

Going for growth

Expanding the product team and further cementing Indosuez Wealth Management's wide range of investment offerings in Asia are high on Arjan de Boer's agenda as he settles in to the role he took up in early 2017.

After its global rebranding exercise in 2016, on the back of a five-year strategic transformation, Indosuez Wealth Management has made no secret of its intentions to gear up for robust expansion in its key geographies, including Hong Kong and Singapore. "Globally, we are aiming for high growth in markets such as Asia," says Arjan de Boer, head of markets and investment solutions for Asia at Indosuez Wealth Management.

Joining this revamped firm in February 2017 was a breath of fresh air for de Boer. While he has been a product specialist for most of his career, more recent roles included running the North Asian business at ABN AMRO Private Bank, followed by the same position at ANZ Private Bank, and then heading the integration efforts for ANZ retail and private wealth in the region.

Now, he says he is pleased to be back in a product-focused role, especially

with his new employer. And he has a clear mandate.

"As a mid-sized private bank, we are quite unique in what we have to offer to clients. However, I think we need to articulate that more clearly going forward," he explains.

This includes highlighting the breadth of the product suite. For example, there are dedicated private equity solutions, plus a strong discretionary portfolio management offering.

In terms of funds, Amundi, one of the world's largest fund houses, is one of the companies under the Credit Agricole group. In addition, there are the Indosuez funds for in-house clients.

De Boer is quick to add that this doesn't compromise the open architecture product platform, however, since the bank has third-party funds on the shelf as well.



ARJAN DE BOER
Indosuez Wealth Management

Further, because it belongs to a larger financial services group, the private bank is also in a position to offer corporate solutions in collaboration with

the investment banking arm. “For smaller corporate transactions, we might also enlist third-party boutiques,” adds de Boer.

Structured products are another string to the firm’s bow – both in terms of bespoke and over-the-counter structures. Other offerings include FX and precious metals, real estate and insurance. “We have the core suite that most banks have as well as a number of offerings that only very large organisations can provide,” adds de Boer.

BUILDING ON SOLID FOUNDATIONS

In delivering all of this to its Asian clients, he oversees a team of 40 product-related specialists – 25 in Singapore and 15 in Hong Kong. Combined, they service roughly 70 private bankers, many of whom have been with the group for over a decade.

Indosuez Wealth Management is looking to grow both its banker and product teams in the region. Indeed, the firm has announced a series of senior appointments in 2017.

At the start of this year, Pierre Masclet was named as CEO for wealth management in Asia and branch manager in Singapore. Following this, Prad Goswami, formerly with UBP, was hired as senior director to handle NRI clients; former Julius Baer wealth manager Lynda Leong was recruited as client adviser and private banker; and in Hong Kong, Stanley Yeo (formerly with ANZ Private Bank) and Radhika Jasuja (previously with BNP Paribas Wealth Management) were appointed as senior directors.

De Boer says he is focused on expanding the product team. “I would like to

ensure growth so that we don’t face capacity constraints.”

This goal also comes on the back of strong returns from many of the product offerings, especially private equity.

For example, its USD2.3 billion-plus in private equity investments globally has seen a consistent track record of double-digit realised returns per annum across private market strategies since 2001.

Not surprisingly, client demand remains robust. “In terms of deals, we have done as much in the first quarter of this year as we did in all of 2016,” reveals de Boer.

EVOLVING PREFERENCES

This is in line with the trend seen by many private banks, where there is growing emphasis on thinking more about overall portfolio allocations and less about single product ideas.

With tightening regulations and improved fee transparency, there is also a greater emphasis on moving away from selling products to selling advice.

Education, however, remains key towards greater acceptance of advisory and discretionary mandates by clients – and the bankers themselves. “Ultimately, the bankers themselves need to be comfortable about advising on a product solution, taking the product specialist with them and understanding the product themselves,” explains de Boer.

This is the first challenge he pinpoints which needs to be overcome before being able to go to an end-client and convincingly advise and sell these products.

On the client side, de Boer notes, behaviour has certainly been evolving,

After hours with Arjan de Boer

- *Enjoys spending time with his three children – one boy (13) and twin girls (11)*
- *Is a big advocate of hiking with the family as “a phenomenal way to spend quality time with the family – and so much better than sitting around and playing computer games”*
- *Is a huge Formula One fan – and enjoys watching with his son. His favourite track is the Spa-Francorchamps Circuit in Belgium*

especially in understanding and accepting the benefits of discretionary mandates. “[Average] DPM penetration in Asia might seem low in absolute terms, but six or seven years ago, this level was about 2%; now it’s just shy of 10%. That is a very significant change and I see that trend continuing,” he explains.

Advisory is also gaining more acceptance as well in the region, according to de Boer.

To complement this, Indosuez Wealth Management is also moving ahead on the digital front.

In early 2017, for instance, it launched an app, Indosuez Insights, for clients. “This is updated continuously with the latest research and analysis from the group’s experts,” says de Boer. “It was launched only in February, but has already seen good traction.” ■