

**The Association of Banks in Singapore 40<sup>th</sup> Annual Dinner**  
**Speech by Mr Piyush Gupta, Outgoing ABS Chairman**  
**26 June 2013**

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Guest of Honour:

Your Excellency, Dr Tony Tan, President of the Republic of Singapore

Special Guests:

Mr. Tharman Shanmugaratnam, Deputy Prime Minister and Minister of Finance of Singapore

Mr. Ravi Menon, Managing Director, Monetary Authority of Singapore

Past ABS Chairmen

Fellow Council Members

Distinguished guests

Ladies and Gentlemen

Good evening and a warm welcome to everyone. Thank you, Mr President, for gracing this event. It is a great honour having you with us tonight.

We are celebrating ABS's 40<sup>th</sup> Anniversary this evening and to commemorate this milestone, some 800 guests are present, breaking all records for past ABS dinners.

**How ABS has evolved**

Let's pause a minute to take stock of what ABS and the banking industry have achieved in the past 40 years.

- 40 years back, Singapore's financial sector accounted for only 5.5% of GDP or \$25 bn. In 2012, it contributes to 13% or over \$300 bn of the economy
- We are now ranked 4<sup>th</sup> leading financial centre globally. And we came from no-where 40 years ago
- ABS has grown from 54 members 40 years ago to over 140 members today

Since its inception, ABS has evolved and grown, mirroring the wider story of the remarkable growth and transformation of the financial sector in Singapore. ABS has played an important and defining role in the transformation of Singapore into a leading international financial centre. Over the years, ABS and the banking industry have developed an inclusive and collaborative partnership. This is at the heart of our ethos.

As banks, we compete with each other. At the broader industry level, we collaborate to reach common ground to find solutions acceptable to all stakeholders, including MAS. This distinctive ethos has proved invaluable in steering us through challenging times such as the Asian Financial Crisis, SARS and the Global Financial Crisis. There's this saying that is very apt – "no one can whistle a symphony. It takes a whole orchestra to play it".

We are extremely privileged to have the pioneers and leaders of the banking industry with us this evening. These are the captains of the industry who have provided us their invaluable guidance through the years. I'll like to take this opportunity to note that many past Chairmen of ABS are here, including President Tony Tan who was the second chairman of ABS, and Mr Chua Kim Yeow, the

fourth Chairman of ABS and first from DBS. Many senior MAS officials have also lent their support to this event. Mr Michael Wong, the first Managing Director of MAS, is present today. This is truly a night of many firsts! Let's join our hands together for a moment to acknowledge the leaders of the banking industry and their invaluable contributions to the financial sector over the years.

### **Looking to the future – higher purpose of banking**

Even as we celebrate 40 years of banking, I would like to take the opportunity to look ahead to the next 40 years. Let's not forget our roots - Banking is different from most industries. It plays a fundamental role in underpinning the functions of a society by allocating capital to businesses and consumers efficiently. In fact, the word credit is derived from the Latin, "credere", which means "to have trust in". It is a huge privilege to be given that trust. This privilege comes with huge social responsibility.

Banking entails a higher purpose beyond stewardship of the industry. It is about being a force for good. Banking has the power to create long-term economic value and positively benefit the community. It is about generating profits in a responsible way, supporting sustainable growth in the real economy – in all, benefiting the larger community.

We have the ability to change lives and livelihoods. For example, a mortgage loan is not just a housing loan. It empowers customers to build homes for their families. Similarly, a business loan is not just a commercial loan; it offers new opportunities for businesses, creating thousands of jobs driving growth in the economy.

It is important that we collectively keep this sense of responsibility and need for trust at the front and centre of everything we do. In this respect, it is useful to recognize that this has been a challenging year for banking. Recent events related to benchmark contribution have been a wake-up call that it is easy to fall prey to complacency. I am pleased that the industry has used this opportunity to strengthen itself, and play a leading role in enhancing the robustness, transparency and efficiency of the benchmark contribution process going forward.

In line with the banking industry's 'force for good' mission, we originally planned a tree planting event last Saturday. We want to give back to the community and, at the same time, commemorate ABS' 40<sup>th</sup> anniversary. However, the haze got the better of us and we had to postpone this event. Trees symbolise continued growth. They provide nourishment and shelter for animals so that the entire ecosystem can thrive. Just as trees are a fundamental part of nature, banks are integral to the social and economic ecosystem. Let us learn to be like trees driving growth for the greater good.

## **Conclusion**

Banking is a people-driven business. During my two year tenure as Chairman of ABS, I have personally witnessed the collective effort and immense support from everyone across the banking industry for ABS. I would like to express my sincere appreciation to Council Members, member banks, our partners and stakeholders. Special thanks must be made to the Chairpersons of the Standing Committees and Task Forces. I would like to commend the staff of ABS and especially Ai Boon for their dedication and commitment. Time and again, they have shown their willingness to go beyond their call of duty.

This year, I pass on the baton of the ABS chairmanship to OCBC, Sam. Knowing Sam, we are all in good hands. I am also confident that the banking industry's unique ethos of partnership and collaboration between member banks and stakeholders will position us well to forge ahead and cement Singapore's position as a pre-eminent financial centre.

I would now like to invite Sam to give his address as incoming Chairman. Sam please.