2020 SINGAPORE
ASSET MANAGEMENT SURVEY

SINGAPORE – A PROGRESSIVE AND VIBRANT ASSET MANAGEMENT CENTRE IN ASIA PACIFIC

MAS Monetary Authority of Singapore

Contents

Foreword

The global asset management industry crossed the US$100 trillion mark in 2020, with assets under management ("AUM") growing by 11% year-on-year to US$103 trillion[1]. While the pandemic weighed heavily on global market valuations and sentiments in the first quarter of 2020[2], valuations recovered strongly in the later part of 2020. The 11% AUM growth in 2020 did not fall far from 2019's strong growth of 15%[3], and was driven by net inflows from retail and institutional investors, with strong market performance in the second half of 2020.

In line with this global backdrop, 2020 was a bustling year for Singapore's asset management industry. Despite the COVID-19 pandemic, asset managers have adjusted to remote working, with minimal disruption to fundraising, new product development, and operational expansion plans through this crisis. Singapore's AUM grew by 17% in 2020 to reach S$4.7 trillion (US$3.5 trillion). Managers across the traditional and alternative sectors, as well as leading global public owners, continued to anchor their investment teams in Singapore to tap the region's growth opportunities and to domicile their investment funds in Singapore using the new Variable Capital Company ("VCC") framework.

Singapore's 2020 AUM growth was driven by both net inflows of funds[4] and valuation gains. While the traditional sector saw a sustained growth of 15% in 2020,

[1] Source: BCG Global Asset Management 2021, "The $100 Trillion Machine" (Jul 2021).
[2] Source: Pensions & Investments, "Most publicly traded managers see AUM growth in third quarter".
[3] Source: BCG Global Asset Management 2020, "Protect, Adapt, and Innovate" (May 2020).
[4] Net inflow of funds is equal to incoming funds less outgoing funds.

the alternatives sector was a key driver of AUM growth at 31% year-on-year to reach S$947 billion. Private equity (“PE”) and venture capital (“VC”) AUM increased by 54% to S$391 billion, compared to 16% growth in 2019, as investors continued to increase exposure to these asset classes in their search for yield. Given Asia’s growing economies and advances in technological capabilities, investors are likely to continue focusing on PE and VC solutions to capitalise on the growing opportunities in the region.

Singapore continues to serve as the Global-Asia Pacific gateway for asset managers and investors. 78% of AUM was sourced from outside Singapore, and 68% of AUM was invested in Asia Pacific in 2020. This underlines Singapore’s primary role in serving and intermediating international investors and capital flows. Net inflows from clients in Asia Pacific increased by 15% in 2020, after growing by 21% in 2019. In turn, funds invested into the Asia Pacific region saw growth of 16% in 2020, following a 24% growth in 2019. Southeast Asian countries remained key investment destinations, making up 33% of investments into Asia Pacific.

Looking ahead, managers are investing in growth areas such as sustainable investments and private markets solutions such as in PE and VC funds, while positioning themselves to reap the benefits of technology and innovation as they transform their business for the future.

Green and sustainable finance continues to be a priority for Singapore. MAS is building a vibrant financial ecosystem to support Asia's transition to a low-carbon future, which includes building knowledge and capabilities in sustainable finance. A growing number of financial institutions ("FIs") and service providers have set up sustainability hubs in Singapore to accelerate their sustainable finance agenda in Asia-Pacific. Among asset managers, abrdn, BNP Paribas Asset Management, NNIP, Nordea Asset Management, Robeco and Schroders have set up sustainability hubs in Singapore, or announced their intention to do so. These managers will develop their green finance research capabilities, launch new sustainable strategies or anchor green FinTech solutions in Singapore. Others such as BlackRock, Fidelity International and Fullerton have global or Asia Pacific regional environment, social and governance ("ESG") heads in Singapore to drive their sustainable investing strategies and stewardship activities. Moody's Corporation is also building a comprehensive suite of ESG capabilities in Singapore, including its ESG Innovation Lab and Technology Accelerator to partner local FinTechs to develop ESG analytics and assessment tools.

To support the development of sustainability-related knowledge and skills, MAS has supported the establishment of centres of excellence for training and research on green finance with an Asia focus, including the Singapore Green Finance Centre, a partnership between Singapore Management University and Imperial

College Business School, and the National University of Singapore's Sustainable and Green Finance Institute. Asset management industry associations, including the Investment Management Association of Singapore ("IMAS") and the Singapore Venture Capital & Private Equity Association ("SVCA"), have also launched courses in sustainable finance for asset management professionals.

Asset managers are also continually upskilling and reskilling their staff, to ensure they are well-equipped to meet the demands of the ever-evolving asset management landscape and understand rising trends in key areas such as sustainability and alternative assets. The Wealth Management Institute ("WMI") has worked with senior industry leaders from leading FIs to develop an Asset Management Accelerator Programme ("AMAP") that supports building the talent pool for the industry and in particular, nurturing a strong Singapore core. Moving forward, WMI will launch an AMAP Advanced programme to serve existing asset management professionals, so that they can continue to deepen their expertise. The AMAP Advanced programme will cover the investment principles and approaches of a range of distinguished global investors, and encourage participants to develop their own successful models of investing and support innovation in the industry.

Looking ahead, MAS will continue to support Singapore-based asset managers and ensure they have access to a high quality workforce, are able to upskill their employees and venture into new business streams, and enhance their operational resilience to minimise business disruptions in a Covid-19-endemic world. This will ensure that the industry is well-positioned to capitalise on new opportunities as the economy recovers and adjusts to the new norm.

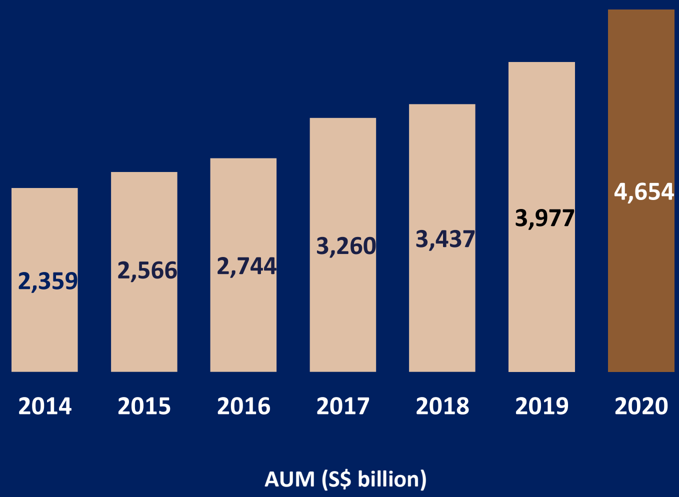
2020 Key Highlights

S$4.7 trillion
ASSETS UNDER MANAGEMENT

17% TOTAL

15% TRADITIONAL

31% ALTERNATIVE



962
REGISTERED & LICENSED FUND MANAGERS

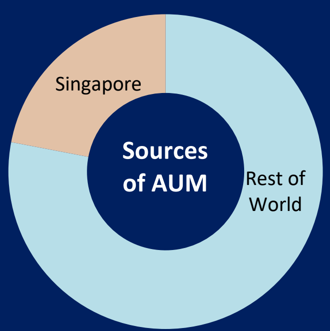
67

ALTERNATIVE ASSETS UNDER MANAGEMENT (S$ billion)

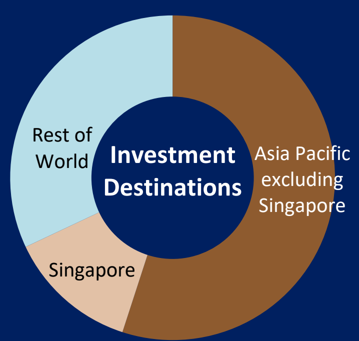
Private Equity	375	54%
Hedge Fund	197	1%
Real Estate Investment Trust	138	9%
Real Estate	221	56%
Venture Capital	16	49%

SERVING GLOBAL INVESTORS

ASIA PACIFIC ASSET MANAGEMENT CENTRE



78%
OF FUNDS SOURCED OUTSIDE SINGAPORE



68%
OF FUNDS INVESTED IN ASIA PACIFIC, WHILE 13% INVESTED IN SINGAPORE

About the Survey

The Monetary Authority of Singapore conducted its annual survey of the Singapore asset management industry, for the year ending 31 December 2020.

FIs surveyed include Banks, Finance and Treasury Centres, Capital Markets Services licensees (including REIT managers), Financial Advisers, Insurance Companies, Operational Headquarters and Exempt Entities, but excludes direct investments by government-related entities. 1,048 respondents participated in the survey. The methodology adjusts for double counting among reporting entities that may have reported the same AUM mandates (e.g. a fund of funds manager investing with a Singapore-based asset manager).

Survey Findings

Assets Under Management

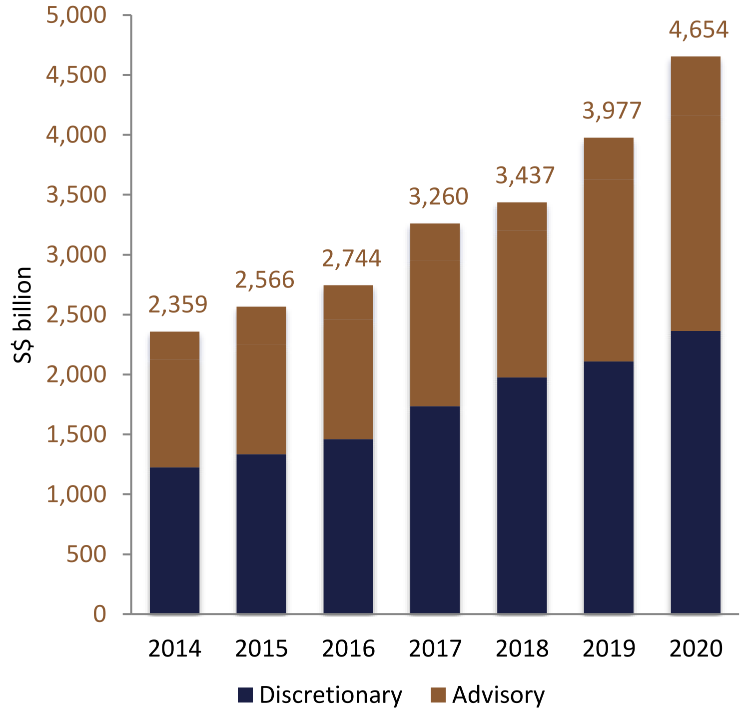
At the end of 2020, total assets managed by Singapore-based asset managers grew 17% to reach S$4.7 trillion, up from S$4.0 trillion in 2019. Over the last five years, the industry's AUM expanded at a 13% compound annual growth rate ("CAGR").

S$4.7 trillion
AUM

In 2020, there was a net increase of 67 registered and licensed asset managers. This brings the total number of registered and licensed asset managers to 962. Singapore continues to maintain a high level of discretionary AUM[5], which made up more than half of total AUM at 51% in

▲17%
2020 AUM growth

Chart 1: Assets Under Management



▲13%
5-year AUM CAGR

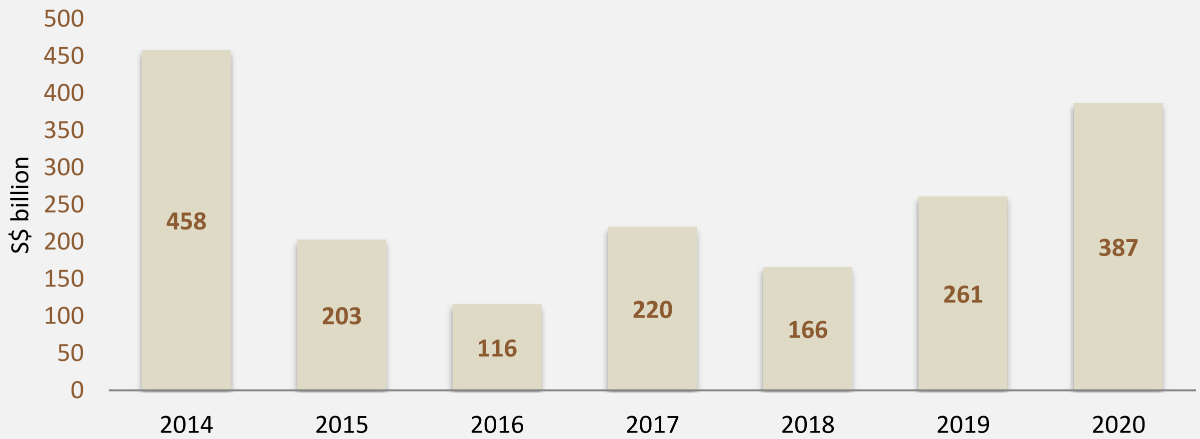
[5] Discretionary AUM refers to funds managed in-house by the Singapore Office where the Singapore Office has substantial input in the investment management process, and where it has the authority to make investment decisions.

2020. The continuing growth in managers and the high level of discretionary AUM reaffirm Singapore's attractiveness to new entrants and existing players, and Singapore's role as a conducive venue to conduct portfolio management activities.

AUM growth supported by net fund inflows and valuation gains

In 2020, the Singapore asset management industry saw net inflow[6] of funds of S$387 billion due to stronger investor appetite and improved risk sentiment in the second half of 2020. The growth was also supported by strong valuation gains across most sectors.

Chart 2: Net AUM Inflow



[6] Net inflow of funds is equal to incoming funds less outgoing funds.

Traditional AUM increased by 15% in 2020, benefitting from both new net inflows and valuation gains across key markets. Within the alternatives sector, growth of PE and VC AUM[7] was robust at 54% and 49% respectively, as MAS continues to develop Singapore as an Asia Pacific private markets hub, and investors sought yield from both these asset classes. Capital raising continued to be robust, with PE and VC managers reporting S$39 billion and S$5 billion of dry powder[8] respectively. This is equivalent to 10% and 32% of drawn-down AUM respectively.

▲15%
Traditional AUM growth

▲31%
Alternative AUM growth

Chart 3: Alternative AUM

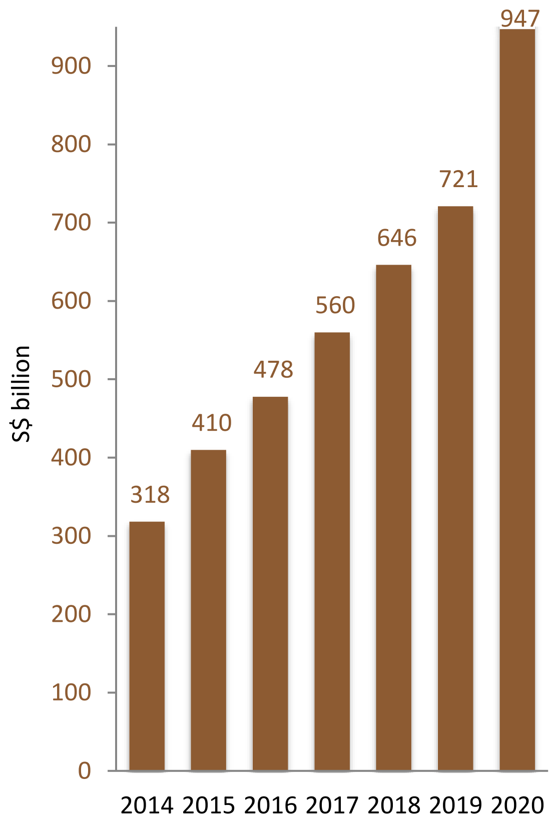
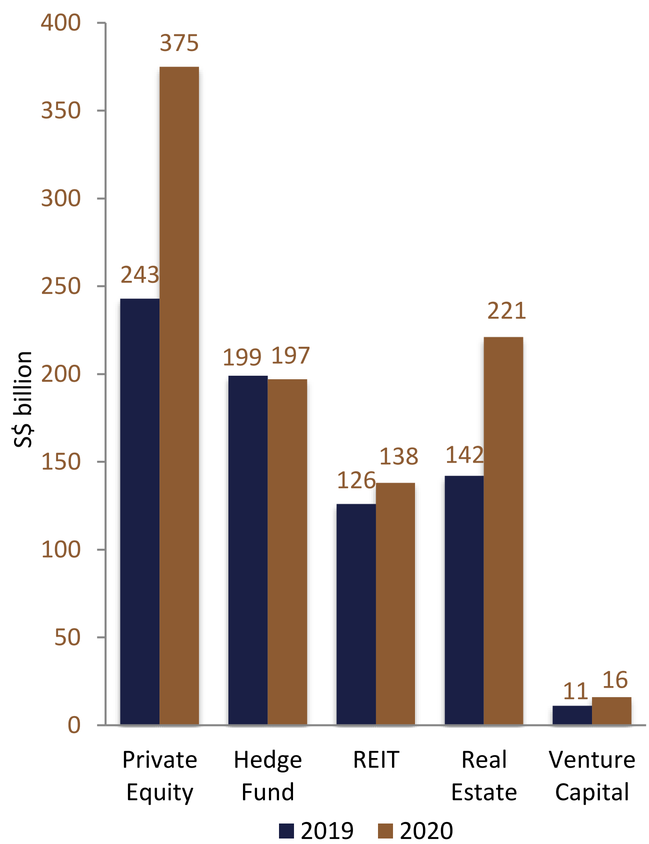


Chart 4: Alternative Sectors



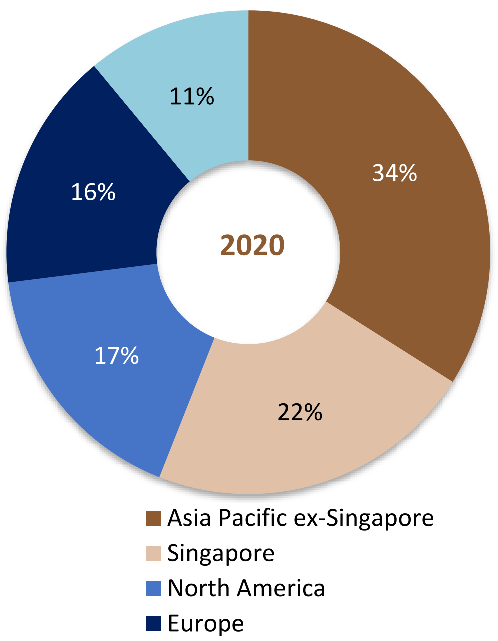
[7] AUM of Private Equity and Venture Capital include only drawn-down capital.
[8] Dry powder refers to capital that is contractually committed but undrawn.

Sources of Funds

In 2020, 78% of total AUM was sourced from outside Singapore, of which 34% was sourced from the Asia Pacific excluding Singapore, 17% from North America and 16% from Europe. This significant proportion of AUM from outside Singapore is a slight increase from 76% in 2019, and demonstrates Singapore's role in serving both regional and international investors.

78%
AUM sourced from outside Singapore

Chart 5: Singapore's AUM – Source of Funds



Investment of Funds

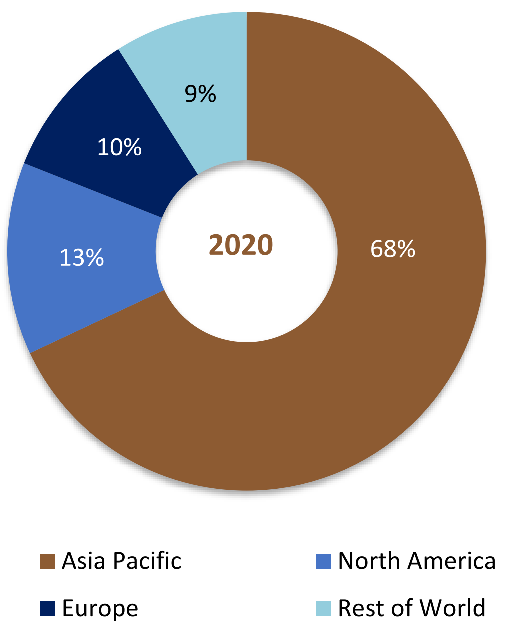
The Asia Pacific region continued to be a key investment destination for Singapore-based asset managers, accounting for approximately 68% of total AUM in 2020. Within Asia Pacific, 33% of AUM was invested in Southeast Asia.

68%

AUM Invested in the Asia Pacific

In 2020, respondents reported a rotation away from cash allocations towards equities and alternatives products. This was buoyed by improved risk sentiment among investors in the second half of 2020 as they searched for yield. Allocation to equities stayed constant at 42% of AUM in 2020, with investments into the major equity markets. Although the proportion of investments into fixed income assets decreased from 26% of AUM in 2019

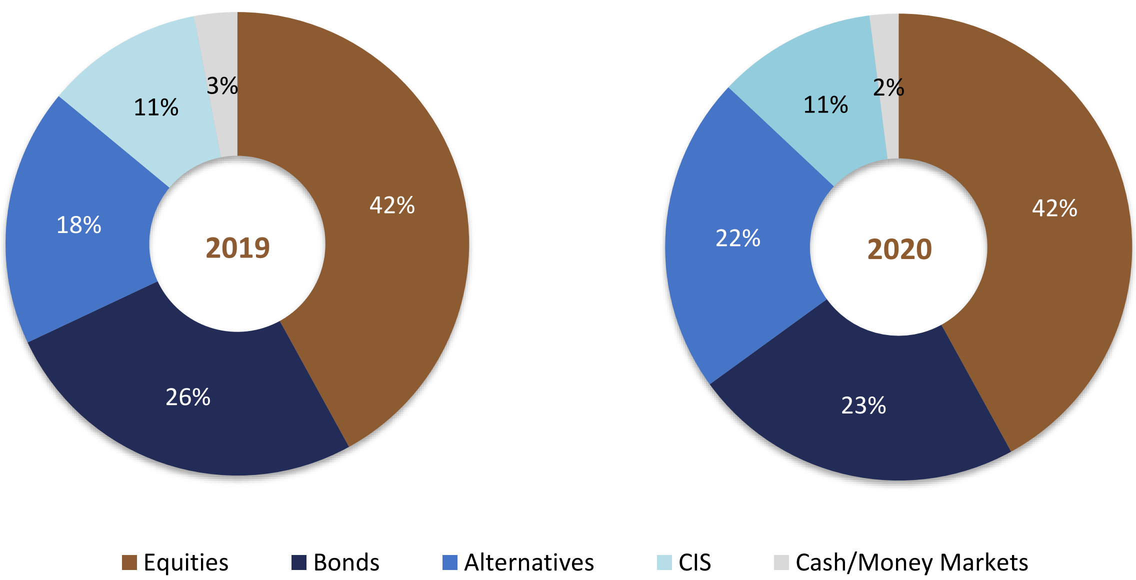
Chart 6: Singapore's AUM – Investment of Funds



to 23% in 2020, investments into fixed income instruments still grew by 8% in absolute terms.

Investments into alternative[9] strategies also grew significantly by 36%, with the proportion of AUM invested in such instruments increasing from 18% in 2019 to 22% in 2020. Alternative investment strategies remained a core holding in investors' investment portfolios for diversification of risk and excess returns from illiquidity and credit risk premia in private markets.

Chart 7: Investment by Asset Class



[9] Investments in alternatives include unlisted/private equity, venture capital, real estate and other investments.

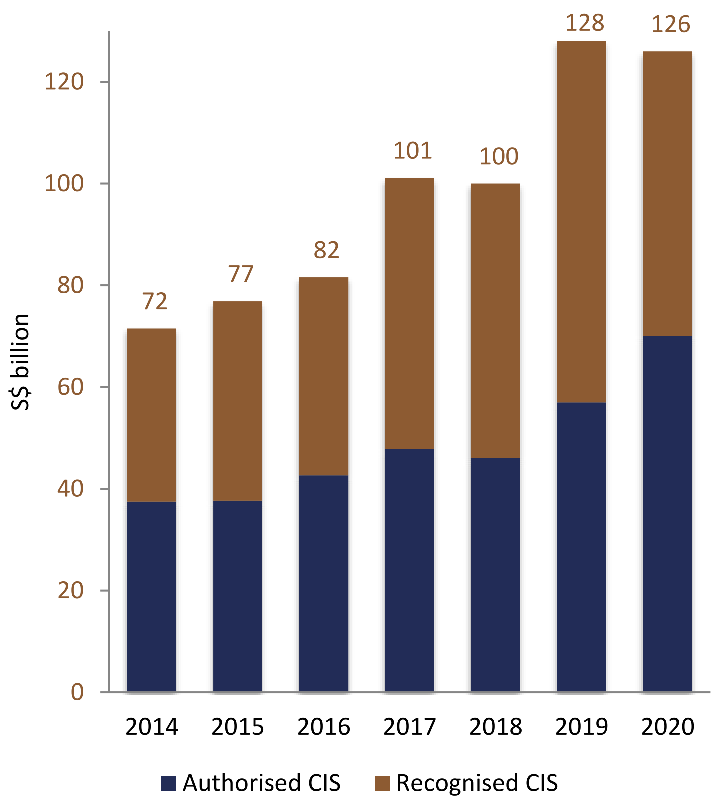
Retail Investment Funds

In 2020, the size of Authorised Collective Investment Schemes[10] ("CIS") and Recognised CIS[11] offered in Singapore stood at S$126 billion, representing a five-year CAGR of 10%. Recognised CIS stood at S$56 billion, while Authorised CIS stood at S$70 billion.

▲10%

5-year Total CIS AUM CAGR

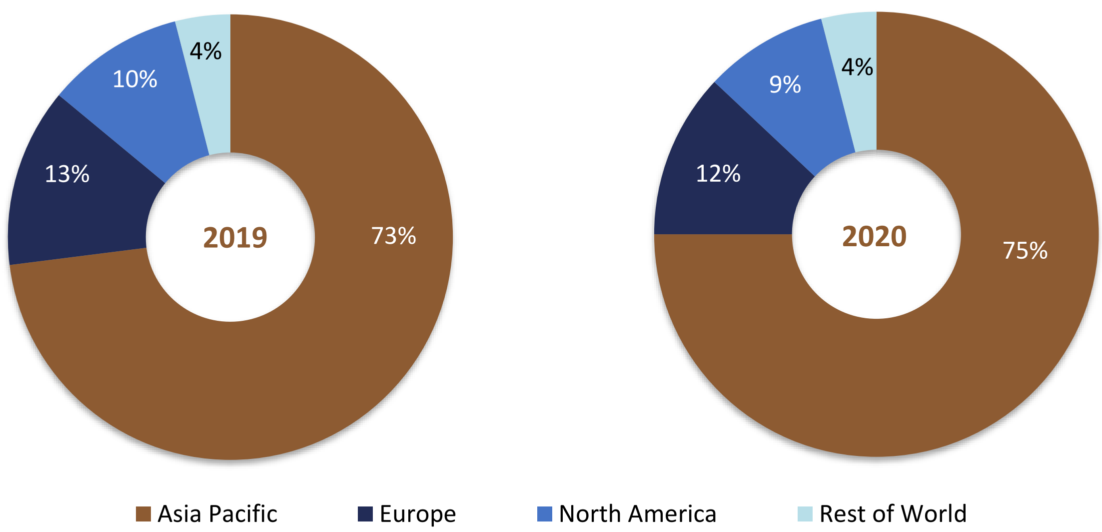
Chart 8: CIS Funds Size



[10] Authorised CIS are schemes constituted in Singapore and offered to retail investors in Singapore.
[11] Recognised CIS are schemes constituted outside Singapore and offered to retail investors in Singapore.

Investments from Authorised CIS into the Asia Pacific region continued to constitute a significant 75% of AUM, while allocations to Europe and North America were stable at 12% and 9% respectively.

Chart 9: Investment of Authorised CIS by region



Areas of Development

Strengthening Private Market Capabilities

Although recession and market turbulence took a toll on the Asia Pacific PE market in the early months of the Covid-19 outbreak, robust deal-making helped Asia Pacific's PE AUM rise to 28% of the global PE market in 2020, up from 25% a year earlier. Dry powder also continued to grow in the region as market uncertainty and high valuations kept some investors on the sidelines[12]. Even though the impact of the pandemic continued into 2021, it has not shaken investors' confidence in private market opportunities as they continue to search for long term yield.

23%

PE and VC
5-year CAGR

Singapore is well-placed to ride the momentum in the private markets. MAS has been working with the industry to position Singapore as the Asian centre for capital raising and enterprise financing. Over the past five years, Singapore's PE and VC AUM grew at a CAGR of 23% to reach S$391 billion while the number of PE and VC managers in Singapore grew to 336 as of end 2020.

PE/VC managers and investors are increasingly paying attention to opportunities in digitalisation and sustainability. The pandemic has underscored the importance of digitalisation to support remote working, minimise business disruptions and sharpen analysis, through artificial intelligence and machine-learning, to help firms make faster and better decisions about prospective investments.

[12] Source: Bain & Company, "Asia Pacific Private Equity Report 2021".

Singapore has a diverse pool of ecosystem partners to meet this growing interest in digitalisation. Singapore is home to more than 1,000 FinTechs today, where over 80% of them are in the business-to-business ("B2B") space, including the investment and wealth management sector. Over 40 innovation labs by FIs based in Singapore have been able to tap onto the Singapore FinTech ecosystem to produce many market leading innovations in banking, wealth management, investment and insurance sectors.

>1000

FinTechs based in Singapore

Private market managers are also seeing the value in investing in sustainable projects as stakeholders such as clients and asset owners place greater emphasis on green investments to mitigate climate change. With 88% of limited partners globally using ESG indicators for their investment making decisions and 87% investing in companies that have lowered their near-term return on capital and reallocated those funds to ESG initiatives[13], more private market managers are making sustainable objectives a central factor in their investments.

Growth of private credit as an asset class

In addition to PE and VC, private credit is increasingly recognised as an important, alternative source of funding to businesses. Private credit activity in Asia Pacific is more nascent than the US and Europe, and has sizeable room to grow, driven by credit market reforms, limited bank lending to small and medium-sized enterprises, and

[13] Source: Edelman Trust Barometer Special Report: Institutional Investors.

increased restructuring needs. Asia Pacific private credit AUM stood at US$64 billion as of end 2020, which is more than doubled from 2012's US$26 billion[14]. With global private debt AUM expected to grow by 11.4% from US$887 billion in 2020 to US$1.46 trillion by 2025[15], there is opportunity for Singapore to grow private credit as an asset class to support the financing needs of private enterprises in the region while also developing Singapore as a private credit and full-spectrum private markets hub.

There are several tailwinds for Singapore to capitalise on future private credit activity in the region. Asia Pacific is still undergoing rapid economic growth and will likely see a continued increase in corporate demand for financing. Yet, Asia Pacific banks are scaling back lending to mid-sized companies on the back of tightening regulatory regimes, and smaller companies to avoid having to navigate the different legal and operating regimes within Asia Pacific. In 2019, the Alternative Investment Management Association ("AIMA")[16] reported that small and medium-sized companies in Asia Pacific experienced a US$4.1 trillion funding gap. This in turn offers an opportunity for private debt funds to fill this gap in Asia Pacific and offer financing that is priced competitively.

The Covid-19 pandemic will also accelerate the demand for private credit solutions. Companies may face liquidity and solvency issues amid the economic stasis as a result of lockdown measures. The temporary drop-off in

[14] Source: 2021 Preqin Global Private Debt Report
[15] Source: Preqin's Future of Alternatives 2025 Report
[16] Source: Private Credit in Asia (2020) Report, produced in conjunction with Alternatives Credit Council (ACC), Simmons & Simmons, and EY.

revenue even for high quality companies, and dislocations in highly impacted sectors such as transportation, hospitality and consumer and retail amidst the ongoing pandemic has increased the opportunities for special situations investment. Private credit managers can play a role to help distressed or insolvent companies restructure their debt, manage liquidation or execute corporate turnaround. MAS is committed to catalysing the growth of private credit activity in Singapore, by anchoring private credit managers and creating awareness of regional investment opportunities, while managing the potential risks associated with private credit and ensuring investors understand the complex nature of the asset class.

Mainstreaming infrastructure as a key private market strategy

Global infrastructure as an asset class continues to attract investors' interest. In 2020, global infrastructure AUM stood at US$655 billion[17], almost four times that in 2010, while Asia-focused infrastructure AUM was over US$70 billion[18], an almost tenfold increase from 2010. Looking ahead, global infrastructure AUM is expected to grow to US$795 billion by 2025[19]. Asia's infrastructure investment needs are similarly large. Between 2016 and 2030, Asian Development Bank estimates that ASEAN needs US$3.1 trillion in infrastructure investment to sustain growth and quality of life in the face of urbanisation and climate change, while United Nations Environment Programme-DBS estimates that US$2.2 trillion of green investments is needed for infrastructure and renewable energy sectors.

[17] Source: Preqin Global Infrastructure Report, as at end Jun 2020.
[18] Ibid.
[19] Source: 2021 Preqin Global Infrastructure Report

MAS is cognisant that financing for infrastructure development will be particularly crucial in helping regional economies recover in a post-Covid-19 world. As the infrastructure financing hub in Asia, Singapore serves as the regional base for many global FIs with project finance lending and advisory specialisation – about 60% of project finance transactions in Southeast Asia are lead-managed by Singapore-based banks. Singapore is also the location of choice for several multilateral development banks, such as World Bank and the Asian Development Bank, which are committed to driving infrastructure development in the region. Singapore provides a complementary vibrant ecosystem of project developers, engineering companies, consultants and law firms that can provide the necessary expertise and resources to bring a project from conceptualisation to completion.

7x

Increase in infra-investments among SG-based managers since 2015

Singapore's private infrastructure market activities continued to grow in 2020 on the back of the strong infrastructure ecosystem in Singapore and MAS' initiatives[20] to bridge the infrastructure financing gap in the region. As at end 2020, Singapore-based asset managers' infrastructure investments were valued at over US$15 billion, which is an increase by more than seven times since 2015. 85% of these investments was in Asia Pacific. Global managers, such as I Squared Capital and KKR Asia, have also set up offices or Asian teams in Singapore to focus on Asia Pacific investments. In addition, global public investors such as Caisse de dépôt

[20] Initiatives include (a) expanding the supply of bankable and investment ready projects; (b) mobilising and crowding in private sector capital; and (c) developing innovative solutions such as Bayfront Infrastructure Management, an infrastructure loan take-out facility that will acquire loans from financial institutions, warehouse and manage them, with the objective of distributing securitised notes to institutional investors in the public markets.

et placement du Québec, Ontario Municipal Employees Retirement System and Ontario Teacher's Pension Plan from Canada, as well as National Pension Service from Korea, are also using their Singapore office as a regional base to identify and allocate to infrastructure opportunities in Asia.

Renewable energy (e.g. solar, wind, hydro), digital infrastructure (e.g. data centers, telecommunication towers) and transportation (e.g. roads, ports) have been the key focus sectors of infrastructure investment managers who operated out of Singapore. For example, in 2020, a Macquarie Asset Management fund-led consortium acquired data centre company, AirTrunk, which opened its first Singapore data centre that is designed with a range of innovations for improving sustainability and minimising carbon footprint. With the greater focus on green energy and the need for digital and physical connectivity caused by Covid-19 disruption, investments in these sectors are likely to continue in the near future.

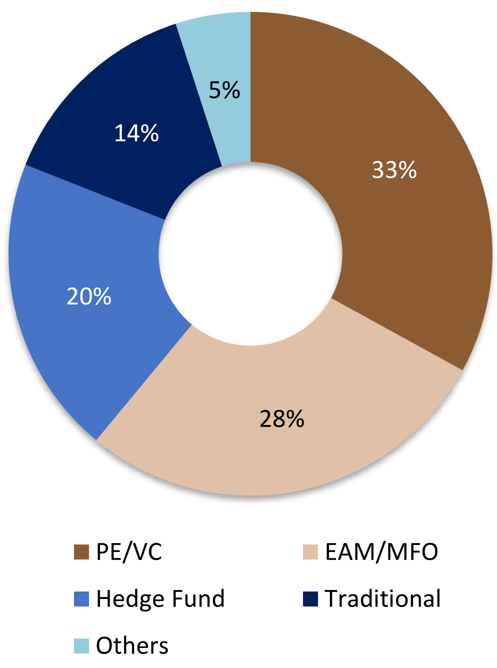
Enhancing Fund Domiciliation

To enhance Singapore's proposition as a leading asset management centre, MAS introduced the VCC framework in January 2020 to cater to the needs of global and regional fund managers seeking to set up fund structures in Singapore. The VCC will allow fund managers to enjoy greater operational flexibility and cost efficiency when they domicile their investment funds in Singapore and enhance the substance of their activities here. The VCC will also provide new business opportunities for Singapore-based fund service providers to support their clients' needs.

As at mid-October 2021, more than 400 VCCs have been incorporated or re-domiciled by close to 300 Singapore-based global and regional asset managers. These VCCs' diverse use cases, as outlined in Chart 10 on the right, demonstrate the versatility of the VCC framework across a wide spectrum of strategies, as well as wealth management strategies managed by regulated asset managers on behalf of accredited investors and family offices.

The VCC structure has enabled leading global and regional asset managers, for example AIA Investment Management, CSOP Asset Management, DBS, Fullerton Fund Management and UOB Venture Management, to co-locate their investment management and fund domiciliation activities in Singapore and deepen the substance of their activities locally. Other players,

Chart 10: VCC Fund Strategies



including UOB Asset Management, have plans to adopt the VCC structure for their future funds. Asset managers seeking to distribute to retail investors have also set up ETFs using the VCC structure for listing at SGX. For example, CSOP Asset Management successfully listed its ICBC CSOP FTSE Chinese Government Bond Index ETF last year, the first ETF to utilise the VCC framework. As the VCC framework gains familiarity among the global asset management community, we expect the VCC structure to be used more widely going forward.

The VCC framework has also brought about new business opportunities for the players in the funds ecosystem, such as fund administrators, corporate secretaries, and professionals such as lawyers, tax advisors as well as directors providing fiduciary oversight. To date, more than 100 service providers have worked with their clients to provide advice or support the set-up of a VCC. A number of these fund service providers have augmented their teams to support increased fund structuring and advisory activities locally.

To cater to the needs of the industry, MAS is studying possible enhancements to the VCC framework. Some of the key areas include facilitating the conversion of existing investment fund structures, such as those set up as a company, into a VCC, and allowing a wider range of entities to set up and manage a VCC.

Partnering industry stakeholders

In March 2021, MAS announced a new partnership with the private sector to strengthen Singapore's value proposition as a leading full-service asset management and fund domiciliation hub. The Singapore Funds Industry Group ("SFIG"), co-chaired by MAS and the industry, brings together all the key players and leading associations representing stakeholders across the entire asset management value chain, including service providers such as lawyers, tax advisors, fund administrators and directors. It aims to identify emerging industry trends and formulate strategies to strengthen the asset management ecosystem.

The SFIG comprises four working groups ("WG"):

i. The Infrastructure and Innovation WG aims to spur innovation to transform the funds servicing value chain through new industry-wide utility solutions and technological infrastructure. The WG is partnering industry stakeholders to conceptualise and implement industry-wide utility solutions to enhance process efficiencies and achieve greater economies of scale. This includes fund data and settlement platforms, which will collect and harness insights through data analytics, streamline manual processes and automate reporting.
ii. The Policy WG seeks to recommend improvements to regulatory, legal and tax frameworks, to better serve the needs of asset managers and investors.

The Policy WG works with industry stakeholders to review and propose policy enhancements, including the VCC framework and the LP regime, to ensure that its features continue to meet the needs of global managers and investors.

iii. The Capabilities and Training WG is reviewing the talent development landscape for funds professionals and will be collaborating with tertiary institutions to build a deep pool of fund specialists and directors to upskill professional standards while building deep capabilities for these professionals, including in new and emerging areas such as green finance and ESG solutions.

iv. The Promotion and Advocacy WG is engaging with industry stakeholders though outreach and engagements with Singapore-based and global asset managers, asset owners and service providers to raise the global profile of Singapore as a leading asset management and fund domiciliation hub.

The SFIG seeks to engage industry stakeholders to solicit wider feedback on policies, conceptualise and catalyse market activities and bring about new opportunities for the funds ecosystem. More information on SFIG can be found on its website at www.SingaporeFunds.sg.

Developing the Talent Pool

Notwithstanding the economic uncertainty, 600 jobs in the asset management industry were created in 2020[21]. This employment growth spanned across both the traditional and alternative sectors, particularly in areas such as private equity and venture capital. MAS and the Institute of Banking and Finance ("IBF"), which has been appointed the Jobs Development Partner for the financial sector, are committed to working with the industry to develop the local talent pool in the emerging areas.

>600

Asset management jobs created in 2020

Expanding Talent Pipeline to Meet New Growth Demands

To meet the increased talent demand, asset managers have been working closely with MAS and IBF to tap on new talent sources. Mid-career professionals from other sectors who wish to move into new growth roles in asset management can be supported via Career Conversion Programmes. For example, Dymon Asia has hired mid-career professionals who went through structured training and on-the-job training attachments to take on new roles such as data intelligence analyst.

As the financial sector transforms, demand for technology skills which underpins the transformation drive has also grown. Recognising the need to grow our own timber to meet the technology needs, asset managers such as Schroders have worked with IBF to build the pipeline of technology talent through the Technology in Finance Immersion Programme ("TFIP"). TFIP allows FIs to

[21] Source: Administrative Records and Labour Force Survey, Manpower Research & Statistics Department, MOM. Data are compiled primarily from administrative records, with the self-employed component estimated from the Labour Force Survey.

develop additional talent pipeline through mid-career convertees who go through the 12-18 month structured training and attachment programme.

Since its pilot launch in 2019, TFIP has grown from strength to strength with the latest 2021 cycle having doubled the training opportunities on offer, to more than 500. Correspondingly, the number of tracks has doubled from 5 to 10, to expand into tech-lite areas such as business analysis, digital marketing and user experience design, to meet FIs' increasing tech needs.

Developing Local Talent at the Entry-Level

MAS and IBF are also committed to supporting the industry's talent needs, by working with FIs to equip our local fresh graduates with the relevant skillsets and experience to take on growth jobs in the sector. Between April 2020 and June 2021, 34 asset managers committed to groom a total of 141 entry-level talent through the Finance Associate Management Scheme ("FAMS") over a three- year period. Under FAMS, MAS supports FIs in hiring and training Singaporean fresh graduates and cross-sector convertees through structured talent development programmes for future specialist and management leadership roles.

In September 2021, MAS enhanced the scheme to provide enhanced funding of programmes targeting priority areas at a higher tier of S$2,000 per Singaporean per month for up to 24 months, compared to other programmes at S$1,000 per Singaporean per month. Priority areas which are relevant to asset managers include portfolio management, research, trading and investment strategy, green finance, and technology, digital and data analytics.

MAS also launched the Work-Study Support Programme in May 2021 to encourage FIs to develop young talent through the SkillsFuture Work-Study Degrees ("WSDeg") by offering grant support of up to $1,000 per month of internship with an FI. The WSDeg, which integrates classroom learning with structured on-the-job training, allows students to gain valuable work experience and strong foundational skills to stand them in good stead upon graduation. At the same time, FIs are better able to attract young talent early and identify prospective employees. The financial sector is a key contributor of WSDeg places, accounting for about 22% of the total WSDeg places as at 2021. The attachments to FIs under the WSDegs were in specialised tracks such as business analytics, information security and wealth management, and we have received interest from FIs, including asset managers, to provide more WSDeg places to students.

There have also been efforts in the industry to develop industry-relevant training to support the development of fresh asset management talent. The WMI is developing the AMAP, a structured training programme to equip aspiring new entrants and mid-career individuals with both foundational and future-ready skills to secure growth jobs in the industry. This is in addition to WMI's Asset Management Trainee Programme launched in September 2020 to provide attractive traineeship opportunities supported by the SGUnited Traineeships Programme and Mid-Career Pathways Programme – Company Attachment.

Strengthening International Capabilities

Given the globalised nature of the asset management business, it is important for the asset management workforce to possess strong international capabilities and gain exposure to diverse markets. To equip more staff with such capabilities and exposure, asset managers can tap on their extensive international footprint to send more staff on overseas postings.

Overseas work experience has enabled many to progress in their careers and take on more senior roles over time. For example, Ms Charmaine Chin, the Managing Director of Blackstone Alternative Asset Management ("BAAM"), spent more than 12 years working abroad in New York and Hong Kong, and her international network and global mindset had put her in good stead to be the first BAAM investment professional to be based in Singapore overseeing investment activities in Asia. Another example is of Ms Sherene Ban, CEO of Singapore and South East Asia of JP Morgan Asset Management. She had returned to her current role in Singapore after spending about 10 years in the firm’s overseas offices in London, Milan and New York. At a recent Growing Timber event on 3 September 2021, Ms Ban shared that her overseas experience had enabled her to develop skills to manage a global workforce, such as empathy and how to motivate people of different backgrounds.

Under the International Posting Programme (“iPOST”), MAS supports FIs in sending Singaporean staff on overseas postings to build capabilities for future global or regional leadership roles. To allow more Singaporeans to take on overseas postings, MAS has expanded iPOST from being a leadership initiative to a broader international capability building initiative that provides opportunities for a wider spectrum of Singaporeans, including younger and specialist talent to be sent on overseas postings. To further incentivise the build-out of Asia capability, MAS will defray the salary costs for postings to Asia, in addition to other costs such as airfare, accommodation and allowances.

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