FSDC Practitioner Speakers Series
Development & Career Opportunities in Asset Management
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FSDC Practitioner Speakers Series:
Development & Career Opportunities in Asset Management

February 2017
Agenda

• Asset Management Operation Functions Overview
• Experience Sharing
• Expectation
• Q & A
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• Asset Management Operation Functions Overview

• Experience Sharing

• Expectation

• Q & A
“The asset management operation team is the ‘engine room’ of the investment management business, with essential cultural and language sensitivity; is highly adaptable to support new product features and business models on a timely and mission-critical basis; and operates under a very strict risk control and regulatory compliance environment.”

“Operation is often defined as an essential service supporting routine and standardised processes. However, I define operation as an SME, which means ‘Subject Matter Expert’ supporting product innovation. You must be at the forefront of the industry in terms of levels of professionalism, innovation and technical expertise. What do you think of when you hear the word ‘change’? It means opportunities.”
Asset Management Operation Functions Life-Cycle
## Asset Management Operation Functions Life-Cycle

### Reconciliation
1. Stock Reconciliation
2. Cash Reconciliation

### Assets Servicing
1. Corporation Action
2. Proxy Voting

### Guidelines Monitoring
1. Pre-Trade
2. Post-Trade
3. Investment Guidelines

### Fund Accounting
1. NAV Calculation
2. Fee Billing
3. Regulatory Reporting
4. Client Reporting

### Data Management
1. Instrument Maintenance
2. Instrument Pricing
3. Counterparty
4. Market Data

### Trade Support
1. Trade Matching
2. Trade Confirmation
3. Broker Confirmation

### Operation Control
1. Error Analysis
2. RCSA
3. Pre-Audit / Post-Audit
4. User Tools
5. Other Control Programs

### Product
- **Development**: Portfolio Management, Legal
- **Compliance**: Risk, O&C
- **S&E**: Product Delivery, Marketing
- **PAG**: Technology

### Client Due Diligence / Client Onboarding
- **Sales**: Client Servicing, Legal
- **Compliance**: Risk, O&C
- **GFCC**: AML / KYC

### Transfer Agency
1. Client Account Maintenance
2. Order Processing
3. Settlement

### Investment Team / Dealer
1. Investment Decision
2. Order Execution
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Experience Sharing
### Key Attributes

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<th>Aspiration</th>
<th>Technical Skills</th>
<th>Soft Skills</th>
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Industry Trend

Compliance
Risk
AML / KYC
Out-Sourcing
Operation Control
Off-Shoring
Oversight
Operations
Middle Office
Metrics
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What are we looking for during the interview

Expectations

- Prepared – industry, company, role, past experience
- Professional, confident
- Body language, eye contact
- Crisp and concise messaging
- Potential - communication skills, quantitative skills, teamwork, leadership skills
- Value add
- Positive

Something to Avoid

- Don’t make it up
  - you are not expected to know everything
- “Fluff”
- Don’t speak negatively about another company or previous manager
- Avoid asking questions about salary and benefits
Q & A
Mr. Philip Lau
Executive Vice President and Head of Asset Management
AVICT (Hong Kong) Limited
Fumble
What is Asset Management
Financial Assets

• Stocks
• Bonds
• Cash
• Commodities
• Currencies
Fund Strategies

- Long only
- Long only with derivatives overlay
- Hedged
- Private equity
- Algorithmic trading
The Global Financial Asset Portfolio

- Foreign Stocks: 24%
- US Stocks: 16%
- US T-Bonds: 10%
- Foreign Government Bonds: 21%
- Investment Grade Corp Bonds: 19%
- Emerging Market Bonds: 2%
- High Yield Bonds: 1%
- REITs: 5%
- TIPS: 2%

Source: Orcam Financial Group & Cullen Roche
Some New Developments

• Integration with the Chinese Markets
• Wealth Management / Family Office
Food for Thought

• Technology and Artificial Intelligence (AI)
• Behavioral Investing
AI in Action

Google DeepMind Challenge Match
8 - 15 March 2016
Who is the Winner?
Touch Down?
Thank you
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