



PRESS RELEASE

Business confidence remains high on the back of ASEAN's bright future

Special industry report shows 93 per cent of business leaders are upbeat about growth in ASEAN, and 81 per cent will increase investments in the region.

24 November 2022 – Standard Chartered today launched its [“Winning in ASEAN”](#) report, showcasing business sentiments, opportunities, and strategies corporates can undertake to navigate the global shifts and drive growth in the region. The findings underscore the impetus for greater effective public-private partnership (PPP), to accelerate recovery and resilience in ASEAN and beyond.

The growth potential of ASEAN is undisputed

In 2021, ASEAN was the third highest recipient of Foreign Direct Investment (FDI) globally, with inflows of USD 174 billion, returning to pre-pandemic levels. Some 50 per cent of ASEAN's FDI inflow originate from the US, EU-27, and China. Intra-ASEAN FDI contributed about 12 per cent of the region's FDI inflow in 2021.

Trade agreements, such as the Regional Comprehensive Economic Partnership (RCEP), are expected to further accelerate growth. With RCEP in place, 81 per cent of business leaders surveyed plan to increase investments in ASEAN over the next three to five years. Overall, 93 per cent of them expect positive revenue growth from their ASEAN businesses.

For instance, many business leaders are optimistic about Thailand's overall growth potential, with 58 per cent of respondents currently having or planning to have a sales presence locally over the next three years.

Benjamin Hung, Chief Executive Officer (CEO), Asia, Standard Chartered, said,

“ASEAN is an oasis of growth, with its GDP forecasted to grow about 4 per cent annually to USD 4.5 trillion by 2030. Amidst global complexities, we see structural trends presenting significant opportunities in ASEAN, where there is growing inter-connectivity in trade and capital flows, strong digital adoption, and an acceleration of green transition. Corporates need to act decisively to capture what ASEAN has to offer today. As a leading international bank in the region, Standard Chartered is committed to supporting our clients in capturing these exciting opportunities.”

Plakorn Wanglee, CEO, Thailand, Standard Chartered, said,

“Thailand has proved to be resilient through challenges and remains amongst the top investment destinations for the business community. The country is well-positioned in all four

key sectors highlighted in the study, with 36 per cent of respondents having existing operations in Thailand and 22 per cent of respondents planning to build a sales presence here in the next 2-3 years, which will pave the way for Thailand’s role as a gateway to ASEAN."

Six strategic areas to THRIVE in ASEAN

| Refer to page 21 of the [report](#) for details

Business leaders understand the need to prioritise investments, as they capture opportunities quickly and ensure sustainable growth. The report showcases a ‘THRIVE’ framework, representing the six growth pillars that corporates are pursuing to advance in ASEAN:

| | | |
|---|----------------|--|
| T | TALENT | Nurture the workforce of the future |
| H | HI-TECH | Accelerate digital transformation |
| R | REGULATORY | Navigate policy shifts and governance issues |
| I | INFRASTRUCTURE | Develop solutions to bridge infrastructure gaps innovatively |
| V | VALUE CHAIN | Collaborate to unlock potential across the ecosystem |
| E | ENVIRONMENT | Expand net zero efforts |

To overcome the aftermath of the pandemic, resulting shifts from rising geopolitical tensions, and the intensified competition for talent, the findings highlight the top two focus areas, where each sector is prioritising their investments in the next three years.

Top two growth pillars for each sector:

| | |
|------------------------------------|--------------------------------|
| 1. Construction and Infrastructure | Value Chain; Talent |
| 2. Consumer Products | Value Chain; Infrastructure |
| 3. Pharmaceutical and Healthcare | Value Chain; Regulatory shifts |
| 4. Digital and eCommerce | Talent; Hi-Tech |

Business leaders will also progressively step up on its net-zero commitment to drive long-term growth. Some 52 per cent of those surveyed plan to invest in sustainability initiatives within the next three years.

Greater public-private partnership to accelerate growth

| Refer to page 87 of the [report](#) for details

Capturing ASEAN’s full potential requires active collaboration between the private and public sectors to both bring synergies and break barriers.

The findings showed that the top three areas where collaboration needs to be strengthened in the next two to three years to advance progress are:

- 1) **65 per cent** said to enter more new partnerships to unlock the potential across the value chain;
- 2) **60 per cent** urged more can be done to upskill and nurture to future-proof the workforce;
- 3) **55 per cent** would like the PPP to look at developing infrastructure solutions more proactively to overcome systemic barriers.

When looking for a banking partner, business leaders consider the following key capabilities:

- Digitalised platforms for foreign exchange (FX) and transaction banking – to provide speed to market with real-time access
- Comprehensive Multi-Currency settlement services for their FX hedging needs across their footprint markets
- Strong cash management capabilities to manage their cashflow and liquidity well
- Widespread cross-border network with deep understanding of local markets.

Heidi Toribio, Regional Co-Head, Client Coverage, Asia, Corporate, Commercial and Institutional Banking, Standard Chartered said,

“Regional and international companies are increasingly realigning their business models and embedding sustainability to future-proof their operations. At Standard Chartered, we are committed to work with our clients to re-visit their investment strategies and achieve their growth ambitions. As the only international bank with a full presence in ASEAN, our diverse network, in-depth local knowledge, and comprehensive suite of capabilities set us apart as the ideal banking partner.”

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About [Winning in ASEAN](#) report

Commissioned by Standard Chartered and prepared by PwC Singapore, the 2022 report provides a view on the major shifts and disruptions impacting businesses as well as key winning strategies undertaken by corporates to drive growth in the region. The report is built on the insights from 500 senior industry leaders globally, across four of the highest growth sectors – 1) Construction and Infrastructure; 2) Consumer Products; 3) Pharmaceuticals and Healthcare; and 4) Digital and e-Commerce – with Compound Annual Growth Rates (CAGRs) projected to outpace the overall industry average over the next few years.

About Standard Chartered

We are a leading international banking group, with a presence in 59 of the world’s most dynamic markets and serving clients in a further 83. We are the only international bank with a full presence in all 10 ASEAN markets. Our purpose is to drive commerce and prosperity through our unique diversity, and our heritage and values are expressed in our brand promise, here for good.

Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges.

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