

MAYBANK

Maybank Private Wealth targets Asean family offices

Maybank's presence in several regional Southeast Asia markets, which are witnessing a healthy growth in wealth, will give it an early mover advantage, says Alice Tan.

by **NITHYA SUBRAMANIAN**

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Maybank Private Wealth is planning to leverage its strong regional presence and on-ground expertise in Asean to meet the growing demands of its family office clients.

Speaking to *Citywire Asia*, Alice Tan (main picture), head of private and products & investment solutions, Maybank Singapore, said: 'We have a presence in 10 Asean

countries and strong branch network in Malaysia, Indonesia, the Philippines and Cambodia.’

‘While Singapore family offices have been a key focus, we are seeing increasing flows from family offices in our core regional markets of Malaysia, Indonesia and China,’ she added.

Maybank is well-entrenched in Malaysia, which is its home market. But with an increasing number of Indonesian wealthy families making Singapore their home, the bank has a dedicated team in private wealth to meet the needs of an Indonesian family office client base.

It is also planning to tap into the Chinese segment which has seen a growth in wealth among the young generation. She said that post-Covid, there has been an influx of Chinese family offices to Singapore seeking to establish stronger footprints here not just for their businesses but also young families.

Tan maintained that Maybank’s presence in emerging markets such as the Philippines, Cambodia and Vietnam will stand it in good stead, giving it an early mover advantage. Currently, most of the big private banks have a presence in the more mature markets of Singapore, Hong Kong and China.

‘As we build the client relationships from the onset, the AUMs will be stickier with us throughout their wealth continuum journey. Our revenue sources will be more diversified and less volatile compared with other private banks,’ she added. Applying the group’s universal banking capabilities, it will offer products that are suitable for the present investment climate while also finding alternative revenue streams through dealmaking.

The bank is currently more focused on single family offices compared with multifamily offices, and its network of business contacts across the region enables it to link them to other businesses and create deal-making opportunities for them, she added.

Regional diversity

Family offices from different countries have different areas of focus as well, said Tan. For example, a well-established Indonesian family office would be more focused on seeking professional advisory on tax efficient structures to manage its wealth, whereas a new Chinese family office would be more focused on asset acquisitions or establishing a larger business footprint either regionally or globally.

To meet these varied needs, Maybank Private Wealth works with external providers to customise its services. It also offers a range of deposit and investment products in-



house to manage the wealth of the family offices as well as an array of financing solutions.

Elaborating on the investment requirements of its clients, Tan said that family offices continue to exhibit stronger investment interest in traditional asset classes. Currently they invest 57% in traditional assets, but ‘in the current volatile investment climate, we see an increased interest in alternative asset classes such as real estate, hedge funds, private equity and private debt including some exotic private investments such as wine, art pieces and even watches,’ she added.

Maybank has also been working with other divisions such as asset management and securities division to offer clients a diverse range of services.

Structuring VCCs

Maybank Asset Management is also targeting family offices by helping them set up Variable Capital Companies (VCCs) to park their assets.

With the introduction of this corporate investment structure in 2020, many family offices moved to Singapore as it enables investors to either subscribe or redeem investments easily, while maintaining privacy.



Robin Yeoh (pictured above), regional chief investment officer, Maybank Asset Management said that the firm is looking to cater to this niche segment, one in which larger banks that are looking for bigger AUMs may not be interested in entering.

He said that initially the bank's security and prime broking arms had started targeting family offices a few years ago. However, once Singapore allowed the setting up of VCCs, the asset management arm also saw an opportunity there.

'The normal asset management market is extremely competitive, and we realized that there is an opportunity to expand in this niche segment,' said Yeoh. The firm is already in talks for setting up a few VCCs and hopes to complete the process soon. 'The VCC process tends to be long, as the requirements of each family office is unique,' he said.

He also added that the asset manager is in talks with private banks so that a few high-net-worth investors could be brought together and VCC services could be provided.

'The VCC structure is very flexible, but family offices prefer long-term investments. However, real estate is viewed quite favourably,' said Yeoh.

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