

Saxo Markets and its Unwavering Focus on Elevating the Digital Investment Platform

Hubbis recently met with the firm's Singapore-based APAC digitisation expert, Ivan Chang, who is Regional Head of Saxo Advanced Solutions. He focuses on the firm's institutional partnerships and the tools and solutions that are emerging in the world of wealth management, especially on how technology is enabling the movement of assets to providers such as Saxo, giving the best value for money and offering the most comprehensive platform and technology solutions to help scale advice, portfolio construction and execution at the right price levels. He sees the market for investments becoming even more of a commoditised space as technology evolves, and clients have increasingly more choices of accessing digital platforms to invest or execute their trades. Consequently, Saxo is intently focused on elevating the customer capabilities and user experience, keeping ahead of the pack by engaging in constant dialogue with market players, in particular private banks, retail wealth banks, independent asset managers (IAMs) and independent financial advisors (IFAs).

GET IN TOUCH

[View Ivan Chang's LinkedIn Profile](#)

[Find out more about Saxo Markets](#)

Seeking the best combinations

Today, wealth managers have a range of tools that allow them to pick and choose the best broker, best private bank, and best custodian combination.

“The key is that the clients or even the relationship managers are now able to have choice, to achieve an overall better return cost ratio, and also to leverage a better user experience for themselves and for their end-clients,” he explains.

To that end, Saxo’s acquisition of BinckBank, a deal completed in August 2019, brought in-house a major provider of solutions for the independent wealth community in Holland and Europe.

“We are working on automated solutions whereby clients can accept terms and conditions, see investment prospectuses and ultimately agree to invest in various new products including private equity type funds via the platform. That is something very unique that we can offer to the market.”

“That deal signified a marked shift of Saxo’s value proposition from being simply an online execution broker and to go much further in aligning with our wealth management partners,” he says. “The mission is now to ensure that the IAMs and IFAs we work with have the widest range of tools, products and services they need to operate even more effectively, and to better differentiate themselves in preserving and growing their clients’ wealth.”

Right now, the standard asset classes - stocks, bonds, mutual funds, ETFs – are easily accessible just by having a brokerage

account. “But for the RMs seeking to create and deliver real differentiation between their service and that of a competitor, they really need access to alternative asset classes.”

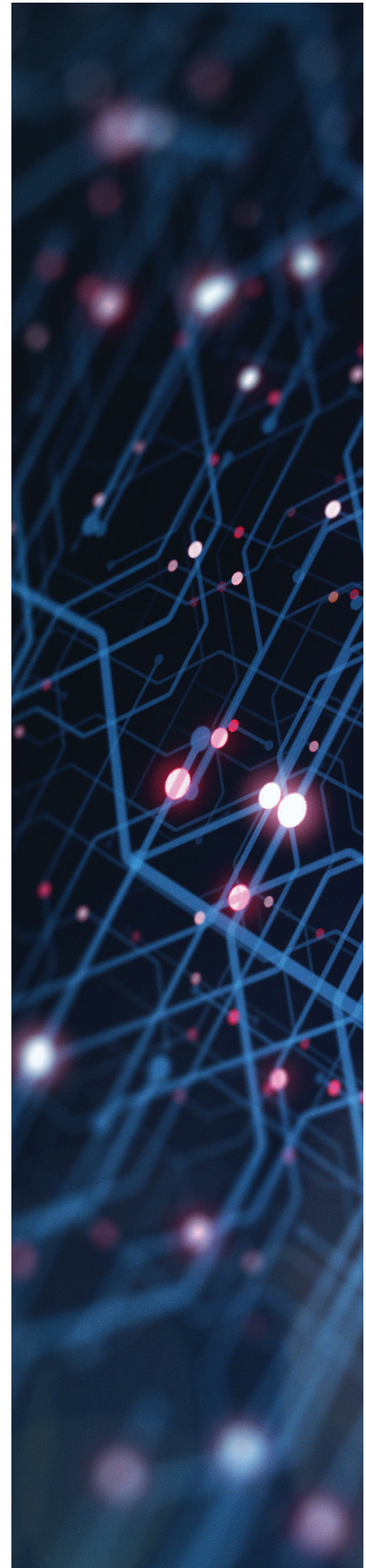
Incremental value and product differentiation

Chang maintains that pushing the envelope further to incorporate more alternative investments is vital, and certainly an area that Saxo is developing apace.

“This is a vital element in trying to help the wealth managers differentiate themselves,” he reports. “By having access to more products, especially more non-traditional investment products – anything to do with

an option, foreign exchange, cryptocurrencies, private equity, or funds that are not so well known or distributed – all these are important incremental investment opportunities that offer diversification and differentiation.”

“Just having these products available at the right price points for the client is vital,” he reports. “Take crypto for example, where there is constant and rapidly rising investment and trading interest, where we now have the capabilities and our clients have responded warmly to our offering. We might not have been the absolute fastest in the crypto game, but we have





IVAN CHANG
Saxo Markets

built an innovative and reliable product for clients to participate in the space.”

Chang reports that Saxo is also constantly looking to add alternative investments and funds into the platform, for example testing some of the private equity funds already with what he describes as a very curated list of clients. “We are working on automated solutions whereby clients can accept terms and conditions, see investment prospectuses and ultimately agree to invest in various new products including private equity type funds via the platform,” he explains. “That is something very unique that we can offer to the market.”

He explains that customer RMs and advisors that work with platforms such as Saxo that offer all these alternatives can use all of these investment opportunities to help investors blend their overall investment strategy and create a different risk-reward profile and more diversified exposures for their clients.

“As they move away from the standard array of mainstream

investment assets and can offer a much broader range of alternatives as well, the advisory community can provide a more value-added approach to portfolio formation but doing so easily through a single system and even customised as well is a compelling proposition,” he says. “That is where wealth management is heading today, and it is being enabled through the combination of the investment universe with the world of technology. That will be a core theme for the foreseeable years ahead.”

Wealth solution alternatives and portfolio customisations

Chang is especially encouraged by how the Saxo solutions are being seen by the IAMs and IFAs as

“We can compete on that front, as Saxo Bank A/S is a licensed bank in Europe, and clients can see that we offer the stability that they can put their trust in, which of course strengthens our engagement with the private wealth management community. Moreover, we are highly transparent in terms of disclosure.”

offering both great convenience and great functionality. “Our architecture is tried and tested, as well as improving all the time,” he states. “We are really helping these independents scale up their advisory, their portfolio modelling and allocation and their execution and administrative capabilities by leveraging our technology.”

He adds that Saxo has moved rapidly as well to help wealth managers seamlessly and professionally create a customisable solution, with

different exposures, different mix of asset classes, a more interesting mix of products, and all at the right cost levels. Clients can thus avoid having to buy multiple or expensive solutions. “We are working to soon provide an even more holistic solution to these wealth managers,” he reports.

These solutions will allow IAMs and IFAs immediate access to technology that enhances wealth services, for example around their portfolio construction capability, helping these RMs and advisors devise the right allocation models, the right blend of risk and return across both conventional and alternative asset classes, thereby adding more value to their clients.”

Additionally, Saxo has also been working increasingly with the retail

wealth and private banking arms of major banks around the APAC region to expand their product universe and build-up their technology capabilities in a partnership. This allows such banks to immediately provide an expanded universe of investment products to their clients without needing to invest heavily into new infrastructures, trading relationships and operational processes, that has already been standardised through Saxo’s turn-key outsourced wholesale solutions.

Your one-stop wealth manager solution

Saxo's value-add also comes from looking at the whole value chain that the wealth manager is involved in. "That is where we come in," he says. "It is not at all easy to have it all wrapped up in a single solution. Most platforms continue to focus on the self-directed perspective, but we are trying to build the full loop for anything that is related to a client's portfolio, from research, reports, rebalancing, but originated from the wealth manager, which is our customer. We believe we are ahead of the competition in this regard, and we are constantly in communication with our clients

to make sure we are on top of or even ahead of their expectations."

Saxo's credibility also comes from the fact that it is well-regulated and licensed in each of the locations from which it operates. "Many independents and family offices go to the private banks because they feel safe, even though almost none of them have an advanced digital platform, as they are all weighed down by legacy technology and systems," he says. "But we can compete on that front, as Saxo Bank A/S is a licensed bank in Europe, and clients can see that we offer the stability that they can put their trust in, which of course strengthens our engagement with the private wealth management community.

Moreover, we are highly transparent in terms of disclosure."

Saxo is well-positioned to play a crucial and increasing role in the evolving interaction between manager, advisor and client. "We are dedicated to the continual upgrade of our partner solutions, as well as to driving innovation, investing significantly in people, technology, products and service to keep boosting the Saxo proposition for our growing ranks of clients in the region," he says. "To achieve that, we need constant and open dialogue with those clients of today and tomorrow to imagine and then deliver the best solutions." ■

