Hungry for more?

Acquisition appetite and strategy in the global private banking and wealth management industry

Global update 2007

ADVISORY

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Introduction

A continuous explosion of new wealth in both emerging economies and the West has helped to create an exceptional demand for private banking services. The sector is seen as increasingly dynamic and mainstream, and is being coveted by larger international banks that are eager to gain a share of this vibrant market.

As this year's survey reveals, the urge to merge remains strong in the private banking sector, with the vast majority of respondents questioned indicating that they are actively seeking acquisition targets. Acquisition rationale varies, but one of the key aims is the drive to penetrate new geographic markets and increase market share.

While the fragmented nature of the private banking sector should be conducive to consolidation, the volume of transactions continues to be constrained. The strong overall performance of the industry is an important factor in this, as it means that smaller banks feel little compulsion to succumb to suitors and that price expectations can be high. If market conditions deteriorate, however, the situation could look very different.

The current benign economic climate masks a number of potentially serious undercurrents. Smaller institutions in particular struggle with endemically high costs. Severe shortages of qualified private wealth managers, especially in Europe, has driven up compensation levels and led to high employee turnover rates. In addition, the cost of information technology infrastructure can prove to be a burden, especially for smaller banks. A major downturn could therefore saddle these banks with onerous fixed overheads and potentially force downsizing measures. Consolidation might help address such concerns, but it would take a very sharp dose of austerity for many banks to start to seriously address structural concerns.

Hungry for more? Global update 2007 is the fourth in an annual series of studies by KPMG International of senior executives in the private banking and wealth management industry. The results reveal some of:

- the pressures that are fuelling appetites for consolidation
- the regional differences in acquisition strategy
- the many obstacles to the acquisition process.

Approach

KPMG International commissioned the Economist Intelligence Unit (EIU) to undertake this study, conducted in May 2007 through a survey of 166 private banking and wealth management executives from 38 countries around the world.

Supplementary to the survey results, interviews were conducted with a limited number of senior executives at leading organizations in the sector.

The underlying survey and interviews were conducted by the EIU. The confidentiality of individual responses to the survey was guaranteed as a condition of participation.

Reference is made throughout this publication to the size of the respondents' private banking operations. The classification is based on the number of full-time employees as follows:

- Small: fewer than 200
- Medium: 200 – 499
- Large: 500 or more.

Comparisons throughout this survey are made to the previous KPMG International *Hungry for More?* surveys of 2006, 2005 and 2004.

KPMG International would like to thank all respondents for their participation.

Key findings

Acquisition appetite

- More than 90 percent of respondents expect an improvement in the prospects for growth over the next three years – a broadly similar percentage to last year's survey (please note that this survey was conducted in May 2007, prior to the recent market turmoil).
- There is more proactive searching for potential acquisition targets, with 48 percent of respondents saying they are actively seeking targets, compared with 18 percent last year.
- The main forces driving M&A in the private banking and wealth management industries are cited as being increased competition, both generally and from larger, consolidated competitors, and the drive to capture a new client base
- Respondents point to the need to penetrate new geographic markets and increase market share as being the main objectives for seeking acquisitions over the next three years.
- Levels of confidence are highest in Asia-Pacific, where respondents are most likely to be actively planning large investments in acquisitions and where expectations of a significant increase in assets under management are highest
- Changing patterns of wealth distribution are driving demand for private banking services, especially in Asia and the Middle East.
- More than 50 percent of the private banks surveyed say that they have made acquisitions in the past three years, with those in Europe most likely to have completed such transactions.
- Access to talent is a growing concern, with almost half of respondents citing shortages of client relationship managers as an important reason for making acquisitions. This problem is especially acute among European respondent banks and seems to worsen with size – the larger the bank, the more focus given to the objective of gaining client relationship managers.

Possible obstacles to acquisition

- There are few 'for sale' signs in an industry where the overwhelming majority of those surveyed has no plans to sell or shut down operations. This is in contrast to previous years, when as many as one in seven respondents said that they were planning to sell or close some private banking or wealth management operations.
- Regulation has risen in significance compared with last year's survey and is now cited as being the biggest single barrier to acquisitions. Respondents from smaller banks and those from Asia were most likely to see regulation as a factor hindering their M&A strategy.
- Respondents highlighted that deals, particularly those in North America, continue to be frustrated by unrealistic price expectations from vendors.
- Smaller banks appear to be under less competitive pressure compared with previous surveys. Only 43 percent cite pressure from larger competitors as the main driver for consolidation, compared with 55 percent last year. This does mean, however, that there is a dearth of attractive targets with smaller banks less keen to merge than in the past.

Growth strategies

- One-third of respondents say that they plan to invest more than US$500 million in acquisitions over the next three years; Asian respondents expect to invest the most, with almost half planning investments of more than US$500 million.
- Around 20 percent of respondents expect to invest more than US$1 billion in acquisitions over the next three years – a similar proportion to last year.
- China, Russia, Eastern Europe, the Gulf, India and the U.S.A. offer the strongest growth potential according to our survey, though areas where respondents have made most recent acquisitions are the U.S.A., U.K., the Middle East and Japan.
- A much higher proportion of respondents expect to derive the majority of their growth from organic expansion, rather than through acquisitions.
- Despite the above, more than one-quarter of respondents expect to derive 50 percent or more of their growth from acquisitions over the next few years.

Following the acquisition

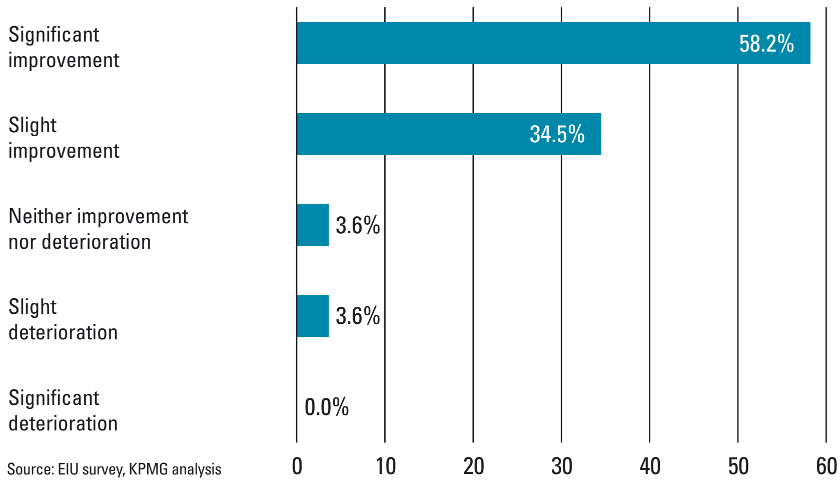
- The average amount added to assets under management by respondents' largest acquisition in the last three years was 6-8 percent, implying that smaller bolt-on acquisitions have been more popular.
- More than 20 percent of respondents said they expected acquisitions over the next three years to add 21 percent or more to their assets under management.
- More than half of respondents (57 percent) say that they lost some proportion of the acquired company's client base within one year of completing their largest acquisition from the past three years. This is an improvement over last year's survey, when this figure was 67 percent. The average loss was around 4 percent, a much lower percentage than in previous years, when it was typically around 10 percent.
- The vast majority of respondents indicate that acquisitions have increased shareholder value, but only 22 percent say they have contributed to a substantial increase. This is significantly lower than last year, when 42 percent reported a substantial increase.
- Three in five bankers surveyed said that they had a formal plan in place to track benefits and synergies derived from post-acquisition integration, suggesting that post-deal implementation procedures are becoming the norm.

Acquisition appetite

The private banking industry, which is estimated by Boston Consulting Group to hold close to US$100,000 billion of client assets[1], is enjoying a period of unprecedented prosperity. The wealth managers in the main banking capitals of London, New York, Zurich, Frankfurt and Hong Kong are revelling in an industry where high rates of profit growth have become the norm. UBS's wealth management business, for instance, showed record profits to the end of the third quarter of 2007, though the bank's exposure to the deterioration in the U.S. housing and mortgage markets may have an impact, and it remains to be seen whether private banking performance can be sustained in the fourth quarter.

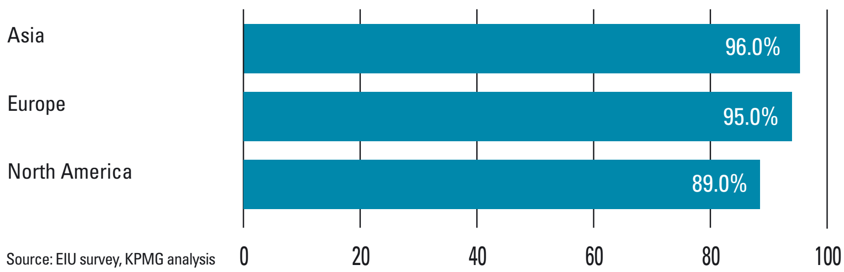
John Thiel, managing director, global private client at Merrill Lynch, is optimistic about the future. "Growth rates are pretty robust and we would expect that to continue," he says. "There is still a growing demand for private banking and there is an opportunity to work with the people who need the kinds of services that we provide."

Expected prospects for growth in the private banking and wealth management sector over the next three years



Source: EIU survey, KPMG analysis

Percentage who think growth prospects will improve: regional differences



Source: EIU survey, KPMG analysis

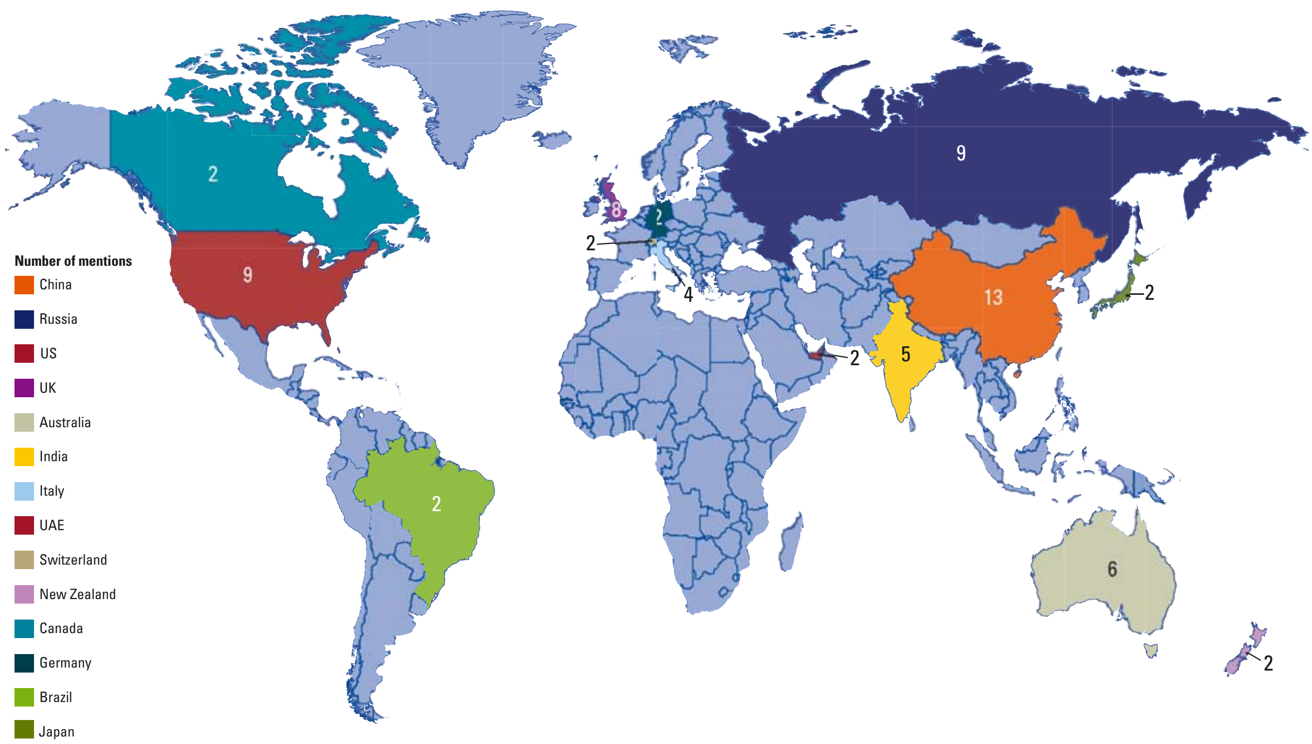
[1]Boston Consulting Group, *Global Wealth Report 2007.*

Respondents to our survey share this confidence, with 93 percent anticipating further growth over the next 3 years and only 4 percent expecting a deterioration in growth prospects. This is slightly higher than last year, when 89 percent expected growth over the same time period. Levels of confidence in Asia-Pacific, where respondents are also most likely to be actively planning large-scale investments in acquisitions, no doubt reflects the rapid creation of new wealth in the region, especially in China.

New frontiers for investment

"It is the new frontiers – central and eastern Europe, Russia, the Middle East and Asia – that are providing the most opportunity at the moment," says Fidelis Goetz, director of the international division at Bank Sarasin. "The wealth available in some of these countries is growing by six percent to seven percent or more each year, whereas in the mature markets of western Europe, such assets are rising by only about one percent a year."

Countries where respondents are seeking targets



Note: Many respondents did not specify individual countries

Source: EIU survey, KPMG analysis

Asia holds some of the world's thriftiest savers, who are becoming increasingly aware that there are wiser things to do with their money than simply keep it on deposit. According to Citigroup, there is US$3,400 billion of bank deposits in emerging Asia – equivalent to the region's gross domestic product. Include China in the equation and that figure increases to US$7,800 billion[1].

"There are nearly three million high net worth individuals in the Middle East and Asia," says Peter Flavel, global head of Standard Chartered Private Bank. "The market is growing faster there than in the traditional markets of North America and Europe."

Peter Sullivan, Chairman of The Hong Kong Association of Banks, highlights the importance of China in particular as a source of growth for the industry. "The encouraging growth of China and other Asia-Pacific economies, underpinned by the commitment to further liberalise, will continue to provide vast opportunities for wealth management," he says.

For the growing ranks of wealthy individuals in these regions, cultural considerations with regard to investment are often important. "Many people in Asia are simply not comfortable with the asset allocations imposed on them by outsiders," says Mr. Flavel. "We take a 'home spun' approach for Asians, which may include having as much as 30 percent of their portfolio in Asia equities."

Private bankers can provide customers with a tailor-made selection of products that goes beyond shares and bonds to include everything from hedge funds, private equity, commodities, property and even advice on fine art. "Without the skills of private bankers," says Mr. Goetz, "such wealth can be put to unnecessary risk."

Market expansion

Many of the larger banks no longer regard their private banking operations as fringe businesses, and are boosting their private banking offerings.

There appear to be clear advantages in being able to offer wealthy private clients – many of them still active in family-owned businesses – a one-stop shop that combines commercial and personal services. For example, Dresdner Bank, owned by German insurer Allianz, is considering the establishment of family offices, whereby high net worth individuals with liquid assets of a minimum of US$10 million benefit from a highly bespoke service. Anton Simonet, head of Dresdner Bank's Private Wealth Management, points out that there are synergies not only with the commercial bank, but also with the insurance business, because wealthy individuals are likely to require advice on how to insure works of art, yachts and other valuable possessions.

[1] *Financial Times,* 23 May 2007

M&A activity

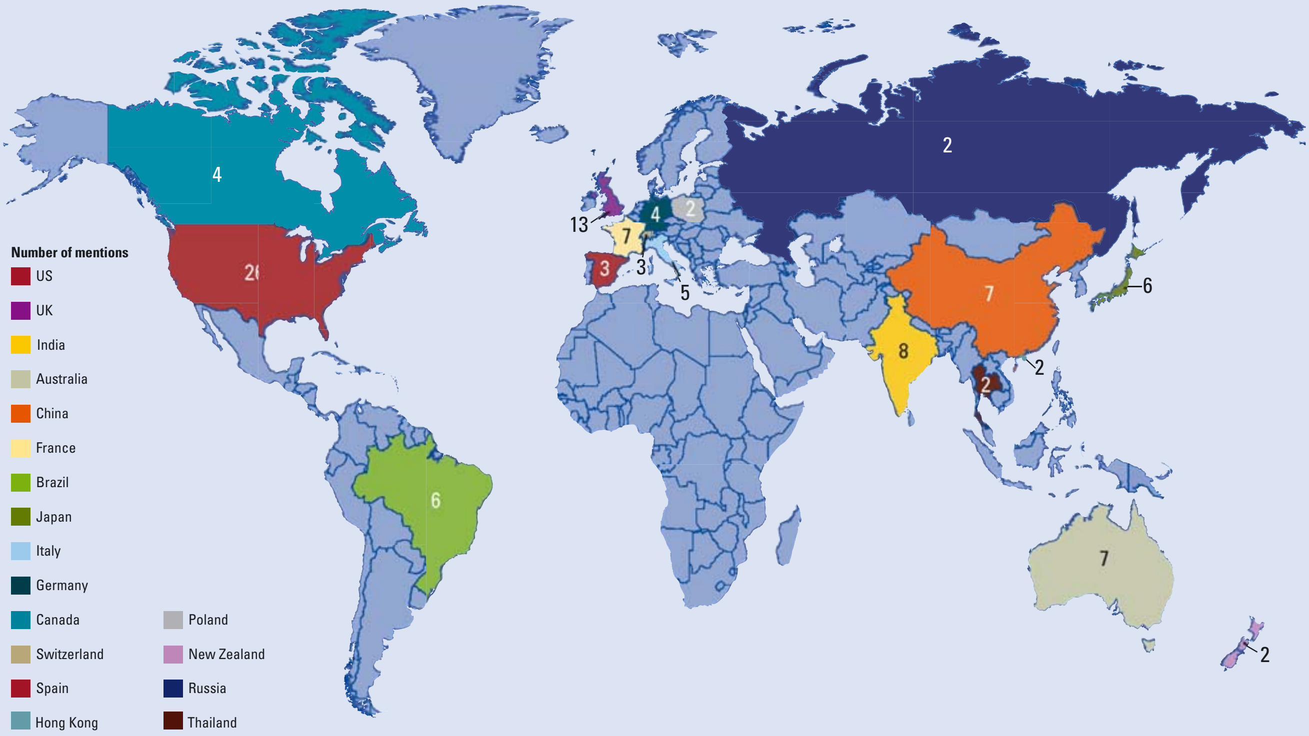
According to WealthBriefing, there were 117 mergers and acquisitions in the wealth management and private banking sector in 2006[1].

WealthBriefing found that the busiest region in 2006 was Europe, where 63 deals took place. Within Europe, the UK was the most active market, with 26 deals, followed by Switzerland, with 15. This compares with 14 and 30 deals in each of Asia-Pacific and North America respectively.

The map below shows the U.K. and U.S. to be the most popular locations for acquisitions made over the last three years by respondents to the *Hungry for more?* survey.

[1]Given the difficulty in defining and capturing private banking data, *Hungry for more?* refers to data published by Wealth Briefing for the purpose of this year's publication,

Countries where respondents have made acquisitions in the past three years



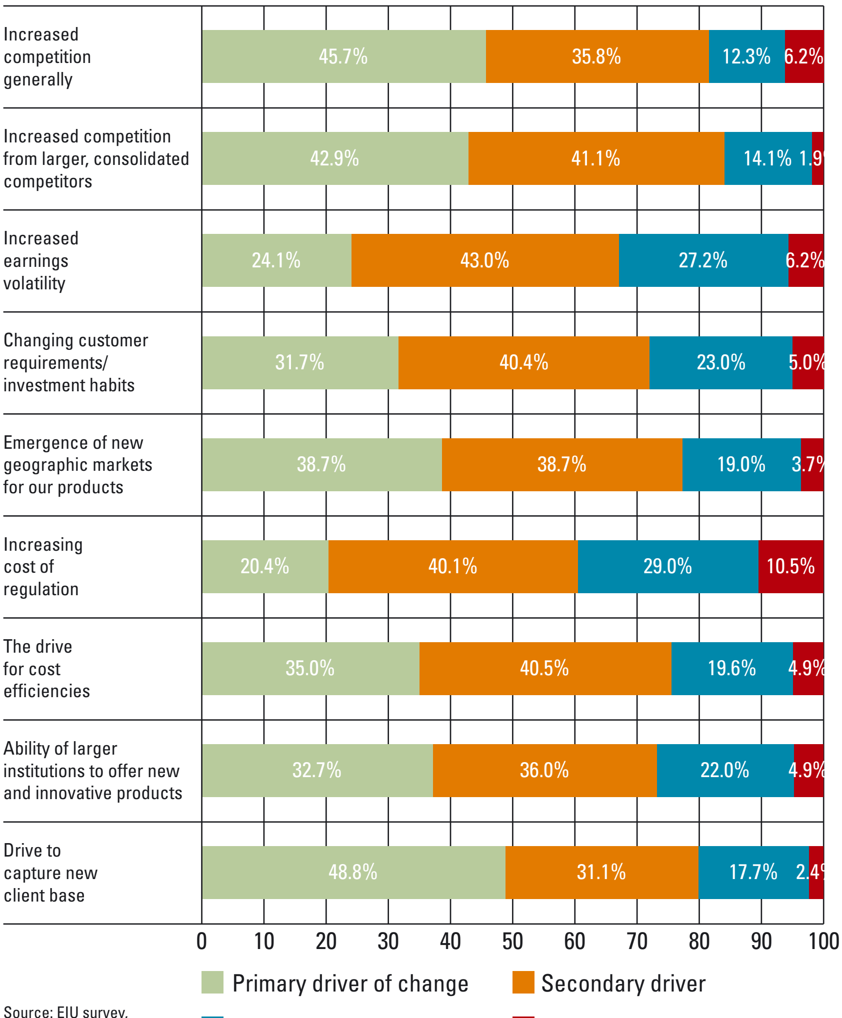
Note: Many respondents did not specify individual countries

Source: EIU survey, KPMG analysis

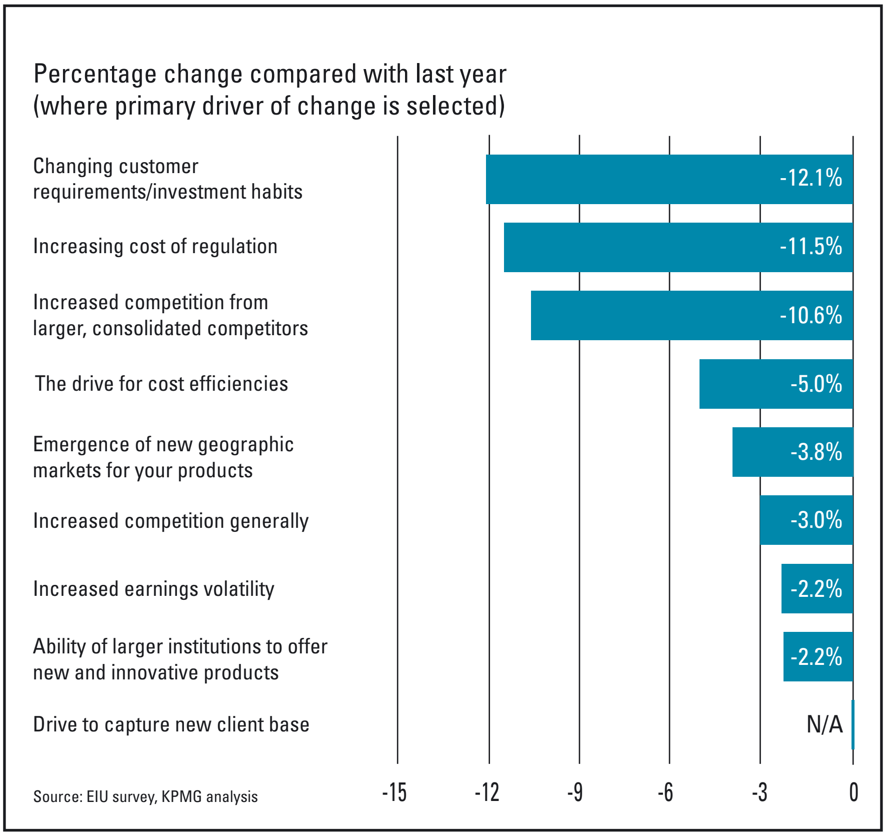
In Europe, Dresdner Bank announced the acquisition earlier this year of two private Belgian banks, Van Moer Santerre and Damien Courtens, for an undisclosed sum. Not only did the deal give Dresdner the opportunity to expand in the Benelux countries, but also gave the German buyer an additional 3,000 clients. There are further plans for European expansion, including in Germany and eastern Europe. The bank is also keen to expand in Asia and is especially interested in India. "Most of all, we want to expand in markets where our brand is seen as a strength," says Dresdner's Mr. Simonet.

As the following chart indicates, structural changes are clearly not seen as such important factors as they were in prior years.

Primary forces driving structural change (multiple mentions)



Source: EIU survey, KPMG analysis



Objectives for acquisitions

Asked about the forces that are driving structural change in the private banking and wealth management industry, nearly half of respondents cited the need to capture a new client base as being an important factor. This was particularly pronounced among the Europeans and North Americans, perhaps reflecting their desire to break into new Asian markets.

In general, it seems that increased competitive pressure from larger consolidated banks is less of a pressure than in previous years. This is likely to reflect the optimistic mood of the smaller banks and the belief that many of the new high net worth individuals still favor the highly personal service they offer.

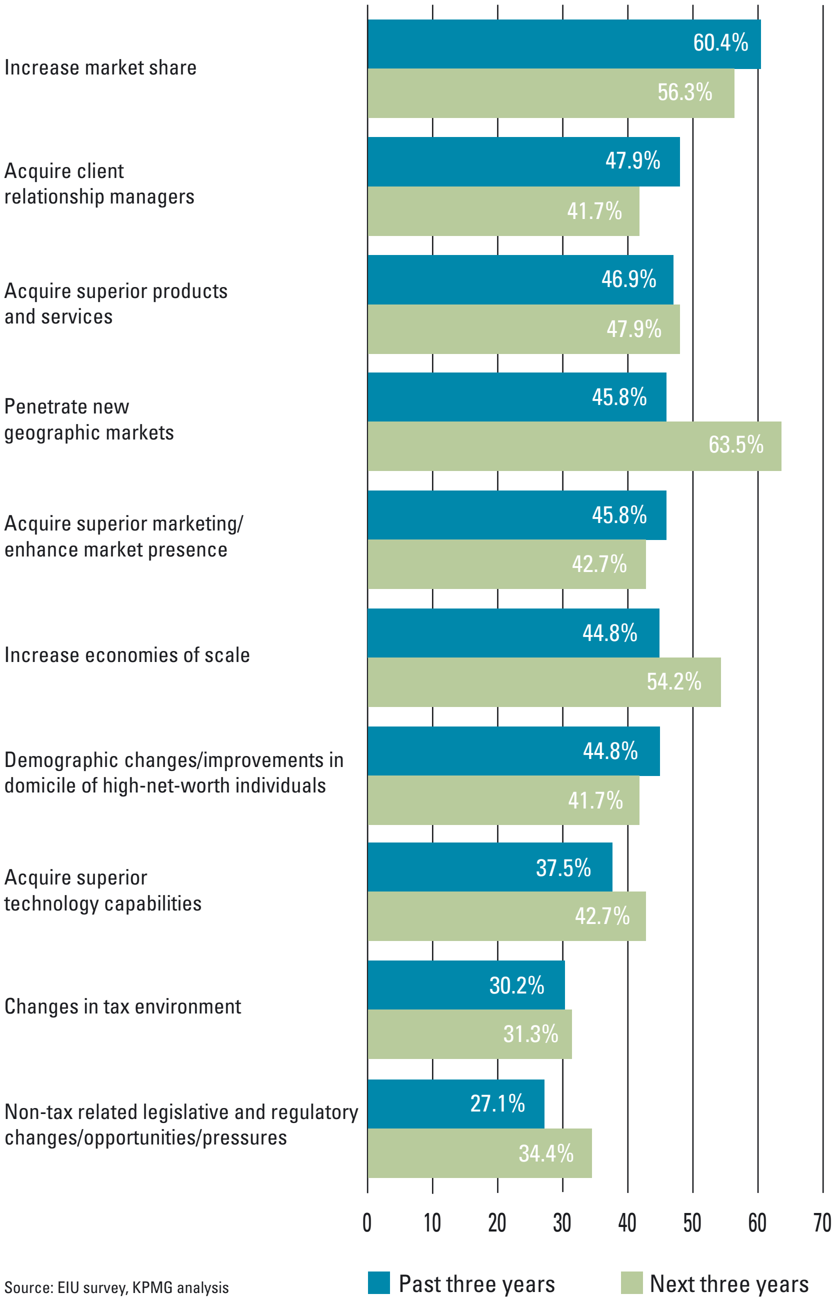
Executives in the survey say that the main objective for acquisitions over the next three years is to penetrate new markets, whereas previously the biggest priority was to increase market share. This also reflects the view that private wealth management is not necessarily a numbers game, but one of high levels of personal service.

Cost pressures, such as those associated with regulatory compliance and talent acquisition (see “The global war for talent” section), might also encourage consolidation. More than half of the survey respondents cite the need to increase economies of scale as being an objective for making acquisitions over the next three years. By merging back-office operations, for example, banks can benefit from sharing the cost across a much larger business.

Many of the mid-sized banks, which might be considered as likely takeover targets, are beginning to address their cost base. “Rising costs are encouraging banks to specialise and to outsource what is not core to their business,” explains Mr. Goetz. Given the huge importance placed on client confidentiality in the industry, however, many banks are likely to be extremely cautious about outsourcing any client-facing activities. Instead, they may choose to outsource only those back-office functions that do not involve client data in any way.

Although the survey shows scope for consolidation to accelerate in both national and international markets, a slightly higher proportion expects the pace of acquisitions to accelerate in international markets over the next three years than in national markets. It is likely that this reflects a growing desire among private banks to expand geographically, especially into regions where wealth is growing most rapidly, such as Asia and the Middle East.

Main objectives for acquisition



Source: EIU survey, KPMG analysis

The global war for talent

Our survey reveals that the acquisition of qualified client relationship managers has been an important objective for pursuing acquisitions over the past three years. And, as the private banking industry grows, ensuring a supply of talent in this area is becoming increasingly difficult.

The problem is likely to be exacerbated by demographic change, as an ageing pool of fifty-plus private bankers from the baby boom generation begins to retire. Some banks are endeavoring to resolve staff shortages by switching over bankers from their commercial operations and some have even sought to recruit and retrain outside professionals, such as lawyers and accountants.

The skills required of private bankers are changing. Today's private banker will have mastered a variety of disciplines, including fluency in several languages, detailed knowledge of how regulation impacts on clients and – most difficult of all – the ability to deliver strong investment returns.

Competition for talent has pushed up salaries and led some banks to offer guaranteed bonuses. For example, recent reports in the Financial Times[1] suggest that newly hired private bankers in Asia are now commanding US$1 million salaries.

Maryann Johnson, a director of the American Bankers Association, believes that human capital is the single most important factor in distinguishing one private bank's performance from another. "US banks continue to look for strategic growth initiatives that centre on adviser talent," she says. "The success of their private banking/wealth management business is based almost exclusively on the ability of staff to serve the high net worth client needs," she adds.

Moreover, bankers brought in from other institutions may have only limited success in bringing their clients with them. "Even the best advisers rarely bring all their clients with them," says Ray Soudah, founder of MilleniumAssociates, an independent adviser on mergers and acquisitions to the private banking industry. "The average is closer to 60 percent."

London may be less badly affected by talent shortages than other regions, says Sally Scutt, deputy chief executive of the British Bankers' Association. "It is still able to attract the right sort of global talent," she says. "It remains an attractive place to work."

Many bankers do not believe the current shortages will end until the current economic boom stalls. "If – or when – there is another correction, then advisers are likely to be laid off as revenues fall and private banks find themselves becoming uncompetitive because of the high cost of their staff," says Heinrich Adami, managing director of Pictet & Cie in London.

But a few view the current shortages as a temporary aberration. "I do think that the situation will regress to the median over time," says Mr. Thiel of Merrill Lynch.

[1] *Financial Times Private Banking report*, 20 June 2007

Obstacles to acquisition

While many aspects of the current environment would appear to be ideal for consolidation in the private banking sector, a number of important barriers remain that are preventing more structural change from taking place. The industry remains a fragmented one, populated by many small institutions.

Consolidation that was beginning to get underway in 2003 has been hampered by the prosperity currently being enjoyed by the sector. “It will require a market correction to force further serious consolidation,” said Chris Meares, global chief executive of HSBC’s private bank, in a recent interview with the Financial Times. Should this occur, some of the smaller boutiques, in particular, may find it more difficult to resist suitors, and price expectations would inevitably fall.

“The propensity to sell a business tends to lag changes in the cycle,” says Mr. Soudah of MilleniumAssociates. “Eventually, there will be a willingness on the part of some of the banks to sell the parts that are not performing as well as they might.”

Regulatory issues

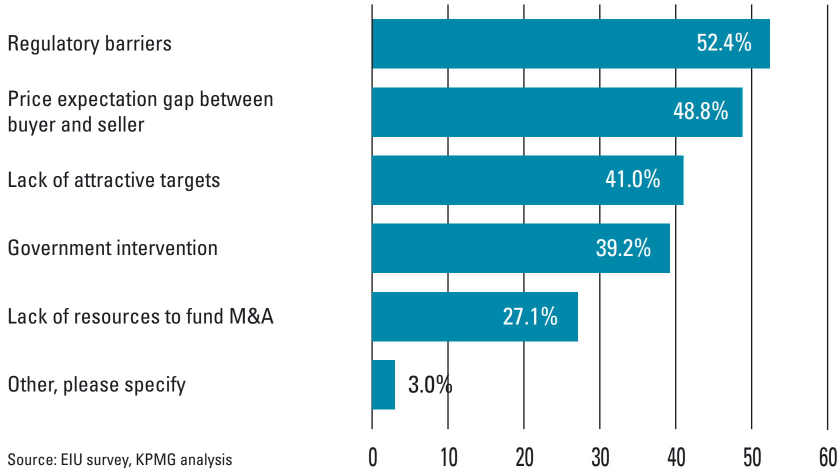
Regulatory issues have been high on the agenda of private banks over the past few years, with legislation such as the Bank Secrecy Act in the U.S.A. and various anti-money laundering initiatives forcing significant new investment in compliance resources. Smaller banks, in particular, have felt the pinch from this strengthened regulatory focus, as it is more difficult for them to absorb the costs of compliance. This rising cost base is often cited as being a driver of consolidation, since a merger should enable two banks to realise economies of scale.

In the U.S.A., the proliferation of legislation has proved especially onerous. A recent survey by the American Bankers Association highlighted the concerns of some compliance officers, who believe that the current regulatory focus on the Bank Secrecy Act and anti-money laundering is making it more difficult for them to fulfil their compliance obligations.

But while regulation can on the one hand be a driver of consolidation, it can also deter or prevent banks from undertaking such deals. According to our survey, regulatory barriers are seen as the factor that is most likely to hinder the pace of consolidation in the industry and this was felt to be especially the case among smaller banks. Despite the gradual dismantling of regulatory barriers, such as the demise of the Glass Steagall Act in the U.S.A. (which separated investment and commercial banking activities) and the opening up of previously state-controlled banking sectors in countries such as China, it is clear that regulatory hurdles – especially those relating to government intervention in cross-border acquisitions – remain an important consideration when companies plan to undertake deals.

Paul Brough, managing partner of KPMG's Financial Advisory Services practice in China notes that, while the financial services sector is being opened up in China, Vietnam and elsewhere, it is regulatory issues of a different nature that can prove to be the biggest barrier. "More often than not, the issue isn't the law, which has been tested by prior transactions, but the time and trouble of getting approvals from separate ministries," he says.

Perceived obstacles to acquisition activity
(% who selected as a factor hindering pace of acquisition)



Source: EIU survey, KPMG analysis

A lack of available targets

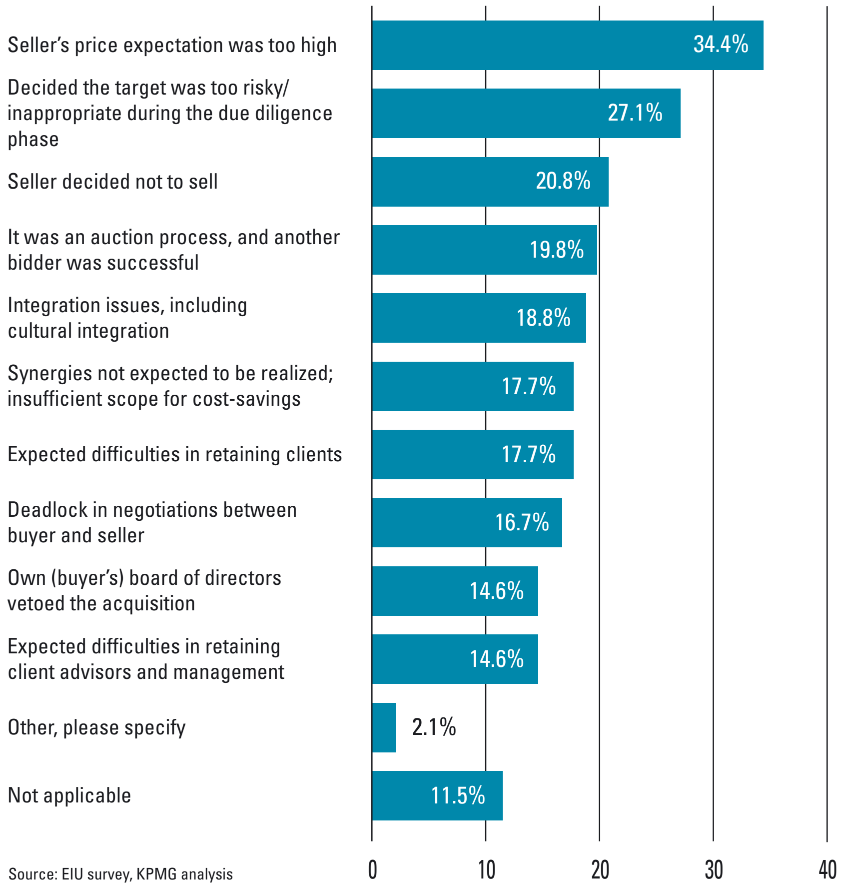
A price expectation gap between buyer and seller was also identified as an important barrier, with 49 percent citing this as a problem. This is itself a function of the relative shortage of acquisition targets. Many of the small banks do not see any advantage in selling out when profits remain so strong and demand for targets therefore continues to far exceed supply.

The dearth of suitable targets is reflected in the higher prices generally being paid by those banks still prepared to take the plunge.

A lack of attractive targets was also cited by respondents as being the main barrier preventing them from investing more in M&A, with those in Europe finding it a more acute problem than those in North America or Asia. In an interview with the Swiss magazine *Bilan*, Marcel Ospel, the chairman of UBS corroborated this point, saying that there were few opportunities for the company to acquire franchises of interesting clients. "We would gladly have more appetite," he said. "But there is not much to get our teeth into."

In cases where acquisition targets have been identified but deals not completed, the familiar problem of high price expectations was cited as the main factor deterring completion according to 34 percent of respondents. More than one-quarter cited perceived problems with the target company during the due diligence phase and one-fifth said the seller had eventually decided not to sell. This third problem most likely reflects the reluctance of smaller banks to forfeit their independence.

Deterrents preventing the takeover of targets that have been considered for acquisition



Source: EIU survey, KPMG analysis

Growth strategies

Despite professing strong appetites for acquisition, the majority of survey respondents expect to achieve the majority of their growth through organic expansion, rather than by acquisition. Put simply, rising levels of wealth around the world, and new geographic and market opportunities, are expected to play a more important role in growth than M&A.

This is an approach that resonates with Mr. Flavel of Standard Chartered Bank. "The strategy of our bank as a whole is to expand organically, supported by other options as time goes on," he says. "There is an exciting market in Asia right now, and these are markets that are growing very strongly for us."

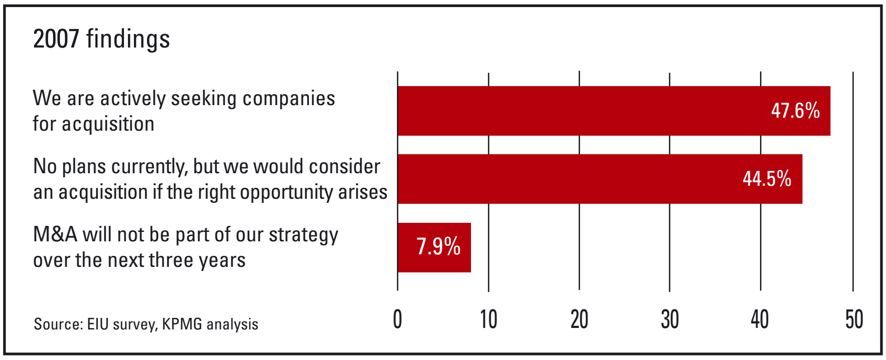
The success that can be derived from organic growth stands in contrast to the challenges that tend to be associated with growth by acquisition. "Acquisition targets are scarce, asking prices often too high and all too often goals unrealistic," says Michel Dérobert, Secretary General of the Swiss Private Bankers Association in Geneva.

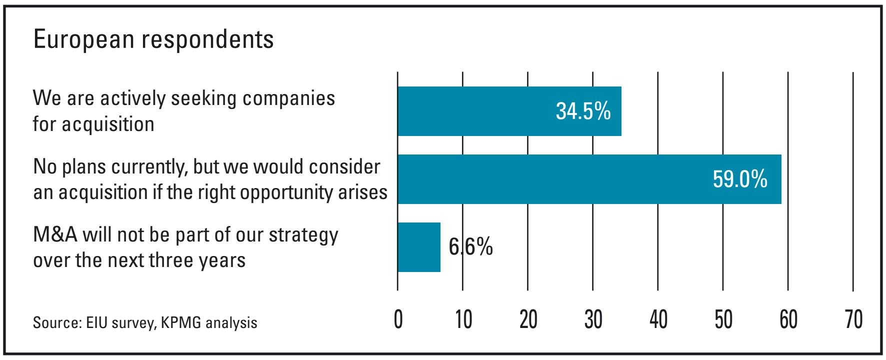
Cultural issues can also stand in the way of growth by acquisition, especially internationally. Many of the smaller Swiss banks, for example, remain resolutely Swiss and appear to have little intention of branching out across borders. If they do merge it tends to be for reasons other than to increase shareholder value, such as family or succession issues.

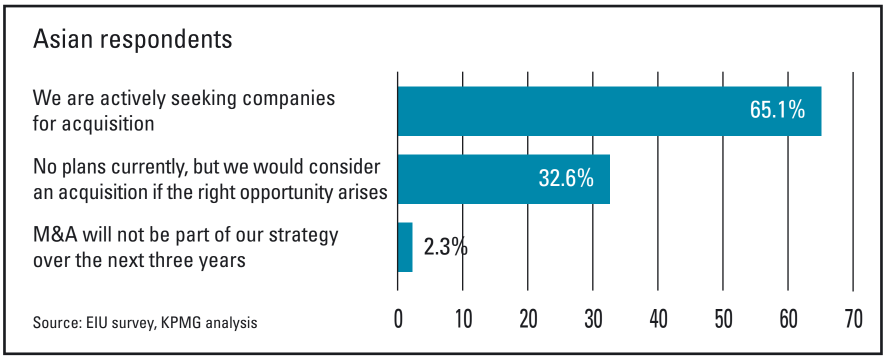
Despite these constraints, many banks are determined to actively seek out acquisition targets as a complementary strategy to organic growth. The overwhelming majority – 92 percent – were either actively seeking targets or would do so if the right opportunities were presented. Only 8 percent say that M&A forms no part of their growth strategy over the next three years. Respondents in Asia were most likely to be actively seeking out acquisition targets, with 65 percent indicating that this is on their agenda compared with 48 percent in the overall sample.

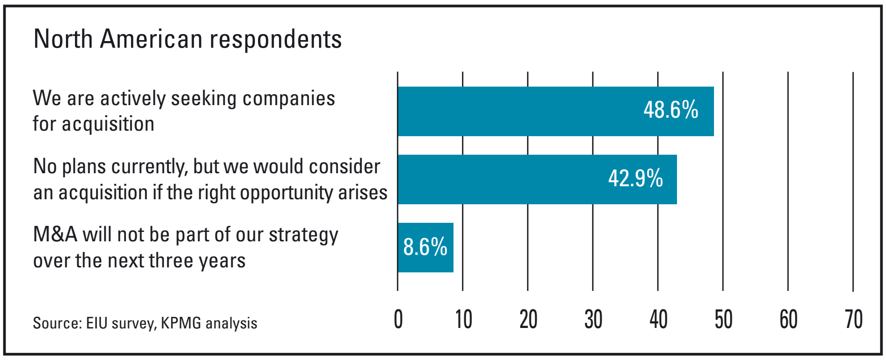
The overall number of respondents who said that they were actively seeking companies for acquisition or would consider acquiring if the right opportunity arose remained broadly consistent as last year, which was 88 percent. This belies the truth which is that in this year's survey 48 percent of respondents said they are actively seeking acquisition targets, compared with 18 percent last year. This suggests that appetites among private banks have stepped up a gear in the search for potential targets.

Acquisition plans





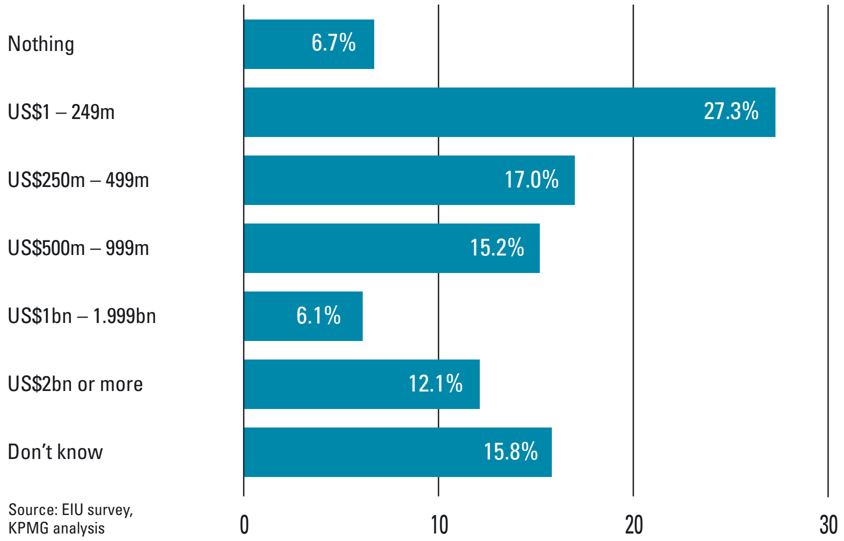




When those respondents who were actively seeking acquisitions were asked which countries they were targeting, China came out top, closely followed by Russia, the U.S. and the U.K.

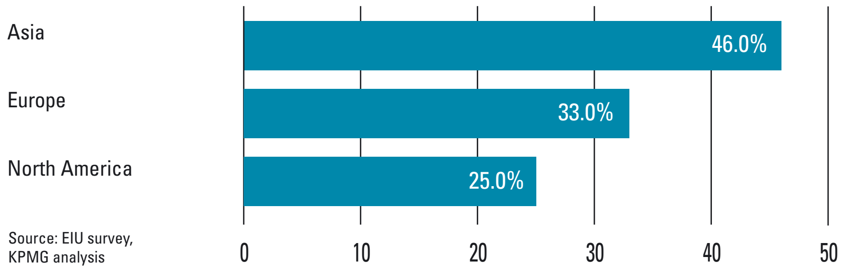
In monetary terms, acquisition size remains generally small with 44 percent indicating that they plan to invest less than US$500 million on acquisitions over the next three years, and the average expected investment around US$400 million. Only 12 percent said that they expected their investment on acquisitions to exceed US$2 billion. Even so, respondents in some regions are prepared to spend more. In Asia, for example, almost half of those surveyed were planning to invest US$500 million or more on acquisitions over the next three years, compared with less than just one-quarter in North America.

Acquisition investment plans over the next three years



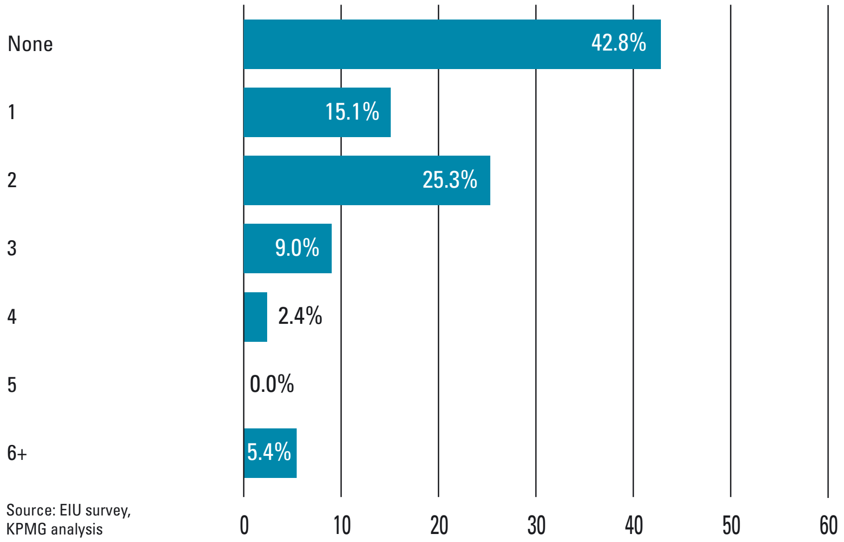
Source: EIU survey, KPMG analysis

Percentage that plan investments of more than US$500 million: regional breakdown



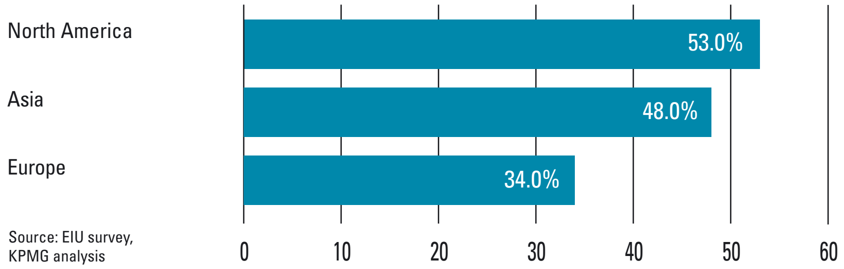
Source: EIU survey, KPMG analysis

Private wealth businesses acquired in the past three years



Source: EIU survey, KPMG analysis

Percentage that have not acquired a private wealth business in the past three years: regional breakdown



Source: EIU survey, KPMG analysis

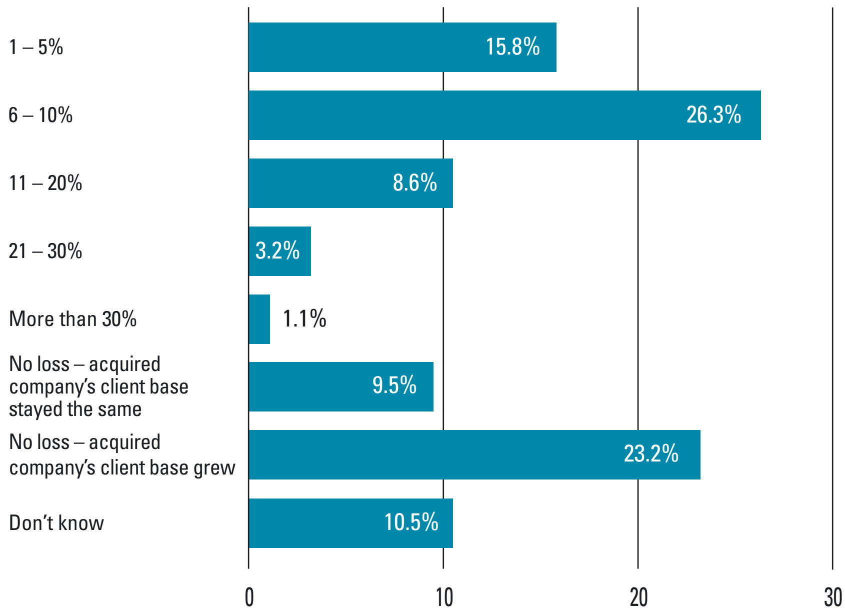
After the acquisition

Acquisitions are eagerly anticipated as a means of augmenting the client base but, in reality, they may trigger a certain level of client defections. The research sheds light on some of the issues that arise post-acquisition, particularly in relation to the mismatch between expectations and reality.

Around one-quarter of respondents say that they expect transactions over the next three years to help grow their asset base by more than 22 percent, but only one-third of respondents said that their client base either stayed the same or grew in the first year after their largest recent acquisition. Among the regions, North American banks were least likely to experience client losses, with those in Asia-Pacific most likely to do so.

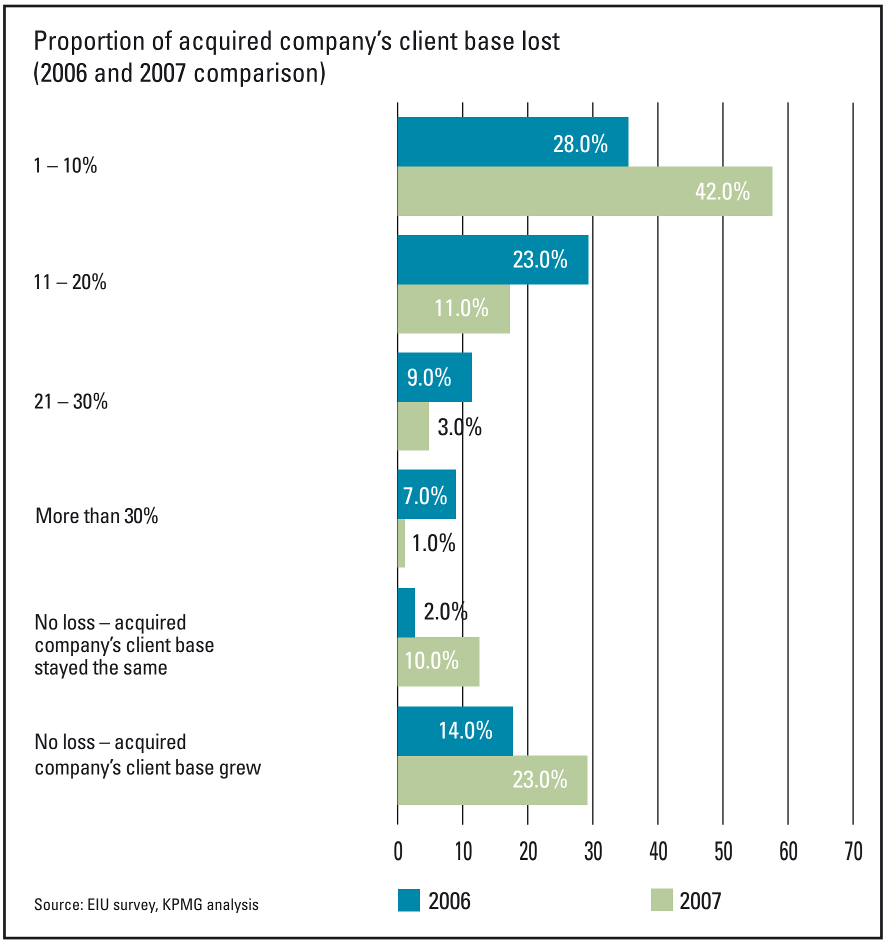
Compared with last year, respondents believe their ability to retain the client base following an acquisition has improved, with a greater number saying that they experience no loss and fewer experiencing the higher incidences of loss.

Proportion of the acquired company's client base (in terms of assets under management) lost within one year of acquisition*

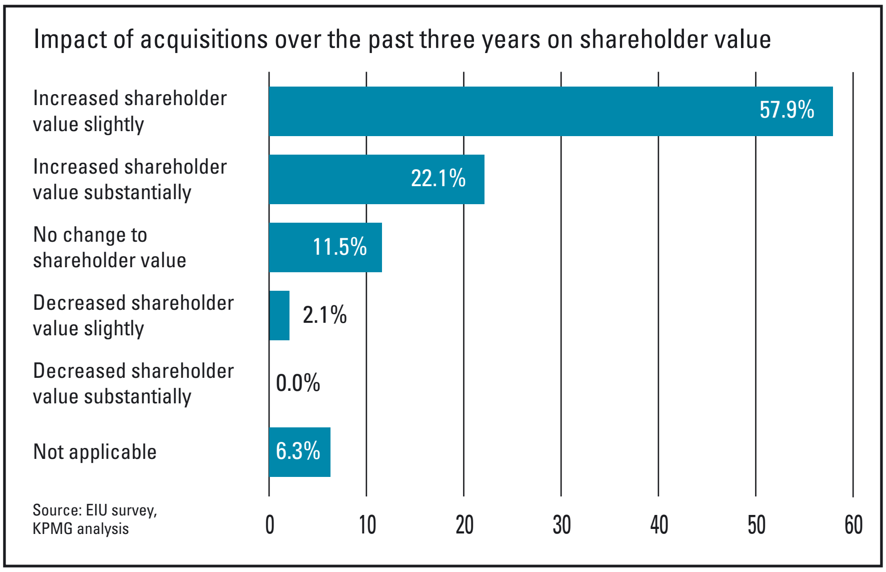


With reference to the respondent's largest acquisition in the past three years.

Source: EIU survey, KPMG analysis



Despite this, the vast majority of respondents believe that acquisitions have increased shareholder value, but only 22 percent say that the increase was substantial. This is significantly lower than last year, when 42 percent of respondents reported a substantial increase in shareholder value from their acquisitions. A reported increase in shareholder value is most likely among the European banks.



A successful acquisition requires close monitoring to ensure that synergies are realised and that cultural issues are resolved. An encouraging 63 percent of those surveyed say they formally tracked the synergies and measured the success of their most recent integration, but a worrying 20 percent did not. Surprisingly, smaller banks (those with 200 employees or fewer) were more likely to have in place a formal process of this nature than larger banks (those with 500 employees or more).

Conclusions

Growth rates continue to be strong in the private banking and wealth management industry with optimism remaining high. The benign economic climate and rising levels of wealth, especially in Asia and the Middle East, have encouraged large global institutions to beef up their wealth management offering, as well as leading to a proliferation of smaller, boutique banks.

Rising costs, the search for new markets, and competition from larger, consolidated players are all factors that are fuelling appetites for consolidation. Although the industry remains fragmented, the sheer buoyancy of the markets and the new opportunities for wealth management have perversely stood in the way of further consolidation.

A major downturn in the economy could have serious consequences for the industry. Consolidation may help banks deal with existing structural concerns, but times of greater austerity may be needed before enough small and mid-sized private banking institutions see the need to merge or be acquired, or at least get to grips with burgeoning costs, driven ever higher by galloping inflation in client relationship manager fees.

Keeping you informed

The KPMG firms' thought leadership library explores the challenges for the financial services sector raised by change in the broader business environment – the economy, the regulatory framework and the forces of globalization. Listed below is a recent selection of KPMG International and KPMG member firms' publications.

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Gopal Ramanathan
Global Chairman
KPMG's Transaction Services practice
KPMG Special Services B.V.
Tel: +31 20 656 7581
e-Mail: ramanathan.gopal@kpmg.nl

Stuart M. Robertson
Regional Co-ordinating Partner
KPMG's Transaction Services practice,
Europe, Middle East and Africa (EMA)
KPMG Fides Peat
Tel: +41 (0)44 249 3345
e-Mail: srobertson@kpmg.com

Miguel Sagarna
Regional Co-ordinating Partner
KPMG's Transaction Services practice,
Americas
KPMG LLP (U.S.)
Tel: +1 212 872 5543
e-Mail: msagarna@kpmg.com

Kevin Chamberlain
Regional Co-ordinating Partner
KPMG's Transaction Services practice,
Asia Pacific
KPMG Australia Pty Limited
Tel: +61 (0)2 9335 7112
e-Mail: kchamberlain@kpmg.com.au

Brendan Nelson
Global Chairman
KPMG's Financial Services practice
KPMG LLP (U.K.)
Tel: +44 (0)20 7311 6157
e-Mail: brendan.nelson@kpmg.co.uk

Gottfried Wohlmannstetter
Regional Co-ordinating Partner
KPMG's Financial Services practice,
Europe, Middle East and Africa (EMA)
KPMG Deutsche Treuhand-Gesellschaft AG
Tel: +49 (0)69 9587 2141
e-Mail: gwohlmannstetter@kpmg.com

Chris Lynch
Regional Co-ordinating Partner
KPMG's Financial Services practice,
Americas
KPMG LLP (U.S.)
Tel: +1 415 396 6731
e-Mail: clynch@kpmg.com

Steve Roder
Regional Co-ordinating Partner
KPMG's Financial Services practice
Asia Pacific
KPMG in China and Hong Kong SAR
Tel: +852 (-) 2826 7135
e-Mail: steve.roder@kpmg.com.hk

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