

The private banking environment is very competitive

Peter Schaer, a long-standing expert on private banking in the Middle East, still sees growth potential in the region.



▲ *Schaer says LGT's long-term approach is important to many of its clients.*

You have been working as a private banker in the Gulf region for over 13 years now. Which developments have you found most striking during that time?

A lot has happened: the steep drop in oil prices, the Arab Spring, the wars in Syria, Yemen and parts of Iraq, and the emergence of ISIL, to mention just a few.

Despite all of these difficulties and uncertainties, the Gulf region, in particular the UAE, have experienced an economic upswing.

Three of the world's biggest airlines are now from the Gulf region. Dubai has developed into an attractive tourist destination and an economic hub for the entire region. I still clearly recall driving to work to Deira in the "old Dubai" every day when I first moved to the region. Where the Dubai International Financial Centre (DIFC) and the tallest building in the world, the Burj Khalifa, now stand, there was pretty much only desert at the time.

And how has the private banking business developed?

Private banking has also changed significantly

in recent years. From 2003 until 2006, foreign private banks were primarily present in the form of representative offices.

Today, on the other hand, almost all top-tier banks have their own offices in the Dubai International Financial Centre. Furthermore, the local banks are now also playing an important role in private banking and are increasingly competing with the established international players.

LGT opened an office in Dubai in 2012 and a representative office in Bahrain in 2005. How important is the region for LGT?

The Middle East is an important growth region for us. Many wealthy individuals and families from Asia, Europe and Africa have chosen Dubai as their first or second place of residence.

These include many younger business people who have very high expectations in terms of service quality. They take an entrepreneurial approach and want to actively manage their investments.

This competitive environment offers smaller, boutique-style providers such as LGT significant opportunities to gain further market share through professional investment expertise and excellent service.

Our outstanding reputation also helps us to recruit the best relationship managers and specialists. LGT's long-term approach is also important to our clients as is the easy access to members of the Princely Family and our senior management.

Last but not least, thanks to the expertise of LGT Capital Partners in the alternative investment space, we can offer our clients access to distinct investment opportunities.

***LGT in the Middle East**

Peter Schaer is a Senior Executive Officer at LGT (Middle East) Ltd., Dubai. LGT is a leading international private banking and asset management group that has been fully controlled by the Princely Family of Liechtenstein for over 80 years, and is also managed by members of the Princely Family.

As at 30.06.2016, LGT managed assets of CHF 143.4bn (\$147.2bn) for wealthy private clients and institutional investors.

LGT employs over 2,500 individuals in more than 20 locations across Europe, the Americas, Asia and the Middle East.

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