

8 September 2021

## **The pandemic is an opportunity for ASEAN to see wealth through a wider lens, HSBC**

After 20 years of continued growth, the pandemic is pushing Southeast Asia's wealth to an inflection point, and the financial services industry needs to keep pace with the change, according to comments from HSBC today.

Over the past two decades, Asia has almost tripled its share of global wealth, from 9 per cent in 2000 to a quarter today. And within five years, ASEAN will also have 120 million middle-income households, roughly double its number in 2010.

However, significant structural and cyclical shifts in society – accelerated by the COVID-19 pandemic – are changing how wealth is understood, preserved, and passed on to future generations.

### **HSBC is observing three emerging wealth trends for Malaysia**

- 1) Whilst data suggests that Asia's wealth has remained fairly resilient<sup>1</sup>, economic down-cycles are impacting employment and income security. HSBC is also seeing gaps in customers intergenerational wealth transfer plans with customers dipping into current savings which will inevitably impact what they pass on.
- 2) Digital banking is expected to grow by more than 20% annually through 2025; however, there remains risks that individuals, who lack the necessary financial or digital literacy, are at risk of falling behind. Malaysian consumers need to be equipped with a higher level of digital literacy to improve access to wealth literacy and wealth creation solutions that will be fundamental to the growth of their personal wealth. As more processes become automated and financial institutions are using financial technology to deliver financial services to consumers and businesses through digital devices, people need to have a digital-first, growth mind-set to thrive and grow their personal wealth.
- 3) HSBC is observing the increasing interconnectedness and interplay between financial, physical and mental well-being. A 2021 HSBC survey of over 10,000 participants found that 75% of respondents felt their mental health and financial position are connected.

**Renee Bullock-Cann, Head of Wealth & Personal Banking HSBC Malaysia** said: "The pandemic is prompting a re-think of many aspects of society including the way wealth is accumulated, preserved and passed on. In particular, we're seeing challenges around wealth transfer, sections of society who need to increase their digital literacy, and wealth being part of a wider approach to wellness, than a means to itself.

When taking all of these structural and cyclical transitions together, it really suggests that Southeast Asia's wealth is at an inflection point and requires a different approach to how wealth is viewed and supported. Financial institutions need to move at pace with these emerging trends and, I believe, the best way we can help our customers build a more prosperous and sustainable future, in the wake of COVID-19, is to share our understanding of these trends and support our customers through their various lifecycles."

At HSBC, we continue to integrate wealth management solutions and wealth insights on mobile banking to give our customers a more convenient and robust banking experience. Other than managing their accounts online, customers can access and invest in unit trusts at their

---

<sup>1</sup> HSBC data: As of end of March 2021, wealth revenues in Asia surged by 57% year on year to USD1.5 billion

fingertips via EZinvest – a unit trust investment platform available on our Mobile app. HSBC digital roll-out plans also includes a wealth dashboard on mobile, investment account opening service, eKYC, local and international open payments, card servicing capabilities and loyalty programmes.

To also meet our customers protection, health, savings, investment and legacy planning needs, HSBC has a comprehensive suite of insurance products and services that are available through face-to-face, remote and digital channels. With these plans, customers can opt for a range of solutions that best meet their needs and to provide an ultimate peace of mind.

*ends/more*

**Media enquiries to:**

Mae Leong                      + 603 2075 7441                      [mae.leong@hsbc.com.my](mailto:mae.leong@hsbc.com.my)

**Note to editors:**

**About HSBC Malaysia**

HSBC's presence in Malaysia dates back to 1884 when the Hongkong and Shanghai Banking Corporation Limited established its first office in the country on the island of Penang, with the permission to issue currency notes. HSBC Bank Malaysia Berhad was locally incorporated in 1984 and is a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited, founding member of the HSBC Group. In 2007, HSBC Bank Malaysia was the first foreign bank to be awarded an Islamic banking subsidiary licence in Malaysia, namely HSBC Amanah Malaysia Berhad. HSBC Malaysia offers a comprehensive range of banking and financial services including Islamic financial solutions. HSBC Malaysia has also led innovation in Malaysia by introducing Malaysia's first ATM and Electronic Touch Banking in the early 1980s. Today, HSBC Malaysia has launched innovative solutions such as HSBCnet for secure banking for businesses, Trade Transaction Tracker and Facial Recognition on supported mobile phones.

**The Hongkong and Shanghai Banking Corporation Limited**

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of \$2,959bn at 31 March 2021, HSBC is one of the world's largest banking and financial services organisations.

*ends/all*