

# Joining the distribution dots

*Pedro Bastos wants to unite all parts of the HSBC pipeline to deliver sustainable or consistent performance via the type of supportive, partner-led approach which will create long-term relationships. He can then deliver this to external parties too.*

Being all-things-to-all-people in the asset management world is the Utopian dream that HSBC veteran Pedro Bastos is striving for.

As chief executive officer for HSBC Global Asset Management (HSBC AMG) in Asia Pacific, the Brazilian banker has

and commercial arms as well as institutional investors.

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a vision to provide an umbrella for the different distribution arms of the international bank in the region. This stretches from retail to mass affluent to private clients, but also including the corporate

This requires a multi-asset class approach across the full range of the asset management arm’s capabilities. “This includes a new infrastructure team, with fund of hedge funds and private equity



**PEDRO BASTOS**  
HSBC Global Asset Management

also in our plan,” he adds. This is in addition to traditional long-only multi-asset equities and fixed income.

## PREPARED FOR THE CHALLENGE

After joining the group in 2006 to run the asset management business in Brazil, Bastos took on the leadership role for AMG for Latin America in 2010. Then, in June 2014, he moved to Hong Kong to assume his current position.

After three years in the Asia Pacific role, and spearheading his new initiatives to deepen and broaden the existing capability, he is now confident that the firm is good in all cycles.

This is important given that at any point in time, he knows there will be some

"The wholesale market is extremely competitive," he explains. "Even our internal market [at HSBC] is extremely competitive when it comes to wholesale because of the number of offers available."

As a result, he says the firm looks to differentiate itself by concentrating on the expertise it has in conjunction with the long-term relationships it aims to build with its partners.

## PROVIDING THE RIGHT SUPPORT

In practice, this means support, for example in the form of product updates and service levels.

### After hours with Pedro Bastos

- *A lover of the art market – so much so that if he were to start another career all over again, he would probably follow in the footsteps of his history classes and become an auctioneer rather than an asset manager*
- *Has been living in Hong Kong for three years*
- *Originally from Rio de Janeiro, Brazil*

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products which have better or worse performance than others.

For now, things are looking up. "We recently had a monthly performance review in Asia where we have USD131.4 billion in AUM," says Bastos.

"Almost across the board, we are doing very well compared with the benchmarks," he adds.

Yet he is not resting on his laurels and is street-savvy and experienced enough to realise things can turn quickly in this industry.

Yet he is pleased that as a firm, HSBC is notable for not advertising specific products, since it is against corporate policy. "We do brand-enhancing and brand-building campaigns once or twice a year at the most, but talking about our capabilities and trying to educate our distributors on our expertise and taking a long-term approach," explains Bastos.

The support on offer from HSBC AMG comes in various forms, he explains. This includes training, in terms of explanations and updates for distributors. "We would hope that if we can

do the same for all our external distributors, the virtuous cycle will be enhanced and therefore more and more investors will recognise us as a full player in this segment."

This also requires Bastos to lead by example and gain client confidence by ensuring that the communications flows both internally and externally – across the entire region – are as smooth as possible.

"[I want to] make sure that our investment teams, our product capabilities and our product development people are talking to each other all the time," he explains. "That way, we can come up with best solutions and try to maximise performance as much as we can."

In this way, as a firm with the scale already, he believes HSBC AMG can be a much better partner to its clients in what he calls "bank-associated asset management". ■