A refreshed strategy has Credit Suisse focused on onshoring, China, the ultra-rich and high net worth individuals. APAC wealth management head Benjamin Cavalli spoke to finews.asia about the long-term vision for the business in the region.

Following the announcement of a strategic overhaul during its third quarter earnings release, Credit Suisse’s wealth management business in Asia has already made a number of changes. This includes some downsizing as part of the group’s cost-cutting initiative to reduce global headcount by 5 percent in the fourth quarter and a recent streamlining of the organizational structure in the region.

In terms of its top line, Credit Suisse’s growth ambitions are centered around several key wealth markets including onshore, China, high net worth (HNW) and ultra-high net worth (UHNW) clients.
Onshore Opportunity

While offshore private banking dominates news headlines, the lion’s share of wealth in Asia remains onshore markets where Credit Suisse will be further ramping up its focus.

«A key initiative for APAC wealth management at Credit Suisse is to accelerate onshore growth and drive onshore profitability,» said Benjamin Cavalli, the bank’s head of wealth management APAC, in a conversation with finews.asia.

«It is also important for us to access onshore wealth across Asia due to its varied and at times complex regulatory and business environment in different markets. We have been rigorously expanding our regional footprint into onshore markets over the years. This positions us well to capture opportunities in the region.»

China Ambitions

By geography, China will be the key target market for Credit Suisse in the coming years. Although the country may face short-term economic challenges, the bank is positioning itself for longer term prospects, especially in its onshore market.

«Our aim is to provide a full service wealth management offering to clients onshore China. We want to be the leading wealth manager for entrepreneurs in China, addressing both mainland and international corporate and private needs,» Cavalli underlined.

«There is a huge opportunity for leading global banks like ours to offer wealth management products to the UHNW individuals in the world's second-largest economy. We believe that the UHNW segment in China will grow a lot faster than the country's GDP.»

UHNW: One Bank

Meanwhile, UHNW clients overall will remain a key focus for Credit Suisse and Cavalli notes that the Swiss wealth manager will continue pursuing so-called «one bank» collaboration, even post-reorganization with the investment banking spinoff to create First Boston.

«In APAC, Credit Suisse has always successfully deployed its One Bank approach to clients, ensuring we provide a whole suite of services across divisions, in wealth management, investment banking and asset management. It’s part of our DNA and is our key strength and differentiation in the region and something we will not deviate from,» Cavalli said.
Benjamin Cavalli: «Onshoring Offers Tremendous Wealth Opportunities»
Tuesday, 29 November 2022 04:42

«Through our platform, we can deliver integrated wealth management and investment banking advisory and solutions to UHNW individuals, entrepreneurs, family offices and other wealth management clients, drawing on Credit Suisse’s global expertise and network.»

HNW: Upside Potential

Besides the ultra-rich, Cavalli said that Credit Suisse will also extend its focus to HNW clients in the region, echoing global wealth chief Francesco De Ferrari’s recent comments that the bank was «turbo-charging» growth in the segment via technology.

«The HNW client segment represents 65 percent of the global wealth pool,» Cavalli explained. «While the UHNW business remains a key focus of Credit Suisse [...] the core HNW segment offers broader upside potential critical for further sustainable future growth.»