

Private banking is hot, hot, hot

Graduates from disciplines as diverse as arts and science are rushing to meet shortage of private bankers, cashing in on surge in flow of wealth into S'pore

By CASSANDRA CHEW



THOUGH fresh out of university, Ms Nelly Yong earns more each month than most accountants and engineers who have been working for three to four years.

An analyst at Deutsche Bank, the 23-year-old, however, is coy about her pay. A check with banks found that such a salary would commonly range between \$5,000 and \$7,000 a month.

Ms Yong, an accounting and finance graduate from the Singapore Management University, credits her job in the bank's investment advisory department to her 10-week internship at its Raffles Place office last year.

"I enjoyed meeting people and following the markets and felt motivated to go to work, so I knew this was what I wanted to do," she adds.

Ms Yong typifies the wave of graduates - from disciplines as diverse as engineering, arts and science - who are rushing into private banking and wealth management.

The lure: the prospect of five- or even six-figure pay packets in a month.

A private banker recommends to his client various ways of investing his wealth, according to his lifestyle, needs and financial goals.

Mr Peter Lee, managing consultant of Remuneration Data Specialists, says it is not uncommon for a graduate

with a good family name and connections to make upwards of \$4,000.

"Or the bank may say, 'If you hit a certain sales quota, we will give you \$10,000'."

Bonuses in good years have been known to hit 12 months or more, while top private bankers can take home \$200,000 a month in sales commission alone.

These fat pay cheques are the result of an acute shortage of private bankers.

Singapore currently needs up to 1,000 wealth managers to cope with the surge in the flow of wealth into Singapore and the region following the economic rise of Asia.

With the addition of 11,660 millionaires last year, there are now 66,660 millionaires in Singapore.

They have given a further boost to assets under management in Singapore. Latest figures show \$891 billion of such assets last year, a 24 per cent increase over 2005.

Singapore's well-regulated financial environment, political stability and friendly tax regime have also earned it the reputation of being "an attractive private banking centre with everything in place", says CEO of Wealth Management Institute Annie Wee.

There is nothing on the horizon to cloud the bright outlook as economists predict the Singapore economy to stay buoyant.

"The robust growth in China and local stimulants like the integrated resorts should keep Singapore's economy going strong into the next year," says Mr David Cohen, director of Asian economic forecasting at Action Economics, a firm that does financial analysis.

The prognosis promises next year's graduates will continue to be paid handsomely, a prospect that will see fresh graduates knocking insistently on banking's door.

Says human resource expert Paul Heng: "It's a sexy industry to be in, and people who go in are well prepared to work their butt off and put in long hours."

» STARTING PAY

Degree	Ave starting pay(\$)
Accountancy	2,200-2,500
Business/finance	2,200-2,600
Engineering	2,400-2,700
Law	2,500-3,500
IT	2,200-2,600
Media/PR/broadcasting	2,000-2,200
Life Sciences	2,400-2,700
Arts	2,300-2,400

SOURCE: Watson-wyatt, Mercer, GMP



ST PHOTO: EDWIN KOO

BIG BUCKS: Fresh out of school, Deutsche Bank analyst Nelly Yong, 23, is already earning more than accountants and engineers who have been working for three to four years.