

Standard Chartered Private Bank's Regional ASEAN & South Asia Head on The Path to Future Growth

After a major reorganisation and transformation taking some four years, Standard Chartered Private Bank returned to profitability in 2019 and has since been enjoying growth at the top and bottom lines. Cedric Lizin is the Singapore-based Regional Head, Private Banking, ASEAN & South Asia, and Global Head, Global South Asia Community (GSAC) and Trust. Hubbis had the opportunity to 'meet' with him recently to learn more of the strategic changes undertaken, the direction pursued at the bank, where the bank believes it can and will be most competitive, and also to learn more about Cedric himself and his roles at the bank. Belgian by birth and married to a Singaporean, he is very committed to the region and looking forward to delivering the best the bank can offer in the years ahead.



GET IN TOUCH

[View Cedric Lizin's LinkedIn Profile](#)

[Find out more about Standard Chartered Private Bank](#)

In Brief

Standard Chartered Private Bank is a mid-size player relative to the global brand banks but has gone through a major transformation taking several years, returning to profitability in 2019 and building at the top and bottom lines, building AUM, RM numbers and productivity per RM, which saw revenue per RM rise to USD2.1 million in 2020 and AUM per RM hit USD250 million.

The bank has focused a lot of effort on client engagement and, when it surveyed its clients, found that there were many areas where they were exceeding client's expectations, concluding that even set against the global majors, their proposition is of high quality and well regarded.

The bank's key products and expertise lie in important areas for clients such as the open architecture curation of investments through a highly competitive platform, the industry-leading FX and structured products offerings, the robust and flexible credit offering, a commitment to sustainable, ESG-driven investments and dedicated life insurance solutions with in-house brokers. And the bank is also building out its Alternatives product range and expertise as another key area for the future for its HNW and UHNW clients.

The bank is also building out its relatively new IAM and Family Office proposition, making a strategic commitment to these clients, as part of the vision of the future that will see more private banking business flow to the IAMs, as in Switzerland, and more family office set up in the region, especially Singapore.

The bank has a fairly unique footprint, especially across so many emerging market economies, and the private bank has been working hard to boost what it calls the 'One Bank' proposition to enhance collaboration and cross-fertilisation amongst the different countries, regions, skills, product teams and thereby leverage the wide array of talent and expertise across its key markets, for the benefit of its private clients.



Cedric Lizin is a core member of the revamped management team that was assembled as part of the multi-year reorganisation at the bank, joining in December 2019 in his Regional Head role and then in July 2020 also taking on responsibility for the global Trust business.

He arrived with a fine pedigree, having been Head of the UBS Wealth Management office in Dubai and also Senior Executive Officer for the Dubai branch from September 2017, covering both the private bank, investment bank and asset management divisions. Before that, he worked for a decade at Barclays Wealth Management, where he headed the Middle East and Africa offshore and the Japan onshore Wealth Management businesses, all from his base in Dubai and previously Singapore.

"The top line income of USD540 million was driven by strong Wealth Management momentum, especially in equities and structured products, as our RMs continued to engage clients and present relevant market opportunities to them," Cedric reports. "RM productivity increased by 30% in 2020, with revenue per RM above USD2.1 million and AUM per RM at USD250 million."

Comparing the bank to the global players

He explains that from a survey amongst the bank's private clients, they reported that the net ease of doing business with the bank has significantly improved in recent years. He cites the net ease of doing business, as defined by

And he adds that the bank has put a lot of emphasis on client engagement and that this effort really paid off during 2020 when there was a lot of stress in the markets and amongst clients. "They needed additional support, which is what we gave them," he reports. "When we surveyed clients, we were not comparing ourselves to all private banks; we were actually asking the question about Standard Chartered compared with the leading global private banks, so these were excellent findings."

He also reports that these very encouraging findings are borne out by the good performance achieved in Q1 this year. "On top of this, we are achieving our goals in terms of digitisation, with global digital adoption at 70% in May this year, and Singapore at 72%. We are also on track to achieve more than 75% e-signatures for client documents by end 2021," he explains.

From 4 weeks to less than 1 week

Regarding account opening, he adds that in early 2020, when he joined the bank, the average number of days required to open an account was 27, and by the end of last year, this had collapsed down to eight days. "We are now targeting to get this down to just five days by the end of 2021," he reports.

Cedric details the key messages he and the bank relay on the performance and the path ahead. "It is clear to see that despite our medium size relative to the global brand private banks, we have a competitive platform, and I can say that we are industry-leading in FX, structured products, credit, sustainable investments and life insurance solutions," he states. "As to the future and building on

"Our ESG Select methodology, aimed at addressing 'impact washing' concerns, provides additional due diligence on third-party ESG funds, based on the percentage of revenues derived from companies within the fund from controversial and other sectors. And notably, only about one-third of the funds we curated meet our ESG Select criteria, which points to the rigour of our framework."

Firing on all cylinders

He sets the scene by offering some details on the size and shape of the bank currently. The global private bank managed to achieve profits of USD62 million in 2020, and total AUM closed the year at USD73.3 billion. Asia makes up the bulk of that, representing USD64.2 billion of the total, and there are 190 relationship managers in Asia out of 250 RMs globally.

the promoter score minus the detractor score, was up to 48% from 33% in 2019. And he reports the bank discovered that 93% of clients consider them better than or comparable to other leading private banks, while 96% said they plan to increase their business with the bank, or at least keep it at the same level depending on market volatility and impact of Covid-19.

**CEDRIC LIZIN**

Standard Chartered Private Bank

our strengths, we are developing rapidly in the IAM and family office segments and leveraging our unique 'One Bank' footprint in emerging markets. Our extensive onshore corporate and commercial banking presence in most Asian, Middle Eastern and African markets indeed gives us access to entrepreneurs who can become private banking clients."

Strong in FX and Structured Products

He mines down into more detail on each of these statements. In FX, he reports they were the first private bank to fully digitise the target redemption forward (TRF) business on a multi-dealer platform (FXD Connect), achieving end-to-end automation for the bank's dealing flow. They are also the only private bank in the market to date to offer Vanilla Options, Barrier Options, Straddles, Strangles, Risk Reversals, Accumulators/Decumulators and also the TRFs on a multi-dealer electronic platform supporting end-to-end, from pricing to execution to deal capture.

In the area of Structured Products, the bank's digital tool gives advisors

direct access to real-time pricing from over 8 providers, allowing them to provide what Cedric reports is the best possible pricing and speed to execution to clients.

"With our multi-dealer platform and our group of price providers, it means that we will always have the best prices for clients," he claims. "We have differentiated the bank versus the competition and although we're not the only player to have online tools for structured products, we are one of the players with the highest number of payoffs that are available online, and we cover pretty much the full spectrum for our clients."

Credit – a lynchpin for the bank

Regarding Credit, he says the bank's standard lending values are already competitive, with the possibility to further increase them in selected cases for specific clients or underlying assets. "In practice," he reports, "we can increase lending values for specific clients by perhaps 10% or 15%, or for specific instruments, where it makes sense to do so. As we typically look at the return on risk-weighted assets at the relationship level, not at the loan level, we can be flexible in terms of loan pricing. For example, if some clients give us good business on the investment side, then we can afford to give them better pricing on the loan side. We look at the big picture. We are also very active in single stock lending, with most of the proceeds reinvested through us, although we do consider cash out options for certain clients as well."

Sustainability and ESG front and centre

Cedric also reports that Standard Chartered was one of the first

private banks to develop a sustainable investing proposition and continues to lead in this area. "We include ESG scores as part of our equity and fixed income trade notes," he elucidates. "Our ESG Select methodology, aimed at addressing 'impact washing' concerns, provides additional due diligence on third-party ESG funds, based on the percentage of revenues derived from companies within the fund from controversial and other sectors. And notably, only about one-third of the funds we curated meet our ESG Select criteria, which points to the rigour of our framework."

He also reports the bank had launched the first ESG fixed maturity product in the industry, as well as the first-ever Singapore Dollar Sustainable Time Deposit, which references loans and projects that the bank has made in support of key themes such as COVID-19 healthcare, food security, renewable energy, access to clean water, water management systems and climate change adaptation.

Building in the Alternatives space

As to Alternatives, he concedes that the bank is not the strongest in this area but is now working hard to boost its presence, achieving some successful launches recently, including the Iconic Alternative Strategies by JPM Asset Management and the Blackstone Private Credit fund. The bank will also be the exclusive distributor of the Warburg Pincus Financial Sector fund in late May/early June.

"Actually," he reports, "right before this discussion, we had our clients listen in to the Warburg Pincus President, Timothy Geithner. Our clients were really pleased to be



able to listen to his insights and interact with him in relation to the forthcoming offering.” Geithner became famous during the global financial crisis when he was the president of the New York Federal Reserve, and after that the Secretary of Treasury for Barack Obama.

Insurance – a key element of the offering

The bank is also strong in the field of insurance solutions, with its own in-house broker team and hence in most cases not needing to rely on external brokers. “We cover pretty much any solution that any other private bank would cover, no differentiation there, but we do have our own in-house brokers, allowing us to offer faster

Driving the IAM proposition

On the drive to expand in the IAM and family office markets, he focuses first on the IAMs. “We launched a new initiative in March,” he reports, “and we have already signed up five new IAMs, and eight more are at the paperwork stage. We did already cover a limited number of IAMs in the past, but this segment was not a strategic priority before. It is now, and we see this as an opportunity as it is a growing segment. Some HNW clients are looking for independent advice and open architecture; hence supporting IAMs will enable us to participate in this growing segment.”

He adds that the bank decided to really boost its proposition in this

“If you think about our key areas of expertise, we are ideally placed to service this market. As I explained, we are very competitive in FX, structured products, credit, we are open architecture, we focus intently on sustainable investment, we are strong in insurance, and we have a unique global footprint, amongst other qualities and attributes. All these can benefit the clients of IAMs as well. That is why we are really pushing this area.”

turnaround times to clients, and we also capture the full referral fee since we do not need to share with an external broker.”

While previously clients were required to sign up insurance contracts in Singapore, Cedric adds that “We can now use a remote sales process where clients no longer need to travel to Singapore to sign the contract so we will be able to do more with existing and new clients henceforth, so there is considerable upside in this segment of the business.”

area, as Asia is moving in the same direction as Switzerland, where, for example, they estimate somewhere around 30% of HNWI clients work through IAMs. “If you think about our key areas of expertise,” he comments, “we are ideally placed to service this market. As I explained, we are very competitive in FX, structured products, credit, we are open architecture, we focus intently on sustainable investment, we are strong in insurance, and we have a unique global footprint, amongst other qualities and attributes. All



Key Priorities – Talent, IAMs and Cross-Fertilisation

Turning to the future, he explains that priorities are bringing in more talent, which is self-explanatory, expanding further into the IAM and Family Office spaces, and leveraging the bank's capabilities across divisions and its geographic history and connections, which he summarises as leveraging the 'One Bank' footprint in emerging markets.

these can benefit the clients of IAMs as well. That is why we are really pushing this area."

In addition, he reports that the bank is providing IAMs with some specific proposition items to meet their particular needs. For example, the bank is now giving them access to its direct execution desk, as well as providing them with a single login to the mobile app for the IAMs to see all their clients at one shot, and at the same time creating a dedicated team of Client Service Managers to provide additional support on the IAMs' reporting needs.

"We believe that quality of service will be a differentiator in the IAM segment," he comments. "Accordingly, we are also hiring RMs who are already experts in the IAM segment, and the result is these new IAM clients and plenty more to follow. We believe our presence in this sector will quickly snowball, as we bring on more dedicated, experienced RMs, and as we sign more IAMs and get more feedback on where we can improve. We adopt an agile approach, which is why we have been able to rapidly offer IAMs access to our direct execution desk, and that is why we adjusted our mobile app so that any IAM can now have a single sign-on to access all their clients. These types of small improve-

ments can really make a difference for any IAM."

Family Offices – another priority

The family office sector in Asia and most definitely in Singapore has enjoyed rapid growth in recent years. Singapore is an established and recognised wealth and asset management hub among the UHNWI, and Singapore has continued to launch initiatives to further strengthen its position and help increase the appeals of setting up a family office in Singapore.

Some examples of initiatives include the MAS 13X and 13R schemes that provide tax incentives, and the Global Investor Programme initiated by the Economic Development Board, which offers permanent residency to family members. And some of Singapore's newer and innovative structures, such as the Variable Capital Company (VCC), are increasingly being used or considered by family offices.

"We have been supporting an increasing number of UHNW families across Asia in setting up their family office in Singapore and managing their family offices' investments," Cedric reports. "These are typically financially sophisticated families

with a net-worth of several hundred million dollars and which are already investing in a wide range of financial solutions. There is no doubt that there is rising interest among clients in setting up family offices in Singapore following the great series of initiatives by the Singapore government, which combine to position the country to become even more attractive for family offices. And then for those operational FOs, we then offer the bank's range of products and services."

Multi-discipline collaboration

Cedric also points to the cross-divisional and multi-discipline cooperation at the bank as another priority. As an international bank with a long heritage, he says Standard Chartered can promote its unrivalled 'One Bank' footprint across all emerging markets. "There are really not that many banks who have the type of onshore footprint that Standard Chartered has,

especially in so many emerging markets around the world, so we are fairly unique in that respect," he comments. "The private bank benefits from the bank's extensive history and infrastructure."

He explains that cross-divisional collaboration, in particular between the private bank and the corporate and commercial banking divisions, is being strengthened. He explains that the different teams are, for example, organising brainstorming sessions with top performers from both divisions to develop ways to cross-sell, as well as driving more educational and networking sessions internally, doing more joint client meetings and joint client events, and coming up with interesting propositions to manage the excess cash of the corporate clients. "And we are delivering specific propositions for any corporate that might have raised money in an equity/bond issue in the region," he notes.

Fit for the future - a broad but selective proposition

Cedric closes the discussion by concluding that the bank has studiously picked those areas where it is either strong and can be even stronger or where strategic opportunity beckons and the bank is capable of elevating its offering.

"Alternatives is an example of an area where we strategically wanted to enhance our expertise and capabilities," he reports. "We have a strong set of core products and expertise, and the IAM and family office segments are central to the future, and we will keep improving our offering there. We will also leverage the footprint, products, skills, capabilities, talent and reach of the bank around the world. In short, we are assembling all the requisite tools that we believe we need to be a serious player in private banking in the years ahead." ■

Getting Personal with Cedric Lizin

Since December 2019, Cedric Lizin has been Regional Head, ASEAN and South Asia and Global Head, Global South Asia Community for Standard Chartered Private Bank, and in July 2020, he also took responsibility for the bank's global Trust business.

Before joining Standard Chartered, Cedric was Head of the UBS Wealth Management office in Dubai since September 2017, and concurrently Senior Executive Officer for the Dubai branch, which comprises the investment bank and asset management divisions.

Prior to his role at UBS, Cedric worked for a decade at Barclays Wealth Management where he headed the Middle East and Africa offshore, and Japan onshore Wealth Management businesses out of Dubai. Earlier in his career with Barclays as COO for Asia based in Singapore, Cedric led the development of the Asia Wealth Management platform, established risk and control frameworks, and built an onshore business in Japan from scratch. Cedric has also worked at Credit Suisse, Fortis and McKinsey earlier in his career.

He has a Master of Science degree in Electromechanical Engineering from the University of Liege (Valedictorian), and a Post-Graduate Management degree majoring in Finance from University of Brussels (Vale-

dictorian). He also holds certificates in Energy Innovation and Emerging Technologies from Stanford University and in Data Science from Harvard University. Cedric is married.

He is Belgian and comes from a small but well-known city, which is home to the Belgian Formula One track, named Spa-Francorchamps. His father used to be an administrator of the Formula One track, and he grew up watching the races. "Maybe that's why I became a mechanical engineer, but I never actually worked as one. Although I wanted to work for a Formula One team, I did not get such an opportunity. Coming from quite a modest family in terms of income, I saw the value of education and hard work for my career, and ended up in banking and then with McKinsey, the consulting company, for about six years, including a stint for one year in Singapore."

That was when he met his wife, a Singaporean, who was also with McKinsey Singapore. They returned to Belgium together but later decided to return to Singapore, which is when Cedric joined Credit Suisse, followed by his positions at Barclays, UBS and then Standard Chartered.

"I have enjoyed very much my career to date," he reports, "and hope that the best is yet to come. I hope my major achievements are ahead. Right now, it feels like a privilege to be in private banking working with so many interesting HNW and UHNW clients, so many different personalities, cultures, backgrounds, skills, and to learn so much from each and every one of them."

True to his Belgian heritage, Cedric, a national swimmer when he was teenager, now enjoys cycling for leisure and fitness. "Most weekends I do around 100 kilometres around Singapore," he reports. "I usually use the bike to collect the dry cleaning or pick up some groceries."

