

## Institutional giants set sights on US\$2.8tn Asian private wealth market



With Asia's wealth markets being [among the fastest-growing in the world](#), a number of institutionally-focused asset managers are pivoting towards this potentially lucrative clientele. But doing so is easier said than done.

In recent interviews with *Asian Private Banker*, London-headquartered Legal & General Investment Management (LGIM) and Chicago-based Northern Trust – among the biggest asset managers in Europe and the US, respectively – outlined their strategies for targeting the US\$2.8 trillion in AUM private wealth markets in Hong Kong, Singapore and wider Asian region.

### LGIM: Focusing on long term

“We’ve now just under US\$1.5 trillion AUM globally, and we’re managing over US\$200 billion for asset owners – investors in Asia Pacific – and that’s one of the

fastest growing regions of our business,” Natasha Mora, managing director, LGIM Asia, told *APB*.

“A significant milestone for us was the opening of our Singapore office. So we have client coverage across both Hong Kong and Singapore, and are really looking forward to what the new team can achieve in terms of building up our relationships with private banks,” she shared.



*Natasha Mora, LGIM*

LGIM came to Asia Pacific in 2013, bringing indexing and active fixed income products to institutional investors in the region.

“We are here for the long term. We want to build a sustainable business, so we’ll hire and be where our clients need us to be. Here in Asia, our history for the last decade has been predominantly institutionally focused. That has not been the case in the UK and Europe, where we have been participating in the wholesale, private bank market for a number of years,” she noted.

## Institutional advantages

Mora believes the advantages of being institutional-focused can be expanded to private wealth clients with comprehensive offerings and the experience of how to invest long term.

“We do see a trend of wealth investors becoming more institutional-like, in terms of the way they think about their investment needs. And I think that’s a capability we are very strong in, given our heritage of insurance business with numerous styles in fixed income strategies. This is the area that we are building for our wholesale strategy in Asia,” she said.

She noted that the firm is focused on offering strategies to the Asian wealth market that have a low correlation to some of the more established income-oriented strategies and client portfolios.

But as the new kid on the block, there is still a long way to go. “We’re relatively early in building out our business in Asia, but I’m incredibly excited by the momentum that has been generated and the feedback we’re getting, particularly for our adaptive fixed income focus and the ESG integration,” she said.

[In September this year](#), LGIM named Russell Huang as the head of wholesale distribution, Southeast Asia, as the firm looks to grow its presence in the wealth segment. It also hired Aaron Kwan as head of wholesale distribution, Greater China.

## Northern Trust: Family office clients only

For Northern Trust, the story is slightly different as the firm has been working with family office clients under its Global Family Office segment.

“For our wealth business, we’re very focused on institutional clients, which for us includes the business under Global Family Office, which brings solutions to our global family office clients across investments, global custody and asset servicing, very much like institutional clients that we service,” Angelo Calvitto, head of the Asia Pacific for Northern Trust, told *APB*.

The firm recently made some hires in the region, particularly in Singapore, in the sales and business development team, which is designed to drive growth in Asia.



*Angelo Calvitto, Northern Trust*

In August, the firm hired Kai Jebens as head of client development, Southeast Asia, and Chris Vera as senior digital solutions consultant, APAC, for its asset servicing business. In July, Northern Trust Asset Management hired [Sharon Jin](#)

[Xiangrong](#) from Goldman Sachs Asset Management as the new head of product strategy. In China, Singapore, Hong Kong and Australia, Northern Trust has about 600 people covering asset servicing, asset management and wealth management.

“Outside of Asia, we have an extensive private wealth business in the US that in addition to global family offices, supports private and wealthy individuals,” he said, emphasising that the firm will be focusing on investment-related services for Asian clients at this stage.

“For our family office clients, we support them across a number of investment strategies, including equity, fixed income, cash alternatives, and also multi asset. In addition to that, we provide an outsourced CIO service to external clients,” he continued.

## No private banks, please

Surprisingly, the firm tends to interact with clients directly, instead of going through private banks.

“We are not distributing our services and products through private banks as we tend to target our clients directly. We do have some distribution capabilities in Japan but generally speaking, Northern Trust targets our clients directly, and we’re offering either fund structures or direct mandates across all of our asset classes globally,” he said.

Calvitto joined Northern Trust in June 2008. Previously, Angelo was head of sales and account management at ANZ Custodian Services. Prior to ANZ, he worked for State Street in Australia for three years and in the UK for five years.

Nasdaq-listed Northern Trust had assets under management of US\$1.5 trillion as of March 2024. It has offices across Asia Pacific in Beijing, Bengaluru, Hong Kong, Kuala Lumpur, Manila, Melbourne, Pune, Singapore, Sydney and Tokyo.