

Chase derivatives chief quits HK for base in Singapore

By Shiv Taneja

SINGAPORE — As part of a strategy to strengthen its treasury operations here, Chase Manhattan Bank's regional head of derivatives will move his base from Hongkong to Singapore.

Chase Asia-Pacific managing director for structured derivatives Ralph Yiehmin Liu said last week "a very supportive infrastructure, lower cost of operations and a rapidly growing South-east Asian market" were key reasons for the move.

Mr Liu, a Taiwan-born US national, said that although he would be based in Singapore, the Hongkong office would remain the base for Chase's north Asian operations.

Singapore would handle its South-east Asian business. This move is seen also as part of Chase's plan to expand its

treasury operations in Singapore.

Celebrating its 30th anniversary in Singapore earlier this year, Chase said it would make "significant investments" in technology and in doubling the size of its dealing room operation from 60 dealers to over 120 in the next 12 months.

Mr Liu said Chase's derivatives operations in Singapore were already among the biggest here. But as more corporates in the region realised the benefits of using derivatives to hedge against risk, expansion was needed here.

Apart from Mr Liu, who will divide his time between Singapore and Hongkong, several other personnel will move from Hongkong to Singapore. Mr Liu declined to give specific numbers.

Given the derivatives industry's recent bad press after losses by some international



Mr Liu: beefing up treasury operations

corporations, Mr Liu said Chase would spend a great deal of time educating customers as to how derivatives worked, and how they could be used to reduce risk.

"In this past year itself, Chase has held over 20 seminars and conferences for customers, and I spend over 70

per cent of my time in educating customers," Mr Liu said.

Another segment of Chase's treasury operations that has been growing strongly here is its Singapore International Monetary Exchange Ltd (Simex) operation.

Douglas Lee, general manager and vice-president for this unit, Chase Manhattar Future Corp, said that in 1993 Chase's trading volume on Simex was the highest of all 37 clearing members, accounting for over 10 per cent of trading volume.

This was the third year in a row that Chase had the highest trading volume on Simex.

Last year, out of a total volume of 10.1 million trades (not counting trades by Simex "locals" who trade on their own accounts) Chase Futures accounted for just over 2 million trades.