COVID-19 AND ITS IMPACT ON THE INVESTMENT MANAGEMENT INDUSTRY

Presentation to CFA Society Pakistan

Mary Leung, CFA
Head, Advocacy, Asia Pacific
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HOUSEKEEPING

• Today’s webinar is scheduled for 60 minutes including approximately 30 minutes of presentation and 30 minutes of discussion

• During the discussion part, please click the “Raise Hands” button if you would like to contribute. Please keep your observations concise (2-3 minutes) so we can give everyone an opportunity to speak

• Alternatively you can comment via the Chat button on your screen

• We will be running a few polling questions – you will be prompted to submit your answers

• This webinar will be recorded and the main presentation will be uploaded onto CFA Institute Asia-Pacific Research Exchange (ARX, www.arx.cfa) and the CFA Society Pakistan website
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1 Introduction
2 Market volatility, liquidity and asset price dislocations
3 Government and regulatory intervention
4 Impact on the financial industry
5 Jobs and employment

Appendices
A Respondent demographics
B Other themes
1. INTRODUCTION
COVID-19 AND ITS IMPACT ON THE INVESTMENT MANAGEMENT INDUSTRY

ABOUT THE SURVEY

CFA Institute wanted to conduct research on how the global pandemic is affecting capital markets at large, with a focus on the investment management industry and the impact of regulator’s reaction.

METHODOLOGY

• An email invitation was sent to all eligible CFA Institute members.
• The survey was open from 14 April – 24 April 2020.
• Two reminders were sent to non-respondents on 20 and 23 April.

<table>
<thead>
<tr>
<th></th>
<th>Overall Invites Sent</th>
<th>Overall Responses Received</th>
<th>GLOBAL Response Rate</th>
<th>GLOBAL Margin of Error</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>167,312</td>
<td>13,278</td>
<td>8%</td>
<td>±0.8%</td>
</tr>
</tbody>
</table>

Note: Only markets with a Margin of Error of ±10% and below are displayed in this report.
2. MARKET VOLATILITY, LIQUIDITY AND ASSET PRICE DISLOCATIONS
IN YOUR OPINION BASED ON YOUR RELEVANT TRADING EXPERIENCE, HOW HAS COVID-19 AFFECTED THE LEVEL OF MARKET LIQUIDITY IN EACH OF THE FOLLOWING SECONDARY MARKETS:

Global equities in developed markets

- **GLOBAL**
- **APAC**
- **INDIA**
- **SINGAPORE**
- **PAKISTAN**

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Global</th>
<th>APAC</th>
<th>India</th>
<th>Singapore</th>
<th>Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquidity has gone up</td>
<td>10%</td>
<td>13%</td>
<td>9%</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Liquidity is down</td>
<td>31%</td>
<td>33%</td>
<td>29%</td>
<td>43%</td>
<td>42%</td>
</tr>
<tr>
<td>Liquidity was going down, but central bank intervention has stabilized the markets</td>
<td>23%</td>
<td>24%</td>
<td>25%</td>
<td>33%</td>
<td>22%</td>
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<tr>
<td>No marked change</td>
<td>18%</td>
<td>13%</td>
<td>9%</td>
<td>17%</td>
<td>11%</td>
</tr>
<tr>
<td>There is a liquidity shock that could result in fire sales and dislocation</td>
<td>14%</td>
<td>16%</td>
<td>13%</td>
<td>10%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Note: Excludes "Don't know" and "Not relevant for me"
IN YOUR OPINION BASED ON YOUR RELEVANT TRADING EXPERIENCE, HOW HAS COVID-19 AFFECTED THE LEVEL OF MARKET LIQUIDITY IN EACH OF THE FOLLOWING SECONDARY MARKETS:

<table>
<thead>
<tr>
<th>Government bonds in developed markets</th>
<th>Global</th>
<th>APAC</th>
<th>India</th>
<th>Singapore</th>
<th>Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquidity has gone up</td>
<td>15%</td>
<td>20%</td>
<td>12%</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>Liquidity is down</td>
<td>25%</td>
<td>23%</td>
<td>19%</td>
<td>21%</td>
<td>17%</td>
</tr>
<tr>
<td>Liquidity was going down,</td>
<td>42%</td>
<td>38%</td>
<td>39%</td>
<td>42%</td>
<td>19%</td>
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<tr>
<td>but central bank intervention has</td>
<td></td>
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<tr>
<td>stabilized the markets</td>
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</tr>
<tr>
<td>No marked change</td>
<td>13%</td>
<td>16%</td>
<td>10%</td>
<td>9%</td>
<td>19%</td>
</tr>
<tr>
<td>There is a liquidity shock that</td>
<td>6%</td>
<td>6%</td>
<td>3%</td>
<td>8%</td>
<td>3%</td>
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<tr>
<td>could result in fire sales and</td>
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<tr>
<td>dislocation</td>
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</tr>
</tbody>
</table>

Note: Excludes "Don't know" and "Not relevant for me"
IN YOUR OPINION BASED ON YOUR RELEVANT TRADING EXPERIENCE, HOW HAS COVID-19 AFFECTED THE LEVEL OF MARKET LIQUIDITY IN EACH OF THE FOLLOWING SECONDARY MARKETS:

Corporate bonds (Investment Grade) in developed markets

- **Liquidity has gone up**
  - Global: 6%
  - APAC: 7%
  - India: 9%
  - Singapore: 7%
  - Pakistan: 5%

- **Liquidity is down**
  - Global: 36%
  - APAC: 41%
  - India: 47%
  - Singapore: 33%

- **Liquidity was going down, but central bank intervention has stabilized the markets**
  - Global: 40%
  - APAC: 30%
  - India: 26%
  - Singapore: 39%
  - Pakistan: 8%

- **No marked change**
  - Global: 4%
  - APAC: 4%
  - India: 4%
  - Singapore: 2%
  - Pakistan: 5%

- **There is a liquidity shock that could result in fire sales and dislocation**
  - Global: 14%
  - APAC: 19%
  - India: 19%
  - Singapore: 16%
  - Pakistan: 16%

Note: Excludes "Don't know" and "Not relevant for me"
IN YOUR OPINION BASED ON YOUR RELEVANT TRADING EXPERIENCE, HOW HAS COVID-19 AFFECTED THE LEVEL OF MARKET LIQUIDITY IN EACH OF THE FOLLOWING SECONDARY MARKETS:

Emerging market equities

- **GLOBAL**
- **APAC**
- **INDIA**
- **SINGAPORE**
- **PAKISTAN**

<table>
<thead>
<tr>
<th>Category</th>
<th>India</th>
<th>Singapore</th>
<th>Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquidity has gone up</td>
<td>8%</td>
<td>9%</td>
<td>6%</td>
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<tr>
<td>Liquidity is down</td>
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<td>17%</td>
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<tr>
<td>No marked change</td>
<td>11%</td>
<td>8%</td>
<td>9%</td>
</tr>
<tr>
<td>There is a liquidity shock that could result in fire sales and dislocation</td>
<td>8%</td>
<td>7%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Note: Excludes "Don't know" and "Not relevant for me"
IN YOUR OPINION BASED ON YOUR RELEVANT TRADING EXPERIENCE, HOW HAS COVID-19 AFFECTED THE LEVEL OF MARKET LIQUIDITY IN EACH OF THE FOLLOWING SECONDARY MARKETS:

<table>
<thead>
<tr>
<th>Government bonds in emerging markets</th>
<th>GLOBAL</th>
<th>APAC</th>
<th>INDIA</th>
<th>SINGAPORE</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Liquidity has gone up</td>
<td>6%</td>
<td>11%</td>
<td>14%</td>
<td>5%</td>
<td>27%</td>
</tr>
<tr>
<td>Liquidity is down</td>
<td>49%</td>
<td>38%</td>
<td>36%</td>
<td>38%</td>
<td></td>
</tr>
<tr>
<td>Liquidity was going down,</td>
<td>19%</td>
<td>25%</td>
<td>21%</td>
<td>11%</td>
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<td>but central bank intervention has</td>
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<tr>
<td>stabilized the markets</td>
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</tr>
<tr>
<td>No marked change</td>
<td>5%</td>
<td>8%</td>
<td>7%</td>
<td>4%</td>
<td>14%</td>
</tr>
<tr>
<td>There is a liquidity shock</td>
<td>21%</td>
<td>18%</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>that could result in fire</td>
<td></td>
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</tr>
<tr>
<td>sales and dislocation</td>
<td></td>
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</tr>
</tbody>
</table>

Note: Excludes "Don't know" and "Not relevant for me"
DO YOU THINK THE CURRENT CRISIS INCREASES THE CHANCE OF ASSET MISPRICING SPECIFICALLY RELATED TO THE CURRENT SITUATION OF FINANCIAL STRESS?

- Yes: 96% (Global), 96% (APAC), 94% (India), 97% (Singapore), 99% (Pakistan)
- No, there is no specific risk of asset mispricing: 4% (Global), 4% (APAC), 6% (India), 3% (Singapore), 1% (Pakistan)

Note: Excludes “Don’t know”
WHAT IS THE MOST LIKELY REASON THAT THE CURRENT CRISIS INCREASES THE CHANCE OF ASSET MISPRICING?

- Because of a liquidity dislocation: 46%
- Because of public authorities' intervention distorting natural market pricing: 41%
- Because of improper financial information being disclosed in times of crisis: 16%
- Because government authorities are allowing securities issuers to withhold critical information, forcing investors to guess on how bad things are: 4%
- Because of wrong professional ethics on the part of market participants, taking advantage of market stress: 11%
- Other: 7%

**Locations:**
- Global: 45%
- APAC: 39%
- India: 33%
- Singapore: 29%
- Pakistan: 16%
MARKET VOLATILITY HAS MOVED SHARPLY SINCE THE WORLDWIDE EMERGENCE OF THE COVID-19 CRISIS, FOR GLOBAL EQUITIES AND FIXED INCOME INSTRUMENTS. SELECT THE STATEMENT THAT BEST DESCRIBES HOW YOU FEEL ABOUT MARKET VOLATILITY:

My firm is currently investigating how market volatility could impact our strategic asset allocation or investment choices.

Market volatility has had no significant impact on my activity or my firm’s activity.

Market volatility has forced my firm to significantly alter its investment management processes or allocation choices.

GLOBAL APAC INDIA SINGAPORE PAKISTAN

42% 42% 45% 40% 38% 32% 23% 22% 25% 15% 26% 35% 33% 35% 47%

Note: data excludes "Don't Know" and "Not relevant for me"
WHAT KIND OF RECOVERY DO YOU EXPECT POST THE CURRENT ECONOMIC AND FINANCIAL CRISIS INDUCED BY COVID-19?

- **Medium-term hockey-stick shaped recovery (2-3 years):**
  - Global: 44%
  - APAC: 46%
  - India: 44%
  - Singapore: 42%
  - Pakistan: 53%

- **Slow U-shaped recovery:**
  - Global: 35%
  - APAC: 32%
  - India: 36%
  - Singapore: 38%
  - Pakistan: 25%

- **Quick V-shaped recovery:**
  - Global: 10%
  - APAC: 9%
  - India: 8%
  - Singapore: 11%
  - Pakistan: 9%

- **Longer-term hockey-stick shaped recovery (5-10 years):**
  - Global: 8%
  - APAC: 9%
  - India: 8%
  - Singapore: 6%
  - Pakistan: 12%

- **There will not be a real recovery and long-term market stagnation will ensue:**
  - Global: 4%
  - APAC: 5%
  - India: 4%
  - Singapore: 3%
  - Pakistan: 1%

Note: Excludes "Not sure"
POLLING QUESTION 1

The Pakistan equity market has gone up sharply since March 2020, KSE 100 up by 44% and KMI 30 up by 52% (till 31st July) from their bottom levels in March 2020. Do you think

A. Equity markets in Pakistan have risen too much given the economic situation and hence may take a big correction

B. The survey underestimated the pace of recovery and market rise is in line with the pace of recovery of fundamentals

C. The market performance is lagging behind the economic recovery and hence the rally should continue

D. Other
3. GOVERNMENT AND REGULATORY INTERVENTION
ON THE DECISIONS MADE BY GOVERNMENTS AND CENTRAL BANKS TO RESPOND TO THE CRISIS WITH SIGNIFICANT RELIEF PROGRAMS, QUANTITATIVE EASING AND ECONOMIC STIMULUS PACKAGES, WHICH STATEMENT BEST DESCRIBES HOW YOU FEEL:

Swift and powerful intervention globally was necessary, yet will not be sufficient. The intervention will need to continue to sustain the economy for an extended period of time.

Swift and powerful intervention globally was a stabilizing short-term relief but should stop as soon as possible. We will need to return to fiscal rigour and central banks should start deleveraging as soon as possible.

These deficit expenditures will potentially bankrupt some sovereigns and require monetization of debts.

Authorities and central banks should not intervene in markets even in times of crisis.

Note: Excludes "No opinion"
ON REGULATION OF FINANCIAL SERVICES (BANKING, ASSET MANAGEMENT) IN TIMES OF CRISIS, PLEASE SELECT IF YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS:
SCALE: STRONGLY DISAGREE 1 TO STRONGLY AGREE 5

<table>
<thead>
<tr>
<th></th>
<th>GLOBAL</th>
<th>APAC</th>
<th>INDIA</th>
<th>PAKISTAN</th>
<th>SINGAPORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulation on market conduct should be relaxed to encourage</td>
<td>50% 24% 26%</td>
<td>41% 24% 35%</td>
<td>43% 23% 34%</td>
<td>30% 14% 56%</td>
<td>48% 22% 29%</td>
</tr>
<tr>
<td>trading and liquidity</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
</tr>
<tr>
<td>Regulators and policymakers should design new regulatory</td>
<td>19% 27% 53%</td>
<td>16% 25% 59%</td>
<td>14% 18% 68%</td>
<td>9% 14% 78%</td>
<td>14% 22% 64%</td>
</tr>
<tr>
<td>frameworks aimed at restarting normal market activity as soon</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
</tr>
<tr>
<td>as possible</td>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
</tr>
<tr>
<td>Regulators should take a backseat and let the markets fix</td>
<td>56% 23% 21%</td>
<td>61% 21% 18%</td>
<td>71% 16% 12%</td>
<td>68% 14% 18%</td>
<td>63% 20% 18%</td>
</tr>
<tr>
<td>themselves</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
</tr>
<tr>
<td>Regulators should take a proactive role and consult with firms</td>
<td>11% 19% 69%</td>
<td>9% 16% 75%</td>
<td>8% 13% 79%</td>
<td>7% 9% 84%</td>
<td>8% 13% 79%</td>
</tr>
<tr>
<td>on possible solutions</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
<td>(1+2) 3</td>
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<tr>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
<td>Agree (4+5)</td>
</tr>
</tbody>
</table>
WHAT, IF ANYTHING, ARE THE MOST IMPORTANT THINGS THAT SECURITIES REGULATORS SHOULD OR SHOULD NOT BE DOING? (1/2)

NOTE: EXCLUDES "NO OPINION"

<table>
<thead>
<tr>
<th>SHOULD do</th>
<th>SHOULD NOT do</th>
<th>SHOULD do</th>
<th>SHOULD NOT do</th>
<th>SHOULD do</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>GLOBAL</strong></td>
<td>75%</td>
<td>25%</td>
<td>84%</td>
<td>16%</td>
<td>94%</td>
<td>6%</td>
<td>82%</td>
<td>18%</td>
<td>59%</td>
</tr>
<tr>
<td><strong>APAC</strong></td>
<td>72%</td>
<td>28%</td>
<td>86%</td>
<td>14%</td>
<td>95%</td>
<td>5%</td>
<td>83%</td>
<td>17%</td>
<td>66%</td>
</tr>
<tr>
<td><strong>INDIA</strong></td>
<td>71%</td>
<td>29%</td>
<td>88%</td>
<td>12%</td>
<td>96%</td>
<td>4%</td>
<td>83%</td>
<td>17%</td>
<td>71%</td>
</tr>
<tr>
<td><strong>PAKISTAN</strong></td>
<td>76%</td>
<td>24%</td>
<td>89%</td>
<td>11%</td>
<td>96%</td>
<td>4%</td>
<td>72%</td>
<td>28%</td>
<td>73%</td>
</tr>
<tr>
<td><strong>SINGAPORE</strong></td>
<td>84%</td>
<td>16%</td>
<td>89%</td>
<td>11%</td>
<td>94%</td>
<td>6%</td>
<td>85%</td>
<td>15%</td>
<td>64%</td>
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</table>
WHAT, IF ANYTHING, ARE THE MOST IMPORTANT THINGS THAT SECURITIES REGULATORS SHOULD OR SHOULD NOT BE DOING? (2/2)
NOTE: EXCLUDES "NO OPINION"

<table>
<thead>
<tr>
<th></th>
<th>SHOULD do</th>
<th>SHOULD NOT do</th>
<th>SHOULD do</th>
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</thead>
<tbody>
<tr>
<td><strong>GLOBAL</strong></td>
<td>17%</td>
<td>83%</td>
<td>18%</td>
<td>82%</td>
<td>27%</td>
<td>73%</td>
<td>77%</td>
<td>23%</td>
</tr>
<tr>
<td><strong>APAC</strong></td>
<td>28%</td>
<td>72%</td>
<td>19%</td>
<td>81%</td>
<td>40%</td>
<td>60%</td>
<td>69%</td>
<td>31%</td>
</tr>
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<td><strong>INDIA</strong></td>
<td>30%</td>
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<td>28%</td>
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<td>59%</td>
<td>86%</td>
<td>14%</td>
</tr>
<tr>
<td><strong>PAKISTAN</strong></td>
<td>52%</td>
<td>48%</td>
<td>20%</td>
<td>80%</td>
<td>33%</td>
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<td>100%</td>
<td></td>
</tr>
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<td>80%</td>
<td>35%</td>
<td>65%</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>
POLLING QUESTION 2

Are you in favour of banning short selling in times of heightened market volatility?

A. Yes, because it ensures market order
B. Yes, because it protects investors from losses
C. No, because short selling is important for price discovery
D. No, because banning short selling sends the wrong signal to the market
4. IMPACT ON THE FINANCIAL INDUSTRY
WHAT, IF ANY, WILL BE THE BIGGEST LONG-TERM IMPACT(S) OF COVID-19 AND MARKET CONDITIONS ON THE FINANCIAL SERVICES INDUSTRY?

<table>
<thead>
<tr>
<th>Impact</th>
<th>GLOBAL</th>
<th>APAC</th>
<th>INDIA</th>
<th>SINGAPORE</th>
<th>PAKISTAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large-scale bankruptcies</td>
<td>39%</td>
<td>42%</td>
<td>38%</td>
<td>48%</td>
<td>36%</td>
</tr>
<tr>
<td>Acceleration of operations automation and scaling through outsourcing, to reduce fixed costs</td>
<td>38%</td>
<td>39%</td>
<td>46%</td>
<td>42%</td>
<td>54%</td>
</tr>
<tr>
<td>Large-scale consolidation of firms</td>
<td>34%</td>
<td>36%</td>
<td>46%</td>
<td>40%</td>
<td>27%</td>
</tr>
<tr>
<td>Further divergence of economic/financial development paths between developed and developing (emerging) markets</td>
<td>33%</td>
<td>34%</td>
<td>31%</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>Less globalization of financial markets and investment flows (e.g. fewer transnational trading operations and lower international activity)</td>
<td>32%</td>
<td>35%</td>
<td>28%</td>
<td>36%</td>
<td>30%</td>
</tr>
<tr>
<td>Loss of investor and public confidence in financial markets and the financial industry</td>
<td>20%</td>
<td>22%</td>
<td>20%</td>
<td>20%</td>
<td>21%</td>
</tr>
<tr>
<td>Return of active investing</td>
<td>20%</td>
<td>18%</td>
<td>20%</td>
<td>18%</td>
<td>20%</td>
</tr>
<tr>
<td>Deregulation that will reduce disclosures which investors need to make informed decisions</td>
<td>3%</td>
<td>4%</td>
<td>2%</td>
<td>5%</td>
<td>11%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
<td>2%</td>
<td>3%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>I don't expect a major long-term impact</td>
<td>6%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
</tbody>
</table>

CFA Institute
WHAT IS THE SINGLE MOST IMPORTANT MESSAGE THAT THE FINANCIAL INDUSTRY SHOULD DELIVER TO THE PUBLIC?

- 44% said that the markets are functioning even in the face of unprecedented conditions.
- 39% said to not engage in panic selling or trying to pick a market bottom.
- 44% said to try protecting their retirement nest egg, even in these times.
- 41% said to be aware of retail investor fraud.
- 32% said that the markets are functioning even in the face of unprecedented conditions.
- 20% said to not engage in panic selling or trying to pick a market bottom.
- 37% said to try protecting their retirement nest egg, even in these times.
- 6% said to be aware of retail investor fraud.
- 4% said that the markets are functioning even in the face of unprecedented conditions.
- 3% said to not engage in panic selling or trying to pick a market bottom.
- 1% said to try protecting their retirement nest egg, even in these times.
- 2% said to be aware of retail investor fraud.
- 3% said that the markets are functioning even in the face of unprecedented conditions.

GLOBAL  APAC  INDIA  SINGAPORE  PAKISTAN
How likely is the risk that financial hardships in the financial industry will result in unethical actions on the part of the investment management industry?

Scale: Very unlikely 1, Somewhat unlikely 2, Neutral 3, Likely 4 and Very likely 5 and don’t know
Note: Excludes “Don’t know”
POLLING QUESTION 3

In which part of the value chain do you think unethical action is most likely?

A. Designing / manufacturing of unsuitable products
B. Misleading claims and advertisements
C. Advice that doesn’t put the clients’ interest first
D. Other
5. JOBS AND EMPLOYMENT
ARE YOU AWARE OF YOUR FIRM MAKING SIGNIFICANT CHANGES TO ITS HIRING PLAN BECAUSE OF THE CRISIS?

<table>
<thead>
<tr>
<th>Option</th>
<th>Global</th>
<th>APAC</th>
<th>India</th>
<th>Singapore</th>
<th>Pakistan</th>
</tr>
</thead>
<tbody>
<tr>
<td>No changes are being made</td>
<td>54%</td>
<td>43%</td>
<td>43%</td>
<td>42%</td>
<td>56%</td>
</tr>
<tr>
<td>Yes, my firm is freezing all hiring</td>
<td>36%</td>
<td>42%</td>
<td>47%</td>
<td>49%</td>
<td>38%</td>
</tr>
<tr>
<td>Yes, my firm is downsizing workforce</td>
<td>9%</td>
<td>13%</td>
<td>9%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Yes, my firm is increasing hiring</td>
<td>3%</td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Note: Excludes “Don’t know”
ABOUT YOUR EMPLOYMENT SITUATION, IS THE CRISIS AFFECTING YOUR JOB?

GLOBAL APAC INDIA SINGAPORE PAKISTAN

No

I am concerned I might lose my job in the short term

I have lost my job

Prefer not to answer

77% 70% 65% 60%

12% 16% 19% 23% 26%

1% 1% 0% 2% 2%

10% 13% 16% 20% 11%
POLLING QUESTION 4

Have your firms made any changes to their staff levels?

A. Yes, headcounts have been reduced by more than 20%
B. Yes, headcounts have been reduced by less than 20%
C. No, there are no changes in headcounts
D. No, my firm has been hiring
OTHER DISCUSSION POINTS

• Observations in market liquidity
  • Developed versus emerging markets
  • Equities versus bonds
• Shape of the economic recovery
• Reasons for asset mispricing
• Future of the industry: attitude toward acceleration of operations automation
• Government and/or regulatory interventions
APPENDIX A: RESPONDENT DEMOGRAPHICS
RESPONDENT DISTRIBUTION

RESPONSES BY MARKET*

<table>
<thead>
<tr>
<th>Market</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>5,499</td>
</tr>
<tr>
<td>CANADA</td>
<td>1,615</td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
<td>711</td>
</tr>
<tr>
<td>INDIA</td>
<td>398</td>
</tr>
<tr>
<td>SWITZERLAND</td>
<td>340</td>
</tr>
<tr>
<td>CHINA</td>
<td>309</td>
</tr>
<tr>
<td>HONG KONG SAR</td>
<td>308</td>
</tr>
<tr>
<td>SOUTH AFRICA</td>
<td>256</td>
</tr>
<tr>
<td>AUSTRALIA</td>
<td>251</td>
</tr>
<tr>
<td>GERMANY</td>
<td>258</td>
</tr>
<tr>
<td>SINGAPORE</td>
<td>241</td>
</tr>
<tr>
<td>NETHERLANDS</td>
<td>182</td>
</tr>
<tr>
<td>BRAZIL</td>
<td>147</td>
</tr>
<tr>
<td>UAE</td>
<td>134</td>
</tr>
<tr>
<td>SPAIN</td>
<td>123</td>
</tr>
<tr>
<td>JAPAN</td>
<td>129</td>
</tr>
<tr>
<td>FRANCE</td>
<td>105</td>
</tr>
<tr>
<td>PAKISTAN</td>
<td>88</td>
</tr>
<tr>
<td>ITALY</td>
<td>84</td>
</tr>
<tr>
<td>MALAYSIA</td>
<td>82</td>
</tr>
<tr>
<td>GREECE</td>
<td>66</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>1,902</td>
</tr>
</tbody>
</table>

*Only displaying markets which had a Margin of Error (MOE) of ±10%
OCCUPATION

- Portfolio Manager: 17%
- Research Analyst, Investment Analyst, or Quantitative Analyst: 12%
- Financial Adviser/Planner/Wealth Manager: 7%
- Consultant: 7%
- Corporate Financial Analyst: 5%
- Risk Analyst/Manager: 5%
- Relationship Manager/Account Manager: 4%
- Investment Strategist: 3%
- Chief Executive Officer (CEO): 3%
- Chief Investment Officer (CIO): 3%
- Trader: 2%
- Credit Analyst: 2%
- Investment Consultant: 2%
- Accountant or Auditor: 2%
- Sales Agent (Securities, Commodities, Financial Services): 2%
- Manager of Managers: 2%
- Chief Financial Officer (CFO): 2%
- Professor/Academic: 1%
- Performance Analyst: 1%
- Information Technology: 1%
- Regulator: 1%
- Economist: 1%
- Compliance Analyst/Officer: 1%
- Other: 12%
Gender

- Male: 83%
- Female: 17%
APPENDIX B: OTHER THEMES
TO WHAT EXTENT ARE "CIRCUIT BREAKER" RULES SUCH AS HALTING TRADING IN PRE-DETERMINED VOLATILITY CONDITIONS FUNCTIONING AS INTENDED AND ENSURING FAIR, EFFICIENT AND ORDERLY MARKETS UNDER CURRENT CONDITIONS?

Scale: Not at all 1 - To a great extent 5 and don’t know
Note: Excludes "Don't know"
HOW LIKELY IS IT THAT THE MARKET IMPACT OF COVID-19 WILL REVERSE THE STEADY SHIFT INTO PASSIVE INVESTMENT VEHICLES FROM ACTIVE INVESTING:

Scale: Very unlikely 1, Somewhat unlikely 2, Neutral 3, Likely 4 and Very likely 5 and Don’t know

Note: Excludes “Don’t know”