

ABS 33rd Annual Dinner
Address by Mr Wee Ee Cheong, Chairman ABS
29 June 2006

Mr Heng Swee Keat, Managing Director of the Monetary Authority of Singapore
Distinguished guests
Fellow Council Members
Ladies and Gentlemen
Good Evening and a warm welcome to all of you.

Let me start by thanking our guest of honor, Mr Heng, for gracing this occasion.
It's a privilege to have you here with us.
We look forward to you sharing insights on the ever-changing banking landscape.

Many of us actually look forward to this annual gathering.
It also augurs well, that over the last few years, this event has grown to include our industry partners and service providers.
It's an opportunity to exchange views and ideas with fellow industry players and regulators. This reflects the goodwill and rapport built up over the years between ABS, the financial community and MAS.
Such close cooperation has served us well.
In fact, this partnership has become indispensable in today's fast-evolving environment.

Within ABS itself, members who are hard rivals in business, come together and speak with a common voice on industry issues.
Members should continue to proactively leverage on the ABS platform.
Collectively, we play a part in shaping Singapore's development as a financial centre.
Together, we help raise the bar of excellence in the banking industry.

Even as we were busy running our own businesses, battling competition - here at ABS - we managed to pack in quite a few key initiatives the past 12 months.
As ABS chairman, I am pleased to report that the industry is in good shape.
We emerged from the year, better-equipped, better-run, and our customers and staff, better taken care of.

Some of the most exciting moments probably took place on May 9th.
We had our first large-scale business continuity exercise for the financial sector.
Faced with the rising threats of terrorism and pandemics, Singapore banks must stay vigilant and prepared for any major contingency.
The May 9th exercise was a good test of our collective communication and decision-

making in a crisis. The real-time exercises succeeded in providing useful learning points for the participants. You will get to see some of our fellow bankers in action, in the video to be screened right after my speech.

KPMG - facilitators of this exercise - has compiled a report to be presented to the industry tomorrow.

It has some recommendations which are helpful in our ongoing drive to improve our crisis management plans.

I urge all members to make such business contingency exercises a regular affair.

For better or for worse, we all live in such exciting times.

And ABS is committed to ensuring that Singapore's giant efforts - in developing the financial sector, our pro-business environment and excellent infra-structure - are not deleted overnight by some horrific event.

The smooth transition to the 5-day Clearing Week is another example of collective industry effort. This took effect on May 15th this year.

ABS handled the matter with the appropriate sensitivity, and implemented it at the right pace.

Congratulations to the working committee on a well-handled project.

In the year ahead, ABS will continue to engage members and the industry.

We welcome new ideas and initiatives, to extend our lead as a financial centre.

We will continue to facilitate industry efforts to seize growth opportunities.

These could be in a variety of areas - whether in wealth management, Islamic finance, consumer or SME banking.

Take the case of private banking for instance. Business is growing so fast.

The challenge is in providing enough skilled personnel to keep up with market demand.

Some have predicted the industry will need at least another 500 or more private bankers in the next few years.

We must ensure adequate supply of talent and resources, to stay competitive in this global business.

As an association, we encourage member banks to invest in training and conversion of existing staff, and also seek talents from outside the industry.

Of course, it's not just the quantity but quality of resources we are after.

Whether in private banking or other areas, we must continue to maintain our high standard of professionalism.

In chasing customers and talent, we need to remember we are in the business of trust and reputation.

I'm sure all member banks will continue to uphold that high level of professionalism and integrity, that has long been associated with Singapore as a financial centre.

It's a tough business. We aim for best practices and higher standards.

But we also have to be mindful not to go overboard and stifle enterprise in the process. At the end of the day, we're here to build business, stay market-driven and competitive for sustainable growth.

There are at least 2 key industry events we can look forward to later part of this year.

In less than 3 months, Singapore will host the IMF/World Bank Group meetings - one of the most prestigious events the country has ever organized.

The event will further lift Singapore's international profile as a reputable financial centre. This is a great opportunity for us to showcase our presence, and also help promote Singapore, and ASEAN, as vibrant destinations.

Let's work together and play our part to make this a success.

In November, the Association will host the ASEAN Banking Conference and Council Meeting in Singapore.

As the current chairman of the ASEAN Banking Association, I'm looking forward to the event.

This is a good platform for member countries to share their experiences and promote economic cooperation.

ABS can play a meaningful role in this regional forum.

After all, we are strategically positioned in this dynamic growth area.

Over the next decade, Singapore can truly become a regional financial powerhouse, as domestic and global players expand their customer base from here, and network across Asia.

Some will be using the Republic as regional headquarters for their Asian operations.

We can foresee tremendous opportunities for sharing of knowledge, expertise and best practices within the industry.

Benefits of such cross-fertilisation can be extended to regional countries through mutual exchanges and education.

Whether at the regional or industry levels, healthy competition & collaboration among players can benefit all.

In closing, I'd like to thank fellow Council Members for your continuing support and

sound advice throughout the year.

Your active participation and contributions have helped in more robust decision-making at ABS.

Let me also place on record my appreciation for the hard work by the staff of ABS secretariat, in particular, our tireless director, Mrs Ong Ai Boon. Not just in organizing tonight's event, but in managing the diverse range of activities all year long.

Now, before we invite Mr Heng on stage to give his address, let us watch that video I promised you on the industry-wide BCM exercise.
