



Global Asset Management Study

2022 Insights Partner Report

► Taiwan

June 2023

About

NMG Consulting

- ▶ NMG Consulting is a specialist multi-national consulting firm focused on investments and insurance
- ▶ Founded in Singapore in 1992, NMG Consulting now has 150+ employees operating from primary hubs in Sydney, Toronto, New York, London and Singapore as well as satellite offices



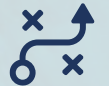
ASSET
MANAGEMENT



WEALTH
MANAGEMENT



PROTECTION



CONSULTING



INSIGHTS

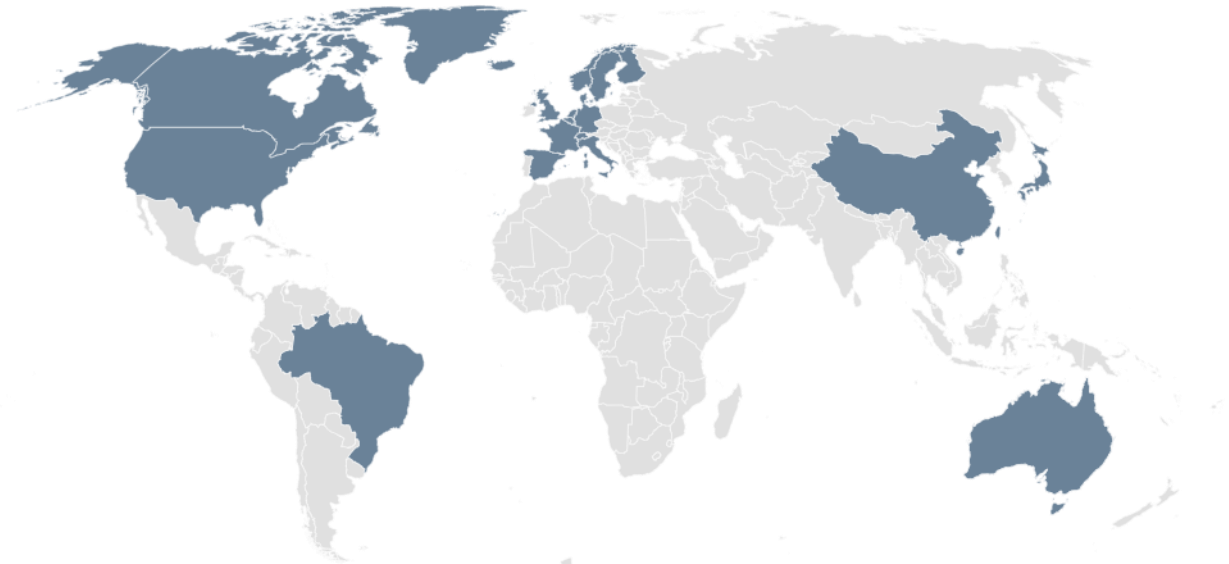


DATA
ANALYTICS

The Global Asset Management Study

- ▶ The Global Asset Management study was implemented by NMG Consulting in 2015 and runs on an annual cycle
- ▶ Every year, we conduct face-to-face or telephone interviews with more than 1,000 institutional investors and intermediary gatekeepers around the world
- ▶ In addition, over 2,000 retail advisors across the globe participate in the Study annually

Coverage of the Global Asset Management study





Study Overview



Purpose

The purpose of the study is to objectively inform asset managers and investment buyers of client needs, behavioural drivers and competitive strengths and weaknesses



Approach

An annual independent study built on structured interviews with investment decision makers within institutional asset owners, asset consultants, and retail gatekeepers



This report

This report shares findings with the 65 Taiwan participants who took part in the study during the period September to December 2022



Summary insights



Manager performance

BlackRock and J.P. Morgan AM retained their leadership positions amongst institutional and retail gatekeepers, respectively on NMG's unprompted brand ranking



Thought leadership

ESG remains a lead topic for thought leadership amongst institutional investors. Retail gatekeepers would like to learn more about fixed income, technology innovation and ESG/clean energy



Asset allocation

Institutional investors and retail gatekeepers are positive in their allocations towards international fixed income and multi-asset



Key challenges

Cash flow management rose as a key concern with institutional investors. Retail gatekeepers are concerned about the impact of rising interest rates and the market/economic downturn



Investment factors

Long-term performance is the lead investment factor for investors in Taiwan. Depth of research and global perspective increased in importance for institutional and retail gatekeepers respectively

BlackRock and J.P Morgan AM defend their lead positions for institutional and retail gatekeeper brand rankings respectively in Taiwan

Top-10 Asset Managers Brand Ranking (Taiwan)



Institutional Brand Rank
(out of 92 asset managers)

| | |
|----|--------------------------|
| 1 | BlackRock |
| 2 | J.P. Morgan AM |
| 3 | Allianz Global Investors |
| 4 | PIMCO |
| 5 | AllianceBernstein |
| 6 | Fidelity Investments |
| 7 | Franklin Templeton |
| 8 | Schroders |
| 9 | Nomura Asset Management |
| 10 | Yuanta |

Franklin Templeton improved to 7th amongst institutional investors (from 11th) with recognition for thought leadership, adopting a global perspective, and MA balanced funds

Yuanta is the leading home-market manager for institutional brand rankings, recognised for strengthened domestic equity and real estate capabilities



Retail Gatekeeper Brand Rank
(out of 64 asset managers)

| | |
|----|--------------------------|
| 1 | J.P. Morgan AM |
| 2 | Allianz Global Investors |
| 3 | AllianceBernstein |
| 4 | BlackRock |
| 5 | Franklin Templeton |
| 6 | Fidelity Investments |
| 7 | Schroders |
| 8 | PIMCO |
| 9 | Nomura Asset Management |
| 10 | PineBridge |

The Taiwan asset management market is heavily dominated by international managers across both institutional and gatekeeper investors

PIMCO fell to 8th in brand ranking (from 6th) as less recognition was received for consistency, trusted, and transparency

Investors in Taiwan prioritise good performance and product breadth; Institutional investors also value service

Lead active manager brand profile (Taiwan)



Notes: 1. Change from prior year: ■ Increase ■ Decrease ■ Stay the same
 2. The Active Leader is defined as the most important asset manager for active for a given respondent

ESG remains a lead topic of interest for institutional investors in Taiwan; Retail gatekeepers are increasingly interested in fixed income

Thought leadership topics of interest in the next 12 months (Taiwan)

Top 5 topics



Institutional



2022 Rank

Change in rank

| | | |
|---|---------------------|---|
| 1 | ESG | = |
| 2 | Forward thinking | = |
| 2 | Fixed income | ↑ |
| 2 | Renewables | ↑ |
| 5 | Economic conditions | ↑ |

Institutional investors in Taiwan have expressed increased interest in fixed income and future investment trends such as renewable energy



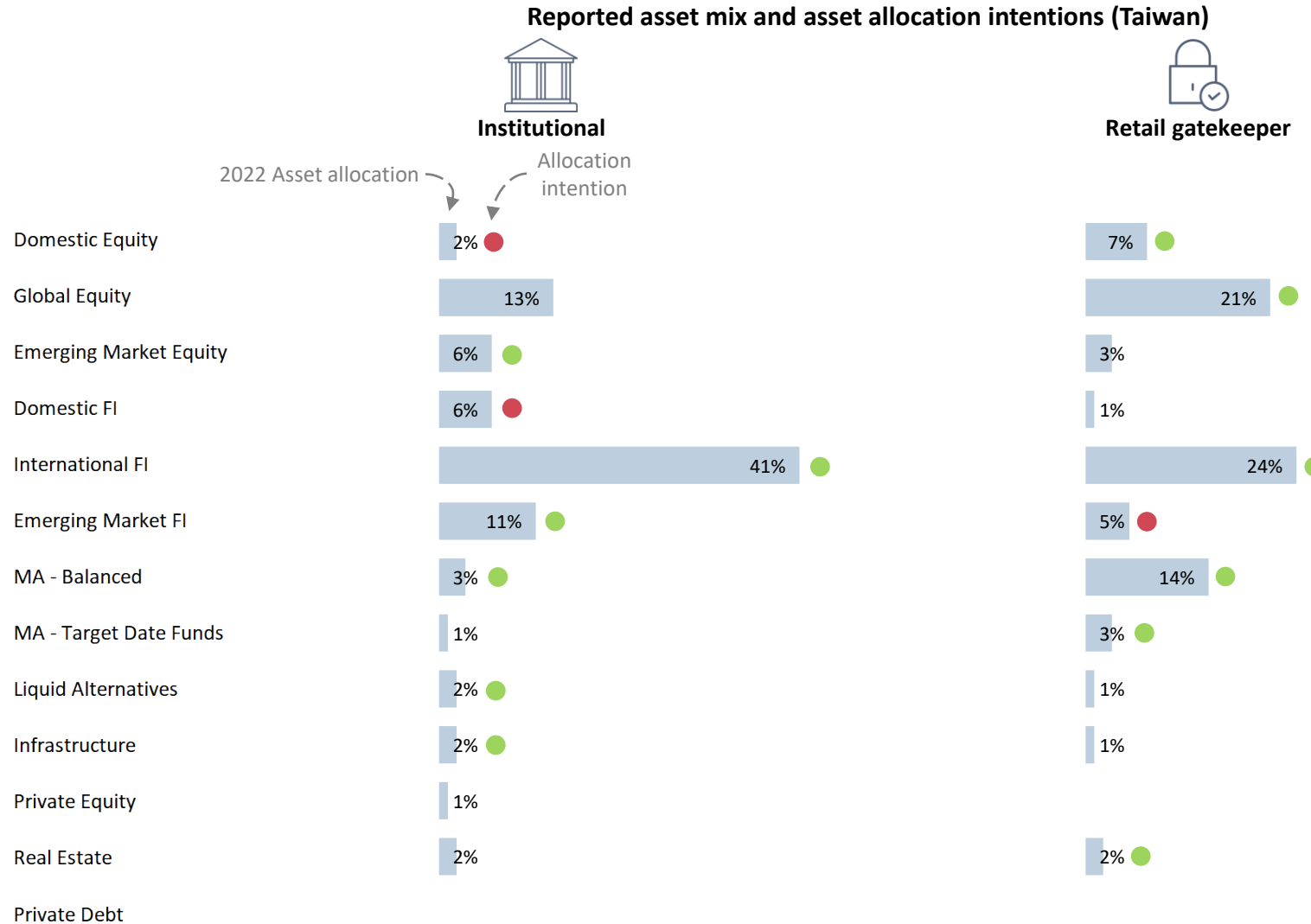
Retail gatekeeper



| | | |
|---|---------------------|---|
| 1 | Fixed income | ↑ |
| 2 | Clean energy | = |
| 2 | Technology | = |
| 4 | ESG | ↓ |
| 4 | Electrical mobility | ↑ |

Fixed income rose to a position of leading interest for retail gatekeepers. Clean energy and technology innovation remained leading topics of interest

Institutional and retail gatekeeper investors were positive towards international fixed income and multi-asset



Note: 1. Allocation intention shows the asset classes with the highest proportion of respondents who intend to increase/decrease allocations to in the next 12 months (allowing for an allocation of >1%): ● Increase ● Decrease

Managing cash flow and liquidity were of rising concern with institutional investors. Interest rates and market downturn rose with gatekeepers

Top 5 greatest challenges expected in next 12 months (Taiwan)



Institutional

| | | Change in rank |
|---|-------------------|----------------|
| 1 | Cash management | ↑ |
| 2 | Monetary policy | ↑ |
| 2 | Economic downturn | ↑ |
| 4 | Volatility | ↓ |
| 4 | Liquidity | ↑ |

“Cash flow and liquidity issues due to inflation. We will see less new policies, more terminations, and holders taking more premium holidays.
Insurer, Taiwan



Retail gatekeeper

| | | |
|---|-----------------------|---|
| 1 | Rising interest rates | ↑ |
| 2 | Economic downturn | ↑ |
| 2 | Market downturn | ↑ |
| 2 | Performance | ↑ |
| 5 | Market conditions | ↑ |

“With rising interest rates and inflation, there are not too many investment options.
Retail Gatekeeper, Taiwan

Long-term performance is the top investment factor for investors in Taiwan; Depth of research increased in importance for institutional investors

Top 5 most important investment factors (Taiwan)



Institutional



Retail gatekeeper

Change in rank vs 2019



Note: 1. The top 5 investment factors are based on the proportion of respondents who stated this was important in 2022
2. Arrows to the right of the bar graph show the change in their rank from 2019: ▲ Increase ▼ Decrease = Stay the same

Topics of interest and networking are the leading drivers for investors in Taiwan to attend conferences in-person

Attending conferences in-person (Taiwan)

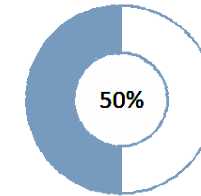
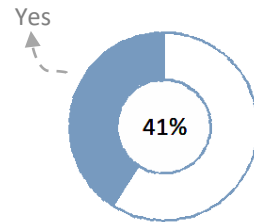


Institutional



Retail gatekeeper

Proportion of investors who attended a conference in-person in the last 6 months



Top 2 reasons for attending in-person

- The topics were of interest
- To network with colleagues and peers

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Thank you

For more information about NMG, visit www.nmg-consulting.com

For more insights or further information on our Global Asset Management Study, please contact Will Fraser at will.fraser@nmg-group.com

