



## THE NEVER-ENDING STORY

*BOCHK's new private-banking arm offers stability in a changing world*

A WALL-MOUNTED DRAGON in brass and stainless steel greets visitors entering the new, sophisticated Private Banking Centre of the Bank of China (Hong Kong) Limited (BOCHK). Rendered in abstract form, the mythical creature is striving to reach a pearl. The installation is part of a contemporary-art collection commissioned especially for the Private Banking Centre, which opened last November – in the Year of the Dragon.

The well established bank BOCHK has recently launched its private-banking arm. In a post-global-financial-crisis world, however, this presents a distinct advantage. "After the financial crisis, many private banks are struggling to change their service, business and management models

to meet the diverse needs of today's clients as well as the new regulatory requirements," notes Wendy Tsang Kam-yin, BOCHK's Head of Private Banking. "Our launch has been timely enough for us to build a platform based on the new focus in the global financial world on stability, transparency, risk management and diversification."

Asian entrepreneurs and first-generation business owners are a growing segment in today's market, says Tsang. "They're not just looking for products that can provide them with enhanced yield. They're looking for a private bank that can help with their business as well." The right banking partner is one that, like BOCHK,

possesses a strong balance sheet and the ability to provide liquidity to its clients, adds Tsang. "After the financial crisis, high-net-worth clients are looking more for stability; they want a bank that can regain their confidence and trust."

In the case of BOCHK, a great deal of that confidence will come, no doubt, from Standard & Poor's raising of the bank's long-term credit rating by two notches from A- to A+ since 2011. In line with the strategy of the Group as a whole, the focus of BOCHK's private-banking arm is on sustainable long term growth rather than short-term profits.

Indeed, "Stability in Motion" is BOCHK Private Banking's motto – and it's an idea

related to the ancient Chinese philosophy of "round heaven over square earth", as Tsang explains: "The 'round heaven' is infinite – you don't know where it begins or ends, whereas the 'square earth' has a structure, a boundary. In other words, we have to react to the changing environment in a constructive, organised manner. It's a very deep philosophy."

And it's a philosophy that, along with "Stability in Motion", lends itself particularly well to dealings in the financial world. "We believe the best wealth-management solution is one that is balanced, but also flexible and adaptable to the changing environment," says Tsang. "It's important that it's built on a solid foundation in order for it to deliver long-term sustainable growth."

That BOCHK possesses a solid foundation is unquestionable. In delivering its premier private-banking offering, the bank has developed a multidisciplinary platform and service model, which it calls "1 + 1 + 1" – the integrated platform comprising personal, corporate and private banking. "We provide a one-stop service covering everything from advisory, consultancy and estate planning to transactional and corporate services," says Tsang. "We're aiming to meet our clients' personal, family and business needs by providing a total solution."

One way in which BOCHK has led the pack in serving those needs has been by acting as a pioneer in the global renminbi (RMB) market. "We've set quite a number of milestones in the RMB market – such as organising the first cross-border syndicated loan and RMB refund guarantees," says Tsang. "BOCHK is also a designated market maker for USD/CNH futures (offshore RMB) in the Chicago Mercantile Exchange Group".

Adds Tsang, "Because of the growth of the Asian market, especially China, many high-net-worth clients are eager to allocate part of their portfolio to RMB or the China market."

This growth in Asia, and with it, the flow of global wealth from West to East, has been particularly dramatic over the past 10 to 15 years. For its part, BOCHK sees itself as a bridge between the two hemispheres, with the philosophy "East Meets West" being another cornerstone of the bank's identity.

"We're operating under the legal framework of Hong Kong, yet our parent company, Bank of China, is one of the largest banks in mainland China," says



WENDY TSANG,  
HEAD OF BOCHK PRIVATE BANKING

Tsang. "We're in the advantageous position of being able to deliver service to both ends of the world. With our expertise in the China market and RMB products and services, we can help our overseas clients allocate part of their portfolio to new markets. At the same time, we can help the new wealth in China to capture a global flavour in their investment and business portfolio."

Whichever type of client Tsang is helping, she says it's the dynamic nature of the banking field that makes her look forward to getting to work: "It's always like the 'round heaven over square earth' – you don't know where it begins or ends. That inspires me every day."