

## KIG continues to deliver returns and excellence

*Asia Asset Management (May 2018)*

*By Goh Thean Eu*

Over the past few years, Kenanga Investors Group (KIG) has grown into a force to be reckoned with as it continues to outperform the industry. Between January and December 2017, KIG's assets under management (AUM) have grown by 17% from under 7.48 billion ringgit to over 8.75 billion ringgit (US\$2.23 billion), mainly driven by growth in retail and institutional funds. During the year, Malaysia's asset management industry grew 11% to 776.2 billion ringgit.



Lee Sook Yee, Chief Investment Officer and Ismitz Matthew De Alwis, Executive Director/ Chief Executive Officer

KIG Chief Investment Officer Lee Sook Yee says the company's success in growing the AUM is driven by its customer-focused approach. "We are very focused on investments and solving clients' needs, whether that be for diversification, the need for income and/or returns, or to manage risk," Ms. Lee tells Asia Asset Management (AAM). "We think it's important to be able to provide a very broad platform that allows us to offer good solutions to our clients. It is also important for us as an active manager to be focussed on

high conviction, active investing and to be able to deliver absolute returns or outperform the benchmark.”

### **Netting a hat-trick**

KIG was recognised in AAM’s Best of the Best 2018 Awards in three country categories, namely CEO of the Year (Malaysia), CIO of the Year (Malaysia), and Best Pension Fund Manager (Malaysia). These awards were well-deserved, as KIG, under the leadership of Chief Executive Officer Ismitz Matthew De Alwis, has successfully grown its pension fund mandates.

Mr. De Alwis, who joined KIG in 2014 and was appointed as CEO in 2015, recalls the early days when he was tasked with revitalising KIG, as the company had experienced declines in AUM and major key accounts. “It has not been an easy journey to get to where we are in 2018,” Mr. De Alwis says. As part of his strategy for KIG, Mr. De Alwis says that the company began its transformation journey by focusing on strengthening its capabilities and competencies in three key pillars: product and service innovation, distribution excellence, and operational efficiency and effectiveness. “As a result, today we have superior investment risk analytics processes in place which has further boosted our investment performance,” Mr. De Alwis says. “We have expanded our distribution reach to include mass-retail, high net-worth individuals, corporate clients, provident fund providers and platform distributors.”

Today, KIG’s domestic pension funds mandates have shown strong improvements and its domestic pension fund business has increased by 116% in fund size compared to 2014. During the same period (2014-2017), the entire Malaysian asset management industry has increased by 23% from 629.9 billion ringgit to 776.2 billion ringgit. While Mr. De Alwis is pleased with the achievements, he does not sit on his laurels. He believes KIG needs to continue with its focus on the three pillars, as well as other areas including digitalisation, fintech, reward optimisation for investments, tailored solutions and alternative investments. “To this end we need to optimise our asset allocation skillset and diversify our investment strategy to provide customised solutions for clients. We are also working to establish a multiproduct, multi-model and multi-channel distribution platform. Beefing up the risk control capability of our products to meet regulatory criteria is also vital going forward,” he says.

### **Staying motivated and diversified**

Mr. De Alwis admits that staying motivated in a highly competitive financial environment is a challenge. His driver, he says, is focusing on values that he is passionate about. “As CEO of KIG, as well as a family man, I am especially passionate about the current retirement environment in Malaysia. I believe Malaysians need to be educated and empowered with well-thought through retirement plans,” Mr. De Alwis says.

“As the government began highlighting that the average level of the Employees Provident Fund (EPF) wouldn’t be able to sustain Malaysians through their old age, we must look to intensify our efforts in education to get investors prepared to face their retirement.”

He also attributes KIG’s success in this year’s Best of the Best Awards to the KIG employees, which comprise a workforce from diverse backgrounds and talents. “We have always held strong to the fact that ‘Diversity is Strength’ and we are stronger due to our differences. Each and every one of us brings a different perspective or view to the table and this enhances our processes, strategies and offerings that go out to the public,” he says. “We are proud of our existing track record, and our high standards in the services we offer. I believe this is what motivates us a team to always deliver consistent results and we expect nothing less to live up to our brand name.”

**ENDS**

### Article Source:

Asia Asset Management (May 2018)

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These awards were well-deserved, as KIG, under the leadership of Chief Executive Officer James Matthew De Alwis, has successfully grown its pension fund mandates.

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