

## Media Release

### **Europe replaces China as main concern for Singapore asset managers according to 2017 IMAS survey**

*IMAS 2017 Investment Managers' Outlook Survey identifies key themes affecting the industry in 2017*

*Increasing regulatory obligations and new distribution technologies cited as most likely to impact asset managers' businesses*

Singapore, 18 January 2017 – Further political uncertainty in Europe tops the list of concerns for Singapore investment managers for 2017, according to a survey conducted by the Investment Management Association of Singapore (“IMAS”). This replaces slowing growth in China which topped the annual survey of IMAS members a year ago.

64.91% of 57 fund managers that responded regarded political uncertainty in Europe as one of their top 3 concerns this year, another 45.61% saw weakening emerging markets as a major issue while 42.11% named rising tensions in voter sentiments and the impact on trade as another key risk. Slowing growth in China ranked fourth in the list of macro concerns at 40.35% compared to 85.1% citing China concerns in 2016.

The rising costs of governance remained the top business concern (70.2% compared to 78.7% a year ago), low returns due to ongoing economic lethargy (59.65%) and shortage of manpower talent to support growth (29.82%) were seen as the three biggest threats to the growth of the investment management industry in Singapore in the next 3 years.

More than half of the fund managers anticipate increasing demand for lower cost products (57.89%), together with rise of financial technology in funds distribution (47.37%) and regulatory obligations (45.61%) as future drivers of investment and innovation in the next three years.

64.91% cited increasing regulatory obligations as a main area most likely to impact on businesses in the next three years.

Nicholas Hadow, Chairman of IMAS, commented: “2016 saw significant political change in Europe and the United States and this is likely to continue to cause uncertainty for investors in the near term. Interestingly comfort levels around China have improved although the outlook for emerging markets in general remains unclear. From the business perspective regulation and governance continue to put pressure on fund managers globally and regionally. Encouragingly as we look set to enter a competitive and lower growth environment there is a renewed focus on innovation in product and in financial technology. Amid these significant global and industry crosswinds Singapore remains a stable and resilient investment management hub within Asia well placed to serve clients across the region.”

Representing over 100 investment managers with assets under management in Singapore of over S\$800 billion, IMAS aims to contribute towards the development of the industry in Singapore by fostering high standards and professionalism while promoting exemplary practices among its members.

Full details can be found on the IMAS website [www.imas.org.sg](http://www.imas.org.sg).

-----

For further information please contact:

Tim Williamson

**Cognito Asia**

Tel: +65 6221 7310

Email: [IMAS@cognitomedia.com](mailto:IMAS@cognitomedia.com)

### **About the Investment Management Association of Singapore**

The Investment Management Association of Singapore (IMAS) was formed on 22 September 1997. It is a representative body of investment managers spearheading the development of the industry in Singapore. It also serves as a forum for members in discussions as well as a collective voice where representation is needed on behalf of the investment management industry, facilitating training for its members, and contributing towards investor education.