

HONG KONG

COUNTRY OVERVIEW

Hiring activity was extremely slow at the start of the year, with February and March proving to be particularly light on recruitment activity. Consolidation took place across the market and organisations focused on up-skilling existing staff rather than recruiting externally.

When organisations did make business critical hires they were generally very selective and sought the very best candidates in the market. Pockets of demand were still evident, despite the difficult economic conditions, and revenue generating roles and positions geared towards reporting and compliance were in highest demand.

The second half of the year saw higher levels of recruitment activity and many businesses reported higher than expected profits due to successful cost saving initiatives and something of a return of market confidence. Many financial services companies realised they had over-engineered their restructures and this also prompted a number of new hires.

2010 will see an increase in the volume of roles across the market as confidence continues to grow. Candidates are also expected to feel more secure about changing roles and as many professionals' bonus expectations remain unmet we anticipate greater movement across the market. As hiring increases and top talent becomes harder to find we anticipate salary levels for top achievers will start to rise.

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BANKING & FINANCIAL SERVICES FRONT OFFICE

Our banking & financial services division specialises in placing experienced professionals into a diverse client base that includes the world's most prestigious and dynamic financial services organisations. The Robert Walters team is comprised of highly skilled consultants, each with extensive industry and recruitment experience in their chosen field.

Our front office banking recruitment team network across equities, fixed income and alternative investments disciplines to source the highest quality talent for roles in the following areas:

- Capital markets
- Corporate and institutional banking
- Corporate finance
- Credit risk
- Fund management
- Market risk
- Private equity and venture capital
- Sales and trading
- Wealth management

Market Overview Front Office

In quarter one of 2009, we witnessed a significant reduction in recruitment activity across the banking sector due to the deteriorating global economic environment. Although the top performers were still gainfully employed, a couple of major banks imposed redundancy programmes and merged selected roles, especially at the more senior levels as a result of the increasing pressure for cost reductions.

Market confidence improved significantly in quarter two of 2009 amidst talk of 'green shoots' of recovery and speculation that the worst of the recession was over. The confidence of hiring managers gradually started to return and recruitment activity began to gather momentum towards the end of 2009 as the banks geared up for 2010.

Demand was particularly strong for more senior candidates with highly specialised skill sets, or business-savvy professionals who could generate revenue immediately.

Transaction Banking

After the immediate effects of the financial crisis, many banks refocused on core business. As most banks were back in hiring mode after quarter two, low risk businesses returned to the limelight once again and were no longer considered inferior in comparison to high risk businesses, such as investment banking. Despite the financial obstacles that some of the banks faced, transaction banking revenues and profits remained fairly resilient in the face of the crisis throughout 2009. We saw a continued demand for transactional bankers with strong technical skills and a solid track record in sales. With a limited pool of candidates boasting this combination of skills, we saw successful crossover from candidates in the corporate and commercial banking sectors and in some cases, those from commerce sectors. These candidates either had a strong business network, specialist skills or excellent technical knowledge.

Risk Management

2009 saw significant changes and restructuring in the risk management functions of financial institutions. This was due to a decreased volume of credit transactions, especially in the first half of the year. However, the importance placed on risk management functions throughout 2009 increased due to the credit crisis.

Credit risk remained a priority due to issues in defaults and liquidity. With increased cross-border lending to emerging nations, credit risk professionals who had relevant skill sets, such as insights, were particularly valued.

Market risk professionals with strong numerical and quantitative abilities were most sought-after. Other areas showing

high candidate demand included rapidly developing equity derivatives, prime brokerage and alternative investments markets. Risk managers with experience in these areas, particularly those from hedge funds, received increments beyond the market norm.

Outlook for 2010

We expect salaries to remain static in the first half of 2010. However, candidates with strong business contacts or specialist skills will command a premium. Front office professionals who have either a strong sales track records or highly specialised skills will be well positioned in 2010 as demand for these types of professionals will be high.

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BANKING & FINANCIAL SERVICES FRONT OFFICE

ROLE	PERMANENT SALARY PER ANNUM \$HK					
	1 - 4 YRS' EXP		4 - 8 YRS' EXP		8+ YRS' EXP	
	2009	2010	2009	2010	2009	2010
Front Office						
Corporate Finance	\$240 - 780k	\$240 - 780k	\$480 - 840k	\$480 - 840k	\$1.4m+	\$1.4m+
Debt Capital Market	\$240 - 780k	\$240 - 780k	\$480 - 840k	\$480 - 840k	\$1.4m+	\$1.4m+
Equity Capital Market	\$240 - 780k	\$240 - 840k	\$480 - 840k	\$480 - 840k	\$1.4m+	\$1.4m+
Sales - Institutions	\$300 - 400k	\$300 - 400k	\$400 - 840k	\$400 - 840k	\$840k - 1.6m+	\$840k - 1.6m+
Relationship Manager - FI*	\$200 - 480k	\$200 - 500k	\$360 - 700k	\$360 - 840k	\$720k - 1.5m+	\$720k - 1.5m+
Sales - Corporate	\$250 - 360k	\$250 - 450k	\$360 - 720k	\$450 - 720k	\$700k - 1.3m+	\$720k - 1.3m+
Relationship Manager - non FI*	\$200 - 480k	\$200 - 480k	\$360 - 650k	\$360 - 650k	\$660k - 1.2m+	\$660k - 1.2m+
Relationship Manager - SME*	\$200 - 360k	\$200 - 360k	\$300 - 650k	\$300 - 650k	\$600k - 1.0m+	\$600k - 1.0m+
Risk Management						
Market Risk						
Management/Modelling	\$400 - 550k	\$400 - 600k	\$550k - 1.0m	\$600k - 1.1m	\$1.0 - 1.4m	\$1.1 - 1.4m
Controlling/Reporting	\$360 - 500k	\$360 - 500k	\$500 - 800k	\$500 - 850k	\$800k - 1m	\$800k - 1.1m+
Credit Risk						
Investment/Corporate Banking	\$400 - 600k	\$400 - 650k	\$600k - 1.0m	\$650k - 1.1m	\$1.0 - 1.4m	\$1.1 - 1.4m
Investment/Wealth Management	\$360 - 500k	\$360 - 550k	\$500 - 850k	\$550 - 900k	\$850k - 1.1m	\$900k - 1.2m
Consumer Banking Operations	\$240 - 450k	\$240 - 500k	\$450 - 700k	\$500 - 750k	\$700 - 900k	\$750 - 950k
NB: Figures are basic salaries exclusive of benefits/bonuses unless otherwise specified.						
* Salary also depends on management responsibilities.						

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BANKING & FINANCIAL SERVICES MIDDLE AND BACK OFFICE

Our core banking division specialises in placing experienced professionals into middle and back office positions across the following areas:

- Finance - product control, tax, and management, financial and regulatory reporting
- Governance - audit, legal, compliance, business continuity planning and operational risk
- Operations - settlements processing, trade support and data management
- Projects - re-engineering, outsourcing, change management and business analysis

Market Overview

Finance

The volatility of financial markets in 2009 led to a significant decrease in hiring in the first half of the year. The recruitment of finance professionals reduced largely due to the off-shoring of finance activities to lower cost locations such as China, Manila, India and Singapore. The second half of the year saw 'green shoots' of recovery and several senior hires were made in the finance space, especially in the area of product control. Trading activities in equities increased and this led to a corresponding rise in demand for support staff in the finance space.

Hubbing activities into Asia resumed in quarters three and four and with Hong Kong's specialisation in equities, hires in the business finance and products space for equities increased. Some of the talent available in the market due to redundancy was used to fill key positions, but there still remained some excess supply at the senior end. On a net basis for 2009, the deployment of roles out of Hong Kong outpaced on-shore hiring.

Governance: Compliance, Internal Audit and Operational Risk

As a result of the sub-prime crisis, 2009 saw an increased focus on controls and governance as regulations tightened following high profile cases of rogue trading and fraud.

We saw sustained demand for compliance individuals within equities. In addition, niche skill sets such as compliance advisory, control room and monitoring remained in demand. Compliance professionals with a legal background were difficult to source throughout 2009 and this shortage is set to continue in 2010. In the area of audit and operational risk, demand for experienced professionals remained stable despite the crisis. Due to the client facing element of such roles, hiring remained focused on professionals with more than six years' experience, usually at, or above, the manager/AVP level.

Operations and Projects

Market challenges in front office trading led to cuts in middle to back office support especially in the first half of 2009. In line with cost-cutting measures, the acceleration of off-shoring activities led to a significant number of roles being moved to China, India, Manila and Singapore. We therefore saw a decline in process driven roles based in Hong Kong.

Vacancies in banking operations increased in the second half of the year, albeit at levels lower than in 2008. This was both for banks that had struggled with profitability and organisations pushing aggressively to grow new businesses. The most visible hiring remained in equity derivatives which remained fairly consistent throughout the year, however, there was an increased push towards cash equities and banks hired more aggressively compared with 2008.

Outlook for 2010

Upgrading and succession planning will be key focuses for managers in 2010 as many look to replace poor performers, whilst ensuring strong performers have a defined career path within the organisation. Most banks are budgeting for additional headcount in 2010 with a focus on hands-on candidates who display cross product experience and the ability to communicate at all levels across the business.

We also expect to see recruitment for senior finance positions increase as companies seek talent to deal with complex finance issues directly with the business. Candidates with product experience, especially in the equities derivatives space, will also be in demand throughout 2010.

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BANKING & FINANCIAL SERVICES MIDDLE AND BACK OFFICE

ROLE	PERMANENT SALARY PER ANNUM \$HK		CONTRACT SALARY PER MONTH \$HK	
	2009	2010	2009	2010
	Chief Financial Officer (8+ yrs' exp)	\$1.6 - 2.2m+	\$1.6 - 2.2m+	\$128 - 190k
Chief Operating Officer/Business Manager (8+ yrs' exp)	\$1.5 - 2.0m+	\$1.5 - 2.0m+	\$123 - 170k	\$130 - 180k
Finance				
Product Control - Derivatives (8+ yrs' exp)	\$1.0 - 1.4m+	\$1.1 - 1.5m+	\$80 - 118k	\$85 - 125k
Product Control - Vanilla (8+ yrs' exp)	\$1.0 - 1.4m+	\$1.0 - 1.4m+	\$80 - 118k	\$85 - 125k
Management Reporting (8+ yrs' exp)	\$900k - 1.2m+	\$900k - 1.2m+	\$80 - 105k	\$85 - 110k
Financial Reporting (8+ yrs' exp)	\$900k - 1.2m	\$900k - 1.2m+	\$80 - 105k	\$85 - 110k
Tax (8+ yrs' exp)	\$900k - 1.2m+	\$900k - 1.2m+	\$80 - 105k	\$85 - 110k
Project Manager (8+ yrs' exp)	\$900k - 1.2m+	\$900k - 1.2m+	\$80 - 105k	\$85 - 110k
Product Control - Derivatives (5 - 8 yrs' exp)	\$550k - 1.0m	\$650k - 1.1m	\$80 - 118k	\$85 - 125k
Product Control - Vanilla (5 - 8 yrs' exp)	\$550k - 1.0m	\$650k - 1.0m	\$45 - 80k	\$50 - 85k
Tax (5 - 8 yrs' exp)	\$550 - 900k	\$600 - 900k	\$45 - 80k	\$50 - 85k
Project Manager (5 - 8 yrs' exp)	\$550 - 900k	\$600 - 900k	\$45 - 80k	\$50 - 85k
Management Reporting (5 - 8 yrs' exp)	\$550 - 900k	\$550 - 900k	\$45 - 80k	\$50 - 85k
Financial Reporting (5 - 8 yrs' exp)	\$550 - 900k	\$550 - 900k	\$52 - 80k	\$50 - 85k
Product Control - Derivatives (1 - 4 yrs' exp)	\$450 - 700k	\$450 - 650k	\$38 - 60k	\$40 - 65k
Project Manager (1 - 4 yrs' exp)	\$450 - 650k	\$450 - 600k	\$38 - 52k	\$40 - 55k
Product Control - Vanilla (1 - 4 yrs' exp)	\$450 - 700k	\$400 - 660k	\$38 - 60k	\$40 - 65k
Tax (1 - 4 yrs' exp)	\$400 - 600k	\$400 - 600k	\$33 - 52k	\$35 - 55k
Financial Reporting (1 - 4 yrs' exp)	\$400 - 500k	\$400 - 550k	\$33 - 42k	\$35 - 45k
Management Reporting (1 - 4 yrs' exp)	\$400 - 500k	\$400 - 500k	\$33 - 42k	\$35 - 45k
Operations				
Middle Office/Trade Support (8+ yrs' exp)	\$900k - 1.0m+	\$900k - 1.1m+	\$75 - 85k	\$80 - 90k
Collateral Management (8+ yrs' exp)	\$900k - 1.0m+	\$900k - 1.0m+	\$75 - 85k	\$80 - 90k
Settlements (8+ yrs' exp)	\$900k - 1.0m+	\$750k - 1.0m+	\$75 - 85k	\$80 - 90k
Documentation (8+ yrs' exp)	\$900k - 1.0m+	\$700k - 1.0m+	\$75 - 85k	\$80 - 90k
Collateral Management (5 - 8 yrs' exp)	\$500 - 800k	\$500 - 900k	\$42 - 65k	\$45 - 70k
Middle Office/Trade Support (5 - 8 yrs' exp)	\$500 - 800k	\$500 - 900k	\$42 - 65k	\$45 - 70k
Settlements (5 - 8 yrs' exp)	\$500 - 750k	\$500 - 750k	\$42 - 60k	\$45 - 65k
Documentation (5 - 8 yrs' exp)	\$500 - 700k	\$500 - 700k	\$42 - 55k	\$45 - 60k
Middle Office/Trade Support (1 - 4 yrs' exp)	\$360 - 500k	\$360 - 500k	\$28 - 42k	\$30 - 45k
Collateral Management (1 - 4 yrs' exp)	\$360 - 500k	\$360 - 500k	\$28 - 42k	\$30 - 45k
Documentation (1 - 4 yrs' exp)	\$360 - 500k	\$360 - 500k	\$28 - 42k	\$30 - 45k
Settlements (1 - 4 yrs' exp)	\$300 - 500k	\$300 - 500k	\$23 - 42k	\$25 - 45k

NB: Figures are basic salaries exclusive of benefits/bonuses unless otherwise specified.

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BANKING & FINANCIAL SERVICES MIDDLE AND BACK OFFICE

ROLE	PERMANENT SALARY PER ANNUM \$HK		CONTRACT SALARY PER MONTH \$HK	
	2009	2010	2009	2010
Compliance				
Global Market (8+ yrs' exp)	\$1.0 - 1.4m+	\$1.1 - 1.5m+	\$90 - 125k	\$95 - 130k
Investment/Wealth Management (8+ yrs' exp)	\$900k - 1.3m	\$1.0 - 1.4m+	\$85 - 115k	\$90 - 120k
AML/Surveillance/Control Room (8+ yrs' exp)	\$950k - 1.3m	\$1.0 - 1.4m+	\$85 - 115k	\$90 - 120k
Global Market (5 - 8 yrs' exp)	\$550k - 1.0m	\$600k - 1.1m	\$52 - 90k	\$55 - 95k
AML/Surveillance/Control Room (5 - 8 yrs' exp)	\$550 - 950k	\$600k - 1.1m	\$52 - 95k	\$55 - 100k
Investment Wealth Management (5 - 8 yrs' exp)	\$550 - 900k	\$550k - 1.0m	\$45 - 85k	\$50 - 90k
Global Market (1 - 4 yrs' exp)	\$400 - 600k	\$400 - 600k	\$33 - 52k	\$35 - 55k
AML/Surveillance/Control Room (1 - 4 yrs' exp)	\$360 - 550k	\$400 - 600k	\$33 - 52k	\$35 - 55k
Investment/Wealth Management (1 - 4 yrs' exp)	\$360 - 550k	\$400 - 550k	\$33 - 48k	\$35 - 50k
Internal Audit				
Global Market (8+ yrs' exp)	\$900k - 1.2m+	\$950k - 1.3m+	\$80 - 109k	\$85 - 115k
IT (8+ yrs' exp)	\$850k - 1.15m	\$900k - 1.2m+	\$75 - 105k	\$80 - 110k
Retail/Business Services (8+ yrs' exp)	\$800k - 1.1m+	\$800k - 1.1m+	\$65 - 52k	\$70 - 55k
Global Market (5 - 8 yrs' exp)	\$500 - 900k	\$500 - 950k	\$42 - 80k	\$45 - 85k
IT (5 - 8 yrs' exp)	\$480 - 850k	\$500 - 900k	\$42 - 75k	\$45 - 80k
Retail/Business Services (5 - 8 yrs' exp)	\$450 - 800k	\$450 - 800k	\$38 - 65k	\$40 - 70k
Global Market (1 - 4 yrs' exp)	\$360 - 450k	\$360 - 500k	\$28 - 42k	\$30 - 45k
IT (1 - 4 yrs' exp)	\$360 - 480k	\$360 - 500k	\$28 - 42k	\$30 - 45k
Retail/Business Services (1 - 4 yrs' exp)	\$360 - 450k	\$360 - 450k	\$28 - 38k	\$30 - 40k
Operational Risk Management				
Global Market (8+ yrs' exp)	\$900k - 1.3m+	\$1.0 - 1.4m+	\$85 - 115k	\$90 - 120k
Infrastructure (8+ yrs' exp)	\$800k - 1.1m+	\$800k - 1.1m+	\$65 - 85k	\$70 - 90k
Global Market (5 - 8 yrs' exp)	\$500 - 900k	\$550k - 1.0m	\$45 - 85k	\$50 - 90k
Infrastructure (5 - 8 yrs' exp)	\$500 - 800k	\$500 - 800k	\$42 - 65k	\$45 - 70k
Global Market (1 - 4 yrs' exp)	\$360 - 500k	\$360 - 550k	\$28 - 45k	\$30 - 50k
Infrastructure (1 - 4 yrs' exp)	\$360 - 500k	\$360 - 500k	\$28 - 42k	\$30 - 45k
Projects				
Strategy (8+ yrs' exp)	\$1.0 - 1.3m+	\$1.1 - 1.4m+	\$85 - 115k	\$90 - 120k
Insurance/ IT (5 - 8+ yrs' exp)	\$500k - 1.1m+	\$500k - 1.2m+	\$42 - 105k	\$45 - 110k
Strategy (5 - 8 yrs' exp)	\$550k - 1.0m	\$600k - 1.1m	\$52 - 85k	\$55 - 90k
Strategy (1 - 4 yrs' exp)	\$400 - 550k	\$400 - 600k	\$33 - 52k	\$35 - 55k
Insurance/IT (1 - 4 yrs' exp)	\$360 - 500k	\$360 - 500k	\$28 - 42k	\$30 - 45k

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