press release

Standard Chartered survey finds affluent Singaporeans, while bullish on Asia, also see increased potential in other regions like the Middle East, Africa and Latin America in the longer term

Affluent Singaporeans surveyed:

- Are less active traders; believe in buying low and holding investments;
- Put most energy towards their family; and
- Value education/ advisory on wealth management from financial partners the most

20 March 2012, Singapore: The FuturePriority Report 2012 is a study by Standard Chartered Bank and Scorpio Partnership which captures sentiments of over 2,700 affluent individuals across nine markets in Asia, including 300 individuals from Singapore with an average annual income of USD 126,000. The survey found that the affluent Singaporeans’ wealth confidence has dipped due to an uncertain economic landscape. While they remain more bullish on Asia, they see increased potential in other regions like the Middle East and Africa (MEA) and North and Latin America in the longer term, making them adopt a more international perspective. They also prefer taking a diversified and long term approach to investments.

Foo Mee Har, Global Head of Priority and International Banking, Standard Chartered Bank, said:

“Our consumer strategy is anchored on being client-focused. Now into its second year, the FuturePriority Report supports our strategy of having a deep understanding of our clients, and to be at the forefront of addressing their needs. Singapore is a key market for Standard Chartered Priority Banking globally and we continue to invest in this market. Over the past two consecutive years, we have seen double-digit growth in Priority Banking balances in Singapore and we expect this trend to continue.”
Increasingly sophisticated and international

The study reveals that while Asia is top of mind for both the short and long term, the affluent are also not discounting opportunities beyond their doorstep. While they are bullish on Asia, about a third of Asian respondents view Europe and North America as offering good wealth creation prospects in the next 12 months. These numbers rise substantially over a five year horizon, particularly for Middle East and Africa and Latin America, showing that the Asian affluent investor takes a balanced, sophisticated and global view to wealth creation.

% of Asian affluent that see wealth creation opportunities in regions

![Graph showing wealth creation opportunities by region over next 5 years and 12 months.]

The affluent Singaporean expects prospects to improve globally over the next five years, particularly for North and Latin America¹:

- Asia – 75% (versus 68% over the next 12 months)
- Singapore – 53% (versus 45% over the next 12 months)
- North America – 28% (versus 17% over the next 12 months)
- Europe – 21% (versus 16% over the next 12 months)
- Latin America – 29% (versus 19% over the next 12 months)
- Middle East and Africa – 30% (versus 19% over the next 12 months)

¹ Sentiment measured on a -3 to +3 scale and the average normalised on a scale of -100% to +100%
Wealth creation - two sides of the coin

The strong majority of Singapore’s affluent (70%) remain confident in growing their wealth in the next 12 months, although the confidence level is lower than the year before (76%).
The Asian affluent shows a preference for tangible investment options, stating gold (44%), high interest savings (43%), and real estate (34%) as their top choices in the next 12 months. Singaporeans are less bullish on gold than their Asian counterparts, opting for high interest savings and shares.

When asked about their investment strategy, affluent Singaporeans said:

- I like simple and safe banking and investment products: 37% (versus 45% for Asia)
- I believe in buying low and holding investments: 32% (versus 22% for Asia)
- I am most comfortable with mainstream investment options: 18% (versus 19% for Asia)
- More complex investment products can help you to get control of some of the risks associated with investing: 12% (versus 14% for Asia)
Modestly confident and ambitious

When asked about their specific money goals, affluent Singaporeans are less aggressive in their goals than some of their Asian counterparts.

Affluent Singaporeans surveyed aim to increase their wealth\(^2\) to an average of USD 3.6 million from a current average wealth of USD 1.2 million. They believe they will achieve their wealth goal over an average of 10.9 years, which means they need 10% annual return on their wealth, compared to 12% on average for Asian affluent.

The average Asian affluent is seen as more aggressive, aiming to grow his/her wealth by 12% per annum over the next 10 years to USD 4 million, on average. South Korea has the highest money goal (USD 6 million), followed by India (USD 4.8 million) and China (USD 4.5 million).

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\(^2\) Includes savings, investments and any other significant assets and excludes primary residence
**Family – the centre of energy**

The average Asian and Singaporean affluent put in most energy to their family life, finances and career. However health ranks higher to Singaporeans and progress towards goals ranks lower, compared to their Asian counterparts.

### Asian affluent

<table>
<thead>
<tr>
<th>Category</th>
<th>Very high (9-10)</th>
<th>High (7-8)</th>
<th>Moderate (5-6)</th>
<th>Low (3-4)</th>
<th>Very low (1-2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family life</td>
<td>37%</td>
<td>33%</td>
<td>18%</td>
<td>9%</td>
<td>3%</td>
</tr>
<tr>
<td>Finance / money</td>
<td>26%</td>
<td>30%</td>
<td>22%</td>
<td>10%</td>
<td>14%</td>
</tr>
<tr>
<td>Career</td>
<td>27%</td>
<td>37%</td>
<td>22%</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>Progress towards goals</td>
<td>22%</td>
<td>38%</td>
<td>25%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td>Health</td>
<td>25%</td>
<td>31%</td>
<td>25%</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Personal growth and development</td>
<td>21%</td>
<td>30%</td>
<td>27%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td>Friendships</td>
<td>19%</td>
<td>33%</td>
<td>28%</td>
<td>13%</td>
<td>7%</td>
</tr>
<tr>
<td>Romantic relationships</td>
<td>23%</td>
<td>28%</td>
<td>23%</td>
<td>14%</td>
<td>11%</td>
</tr>
<tr>
<td>Personal power / status</td>
<td>18%</td>
<td>34%</td>
<td>28%</td>
<td>13%</td>
<td>7%</td>
</tr>
<tr>
<td>Fun and recreation</td>
<td>16%</td>
<td>33%</td>
<td>28%</td>
<td>15%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Asians put in most energy to (in descending order):

- **Family life** – 70% put in high to very high energy
- **Finances** – 65% put in high to very high energy
- **Career** – 64% put in high to very high energy
- **Progress towards goals** – 60% put in high to very high energy
- **Health** – 58% put in high to very high energy
Singaporeans put in most energy to (in descending order):

- Family life – 69% put in high to very high energy
- Finances – 61% put in high to very high energy
- Career – 60% put in high to very high energy
- Health – 56% put in high to very high energy
- Progress towards goals – 50% put in high to very high energy
Service and advice – the hallmarks of a great customer experience

Across Asia, almost 90% of individuals surveyed expected their financial services provider to deliver education on managing wealth and investments more effectively. When it comes to factors influencing choice of bank, both Singaporeans and their Asian counterparts list the ability to meet a wide range of needs as the most important factor. This indicates that today’s affluent is multi-faceted and increasingly sophisticated in their wealth expectations. Three themes have also been identified as being relevant for the future – education, the use of the Internet and advice.

Services that Singaporean affluent expect from their financial provider

Similarly, the affluent Singaporean puts financial education and advice highest on their list of services they expect from their financial provider:

- Education about managing wealth – 86%
- Education about investments – 85%

Singaporean affluent also rank the following as most important when choosing their bank:

- Ability to meet a wide range of needs – 44%
- Quality of frontline staff – 32%
- Innovative products – 24%
- Competitive charges – 24%
- Transparent pricing structure – 22%
In five years’ time, affluent Singaporeans expect to be doing the following more when it comes to managing their investments:

- Using the Internet to make investment choices (49% expect to be doing this more)
- Buying investment products from a wider range of providers (38% expect to be doing this more)
- Taking financial advice before making investment choices (36% expect to be doing this more)

Mee Har added:

“Customers, not banks, are driving the agenda in Asia. The Asian Affluent are clearly wealthier and more sophisticated than before. They have distinctive and more complex needs and hence cannot be treated with a ‘one size fits all’ approach. Therefore, to succeed in this important client segment, banks need to focus more on their service and quality of their advisory processes, rather on the products they sell. Assuming the role of a trusted advisor also means really listening to what the client is asking for, and treating them in a holistic manner to include their families, their business and their global ambitions.”
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Note to Editors:

Standard Chartered in Singapore is part of an international banking group with an extensive network of over 1,700 branches and outlets in more than 70 countries in the Asia Pacific Region, South Asia, the Middle East, Africa, the United Kingdom and the Americas.

It is committed to building a sustainable business over the long term and is trusted worldwide for upholding high standards of corporate governance, social responsibility, environmental protection and employee diversity. The Bank’s heritage and values are expressed in its brand promise, ‘Here for good’.

Standard Chartered has a history of more than 150 years in Singapore, opening its first branch here in 1859 and in October 1999 was among the first international banks to receive a Qualifying Full Bank (QFB) licence, an endorsement of the Group’s long-standing commitment to its businesses in the country.

It serves both Consumer and Wholesale Banking customers. Consumer Banking provides credit cards, personal loans, mortgages, deposit taking and wealth management services to individuals and small to medium sized enterprises. Wholesale Banking provides corporate and institutional clients with services in trade finance, cash management, lending, securities services, foreign exchange, debt capital markets and corporate finance.

The Bank employs over 7,000 people in Singapore and has a network of 20 branches, 6 Priority Banking centres and 30 ATMs. Standard Chartered is the only international bank to offer NETS service, giving its customers access to EFTPOS at over 17,000 outlets islandwide. The Bank’s global businesses – Consumer and Wholesale Banking - are managed out of Singapore, as is its global Technology and Operations function.

About Scorpio Partnership

An insight-led global strategy research and consulting firm
- Partner-owned and completely independent
- 12+ years experience in international wealth management business insight and strategy
- 14 in-house consultants and analysts plus six external practice area experts

Specialists in international wealth management
- 300+ projects completed for global wealth management businesses, suppliers, UHNWs and regulators
- 7,500+ face-to-face interview engagements with HNW, UHNW and billionaire consumers of wealth services

Ends
• 5,000+ online interview engagements with HNW, UHNW and billionaire consumers of wealth services
• 14,000+ interview engagements with professional management, staff and intermediaries for assignments

Clients
• Top-quartile international private banks, wealth managers, trust companies and family offices (single and multi)
• Service and technology suppliers to the international wealth management industry as well as government regulators
• Investment banks, private equity houses, alternative investment firms and global asset managers

Expertise
• Project activities have encompassed over 35 countries in the world
• Subject area expertise spans all elements of the wealth management value chain

Accolades include
• Leading consultancy to the global wealth industry 2006-08 (Wealth Briefing)
• Top 10 advisor to family offices and UHNWs 2009 (Spears)
• Shortlisted for 2010 & 2011 Agency of the Year (Financial Services Forum)
• Shortlisted for Global Insight Leader 2011 (Financial Services Forum)