



Dear business partners,

If you look at the index levels of the world's stock markets compared to the beginning of the year, then you could be forgiven to think that 2020 was a normal year. It was anything but! I can't wait for the year to end, and it won't be one that I will remember fondly. Nothing in 2020 seemed normal. When the word of the year is "lockdown", then you know something is wrong. COVID19 took the world by storm, and in its wake the financial markets went into a tailspin and then back up again. Unfortunately, the financial markets do not (yet?) reflect what is happening in the real economy. Many businesses and industries will take years to recover – if they don't disappear first. The way we work, live, travel, communicate has perhaps changed forever. At this stage, and with the vaccines hopefully becoming available in the next few months, I am reluctant to accept the new normal. WFH (aka Working from home) has become the norm for many, but I firmly believe that we are not meant to work from home. Human beings want to interact, socialize. From a business perspective I believe that productivity is considerably lower when people work from home during 50% of the time. Instead of having a quick chat in the pantry you have to write emails. And most people express themselves better verbally than in writing. We are in a people's business and no Webex or Zoom can replace the personal interaction. So, I sincerely hope that in the course of 2021 we get close to how we used to operate pre-COVID19. During the turbulences of March and April our investment approach was put to the test. I dare say that we came out of a very difficult period in pretty good shape. We never try to time the market and mostly stayed the course, i.e. stuck to our Strategic Asset Allocation. Our CIO, Michael Foo, elaborates a bit further on this in this newsletter.

While 2020 was not a good year in many respects, I am pleased to report that it was a good year for HP Wealth Management. We were able to add new clients and were successful on the hiring front. Our headcount has continued to grow. It was also the year where we made an important decision to migrate onto a new Portfolio Management tool. This new tool, called "Wize", integrates the Portfolio Management capability with a CRM and an AML module. Stephane Schmid was managing the transition and he shares some of the key changes with you in a separate article in this newsletter.

Last, but not least, I take this opportunity to thank all of you again for your unwavering support of HP Wealth Management. We are now into our 12th year but we will continue to improve our offering, while at the same time stick to our core principles: alignment of interest, transparency and unbiased advice.

Urs Brutsch, Managing Partner and Founder

Michael's take on the market



It has been a challenging year for investors having to deal with the pandemic, policies and politics. But with major stock indices breaking all-time record highs recently, that might sound like an overstatement. It is not. According to some commentators, this has been one of the most miserable bull markets. Many active managers and investors were side-swiped by the sell-off in February and March and failed to meaningfully participate in the ensuing recovery. Cash levels remained high in portfolios until recently. According to a September report by S&P Global, 67% of actively managed US mutual funds failed to beat their benchmarks. So, despite markets at record levels again, the manner and trajectory in which indices have taken this year to reach them underscored the highly unpredictable nature of markets.

In 2020, our discretionary mandates continued to deliver respectable performances across the various strategies – global multi-asset, fixed income as well as global and Asian equities mandates. The ingredients that have helped us achieve these positive results are our focus on quality, diversification and building portfolio resilience with 'anti-fragile' instruments. Just as important, we managed to navigate through the market dislocations and the subsequent rally by resisting the urge to overreact to all the short-term noise by staying focused on the longer-term trend.

Looking into 2021, we believe markets will continue to be driven largely by macro factors. There are many known headwinds and similarly, tailwinds that could take markets one way or another. In our opinion, the most sensible investment strategy is to stick to your investment plan. Come see us if you need to review yours.

Michael Foo, Partner and CIO

HPWM getting Wize



In our letter dated 18th of May 2020, we announced an important decision: the implementation of a new wealth and asset management software <https://www.wize.net/>.

Faced with 10 years of history to be transferred into the new system, the task was not insignificant, not to say ambitious. Thanks to a very well-planned project by our new "wize" partners, and after some 30 steering committee sessions, 10 days of training sessions, 25 daily calls and counting, we are pleased to confirm that our new system is LIVE with the 25'000 securities, 10 years of transactions, 500 portfolios, 200 consolidated portfolios all successfully uploaded!

This important investment in time and money is related to our ongoing development of our Family Office Services – where asset management is only one part of the service – allowing us to consolidate Bankable and non-Bankable assets, loans, private investments, private equity - giving permanent risk control, performance, asset allocation and total net wealth in one go!

Our effort and success with our specialised Family Office services gels well with the various initiatives the Singapore government pushed forward to attract the super wealthy to the Lion City.

The key features are a sophisticated portfolio management system, with in-depth performance attribution analysis, private equity performance calculation module, investment controlling consolidation, e-banking access, digital client onboarding, KYC/CRM tool and reporting to mention a few. Ask us for a demo and we will be pleased to demonstrate all the added value HP Wealth Management has to offer!

Stephane Schmid, Partner



Get up close and personal with Ng Zhi Ping,

Annual J.P Morgan Run

Compliance and Risk Officer



Q: You joined HPWM originally for Operations but have had quite a journey since then. Tell us about your roles in HPWM so far and your focus today:

I began my journey as an Operations officer within HPWM where I specialized in reconciliation. Along the way, the role

further exposed me to Family Office Reporting and Performance Evaluations.

As the firm expanded, I took the opportunity to transition into Compliance where our objective is to establish and maintain KYC and AML/CFT controls within the firm in accordance to MAS guidelines. We also have to be kept abreast of regulatory changes and developments so LOTS of reading!

The next step, along with my recent appointment as a Risk and Compliance officer, will bring new challenges which I am excited to face. My aim is to further my development in Risk Analytics and Compliance and also to work even more closely with stakeholders in the firm.

Q: What did you do before you joined HPWM? When did you join?

Prior to joining HPWM, I was working in the field of operations with another asset management firm. I've always been interested in the wealth management industry and I joined HPWM in 2018.

Q: What do you like about your current role?

I treasure the family-like culture and enjoy the flexibility, exposure and engagement in the firm.

Q: What should HPWM do differently to make the company even more successful?

Strategically - a combination of talent acquisition and retention

Q: We understand that you support Manchester United. Do you have any other weaknesses?

My greatest weakness this year is Jürgen Klopp. Anyone else but Jürgen next year please.

Q: Tell us something your colleagues don't know about you

I do enjoy horticulture. You may have now noticed the cacti & succulents I have around my desk.

Q: and finally: what is your Christmas wish for HPWM?

Here's wishing our dear colleagues a merry Christmas full of peace, joy and happiness. The Covid situation has led to offsite arrangements. It would be nice for a year-end dinner – with safe distancing and segregation of course.



Company Rank (Finish Time)	Company Rank (Distance)	Participant Name
1	2	Michael Foo
2	1	Edwin Chan
3	2	Urs
4	2	Jing Chee
5	2	Yeo Zhi Xun, Alvin
6	2	weiling

It has become a tradition for HP Wealth Management to participate in the JPMorgan Corporate Challenge. Like so many things in 2020, this was also a virtual event, i.e. there was no mass event, but each runner had to cover the 5.6 km individually and the timing was tracked with the race app. While the turnout was a bit smaller than usual, HP Wealth Management still had a good turnout. It was particularly pleasant to see that our CIO team with Michael and Edwin were leading the pack. Let's hope that this is a good omen for our portfolio performances in 2021! We respect data privacy and hence are not publishing the full list of participants and the individual timings, as this could potentially lead to embarrassment.

We take this opportunity to welcome our new colleagues

Ms Wendy Leong, Assistant Relationship Manager, joined July 2020

Mr. Yu Hongyi, Portfolio Analyst, joined September 2020

Mr. Dheeraj Wadhvani, Senior Relationship Manager, joined December 2020



As every year, we don't send out greeting cards. Instead, we are making a donation to a charity. This year we are supporting again Child's Dream Foundation.