

Swissquote's Institutional Head for Asia Shines a Light on the Compelling Proposition for the EAM Community

Rafael Weber, Head of Institutional Clients for Swissquote, enjoys the world of investments and loves discovering new cultures and sometimes challenging places to visit, such as North Korea, and new adventures. During his career he has already lived and worked in Mainland China, Hong Kong and South Korea. As such, he is ideally suited to his regional Asia Swissquote role, and ideally located in Singapore, being an outstanding hub to do business. Hubbis spoke with Rafael recently to learn more about the nitty-gritty of the Swissquote investment platform and how the firm positions itself competitively. It would be erroneous, he says, to consider Swissquote a digital brokerage platform. Instead, Swissquote should be considered a full-service wealth management custodian that is able to offer seamless online or 'smart' digital access to an incredibly wide array of investment products, markets and assets, speedy onboarding for a wide variety of typical private bank-style accounts, best-in-class execution, and top-quality service to support its customers. Swissquote Group is a listed company at the SIX Swiss Stock Exchange since 23 years boasting a market valuation of over USD3 billion. Part of Swissquote Group is Swissquote Bank which holds a fully-fledged banking license in Switzerland. There is one key difference between Swissquote and traditional private banks, it steers well clear of advice – that remains the preserve of the platform's key customers, the independent wealth managers and family offices that themselves provide the value-added advice to their own private clients. Having launched in 2019 in Singapore, Swissquote now counts over 70 such EAMs and MFOs as its clients, mostly across Singapore, and also Hong Kong, with those numbers growing rapidly, and with the platform's share of those wallets rising continuously.

GET IN TOUCH

[View Rafael Weber's LinkedIn Profile](#)

[Find out more about Swissquote](#)



RAFAEL WEBER
Swissquote

Swissquote Singapore has an increasingly compelling proposition for the accredited investor community and particularly for their core target market in Asia of EAMs, funds and family offices. Swissquote is at the forefront of the digital delivery of wealth management, the

technology, security and excellent service," Rafael explains. "We position ourselves as offering the perfect marriage between the advantages of a traditional private bank, combined with the advantages of a digital platform. We want our clients to see us as their preferred partner, building genuine trust and rapport with us, and then by word-of-mouth recommendation, becoming ambassadors for us in the market."

Defining the value proposition

Rafael maintains that Swissquote is not comparable to some of the digital execution platforms. "We are a full-service digital private wealth custodian," he states.

Take onboarding for example, he elucidates. With the digital brokerage platforms, onboarding will be very rapid, but that

the onboarding would likely be protracted and complicated.

He says that Swissquote's position sitting between the pure digital brokers and the private banks offers customers cost-effective solutions aligned with high levels of flexibility and service. The firm opened in Singapore in 2019 and now counts roughly 70 EAMs on the platform in the region, mostly from Singapore but also from Hong Kong.

Your full service digital private wealth custodian

"With Swissquote," Rafael explains, "the range of services we offer is similar to private banks, but we are much more efficient and far quicker than them, as we have refined and automated every step along the way, reducing times to a week or so. We are not as fast at onboarding as the pure digital platforms, which

« "We position ourselves as offering the perfect marriage between the advantages of a traditional private bank, combined with the advantages of a digital platform. We want our clients to see us as their preferred partner, building genuine trust and rapport with us, and then by word-of-mouth recommendation, becoming ambassadors for us in the market." »

platform helping transition wealth management into the digital era ahead, and with great strengths in distribution and connectivity, both so vital to the wealth management community.

"We like to think of Swissquote as offering the ideal blend of

is really only for very simple brokerage-type services, not for more sophisticated needs such as those related to trusts or other requirements clients might have. With a typical private bank, the range of services on offer to the clients is far wider, and

might onboard within a day or so, but it is not appropriate to compare their far more limited offerings to what we can put on the table for clients."

For example, Rafael explains that custody is entirely through Swissquote Singapore, which

has a full Capital Market Services license including the element of custody. This allows them to provide custody for client assets, supported by their sole sub-custodian and sub-broker, Swissquote Bank in Switzerland, fully regulated under FINMA, and holding the same permissions as other leading Swiss banks.

In Swissquote, we trust...

"But for the client, the only point of interaction for the client is Swissquote Singapore, so the entire process and practice is relatively simple," he adds. "And the client can open any type of account, in their name, a joint account, a trust account, accounts related to a private investment company or an operating company, or accounts connected to PPLI/VUL type life insurance policies."

Take your choice

Rafael drills down further into the details of Swissquote's extensive buffet of products and services. Core to the proposition is the completely open architecture, starting with the 25,000 funds already available on our platform. And he reports that any fund with an ISIN or even some without an ISIN, can be accessed and traded, all at what he calls a "fraction of the price" of other competitors.

Key Priorities in Asia

Rafael says that branding and market share are the two major priorities for the firm in the region. "We want to increase the number of EAMs we work with and increase the share of wallet, it is as simple as that. But to achieve those goals, we need to ensure that we also maintain our high service level and continue to expand and innovate our offering.

He adds that Swissquote's platform accesses 60 stock markets globally and houses more than 3 million capital market products, including a very wide range of options and futures, also tradable at low cost. He adds that structured products are also available at a low cost of entry, noting that those deals can be created for their EAM or MFO clients, and issued perhaps by Swissquote itself, or other OTC structured product issuers, according to the specifications determined by their EAMs or MFOs customers, but then settled through the Swissquote platform.

Advisory is not on the table

The key difference to a traditional private bank is that Swissquote does not provide advice. "We enable our clients to buy whatever they want but we do not advise

them what to buy hence we do not conduct investment suitability or portfolio allocation," he reports. "That is a line we do not cross - we leave that advisory value-added to our EAM and family office clients to work on directly with their private clients."

Importantly, aside from the vast range of choice available, Swissquote offers their independent wealth manager customers tools to help improve their performance, Rafael explains. For example, the speed in executing payments online helps the EAMs and MFOs to save resources.

Transparent values

Another example is management fees – more and more EAMs are moving away from taking retrocessions, instead charging a management fee, and then rebating any potential trailer fees

« "We enable our clients to buy whatever they want but we do not advise them what to buy hence we do not conduct investment suitability or portfolio allocation. That is a line we do not cross - we leave that advisory value-added to our EAM and family office clients to work on directly with their private clients." »

to the clients. "We expedite all that remarkably efficiently, rapidly and with complete transparency, all saving the EAMs and the clients a lot of time," he reports.

And he notes that 99% plus of all their trades are online, which allows for the bypassing of all the cumbersome, expensive and often inefficient processes associated with traditional trading processes. "Any time, any place and any market, Swissquote makes trades available online, and if there is a wrinkle for any reason, we provide human backup to make sure things work, in those rare instances where things do not go as smoothly as they might, or where the customers have questions," Rafael reports. "We are very proud of the high quality customer service we provide – this is highly recognized in the market and lead to numerous referrals".

Tailored offerings, service quality, and trust

While Swissquote does not offer advice, it does offer model portfolios for their customers, perhaps for discretionary or advisory mandates those EAMs or MFOs are providing to their own private clients.

The EAM can basically create sample portfolios for different strategies and can then tag different client groups to those sample portfolios, Rafael explains. And when they do a rebalancing, our systems automatically calculate the required trades to bring it to the new model. "Our customers can check that is what they want and then it happens seamlessly at the click of a button," he states.

Getting Personal with Rafael Weber

Rafael comes originally from Switzerland and later studied at one Europe's top business schools in St. Gallen.

As part of his advanced studies, he moved to China in 2010, taking an internship in Wuxi in Jiangsu province, and then studying on exchange in Shanghai and Korea. Rafael needed time to get used to the life in China but then ultimately found a deep interest to understand more about the culture and history of China. He then went back to Switzerland to complete his studies in Business Administration and finish his Master of Banking and Finance course.

While still studying for his Masters, he joined Berenberg Bank in Zurich to set up an Asian Fixed Income Fund which they co-managed with Goldman Sachs Asset Management. "Berenberg is actually the second oldest bank in the world," Rafael says. "It was founded in Hamburg in 1590 and counts numerous royal families and aristocracy on its books."

By the time he had completed his Masters, he the bank's youngest Vice President there, and had built a good track record, which attracted DZ Private Bank in Singapore to offer him a position as their Chief Investment Officer. "Actually, that was an exciting move to Singapore, but it did not last too long, as DZ Private Bank then closed the operation in Singapore less than a year after I joined due to a merger at the parent organization. However, there I was in Singapore, the market was buoyant, and I was lucky enough to get a variety of offers," he recalls. "I joined UBS and soon found my way to their EAM desk and quickly learned a lot in a variety of different roles there."

In 2015 Rafael started to invest in fintech and crypto ventures among others. While still at UBS, a Family Office knowing of his crypto expertise approached him relating to one of their clients who had assembled a large Bitcoin portfolio and was looking for lending, and that in turn led him to join digital asset lender BlockFi, which was growing robustly at the time.

"I joined BlockFi as their head of private clients in Asia, but it was not long before Swissquote approached me, and although I was unsure of the move at first, I later made the jump in October 2021, and it has turned out to be a great decision. I am truly energised by this role in the region and committed to what is a great platform and business culture here."

He enjoys travels to far-flung and often challenging destinations, including North Korea, Lebanon, Xinjiang (home to the Muslim Uyghur people in China) and a host of other exotic and fascinating places. He also enjoys visiting Taiwan, which retains so many of the traditional Chinese cultural values.

He loves a variety of other pastimes, including longevity, learning about traditional Chinese medicine, and keeping fit.

Service quality and integrity are also high on the list of virtues Swissquote wants to project. “As I mentioned, we strive to be as responsive as possible as rapidly as possible, at the same time as being transparent and solving the key issues for clients,” Rafael reports. “Trust is central to our proposition and our future.”

The appeal of being independent

He steps back from the detail to look more broadly at the EAM market in the region, noting that in the past decade, the independent wealth offering has gained a lot of traction with clients, and has grown steadily.

“The independent wealth model in the region is building continuously, and the numbers are growing,” Rafael reports. “There is a long queue of applications for the Singapore licence, and optimism is elevated despite some of the current global uncertainties. I do think that as things settle there

will be some consolidation, as costs rise and as greater scale appeals to some of the larger players. As all this transpires, the opportunities for Swissquote will continue to expand.”

Building by reputation

Rafael closes the conversation by pointing to the stability of the business, its financial strengths, and its ability to build on its rising reputation.

“We win a lot of referrals as clients are happy with what we offer and happy to promote us to peers and colleagues,” Rafael explains. “And we have the agility that comes from starting in the 1990s as an online banking platform and not ever having had the legacy infrastructure to hold us back. And we remain primarily a technology institution, believing in innovation and capable of rapid change to evolve the offering.”

He adds that Swissquote Group is listed with a market valuation of around USD3 billion and has a strong balance sheet with a Tier One Capital Ratio of around 24.8%, and a global AUM approaching USD60 billion.

Partners for the future

“We work for our clients,” he says. “We provide Lombard loans, but we do not provide any unsecured lending, we do not tie up our funds in investment banking deals, we do not provide asset management. We also still have many key attributes of a private company, with our CEO and founder still deeply involved and still holding some 12% of the stock, and who helps steer the ship to business-effective decisions. We see ourselves as partners with our customers, building the offering and at the same time helping them build their businesses.” ■

For further reading on Swissquote, see these articles:

- » [The Era of the Digital Investment Platform and its Role in the Independent Wealth Industry](#)
- » [Swissquote’s Rafael Weber on the Arrival of the New Era of the Digital Investment & Custody Platform](#)
- » [Swissquote’s Singapore CEO on the Rapid Scaling up of the Digital Platform Proposition in Asia](#)

