

# ASSET MANAGEMENT IN A NEW ERA

逐鹿大资管时代

英文版

中国证券投资基金业协会 编著

Edited by  
Asset Management  
Association of  
China



中国人民大学出版社  
China Renmin University Press

# ASSET MANAGEMENT IN A NEW ERA

逐鹿大资管时代  
英文版

中国证券投资基金业协会◎编著

Edited by  
Asset Management  
Association of  
China

中国人民大学出版社  
·北京·

## 图书在版编目 ( CIP ) 数据

逐鹿大资管时代 ( 英文版 ) / 中国证券投资基金业协会编著. —北京: 中国人民大学出版社, 2014.12  
ISBN 978-7-300-20093-4

I. ①逐… II. ①中… III. ①资本市场—研究—中国—英文 IV. ①F832.5

中国版本图书馆 CIP 数据核字 (2014) 第 266772 号

**上架指导: 金融 / 投资**

版权所有, 侵权必究

本书法律顾问 北京诚英律师事务所 吴京菁律师  
北京市证信律师事务所 李云翔律师

## 逐鹿大资管时代 ( 英文版 )

中国证券投资基金业协会 编著  
Zhulu Daziguan Shidai (Yingwenban)

---

出版发行	中国人民大学出版社		
社 址	北京中关村大街 31 号	邮政编码	100080
电 话	010-62511242 (总编室)	010-62511770 (质管部)	
	010-82501766 (邮购部)	010-62514148 (门市部)	
	010-62515195 (发行公司)	010-62515275 (盗版举报)	
网 址	<a href="http://www.crup.com.cn">http:// www. crup. com. cn</a> <a href="http://www.ttrnet.com">http:// www. ttrnet. com</a> (人大教研网)		
经 销	新华书店		
印 刷	北京联兴盛业印刷股份有限公司		
规 格	170 mm×230 mm 16 开本	版 次	2014 年 12 月第 1 版
印 张	20.25 插页 2	印 次	2014 年 12 月第 1 次印刷
字 数	250 000	定 价	69.90 元

---

**版权所有**

**侵权必究**

**印装差错**

**负责调换**

C 湛庐文化  
Ideas Publishing

a mindstyle business

与思想有关

## Editorial Board

**Editor in chief:** Sun Jie

**Editorial board members:** Cao Dianyi

Hu Jiafu

Zhong Rongsa

Tang Jinxi

**Editors:** Zhang Qi

Wang Weihang

Sun Xingliang

Zhang Xuanchuan Li Xing

Ye Wan

Shen Ning

Rao Wenjie

Fan Yirui

Tang Heng

Xiao Yang

Chen Lvsì

Xie Lìqun

Liu Yan

Li Zhuo

Dai Zhixuan

Fu Ruiqi

Yang Kaiwen

Sun Xiaokang

Pan Yahuizi

Jiang Shuhui

Bai Wei

Fei Wei

Liu Xiaoyi

**Proofreader:** Ma Xuefei

ASSET  
MANAGEMENT  
IN A NEW ERA

Praise

From a unique angle, *Asset Management in a New Era* explores industry regulations and trends from a macro perspective, provides thought provoking observations on asset management industry. Strongly recommended!

**Yang Zaiping**

Executive Vice President of China Banking Association

An excellent book-that is full of insightful thoughts and opinions from prestigious scholars and executives in the financial world. As the asset management industry in China is emerging onto a new platform with unprecedented level of competition both domestically and internationally, this book is a valuable guidance and reference for all asset managers.

**Fan Yonghong**

Non-permanent Vice Chairman of Asset Management Association of China

We are fortunate to live in this great era with rapid changes and developments. The knowledge and wisdom shared in *Asset Management in a New Era* can help to expand our global view. Welcome the new era for asset management.

**Liu Xiaoyan**

Non-permanent Vice Chairman of Asset Management Association of China

President of E Fund Management Co., Ltd.

Asset managers in China are facing challenges in the process of tapping into the wealth management area. New tools, new markets and new strategies are attractive but foreign and unpredictable. The Expert Forum organized by the Asset Management Association of China exposed us to the most innovative ideas in the industry. This book is a collection of insights on industry trends, developments and innovations shared at the Expert Forum. Definitely worth a read!

### **Lin Chuanhui**

The board member of Asset Management Association of China

Vice President, General Manager of Guangfa Fund Management Company

Direct financing via stock and bond markets become increasingly important under the “new norm” of Chinese Economy provides unprecedented opportunities for asset managers. Expert Forum organized by the AMAC provides us with insights and first-hand experiences of industry trends, regulation updates from internationally renowned scholars and industry experts. Strongly recommended!

### **Qiu Guogen**

President of the Private Equity Investment Fund Professional Committee of Asset Management Association of China

President & CIO of Shanghai Chongyang Investment Management Co., Ltd.

Asset management industry in China is embracing a great era of rapid developments. *Asset Management in a New Era* is the first collection of experiences and views from internationally acclaimed experts and practitioners, which is definitely going to be a classic. A must read for all asset managers.

### **Lin Lijun**

Non-permanent Vice Chairman of Asset Management Association of China

General Manager of China Universal Asset Management Co., Ltd.

*Asset Management in a New Era* compiled by Asset Management Association of China from speeches delivered at the Expert Forum, with a collection of thoughts and insights shared by industry elites that provides a global view on the development of the asset management industry. Asset management industry faces great opportunities and challenges today. This book is very precious and timely!

### **Deng Zhaoming**

The board member of Asset Management Association of China

President of Penghua Fund Management Co., Ltd.

The field of research on asset management industry filled with dull and dry data, which tends to be meaningless for people to comprehend. However, this book is exactly the opposite. Articles drawn from the Expert Forum organized by the Asset Management Association of China are made by celebrated professors and well-known scholars, ranging from the top-notch academic viewpoints, rich information and insights in the areas of asset management. The articles explain sophisticated theories in simple languages, which so to speak is a collection of wisdom.

### **Jin Xu**

Non-permanent Vice Chairman of Asset Management Association of China

General Manager of Guotai Asset Management Co., Ltd.

An enlightening collection of thought provoking ideas and industry practices of the global asset management industry. A must read for all institutional investors in China.

### **Dou Yuming**

President of Zhong Ou Asset Management Co., Ltd.

Editors of *Asset Management in a New Era* have done a great job of integrating wisdoms from 19 experts in asset



management industry globally. From different angles, these seasoned industry practitioners, with solid data and in-depth analysis, showed readers a vivid picture of how the global asset management is today and how it will evolve in the future. For people who are working and planning to work in the Chinese asset management industry, this is a good book cannot be missed.

### **Wang Junfeng**

CEO of CITIC Prudential Fund Management Company

With rapid introduction of regulation to continue to open up the financial services industry in China, undoubtedly, we are entering into an era of ever expanding asset management industry. Trying to measure up to the existing model of developed countries, China asset management institutions face great challenges from organization structure, management system, human resources and product innovation. Whether an asset manager or an entrepreneur, if you want to understand and grasp the opportunities presented in this great era, you should not miss the book.

### **Cheng Jian**

CEO of Yinghua Fund

ASSET  
MANAGEMENT  
IN A NEW ERA

Foreword

**THE ASSET MANAGEMENT INDUSTRY  
SHOULD AIM TO BECOME THE ROLE  
MODEL FOR CONTINUOUS LEARNING AND  
THE PIONEER OF INNOVATION**

**ZHANG YUJUN**

Assistant Chairman of China Securities Regulatory Commission

The Third Plenary Session of the 18th CPC Central Committee pointed to the overall goal of comprehensively deepening the reform, and proposed specific tasks for developing a multitier capital market system. The State Council's *Some Opinions on Further Promoting the Healthy Development of Capital Markets* emphasized, from the national strategic heights, the need to promote innovation and development of capital market intermediaries, facilitate the transformation of fund management companies into modern asset management institutions, nurture the private equity market, and develop private equity funds. Further promoting the innovation

and development of the asset management industry is not only the implementation of a critical task set out by the Central Committee and the State Council, but also a glorious mission for regulators, self-regulatory organizations and the entire industry.

At present, China's asset management industry is facing unprecedented development opportunities. The wide spectrum of guidance and policies have released significant bonus from the reform, and have generated great enthusiasm from all industries across the society to accelerate reform and innovation. China's rapid progress in industrialization, urbanization and marketization, as well as the transformation and upgrade of the national economy, have provided an inexhaustible driving force for the development of the industry. The continuous accumulation of domestic wealth, the ongoing improvement in pension and social security system, as well as the rapid progress of capital market internationalization, have all created substantial demand for the development of the industry. The liberalization of interest rates and exchange rates, and the adjustment to the relative ratio between direct and indirect financing, have also expanded the horizon for the development of the industry. After nearly 20 years of development, China's asset management industry has already built solid foundations in the areas including institutional structures, talent retention, and regulatory system. In general, China's asset management industry is just entering a new, golden phase of development.

In May 2014, President Xi Jinping emphasized during a seminar with foreign experts that China shall always be a great nation that keeps learning. Continuous learning is the very foundation for the sustainable development and progress of a nation or a state. The asset management industry has intellectual capital as its core, and is always at the forefront of marketization and internationalization. During the course of innovation and development, the industry must place more emphases on learning, improve professional skills and expertise through continuous learning, and strive to become the pioneer and role model of learning.

The asset management industry should study, in great depth, the key principles of a range of key official documents, including the Third Plenary Session of the 18th

CPC Central Committee, the New Nine Initiatives (NNIs) and *Opinions on Policies for Promoting Innovation and Development of Securities and Investment Funds*, and identify the positioning for industry development, clarify development directions and objectives, explore development strategies that are specifically suited to the industry's characteristics, and implement the requirements of the official documents based on the current circumstances.

The asset management industry should enhance the mutual learning and communication between various domestic institutions within the industry itself. Fund management companies, securities companies and futures companies should study into and learn from the beneficial experience from other asset management institutions such as banks, trust companies and insurance companies, in order to firmly formulate the concept of customer centricity and satisfy the diverse wealth management needs of the investors. The industry should strengthen its ties with the real economy, and enhance its ability to serve the real economy. The industry should always reinforce the fiduciary duty of due care and due diligence, and proactively develop customers, serve customers, innovate on the modes of services and improve service quality. At the same time, the industry should also focus on studying the issues and lessons learnt from the development histories of other institutions to avoid making the same mistakes.

The asset management industry should place high importance on learning from the leading practices of overseas asset management industries. President Xi Jinping pointed out that the opening up initiative should focus on talents, invest in talents, and encourage people to open up their minds, thoughts, knowledge and technologies. China's asset management industry should develop the "benchmarking mentality", broaden its international views, and, with more open and inclusive minds, learn extensively from the management philosophies, business models, and development paths of the asset management industries of mature markets. The mature overseas markets have accumulated abundant experience in situations in the current Chinese economy, for example the current urbanization infrastructure

investment and financing supported by the financial services industries as part of the economic transformation, corporate deleveraging, innovation and upgrade of emerging industries, M&A of traditional industries, etc.. In terms of financial product innovation, most of the various categories of asset management products, including financial derivative products, non-standardized products, alternative investments, etc., have been in existence in the overseas market for a relatively long period of time, and therefore the mature markets have both positive and negative past experiences for the industry to use as a reference. In the wake of the 2008 financial crisis, the financial systems of many countries are undergoing profound reforms. We need to proactively follow and grasp the many new developments in the modes of development and regulatory mechanisms of the asset management industry. With the acceleration of the internationalization of the RMB, the expansion of cross-border investments such as QFII, RQFII and QDII, as well as the initiation of the Shanghai-Hong Kong Stock Connect, China's asset management industry is increasingly facing challenges from the global customers and global asset allocations, and needs, more than ever, to facilitate integration with the world.

When learning from the asset management industries of the mature overseas markets, China's asset management industry should specifically learn from their various characteristic development strategies. Domestic institutions should learn from the fact that a mature market should have large institutions offering a full range of services, as well as specialized institutions focusing on products targeting a specific market segment; it should have products designed as large-scale, standardized products, as well as smaller-scale customized management. The industry should learn from their scientific way of management, for example, comprehensive product design capability covering a range of financial products, including their ability in global asset allocation covering overseas assets, asset liability management, etc.. The industry should learn from their abundant investment experience, introduce the relatively more mature investment theories and methodologies of the overseas market, enhance our understanding of the application of various investment tools, take control of the direction of asset management product innovation,

develop scientific investment concepts and improve investment capabilities in order to be able to respond to different economic environments. The industry should learn from their stringent risk management system. The global financial market has reached new understanding and reflections on risk management post financial crisis. The industry should learn from the experience of overseas institutions in achieving a systematic, institutional and informationalized risk management practice, balancing the relations between the size of management, operating profits and risk control, thereby realizing sustainable and robust operations.

The Asset Management Association of China (AMAC) has worked very effectively to promote the learning of the asset management industry. The Expert Forum series is one good example.

Since the first session of the Expert Forum, which was held on 26 July 2012, the AMAC has invited more than 20 international experts and elite scholars who lectured on industry hot topics. These lectures not only created the opportunity for the industry to meet experts face to face, but also satisfied the industry's need to continuously raise its level of globalization, and have therefore won profound attention and acclaim. This compilation of lecture notes has supplemented the original lecture notes with vivid and detailed examples that can be applied in practice, and helps readers to keep themselves updated with the latest trends and leading practices of the global asset management industry. We believe that professionals in the asset management industry, as well as readers who are interested in the industry will derive benefits and inspiration from the insights of this book.

With this ends the foreword.

October 28, 2014

**ASSET  
MANAGEMENT  
IN A NEW ERA**

Preface

**ASSET MANAGEMENT IN A NEW ERA**

Amid accelerating financial globalization, the global asset management industry has served as an important channel for individuals and institutions to preserve and increase their wealth. The industry now plays a significant role in promoting financial systems and economic development. Since the start of the 21st Century, China's asset management sector has progressed considerably in terms of the size and number of firms. The asset management of public offering funds, securities companies, and private equity funds is undergoing rapid expansion, making it more possible for them to support the real economy. With the asset management sector entering an era in which the pace of innovation has quickened, a new trend that integrates bottom-up industrial deregulation with top-down exploration has formed. China's new-term Central Government is committed to streamlining administration and delegating power, as well as to deepening economic, financial

and social reforms. This has presented new growth opportunities to China's asset management sector. Interest rate liberalization reform will create more investment instruments in the money market; the development of a multi-level capital market will create a better investment landscape for developing the Chinese asset management industry; capital account convertibility will spur the ever-growing demand for cross-border investments; RMB internationalization will significantly enhance the status and weighting of global RMB-denominated financial assets; and finally, both pension system reform and the need for pension investment management will provide room for the expansion of the industry. Although funds have become one of the main choices of wealth management in China, they have not fully played their role in wealth management, pension systems, the capital market and the real economy, etc., leaving huge space for expansion, when compared with developed countries and major emerging markets.

The Asset Management Association of China, which is established pursuant to the new Securities Investment Fund Law, is a self-regulatory organization that represents the fund industry in China. Adhering to its mission of "service, self-discipline and innovation", the AMAC is dedicated to providing better services. Since its inception, the AMAC has been committed to develop a platform for exchange and learning, thereby connecting different asset management sectors, building a bridge between China and the world, and facilitating exchanges and discussions of industry development issues. The Expert Forum series, one of the AMAC's well-organized events, have invited a number of renowned experts and academics at home and abroad to speak. The forum creates a face-to-face platform where expert speakers discuss classic academic topics as well as hot industry issues with participants. The AMAC has so far held 21 forums, which were well received by industry participants and enabled 24 scholars and asset management executives to bring a wealth of information and experience.

In order to provide in-depth first-hand information and promote advanced concepts of the asset management industry, we have carefully selected 18 articles



from forum materials and compiled them into this book. The book strives to exhibit the following features:

1. **Information and depth:** Through analyzing forum lectures, we retain the original ideas of the experts while integrating related financial knowledge.

2. **Research and readability:** By collecting forefront insights from the asset management sector, we use clear and concise language to help readers better understand the latest trends of the global financial industry.

3. **Reference and guidance:** This book covers the latest investment philosophies, modes of operation, cases and regulatory developments to cater to the demands of the industry to constantly enhance its internationalization, and provide guidance and reference to asset management institutions and regulators.

The book was chiefly compiled by Sun Jie, President of the AMAC, and written by staff of the AMAC's International Affairs Department.

We have received strong support and guidance from many experts and scholars in compiling the book. We would like to start by thanking Mr. Li Wen, Chief Compliance officer of China Universal Asset Management Company; Zhou Hao, Chief Compliance officer of GTJA Allianz Funds; Charles Lin from Vanguard Group; and Qin Yi from Deloitte, who proposed on the structure of the book. We are also very grateful to Liu Zhiyong from ABC-CA Fund Management Co., Ltd. and Sun Hongwei from Bank of Communications Schroder Fund Management Co., Ltd., who gave us comprehensive recommendations. We would like to extend our thanks to Vanguard, Fidelity, Man Group, Deloitte and KPMG, which helped with the material presented in the book. We would also like to express our gratitude to Yu Yongding from the Chinese Academy of Social Science and Professor Roger Leeds at Johns Hopkins University, who devoted their time and efforts to provide valuable comments and suggestions. Finally, special thanks to the leadership of the China Secu-