

Asian Private Banker

Institutional giant PGIM targeting FOs, HNWs in Asia

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Although PGIM has traditionally focused on institutional investors, having [inked a distribution deal](#) with Bank of Singapore last year, the asset manager is now seeking to bring its institutional-level management to family offices and high-net-worth clients in Asia.

“We have 32 UCITS funds across diversified asset classes available for Asian clients, with a very healthy alternatives book that combines both liquid and semi-liquid products. We have been in active discussions with wealth managers and private banks throughout the region for a broad range of strategies across the public and private markets,” Stuart Parker, president and CEO for PGIM Investments, told Asian Private Banker during his recent trip to Hong Kong.

PGIM Investments is the fund distribution arm of PGIM.

Hunt for income

Over the last 12 to 18 months, the marketplace has seen a lot of volatility and uncertainty.

“And around the world, we have seen clients really go to a risk-off environment and build up cash in their portfolios,” he said, noting that Asia-based clients recently have a growing desire to capture income.



Stuart Parker, PGIM Investments

“I think the needs of investors in Asia are not that dissimilar to what we see in Europe and the US. There is a continued desire for income, and I think growth equities will come back and be in favor again. They are also increasingly looking at private markets and alternatives, including long-short strategies, private equity, real estate, secondaries and private credit. And we expect this trend to continue,” Parker added.

Earlier this month, PGIM expanded alternatives offering by acquiring majority interest in US\$5 billion Deerpath Capital, a U.S. private credit and direct lending manager focused primarily on financing private equity sponsor-backed companies in the lower middle market.

Regarding some of the headline-grabbing events of the past year, such as the [collapse of Silicon Valley Bank](#), Parker believes that such events are par for the course: “In terms of those [latest headlines in the banking sector in the US](#), we think that markets go through cycles all the time and we will continue to invest through our cycles to grow our business over time.”

Despite this, Parker still accepted that “2022 was one of the more difficult years of my career, when you have both stocks and bonds down to 20% plus, and that was a tough year for us without question.”

HK, Singapore first before expansion

PGIM Investments has been working with a number of multi-family offices (MFOs) and single-family offices across Hong Kong and Singapore and “they’re very thoughtful about their discretionary managed business and asset allocation needs,” Parker said.

“Our focus for private wealth businesses is primarily on Hong Kong and Singapore. And then secondly, Malaysia, Thailand, the Philippines and Indonesia,” he continued.

Parker believes it takes time to pave the way for a distribution network with private banks, while the process depends upon the needs of clients and the firm’s capabilities. “What I would add to that is the beauty of a truly global distribution model covering the key financial centers around the world, and how we leverage and benefit from that,” he added.

Big in fixed income

As of the end of December 2022, PGIM ran almost [US\\$1.2 trillion](#) in AUM. The global manager comprises autonomous asset management businesses each specializing in a particular asset class with a focused investment approach, namely PGIM Fixed Income, [PGIM Real Estate](#), Jennison Associates, and others.

Prior to his current position, Parker was executive vice president, head of retail, for both Jennison Associates’ sub-advisory relationships and PGIM Investments’ retail distribution of mutual funds and managed accounts. Before joining Jennison, Stuart spent 14 years at Citigroup Asset Management in a variety of roles related to retail distribution.