Global Markets & Investment Management

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Agenda

1. MARKET LANDSCAPE
2. FINANCIAL HIGHLIGHTS
3. GROWTH DRIVERS
Gravitation towards Customer Flow Business

1. **MACRO-ECONOMY OUTLOOK**
   - Banking regulatory reforms, e.g., Volcker Rules, Dodd-Frank, Basel III etc. impede trading business
     - Volatile trading income replaced by steady income stream from customer flow business

2. **CUSTOMER DYNAMICS**
   - Hedge against volatility in foreign exchange rates and rising interest rates to mitigate financial risks to businesses
   - Strong customer demand for more sophisticated investment, hedging and liability management products across interest rates, FX, credit, equity & commodities
   - Increasing external trade and cross-border business expansion present opportunities, in particular, for FX and derivatives business
   - Corporate/Commercial Banking diversifying into new industries, e.g., manufacturing, agriculture and oil & gas
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Given the market shift, GMIM has since 2008 focused on growing fee-based income from customer flow business.

The large contribution of GMIM’s sales growth is attributed by the strong partnership/collaboration with internal business segments, i.e.,

- Financial Institution/Non-bank Financial Institutions,
- Corporate,
- Commercial,
- Business Banking and
- Wealth management business
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1. MARKET LANDSCAPE
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Growth Drivers

GMIM

- **Capabilities Development**
  - Increasingly add marketeers (hunters) and execution dealers (farmers)
  - Today, GMIM sales force is more than 3 times the number of trading staff

- **Proximity to Customers**
  - Localized GMIM specialist teams in Northern and Southern regions, and East Malaysia
  - Central region is grouped into 3 regional teams, each servicing a cluster of 6 to 8 branches

- **Synergies with Coverage Teams**
  - GMIM product solutioning team is aligned by industry group for Corporate Banking and geographical group for Commercial and Business Banking

- **Key Product Offerings**
  - Offers complete client solutions through a full range of asset, liabilities and derivatives products
  - Leverage group’s specialists - advantage of speed to market
Building Traction via Synergies with Coverage Teams

Total Collaboration Income

- 2009: 23% CAGR
- 2010: 23% CAGR
- 2011: +6% CAGR
- 2012: +6% CAGR
- 2013: +6% CAGR
- 1H-13: +6% CAGR
- 1H-14: +6% CAGR

Split by Coverage Team as of 1H14

- Commercial Banking: 35%
- Corporate Banking*: 30%
- Business Banking: 23%
- Wealth Management: 12%

Notes: * (incl. FI/NBFI)
Building Traction via Synergies with Coverage Teams

### Commercial Banking
- **11% CAGR**
- **-3% CAGR**

### Corporate Banking (incl. FI/NBFI)
- **13% CAGR**
- **+4% CAGR**

### Business Banking
- **53% CAGR**
- **+48% CAGR**

### Wealth Banking
- **46% CAGR**
- **+34% CAGR**

Notes: 1 (incl. FI/NBFI)
Growth Drivers Summary

1. **SALES SEGMENTATION MODEL**
   - Collaboration with internal business partners
   - Set up – business development (hunter) / execution teams (farmer)
   - Geographical segmentation – proximity to customers, leverage strong relationship
   - Alignment to internal business partners
     - Geographical segmentation
     - Industry group segmentation

2. **PRODUCTS**
   - Full suite of products – FX, IRS, CCS, Commodities, Gold, Dual-Currency Investment, Structured Investment Products, Fixed Income and Derivative

3. **CLIENT SOLUTIONING**
   - Client solutioning teams – structuring team for business and individuals each

4. **WAREHOUSING**
   - Warehousing activities to leverage on growing customer flow business
THANK YOU