22
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INSIDE THIS MONTH'S EDITION

RBC Wealth Management consolidates market leading position

Standard Chartered Taiwan champions diversity

GlobalData Insights

Gulf markets slide as US tariff shockwaves hit

New tariffs prompt stock market volatility across the Gulf, with oil prices and equities recovering partially after a temporary 90-day suspension

By Sarah Rizvi

Gulf markets fell sharply after the US reimposed import tariffs on 2 April, triggering declines as trading resumed after Eid. The 10% baseline import duty and sharper levies on aluminium and industrial metals led to widespread selloffs across regional indices.

Almost all major Gulf indices were dragged down by the tariff shock and began the week on Sunday 6 April with losses: Kuwait's market dropped 5.7% and Qatar's fell ~~4.23%~~, while the Muscat Securities Market Index declined 2.1% while Bahrain's All Share Index fell approximately 2.5%.

Saudi Arabia's Tadawul All Share Index Tasi fell 6.1% at the start of trading on 6 April, marking its steepest single-day decline since March 2020 and wiping out more than SR500bn ($133.3bn) in market value. The index partially recovered, rebounding 0.7% on 7 April and rising 3.7% on 10 April after the US announced a 90-day tariff suspension, its largest daily gain in nearly five years.

The Abu Dhabi Securities Exchange and Dubai Financial Market followed similar trajectories as trading resumed on Monday 7 April. Dubai's DFM index dropped 3.1%, led by a 5.7% fall in Dubai Islamic Bank. Abu Dhabi's main index slipped 2.6%, with Adnoc Gas down nearly 5%.

Both indices began recovering on 10 April. By 14 April, Dubai's index had risen 1.8%, led by a 4.7% gain in Emirates NBD and a 3.2% rise in Dubai Islamic Bank, while Abu Dhabi's index climbed 0.9%.

Equities dropped sharply across the region on 6 and 7 April, with blue-chip and sector-leading stocks in banking, real estate and energy posting heavy losses. The UAE Emaar Properties fell nearly 9% during intraday trading before closing 2.5% lower.

The aluminium sector came under scrutiny following the reinstatement of the 25% US import duty. However, the impact was limited, as Gulf aluminium exports, particularly from Bahrain and the UAE, represent a modest share of total output.

The energy sector was not immune

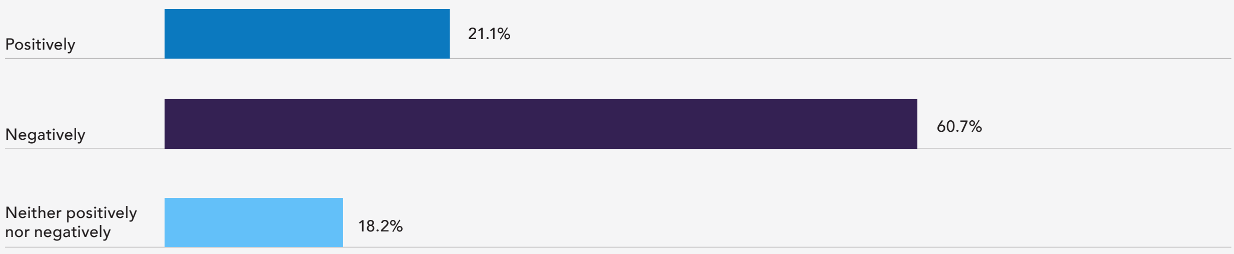
to the volatility. Brent crude dropped nearly 15% to around $64 a barrel – one of its steepest weekly declines in over a year. This slide is significant, given that fiscal breakeven oil prices are estimated at $90.9 for Saudi Arabia and $124.9 for Bahrain. Saudi Aramco lost over SR340bn in market value on 6 April before recovering 1% the next day.

Gulf producers also came under pressure. Saudi-based petrochemicals manufacturer Sabic is forecast to report a 47% year-on-year decline in Q1 earnings, according to a Riyad Capital report. The report cited softer product pricing and weaker demand from key markets including China and the US as the main cause.

Oil, energy and most petrochemicals products are exempt from US tariffs. While Gulf trade exposure to the US remains modest, the wider effects were felt through sentiment, capital flows and commodity pricing, and the deeper threat lies in reduced global demand, prolonged oil price weakness and weakened investor appetite.

GlobalData Polls

Tariff impact on 12-month business outlook



Source: GlobalData, Verdict Media (as of 18 April 2025)

CASE STUDY

RBC Wealth Management consolidates market leading position

Wealth planning and brokerage excellence have solidified RBC’s position in Canada's private banking sector, driving growth and client loyalty

In 2023, the global wealth management sector demonstrated resilience amid market volatility, with high-net-worth individual (HNWI) wealth increasing by 4.7% to $86.8tn, according to the World Wealth Report 2024 by France's Capgemini.

Despite challenges, the sector has continued to thrive, driven by growing demand for personalised financial services and wealth planning. RBC Wealth Management (RBC WM) has capitalised on its industry-leading position, enhancing its private banking offerings and securing a top market share across various high-net-worth (HNW) client segments. This has served to ensure the bank's clients continue to benefit from exceptional wealth management services even in uncertain times.

Achievements

A subsidiary of Royal Bank of Canada, RBC WM has positioned itself as the leading private bank and wealth manager in Canada, holding the top market share across multiple HNW client franchises.

In 2023 and 2024 to date, RBC's notable accomplishments included:

- Full-service brokerage dominance: RBC Dominion Securities (RBC DS) maintained its status as the market leader, with over C$500bn ($369.7bn) in assets under administration and serving more than 325,000 households. RBC DS captured a 26% market share of the full-service brokerage industry's AUA, more than double that of its closest competitor. Additionally, it achieved the highest overall rating by investment advisers for the 18th consecutive year in Canadian trade publication Investment Executive’s 2024 Brokerage Report Card.
- Market leadership in private banking: RBC's private banking division led the market among the Big Six private banks in Canada, with a 32% revenue market share, 35% deposit balance market share and 28% loan balance market share.
- Comprehensive wealth planning: RBC Family Office Services provided unparalleled expertise in financial, retirement, tax, estate and trust planning. The team's integrated approach ensured that all clients received bespoke wealth management solutions.

Impact and results

The strategic initiatives undertaken by

RBC in 2023 and 2024 have yielded impressive outcomes. Key performance indicators include:

- Revenue growth: RBC WM reported a revenue increase to C$17.5bn ($12.9bn) in FY2023, an 8% rise from the previous year.
- Asset management excellence: RBC WM's assets under management (AUM) increased by 6.4% to C$1.2tn ($887.3bn) in FY2023, reflecting the trust clients place in RBC's investment capabilities.
- Client and adviser satisfaction: RBC DS's consistent top ratings by investment advisers underscore the firm's commitment to providing high-quality products and support tailored to HNW clients.

The broader implications of these achievements are profound. RBC WM's leadership in private banking not only enhances the financial wellbeing of its clients but also contributes significantly to the stability and growth of the broader financial ecosystem. The bank's ability to adapt and innovate ensures it remains at the forefront of the wealth management industry.

Conclusion

RBC WM's achievements in private banking over the past year underscore its unwavering commitment to excellence and innovation.

The bank's strategic initiatives and client-focused approach have cemented its position as the leading private bank and wealth manager in Canada.

As the bank looks to the future, it remains dedicated to continuous improvement and innovation, striving to meet the evolving needs of its clients as well as maintain its leadership in the global wealth management arena.

CASE STUDY

Standard Chartered Taiwan champions diversity

Standard Chartered Bank Taiwan has set up a council and launched initiatives to create an inclusive culture for its clients

Financial institutions are increasingly committing to promote a more diverse and inclusive work environment to help drive better internal governance, decision-making and risk management.

To raise awareness on the value of diversity and address issues of discrimination and marginalisation, these organisations are seeking opportunities to engage with internal and external stakeholders to take relevant action.

Additionally, financial institutions are now beginning to understand the significance of introducing progressive benefits that drive inclusion, improve the employee experience and help workers achieve their maximum potential. Having these benefits in place could potentially help address globally prevalent societal norms around traditional roles, improve workforce participation and provide solutions for better financial wellbeing.

Banks therefore need to shift their focus on developing local initiatives to raise diversity and inclusivity (D&I) awareness and deliver D&I messages to employees and wider communities.

Gender equality

To align with this outlook, Standard Chartered Bank Taiwan has established a D&I council aimed at promoting gender equality, disadvantaged equality and overall employee wellbeing. The council comprises more than 30 employees from different departments working towards creating a more inclusive community since 2021.

In 2023, the bank invested in developing strategies that focus on embedding diversity within its values and culture, promoting diversity in leadership and unlocking innovation to foster a positive work environment. It also focused on enhancing the banking experience of clients and contributing to thriving communities.

Standard Chartered Bank Taiwan continues to identify new D&I suppliers through the supply chain management-led procurement process. In the third quarter of 2023, the bank's newly onboarded suppliers represented about 16% of the supply chain.

Committed to inclusion

The bank's vision of a more diverse and equitable society extends beyond financial services. To support women entrepreneurs to grow, thrive and succeed in business through upskilling and mentorship, Standard Chartered Bank Taiwan partnered with the Garden of Hope Foundation and launched the "Women in Entrepreneurship (WiE)" initiative in 2023.

60

Number of applications received by the Women in Entrepreneurship initiative in 2023 across social inclusion, innovation technology and sustainable environment

The programme offers financial incentives, supports entrepreneurs and provides the required training and workshops to help women advance in their goals. In 2023, the programme received 60 micro business applications across social inclusion, innovation technology and sustainable environment, and the top three winners were collectively awarded $54,000 in prizes.

Standard Chartered Bank Taiwan has been recognised as the winner of the Best Advance in Diversity and Inclusion Initiatives category at the Annual Retail Banker International Asia Trailblazer Awards 2024. It has also been highly commended in the Excellence in Loan Origination Process category.