



Edited transcript of DBS second-quarter 2025 media briefing, 7 August 2025

Edna Koh Welcome to DBS's second-quarter 2025 financial results briefing.

Chng Sok Hui Good morning.

Highlights. We delivered a strong set of results this quarter despite a challenging environment. Uncertainty around US trade policy weighed on customer sentiment, interest rates in Singapore and Hong Kong fell sharply, while currency fluctuations led to adverse translation effects. Amid these headwinds, pre-tax profit rose 5% from a year ago to \$3.39 billion. Net profit was 1% higher at \$2.82 billion, even with the impact of the global minimum tax.

Total income grew 5% to \$5.73 billion. The growth was broad-based. Net interest income was higher, supported by strong deposit growth and proactive balance sheet hedging. Fee income and treasury customer sales reached their second highest levels while markets trading income more than doubled to a 13-quarter high.

For the first half, pre-tax profit rose 3% to a record \$6.83 billion. Net profit was little changed despite higher tax expenses. Return on equity was 17.0% and return on tangible equity was 18.8%. Total income rose 5% to a new high of \$11.6 billion with growth across both the commercial book and markets trading. The cost-income ratio was stable at 39%.

Asset quality was resilient. The NPL ratio improved during the quarter from 1.1% to 1.0%. Specific allowances were 15 basis points of loans for the quarter and 12 basis points for the half. Allowance coverage was 137% and 236% after considering collateral.

Capital remained strong. The CET1 ratio was 17.0% on a transitional basis and 15.1% on a fully phased-in basis. The Board declared a total dividend of \$0.75 per share for the second quarter, comprising a 60-cent ordinary dividend and a 15-cent Capital Return dividend.

Second-quarter year-on-year. Compared to a year ago, second quarter net profit rose 1% to \$2.82 billion. Within the commercial book, a 4% or \$144 million decline in net interest income from sharply lower rates was offset by higher non-interest income. Fee income rose 11% or \$119 million led by wealth management, while treasury customer sales and other income increased 9% or \$44 million.

Markets trading income was significantly higher, rising \$231 million to \$418 million as funding costs fell and trading opportunities were captured. Together with stable commercial book income, total income rose 5%.

Expenses increased 5% or \$98 million to \$2.27 billion led by staff costs.

Total allowances fell 10% to \$133 million. Specific allowances remain low at \$150 million or 15 basis points of loans, while \$17 million of general allowances were written back this quarter compared to a charge a year ago.

Second-quarter quarter-on-quarter. Compared to the previous quarter, net profit was 3% lower.



Total income declined 3%, with commercial book contribution moderating from a record first quarter, partially offset by stronger markets trading income.

Commercial book net interest income fell 3% or \$94 million as the impact of sharply lower interest rates were mitigated by proactive hedging and strong deposit growth.

Fee income declined 8% or \$108 million, largely due to lower wealth management and loan-related fees compared to record first-quarter performances. Treasury customer sales and other income were also softer, down 5% or \$26 million.

Markets trading income rose 15% or \$55 million on lower funding costs. And more conducive trading conditions.

Expenses rose 3% or \$56 million, driven by higher non-staff costs.

Total allowances fell \$192 million, reflecting a general allowance writeback this quarter, compared to the \$205 million set aside last quarter to prudently strengthen reserves.

First-half performance. For the first half, net profit fell 1% to \$5.72 billion due to higher tax expenses. Profit before tax rose 3% to a new high of \$6.83 billion.

Total income grew 5% to record \$11.6 billion.

Commercial book net interest income fell 1% or \$72 million to \$7.34 billion. A 19-basis-point decline in net interest margin from lower rates, softened by balance sheet hedging, was mostly offset by balance sheet growth.

Fee income rose 17% or \$351 million to \$2.44 billion as wealth management and loan-related fees were both at new highs.

Treasury customer sales and other income fell 3% or \$29 million due to non-recurring gains in the first half of 2024. Excluding these gains, it rose 11% from record treasury customer sales.

Markets trading income increased 80% or \$348 million to \$781 million.

Expenses rose 5% or \$233 million led by higher staff costs.

Profit before allowances grew 5% to a record \$7.15 billion.

Specific allowances remain low at \$270 million or 12 basis points of loans compared to nine basis points a year ago. General allowances of \$188 million were taken.

Net interest income. Group net interest income for the second quarter was little changed from the previous quarter and higher from a year ago despite sharp declines in interest rates.

Lower interest rates impacted the commercial book, where net interest income fell 3% quarter-on-quarter and 4% year-on-year to \$3.63 billion, while net interest margin declined 13 basis points quarter-on-quarter and 28 basis points year-on-year to 2.55%.



The impact of lower rates was mitigated by two factors — first, proactive balance sheet hedging, and second, strong deposit growth.

On the first point, we had been increasing the proportion of fixed-rate assets in the commercial book. This significantly reduced our net interest income sensitivity and helped cushion the effects of the Fed rate cuts last year, as well as the sharp declines in Sora and Hibor.

On the second point, we grew deposits by \$11 billion this quarter and \$40 billion from a year ago in constant-currency terms. The growth in deposits exceeded loan growth and the surplus was deployed into liquid assets. This deployment was accretive to net interest income and return on equity, though it modestly reduced net interest margin.

For the markets trading book, net interest income turned positive for the first time in 11 quarters. The improvement was supported by lower funding costs as interest rate fell as well as by reduced accounting asymmetry.

Combining the commercial book and the markets trading, the group's net interest income fell 1% from the previous quarter and rose 2% from a year ago to \$3.65 billion. Group net interest margin declined seven basis points from the previous quarter and nine basis points from a year ago to 2.05%.

For the first half, group net interest income rose 3% to \$7.33 billion, reflecting balance sheet growth and the effects of hedging. Net interest margin was 2.08%, six basis points lower than a year ago.

Loans. Gross loans amounted to \$439 billion. They grew 3% or \$12 billion in constant-currency terms over the first half, led by a broad-based increase in non-trade corporate loans even as tariff-related uncertainty weighed on borrowing sentiment.

Two percentage points, or \$7 billion of the growth occurred in the first quarter, and one percentage point, or \$5 billion, occurred in the second.

Deposits. During the quarter, deposits rose 2% or \$11 billion in constant-currency terms to \$574 billion. Fixed deposits rose \$9 billion, boosted by inflows amid macroeconomic uncertainty. Most of the growth was raised at favourable pricing in line with interest rate declines. Casa increased \$3 billion due to retail inflows as there were some transitory outflows from IBG customers near the quarter-end.

For the first half, deposits rose 5% or \$29 billion. More than half of this increase came from Casa.

Liquidity remained healthy. The group's Liquidity Coverage Ratio was 147% and Net Stable Funding Ratio was 114%, both comfortably above regulatory requirements.

Fee income. Compared to a year ago, second-quarter gross fee income increased 10% to \$1.40 billion. The growth was led by wealth management, which rose 25% from broad-based growth in investment products and bancassurance.



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For the first half, gross fee income rose 14% to a record \$2.90 billion. Wealth management and loan-related fees reached new highs. Wealth-management fees rose 30% to \$1.37 billion and loan related fees rose 11% to \$412 million. Investment banking and transaction service fees were also higher.

Wealth management segment. Second-quarter wealth management segment income grew 5% year-on-year to \$1.35 billion. The growth was driven by a 19% increase in non-interest income which more than offset a decline in net interest income from lower rates. While wealth management activities slowed in April due to Liberation Day, it was followed by recovery in May and June.

For the first half, wealth management segment income grew 8% to a record \$2.84 billion due to a 26% rise in non-interest income.

Assets under management grew 16% year-on-year in constant-currency terms to a new high of \$442 billion. The percentage of AUM in investments was 56%. Net new money inflow of \$9 billion in the second quarter was above our recent quarterly run rate of \$5 to \$6 billion.

Commercial book non-interest income. For the second quarter, commercial book non-interest income, which is boxed up in red, rose 11% from a year ago to \$1.69 billion from higher fee income and treasury customer sales to both wealth management and corporate customers. Excluding non-recurring items a year ago, commercial book non-interest income grew 13%.

For the first half, commercial book non-interest income grew 10% to \$3.51 billion led by record fee income and treasury customer sales. Excluding non-recurring items a year ago, the growth was 15%.

Hong Kong. Despite the sharp drop in Hibor, Hong Kong's first-half net profit rose 11% in constant-currency terms to a record \$871 million. Total income increased 8% to a new high of \$1.78 billion driven by higher non-interest income.

Net interest income was only 1% lower at \$1.01 billion as a five-basis-point decline in net interest margin to 1.75% was mostly offset by balance sheet growth. Deposits rose 9%, led by Casa inflows. Loans declined 5% due to subdued credit demand and repayments. Surplus deposits were deployed into non-loan assets, supporting net interest income.

The lower net interest income was more than offset by double-digit growth in both net fee income and other non-interest income. Net fee income rose 25% to \$505 million led by wealth management. Other non-interest income grew 17% to \$268 million from higher treasury customer sales as well as trading gains.

Expenses increased 4% to \$636 million from higher staff costs.

Total allowances were 18% higher at \$106 million as an increase in specific allowances was partially offset by lower general allowances.

Non-performing assets. Asset quality remained resilient. Non-performing assets declined 4% from the previous quarter to \$4.69 billion as new NPA formation stayed low and was more than offset by higher repayments and write-offs. The NPL ratio improved from 1.1% to 1.0%.



Specific allowances. Second-quarter specific allowances amounted to \$149 million or 15 basis points of loans. While IBG SP charges of \$100 million were lower than recent quarters, write-backs of \$28 million were also lower.

For the first-half, specific allowances remained low at \$260 million or 12 basis points of loans.

General allowances. General allowance charges were \$188 million for the first half, comprising a \$205 million charge taken in the first quarter to strengthen GP reserves, and a \$17 million write-back in the second quarter due to upgrades and transfers to NPA.

As of end-June, total allowance reserves stood at \$6.44 billion, with \$2.33 billion in specific allowance reserves and \$4.11 billion in general allowance reserves. The GP overlay was stable at \$2.6 billion.

Allowance coverage was at 137% and at 236% after considering collateral.

Capital. The reported CET1 ratio declined 0.4 percentage points from the previous quarter to 17.0%. The movement was driven by capital return initiatives of 0.2% and an increase in risk weighted assets. The pro-forma ratio on a fully phased-in basis decreased 0.1 percentage points to 15.1%. The leverage ratio was 6.5%, more than twice the regulatory minimum of 3%.

Dividends. The Board declared a total dividend of 75 cents per share for the second quarter, comprising an ordinary dividend of 60 cents and a Capital Return dividend of 15 cents. Based on yesterday's closing share price and assuming that total dividends are held at 75 cents per quarter, the annualised dividend yield is 6.1%.

In addition, we have bought back about \$370 million worth of shares under the \$3 billion share buyback programme, representing around 12% of the programme.

In summary. We delivered a strong set of results for the first half despite the challenging environment. Our ability to manage the balance sheet nimbly, grow deposits and capture market opportunities helped offset the external pressures. As a result, net interest income, fees and treasury customer sales all reached new highs, while markets trading performance was the strongest in four years. Return on equity was 17% even after the impact of the global minimum tax, reflecting payoffs from our investments to deepen customer relationships across wealth management and corporate banking.

While external uncertainties remain, our proactive management of the balance sheet puts us in a good position to navigate the interest rate cycle, while strong capital and liquidity ensure we are well placed to support customers.

Tan Su Shan Thanks Sok Hui.

I would like to iterate that we had a solid second quarter in spite of factors that would constitute a perfect storm. There was a plunge in Sora and Hibor, a strong Singapore dollar, uncertainties around Liberation Day on April 2nd, followed by Middle East tensions. The second quarter was a tough one, but our team delivered resilient financial numbers despite the pressures. I like to think of



it this way: when the markets hit us, whether through rates or FX, we mitigate those hits by increasing volume. And if there is increased volatility, which there was, then we mitigate that by having a good trading income. We also hedge when we can.

The diversification of our income stream and creating a fortress balance sheet to mitigate whatever the markets throw at us has been important. With resiliency in the balance sheet and operating income, we were able to continue working on structural growth areas such as wealth management, transaction services, financial institutions and digitalisation.

As Sok Hui pointed out, total income and profit before tax for the first half were both records. Net profit was affected by higher tax rates. The non-interest income performance was quite pleasing because it was across the board, with wealth and loan fees as well as treasury customer sales hitting new highs.

On interest rate sensitivity — first, it is better to focus on net interest income, not NIM. Because as interest rates drop, if our volumes grow, it mitigates the impact from the NIM decline, and our net interest income can still grow. Second, it is better to look at interest rate sensitivity around currency blocks. In the past, people focused on pass-through rates because that was what we were used to: the Fed cuts rates and rates in Asia also go down. I think that relationship has now broken down, so there is no point trying to predict the pass through from Fed rate movements to different currency interest rates. Instead, focus on what part of our balance sheet is floating.

In the SGD book, we have a net floating asset position of about \$90 billion. So, you can work the math — every basis point move down in rates would mean a \$9 million drop in net interest income. Then in the non-SGD book, which is primarily USD, we have roughly \$40 billion in net floating liabilities. So, every one basis point drop in rates will lead to a \$4 million rise in net interest income.

FX rates have driven a lot of the interest rate volatility. Just to remind everyone — the Singapore dollar is managed under a SNEER framework. Looking at FX and forward rates could be instructive, but still Sora has been hard to predict. That is why I am pleased that our treasury team has done a good job mitigating these headwinds with very nimble use of interest rate swaps.

The volume growth in both deposits and in non-trade loans also helped keep group net interest income little changed quarter-on-quarter. We continued to see strong deposit growth in July, and the momentum looks like it will continue for the full year.

The record AUM and strong net new money flows were also very pleasing. At the high end — PB and TPC — net new money was about \$9 billion. That is an outstanding figure. The middle and retail segments have also done well. The team is firing on all cylinders, whether it is onshore retail wealth, offshore connectivity, digital or physical wealth, banker-led sales or deposit growth.

A lot of investments have gone into enabling our RMs and digital app to deliver more contextual engagement, and the turnaround time for clients to act has also shortened. So, the net new money, the productivity gains, and consistency of growth are all there.

Similarly, for IBG, I am very pleased with our loan growth. It is seasonal — we always have a strong first quarter, a slightly softer second quarter, and the last quarter tends to be quiet. But year-on-year, there is good growth. We have also seen growth in loan fees. And that is because our sector heads



and syndicated loans team are working very closely together to increase market share, deepen industry expertise, and win lead manager roles. Over time, we have progressed up — from number four to number three, and now to number two — in the league tables. This takes time to build, but it is structural.

Markets trading reached a 13-quarter high. When the markets are volatile, you do what you can, and I think our markets trading team did a brilliant job.

Asset quality has also remained resilient. We have been very circumspect. We look closely at current and projected cash flows. We stress tested tariff impact — first order, second order. We have been very cautious around SME and consumer unsecured loans, so we did not get hit so much. We have also been cautious around real estate in both China and Hong Kong, so those portfolios have been alright.

What is our outlook for 2025?

We continue to expect net interest income to be slightly above 2024 levels, despite lower Sora and Hibor. And that is for all the reasons I explained. We hope to see Sora stabilising going forward, and Hibor rebounding. We expect about two more rate cuts in the US, in line with market expectations. And, as I mentioned, lower USD rates are good for us.

Commercial book non-interest income should continue to grow in the mid- to high-single digits, driven by consistent growth in wealth management.

We remain disciplined in cost management. Our cost-income ratio should be in the low-40% range. We are seeing productivity improvements and capacity growth through the use of AI and GenAI. All those past investments we made in the way we work, in data, in AI and GenAI, continue to bear fruit. We are now able to create models that are predictive of money flows. That allows us to capture more than our fair share of deposit growth, net new money, fee growth, and so on.

Allowance reserves continue to be high. Our GP overlay is stable at \$2.6 billion, which is conservative. As I mentioned last quarter, we were not affected by the first-order impact of the US tariffs, but to be conservative, we took \$200 million of GP in the first quarter. There were some announcements this morning related to India. I checked with our IBG head in India, and our India head, and so far, the first-order impact looks negligible. The sectors that will be affected — textiles, jewellery, apparel — are not sectors that we are heavily geared to. Electronics and pharma have not been announced yet.

We expect profit before tax to be close to last year's level. Net profit will be lower, mainly because of the global minimum tax of 15%.

This is a new slide I thought I would draw up because I thought you might ask, and to remind everyone that we have been very active, and continue to be active, in the digital asset space.

A lot of banks have been talking about the Genius Act, and the Hong Kong Monetary Authority has made announcements. So, I thought it would be useful to show you what we have been doing in the digital asset space since 2021 and explain where we have chosen to play.



So, on the slide you can see — we are able to issue and list digital tokens. If anyone wants to tokenise anything — for example, in 2021 we did our first security token issuance for ourselves — we can do that. We are able to tokenise money market funds, deposits, stablecoins, et cetera.

We are also in the business of issuances and listings on digital exchanges — including our own, DDEX, which serves as a venue for customers to on-ramp from fiat to digital assets, and off-ramp from digital assets to fiat. It is the first bank-backed digital asset exchange in Asia, and our volumes have grown nicely. In the first half, trading volumes were up 171%.

We also provide institutional-grade custody for our customers. Customers looking to deal in digital assets increasingly want safe, reliable, resilient custody arrangements — and we are that trusted partner. Custody growth has been steady.

We have also started doing trading and structuring — whether it is structured products, structured notes, derivatives, OTC repos, reverse repos. The market is starting to get more active.

Then in payments and settlements, this is what we call DBS Token Services. It is built on blockchain, which enables atomic, real-time settlement for our customers. This is particularly useful for customers with high volumes of real-time payments — they need 24/7 availability, including weekends, and they want instant settlement. This is the answer. For large platform companies with multiple merchants and complex payment needs, this is a great solution. For example, with Ant, we announced last year a 24/7 real-time liquidity management solution. We tokenised their treasury — creating treasury tokens with them on their whale platform — which they can use for 24/7 multi-currency treasury and liquidity management.

We also do conditional payments, which are essentially programmable money — like smart contracts — where money can be used for specific payments. We have worked with Enterprise Singapore and the government to build programme payments around vouchers and fund disbursements. This significantly reduces manual reconciliation.

Then, we have programmable rewards. Today, PayLah! users can use credit card rewards directly on PayLah! — scan at any NETS merchant — and the reward is redeemed through programmable digital vouchers powered by tokenised deposits and smart contracts. This feature is nicely embedded in the DBS PayLah! App and was just launched last month.

As for tokenised deposits, we have been piloting this for several years. You can tokenise SGD with smart contracts — we issued digital SGD in Project Orchid a few years back. The idea is to make these systems interoperable — whether it is with CBDCs, e-HKD, e-CNY, or others. We want to be a partner for any stablecoin issuer.

Across this whole ecosystem, we believe in being a trusted partner — whether you want to issue, trade, custodise, or bank digital assets. We are supporting the full ecosystem by helping participants reconcile, go on- and off-ramp, and also by providing collateral management and reserve management for anyone who is issuing stablecoins.

In short, we are here, and we have been active for quite a few years. We are also keeping a close eye on regulatory developments because we want to do this properly. We are not here to do things that are not regulated. So yes, we want to innovate, but we also want to do this responsibly. We



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have had a head start since 2021, and we want to keep building on that experience and expertise to be a trusted player in this ecosystem.

Chanyaporn Chanjaroen (Bloomberg) First, what do you see as the biggest risk to the bank's performance in the second half of this year? Second, what are your plans for digital assets going forward given your head start? Will you be pushing ahead on CBDCs given the momentum of private stablecoins? You mentioned that you will partner with issuers — could you elaborate?

Tan Su Shan All right, let me take the first question on the biggest risks to the bank's performance. Clearly it is going to be interest rates and FX. We are a price taker on both. I have gone through how much we will make or lose as interest rates move up or down. I also talked about the mitigant to this risk — volume growth.

And how do we get volume growth? We get new-to-bank customers. We give them a great experience, both digitally and physically, and we embed ourselves in their operating journey. Whether it is retail, SME or corporate accounts, we try to be relevant and be present in more parts of their operating journeys.

Also, the good news is that as rates come down, interest rate elasticity declines. Going from 3% to 2%, or from 2% to 1%, we see drops in elasticity. There is more “lazy” money in the system.

In addition, there has been a lot of inflow into both Hong Kong and Singapore, the two big hubs that we operate in. So any interest rate drop can be mitigated with volume growth. But to your question, the biggest financial risk remains interest rates and FX.

On the operating side, I would say the biggest risk — not just for us, but for the industry — is cybersecurity. We have to stay vigilant, be on the front foot, and guard our customers' assets. We have to ensure technology resilience and be able to predict and prevent any threats to our customers' hard-earned money. That is the biggest operating risk we face today.

On the second question, I will start then ask my colleague, Kwee Juan, to build on my response.

What are our plans for digital assets? This remains very much a work in progress because regulations are evolving rapidly. For example, under the Trump administration, we have seen quick developments with the Genius Act. We need to stay on top of these changes.

The key message I want to leave you is that we will always operate within regulations. We aim to be a trusted and responsible regulated bank in this space. This means we will not be taking excessive risks.

That said, we see meaningful opportunity in being the provider of services within the ecosystem, the “picks and shovels”. Whether you are trading digital assets, moving on- or off-ramps, or dealing in stablecoins, come to DBS. We have a trusted digital exchange, DDEX. If you want to issue a stablecoin, we can help manage your reserves. If you want to programme your treasury or deposits for real-time settlements and payments, we can enable that. If you want to tokenise an asset, we can support the tokenisation, issuance, listing and distribution. It is an end-to-end service that we want to provide to our customers — whether they are financial institutions, non-bank financial institutions or platform companies.



Han Kwee Juan If I may just bring back the last slide that Su Shan showed in the CEO deck. You can see on the slide that there are four different segments we play in. The approach we have adopted is about agility, optionality and speed. We have built capabilities that allow us to support our customers across different needs. For those who want to list digital assets, we can help. If you want to trade, we have six digital assets against fiat. We have the ability to support any digital player who wants to use us because we have the market players who provide pricing. On payments and settlements, we have built capabilities around programmable money and blockchain-based settlement. So, depending on where regulations allow banks to participate as well as the demands of our customers, with these capabilities, we can pivot accordingly. On the reserve management side of things, we are working with StraitsX on managing reserves for stablecoin issuers, and that knowledge helps us in navigating the evolving regulatory landscape. As regulators form their views on what banks can and cannot do, we will be well-positioned to respond.

Jovi Ho (The Edge) Regarding the GP write-back of \$17 million during the quarter, was this from the GP set aside in the first quarter? Your peers have either maintained or increased their GP in the second quarter.

Chng Sok Hui Under our provisioning methodology, we start setting aside GP as a company's credit quality deteriorates, moving from amber to red to weak. Then when the exposure becomes non-performing, the previously booked GP is released, and SP is taken. That is what happened this quarter, we had an NPL, so therefore the GP was released. The GP of \$200 million we set aside in the first quarter remains intact and our GP overlay is still at \$2.6 billion.

Jovi Ho Could you provide more colour on the first-half treasury customer income? Is the strong performance sustainable going forward? Then, on your point about increasing volumes to mitigate falling rates, including in wealth, will you be increasing staff and RM count in the second half and into 2026? If so, by how much? And finally, net interest income came down over the quarter, but you guided that group net interest income should be slightly above 2024 levels. Where and what types of loans do you expect this growth to come from? Hong Kong loans are down 5% year-on-year in the first half — which other markets will drive growth?

Tan Su Shan Let me start with treasury customer income, then cover the question on net interest income and loan growth, before handing over to Tse Koon to talk about his staffing plans in CBG/Wealth.

On treasury customer income, volatile markets sometimes lead to more opportunities in interest rate and currency swaps. With interest rates having come down, corporate clients are locking in a lower fixed rate. Some other clients hedge against market events, such as new announcements from Trump or sudden shifts in sentiment and are locking in FX rates. We make it easy for our corporate clients — for example, through our IDEAL app — to manage volatility or capture market opportunities, which has supported treasury customer income growth.

On the consumer banking and wealth side, as interest rates fall, clients are investing more. The STI has gone up, the Hong Kong stock market has been strong with lots of IPOs, and I think there are definitely more animal spirits in the Asian markets. Also, customers are looking to diversify away from being overweight in the magnificent-7 and in US dollars. We are seeing diversification into Asian markets and currencies. Funds are flowing back into Asian markets and wealth products, and



that is a structural trend that we expect to continue. Of course, wealth management fees can go up and down with the markets in the near term, but we want to keep growing net new money and AUMs and capture the structural growth. We will invest in people and technology. Tse Koon can give you more colour on that later.

I will also point out another driver — long-term estate planning. We are seeing significant intergenerational wealth transfer, and clients — whether ultra-high net worth or emerging affluent — want to plan for the next generation. This has been a growth area across our markets, and we play the role of being a trusted, long-term, safe partner, working with insurance providers, in structuring these plans.

On net interest income — as I said before, it can still grow if volumes increase and if you hedge NIM risk nimbly. That is why we have guided that net interest income should be slightly above 2024 levels. A big part of that is deposit growth, which remained strong in July. Non-trade loans have been resilient. Growth has been broad-based — we are seeing demand in TMT and data centres, in real estate from GLS in Singapore and also elsewhere, in private assets, in logistics and transportation as well.

Shee Tse Koon On RM growth, we have been proactive since last year and front-loaded most of our hiring, with about 80% of the planned additions already made in the first half. That said, we remain nimble and will continue to add where opportunities arise. The wealth business has strong momentum across the wealth continuum, with very good growth in the private bank and TPC segments, as well as in our Treasures business. We are on a growth path.

Tan Su Shan It is pleasing how the One Bank initiative across IBG, GFM and CBG/Wealth is yielding fruit. Through IBG, we help family businesses and corporates with their operating business, with the loans they need et cetera. And now, we are also winning market share in capital markets, helping these clients in DCM, ECM, M&A and structured solutions. Then the CBG/Wealth team comes in and helps the owners and employees with things like estate planning. So, we are creating sticky long-term end-to-end relationships.

Yantoultra Ngui (Reuters) With Donald Trump striking more trade deals, do you see the general business outlook improving in the near to medium term? Why or why not?

Tan Su Shan It is a moving target because tariff numbers seem to change almost daily. But remember, trade outside the US actually accounts for 89% of global trade. Many customers have already diversified supply chains with the first tariff shock and during COVID. Those needing a “China plus one” strategy have either completed it or are in the process. With tariff rates fluctuating, companies are now seeking new markets — in Europe, emerging ASEAN, et cetera — to offset any impact they might have in the US. Q2 was marked by uncertainty, and business leaders tend to pause in such conditions. In Q3, we expect more activity as some of the deals that were put on pause come back, and we are seeing some signs of that. Kwee Juan, would you like to add on?

Han Kwee Juan I think businesses are now adding risk premiums to the projects that they are considering. With views on tariffs now forming, they are starting to quantify the risk and factor it into their investment decisions. Once they have adjusted for that, it is easier to move ahead.



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Russell Pereira (The Asian Banker)

Given this resilient performance in a complex environment, could you share your key reflections on the last two quarters and what strategic priorities have shifted since you became CEO? My second question is on geographic strategy. Singapore remains the bedrock of your earnings, but what is your vision for growing contributions from other markets? Do you have any targets for these markets?

Tan Su Shan On reflections and strategic priorities — when I was announced as CEO, I said we would focus on structural growth areas like wealth management, transaction banking and financial institutions. That has not changed, and we are doubling down on them.

Over the past two quarters, my team and I have also spent considerable time building resiliency. Resiliency in balance sheet, so that we are ready for whatever the market throws at us. Resiliency in operations, which means strong risk controls, stress testing, and cyber readiness. And then also resiliency in technology, in strengthening resiliency of our systems and in how we are using technology as an enabler to make us more nimble, productive and future-ready.

Another priority has been deepening our One Bank approach — capturing the white space between countries, product segments and business units. We have also accelerated work in digital assets as regulations evolve, and we are growing opportunities in GFM, whether in gold, private assets, or CIBM, as clients demand more multi-product solutions.

On geographic strategy, we are an Asian bank, not a global one. Our big hubs remain Singapore and Hong Kong, which also serve the rest of Asia. Taiwan, India, China and Indonesia are our growth markets that also provide diversification. Beyond that, there are connectivity markets where we are seeing good growth. London has been growing very well, due to linkages between the UK/EU and Asia, and growing trade between the two blocks. We are also seeing growth between the Middle East and Asia. In both, the opportunities are clear in wealth management and financial sponsors/financial institutions.

Edna Koh

Thank you everyone.