



June 2019

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Asset Management	Banking & Capital Markets	Insurance	Real Estate	Other
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Asset Management



KPMG at FundForum International 2019

A large group of partners represented KPMG at FundForum International, the largest Asset Management conference globally which this year attracted more than 1,300 key decision makers and executives from all over the world. Tom Brown, Global and UK Head of Asset Management, had the honor of delivering the opening speech, and spoke about the unique opportunities that Asset Management clients have to be a force for good for a society in crisis. [Here's a video summarizing the main discussion points of the conference.](#)

Paper - The need for agility and decisiveness for asset management CEOs

CEOs of the world's major asset management companies are alert to the need to adapt their businesses to reflect customer values, expectations, environmental risks and transformational technological change. This paper examines key themes that came from KPMG International's [Global CEO Outlook](#)— an annual publication that surveys CEOs from key industries from around the world. The responses from 81 global asset management CEOs offers a unique and timely perspective into their current mindset, business concerns and priorities.

European Responsible Investing Fund market 2019

Sustainable finance is the new mainstream. The responsible investing fund market continues to adapt and evolve. In 2018, the sustainable finance industry moved even closer to a fully-integrated ESG approach, from considering ESG factors in investment analysis to integrating ESG risks in investment decisions. [This survey](#)

[report](#) aims to promote finance that contributes to a sustainable economic growth, and to encourage data-driven discussions about the evolution of the responsible investing fund industry.

[Evolving Asset Management Regulation 2019 – A sea of voices](#)

The asset and fund management industry has grown significantly in the last decade and its importance to the world financial system is increasingly recognized. The industry and regulators are coming under pressure from a range of “external” voices – demanding investors and consumer groups, clamoring political and economic needs, changing priorities and hopes of civil society, an increasingly noisy press, the explosion in social media and the rapid growth of new technologies.

This sea of voices is directly influencing the regulatory agenda and increasing expectations on the industry. A fundamental rethink of firms' mind-set and investment offerings is required.

[Read further.](#)

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Banking and Capital Markets



[Online content series - Reshaping the banking experience: Open banking opens opportunities for greater customer value](#)

It is clear that markets around the world are moving towards open banking, and many industry players, even absent of regulation, are seeking ways to leverage open banking to deliver enhanced customer experiences. In the second article of our 10-part series on Reshaping the banking experience, we look at how [Open banking opens opportunities for greater customer value](#), and how bank executives can make the most of the benefits from open banking.

[Online content series - The future is open: Super App or super disruption?](#)

Many consumers, especially in Asia, have ingrained Super Apps into their daily lives – apps that bundle together online messaging, social media, marketplaces, payment, ride-share and food delivery services, **all-in-one**.

While Super Apps bring convenience and value to consumers, they are **posing threats to traditional banks**. They are disintermediating banks from their customers, using vast wealth of data to deliver better services, and building their brand reputations in financial services.

What should banks around the world be doing before Super apps become super disruption? Here are [4 steps banks should be considering to deliver value in a future world of mobile financial services and super apps](#).

[The future of banking: Hong Kong Banking Report 2019](#)

[This annual report](#) summarizes the financial performance of top 10 Hong Kong banks in 2018, and highlights key trends and areas to watch for the sector moving forward, including digital banking, customer experience, wealth management, fintech, regtech, AI, risk management, tax developments and more.

[Online article - Digital Bancassurance](#)

With consumers' financial needs growing more complex – the bancassurance model remains relevant to support customers holistic needs. However, the potential for banks and insurers to combine forces, expand their reach and cross-sell their services is sometimes stunted by siloed operations and cumbersome sales and compliance processes.

Now, with financial service customers embracing digital channels, [banks and insurers must refine their partnerships](#) to ensure they can jointly respond to consumer demands, and pool their customer, product and technology expertise, to transform the way they serve their shared client base.

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Insurance



[Online article - Trust your insurer with your \(cyber\) life](#)

The time is ripe for insurance organizations to implement innovative technology solutions, where security becomes an integral part of the new, digital customer experience. A cyber-led trust partnership between the insurer and customer not only re-assures them that their data is safe and secure; it gives them a slicker, friendlier and more intuitive relationship. [Read further.](#)

[Online article - Gig economy and insurance](#)

The gig economy, a product of the ongoing digital disruption era, is one of the biggest trends to affect the workforce in the last decade. Cutting-edge **tech and digital platforms, along with the proliferation of mobile applications**, have paved the way for new employment and business models.

However, this new economy has also created [a significant insurance and protection gap for gig workers and an opportunity for the insurance sector](#). At the moment, insurtech, with their easy, digital, on-demand only policies, have tapped this segment of the market. But there is still an opportunity for the large incumbent insurers to enter the market, particularly if they partner with an insurtech startup.

[Online article - Powering insurance with AI](#)

As insurers continue to adopt artificial intelligence (AI) into their value chain to improve customer experience, detect fraud and predict claims value, **newer AI applications are now taking hold on the sales and distribution side** to drive lead generation, automate targeted marketing and grow sales by matching agent to client profiles.

As insurance companies begin to leverage AI in their business models and value chain, find out why [insurers that focus first on their use cases and business objectives, rather than the data, tend to enjoy greater success.](#)

For insurers that have yet to start their AI journey, there is no time to waste. Those that have adopted AI are already finding competitive advantage.

IFRS 17 Amendments

The proposed amendments to IFRS@17 Insurance Contracts have been published.

The key proposals are a one-year deferral of the effective date of IFRS 17 to 2022 and changes to the standard's requirements in seven important areas.

Even with the extra year, many insurers will need to step up the pace of their implementation efforts to reach the finish line in good shape. You will need to develop a clear picture of how the proposals will

impact your specific business and IFRS 17 action plans.

Read our [web article](#) to find out more. You can also access our video content and a high-level visual guide on our new [Amendments to IFRS 17](#) web page.

The International Accounting Standards Board is accepting comments on the proposals until 25 September 2019.

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Real Estate



2019 KPMG Global PropTech Survey

The 2019 KPMG Global PropTech Survey is now live. We are calling on clients to participate in this survey which is open until the end of July.

[In this survey](#), KPMG is trying to establish to what extent our clients are actively engaging with digital & technology innovation, as well as trying to evaluate attitudes on issues such as data management, cyber security and Property-as-a-Service.

Charting the course of 'Belt and Road' cooperation together

Globally there will be a large infrastructure investment gap for the foreseeable future. China alone cannot meet the tremendous demand for infrastructure investment across the 'Belt and Road' region. In his keynote speech at the Second Belt and Road Forum for International Cooperation held in April 2019, President Xi Jinping also said "[w]e welcome the participation of multilateral and national financial institutions in BRI investment and financing and encourage third-market cooperation. With the involvement of multiple stakeholders, we can surely deliver benefits to all." This is why taking steps to enhance the participation of international private capital in infrastructure projects in countries along the 'Belt and Road' will be of utmost importance in the implementation of the BRI over the coming five years.

KPMG, the Institute of Market and Price of the National Development and Reform Commission (NDRC) and China International Contractors Association (CHINCA) formed a joint research team to fully understand the current situation with regards international private capital participation in 'Belt and Road' projects, and subsequently co-authored this report. In the report we make recommendations to governments, companies, multilateral organisations and professional firms, and call on all these stakeholders to work together to create a robust market mechanism characterised by information transparency, rules-based governance, fair competition and public-private synergy.

[Read the report.](#)

Real Estate Innovations Overviews

For the fourth consecutive year and for the first time in collaboration with an international team of KPMG branches and Global PropTech, [the new edition of our Real Estate Innovation Overview](#) has been launched. This brochure presents a large number of leading innovative parties in the real estate and construction sector.

KPMG acknowledges that digital transformation of our society is happening, and that PropTech has become an accepted element of strategy in the real estate and construction sector. KPMG's Real Estate Innovations Overview acts upon this trend by showing that real estate innovations are being developed all around the globe and that we should leverage and learn from what is already out there.

[Read the Real Estate Innovations Overviews.](#)

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Other



[Web article - Transforming compliance in financial services – Improving effectiveness and efficiency](#)

KPMG's [EMA FS Risk & Regulatory Insight Centre](#) (RRIC) is pleased to announce the launch of a new thought leadership paper [Transforming Compliance in financial services - Improving effectiveness and efficiency](#).

Compliance functions have gone through a major period of growth and investment since the financial crisis. Many firms have seen a massive growth in their Compliance functions since 2008. But there are now growing pressures for change to improve both the effectiveness and the efficiency of the Compliance function. Contact: Nicola Birkbeck

[KPMG IFRS podcast | Calling all companies | How will you be impacted by interest rate reforms?](#)

Plans to move away from the London Interbank Offered Rate (LIBOR), and other IBORs, will bring significant challenges for all companies with exposures to these rates, not just banks.

[In this podcast](#), Colin Martin, May Tiem Gillen and Sarah Kindzerske take a wider look at why the reforms have been proposed, what they are and why they are so important for all companies globally.

Feel free to share our podcasts on social media, and join the debate by commenting on KPMG IFRS on LinkedIn.

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