Agenda

- The APFF
- Capital Markets
- Capital Markets Work Stream
- A Crowded Regional Landscape
- How The APFF Adds Value
- The Numbers
- Initiatives
- Need For Cooperation
The APFF

- A regional platform for public-private collaboration to enable financial markets and services to better serve the region’s broad economic goals.
- Aims to accelerate the development of sound, efficient, inclusive and integrated financial systems.

Six areas of focus:

- Lending Infrastructure
- Trade and Supply Chain Finance
- **Capital Markets**
- Financial Market Infrastructure and Cross Border Practices
- Insurance and Retirement Income
- Linkages and Structural Issues
“Efficient, liquid domestic bond markets would facilitate channeling of the region’s excess savings into regional investments rather than into investments outside the region, thereby reducing Asia’s vulnerability to financial shocks”

– Asian Development Bank
Asian Capital Market Development and Integration, 2014
Capital Markets Work Stream

A number of regional and domestic initiatives

Rapid growth of Asian government bond markets

Increasing market depth and liquidity critical next step

APFF is focusing on:

- Development of classic repo markets and derivatives
- Promoting the availability of information for capital market investors
- Supporting successful Asia Regional Funds Passporting launch
- Enabling legal infrastructure for derivatives
- Financial market infrastructure and cross-border practices
A Crowded Regional Landscape

Global Organizations
- G20
- FSB
- IMF
- IOSCO
- Basel

Regional Organizations
- APEC
- ASEAN
- EMEAP
- ADB
- PECC

Financial Initiatives
- ABMI
- ACMF
- Chiang Mai
- Bogor 2020
- AEC 2015
How The APFF Adds Value

- Expand and harness private sector engagement
- Help identify and address crucial gaps and unintended consequences of regulatory changes
- Help region’s authorities take a more active role in shaping global standards
- Promote collaboration/synergy among public, private and multilateral bodies
## The Numbers: Asia Pacific

<table>
<thead>
<tr>
<th>Category</th>
<th>Prediction 2020</th>
<th>Total 2012</th>
<th>CAGR 2012-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regional AUM</strong></td>
<td>$16.2 trillion</td>
<td>$7.7 trillion</td>
<td>9.8%</td>
</tr>
<tr>
<td><strong>Regional Pensions</strong></td>
<td>$6.5 trillion</td>
<td>$3.2 trillion</td>
<td>9.5%</td>
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<tr>
<td><strong>Mass Affluent</strong></td>
<td>$43.3 trillion</td>
<td>$20.5 trillion</td>
<td>9.8%</td>
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<tr>
<td><strong>HNWI</strong></td>
<td>$22.6 trillion</td>
<td>$12.7 trillion</td>
<td>7.5%</td>
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## The Numbers: Global

<table>
<thead>
<tr>
<th>Category</th>
<th>Prediction 2020</th>
<th>Total 2012</th>
<th>CAGR 2012-2020</th>
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<tbody>
<tr>
<td><strong>Global AUM</strong></td>
<td>$101.7 trillion</td>
<td>$63.9 trillion</td>
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<tr>
<td><strong>Global Pensions</strong></td>
<td>$56.5 trillion</td>
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<tr>
<td><strong>Mass Affluent</strong></td>
<td>$100 trillion</td>
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<td><strong>HNWI</strong></td>
<td>$76 trillion</td>
<td>$52 trillion</td>
<td>4.9%</td>
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</table>

*Asset Management 2020: A Brave New World (PwC)*
Initiatives: Global

- Basel III implementation
- Recovery and resolution regimes
- Central clearing and reporting of derivatives
- FX benchmarks
- OECD common reporting standards
Initiatives: Regional

- Pensions
- Healthcare
- Education
- Infrastructure
- Environment
The End