The LAST WORD

An Interview with Joseph Poon



JOSEPH POON
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DBS PRIVATE BANK.

WHAT SHIFTS HAVE YOU OBSERVED IN THE GLOBAL WEALTH LANDSCAPE?

Simply put, it's all about Asia. Over the past decade, the billionaire population in Asia increased faster than the global average. Moreover, many billionaires in Asia are first-generation and self-made. They are also getting ready to retire. This means a massive cross-generational wealth transfer is about to take place for the first time, making private banking offerings in Asia more important than ever.

We've also observed "next generation" clients being more engaged with social issues. They also tend to take a more hands-on approach to direct their wealth towards philanthropy.

HOW IS DBS PRIVATE BANK RESPONDING TO THESE SHIFTS?

DBS is proudly an Asian bank. We've doubled down on the region, having acquired and integrated Citi's business with DBS Taiwan in 2022, and similarly integrated Lakshmi Vilas Bank with DBS India in 2020. We continue to build out our presence in Southeast Asia, Greater China, and South Asia.

Our clients hail from within and outside the region, reflecting our role as a gateway to Asia. Our booking centres in Singapore and Hong Kong provide solid platforms for clients from over 115 countries to seize opportunities throughout Asia.

Apart from working with our clients, we also work to create impact within the communities we operate in. This dovetails neatly with the next generation's focus on active philanthropy. For example, through DBS Foundation, the bank's social impact arm, we connected a Singapore-resident family office with domestic Indian social enterprises, resulting in a seven-figure grant.

WHAT STEPS HAS DBS PRIVATE BANK TAKEN TO GROW ITS CLIENT BASE IN RECENT YEARS AND ADD VALUE FOR CURRENT CLIENTS? WHY DO YOU BELIEVE THIS METHOD HAS BEEN SO SUCCESSFUL?

DBS serves our private banking clients with our unique "one-bank" approach, availing access to a full suite of financial advice and solutions across our private, corporate, and investment bank offerings.

Our "one-bank" approach is especially useful for business-owning/operating private bank clients. Often, business-owning families, especially in Asia, see their corporate wealth and private wealth as one. With our universal banking model, DBS provides a true one-stop shop for our clients. Private banking clients can grow their corporate wealth by tapping on opportunities that originate

from DBS's investment bank, including investing in other clients' business. At the same time, our private bank works with the same client on succession planning. DBS's unique model supports our clients across the full spectrum of their familial wealth journey — from wealth creation, to wealth management, to wealth succession.

In 2023, DBS was the first private bank in the world to launch a Multi-Family Office (MFO) proposition, leveraging Singapore's Variable Capital Company (VCC) regime. These vehicles offer an alternative option for UHNW families seeking to consolidate and safeguard their wealth in Singapore.

CAN YOU TELL US MORE ABOUT THE DBS MULTI-FAMILY OFFICE FOUNDRY VCC?

Our DBS MFO offers clients several important benefits.

One, ease of access. Our integrated model provides clients access to a full suite of investment services, which includes investment management, trade execution, and custody solutions, all on a single integrated platform.

Two, convenience. The DBS MFO offers clients the benefits of a single family office, without the burden of having to establish one if they are not ready to do so.

Three, peace of mind. All capital is held and managed professionally by DBS, which provides the highest standards of governance and oversight.

Four, tax exemptions. Under improvements to Singapore's tax incentive scheme, specific income from designated investments in the MFO will qualify for 100% tax deduction.

Lastly, cost savings. Shared resources and expenses across multiple sub-funds in the MFO mean clients can concentrate their wealth and see greater returns.

HOW DO YOU UNWIND OR DESTRESS?

I used to wake up at 4am every day, to train for marathons! Now I wake up later, at 5am, to head to the gym.

I see many parallels between completing a marathon and investing. Both are long-term endeavours, and not a sprint. As they say, a marathon is a race of several hundred miles, ending with 26.3 miles. It takes months of consistent training, of maintaining the discipline to wake up before dawn, day in day out, and pushing through the discomfort without seeing any immediate result.

Likewise, investing requires one to possess a strong sense of discipline, endurance, and accept that there is no short-cut to success.

