

General Meeting and Conference

ABA convenes 52nd and 53rd Board of Directors Meeting

During its Ha Long Bay gathering, the ABA convened the 52nd and 53rd ABA Board of Directors' meetings during which they discussed internal policy issues and took action on a number of important matters, including the following:



Election of new members of the Board of Directors

The ABA elected members of the Board of Directors composed of representatives 25 member-banks from 19 countries who would serve for the next two years from 2017 to 2018. The member banks that were voted into the Board included the following:

Asian-Based Banks

Bank of Bhutan	Bhutan
The Bank of East Asia, Ltd.	Hong Kong
State Bank of India	India
EN Bank	Iran
Bank Pasargad	Iran
Bank of Tokyo Mitsubishi UFJ Ltd.	Japan
Sumitomo Mitsui Banking Corp.	Japan
Mizuho Bank Ltd.	Japan
Malayan Banking Berhad	Malaysia
Bank of Maldives	Maldives
Bank Muscat	Oman
Philippine National Bank	Philippines
Rizal Commercial Banking Corp.	Philippines
International Bank for Economic Cooperation	Russia
DBS Bank	Singapore
Hatton National Bank Ltd.	Sri Lanka
Bank of Taiwan	Taiwan
CTBC Bank	Taiwan
First Commercial Bank	Taiwan
Land Bank of Taiwan	Taiwan
Bangkok Bank, Ltd.	Thailand
The Bank for Foreign Trade of Vietnam	Vietnam

Multinational Banks with Asian Presence

Erste Group Bank (HK)
Commerzbank

Austria
Germany

ABA Board re-elects Mr. Daniel Wu as chairman

The newly named Board re-elected **Mr. Daniel Wu**, President and CEO of CTBC Financial Holding Co as Chairman for 2017-2018, making him the first Chairman to be elected for a second term.

In a letter sent to all members of the board, Mr. Wu expressed his gratitude in having been re-elected as the chairman of the Association. Mr. Wu wrote, "I am indeed honored with the trust you continue to bestow upon me and the CTBC Financial Holding Co. It is a great privilege for me to be heading the ABA for another two-year term, and I certainly look forward to working closely with you and your Bank to further the success of our Association and the banking industry of the region as a whole."



The re-elected chairman encouraged members to share their views on how the ABA as a regional organization can best serve its members. He added, "It is my hope that during my second term, the ABA will continue to play a pivotal role in the further growth and development of the banking sector in the region. Together, we will do our best to make the ABA an effective forum for advancing the cause of the banking industry and for promoting regional cooperation among our members."

EN Bank CEO named ABA Vice Chairman



Dr. Aliasghar Safari, CEO of EN Bank, takes his oath as ABA Vice Chairman.

Dr. Aliasghar Safari, CEO of EN Bank was named Vice Chairman at the recently-concluded ABA Conference. Safari is a distinguished and experienced banker, having served the banking network of Iran for over 35 years. Before this appointment, he was the CEO of Tourism Bank. His other previous positions in the banking network include: Board Member of Bank Tejarat, Deputy CEO of Bank Karafarin, Credits Director of Iran and Holland Trade Bank, as well as board member of over ten economic and industrial companies in the country.

Commerzbank bags Best Country Presentation award

Mr. Thomas Debelic, Director and Chief Representative for Vietnam, Laos and Cambodia at Commerzbank represented Commerzbank and gave an overview of Europe's current economic condition.

Representatives from other selected member banks who made a country presentation for the Discover ABA Session include **Dr. Mostafa Beheshti Rouy**, Executive Board Member,

International Affairs, Bank Pasargad; **Mr. Pema Nadik**, Chief Executive Officer, Bank of Bhutan; and **Mr. Pham Thanh Ha**, Deputy CEO at Vietcombank. The session chairman was **Mr. Andrew Healy**, Managing Director & CEO, Bank of Maldives.

This Discover ABA Session featured country presentations by selected ABA member banks on the economy, current developments and growth prospects in the banking and financial markets of their respective countries.



Mr. Thomas Debelic delivers his presentation on Commerzbank at the Discover ABA Session.



Discover ABA Session Moderator Mr. Andrew Healy is joined by session speakers and Vietcombank Chairman Mr. Nghiem Xuan Thanh.

Mumbai to host next year's ABA Conference

The ABA agreed to hold its 34th ABA General Meeting and Conference in Mumbai, India with the State Bank of India as host organization. A meeting of the ABA Planning Committee will be held early next year in Mumbai to discuss the exact date and venue as well as other preparations for the 2017 Conference.

Mr. Ashwini Kumar Tewari, Regional Head (East Asia) State Bank of India, Hong Kong Branch, makes a brief statement on Mumbai and State Bank of India as next year's host organization.



Policy Advocacy**ABA Policy Advocacy Committee discuss key issues
in Vietnam Conference**

The ABA convened a meeting of the ABA Policy Advocacy Committee on the sidelines of the 33rd ABA Conference on Vietnam on November 10, which discussed policy issues of concern to the banking sector and planned out its activities for the next two years. Among others, as part of its policy advocacy work, the ABA:

- a. Reviewed the activities undertaken to date on the promotion of the ABA Informal Workout Guidelines and the Model Agreement for Company Restructuring that were jointly developed by the ABA and the Asian Development Bank (ADB) and subsequently approved by the ABA Board in 2005.
- b. Considered a paper proposing cooperation among member banks in undertaking business process re-engineering initiatives aimed at achieving transformational change in their respective organizations.
- c. Considered a paper recommending measures and initiatives to be undertaken by ABA and its members aimed at promoting institutional linkages and partnerships to make micro, small and medium enterprises (MSMEs) commercially bankable
- d. Considered a report on the experience and practice of Bank Pasargad in promoting financial literacy in Iran
- e. Discussed impacts of continuing changing regulations to financial institutions
- f. Exchanged views on possible issues for future policy advocacy work of ABA.



ABA Policy Advocacy Chairman Ms. Prudence Lin leads the discussion on key policy issues.

Education and Training**Short-Term Visiting Program to Maybank, Malaysia
on January 18-19, 2017**

The ABA would like to cordially invite member banks to participate in the short-term visiting program that the Malayan Banking Berhad (Maybank) is once again hosting in Kuala Lumpur, this time to be held on January 18-19, 2017.

The primary objective of ABA's short-term visiting program is to provide member banks the opportunity to study and undergo training on specific aspects of the operations and facilities of the more advanced host banks (such as Maybank). The idea is to enable the visitors to: (i) enhance and upgrade their technical skills and knowledge in specific banking areas in the distinct and peculiar social, economic and business environment of the host country, and (ii) gain first-hand knowledge of the operations, systems and work procedures of the host bank's various line departments.

This year's Maybank program will cover topics such as wealth management in Asia, global banking, group compliance, risk culture, transaction banking, and HNW and affluent banking. Participants will also be given a guided tour of Maybank's Banking Hall.

The January 2017 program follows the highly successful and well-received Maybank visit held in November 2015.

NO PARTICIPATION FEE

There is no participation fee for attending the Maybank program. However, participants shall cover their airfare and hotel accommodation.

PROPOSED VENUE

The Maybank Program is scheduled to take place at the Maybank Headquarters, which is located at Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur.

The ABA is encouraging its member banks to take advantage of this opportunity to learn from Maybank's experience in several key banking operations.

Email the ABA Secretariat at aba@aba.org.tw to register or request for more information.

Financial Compliance Asia Summit 2017



ABA would like to invite members to participate in the Financial Compliance Asia Summit 2017 to be held back to back with AML & Financial Crime Asia Summit 2017 on February 21-22, 2017 in Singapore.

IQPC Worldwide, the event organizer, is offering 15% off the registration fees for ABA members who wish to attend the event.

Focusing on “Moving One Step Ahead: Financial Compliance in the Era of Digital Globalisation,” the two-day event will bring the latest regulatory updates, explore effective compliance processes and review practical risks management strategies to enhance compliance in organisations.

Key themes to be addressed include:

1. Managing Cross-Border Compliance Across Multi-Jurisdictions ;
2. Preparing for New MAS Outsourcing Guidelines: Third Party vs. Subcontracting vs. Intra-Group Outsourcing & Offshoring;
3. Tax Residency: Identifying the Right Jurisdiction for Common Reporting Standard (CRS) Interpretation;
4. Transcending the Challenges of Implementing Compliance Technology & Analytics;
5. Digital Compliance & Data Governance in a Connected Age; and
6. Establishing the Building Blocks of Compliance Culture, Ethics & Conduct in Your Organisation

For more information, interested parties can contact the event organizer via phone call: +65 6722 9388 or e-mail: enquiry@iqpc.com.sg , or visit the event website at: <http://www.asiafinancialcompliance.com/> .

AML & Financial Crime Asia Summit 2017

ABA would like to invite members to attend the AML & Financial Crime Asia Summit 2017 to be held on February 21-22, 2017 in Singapore.

IQPC Worldwide, the event organizer, is offering 15% off the registration fees for ABA members who wish to attend the event.

As Asia's regulators and law enforcement stepped up their supervision, inspection and enforcement efforts, banks, insurance companies and other financial institutions alike are under pressure to review their processes, controls and systems to ensure compliance in an increasingly dynamic and borderless market environment. The two-day Summit is expected to showcase the industry's best practices on combating financial crime – from forming collaborative public-private-partnerships, uncovering the latest threats in AML, frauds, cybercrimes to how financial institutions can leverage technologies such as blockchain, data analytics in their fight against financial crime.

By attending the event, participants will be able to:

1. Gain actionable strategies from regulators, central banks, enforcement authorities, FIUs and technology providers on tackling financial crimes complexity in Asia;
2. Understand key threat areas on identifying beneficial ownership, AML, politically exposed personnel (PEP) screening, trade based money laundering, cyber crimes;
3. Review their organisation's internal processes and controls to identify weak spots in financial crime compliance;
4. Learn the latest technologies: detection scenarios, predictive analytics and data analytics in financial crime detection and monitoring; and
5. Overcome challenges in detecting typologies of financial frauds and mitigating the risks associated.

For more information, interested parties can contact the event organizer via phone call: +65 6722 9388 or e-mail: enquiry@iqpc.com.sg, or visit the event website at: <http://www.asiafinancialcrime.com/>



News Updates

OECD sees resurgent US growth boosting global economy*Reuters*

Global growth will pick up faster than previously expected in the coming months as the Trump administration's planned tax cuts and public spending fire up the U.S. economy, the Organisation for Economic Cooperation and Development (OECD) said on November 28, revising up its forecasts.

In its twice-yearly Economic Outlook, OECD estimated global growth would accelerate from 2.9 percent this year to 3.3 percent in 2017 and reach 3.6 percent in 2018.

The Paris-based organisation was slightly more optimistic about the U.S. outlook, with a forecast for growth next year of 2.3 percent, up from 2.1 percent in its last set of estimates dating from September.

U.S. growth would pick up further in 2018 to reach 3.0 percent, the highest rate since 2005, as the incoming Trump administration cut taxes on business and households and embarked on an infrastructure investment program.

That would in turn drive the unemployment rate in the world's biggest economy down from 4.9 percent this year to 4.5 percent in 2018, the OECD estimated.

As the U.S. labor market becomes increasingly tight and wages rise, the OECD forecast inflation would increase from 1.2 percent in 2016 to 2.2 percent in 2018, prompting the Federal Reserve to raise interest rates gradually to 2.0 percent by end-2018.



Thanksgiving Day shoppers push loaded up carts during the 'Black Friday' sales at a Target store in Culver City, California on November 24, 2016. (Photo by Mark Ralston | AFP | Getty Images)

A resurgent U.S. economy would help offset softness elsewhere in the world.

The OECD was slightly less pessimistic about Britain's outlook than it was in September, as the central bank has helped ease the economic impact of the country's decision to leave the European Union.

Britain's economy was seen growing 2.0 percent this year, revised up from 1.8 percent previously, although the rate would be halved by 2018.

China, which is not a member of the 35-country OECD, was seen slowing from growth this year of 6.7 percent to 6.4 percent in 2017, both slightly better than previously expected.

Stronger U.S. import demand was seen offsetting weak Asian trade for Japan, where growth was revised up to 0.8 percent for this year from 0.6 percent previously and lifted to 1.0 percent in 2017 from a 0.7 percent estimate in September.

The euro area's outlook was also slightly brighter despite uncertainties about Britain's future relationship with the continent.

Boosted by loose monetary policy, euro area growth was seen at 1.7 percent this year and 1.6 percent in 2017 with both years revised slightly higher from the OECD's September estimates.

Pacific rim nations push back on free-trade skepticism

By Ryan Dube and Carol E. Lee

Wall Street Journal

Leaders of the Asia-Pacific Economic Cooperation forum in Lima vowed to continue strengthening economic ties. Leaders of Pacific Rim nations are pushing back against growing skepticism toward free-trade deals in the U.S. and elsewhere, promising to continue strengthening economic ties.

In doing so, leaders at the Asia-Pacific Economic Cooperation forum, which accounts for almost 60% of global gross domestic product, sent a message to President-elect Donald Trump that they would move forward with trade pacts with or without the U.S.

“We have to give an unequivocal message to the world that trade continues being beneficial,” said Peruvian President Pedro Pablo Kuczynski, a 78-year-old former World Bank economist who called for “protectionism to be defeated.”

Mr. Trump’s election has loomed over the summit of 21 nations, which includes the U.S., China, Japan and Mexico. The meeting rounds off President Barack Obama’s last overseas trip before he leaves office in January.

In addition to APEC meetings, Mr. Obama conferred on November 20 with Australian Prime Minister Malcolm Turnbull and Canadian Prime Minister Justin Trudeau. Mr. Obama said he told Mr. Turnbull that the U.S. and Australian alliance will remain robust and that he will work on a “strong handoff” to Mr. Trump’s administration. They also discussed Islamic State and promoting open markets.

“We are aligned on our views,” said Mr. Obama.

Mr. Obama said the U.S. and Canadian governments agreed to continue promoting trade before the end of his term.

Mr. Trump, who has blamed bad trade deals for sending American jobs overseas, has promised to pull out of the 12-nation Trans-Pacific Partnership, or TPP, one of Mr. Obama’s top foreign-policy initiatives that has yet to be ratified. He has pledged to scrap the North American Free Trade Agreement if Canada and Mexico don’t agree to renegotiate terms. He has vowed to put a 45% tariff on Chinese imports if the Asian country doesn’t change practices he says are unfair, risking a trade war between the world’s two biggest economies.

Those policies would represent a sharp turn for the U.S., which has long promoted removing trade barriers to boost economic growth. Now, many APEC leaders in Peru said they hoped to persuade the next U.S. president of trade’s benefits, while China indicated at the summit it was ready to take the lead in promoting trade.

“I very much see this as a strategic shift that is in progress,” said Eric Farnsworth, vice president of the Council of the Americas and Americas Society who was in Lima for the meeting. “There is real concern that the U.S. is withdrawing from its traditional role.”

Mr. Obama has looked to reassure allies here, saying that he didn’t expect significant changes to U.S. policy even though Mr. Trump may modify some accords.



President Barack Obama appeared at the APEC summit in Lima on November 19.

Photo: Reuters

On November 20, Mr. Obama said Asia-Pacific leaders told him during the summit that they intend to move forward with a new trade deal even without the U.S. The TPP pact was the critical piece of his Asia policy, which was to counter China's influence by strengthening ties with smaller nations in the region.

Mr. Obama said TPP "is a plus for America's economy" and that not moving forward would "undermine" U.S. influence.

While U.S. allies wait to see if Mr. Trump changes course once in office, they are considering alternatives.

Prime Minister John Key of New Zealand, a TPP member, said the pact may be able to go forward with "cosmetic changes" to please Mr. Trump. Another option, he said, was for the 11 other countries to implement TPP without the U.S.

"If the United States doesn't want to participate in free trade, [President-elect] Trump needs to know that other countries will," he said. "We hope he is part of the program. But if not, we are going to continue doing things."

Peru and Chile, two other TPP members, said they were interested in joining the Regional Comprehensive Economic Partnership, a Chinese-led pact of 16 countries known as RCEP. Peru also is expected to start trade negotiations with Indonesia and hopes to increase ties with Russia, government officials said.

China, which is excluded from TPP, will further embrace a globalized economy by promoting RCEP and a Free Trade Area of the Asia-Pacific, President Xi Jinping said in a speech.

"The U.S. being seen as pulling back does create a void that China is willing to fill," said U.S. Trade Representative Michael Froman. "You are beginning to see that."

Mexican President Enrique Peña Nieto said his country's economic future would remain closely tied to the U.S., which has helped spur manufacturing. Last year, 89% of Mexican exports were from manufacturing, compared with 38% in 1985, he said. On Saturday November 19, Mr. Peña Nieto met Canada's Mr. Trudeau, saying in a statement they remained committed to North American trade.

"Let's not be confused," he said. "We don't want isolation."

May this Christmas end the present year on a cheerful note and make way for a fresh and bright New Year.

We wish you a Merry Christmas and a Happy, Prosperous 2017!



From the ABA Secretariat

Special Feature

Supporting SMEs

In the November 2016 issue of Retail Banking in Asia Pacific: Digital Transformation, Bold Magvan, CEO of Xacbank, highlights how digital technology is transforming Mongolia's finance industry and helping banks to improve the services they provide for SMEs.

Mongolia's fast economic growth rate has slowed down over the past few years, which has introduced several challenges for the country's small and medium enterprises (SMEs).

"The biggest challenge facing SMEs today is the low capitalization of their businesses, which in turn is restricting their access to cheap bank financing," says Bold Magvan, CEO of XacBank. "In addition, by virtue of their size, many SMEs are monoline businesses that are focused on operating in one financial area. This limits them in terms of their ability to diversify and expand their business portfolio, which is leading to shrinking margins."

Headquartered in Ulaanbaatar, XacBank aims to promote socio-economic development in Mongolia and help the country's SMEs to build their business in today's challenging environment.

"We are sitting down with our SME clients to analyze their business and financial risks in the current operating environment and advising them to prioritize investments in new projects based on risk/return trade-off," comments Magvan. "We're also recommending ways they can increase profit margins and cash flows. In addition, we're working together with our international partners such as the International Finance Corporation and FMO, to provide cheaper long-term financing solutions for our clients and customers."



Photo credit: Efma

Alongside many of Mongolia's other banks, XacBank is also harnessing new digital and mobile technologies to make its processes more efficient, boost staff productivity and improve how it interacts with SME clients.

"Four to five years ago we were in a period of double-digit growth, but now we're in an era of single-digit growth due to the economic slowdown. Most banks are making it their priority to find new ways to perform the same processes faster and with fewer resources," notes Magvan, adding that this is making automation a necessity. "We are already seeing new opportunities for analyzing data more thoroughly to better understand our customers. Meanwhile, new fintech solutions are giving us alternative ideas about how to simplify old processes and increase turnaround time for customer applications. Social media has become an indispensable communication and marketing tool with our customers."

Customer needs and preferences are also playing an important role when it comes to banks deciding how to transform their business processes and operating models.

“Consumers want convenient access to all of their banking services, which means that many banks are now developing channels outside of the usual in branch services,” says Magvan. “A large proportion of Mongolia’s population has access to high-speed mobile data networks and the majority of our citizens use smartphones. Consequently, customers expect that their banks will deliver banking solutions to them via mobile platforms.”

Like many of Mongolia’s financial institutions, XacBank is exploring how it can use these technologies to digitize services. As the company was only formed in 2001 following a merger between X.A.C. and Goviin Ekhlel it only has a limited level of legacy technologies. However, Magvan considers this as a major advantage from an IT perspective.

“XacBank can capitalize on the new technologies and solutions available on the market because we know they have already been successfully tested in larger markets,” he explains. “We’ve made major investments in our fundamental IT infrastructure over the past two to three years to ensure we can support our three pillars for digital transformation. These three pillars include using data analytics to understand our customer better; harnessing social media to listen to and respond to customers in real time; and developing mobile banking services to ensure we can deliver services instantaneously.”

XacBank and its peers must also reinvent their operational strategies for their physical branches and more traditional face-to-face services to ensure they are still relevant in the face of this large-scale digital disruption.

“Although we don’t believe that physical bricks-and-mortar bank branches will disappear completely in Mongolia, they will become less of a primary sales channel and more of a second-line distribution channel that reinforces the bank’s other service channels,” predicts Magvan. “Consequently, as mobile banking rapidly becomes a major delivery channel banks with a network of large bricks-and-mortar branches will be challenged to operate them profitably.”

However, cautions Magvan, digitizing banking models and introducing mobile services brings new challenges to the fore, including cybersecurity and regulatory compliance. Magvan expects that all banks will be make significant investments to protect their data, systems and customers in the near future.

“Frankly speaking, banks have previously been on the fence as far as cybersecurity is concerned and are only now waking up to the reality,” Magvan says. “The cyber threat is now significant enough that banks will need to work together to protect customers.”

Retail Banking in Asia Pacific: Digital Transformation is one of a series of Regional Review publications from Efma, examining a selection of the most prominent developments in the retail banking industry in specific geographies.

Efma is a global non-profit organization, established in 1971 by banks and insurance companies. It provides quality insights to help banks and insurance companies make the right decisions to foster innovation and drive their transformation. www.efma.com

Among Member Banks

-  **BEA launches touch ID authentication** - The Bank of East Asia, Limited (“BEA”) on November 28 announces the launch of a Touch ID authentication service in the BEA App. With the introduction of this biometric technology, customers will enjoy even faster access to the money transfer functions of i-P2P and i-Wishes. Touch ID authentication will enable customers to access the most frequently used function in the BEA App, i-P2P/i-Wishes, more quickly and securely. Customers can transfer money to a friend’s account at any local bank using just a mobile phone number, or send a cash gift through i-Wishes and choose from a selection of greetings cards. BEA App’s Touch ID authentication is highly secure; it is limited to devices that have enabled Apple Inc.’s Touch ID function, and BEA App will not store customers’ fingerprint records. *BEA News Release*


BEA 東亞銀行
-  **ICICI Bank to transform 100 villages into ‘ICICI Digital Villages’ in 100 days** - ICICI Bank, India’s largest private sector bank by consolidated assets, announced that it will transform 100 villages into ‘ICICI Digital Villages’ in as many days. The announcement is a part of the bank’s continuing effort to provide digital ecosystem across the country, including rural India, in the wake of demonetization of high value currencies. These villages, which will be spread across the length and breadth of the country, will enable villagers to use digital channels for banking and payments transactions. There, villagers will be able to open bank accounts using Aadhar-based e-KYC and make cashless payments to retail stores through a unique SMS/USSD-based mobile solution. Additionally, ICICI Bank in association with ICICI Foundation for Inclusive Growth (ICICI Foundation), the CSR arm of the ICICI Group, will impart vocational training to nearly 10,000 underprivileged villagers, especially women, to help them earn a sustainable livelihood. This is the largest village promotion program in the country encompassing digitization of transactions & commercial activities, vocational training and credit facility to help villagers earn a sustainable livelihood. *ICICI Bank News Release*


ICICI Bank
-  **Maybank launches first-of-its-kind digital social fundraising platform for NGOs** - Non-governmental organisations (NGOs) and charitable bodies now have a new avenue for fundraising – thanks to MaybankHeart, a new social fundraising platform in Malaysia – which enables them to reach out to a wider audience in supporting their causes. MaybankHeart, which is the first such initiative by a bank in Malaysia, aims to connect NGOs with private sector partners as well as the public for specific projects or causes that will benefit communities in need. The initiative was officially launched by the Chairman of Maybank, Tan Sri Megat Zaharuddin Megat Mohd Nor, in Kuala Lumpur today at an event attended by various NGOs, corporate supporters and celebrities. Also present were the CEO of Maybank Foundation, Shahril Azuar Jimin, members of the Board and senior management of Maybank. *Maybank News Release*




Maybank

- Self-service banking introduced in Velidhoo as part of BML's community investment program -



BANK OF MALDIVES

Bank of Maldives has continued to expand its presence in local communities with the introduction of a Self Service Banking ATM at N. Velidhoo. In addition to the usual cash withdrawal facilities, the new ATM will support local individuals and businesses to deposit and transfer money on a 24/7 basis. The Velidhoo ATM is part of the Bank's ongoing MVR 300 million investment program to expand banking services and financial inclusion across the country. BML Retail Banking Director, Mohamed Shareef commented, "Today marks another important milestone in the Bank's work to expand our services nationwide. BML's MVR 300 million investment program is seeing a number of major investments throughout the country. The launch of this ATM in Velidhoo will provide a welcome boost to the growing local economy." *BML News Release*

- DBP supports e-trike project to ply in Mandaluyong City - The Development Bank of the Philippines (DBP) has granted a loan to EV Wealth, Incorporated (EVI) to finance the manufacturing and assembly of electric tricycles (e-trikes). Dubbed "E-TRIKEBAYAN," these six-passenger electric vehicles are powered by lithium ion batteries and are intended to ply the district of Mandaluyong City.



According to DBP, the project's vision is to provide a greener method of transportation to the local government of Mandaluyong or a greener alternative to the traditional fuel-powered tricycles. The E-TRIKEBAYAN also provides a business opportunity for tricycle drivers, operators, and other interested individuals, to own e-trikes, expand or start their own business, and explore other business opportunities such as school service, private rental service, cargo handling, among others. *DBP*

- Bangko Sentral OKs PNB's P20-B LTNCDs - The Bangko Sentral ng Pilipinas, Philippines' Central Bank, has given the planned P20-billion long-term negotiable certificates



PNB

of time deposits (LTNCDs) of Philippine National Bank (PNB), an issuance that is envisioned to manage the lender's debt profile. "We received today, November 28, 2016, a copy of the Bangko Sentral ng Pilipinas (BSP) approval of the bank's request for authority to issue LTNCDs in the aggregate amount of up to P20 billion," PNB said in a disclosure to the Philippine Stock Exchange on November 28. In a separate disclosure on July 22, the bank said it plans to issue LTNCDs in one or more tranches "to extend the maturity profile of the bank's liabilities as part of overall liability management and raise long-term-funds for general corporate purposes." LTNCDs are time deposits that have longer maturity and are higher yielding than regular deposits. The debt instrument is negotiable and insured with the Philippine Deposit Insurance Corp. up to a maximum coverage which is currently at P500,000.00 per depositor. *Manila Times*

- DBS furthers commitment to shape future of banking with launch of new innovation facility - DBS Bank, recently acknowledged as the World's Best Digital Bank, officially



DBS

opened DBS Asia X (DAX) on November 14. Located at the Sandcrawler Building in Fusionopolis, DAX is a 16,000 sq ft innovation space that has project pods and spaces,

journey rooms, co-working spaces for up to 100 people as well as an auditorium and cafe. The opening of DAX coincides with the inaugural week long Singapore FinTech Festival, and was officiated by the Monetary Authority of Singapore's (MAS) Deputy Managing Director Jacqueline Loh and DBS CEO Piyush Gupta. Over the past three years, DBS has been deeply immersed in furthering its digital transformation agenda. This includes embarking on a comprehensive and holistic mission to changing the culture and mindset of staff, re-architecting the bank's technology infrastructure, and leveraging Big Data, biometrics and artificial intelligence to reimagine banking. *DBS News Release*

-  **IE Singapore-UOB collaborate to accelerate trade and internationalization for Singapore companies** - International Enterprise (IE) Singapore and United Overseas Bank (UOB) signed a Memorandum of Understanding (MOU) on November 24, combining forces to help more Singapore companies in cross-border trade and internationalization. This marks IE Singapore's first strategic partnership with a Singapore bank. The partnership will provide Singapore companies with customized trade and financing solutions, deeper access to in-market connections, business partners and professional service providers across Asia, including business tie-ups with UOB's global clients. The MOU was signed by Mr Chua Taik Him, Deputy Chief Executive Officer (CEO), IE Singapore and Mr Frederick Chin, Managing Director and Head of Group Wholesale Banking, UOB, witnessed by Ms Sim Ann, Senior Minister of State, Ministry of Trade and Industry & the Ministry of Culture, Community and Youth, Mr Lee Ark Boon, CEO, IE Singapore and Mr Wee Ee Cheong, Deputy Chairman and CEO, UOB. This collaboration taps the rising potential of ASEAN, especially in intra-regional trade. In the past five years, intra-ASEAN trade almost doubled from US\$332 billion to US\$600 billion in 2015, and total intra-ASEAN trade is expected to hit US\$1 trillion in 2020. *UOB News Release*



-  **HNB opens fully-fledged customer centre at Lanka Hospitals** - In an endeavor to provide convenient banking facilities to patients, visitors as well as employees, Hatton National Bank (HNB), Sri Lanka's largest private sector bank announced the establishment of a new customer center at Colombo's leading private healthcare institution, Lanka Hospital. Essentially to cater to the 2,000 plus employees and staff of the hospital, plus as a comfort factor for patients, the HNB customer center at Lanka Hospital will be open from 8 am to 5.30 pm daily and from 9am to 1p.m on Saturdays. The on location ATM will be available throughout and is 24 x7 accessible. The branch was jointly inaugurated by HNB's Managing Director, Jonathan Alles, with Lanka Hospital's Chairman, Dr Sarath Paranavitane, HNB Assistant General Manager, SME, Jude Fernando and HNB Regional Head, Greater Colombo, Neil Rasiah, Lanka Hospital's Director Medical Services, Dr Mrs Iresha Fernando and Lanka Hospital's Chief Financial Officer (CFO), Badrajith Siriwardane were present at the occasion. The inaugural function was also attended by other dignitaries including high-level officials from both the bank and the hospital as well as Consultant medical Practitioners. With this opening, HNB's distribution network now stands at 252 branches and 463 ATM's island-wide. *The Island*



Banking and Finance Newsbriefs**India****Indian economy grew 7.1% in first six months of current fiscal**

India's economy grew at 7.1 percent in the first six months of the current financial year despite subdued growth in the world economy, Union Minister Nirmala Sitharaman said on November 28.

Noting that the government has been taking steps to boost industrial production and growth, she said the country's economy grew 7.1 percent during April-September period of current fiscal which ends on March 31, 2017.

"Despite subdued growth in the world economy, India has maintained a GDP growth rate of 7.2 percent in 2014-15, 7.6 percent in 2015-16 and 7.1 percent during April to September of 2016-17," the Commerce and Industry Minister said in a written reply during Question Hour in the Lok Sabha.

Sitharaman also said the primary responsibility of industrial development of backward areas rested with the state governments, while the central government supplements their efforts through various schemes. *Economic Times*

Japan**Abe calls for wage rises to boost Japanese economy**

Shinzo Abe has demanded that companies raise wages next year by at least as much in 2016, despite a fall in profits, as he tries to keep Japan's economy on track.

In a meeting on November 16 of the prime minister's labor reform working group, Mr Abe told business leaders that he "expects wage rises of at least the level of this spring", according to his office.

The prime minister's demand signals that he still hopes to influence next year's private sector wage negotiations as part of an effort to boost worker incomes, their consumption and thus inflation.

In a sign he may achieve this goal, Sadayuki Sakakibara, chairman of the Keidanren business group, replied: "We want to maintain the momentum of wage rises." *Financial Times*

Korea**S. Korea vows full support for anti-money laundering body**

South Korea's financial authorities on November 30 reaffirmed their commitment to fully support a global organization, based in the country, on anti-money laundering and counter-terrorism financing.

Jeong Eun-bo, vice chairman of the Financial Services Commission (FSC), delivered the message to Kevin Stephenson, head of the Training and Research Institute (TREIN) affiliated with the Financial Action Task Force (FATF).

They met here on the sidelines of the inaugural regular consultation session between the FSC's Korea Financial Intelligence Unit and TREIN.

TREIN, in charge of international education and research on the global fight against money laundering and terrorism financing, was launched in September in South Korea's southern port city of Busan. *Korea Times*

Malaysia

Malaysia asks foreign banks to stop ringgit trading

The Malaysian central bank's moves to curb what it describes as "speculative and damaging" offshore trading in the ringgit are causing disquiet among investors and raising concerns about the regulator's handling of the markets.

Bank Negara Malaysia has asked foreign banks to commit to stop trading the ringgit — Asia's worst-performing currency against the US dollar in 2015 — in the offshore non-deliverable forwards market.

Malaysian debt is popular with overseas investors, who hold 36 percent of Malaysian government securities — by contrast, global funds hold 15 percent of Thai treasury bills and government bonds. The popularity of Malaysian debt has prompted concerns that overseas investors will no longer be able to hedge their exposure. *Financial Times*

Philippines

Philippine economy grows fastest in Asia

The Philippine economy expanded 7.1 percent in the first three months in office of President Duterte on the back of robust public infrastructure spending and private construction, and growth in agriculture.

An upbeat consumer spending, encouraged by low inflation and low interest rates, also drove the expansion during the July-September period of the gross domestic product (GDP) that made the Philippines the fastest growing economy in the region. GDP is the total value of goods produced and services rendered in a given period.

"This underscores that the Duterte administration offers more than war on drugs," Presidential Communications Secretary Martin Andanar said in a statement.

"(W)e have a sound economic vision and agenda that will spur growth to benefit the lives of our countrymen, especially the poor and the marginalized," he said. *Philippine Daily Inquirer*

Singapore

Singapore's MAS sees rising global headwinds for bank

Weak global growth and uncertainty over interest rates are among rising "headwinds" that threaten to drag on Singaporean banking profits, according to the city's central bank.

The potential for spillover from vulnerabilities in China's financial system into Asia and anti-globalization sentiment are also among challenges highlighted in the Monetary Authority of Singapore's annual assessment of the financial sector published recently. The study flagged the possibility of weaker growth weighing on households' ability to service debt.

"MAS' stress tests show that Singapore's financial institutions, corporates and households are able to weather the present challenging environment," the central bank's Deputy Managing Director Ong Chong Tee said in a statement. "Most corporates remain resilient, although some strains may be seen in specific industries. We should all stay vigilant to guard against the risks highlighted in the report, given the global macroeconomic uncertainties." *Bloomberg*

Taiwan**Taiwan's economy continued to show stable growth in October: NDC**

Taiwan's economy continued to show signs of steady growth in October, with monitoring indicators flashing a green light for the fourth consecutive month, according to a report released on November 28 by the National Development Council (NDC).

Meanwhile, the trend-adjusted leading index and the trend-adjusted coincident index both showed increases for the eighth consecutive month, signaling that the economy continued to improve during the month, according to the NDC.

The NDC uses a five-color system to gauge the country's economic situation, with blue indicating recession, yellow-blue representing sluggishness, green denoting stable growth, yellow-red signifying a warming economy, and red pointing to overheating.

The economy flashes the different colors based on the council's composite monitoring indicator, which measures growth or decline in nine components of the economy. *Focus Taiwan*

Thailand**Thailand plans more than RM12.5bil in bonds to boost economy**

Thailand plans to issue bonds worth more than 100 billion baht (RM12.5bil) next year to boost activity in the provinces, the finance minister said on November 30, as the military government strives to revive sluggish growth.

South-East Asia's second-largest economy has struggled to regain traction after years of weak exports and domestic demand even as an army coup in May 2014 ended months of political turmoil.

The military government has ramped up spending and investment as well as introduced various stimulus measures in a bid to support the economy.

The government has room to borrow as much as 220 billion baht (RM27.5bil) for investment projects in communities, but it may not need to borrow that much, Finance Minister Apisak Tantivorawong told reporters. *The Star*

Vietnam**Moody's: Outlook for Vietnam banks stable, supported by the country's strong economic growth**

Moody's Investors Service says that the outlook for the banking system in Vietnam (B1 stable) is stable over the next 12-18 months, reflecting Moody's expectation that the country's macroeconomic stability and resilient economic growth will continue to support the banks' weak credit profiles.

"The banks' balance sheet buffers are weak, because of the size of their legacy problem assets," says Daphne Cheng, a Moody's Analyst.

"Nevertheless, while legacy loan levels remain elevated, transparency in relation to such problem assets has improved," adds Cheng. "Moreover, Vietnam's rapid economic growth will improve the recovery prospects of the banks' legacy problem assets and stabilize asset risks."

Moody's analysis of Vietnam's banking system is contained in its recently-released report on Vietnamese banks titled, "Banking System Outlook -- Vietnam: Resilient Economic Growth Drives Stable Outlook". *Econo Times*

Publications

The World Bank Annual Report 2016

This Annual Report focuses on how two of the World Bank Group's institutions—the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA)—are partnering with countries to end extreme poverty by 2030, promote shared prosperity, and support the global sustainable development agenda.

Contact for details: World Bank Publications
Website: <https://publications.worldbank.org>

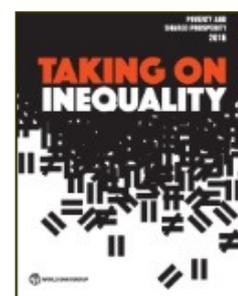


Tackling Inequality Vital to Ending Extreme Poverty by 2030

A new World Bank study on poverty and shared prosperity says that extreme poverty worldwide continues to fall despite the lethargic state of the global economy. But it warns that given projected growth trends, reducing high inequality may be a necessary component to reaching the world's goal of ending extreme poverty by 2030.

According to the inaugural edition of Poverty and Shared Prosperity—a new series that will report on the latest and most accurate estimates and trends in global poverty and shared prosperity annually—nearly 800 million people lived on less than US \$ 1.90 a day in 2013. That is around 100 million fewer extremely poor people than in 2012. Progress on extreme poverty was driven mainly by East Asia and Pacific, especially China and Indonesia, and by India. Half of the world's extreme poor now live in Sub-Saharan Africa, and another third live in South Asia.

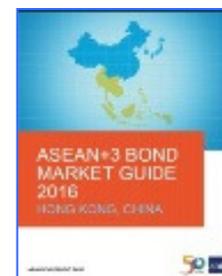
Contact for details: World Bank Publications
Website: <https://publications.worldbank.org>



ASEAN+3 Bond Market Guide 2016: Hong Kong, China

The range of product offerings, open access for issuers and investors, and the increasing significance of offshore Chinese renminbi bond issuances make the Hong Kong, China bond market one of the most frequented bond markets in Asia.

The ASEAN+3 Bond Market Guide is a comprehensive explanation of the region's bond markets. It provides various information such as the history, legal and regulatory framework, specific characteristics of the market, trading and transaction, and other relevant information. The Hong Kong, China Bond Market Guide is an outcome of the strong support and contributions of ASEAN+3 Bond Market Forum members and experts, particularly from Hong Kong, China. The report should be recognized as a collective good to support bond market development among ASEAN+3 members.



Contact for details: ADB Publishing
Website: www.adb.org/publications



The Asian Bankers Association (ABA) serves as a forum for advancing the cause of the banking industry and promoting regional economic cooperation. Established in 1981, it provides a venue for an exchange of views and information on banking opportunities in the region; facilitating networking among bankers; and encouraging joint activities that would enhance its members' role in servicing the financial needs of their respective economies and in promoting regional development. With 100 members from 25 Asian countries, the ABA holds annual meetings and conferences on issues of concern to the banking sector, with the view to broadening its members' perspective on the situation and opportunities in the region. For more details, visit <http://www.aba.org.tw>

Published monthly by the Secretariat, Asian Bankers Association

Victor C. Y. Tseng, Secretary-Treasurer

Amador R. Honrado, Jr., Editor; Jacqueline Uy, Associate Editor

Wendy Yang, Contributing Editor; Julia Hsu, Assistant Editor

7F-2, No. 760, Sec. 4, Bade Road, Taipei 10567, Taiwan; Tel: (886 2) 2760-1139; Fax: (886 2) 2760-7569

Email: aba@aba.org.tw; Website: www.aba.org.tw