

EastWest's Dr Robert Ramos on Wealth Management Across the Four Compass Points of the Philippines

Dr Robert B. Ramos, Senior Vice-President, Trust Officer and Chief Investment Officer at EastWest Bank in Manila, has a list of qualifications as long as his arm. He met with Hubbis again recently to offer his latest insights into the evolution of wealth management in the Philippines, and to explain how EastWest continues to build its proposition.



EastWest Bank, listed on the Philippine Stock Exchange and valued at the equivalent of USD913 million, is the eleventh largest bank in the Philippines in terms of assets, and with 400 branches the 10th largest in terms of coverage. It is a member of the Filinvest Group, one of the largest conglomerates in the Philippines, which was founded by the late Andrew Gotianun, and has a long commitment to wealth management in the country.

The bank was later on granted a universal banking license on July 31, 2012, and then made several key acquisitions, including Green Bank of Caraga, the largest rural bank in the Caraga region in terms of assets, and then in 2016 bought the retail banking business of Standard Chartered Bank Philippines, which included credit cards, personal loans, wealth management, and retail deposits. That is when the group's thrust into wealth management became even more dynamic and focused.

Ramos reports that EastWest has a robust position in wealth management, especially following that 2016 acquisition of the local retail business of Standard Chartered. "Of course, there is a lot of competition, and it is growing," he comments, "as more and more providers here want to tap into the mass affluent and HNW market segments. There were only really a couple of banks that 10-15 years ago were providing services to the wealth market, but now almost all the big banks have at least a wealth or a private banking group. The HNW segment is not so large, of course, but the good news in the mass affluent market is growing apace."

Key Priorities for 2020-2021

His first mission as an asset management head is to ensure the firm curates the best products for the evolving client base, secondly to improve access to these products and solutions for those clients, including increasingly working with other parties including foreign firms, and thirdly to help boost the market's awareness and education.

"We have an extensive nationwide 'store' or branch network," he explains, "which we must leverage to build our wealth proposition across the country. We have done a lot of work to build out awareness and to reach out to customers and enhance their understanding and interest. To cater to the evolving client demands in the country, we will also work with more foreign fund managers and partners to build out the product and solutions suite. All these efforts and initiatives remain our key priorities for the foreseeable future."

Ramos today heads the Trust and Asset Management Group of EastWest Banking Corporation, working closely with the retail banking and wealth management groups and responsible for looking for outlets, providing products and services that will cater to either the retail clients and the

by access, with the firm aiming to boost the availability and range of foreign funds, as well as supply the local funds that cover clients' needs for Peso-denominated assets. "It is certainly the case that clients are becoming more up-to-date and more knowledgeable, the conversations often begin with

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mass affluent clients or the wealth management clients. He reports that the firm has several funds and is building a variety of other funds, including foreign exchange and other international exposure funds, wherever they see the relevance for their clients.

ACCESS AND AVAILABILITY

Ramos explains that the wealth management offering is driven

the product suite, as they want to expand their range of investments and other solutions," he remarks. "This is leading to more needs-based discussions with those of the more knowledgeable clients."

He adds that there are also plenty of clients who are accumulating wealth at this point, and they are only too happy to stay with the local offerings. "But as we move forward," he reports, "I think it will come to the



DR ROBERT RAMOS
EastWest Bank

point that they will all increasingly utilise both local and offshore services and offshore products.”

ASSESS AND ADDRESS

He explains that the skill is in assessing and then addressing the clients’ needs. “We take the approach of tackling some key topics,” Ramos reports. “We first discuss asset-liability management, so that we match invest against liabilities, and we can assess if it makes any sense to take some foreign currency risk. There might be some clients with no current or future dollar liabilities, whereas others might want to send their children or grandchildren to the US for education, or even to move there later.”

The second key topic is then to mine down to the most appropriate Peso or dollar assets. “We stress yield, diversification, balance,” he reports. “Rome wasn’t built in a day, so it is essential for clients to take a longer-term view on their investments, keep working with their service and product providers, stay patient and keep choosing the right investments and the best outlets.”

As to regulation, Ramos considers that the main progress has been in the sphere of suitability standards.

Getting Personal with Dr Robert Ramos

Dr Robert B. Ramos, Senior Vice-President, Trust Officer and Chief Investment Officer at EastWest Bank in Manila, is an erudite fellow. He completed his undergraduate degree from the Ateneo de Manila with Honourable Mention, then sailed through his master’s degrees at the Asian Institute of Management (Business Management) and the University of Asia and the Pacific (Business Economics). Not content with that, Ramos then earned his doctoral degree from De La Salle University.

During his working life over the past 20 or more years, Ramos also became a CFA Charterholder, a CAIA Charterholder, a CIPM Certificate, a Certified Securities Representative, a Registered Financial Consultant, and a Certified Treasury Professional. And during this career, he also completed the one-year course on Trust Operations with distinction.

His career to date has been dedicated to banking and finance, working for local and foreign institutions, gaining a world of experience in the fields of corporate finance, product development, treasury trading, fund management, marketing and relationship management.

Not only has he received a number of company and industry awards, but he has also served on the boards of several industry associations, serving as President of the Trust Officers Association of the Philippines (TOAP) and the De La Salle University Doctoral Society. And remarkably for someone so busy, he is the current President of the CFA Society of the Philippines.

As Dr Ramos survey his long list of qualifications, he reports he is in some way most proud of having become a CFA charter holder. “I really take pride in this because it is an international designation,” he remarks.

Ramos is married, and has a young daughter of just two years old. Spare time is spent outdoors, running and biking, or in the gym and quiet time at home sees him settling down to a good book, such as a recent read, Emotional Intelligence by Daniel Goleman. “I am more of a technical type person,” he explains, “so it is nice to step out and look at ways of better managing oneself, which helps in working with and managing other people. It was a good read.”

IMPROVING REGULATION

“This has actually been a work in progress since about 2007,” he recalls, “with a massively improved risk management framework,” he

observes. “We all report to the central bank, which has been continuously updating and upgrading their suitability standards, with the aim of protecting the clients and the

industry's reputation. Protecting the asset management firms and the banks is, of course, vital." He adds that the Fund Managers Association of the Philippines has actually endorsed the asset management code of the CFA Institute and for performance reporting the country is also compliant with the Global Investment Performance Standards which is also promoted by the CFA Institute. "All these developments are positive steps for the end-users and the industry as it evolves here," Ramos comments.

He explains that local investors remain focused mainly on the simpler funds, including index

funds, some country funds, especially China and the US in recent times, and primarily either fairly plain vanilla equity or fixed income exposures, including dividend-focused/income funds in both local and US currency. "We see a gradual increase in the interest in diversification across products, markets and regions," he notes, "but for the moment the market can be covered by these readily available and relatively less complex solutions."

Ramos closes the discussion with a comment on the market's evolution, remarking that the economic and private wealth expansion in the country has been

robust and encouraging, and as more people have more money, naturally they are looking to invest and grow their wealth. "The base is relatively low compared with some other countries in the region," he concludes, "and therefore there is huge room for people to become more knowledgeable, better financially educated, more diversified in terms of their investments – there is still a vast amount of money in simple deposits in this country. And for the providers, we all therefore strive to provide much better access, more services as well as more products, more digital delivery, and better advice and risk management." ■

