Investment Solutions Forum 2018 video highlights

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At the Hubbis Investment Solutions Forum 2018 in Hong Kong on September 6th, we interviewed leading industry experts. Want to know what you missed - click here to view the highlights.

You can also read the transcripts in this document - and click on the name of the person to view their individual comments.

Lemuel Lee
BNP Paribas Wealth Management

The panel was extremely engaging Michael and thank you for having us and BMP. What was really enlightening was to have interactions with the panelists so see how you know the industry is moving towards digitization. From BMP stand point, we've heavily invested and continue to invest in how we can upscale our execution platform to our library and there was many interesting interactions in terms of understanding our digital partners, the value that they add and how we can partner with them. So this is something that we look forward to continually working with our industry peers definitely in the fintech space.

John Robson
Quantifeed

The panel was really interesting from the perspective that there's this growing awareness that technology is going to be the driver of efficiency coming into wealth management and a driver in ways maybe that people didn't expect. We can deliver better products of course. We can deliver more personalized solutions but I think the key thing also to remember is that we can deliver a really more engaging experience for the customers and customers are expecting an engaging experience from their financial advisory firm. So over the coming months and years I think although we've seen a relatively slow start on some of what we call robo advice or digital wealth management platforms, we're going to see that really pick up dramatically in the coming months and in the coming years.

Rohit Jaisingh
DBS Bank

So in DBS Bank we've been putting a lot of investment into a platform to make it more efficient and effective. So it has taken the form of simple initiatives like in the areas of price discovery, deal execution but we've also been investing in the more sophisticated parts of it such as asset advocation in advisory models, in data analytics and all of these have the objective of empowering the client advisor to deliver more efficient and time effective advice to the clients. So we engage in multiple projects towards this end and hopefully we're going to be able to reach the stage where the client advisor is much more effective in delivering advice to clients which works best. And you're probably aware that we have been lauded along the way for our initiatives in this space.

Arjan de Boer
Indosuez Wealth Management

Well as the market they are more unpredictable now than they were in the beginning of the year. We see an increased appetite for manage solutions from our clients. As you know we've significantly expanded the product range in our team. So going through the forum today is an unique opportunity for ourselves to show case to the world what we have in store.

Kevin Snowball
PXP Vietnam Asset Management

We've come to Hong Kong to present to the Hubbis conference today to wealth managers who we think should be looking at Vietnam

as an alternative investment strategy for some of their clients at least. There three reasons why one should be interested in Vietnam is a very strong macro, the extreme earnings growth that we're enjoying at the moment and the fact that the market is becoming more accessible and the country is likely at some point in the next year or two to be re-designated an MSCI emerging market company which will attract a much further and a much greater influence. So the ways of money argument which always wins on top of the two macro, micro arguments makes Vietnam a very compelling investment opportunity in our opinion.

At PXP we manage 2 Cayman Islands mutual funds investing only in Vietnamese equities one as an all cup fund the other a smaller companies fund. We've been managing money in Vietnam for coming up to 15 years, we have outperformed the index over every period up to and including that. We know in our opinion the market as well as anybody. We cover more stocks than anybody on the south side and we do our own research. We do our own investments.

Tariq Dennison
GFF Asset Management

I think one of the bigger trends that I'm interested in is the development of robo advisors. I think they've been taking on fairly slowly but I think like email and like social media it's one of these things that's going to happen very gradually, until suddenly 10 years later you're surprised it's such a big part of your day to day life. One of the biggest things we need to see is we need to see a lot less friction between things like pay role accounts in a lot of our day to day banking and the actual processes that put it into longer term investments. Whether it be bond ETFs, whether it be long term stock invests or even less liquid alternatives.

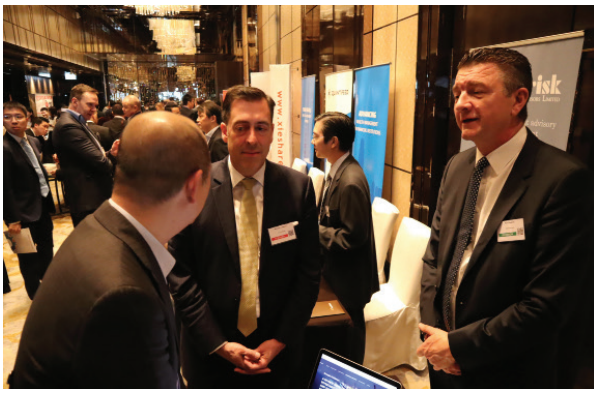
Anthony J. Harper
Axial Partners

It's great to be here at the Hubbis wealth forum in Hong Kong and an exciting time in money management in Asia. A lot of changes happening on the regulatory landscape as well as with product prepositions. We think that it's the right time for a managed account solution. We help clients tailor portfolios. Our clients are enterprises and increasingly people are looking for customizable transparent and fee based access to third party money managers. Axial based here in Hong Kong delivers that kind of solution into private banks and other wealth managers in Asia. Today's conference focused on things like recurring revenue, aggregation, socially responsible investing and a view towards millennials.

We think a managed solution, which is different than a fund base solution, where an account holder revives the net assist value versus in a managed solution you actually see what you own and you have an underlying holding experience that can be tailored. And the best thing the tailoring provided today is and that I will leave you with this, is you can have a socially responsible invested account where you subscribe to a third party money manager, one of the leaders here in Asia. But then your portfolio is tailored for you based on your requirements. So we think it's a big opportunity for that and we're delighted to talk about that today here at Hubbis.

Sandro Dorigo
Leonteq Securities

Leonteq is glad to be here as a global provider of financial products. Obviously Asia is very interesting. We are growing things a couple of years in average between 20 and 30% and what we see in this market is that due to the growing wealth, inward realisa-



tion of product solution becomes more and more important and therefore I think at the same time obviously the importance of digitalization to find the corresponding solution and create them cost efficiently and scalable will be one of the main tasks that banks and insurance companies somehow have to solve. The platform that we have built certainly not only does this cost efficiently but helps all the investment consultants in a very first time to find the corresponding solution which matches also the raised profile of the clients. So we hope that this environment will still go on like this so that we more and more can help to educate investment consultants and find the right solution for the clients. Thank you.

Malik S. Sarwar
K2 Leaders, USA

It was an immense pleasure to co-host another great Hubbis conference in Hong Kong. Some very interesting thoughts came up today by the panelists. First and foremost what is the role of the robo and artificial intelligence? It's still a work in progress but one thing is clear that is a mega trend and when you lick that with the millennials who actually like information instantly and generational wealth transfer from the oldies goes to the millennials, if we don't have that right we lose them forever. So the future wealth, gone. So there's a lot of good discussion on that. The second bed is about human nature. Greed and fear pendulum and guess what? We transact by sell, by sell to make money.

Usually institutions make money, individuals don't. On the other hand clients should really be focusing on discretionary portfolios. Manage my money so I can live my life. Make sure that it fits in with my goals. Asia is way behind other regions, even though new wealth is created they can learn from it and that is a key point of the discussion.

Christina Kautzy
Credit Suisse Asset Management

So when we think about product invasion we think about what's happening in the markets and that is not what's selling and what people can lever up but that's what's gonna insulate their portfolios from the potential risks that are coming in the future. So increase volatility I would argue would normalize level of volatility. You know less accommodative monetary policy and dispersion and returns of equity that is coming from that. So we look at nematic equities as a way to play that where active management comes back in and really shows its strengths.

We also look at the fixed income markets and things to the left or the right of your traditional fixed income portfolio. Which could be supply chain management where trade receivables don't have the mark to market volatility and you have the protection of floating rate

features. Or to the right looking at credit, for instance CLOs, where you'd actually seen that assist close the classic preform incredibly well over this year as others have moved around. So I think innovation is something that we all as asset managers and advisors have to be conscience of but not just in terms of what clients will buy but what's good for them.

Ni Yan
Indosuez Wealth Management

This year so far structured products business has performed very, very good this year thanks to very classical product ideas like municipal note. Maybe you feel that is too old fashioned but it works very well because it has generate very attractive yield for the clients. For example so far to compare ways the very classical asset in the world in the finance compared to equity and the fixed income, equity we know that so far MSCI generates only positive performance like two or three per cent so far and for fixed income for example in dollar investment weighed bonds, you can get just generally around the 4% but structured product s we can deliver even double digits with very low strike to enable you to buy stocks at very at attractive price. Discounts like 15% or even more than 20% according to how you can accommodate your underlying basket.

So that's the key point to attract clients and also help them to generate yield. We are very happy with the result as are our clients. But from now and especially for the second half of the year the situation in the market has became more complicated - especially compared to last year and the last half of this year. The main reason is we are already likely in the late cycle of the business cycle of the world after 10 years but it's not here yet. The most pressure has come from the US trade wars.

We have to wait till the beginning of November to see how Trump in the new election period can try to fix this strategy. Either more acceleration or some motivation. I hope it will be some motivation but who can speak for him? By waiting during this uncertain period I think that the volatility activity should remain relatively high. Structured products, by setting the options, can help you to attract the settlement yield, generate some profit and even on the other side protect your asset to safe guard your previous investment. That's what we want to push and accommodate, and also how we can help you. ■