

Job news & views

Will Asian candidates shun US banks?

26 September 2008

eFinancialCareers Singapore

Goldman Sachs or Standard Chartered? The answer was easy enough 18 months ago. But these days the choice is more complex for Asian job seekers as the glamour value of working for a Wall Street titan wears thin. More and more bankers may opt for the relative safety of European and Asian firms, recruiters say.

"Now that three of the top five American firms have disappeared, are the others really safe to work for? Everyone is asking...who else will go broke?" says Richard Mills, chairman of recruitment agency Chalmre Associates.

Candidates are getting increasingly nervous about working in US banks given that their immediate stability could be in jeopardy. Mills reckons the beneficiaries of this growing crisis in confidence will be European and Asian banks. "HSBC and Deutsche Bank are examples of global banks who seem poised to do well," he adds.

Mark Pawley, chief executive of Singapore-based private equity firm Oxley Capital, adds: "Asian banks are fine. There's not a ton of LBO debt, CDOs or anything. Most of the stockbrokers here in Asia are small, don't take massive positions and don't have the sort of liquidity issues that some of the others have."

According to APS Asset Management chief investment officer Wong Kok Hoi, the Wall Street crisis has exposed a major weakness of the American banking model. "Companies there are run to maximise short-term profits, while shareholders are asked to take all the risks. Such a system is clearly lop-sided and will not be sustainable," he says.

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