

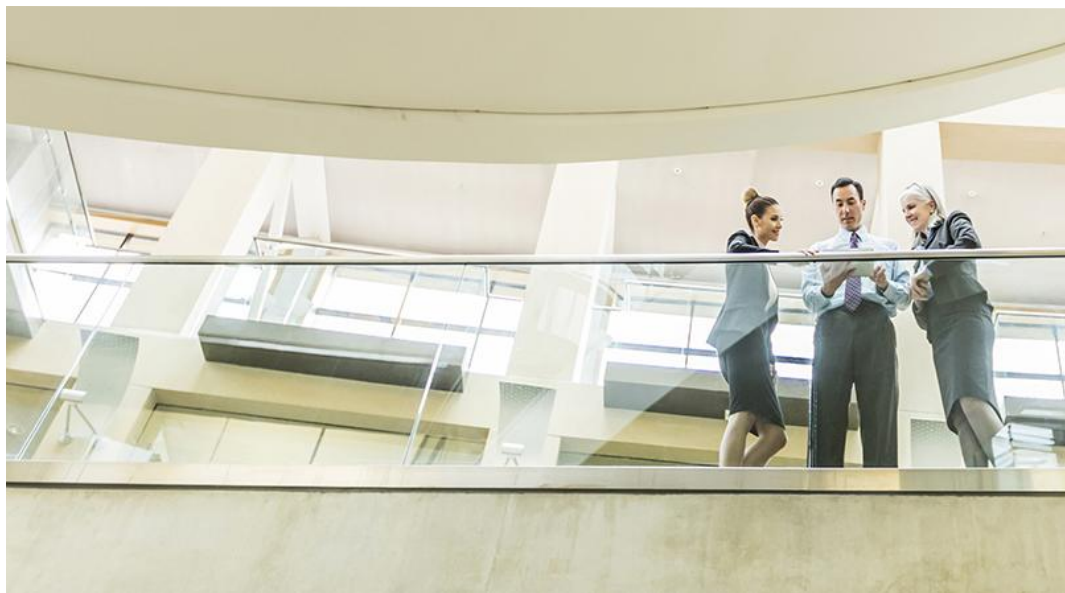


The Great Lockdown

Asset and Wealth Management

Market Research Digest

Issue 1, 2021



“This too
shall pass”

– Persian adage.

Within the last 100 years, three ‘Great’ events have been labelled accordingly for their tremendous impact on human society across the globe. The Great Depression in the 1930’s, the Great Recession of the early 2000’s and now, labelled accordingly by the

International Monetary Fund (IMF) in April 2020, the Great Lockdown of 2020. The Great Lockdown has been a time of closed borders, shuttered businesses and inactive economies, all of which are likely to have profound effects, both tangible and intangible, on individuals, societies, nations and regions well into the future.

Whilst perhaps not the greatest aspect at the forefront of most people’s minds at this time, the asset and wealth management (AWM) industry of Asia-Pacific (APAC) will not be immune from change, and the current situation could provide a strong catalyst in the acceleration and arresting of various trends the industry experienced in the years leading up to this.

This research digest will examine the developments seen across APAC’s AWM industry in 2020 through the lens of COVID-19 and the Great Lockdown.

All things digital

As people were confined to their residences, the use of digital platforms, whether for education, meetings, social communications, or entertainment exploded during the Great Lockdown. The impact of the explosion of all things digital has been felt across most, if not all, aspects of people’s lives, and how they buy and sell asset and wealth management products, and how asset and wealth managers reach their customers, is no exception to this.

China potentially points the way in this regard, as they have seen a boom in live-streaming with quick links to the funds and products being pitched, enabling investors to effortlessly purchase a product should they find the sales pitch being live-streamed convincing enough.

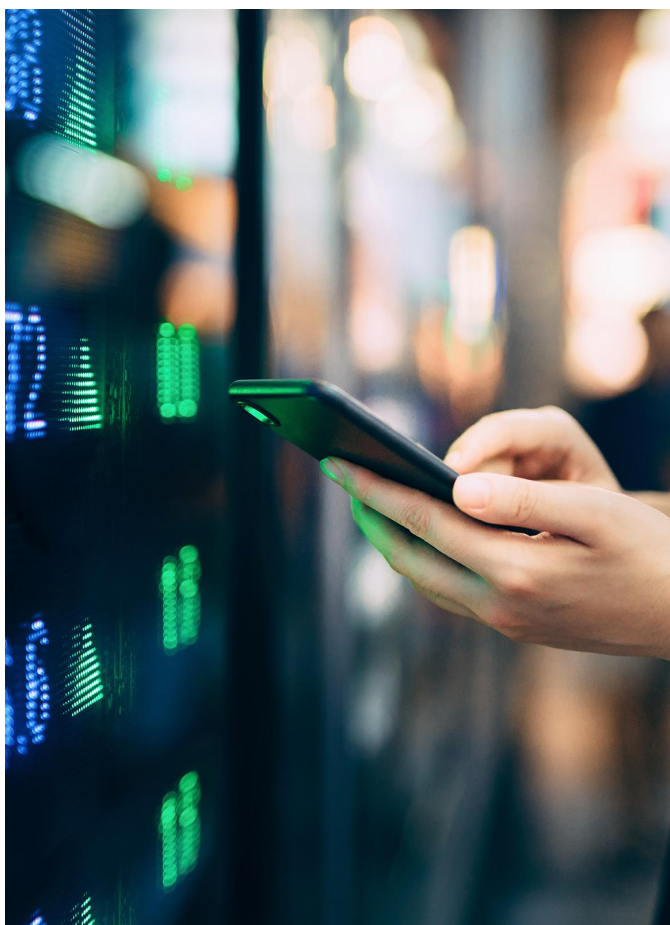
One of China’s largest digital providers launched a “live-stream wealth services” portal, whereby users can watch online presentations hosted by asset managers to market their products. During a live-stream, users will see pop-up windows appear which relate to the products currently being discussed by the asset manager and link directly to payment pages for said products.

This represented the first time that funds have been sold directly via third-party platforms during live-streams in China, echoing both the increasing role e-commerce is playing in general life as well as the increasing prominence of digital and online asset and wealth management distribution channels. Whilst in-person roadshows would maybe attract around 100 attendees, online roadshows easily attract several thousand viewers, with some of China’s largest asset managers reportedly attracting over 100,000 viewers in a stream.

With more than half of China’s asset managers using online services to promote their funds, the number of viewers reportedly increased at least six-fold from the beginning of 2020. Whilst such online roadshows have been around since at least 2014, the current pandemic has had a significant impact on their recent success, and this may carry over to the post-pandemic world.

The success of this distribution method has seen competition increase and a whole sub-set of influencers have emerged.

Offering cash and other products on their streams, some of which have reportedly attracted 400,000 viewers, these influencers live-stream from a range of locations as they sing the praises of the fund(s) they are promoting at the time.



Other influencers do not work for an asset manager but offer a subscription service for investors to hear their investment picks firsthand. These independent influencers can be contracted by asset managers to host a live-stream, balancing restrictions placed on them by regulators to not offer financial advice, in which they probe the fund manager or other representatives of the asset manager with questions about their product. They may also bring over a portion of their followers to the live-stream which could increase the visibility and long-term audience of the asset manager.

Whilst competition among the asset managers is intense, it is heating-up among the platforms live-streaming is offered on as well, with numerous platforms investing to improve their capabilities and attract live-streamers to their platform¹.

Malaysia is another jurisdiction whose asset management industry is likely to have its digital trends accelerated over the Great Lockdown. With industry players implementing business continuity plans and requiring staff to work from home, the industry regulator reminded asset managers of their obligations to have strong cyber-security measures in place.

With many in the asset and wealth management industry reliant on manual processing, many may see their automation efforts intensified during this time in order to reduce errors and increase the ease at which investors can buy and sell products².

Other APAC jurisdictions who lagged digital adoption pre-COVID may find that their efforts to increase digital use across their asset and wealth management industries accelerated.



The nature of products being distributed are also changing, with Hong Kong and Singapore establishing facilities to enable the trading of digital assets.

In Hong Kong, the Securities and Futures Commission (SFC) granted a Type 1 (securities and trading license) and Type 7 (license to provide automated trading services) to what is now the first virtual asset platform in the territory. This development arguably began back in November 2019, when the SFC introduced regulations requiring virtual-asset trading businesses to be licensed³.

The platform will provide prime brokerage, custody, exchange and other services across a range of crypto-currencies and digital assets. These services will be limited to institutional investors following calls from Hong Kong's authorities to ban retail investors from crypto-assets⁴.

Beyond the first dedicated digital asset exchange, increasing numbers of wealth managers are providing crypto-currency and digital asset offerings to their clients in the HNWI and institutional investor segments and increasing numbers of financial institutions are adapting their approach to these assets.

In Singapore, a local bank has been granted a license from regulators to offer institutional and accredited investors access to trading, tokenisation and custody services for digital assets⁵. In addition, a global banks' security services arm is partnering with a local blockchain firm to develop a proof-of-concept for the interoperability of digital-assets⁶. Other players are seeking regulatory approval to enter the market, with one partnership seeking to create an exchange which would begin operations in 2022 and expand coverage across ASEAN markets along with Japan and European centres⁷.

Other APAC markets are taking the growth and development of crypto-assets and digital-assets seriously as well. Japan is accelerating efforts and local players are taking the lead with the goal of establishing a digital exchange planned for launch in 2022⁸. In South Korea, financial institutions have been looking to develop digital-asset platforms for over a year, with partnerships between established banks and technology or FinTech companies helping drive this⁹. These partnerships appear to be progressing well and one is aiming to launch a digital asset custodial service in 2021¹⁰.

Beyond digital exchanges, central banks across the region are looking to digitalise the currencies they have remit over. The best example of this is arguably the People's Bank of China (PBoC) and the Central Bank Digital Currency (CBDC) they are testing known as the 'digital yuan'.

1. [Bloomberg](#)
2. [Calastone](#)
3. [Caixin](#)
4. [Finews](#)

5. [Finews](#)
6. [Finews](#)
7. [Bloomberg](#)
8. [Finews](#)

9. [Ledger Insights](#)
10. [Ledger Insights](#)
11. [Finews](#)

Whilst crypto-currencies are banned in China, PBoC has been pushing the creation and testing of a digital yuan since 2014 and they are now testing its use among retail shoppers via JD.com, an e-commerce platform¹¹. Hong Kong is preparing to test the cross-border application of the digital yuan via the Hong Kong Monetary Authority (HKMA), with the local Bank of China entity being selected for the trial.

Japan is also exploring the use of a CBDC, with the Bank of Japan (BoJ) announcing that it intends to begin testing its CBDC in early 2021¹². Despite the imminent testing of a CBDC, former BoJ officials believe the central bank would need several years before it could effectively roll out the digital-currency and a balance will need to be struck with the private sector to ensure it is widely used but that the financial system is not destabilised¹³.

2020 also saw digital banks emerge onto the scene across jurisdictions

Singapore made the announcement of its initial four digital bank licenses in December 2020, with winners comprising an interesting mix of consortium players from within and without Singapore.

Those receiving a license are expected to begin operations in early 2022. In addition to the four license recipients, another ten companies and consortiums were in contention and the Monetary Authority of Singapore (MAS) may grant additional licenses.

Hong Kong, whose virtual banks were granted licenses in early 2019, saw all eight enter the market by the end of 2020¹⁴. Collectively, these virtual banks had amassed nearly 300,000 customers and assets in excess of USD 1 billion by the end of 2020. Some of the larger digital banks are now seeking to branch out to offering wealth management products and services, with such offerings likely to begin being rolled-out in 2021.

Given Hong Kong's increasingly close financial links with mainland China and the fact that many of the virtual banks operating in the territory are backed by Chinese firms, how they are able to affect the role of digital distribution in a jurisdiction renowned for its dominance by traditional banks will be interesting to witness.

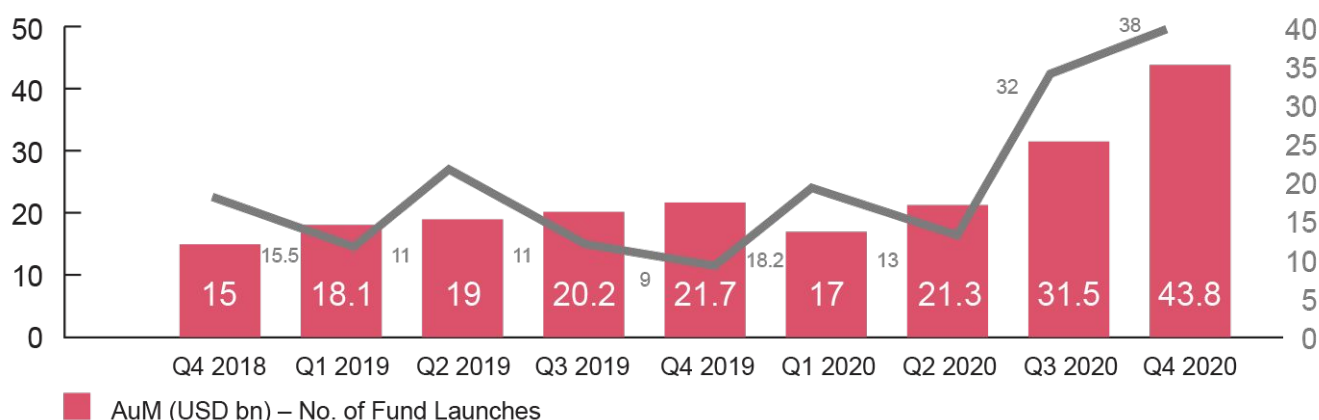
The effect of the Great Lockdown has accelerated the increased digitisation of financial services - asset and wealth management included, and these changes are likely to remain in the new normal. Firms which are unable to match the digital presence and experience of their peers run the risk of being left behind in an increasingly digitised landscape.

Green finance taking centre stage among financial centres

The pandemic lit a, carbon-neutral, fire underneath many governments, with some tying state aid or bailouts to efforts to decarbonise or take greater steps towards Environmental, Sustainable and Governance (ESG) or Socially Responsible Investing (SRI) goals, and entities to realign their operations towards sustainability and environmentally-friendly practices and this is being reflected in the ESG investment landscape.

Whilst the majority, 82%, of ESG AUM is held in Europe, APAC's AUM is slowly but surely gaining ground and sources put it at nearly USD44bn at the end of 2020, though numbers do vary depending on data providers. Although APAC's ESG products suffered significant outflows over 1H20, they bounced-back quickly and AUM increased substantially over 2H20 as shown in **Figure 1** below.

Figure 1 AuM of APAC-domiciled ESG funds Q4 2018 - Q4 2020



Source: Morningstar

11. [Finews](#)

12. [Japan Times](#)

13. [Reuters](#)

14. [Reuters](#)

15. [The Asset](#)



Whilst perhaps a bit late to join in with the ESG trend compared to their counterparts in Europe and North America, investors in APAC are increasingly seeking investments which are aligned with their ESG and SRI beliefs. This trend towards ESG and SRI products is reflected among regulators and institutions across APAC, with several jurisdictions undertaking initiatives that promote ESG and SRI investments.

China is increasingly referencing green finance in its five-year plans and it is now a significant market for green bonds, reaching USD 165bn in issuance at the end of November 2020 after issuing less than USD 1bn at the end of 2014. This increase in green bond issuance matches the statements and initiatives of policy makers to transition China's economy to a low-carbon, specifically carbon-neutral by 2060, sustainable one¹⁶.

Hong Kong established a framework for green finance back in 2018 and 2020 saw it further its focus on ESG, with Hong Kong Exchanges and Clearing Limited (HKEX) launching a platform, the Sustainable and Green Exchange (STAGE), to promote disclosures around green bonds. The online platform serves as a repository of ESG information and lists funds which meet requisite criteria to be labelled as ESG products¹⁷.

With increasing demand for sustainable and green products in Hong Kong and China, 3Q20 saw 59 sustainable and green bonds, along with two ESG ETFs, listed in Hong Kong¹⁸, STAGE could provide a key differentiator for investors looking to assess the bona fide credentials of products claiming to adhere to ESG and SRI principles. Already, STAGE boasts over 20 product listings and is set to grow along with green and sustainable finance in Hong Kong.

To promote coordination across all aspects of Hong Kong's financial services sector with regards to green and sustainable finance, the 'Green and Sustainable Finance Cross-Agency Steering Group' (Group) was established in May 2020. The Group comprises the HKMA, the SFC, the Environment Bureau, the Financial Services and the Treasury Bureau, HKEX, the Insurance Authority and the Mandatory Provident Fund Schemes Authority.

The aim of the Group is to coordinate the management of climate and environmental risks to the financial sector, accelerate the growth of green and sustainable finance in Hong Kong and support the Government's climate

strategies through; cross-sector ESG policy and regulatory assessments, facilitating green and sustainable financing policy direction and coordination, the tracking of regional and global trends pertaining to green and sustainable finance and others¹⁹.

With substantial regulatory backing, Hong Kong appears well-positioned to drive green and sustainable finance in Greater China and across APAC in the coming years.

In Singapore, MAS issued three consultation papers in June 2020, outlining their proposed guidelines for financial institutions with regards to ESG funds. These guidelines established expectations around the incorporation of environmental considerations at the highest levels of asset managers management, risk management frameworks to identify and manage environmental risks, the evaluation of the potential impact on environmental risk asset managers should consider when undertaking research and portfolio construction and others²⁰. The proposed guidelines follow other initiatives that MAS has launched, namely the Green Bond Grant Scheme in 2017, designed to encourage the issuance of green bonds and the Sustainable Bond Grant Scheme in 2019²¹.

Additionally, the Singapore Exchange (SGX) announced in December 2020 that it was investing SGD20m to improve its sustainability capabilities, creating ESG products; services; and platforms and strengthening internal capabilities to boost Singapore's financial ecosystem²². Further, SGX is working with NASDAQ on their Sustainable Bond Network Initiative, an initiative which allows issuers of qualifying instruments to voluntarily publish key information and data on their products which, in turn, provides investors with the necessary information to compare products. Through said initiative, SGX could enhance access to and transparency of data pertaining to sustainable bonds across APAC, making sustainable and ESG investments more accessible to investors of all segments.

Along with NASDAQ, SGX has expanded its existing partnership with FTSE Russell, Morningstar Sustainalytics and MSCI to provide ESG ratings on companies listed in Singapore. This partnership covered around 30 entities at the end of 2020 and there are plans to expand coverage over 2021, in addition to expanding the current selection of sustainability benchmarks and ESG-related indices²³.

16. [Fitch Ratings](#)

17. [Fund Selector Asia](#)

18. [Caixin](#)

19. [HKMA](#)

20. [Simmons + Simmons](#)

21. Ibid.

22. [SGX](#)

23. [Finews](#)



Shift to passive accelerates...

An interesting dichotomy appeared to emerge in asset allocations over the course of the Great Lockdown. On the one hand, through a combination of fee pressure; performance returns; and other factors deemed attractive by investors and distributors, passive investment products enjoyed a surge in AUM over the last few years, with some stating ETFs across APAC have increased by circa 20% annually over the last five years²⁴, though this high growth could be caused by a low AUM base. Looking across a broader product range to include passive index funds in APAC, their AUM grew substantially over 2019, before suffering outflows in 1Q20 and bouncing back over the remainder of 2020 as shown in **Figure 2** below.

Singapore experienced a substantial jump in EFT AUM over 2020, with SGX noting that combined ETF AUM rose from SGD 5.49bn in 2019, to SGD 8.6bn in 2020, alongside ETF turnover which increased by 2.5 times over the same period. Investors shifted away from gold and less volatile products which the SGX took as a sign of increased risk appetite as 2020 unfolded. Another Singaporean ETF theme was investors seeking yield. This was reflected with four of the top dividend paying ETFs comprising the top 10 most traded ETFs in 2020²⁵.

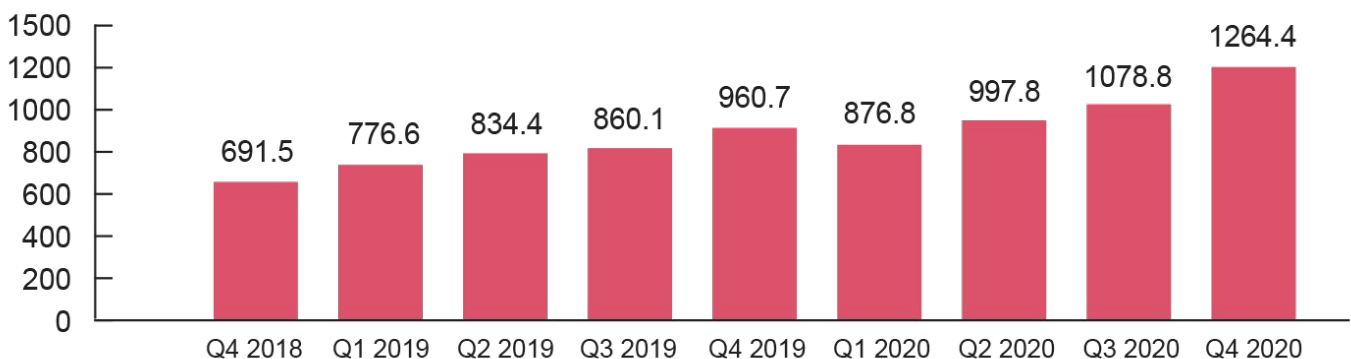
Across other APAC markets, growth in ETFs has continued apace, with locally domiciled ETFs experiencing a CAGR of 26% over the five years to end May 2020, reaching over USD 700bn in AUM at this time²⁶. The majority of this AUM was held in Japan, which benefited from the BoJ expanding its purchases of ETFs by USD 100bn in 2020²⁷ and the ETF markets in China; Taiwan; and South Korea also saw developments.

China's ETF AUM grew to USD 120bn at end May 2020, driven by institutional demand and greater retail investor participation in markets and Taiwan saw ETF AUM reach USD 56bn and has grown by circa 50% over the past five years, driven by millennial investors using digital distribution platforms to invest in ETF products.

Despite this rise, ETFs remain a challenging area for global asset managers and investors to make headway across APAC. Retail investors generally are unable to access overseas listed products which are not authorised by their local regulator and foreign asset managers have found it challenging to gain meaningful market share and interest among local investors. The recent withdrawal from Hong Kong of one of the world's leading ETF providers perhaps demonstrates the challenges faced in this regard.

The attractiveness of ETFs and passive assets appears to be spread across all individual investor segments, from mass-retail to HNWIs and each segment may find something in the passive product segment that they find

Figure 2 AuM of APAC-domiciled index funds(USD bn) Q4 2018 - Q4 2020



Source: Morningstar

24. [Hubbis](#)

25. [SGX](#)

26. [Financial Times](#)

27. Ibid.

appealing. Additionally, ETFs are playing a larger role in structured products, with ETF providers reportedly discussing with private banks on wrapping ETFs inside structured products to provide the clients of private banks with their desired exposure²⁸.

With increased accessibility across all segments of the individual investor group, along with increasing adoption in the portfolios of HNWLs and institutional investor mandates, ETF providers across APAC could be looking forward to greater success in the coming years.

... whilst active strategies grow in importance

Concurrently, active product managers appear to be seizing on the volatility currently present in markets to showcase their credentials and drive allocations towards their product suite. This appears to be mostly driven by institutional investors who, across APAC, are looking to increase their investment allocations to private credit, equities and active investments²⁹.

APAC's institutional investors are appearing to be more aggressive than their global peers in shifting their asset allocations towards active, alternative and equity products. Some well-known institutional investors have made public statements regarding their actions in the markets, announcing their moves in trimming investments to shore-up their balance sheets and investing in sectors they believe will be best-positioned to benefit from the expected recovery, whilst others have been quietly beaver away out of the public spotlight.

Sovereign Wealth Funds (SWFs) in particular have been observed being "ultra-active" during the Great Lockdown, shoring-up the efforts of their governments' rescue packages and allocating resources towards opportunistic investments in anticipation of future rewards in sectors expected to benefit from the eventual recovery³⁰. SWFs in China have been particularly vocal in this regard, actively signaling to the market their actions and where they are looking to make investments in anticipation of the recovery.

Pensions are another institutional investor segment which are poised to increase their alternative allocations. With the low interest rate environment ushered in following the Great Recession and global financial crisis persisting, just as it looked like central and reserve banks would be in a position to start raising rates, with the arrival of the COVID pandemic and Great Lockdown. The subsequent efforts of governments to provide financial aid to individuals and businesses and the efforts of central banks to provide liquidity to markets is likely to see a reemergence of the low-interest rate conditions which persisted for over a decade.

With such an environment likely to remain for several years, perhaps into the 2030's, pensions will likely need to increase their allocations towards alternatives and equity investments, whether actively or passively managed, in order to ensure that they achieve the required returns and remain fit-for-purpose. Some government pension funds in APAC, taking their lead from the example of Japan, began the allocation towards higher-returning alternatives before The Great Lockdown so may continue on their earlier trajectories or look to accelerate them.

In response to this, governments may accelerate reforms in defined-contribution, occupational pension schemes in an attempt to reduce reliance on state-backed pension funds. Reforms could include increasing minimum contribution levels, expanding the range of products such schemes can invest in; potentially opening them up to some form of alternative investment and bringing state power to bear on sectors which are seen to be making supernormal profits.

With societies, as well as economies, going through radical change, now would be the time for forward-looking governments and regulators to make necessary adjustments to state-backed and occupational pension systems to ensure they remain solvent and fit-for-purpose well into the future.

Whilst the full impacts of the Great Lockdown are yet to be seen, it appears that it is acting as a catalyst for several key trends identified for APAC's AWM industry and other trends are accelerating in the prevailing conditions. Whether these developments last the length of the Great Lockdown and whether they reverse once societies and economies begin to reopen, remains to be seen.

The role of institutional investors across APAC, particularly public institutions, may be greater compared to their international peers, as it is noted that APAC public institutional investors, comprising central banks, public pension schemes and SWFs, have the highest level of assets in the world at over USD 15tr, though over half of this was in central banks³¹. Accordingly,



28. [APB](#)

29. [Ignites Asia](#)

30. OMFIF – Global Public Investor 2020

31. Ibid.

APAC could be more reliant on the state to lead the way for institutional investors than other regions.

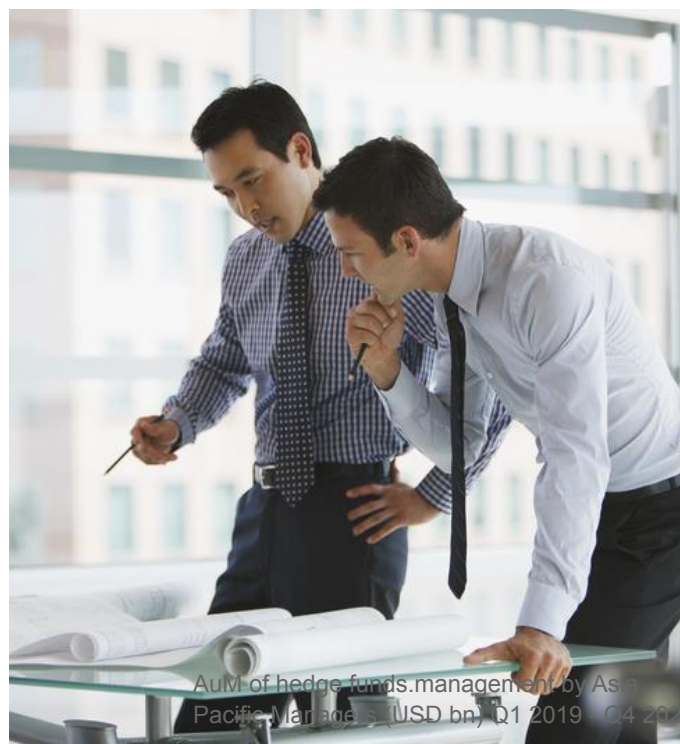
Alongside institutional investors, individual investors across APAC saw opportunities in the market volatility prevalent during the early stages of the pandemic and many saw opportunities in the turbulent markets. Active ESG products appear to be a particularly attractive investment class at the moment as individual investors act on both their desire for returns and to promote environmentally sustainability.

Both individual and institutional investors may increasingly turn to alternative asset managers to deliver returns amid the volatility and the prevailing market conditions.

Eligible investors sought to reallocate their investable assets towards products with higher returns and the alternative landscape was a beneficiary of this. The attraction to alternative products was felt across the investor landscape, with institutional investors, namely large pension funds, HNWI's, mass-affluent investors and even mass-retail investors being targeted by alternative managers.

In China, private funds (the local version of alternative products) grew at their fastest rate since 2015 (coincidentally, the last time there was a bubble and bust in China's equity markets) and by December 2020, nearly 95,000 products were live in China, up from 86,000 in June 2020 and nearly 82,000 from the start of the year.

Despite this bright spot, the overall APAC alternative space has not been spared from the Great Lockdown, with APAC hedge fund AUM declining nearly 20% over 1H20, before bouncing back in the second half of the year. Aggregate fundraising across private equity, venture capital, real estate and private debt funds also



AUM of hedge funds management by Asia Pacific Managers (USD bn) Q1 2019 - Q4 2020

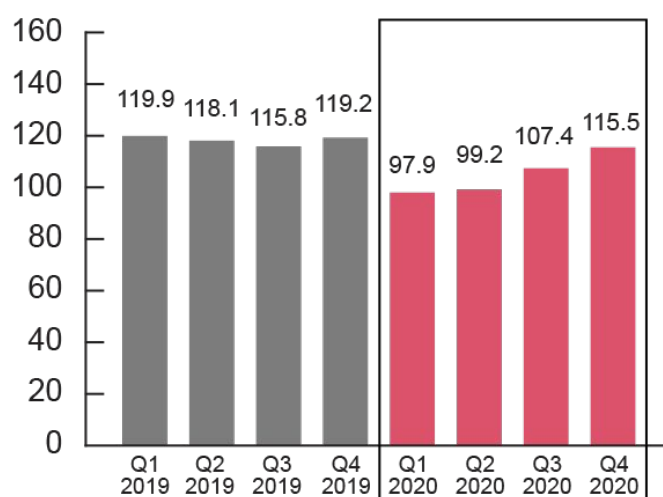
fell over 1Q20 and 2Q20, real estate has continued to decline, possible due to uncertainty around long-term implications the Great Lockdown will have on living and working arrangements in the future, whilst the other categories have generally rebounded to varying degrees.

For those that can afford to buy-in, or those riding out the Great Lockdown in jurisdictions with permissive investing regulations, alternative investments are an increasingly attractive option for individual investors seeking higher returns in face of persistently low interest rates as covered earlier.

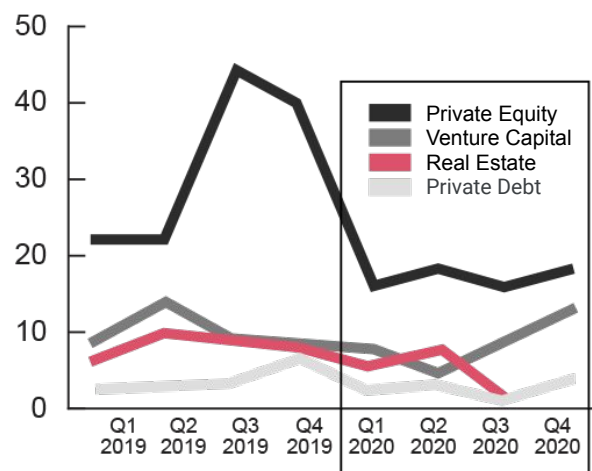
Figure 3

AUM of hedge funds management by Asia Pacific Managers (USD bn) Q1 2019 - Q4 2020

Fundraising by Alternatives managed by Asia Pacific Managers (USD bn) Q1 2019 - Q4 2020



Source: Eurekahedge



Source: Preqin



Changing business practices

Asset managers

Whilst global markets initially bounced-back from the “COVID-Crash” of March 2020, the global AWM industry may not prove so resilient, at least in the short-term, with an estimated decline in global AUM of USD 1.7tr forecast for 2020³².

Notably, this decline will largely be driven by decreases in AUM from Europe and the U.S.A, with Asian investors fueling growth across APAC.

Despite the rosier outlook, local, regional and global asset managers across APAC felt the impact of the Great Lockdown in some way and, as signaled earlier in this digest, may see substantial changes to part or all of their business operations.

Distribution and fund administration, if not already outsourced, are well-suited to incorporate digital developments and firms have done so with success. Success may beget success if asset managers see their competition successfully adapt digital processes into their day-to-day business operations and there may be additional pressure from asset owners as will be outlined later in this digest.

Asset managers may need to undertake a serious assessment of their products on offer in order to capitalise on changing investor sentiment, with the examples of ETFs and actively managed products proving popular at the expense of mutual funds.

Industry consolidation may accelerate as asset managers which suffer from declining AUM or whose

profits are eaten away by costs seek to merge or be acquired by larger asset managers. Were such consolidation to occur en-masse across APAC, the AWM landscape that emerges at the end of the Great Lockdown would be substantially different to the one that entered it.

Asset owners

Asset owners appear to be managing relatively well despite the economic climate and market conditions, with several high-profile institutions making public statements regarding their investment choices during the Great Lockdown as they capitalise on market volatility and position themselves for the future.

A recent survey undertaken by a large, international custodian headquartered in the U.S.A and whose wider group includes an asset management arm known for its passive fund AUM noted that 38% of APAC institutional investors believe they will meet their short-term objectives against 24% globally and 85% believe they will meet their long-term objectives compared to 56% globally. The relatively low impact of the pandemic across APAC countries compared to other areas in the globe is the main reason cited for this.

APAC asset owners also believe that their asset manager counterparts will successfully navigate the current crisis, with 88% expressing this view against 76% globally. Further, only 15% of APAC institutional investors believe that asset managers have underestimated the crisis³³.

The impact of high expectations could result in a self-fulfilling prophecy, with the high expectations of asset owners leading to higher scrutiny and higher standards for asset managers to be held to³⁴.

32. [Institutional Investor](#)

33. [State Street](#)

34. [Ignites Asia](#)

Wealth managers

Wealth managers appear to have had a varied experience during the Great Lockdown, with some local and regional entities tied to larger banks suffering from the impact of additional bad-debt provisions on their overall business profitability, whilst also reporting massive surges in trading revenues as investors stuck at home, many of whom in possession of stimulus cheques, pour into stock markets the world over.

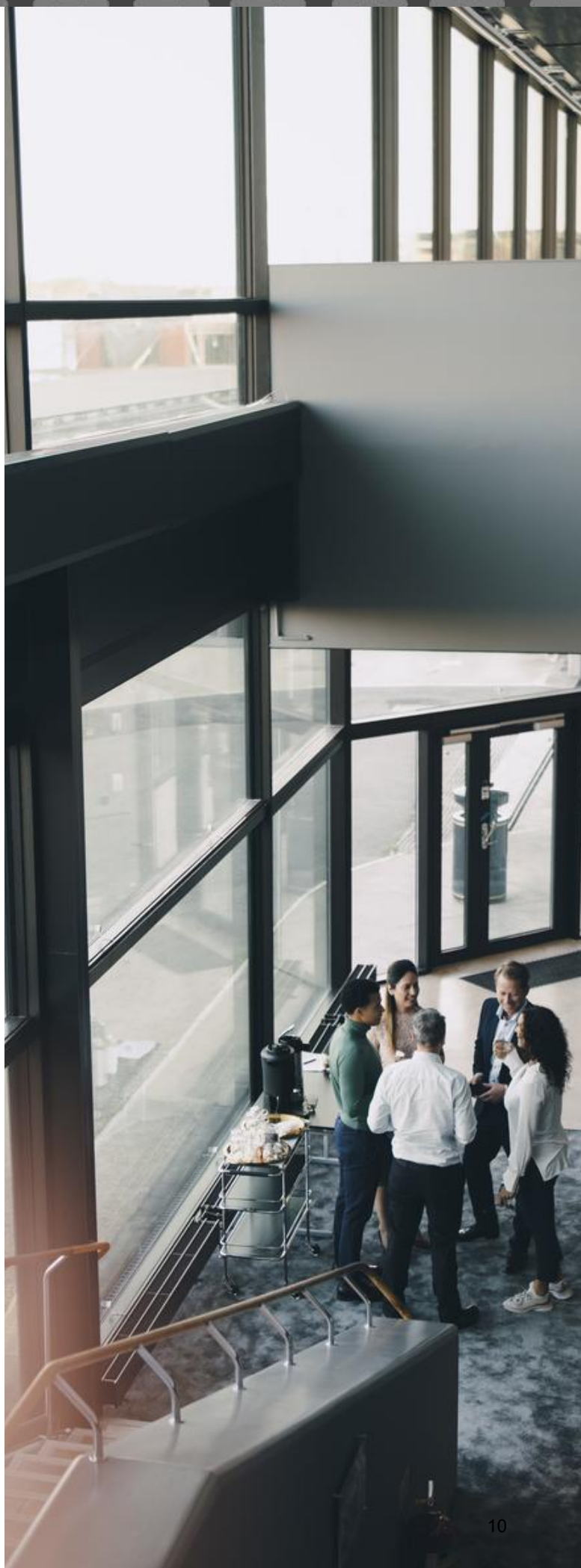
Others, who lack a commercial lending arm, likely benefited from the surge in transactional income as their clients piled into products and markets as their commercial peers did and now find themselves undertaking strategic reviews and making decisions which will likely impact their long-term viability.

Productivity is reportedly a key issue, with higher cost-income ratios compared to other segments of the AWM landscape, as is the presence of a wealth manager across the region, especially for the larger, global players³⁵. Whilst APAC headcounts have been relatively safe from global culls in recent times, a prolonged slump in investor activity in high-margin products may see this change

Further consolidation could also be on the cards, especially if generating revenue becomes increasingly difficult despite continued wealth creation across APAC. With several regional and global wealth managers pulling their operations out of specific APAC markets or the whole region in recent years, industry consolidation has already undergone a serious shift and the Great Lockdown could see this continued.

For the wealth managers who do not consolidate, differentiation and innovation is the name of the game they will need to play to survive and thrive in the Great Lockdown and their digital offerings, similar to other segments of the AWM industry, will be a key part of that, changing interactions between relationship managers and clients, product selection and the range of services offered to investors.

35. [APB](#)



Conclusion

Periods of strife and upheaval, whilst terrible to live through, eventually give way to better times and, with the lessons learned, can usher in great changes for the better. As shown in this digest, the Great Lockdown had, and continues to exert, a significant impact on the AWM industry across APAC, accelerating trends and changing the course of the industry in the region. Whether these changes last or revert in a post-Covid world remains to be seen, but, as many readers may attest, it is hard to put the toothpaste back in the tube.

As the Persian adage quoted at the beginning of this digest reminds us, this too shall pass, and as we emerge from the Great Lockdown and into whatever brave new world lies beyond it, the asset and wealth management industry will be needed at the forefront. Whether by facilitating investment into projects to help economies restart and societies heal, directing resources into the physical and social infrastructure needed by nations, and ensuring that investors of individual and institutional stripes have the tools available to bounce-back financially from the hit many have taken, the AWM industry will be a leading flag-bearer of the recovery, in APAC, and across the globe.

Until that time is upon us, stay safe, and be well.

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