

Welcome Remarks by Ms Ong Puay See
CEO of IBF at the Private Wealth Management Conference
Successful Strategies for Asia and Beyond
29 - 30 September 2010
Raffles City Convention Centre
Singapore

Good morning, distinguished guests, ladies and gentlemen.

1. A warm welcome to the second day of the Private Wealth Management Conference 2010, presented by the Institute of Banking and Finance, CFA Institute, CFA Singapore, and the Wealth Management Institute. We are pleased to have received such strong support from the industry for this event and I hope you have found the discussions yesterday meaningful in identifying new opportunities for yourselves.
2. The financial sector has seen significant stress and challenges in the past year. However, compared to other parts of the world, Asia continues to offer much growth potential. Mr Ng Kok Song shared yesterday GIC's views of how Asia will command a bigger share of world GDP, and how we are already seeing stronger returns from emerging market economies versus developed markets. Many have also spoken of how we are witnessing for the first time, an Asian-led global recovery, with most Asian economies having exited recession ahead of the US and European economies. Amidst this new economic paradigm, Asia will clearly emerge to be a more important and influential source of wealth creation. These are new opportunities that wealth managers can take advantage of.
3. The crisis has also precipitated a fundamental reassessment of the role that the financial industry plays. The crisis had been an important wake-up call for how the financial industry has veered from its primary role as intermediary of wealth.

The years prior to the crisis saw unsustainable and excessive growth of the financial system and the persistence of large economic imbalances. There had clearly been excessive leverage and risk-taking, and financial innovation became unfettered and delinked from real-economy needs. It is therefore critical in the post-crisis environment of today, that we endeavour to get the nexus between the financial system and the real economy right. Financial institutions need to go back to its fundamental role of channeling resources to building the economy, nurturing new capabilities and growing products and services which support the needs of companies and industries.

4. Specifically in the wealth management industry, the crisis also showed up the shortcomings of some who were in a fiduciary role. Cases of mis-selling surfacing, after the froth of an over-abundant boom market had died down, led to clients questioning the competence and independence of their financial advisers. It emphasized the need for financial institutions to shore up trust once again, and ensure the highest standards of conduct when dealing with clients.
5. At the Institute of Banking and Finance, the crisis presented an opportunity for us to re-focus attention on such fundamentals. Since 2006, IBF has put in place the Financial Industry Competency Standards or FICS, a comprehensive quality assurance framework for financial sector professionals and training providers. Covering 11 different industry segments, including Wealth Management, FICS provides a comprehensive framework to enhance the skills of practitioners, and offers a structured, practice-oriented system of training and assessing the competencies of financial industry professionals.
6. Endorsed by both MAS and the industry, the FICS framework provides a strategic roadmap for individuals to achieve their highest levels of professional competencies – by providing direction on the minimum competencies required to perform different job roles. An FICS-certified professional is one who has demonstrated mastery of industry-established knowledge, skills and ethical

standards to undertake the roles and responsibilities of the specific job that he/she is certified in.

7. To-date, IBF has trained over 1,000 practitioners and assessed over 500 professionals under the Wealth Management industry segment. To give further emphasis on the importance of competency-building, IBF is in discussions with MAS and the industry, on how we can put in place common examinations that will test the competencies of financial sector professionals before they are put into an advisory role. We welcome your views on how IBF can serve as an institute to better upgrade the level of competency in the wealth management industry.
8. Let me close by saying that IBF is pleased to have been a key partner to this conference. Today, our distinguished list of speakers will continue to share expert insights and perspectives on industry issues affecting the ability of wealth managers to understand and meet the needs of their global clients. I wish you a productive day ahead.

Thank you.