

SPACE EXECUTIVE HONG KONG FINANCIAL SERVICES REPORT

KEY HIRING TRENDS
ACROSS MERGERS & ACQUISITIONS,
EQUITY CAPITAL MARKETS, DEBT
CAPITAL MARKETS, STRUCTURED &
PROJECT FINANCE

01 INTRO

We are delighted to provide the 'Space Executive Financial Services Report for Q3 – 2020' in which our specialist teams have summarised the key hiring trends across Mergers & Acquisitions, Equity Capital Markets, Debt Capital Markets, Structured & Project Finance within the APAC region. This report focuses on the specialisms and skillsets that are in demand, the sectors that have remained HOT or NOT and our predictions for the Post-COVID-19 Era.

Overall hiring sentiment has been put under significant pressure with many firms having to adapt quickly to the challenges posed by the COVID-19 situation. However, Investment and Corporate Banks will not want to be caught short-staffed, should the situation change quickly in their favour, so we predict a steady stream of hires within their well-developed product lines.

- We are currently experiencing unprecedented times within the financial services market. As a result, many Investment & Corporate Banks, Private Equity Firms and Asset Managers have taken a fairly cautious approach to their hiring activities. Although it has been a tough market for job seekers, we are still seeing a need from our clients for technically strong candidates across the Structured, Project, Leveraged, Investment and Relationship driven sectors.
- While it has been quite a difficult past year for the Hong Kong financial services market, front office recruitment is fairly cyclical, so we are still seeing plans for the traditional hires being made at the end of Q4/ start of Q1, post bonus, summer promotions and organisations that follow varying financial year ends.
- In terms of COVID-19, organisations have had to adapt to the various requirements set out by government guidelines, driving more telephonic and video-based interviews. This has had an impact on the overall turnaround time of mandates by a week or two. Clients have also started to look at more home-grown and readily available talent, as currently bringing candidates from abroad tends to be met with delays in both working visas and start dates.

02 KEY TALENT IN DEMAND

RESTRUCTURING RELATED POSITIONS

As some companies battle to remain afloat and the realisation of bankruptcy fast approaches, there has been an increased demand for junior to mid-level staff covering both origination and execution within restructuring firms as well as debt advisory teams and structuring sector teams within Investment and Corporate Banks.

REAL ESTATE INVESTMENT MANAGEMENT FIRMS

Real Estate Investment Management firms have been methodically increasing their headcount over the past six months as options are opening up for cheaper valuations on property and real estate assets within the APAC region. With real estate operators battling to produce a steady cash flow stream, many real estate investment management firms have stepped in seeing it as a great time to add to their portfolios.

EXPERIENCED JUNIORS

At a senior level, relationship and origination skills have always been in demand, however, there has definitely been a shift in demand for experienced juniors who are adaptable across products (structured/leveraged/project/advisory), capable to start originating deals, and whose financial modelling skills are at the top of their class.

LOCAL TALENT

Hong Kong has always benefitted from good local talent but this has historically been limited against the number of sought after roles available.

We are currently seeing a large spike in Hong Kong-born candidates living abroad wanting to return to the city as the APAC market seems to have started to rebound quicker than other jurisdictions. This does saturate the candidate market somewhat but banks and investment firms will most likely still choose locally-based individuals with strong APAC experience as they tend to hit the ground running a lot quicker.

SALARY EXPECTATIONS

Unfortunately, large pay increases are mostly a thing of the past as organisations tighten their belts on spending. A 15% - 20% increment would be deemed a good increase with the exception being that of candidates transferring from more regionally-based organisations to those with more of a global footprint.



03 WHERE WE ARE SEEING A DOWNTURN



Hiring has struggled in Investment Banking M&A and Advisory related positions.

With M&A being down circa 50% year on year, many businesses have held back on potential merger deals in order to protect their balance sheets. That being said, we are expecting that this will significantly change in the coming year as valuations and distressed situations create fantastic opportunities within the sector.

04 MOVING FORWARD

With talks of vaccines making the third phase of their trials, you would feel that there is hope that global travel will start to pick up, positively impacting the local job market.

It is still a challenging time for both employers and employees and many will wait to see how the remainder of the year plays out. However, Investment and Corporate Banks will not want to be caught short-staffed, should the situation change quickly in their favour, so we predict a steady stream of hires within their well-developed product lines.



GET IN TOUCH



Kevin Allen is responsible for recruiting senior level front office roles across the Investment & Corporate Banking Sectors, Private Equity & Asset Management space.

Kevin's focus is on recruiting Asia's top talent in Mergers & Acquisitions, Equity Capital Markets, Debt Capital Markets, Structured & Project Finance. Typical mandates would include Heads of Investment Banking, Capital Markets, Directors for Leveraged & Acquisition Finance and Senior Coverage & Product Specialists for Corporate Banking.



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