



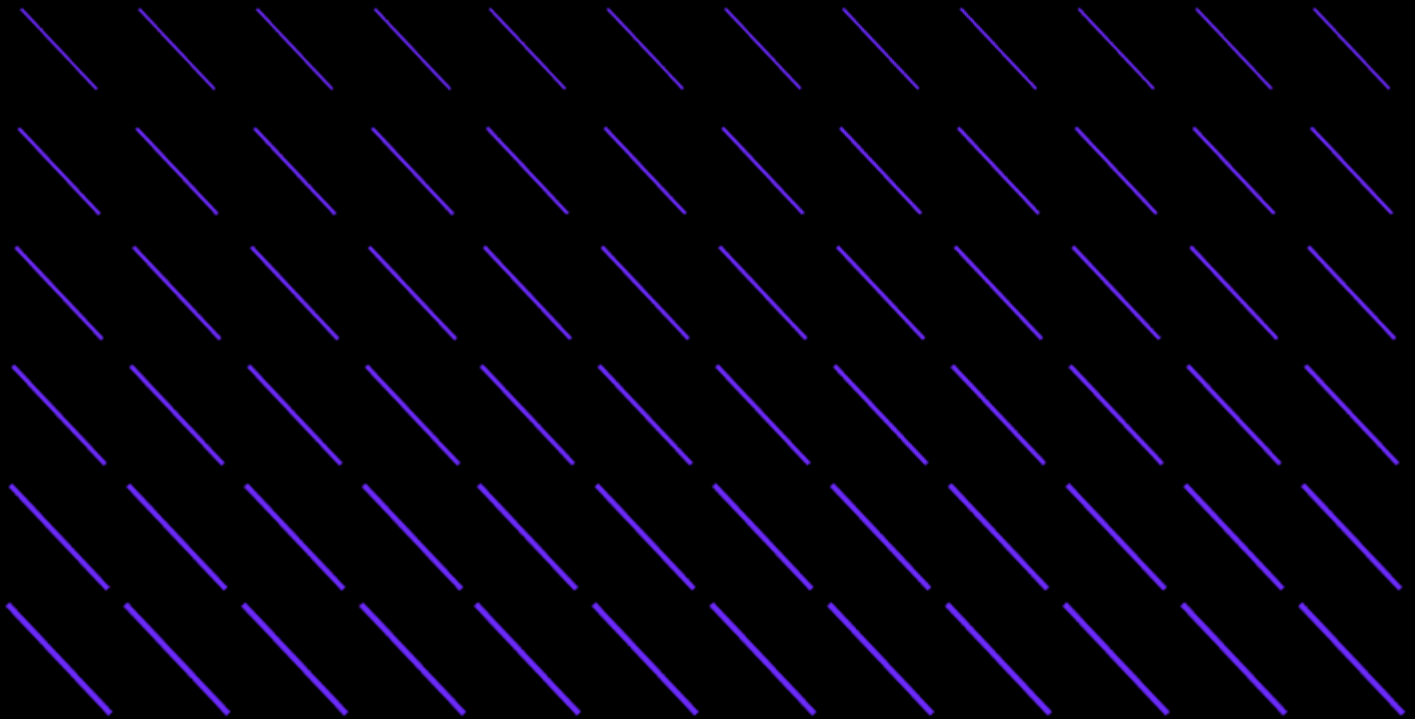
HFM Asia Services Awards 2024

Winner's Interview



BNP PARIBAS

The bank for a changing world



HFM Asia Services Awards 2024

BNP Paribas was crowned ‘Best middle office service provider’ and ‘Best hedge fund custodian’ at HFM’s recent APAC Services Awards, held in Hong Kong. HFM spoke to Sally Mung, Senior Product Manager, Hedge Fund Services, Asia Pacific at BNP Paribas on the back of the team’s double win.

Congratulations on an exciting night for the whole team. What does winning these two awards mean for BNP Paribas?

Winning this award represent a significant recognition of our achievements. It acknowledges the hard work and dedication of our team to the industry and our clients. This recognition further motivates us to continuously deliver first-class solutions and services, striving our excellence and explore new opportunities for growth and collaboration.

What is BNP Paribas focused on for the remainder of 2024, and what are the team’s priorities for 2025?

For the remainder of 2024 and into 2025, we will continue to focus on our people and our clients. Our highly experienced and efficient team remains committed to delivering the best value through first- class solutions and services.

Following the integration of HSBC’s hedge fund administration business, our priority is to onboard this business onto BNP Paribas’s platform and enhance services through our operational model and technology. Additionally, we aim to strengthen our “one integrated bank” strategy, evolving from core fund administration services to supporting a full suite of post-trade activities, including middle office services.

We plan to further extend our offerings to include comprehensive banking solutions. This encompasses global custodian services across more than 90 markets, financing and cash account services for hedge fund clients, top-tiered prime brokerage services, and global markets services. Our clients can benefit from this holistic approach one integrated bank

solutions by enhancing efficiency and receiving the best value from BNP Paribas.

We are also keeping an eye on market trends and evolving client needs. Our key priorities include investing in technological enhancements such as AI for better data management, analysis, and response to client queries. We are closely monitoring compliance regulations, opportunities within onshore fund regimes, and exploring ESG opportunities.

How do you think APAC’s hedge fund industry will continue to evolve over the next year?

The hedge fund industry in APAC is expected to continue experiencing significant transformation and growth, particularly in terms of AUM. The key drivers of this evolution are technology innovation, sustainability, and adaptability.

In an increasingly dynamic market, technology is being integrated into both the investment and operational processes, with the use of tech-driven investment strategies, advanced machine learning program, AI for big data analytics, and digital platforms for investors. There is also a growing demand for integrating ESG criteria into investment processes, reflecting the rise of sustainable finance and increasing awareness of social responsibility.

Growth opportunities are evident in the region, supported by initiatives such as family office campaign, promoting the setup of private funds in Hong Kong and Singapore. The diversification of investment strategies between traditional assets and alternative assets is also benefiting the growth of asset management and expanding business opportunities in the hedge fund industry.

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How do you see the launch environment changing, and what will this mean for the wider hedge fund ecosystem in APAC?

The hedge fund launch environment is experiencing dynamic growth and challenges. Key driving factors are investor preference, regulatory challenges, integration of technology, and the changes in market conditions. The service providers in hedge fund ecosystem would have to remain agile and innovative in this changing environment. Investors remain confident but cautious. There is an increasing demand by the investors for innovative investment strategies and robust risk management. Hedge funds with a proven track record and unique value propositions with clear alpha potential are likely to attract more interest in capital raising. ESG factors are also increasingly important for

investors in the consideration of their investment strategies and social responsibility. Regulatory compliance remains a critical challenge. The industry continuously faces scrutiny from the regulators with robust compliance frameworks and reporting mechanisms. For instance, a new regulatory requirement in Cayman Islands related to beneficiary owners in AML framework will be rolled out in Jan 2025. The industry must adapt to these changes and comply with the new regulations. In addition, the integration of technology and data analytics is transforming the industry. It is expected that the industry increasingly leverages on the technology to enhance the investment strategies and its process, operation efficiency and data transparency. The dynamic changes in financial markets and environment can create more opportunities for alternative investments.



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Where do you think the opportunities and challenges lie for service providers and managers over the next year?

As previously mentioned, the industry landscape faces new growth opportunities and challenges over the next year. In terms of opportunities, the hedge fund industry is expected to continuously rely on technology integration and innovation. AI-driven and machine learning technologies will eventually be included in the investment process and operational workflow of each of the industry players. ESG and corporate responsibility will be a global imperative by 2025, so the industry players should prepare to align the ESG values and apply these requirements into their processes. Also, with the changing market environment, investors are demanding product innovation, including the asset class diversification with proper risk management

control. Investments in new technology, research tools, the development of new investment strategies and products are expected.

In respect of challenges, the industry continuously faces the complexities of regulatory compliance. Industry players should adapt promptly to the shifting regulatory landscape, including the change in the work processes and reporting standards. Capital raising remains a challenge especially for the smaller hedge funds without a long history of proven track record. Investors remain cautious and selective about their investment choices. Last but not the least, the industry continues to face fee pressure on services and challenges in recruiting and retaining talent. In the competitive hedge fund market, the industry players are expected to provide enhanced services to address these challenges.



Sally Mung
Senior Product Manager, Hedge Fund Services, Asia Pacific
BNP Paribas

Sally joined BNP Paribas' Securities Services in Hong Kong in 2015. She has over more than 18 years' experience in alternatives fund administration business industry. Prior to this role, Sally worked as team lead in the Fund Accounting team and oversaw the performance of the operations team in Singapore, Mumbai and Chennai and promoted to Deputy Head of Client Services in Hong Kong for ensuring and optimising the client experience for our clients. Prior to joining BNP Paribas, Sally worked as an account manager, a senior client services and onboarding manager at Credit Suisse and ABN AMRO in Hong Kong.

Sally holds a Bachelor's degree in Economics and Finance from The Hong Kong University of Science and Technology. She is a qualified accountant in the US and an associate member of the American Institute of Certified Public Accountants.

Congratulations to all of this year's winners!

The 2024 full winners list can be found [here](#).

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