

# Malabar AI offers clients the 720-degree solution

*Malabar AI describes itself as a 'Fintech Lifestyle AI company', with a vision - to offer a 'continuous financial advice platform', to provide an 'isometrically focused product independent' advice platform and a strategic transformative paradigm shift in financial advisory channels. Donald Soo, Group CEO and co-founder of Malabar AI, spoke at the Digital Wealth Asia event to explain how wealth firms can win back trust through digital solutions.*

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**B** EFORE FOUN DING MALABAR AI, Donald Soo shared the same vision to bring back the core values of financial advice.

Soo has worked in the financial y and wealth management industry over 25 years in the Australia and Asia Pacific region, giving him an insightful perspective on the industry. "What we have been losing over that 25 years," he told the audience, "is trust". The banking and the advisory industry has become ever more commoditised and the customers have actually started to lose trust in the advisor."



[DONALD SOO](#)  
Malabar AI

## **Transformative vision to produce solutions that work**

Together with his other co-founder Derrick Heng, the firm is offering solutions to reverse this process. Malabar AI's 'continuous advice' vision means the platform is responsive and capable of generating advice near real time, thereby giving financial advisors and their clients the capability to respond quickly to dynamic market changes of the 21st century.

The 'isometric focus and product independent advice' vision means the platform brings the latest, and best financial practices to its modelling, together with multi-jurisdictional considerations, and is thereby capable of analysing the cause and effect relationships between every action or decision upon every portfolio.

Malabar AI's focus is to enable the platform to provide financial advisors and their clients what Soo termed a complete "720-degree view" of the advice given, hence helping to ensure that advice provided is what he calls 'best of breed'.

## **Winning back the faith**

"By focusing on these visions," Soo stated to the audience, "Malabar AI's platform aims to win back the public expectation of good financial advice and help develop increased trust in the financial advisory industry."

## **Understanding is the key**

To shine a light on digital advice and digital wealth management, Soo said he believes it is first necessary to understand what advice is. "The missing component is the advice that we need to give to the client before we actually introduce the financial product, and this is basically what we at Malabar AI

have been focusing on. Once we have the solutions we will go to the end product. As we have seen in other walks of life, we are becoming increasingly trusting of technology - look for example at Uber, or Airbnb - and this path towards faith in technology to provide us with solutions has massive implications for the wealth advisory business."

## **Advice delivery methodology is changing**

Soo's firm premise is that advice is here to stay, but the delivery methodology is undergoing a sea change.

"Advisors have to step up and they need the tools to be able to do that," he asserts. And with Generation Z [the generation following the millennials] making up such a huge percentage of the future population, 'tech' solutions are ever more vital.

The question then, said Soo, is how to marry the financial services with the technology. "That is what we at Malabar AI do. We cover your investments, your insurance, your mortgages, your car loans, your tax, all in one system and what would have normally taken an advisor many hours to analyse, but we are now doing that in seconds as part of that tools set, adding to that point, Soo further describes the entire system is also multi-jurisdictional."

## **Cross border capabilities**

Soo elucidated on what he meant by multi-jurisdictional. "For example, I am the and I have a client in Hong Kong. We have completed all his investments, his insurance, his mortgages and we have also done his tax. But if he then wants to buy a property in Australia, by way of example, the system should be instantly able to give a pre-approved mortgage for that property.

Then the system will recognise that asset as a non-jurisdictional asset, it will calculate the tax in Australia as a non-resident and, potentially, even do the client's tax return."

Soo extrapolated further. "If the client then moves to Singapore, the system changes the Common Reporting Standards (CRS) to Singapore and will henceforth calculate everything based on the Singapore tax regime and resultant treatment of any offshore assets. And to do all of this, we must understand our clients."

## **720-degrees of visibility**

The result is that the advisor is providing the client with a 720-degree solution. "Why 720 degrees?" he asks, rhetorically. "Because we are also looking at regulatory and in-house compliance, and ease of access for management and supervisory control as well, to ensure that the advice is correct and so are any applications." He noted that this also aids the advisory industry for matters such as professional indemnity insurance.

"Additionally, once we have completed the portfolio advise, then we can overlay that onto the asset solutions like a robo-advisor with Monte Carlo simulations, accurate to three standard deviations of 99%. This is immensely valuable for the advisor and the client alike." Soo noted that with wealth in Asia Pacific (ex-Japan) growing at a fast pace and by 2021 it is projected to be the dominant region in the world, he believes the opportunities are immense. But the trust gap must first be bridged by a commitment to change. Proactive solutions, allied with accurate and relevant advice, will pave the way for the recovery of the trusted relationship so vital to both advisors and clients. ■