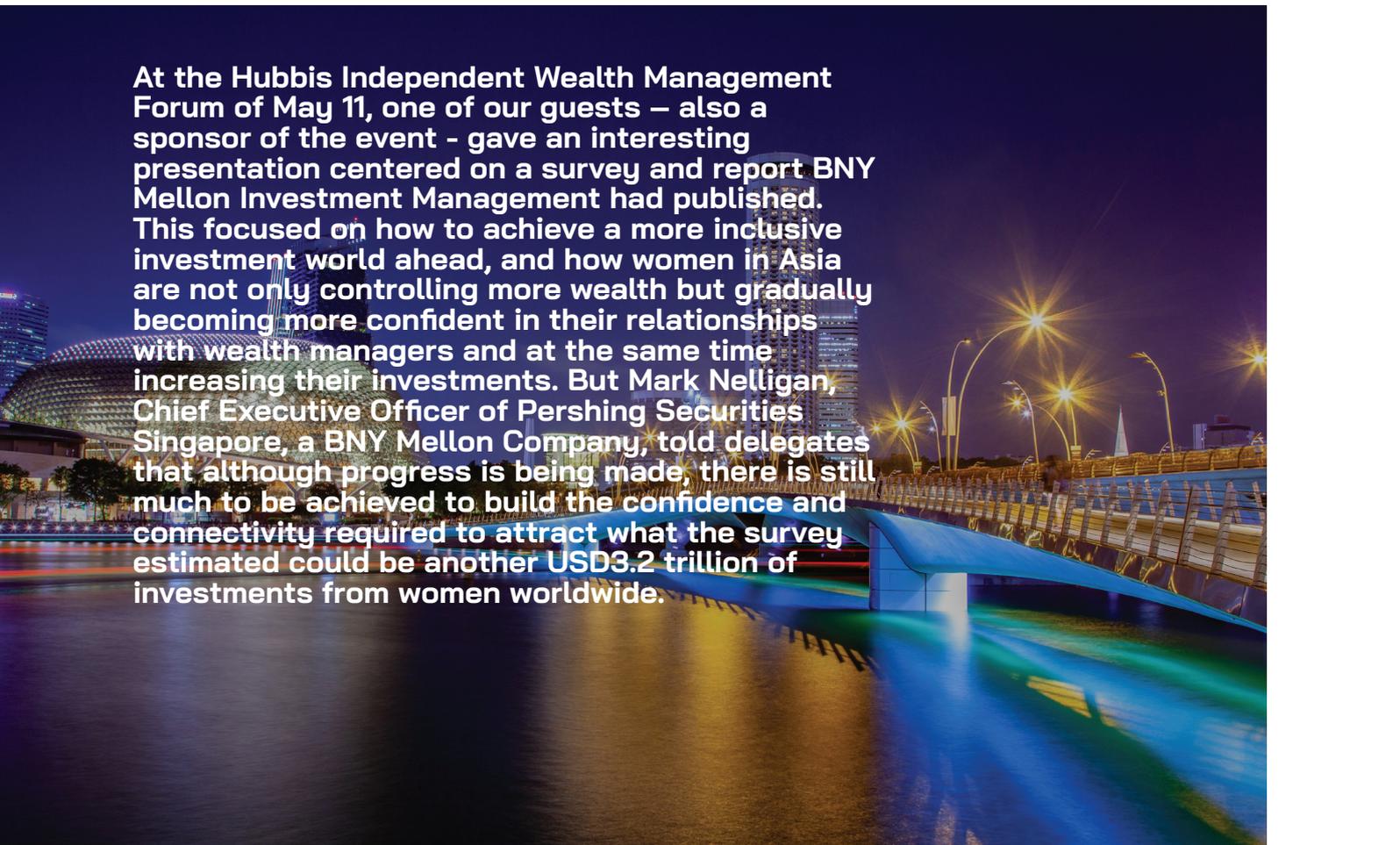


A Deeper Dive: The Pathway to Inclusive Investment: Why Women's Investment Matters



At the Hubbis Independent Wealth Management Forum of May 11, one of our guests – also a sponsor of the event - gave an interesting presentation centered on a survey and report BNY Mellon Investment Management had published. This focused on how to achieve a more inclusive investment world ahead, and how women in Asia are not only controlling more wealth but gradually becoming more confident in their relationships with wealth managers and at the same time increasing their investments. But Mark Nelligan, Chief Executive Officer of Pershing Securities Singapore, a BNY Mellon Company, told delegates that although progress is being made, there is still much to be achieved to build the confidence and connectivity required to attract what the survey estimated could be another USD3.2 trillion of investments from women worldwide.

GET IN TOUCH

[View the Live Presentation](#)

[View Mark Nelligan's LinkedIn Profile](#)

[Find out more about BNY Mellon Company](#)



Mark Nelligan
Pershing, a BNY Mellon Company

The report found that women could add at least USD3.22 trillion¹ to global investments and want to invest in businesses that can have a positive impact on the society, according to the survey, which canvassed 8000 women and men and 100 asset managers² who control nearly USD60 trillion of AUM.

The study shows there are three main barriers that deter women from investing. First, for many women around the world there is the income barrier. Secondly, women perceive that investing is inherently high risk and they might be putting their family's stability in jeopardy as markets turn volatile and/or deeply negative. And third, there is a seeming lack of engagement by the investment industry.

Singapore – more work to be done

Zooming in on Singapore, where the Hubbis IWM Forum was held, the survey found that 49% of women there are open to investing but are not actively looking to invest. The research showed that 52% of the women that do not invest think they are not wealthy enough to invest. And some 46% of women who do invest, say that it would influence their investment behaviour if they had better job security.

Nevertheless, an encouraging 62% of women in Singapore say that investing is attractive because it offers a better return than saving with low interest rates, showing a wider financial understanding.

“We are actually the world’s largest custodian today, managing some USD2.7 trillion of assets. As a truly independent platform, we work very closely with many independent wealth managers like yourselves here today around the world.”

Around 40% of women in Singapore feel that the marketing and advertising around investing is male-oriented or even specifically aimed at men, discouraging their participation.

Nelligan opened his short introduction by commenting that it was indeed a great pleasure to

be back in a live event after such a major hiatus as a consequence of the pandemic. He then highlighted the mission of Pershing, which is wholly owned by the banking group BNY Mellon, and that services any intermediary that has an investor as their client.

A global leader

“The difference between us and other providers in the market is that we are purely B2B, so we don’t compete with any intermediaries, we are truly independent, and we are a custodian in our own right,” he reported. “We are actually the world’s largest custodian today, managing some USD2.7 trillion of assets. As a truly independent platform, we work very closely

with many independent wealth managers like yourselves here today around the world.”

He explained that BNY Mellon, group’s investment management arm, commissioned a study last year³. He reported they talked to 8000 investors worldwide, including those who have invested

¹ This calculation was made using the data from the research on the average volumes of investments held by men and women to find the difference. We then used data from Cerulli to calculate the size of the retail investment market in each of the geographies within the study and applied the difference between male and female investment volumes to that number to show how much more investment would be available if female investment volumes matched male. This assumes the numbers of male and female investors are the same. As there are typically more male investors than female, the amount to be gained could be assumed to be even higher than the one shown, i.e., at least \$3.22 trillion.

Source: BNY Mellon Investment Management: The Pathway to Inclusive Investment, 2021

² The 16 markets included in the study were: Australia, Brazil, Canada, China, France, Germany, Hong Kong, India, Italy, Japan, Nordics (Denmark, Finland, Norway, and Sweden), Singapore, Spain, Switzerland, the UK, and the USA.

Source: BNY Mellon Investment Management: The Pathway to Inclusive Investment, 2021

and, very importantly, those who haven't invested. They also talked to 100 asset managers worldwide who represent some USD60 trillion of AUM.

A massive opportunity

"We concluded that women could add at least USD3.2 trillion to the assets under management worldwide if they were properly approached and more involved," he explained. "We found our three conclusions, namely that women

were reluctant because they might think their incomes are too low, they felt investing was high risk and they felt that there is not enough appropriate engagement with them."

He explained that these issues can all be addressed and that the more than USD3.2 trillion that could be added to global AUM represents a vast opportunity for the wealth industry across all corners of the world.

Reaching out to the market

"And today," he said on concluding his short talk, "at this event and in the panel discussion that will follow, we also hope to hear from you, the independent wealth management decision-makers here in Singapore, on how you are aiming to boost engagement with women, how you are aiming to help them invest more, and why the opportunities are so significant in our rapidly-expanding Asian markets." ■

³Source: *BNY Mellon Investment Management: The Pathway to Inclusive Investment, 2021*

