

# Independent Wealth Manager FINAPORT

## Broadens its South- East Asia Footprint

Swiss wealth management firm FINAPORT is in an expansive mood in Asia, looking outwards across South-East Asia from its regional base in Singapore. Two of the firm's key partners, Alex Borissov, Finaport's Zurich-based co-founder, partner and CEO and Philipp Piaz, managing partner in Singapore, met with Hubbis to explain why they see opportunities and how they intend to grasp them.



# Executive summary

Swiss private banking and asset management firm FINAPORT is on a growth track in Asia. The company has operated out of Singapore since 2009, having been established in Zurich only one year earlier. Alex Borissov, the Zurich-based Firm's co-founder, partner and its Singapore CEO and Philipp Piaz, co-founder and managing partner in Singapore, met with Hubbis to explain the firm's DNA and why and how they intend to further build the Asian business, especially in the South-East Asian countries.

FINAPORT was founded in 2007 in Zurich and also has offices in Miami and Asia. Adhering to regulatory minimum requirements, their clientele's assets range from entry-level private banking clients in Zurich up to tens of millions dollars for the ultra-rich category globally. The firm also manages the investable assets for several family offices as well, making use of their global connections and network to source attractive investments in the public as well as the private space. Within Asia, the firm operates from its base in Singapore, having opened there a year after the firm's creation.

Although a relatively small firm in numbers with just over 60 employees globally, FINAPORT leverages partner institutions around the world. By working closely with many of their over 60 banks and custodians globally, FINAPORT can, in turn, bring great scope and range to its clients and to its own bankers.

Borissov and Piaz currently have several central and connected goals in Asia, namely, to bring in experienced new relationship management talent, to expand the understanding of FINAPORT, its essential characteristics and offerings, and also to become even more agile in terms of adapting to the vicissitudes of the wealth market's evolution and the vacillations of the global investment markets.



**B**ORISSOV BEGAN BY HIGHLIGHTING the critical independence of thought and action that FINAPORT offers clients and its senior bankers. “The idea behind FINAPORT from the outset was to create the most suitable and the easiest environment for a banker to realise his, or her, abilities and bring the greatest capabilities to their clients,” he reports. “We wanted to create a platform that would not only open doors to many financial institutions and other companies in the market, but also to bring objectivity, independence, and global reach to the bankers and their clients.”

The finance space today, he expounded, is replete with many different players with many visions. “Our main activity is asset management,” Borissov says. “We firmly believe we can identify and then select the best public market investment options for our traditional clients, as well as offering our clients broad access to alternative markets, primarily the private asset markets.”

As to client relationships, Borissov explains that simplicity and objectivity are key. “If our clients see positive results and we produce optimal performance relative to the markets, they like it, and our relationships are solidified and then expand.”

### **A decade of growth**

Borissov explains that working with some sixty financial institutions for execution and custody worldwide also brings one of FINAPORT’s biggest managerial and financial challenges in the form of adapting its technology to create a smooth, seamless technological interface to track and then report all the changes in the client portfolios.

### **Getting Personal with Alex Borissov**

Borissov, a naturalised Swiss, is Russian by birth, hailing from a small town, Syktyvkar, which lies some 1000 miles to the northeast of Moscow. He was educated in the United States, graduating from Washington University in 1995 and then starting his career in banking at Uebersee Bank, which was part of AIG Private Bank, which itself was later sold to the Falcon Bank Group of Abu Dhabi.

Borissov later found his way to Singapore, working with Credit Suisse from 2001 to 2004 on the international wealth management desk, handling non-Asian clients. He then joined Union Bancaire Privee in Zurich as a member of the executive committee responsible for eastern European business. He co-founded FINAPORT in 2007, shortly before the global financial crisis.

Married with two children of 17 and 13, Borissov and family are settled in Switzerland, in a town near Zurich, named Kusnacht.

“We love Switzerland and are well settled there,” he reports. “It is ideal for the sports I love, for example tennis, biking, and skiing in resorts such as St. Anton or Davos, or in Italy in the Val Gardena area. I used to have hobbies such as model aeroplanes when young, and flying later on, but nowadays honestly FINAPORT is my hobby, as I thoroughly enjoy developing the business and learning new things, for example the worlds of the internet and new technologies are both fascinating.”

Borissov and family enjoyed a recent trip to Australia. “A fantastic country, the nature and landscapes are something for everyone to see in this lifetime, for sure. We also liked the practical way the cities are organised and modelled, especially Melbourne.”

### **Technology – a vital cog**

Some banks or financial institutions use archaic systems, while some of them are very advanced. “We have invested a lot of time and money in handling this efficiently,” he explains. “It is always a challenge, as this space is very fragmented, everybody has their banking software, which does not really conform to one standard.

And we are somewhere in the middle trying to harmonise the data, which can sometimes be very difficult.”

Exploring technological change in further detail, Borissov sees automation for the firm’s broader wealth management business as a major challenge. “We see many processes, techniques, and skills being trans-



ALEX BORISSOV  
Finaport

ferred into artificial intelligence or semi-artificial intelligence as well as computer-based programmes,” he reports. “It is a profound change for us, because on the one hand, it helps us to do our business; for example, an innovation such as blockchain will probably help the harmonisation of the data I mentioned earlier,

whilst on the other hand, it will result in greater competition in the marketplace in providing solutions for clients.”

### **Old school to new world**

Borissov is excited about the future, as he sees the asset management business evolving from ‘old school’ thinking into something far more ground-breaking. “It is disruptive, it will need and use far more computer power, far more knowledge and data, and is driven by delivery of the right solution. And at the same time, technology will improve access for clients to our products and solutions through any fixed or mobile applications.”

He also sees the market for wealth management in Asia maturing positively. “The world of retrocessions is disappearing in Europe,” Borissov reports. “Although for emerging markets the practices are as yet still less strict, the market could go retrocession free, when the business environment is ready.”

For the time being, Borissov argues that disclosure is the key. “When a commission becomes an impediment to performance or efficiency of the portfolio then it is a real problem,” he comments. “It is absolutely right that the regulator is looking at this and making the clients aware that this problem exists today.”

### **FINAPORT’s entrepreneurial DNA**

These technological and market evolutions aside, Borissov characterises the core of the firm’s DNA as its entrepreneurial mentality and explains how that impacts the firm’s hiring initiatives, which are a key focus currently, especially in Asia.

“We believe we are of very considerable interest for those more senior bankers who have already earned the trust of their clients, that have close ties to them and their families, and to their corporate environment”





PHILIPP PIAZ  
Finaport

says Borissov. However, “we are probably not the firm for those bankers that are still in the early stages of developing their client base and have just started their learning and experience process.”

He expands on this theory. “Working with a major institution, bankers are usually faced with one set of interests, one set of products, one set of corporate regulations and it is difficult to realise their own personal ambitions. Accordingly, a lot of bankers find independent asset management, in general, a very attractive proposition, both financially and for their own personal enrichment.”

The FINAPORT website and a recent corporate brochure provide further insight with a comment that evidently aims to encapsulate the firm’s appeal to bankers seeking pastures new.

“We strongly believe that, by giving talented financial experts the freedom to select products, services and providers, the resources they need to conduct their business and the right setting to operate from, they can improve their performance manifold and become a far more valu-

## Getting Personal with Philipp Piaz

Born in Bangkok to a Thai medical doctor and a long-term Swiss expatriate businessman, Philipp attended the Swiss School in Bangkok before the family moved to Switzerland when he was seven.

They lived in Weisslingen, a small village upcountry between Zurich and Winterthur, the two largest cities in the north eastern part of Switzerland. “The village back then actually had about 2000 citizens, so when I say it was a small town it counted actually more cows than people,” Piaz quipped.

He attended the high school of economics in Winterthur and thereafter served in the Swiss army for two years with the mechanised infantry’s special forces, before heading off to university in St. Gallen, commencing his studies of economics and later obtaining a federal banking diploma that was sponsored by the Swiss Banking Commission.

“Banking,” he reports, “requires and represents many of the values which are dear to people in Switzerland. To the essence of “Swissness”, it is as valuable to the Swiss as our alps, watches, chocolate or cheese. In Switzerland it has been, and still is, one of the important and interesting careers to pursue.”

Having started in Credit Suisse’ Zurich Head Office in 1998, Piaz moved to Singapore in 2001 to work with Credit Suisse Private Banking focusing on the Thai market. Together with a team, he moved to Deutsche Bank in 2004 to expand their Thai business, before co-founding FINAPORT Singapore in mid-2009. “Alex and I stayed in contact since our Credit Suisse days together and we realised we complement each other with our knowledge and expertise, when he shared his vision and the ambitions of then newly-founded FINAPORT.”

Piaz is married with two children and has a passion for an eclectic range of music, fine watches and cigars. “I love a wide range of music from Dire Straits, Queen, Pink Floyd, Frank Sinatra, jazz all the way through to classical music. Another passion are timepieces from brands where I visited the manufactures such as H. Moser, Audemars Piguet, Jaeger-LeCoultre and Grand Seiko. I also enjoy cigars with family and friends over a good conversation with a good glass of whiskey, rum or bourbon. As for sports, it is all about the occasional mountain bike ride, or game of golf or tennis with good friends, but purely for social recreation.”

able adviser to their client,” the company literature states. “The combination of traditional Swiss Private Banking and cutting-edge technology, into a forward looking modern partnership structure where financial advisers play the leading role, is a winning formula for the company, the financial adviser and above all for the client.”

### **Seeking go-getters**

Asia’s growth means the firm is eager to find and hire such senior bankers who want to take the leap to an established independent wealth management company.

**“It is a marketplace we cannot neglect if you want to be international, if you want to capture all the opportunities that the world has to offer. This region also produces the greatest number of rich and newly wealthy clientele and is expanding in all key areas.”**

Singapore serves as FINAPORT’s gateway to Asia, described “virtually our second home” by the company. FINAPORT established their office in Singapore in 2009 and holds a Capital Market Services License (CMS) under Singapore’s MAS regulatory oversight. The firm is also a founding committee member of the Association of Independent Asset Managers Singapore ([www.AIAM.org.sg](http://www.AIAM.org.sg)), where Philipp Piaz is currently the acting president after having served as treasurer and committee member since inception.

“Asia has been a key priority for us since we set the firm up on day one and it was absolutely a logical step for us to open here early on, with Philipp being the

founding cornerstone for us from the very beginning,” Borissov reports. “It is a marketplace we cannot neglect if you want to be international, if you want to capture all the opportunities that the world has to offer. This region also produces the greatest number of rich and newly wealthy clientele and is expanding in all key areas.”

### **Singapore the hub for SE Asia**

Accordingly, Asia is integral to the FINAPORT offering. “We work with clients from this region by expanding further into

the banking scene and by attracting Asian bankers attuned to the environment,” explains Borissov. “Philipp was born in Thailand and is half-Thai, half-Swiss. We also recently welcomed Elaine Foo on board, alongside a team of experienced professionals, who will bring exciting new opportunities to the table with her regional presence and clients in various locations like Singapore, Malaysia, and Hong Kong.”

### **Key Priorities – growth, talent and agility**

The most urgent priority for both Borissov and Piaz is to first expand the Asian operations by attracting more bankers, professionals of such a level as to be able to bring their own clients

to the firm and to operate in an entrepreneurial manner and on their own, albeit supported by the global FINAPORT resources.

“We are focusing primarily on the regional South-East Asian markets, as the Singapore market is very well banked, possibly overbanked,” Piaz explains. “However, we see a lot of growth potential in the surrounding cities and countries in this region and we want bankers that are active in these robust wealth creation and growth markets. We see the growth there as both substantial and sustainable, and we want to be a part of that. Consequently, we are seeking quality, experienced bankers that want opportunities to realise the best that the world of independent asset management can bring them.”

### **Spread the word**

Another associated priority is to more broadly spread the word about FINAPORT and its DNA and ambitions. Piaz, who since 2009 has been FINAPORT’s Singapore managing partner, adds that one of the most important tasks on his agenda over the next 12 months is to spread the message widely about FINAPORT, and to generally convey the appeals of the independent wealth management business in Asia, and thereby attract some established, successful private bankers to join the firm.

Piaz is both pragmatic and excited about the road ahead. “I believe to grow the business we should be focussing on two things,” he explains. “One is to raise the awareness of our company, in essence across banks and bankers in order to spread the word about who we are and what we do, and the other is to basically demystify how the external asset management industry operates in

Asia. We are working within a well regulated environment and, with the Singapore MAS, have a very business oriented authority guiding the industry from a regulatory point of view.”

Piaz also believes the suite of offerings to both new and existing clients is now increasingly attractive as the firm expands further, adding another lure to attract new banking and relationship management talent to the firm.

**Being agile**

Another priority for both partners is to enhance agility, especially in face of the more uncertain global

economic and investment conditions since February 2018.

“We have adapted to the increasingly volatile markets in terms of our investment activities,” Piaz comments. “Apart from the bonds and equities that everybody handles, we have been looking for more and more opportunities to invest our clients’ wealth in assets outside what is normally available within the big international private banks. We still offer regular portfolio management services as our core, particularly on the equity side, but we are also a lot more opportunistic than we used to be. Much

value for clients can be found in alternative assets classes, such as quantitative trading strategies, real estate investments, insurance solutions or private placements for example. I feel that the clients and us have to be much nimbler on our feet these days.”

There are plenty of uncertainties ahead in 2019, but at least the US Federal Reserve has taken some of the stress off the table with its latest comments and guidance on the interest rate outlook for the dollar. Finaport’s strategy to widen its footprint across the region around Singapore appears both wise and timely. ■



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## FINAPORT: Expanding from Stable Bases in Europe, the US and Asia

Swiss wealth management firm FINAPORT, with offices in Zurich, Liechtenstein, Miami and Singapore, was founded in 2007 by entrepreneur, Hellmut Schumperli, and Alex Borissov. These founders were soon joined by Alex Rabian, a veteran expert of the Swiss legal and compliance environment, and Philipp Piaz in Singapore - together they created the core of the team dedicated to converting their vision into reality.

FINAPORT boasts more than USD2 billion in assets under management and is among the top 15 independent wealth managers in Switzerland, with a core business of modern, global private banking aimed at maintaining and increasing client assets.

The FINAPORT website and a recent corporate brochure describe the core business as modern, global private banking and states that the typical clients are wealthy individuals and their families from around the world, to whom FINAPORT provides advice and solutions tailored to their specific needs.

The firm provides advice and support in all financial matters, including investment advice, asset structuring and discretionary asset management. FINAPORT works globally with carefully selected providers such as banks, trust specialists, fund managers, corporate finance and M&A experts, making their selected products and services accessible to Finaport clients.

"With our clients we build mutual trust," is a comment taken directly from the FINAPORT website. "Thereby we give highest priority to respect their privacy. With our skills and expertise, our know-how and experience, we create tailored solutions to fulfil our clients' needs."

Independence is crucial. FINAPORT's value arises from its ability to source the best products and services available for its clients, providing solutions tailored to their end needs and filtered through in-depth research by the team of financial experts.

The firm also offers what it calls "optimal multigenerational and succession plans", including tax and estate planning, trusteeship, foundation management, family philanthropic needs, lifestyle management and the coordination of professionals.

Aside from the company offices, FINAPORT operates with around 60 affiliated partner and custodian banks. "Our clients are able to benefit from a first-class network as the result of relationships built up over many years with the best banks in the world as well as with lawyers, tax experts and foundations," states the brochure. "We want to be a gateway to the financial world for our clients. Long term, reliable and global."

In the world of asset management, data is available globally within fractions of a second and FINAPORT's literature indicates that with a systematic approach, portfolio managers are today increasingly becoming risk managers.

"They explore economic data and monitor the systems, processes and associated risks," the company's brochure explains. "They ensure that any investments are always made in line with the client's agreed objectives. Statistics show clearly that quantitative, systematic and disciplined investing offers the best chances of long-term success. The systematic approach starts from this principle and therefore has an investment horizon of at least five years."

FINAPORT also offers what it calls "tailored" asset management, supported by MRB Vermögensverwaltung AG in Zurich, which has ownership connections and was itself founded around 30 years earlier in 1979. The brochure explains that MRB combines modern approaches to portfolio management with a high level of technical skill and acts as a centre of expertise for any matters relating to capital markets.

FINAPORT also offers expertise in private markets, a key feature of such investments is that they are focused on realising profits independently of public markets and stock exchanges and include, amongst others, holdings in non-quoted firms such as private equity or venture capital, private and corporate debt, real assets as well as direct real estate holdings, and closed collective investment schemes.

"Both private and public markets are increasingly rewarding asset allocators that have dynamic capital," the firm's brochure observes. "By using non-traditional strategies, the investor tries to achieve above-average returns on the portfolio. Finaport has an expanding network of providers of private capital market opportunities."

Finally, FINAPORT offers what it calls "private label" funds, which are formed in the name of one or several customers and that are subject to the same requirements such as public funds. These private label funds regulate the interests of individuals, families or interest groups with similar investment objectives. In general, the funds are investment companies regulated by specific laws, particularly through FINAPORT's associated Liechtenstein operation.

For some clients the company performs the role of a private family office. "FINAPORT clients are able to obtain institutional conditions from many banks," says the firm. "For custodian fees and transaction costs, these are 50% to 70% below the official rates."

