiatives. Chiu and his teams are also working hard to elevate digitisation and to boost ESG-centricity within the product portfolio.

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Chiu explains that he heads up the investment products and advisory business at BEA and is therefore responsible for distributing investment products and investment solutions to all the stakeholders of BEA, which include the private bank, the retail bank, onshore BEA China, as well as the corporate bank. "We are sort of the central product kitchen, if you like, and we are organised by different asset classes within the business."

Teaming up for expansion

One team focuses on managed products, which includes mutual funds, hedge funds, and

clients are decided and published. Our chief investment strategist himself is quite a well-known figure here locally in Hong Kong, frequently participating in television broadcasts, radio and newspapers."

BEA's Greater China DNA

As to the positioning of BEA, he reports that the extensive branch network in China as well as in Hong Kong, means the bank is especially well-positioned to help clients with their cross-border wealth management activities. "We have strong referrals both southbound as well as northbound, because a lot of the Hong Kong customers

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discretionary portfolios. Another focuses on currency and equity linked deposits, which he reports are very popular with the retail bank customers in Hong Kong. A team concentrates on product development and product risk management, and another group focuses on securities services, which include dealing, execution and product management for all securities, including global equities, structured notes and fixed income.

And finally, he reports that BEA also has a relatively new team called the Chief Investment Strategy Team that provides 'house view' support to the bank. "Through an Investment Council with participation from various stakeholders within the organisation," he explains, "the house view of BEA and recommended asset allocation to

that we serve also have mainland businesses, and they have onshore wealth management needs. At the same time, BEA also has an extensive international branch network. Accordingly, a very big focus of ours is to make sure that we are able to serve our clients' cross border and international wealth management needs."

GBA and Wealth Management Connect

He cites the importance of the Greater Bay Area Wealth Management Connect programme, through which the bank aims to be a leader. "It has its limitations right now, such as it is a closed loop, and you can only facilitate low to medium risk products, the product selection is relatively restricted at this stage, covering mutual funds, fixed income products, as well as deposits," he reports. "However,

we do believe this programme will eventually develop further. And sooner or later, I think a lot of these constraints will be relaxed, and the whole array of two-way flows will become much more diverse and dynamic. BEA aims to start strong and be one of the major players in these initiatives."

Digital days ahead

First, he points to the internal development of an algorithm-assisted investment platform for BEA's retail customers, which will be developed in-house by various stakeholders, including Jaye's product team.

The second digitisation project is the revamping of the bank's securities trading. "We are in the process of revamping our digital trading platform that will allow us to effectively serve the investment needs of clients that include both retail as well as private clients" he reports. "This is quite a major undertaking, and one through which we are looking to really advance our firm's digitalisation capabilities."

Leveraging digital evolution

He adds that more complete and advanced digitisation will help clients under the GBA WMC to trade effortlessly either through online banking or mobile. "In the initial stages of WMC, most of the transactions will be done on an execution-only basis, which means that there's no solicitation involved. Clients should be allowed to trade at their own pace and leisure, with their own inputs in various channels," he explains. "So, with enhanced digital and online capabilities, we will be better placed to serve that market, and better placed to serve the needs



JAYE CHIU
BEA

of our clients in a more proactive manner when more advisory type activities are later permitted."

CIO-guided investment

He explains that BEA, as part of the future WMC advisory rollout, will also want to beef up its capability to offer investment content to these customers. "This is where our newly established Chief Investment Strategy Team will be able to help as we produce timely and relevant investment content, either through our house view booklets or through short videos, voice clips and other media that we aim to offer to our cross-border customers through WMC in the future."

Building more ESG-centricity

And the final priority is to bolster and expand the ESG offering by incorporating more ESG products within the product shelf.

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Getting Personal with Jaye Chiu

Jaye hails from Hong Kong and after high school, moved to the US for university, studying Business and Computer Sciences at Carnegie Mellon in Pittsburgh, Pennsylvania.

He has worked in investment management and wealth management since 2005, starting out with UBS, before moving to HSBC, BNP Paribas, EFG Bank, before becoming MD and Head of Regional Investment Management for the BMO Private Bank, and then taking up his current role at BEA from July last year.

"I am lucky to have worked for international and local players and met a lot of wonderful colleagues and clients," he reports. "It has been energising to witness first-hand the explosive growth of wealth management here at BEA, and I see great potential ahead."

Married with two children of seven and two, he also has his work cut out at home. Hobbies include swimming, where he used to compete regularly, and he is an accomplished violinist, and today strives to teach his two young daughters to play. "I am trying to pass on the torch, if you like," he quips.

He reports that his other spare time sees him quite heavily involved in local community service, and youth mentoring, and he says he is very active within the Rotary Club in Hong Kong. "Oh, and I should say I am delighted at the two silver medals our local swimmer Siobhan Haughey won in Tokyo recently; that is a major positive for Hong Kong, for youth and for the sport."

While he has loved being at home to watch his young daughters grow up, like others in Hong Kong, he is feeling somewhat restrictive and restricted and hopes to be off on travels again before long. "We can but hope," he says.

library," he explains. "Moreover, we are expanding our ESG screening capabilities to our mutual funds, equities as well as fixed-income offering."

Hong Kong – perfectly poised and positioned

Jaye believes in Hong Kong, remarking that Hong Kong still plays a very important role to connect China with the world.

"Hong Kong has unique attributes as a major financial centre within China that operates under the One Country Two System framework. We are a major financial centre, we operate under the common law, so these are still unique attributes that will allow businesses to prosper. We are overcoming the more recent challenges of the past few years, and certainly, the development of the GBA will really see it become recognised as one of the most



Key priorities

He reiterates the importance of the GBA WMC initiative, and reports that the second key priority is the further development of BEA's digital capabilities. "BEA wants to make sure that we are at the forefront of the digitalisation movement. Our team is cooking up at least two major projects within this space."

"BEA has well-devised and extensive ESG policies in place. Within the investment product area, we also have been quite active in the ESG space. We have worked actively to include ESG products within our product library. Moreover, we are expanding our ESG screening capabilities to our mutual funds, equities as well as fixed-income offering."

important economic growth engines in the world. Moreover, for us within the wealth management space, a lot of wealthy individuals and billionaires reside within the Greater Bay Area, so there is great potential."

He draws the conversation towards a close by remarking that there is an ongoing shift within private wealth away from transaction-first towards a much more holistic portfolio-based advisory approach.

"This," he says, "means we are adding more value, and interestingly digitisation is helping as we are able to offer, for example, in our DPM proposition, a much more proactive building block type approach to clients to help them work more closely with our teams on their portfolios, to thereby create a very transparent and easy to understand the source of information for the clients. Discretionary in the past used to be hands-off once the agreement is signed and the investment mandate is agreed with

the client. There tend to be portfolio reviews every six or 12 months. With the help of technology, the process nowadays can be much more fluid and more attuned to client needs and preferences."

He elaborates on this, noting that the digitisation is also allowing clients access and portfolio customisation at much lower commitment levels to DPM services that would previously have been reserved for true HNW or UHNW clients.

"Nowadays, tailor-made portfolios can be offered at much more modest commitment levels, using various building blocks, using digital tools to do a lot of back-testing, to conduct forward-looking analysis and allowing the clients to tap into a real-time analysis of their portfolios," he explains. "These are just some of the developments within the Wealth Management space that that we think are very exciting." ■