

# Murli Adury: Why HSBC Jade's Special Qualities are Ideal for Asia's HNWIs

Murli Adury, Head of HSBC Hong Kong Premier and Jade, is a strong believer in the power of wealth management to cater to the rapidly growing wealth and expanding needs of Asia's high-net-worth clients. He met with Hubbis recently to cast his eye over the region's wealth market dynamics, HSBC's approach to private wealth and the formal Hong Kong launch of the HSBC Jade offering for clients in the HNWI category.

**I**N EARLY JANUARY THIS YEAR, HSBC HONG KONG formally launched ‘HSBC Jade’ as a standalone proposition targeting to offer a “unique combination of personalised relationship management, advanced wealth solutions and luxury lifestyle services to support the needs of high net worth clients”.

### **Jade matures**

HSBC Jade was first launched in 2017 as part of HSBC’s Premier Banking suite, and following a period of development and refinement, it has now become a distinctive and standalone service for clients with complex investment needs and investible assets above USD 1 Million but below USD 5 Million in balances with HSBC.

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The Jade Centre at The Peninsula, opened in January this year, is the first in Hong Kong, and the bank aims to open five more by the end of this year. In addition to Hong Kong, HSBC Jade is also available in Canada, China, France, Singapore, the United Kingdom and the United States of America.

### **Refining the proposition**

By refining the proposition, Adury said that HSBC now has more clarity on the segmentation and client needs, with the proposition sitting clearly between the

premier affluent client base and the ultra-HNWI clientele.

“We have learned a lot about the diversified set of needs of Jade clients across international banking,” he explains, “and the level of private banking solutions and expertise they expect alongside the transactional banking services, as well as the convenience they require, and the access and interface they expect. We are addressing those needs in full.”

### **Neatly positioned**

Adury believes that Jade sits neatly in the HSBC suite of wealth management offerings. “In the mass affluent and retail segment,” he explains, “customers do not get access to all the expertise that the higher-wealth Jade customers want. Whereas having a dedicated

relationship manager (“RM”) or a wealth specialist readily available to provide choices to our clients on their personal, family and business needs, succession planning, even education plan for the family members, as well as offering international banking facilities, are all vital elements.”

But the typical Jade client is not the ultra-HNWI, who needs an even higher level of service and access to a considerably more extensive array of sophisticated products and solutions that would not be economically viable in the Jade category. Thus, Jade

profile clients don’t quite get expertise from the usual retail banks, nor do they get the appropriate level of attention from a top notch Private Bank that does have such expertise.

This is where HSBC Jade differentiates itself. HSBC Jade clients will be served by dedicated and experienced relationship managers - HSBC Jade Directors - alongside a team of multi-disciplinary wealth experts who will support clients on wealth management strategy, leveraging the insights of HSBC’s global wealth management franchise and execute their transactions through the distribution network of the retail bank. In this way, making Private Banking accessible and convenient to high net worth clients is core to the unique proposition that HSBC Jade offers.

### **The holistic approach**

“From dedicated RMs and unique wealth products to preferential pricing for global banking services and exclusive lifestyle privileges, Jade clients will enjoy a vast range of exclusive services and products to manage a robust financial portfolio,” Adury adds.

### **Solutions to meet needs**

“Looking at the market here in Hong Kong,” Adury reports, “we have a very unique HNW space, with a mix of domestic and international high net worth individuals and their families with distinctive needs, such as international education, overseas property investments, as well as legacy planning and other investment solutions which are typically available only to private banking clients.

To meet client needs, a range of products and services are provided exclusively to Jade clients. These include HSBC’s new quarterly insights publication,



MURLU ADURY  
HSBC Hong Kong

HSBC Jade Perspective, aimed at helping clients make sound, well-informed investment decisions; preferential investment financing options; private placement notes and bonds; individualised portfolio and risk analytics; insurance such as Universal Life designed exclusively for HSBC Jade clients; and legacy planning.

All these offerings will be supported by a suite of HSBC’s digital solutions to serve the clients’ transactional banking needs, such as mobile and internet banking for domestic and overseas accounts, HSBC’s Global View and Global Transfers, the FX platform and so forth.

**Aladdin’s lamp to illuminate risk**

And HSBC is continually adding to the range of offerings through Jade. In March this year, the bank began to offer the BlackRock Aladdin Wealth platform on a global basis, to boost the wealth management services it offers to clients across the HNW spectrum. “This is an institutional-level service we can offer at scale to help our clients manage their investments,” he reports. “It is aimed at helping

them devise strategies to calibrate their portfolios to changing market and economic circumstances.”

Adury elucidates. “The service extrapolates what might happen to a portfolio in the event of different scenarios in the markets, and links that back to a client’s risk profile. Based on this approach, a RM accompanied by a wealth specialist can offer the client a much more in-depth conversation”

**No stone unturned...**

Legacy and succession are also rising in priority for clients. “Protecting and preserving prosperity for the next generations is vital,” Adury reports. “This is a core rationale for HSBC Jade, as it embodies our holistic approach to wealth management including family, mobility, international

HSBC will also help families with education consultancy type offerings, with tie-ups in place with some consultancies who specialise in overseas education. “And when it comes to any lifestyle-related matters, we have the Jade concierge services for travel and a host of other high-end and luxury needs.”

**The big picture**

The Greater China and broader Asian markets for Jade and HSBC’s private banking offerings are undoubtedly robust, Adury observes. “Asia is home to a third of the world’s high net worth, and by 2025 that private wealth is set to double, while Greater China, including Hong Kong, are a significant proportion of this growth. Higher savings rates and new wealth creation from

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Accordingly, HSBC has agreements with several law firms to refer its clients to them for legacy planning and succession issues. It is in early stage but the bank want to build it out further.

Adury added that Jade clients can also be referred to the HSBC Private Bank for specific trust services and other solutions, while insurance solutions are available through HSBC’s in-house insurance arm.

the remarkable expansion of the region’s economy are driving the growth in demand for private wealth management. Meanwhile, awareness of banking services, financial innovation, and digital services are other supporting factors driving this growth.

One key area of focus of course is international Chinese clients, who Adury notes are attracted to the long-established HSBC brand. “We are part of the fabric here,” he comments, “and we therefore enjoy a high

degree of trust. In fact, many of my clients tell me that we are almost like a family relationship for them, so we are proud of this heritage. We also have a powerful global footprint, and HSBC Jade is already present in seven countries already, with more to come online soon.”

### **Greater complexity**

The wealth market is also more complicated. “Regulations and controls around wealth management services have increased both in their scope but also in their complexity,” Adury notes. “Banks have had to respond to this challenge and should generally feel positive that they have been able to institutionalise these responsibilities fairly well. The industry has also seen a deeper investment into technology and digital adoption across the board, driven both by customer expectations as well as by profitability and cost concerns.”

Making compliance easier for all parties is therefore also a vital area HSBC has been addressing, partly due to regulatory intensification and partly due to more complex client needs, including more cross-border activities. “We have been solving or improving much of this particular challenge via technology,” Adury reports.

He also observes that wealth clients have been expanding their businesses and their networks around the world and are today considerably more open to receiving wealth recommendations from various sources.

### **Energised by new challenges and opportunities**

“As a result,” he comments, “new segments, new business models, better use of data and customer insights have expanded the opportunity for players in the industry. Given that business

ownership and success continues to drive new wealth creation, clients continue to be active and self-directed in their wealth management goals, while in Europe and the Western societies investors take a more balanced approach to the merits of the active or passive approaches.”

Adury is evidently enjoying his life with HSBC in Hong Kong, having in 2017 left Citibank and his Singapore home since 2009. Married with two children aged 15 and 10, the family now live in the Tung Chung area of Hong Kong.

He is excited about the future and clearly energised by the potential presented by the refinement of the HSBC suite of wealth offerings. “There is a lot of energy needed for the future, which is remarkably exciting,” he adds, “and that is one reason I have been working hard on my personal fitness since we last met in late 2017, and now love hiking around Hong Kong.” ■



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### Key Priorities - the 3Ps

Adury explains that the HSBC Hong Kong wealth strategy concentrates on three specific areas, people, products and proposition, and process simplification.

For 2019, HSBC has ramped up its hiring of senior and experienced HSBC Jade RMs - Jade Directors - and other wealth specialists to cope with the growing clientele and the expanding numbers of Jade Centres throughout Hong Kong.

"One of the biggest challenges is talent," Adury reports, "and our approach is one combining hiring and training as the optimal approach. We are intensely focused on showcasing our added-value, not just to the client but also to the RMs and other wealth professional," he comments. "They need to want to come to work here."

He adds that the bank needs the best possible people in front of HSBC Jade clients, often with multilingual capabilities as there is very considerable growth from international Chinese clients.

"We do not just want to build numbers," he elucidates, "we want to enhance the sophistication of our front-line through training programmes. The job of the RM is to look at multiyear, and multi-decade client needs and help them envisage that journey, thereby helping them understand what approaches and solutions a client can adopt to meet their financial and other needs."

Bringing a wider array of products and propositions is closely linked to this and is the second item on the agenda.

"We are, for example, diversifying our clients' investment opportunities through the expansion of the structured notes platform, adding new financing options, offering more fixed income products from the markets desk," he reports. "As I explained, the bank has also launched the new BlackRock Aladdin risk analysis tool, and the concierge service rounds out our offering with certain privileges and luxury services, so that we come across as a fully-fledged holistic service."

The third priority is to automate and digitise as much of the client interface as possible. "We are deep into process simplification," he comments, "which of course has positive implications throughout the back office as well, all of which will make it easier for the RMs to better and more efficiently address the needs of their clients."

He explains that the bank is therefore making considerable progress towards removing friction at various pain points that clients experience in their day-to-day interactions with the bank. "We can improve or solve much of this through the further digitisation of such customer journeys," he remarks, "Significant investment in tablet technology is also helping the Jade RMs boost their transactional capabilities and speed."