

# Thai investors – getting more diverse everyday

*Benjarong Techamuanvivit, First Senior Vice President, Strategic Planning Division, Kasikorn Asset Management, talks about the Thai wealth management opportunity.*

**T**HAI INVESTORS STILL HAVE A HOME BIAS in equity or fixed income products but are looking to diversify going forward, according to Techamuanvivit. “I think they should diversify,” she says. “A more diversified portfolio will allow them to withstand [local] market plunges.”



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“Secondly, if you look at the local market data, the number of foreign investors and the size of foreign investments is getting smaller and smaller,” she says. “It means the local market is less correlated to the global market, and so investors have to diversify.”

According to her, in 2018, with the market opening up and regulations loosening, there are a lot more products for Thai investors to look at. “More new products within a wider investment universe for them to invest,” she says.

Techamuanvivit says that Thai regulators, both the Securities and Exchange Commission (SEC) and the Bank of Thailand, have done an excellent job of improving the sales processes and governance. “The regulator has urged to have better sales processes,” she explains. “They have launched initiatives, imposed many regulations with regards to sales conduct, even divided the products into complex and non-complex, and asked the salespeople to certify differently.”

They have also imposed rules to ensure that everyone has very rigid, rigorous product governance processes, she points out.

Going forward, Techamuanvivit expects the growth in the Thai market for wealth management to be massive. “And I am not talking just about not the ultra-high-net-worth individuals,” she stresses. “I’m also talking about the mass affluent.”

This latter segment still has just deposits as their primary financial products, according to her, and migrating them to slightly riskier products would help return better long-term returns. To tap this growth, she says, industry players like Kasikorn would have to be in the game for the long-term. “I would like them to emphasise developing their people to be real advisors,” she stresses. ■