

Opportunities in the Asian Market

From the Financial Services Industry Perspective

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Tonight, I will share the following with you:

1. Why Asia, Why Now?
2. The Macro Landscape Across Six Markets (China, Indonesia, Malaysia, the Philippines, Singapore and Vietnam)
3. Brief Micro Look at the Six Markets
4. Offer Some Key Takeaways

Before we begin, I want to level set with you.

- I am not an economist.
- I am the CEO of MDRT, the premier association of financial professionals.
- A global individual membership association that does business in 80 markets, most notably in Asia.
- About 85% of our global membership of 90,000 financial advisors resides in Asia.
- China is our #1 market, followed by Japan and Hong Kong.
- During the last 14 months, I have spent time in many Asian markets meeting with our members, C-Suite executives, government regulators, associations and licensing bodies.

So, I will speak from that perspective.

And, I hope to speak broadly enough that you are able to relate the information to your businesses. The themes, I hope, will translate and be applicable to many industries doing business in Asia. As the financial services industry goes, so economies tend to go. So, I hope my presentation tonight provides a few takeaways.

It is important to remember that Asia is not a singular market.

Growth across Asia is being driven by different forces in different places—demographics, digital adoption, regulatory maturity, wealth formation, and cultural expectations—creating distinct opportunity profiles for financial services firms. The same may be true for your businesses.

This is important because treating Asia as one market leads to misallocated capital, misaligned talent strategies, and unrealistic timelines. Organizations that succeed in Asia differentiate where they scale, where they test, and where they build for the future.

From MDRT's vantage point (talking with company executives and advisors in market):

Consumers across Asia are more sophisticated and more aware of financial risk than ever before (health, longevity, income volatility and market volatility). What this means, to varying degrees across markets, for all of us who do business in Asia is that consumers are:

- Building higher precautionary savings
- Avoiding over-leveraging
- Comparing prices digitally
- Expecting financing flexibility
- Discerning regarding brand loyalty. Brand trust is critical
- More digitally-informed
- More ROI-oriented...than ever before

Because of this, and other factors, the role of the financial advisor is evolving—from product seller to long-term planning partner. There is a shift taking place from life insurance sales to total financial advisory.

While digital tools are accelerating access, trusted human advice remains central to decision-making. Consumers are doing their research, then they are seeking advice. They look at the advisor to put the art with the science.

So, with that as backdrop, let's get into the meat of the agenda:

1. Why Asia, Why Now

Asia is not a future opportunity—it is happening now, at scale, and the financial advisory profession is at the center of it.

The six markets we will discuss tonight represent a combined GDP of approximately \$21.5 trillion (2024), a population of nearly 2 billion people (most of whom are in China), and some of the fastest-growing financial services sectors in the world.

What connects them:

- A rising middle class
- Aging demographics in mature markets
- Young populations in emerging markets

- And a financial services industry undergoing rapid transformation—from distribution channels to product design to the very definition of what a financial professional does.

The faster the middle class grows, the faster financial services grows, the faster individual wealth grows, the faster your businesses will succeed and grow.

As you look to diversify supply chains, build plants, and expand market reach, these factors will be key to your success.

MDRT's Vantage Point

Our presence across these six Asian markets gives us a unique, practitioner-level view of what is happening on the ground—not just in boardrooms and government chambers, but in client conversations, agency networks, and digital platforms.

To give you an example of our membership sizes in these markets: China alone is home to nearly 15,000 MDRT members—our largest country by membership. Singapore contributes more than 6,400 members out of 16,000 licensed financial advisors. Malaysia adds nearly 3,000. Indonesia, the Philippines and Vietnam total about 4,000 members among them. These are active, qualified financial professionals meeting the highest standards in our industry. All told, these markets represent about 36,000 MDRT members.

2. Macro Landscape Across These Six Markets

Before diving into individual markets, I want to provide a few key macro-observations and some very high-level economic data points that illustrate the scale of the opportunity.

These six economies are growing at meaningfully different speeds, but all are expanding: *(According to the IMF World Economic Outlook, April 2025.)*

Key Macro Observations

- **China remains the anchor economy** at nearly \$19 trillion, but real GDP growth is moderating from the 5%+ range toward ~4% in 2025–2026. The story is shifting from growth rate to growth quality. **For MDRT, we are seeing a shift, brought on by regulatory reforms, from the quantity of advisors (9.1M pre-COVID to 2.6M today) and product sales to the quality of advisors and proper financial advice. A consumerism shift focusing on ethics, client-centricity and long-term client service.**

- **Vietnam is the standout growth story**—posting 7.1% real GDP growth in 2024, the highest among these six markets, with strong foreign domestic investment inflows and a young, digitally connected population. **For MDRT, we see huge opportunity in Vietnam, although it is still an emerging market when it comes to financial services, the key is to be there, now, and be a significant part of the growth story. Embed ourselves into the fabric and culture of the industry, while it is still evolving and growing. Technology will be an enabler and connector to advisors.**
- **The Philippines and Indonesia offer scale and youth**—with combined populations exceeding 400 million, median ages in the low-to-mid 20s, and GDP in the 5 to 5.7% range (2024), signaling early-stage financial services penetration. **For MDRT, this means opportunity, much like Vietnam, to further embed ourselves and to be a part of the growth, training and development process...and to be the go-to association to young advisors throughout their careers.**
- **Singapore is the regional hub and benchmark**—with GDP per capita above \$90,000 and at 4.4% growth (2024) and the highest insurance penetration and density of any market in this group. **Singapore is the home to MDRT’s APAC Headquarters, established in 2023, with our Business Development (sales/company relations) and Global Markets (member relationship management) anchored there. For MDRT, Singapore is by far the market in which we have the deepest membership penetration and engagement among all markets, globally. It is a model market for us. In addition, it is a hub for many multi-national financial services companies.**
- **Malaysia is a quiet performer**—with strong 5.1% GDP growth in 2024, the world’s most developed Islamic finance (Takaful) market, and rising insurance penetration. **For MDRT, Malaysia continues to be a steady performer in membership growth, retention and engagement.**

The macro-economic outlook for these markets through 2026 is positive, but to varying degrees:

- **Vietnam** is expected to have the fastest projected cumulative expansion, thanks to consistently high annual GDP growth forecasts.
- **Indonesia and the Philippines** are expected follow with strong multi-year growth.
- **China and Malaysia** are expected to show solid but slower cumulative gains relative to Vietnam.

- **Singapore's** growth is expected to be modest in comparison, reflecting more moderate annual rates.

Demographic Tailwinds

Two contrasting but equally compelling demographic forces are at play:

- **Aging populations in China and Singapore** are driving demand for retirement planning, annuity products, long-term care, and wealth preservation. China's population has begun declining, with 36% between age 40–64 and a fast-growing 65+ cohort.
- **Young, growing populations in Indonesia, the Philippines, and Vietnam** are creating first-time demand for life insurance, health coverage, and basic financial planning. These markets have 30–40% of their population in the 20–39 age bracket.

Across both dynamics, the financial advisory profession has a central role to play—whether guiding a Shanghai family through retirement income planning or helping a young professional in Jakarta purchase their first protection product.

3. Brief Micro Look at Six Markets

We will briefly look at each market through two lenses: (1) trends, and (2) what the opportunity looks like.

China: The Maturing Giant

Trends

- **Agent workforce transformation:** China's insurance advisor population has fallen dramatically, as I mentioned. But, this is not contraction; it is transformation. The industry is moving toward a “three-high” model: high education, high quality, high professionalism.
- **Regulatory overhaul:** Several new reforms have been announced since 2023 signaling a new era of tighter, more professional regulation and a focus on consumerism, client-centricity, ethical selling, career longevity and professionalism.
- **Product evolution:** The market is shifting from short-term savings products toward comprehensive, long-term policies integrating health, retirement, and wealth preservation.

The Opportunity

China's insurance market is projected to grow at ~7–9% annually through 2032, potentially doubling to over \$1.4 trillion. The opportunity lies not just in volume but in the professionalization of the advisory workforce, the expansion of retirement and health products to serve an aging population of 200+ million over 65, and the digitalization of distribution through super-apps and embedded insurance platforms.

Singapore: The Regional Benchmark

Trends

- **Wealth hub consolidation:** Singapore is cementing its role as Asia's premier wealth management center, with major global firms establishing or expanding regional headquarters. Morgan Stanley launched new Southeast Asia headquarters there in 2024. MDRT established our APAC HQ in Singapore in 2023.
- **Strong 2025 performance:** The life insurance sector continues to grow, with financial advisory and wealth management leading the way.
- **Fintech leadership:** Under the Monetary Authority of Singapore (MAS), the city-state continues to attract investment in fintech and digital banking, maintaining its position as the go-to regulatory sandbox for innovation in insurance, payments, and advisory services.

The Opportunity

Singapore serves as the gateway and testbed for any financial services strategy in Southeast Asia. Its high penetration means the growth opportunity is in sophistication—wealth planning, cross-border advisory, health and longevity products, and digital distribution innovation that can then be exported across the region.

Malaysia: The Quiet Performer

Trends

- **Regulatory transformation:** The Financial Sector Blueprint 2022–2026 is driving one of the most significant overhauls in decades, focused on digitalization, inclusion, competition, and operational efficiency. The new Financial Sector Future Skills Framework launched in July 2024 signals commitment to workforce readiness.

- **Islamic finance leadership:** Malaysia is the global leader in Takaful (Islamic insurance). Takaful operators distribute products through a growing range of channels. This is not a niche—it represents a significant and expanding share of the market.
- **Endowment product dominance:** Endowment policies account for approximately 77% of total premiums, reflecting a strong consumer preference for savings-linked protection. Investment-linked plans are growing but from a smaller base.

The Opportunity

Malaysia offers a stable, well-regulated environment with 98% internet penetration, a growing middle class, low unemployment at 3.2%, and meaningful headroom for financial advisory services—particularly in underserved segments and digital distribution.

Indonesia: Scale Meets Opportunity

Trends

- **Digital financial services explosion:** The rapid rise of mobile banking, e-wallets (GoPay, OVO, Dana), digital lending, and online insurance platforms is transforming access. Traditional banks are partnering with fintechs or launching digital-only banks to compete.
- **Product reset:** Regulators have intervened to address widespread mis-selling issues related to some products. This is creating a healthier, more sustainable product mix.
- **Agent professionalization:** There is an emphasis on investing in digital learning platforms to upskill agents into financial advisors, supported by centralized databases for agents and policies to improve governance and transparency.

The Opportunity

With the lowest insurance penetration in this group and a growing middle class that is increasingly urban and digitally connected, Indonesia represents the single largest addressable market by population for financial advisory services in Southeast Asia.

Philippines: Young, Digital, and Growing

Trends

- **Microinsurance leadership:** The Philippines has emerged as one of Asia’s leading microinsurance markets, with significant premium growth in affordable products covering death, injury, and property damage risks for low-income populations. This is a model being studied across the region.
- **Variable life (VUL) growth:** Variable universal life products continue to drive the market, particularly among younger, urban professionals who want both investment returns and life protection in a single product.
- **Talent competition:** There is an intense competition for skilled insurance talent across sales, underwriting, actuarial, and technology roles.

The Opportunity

Strong GDP growth, a young population, rising digital adoption, and a culture of family-first financial planning make the Philippines one of the most promising emerging markets for life insurance and financial advisory. The aging population (65+ expected to rise from 5.4% to 6.1% by 2028) will also begin driving demand for retirement products.

Vietnam: The Breakout Story

Trends

- **Bancassurance growing pains:** Bancassurance is a major distribution channel but has faced serious consumer trust issues due to mis-selling practices and perceptions that insurance was tied to bank loans. Rebuilding trust is a priority across the industry.
- **Urbanization-driven demand:** Rapid urbanization is fueling demand for financial security, retirement planning, and health protection. Vietnam’s Foreign Domestic Investment inflows jumped nearly 50% in early 2025, adding fuel to an already dynamic economy.
- **Endowment dominance:** Endowment insurance accounts for approximately 86% of gross written premiums in 2024. New savings-linked products with riders for critical illness and hospitalization are expanding the market.

The Opportunity

Vietnam combines a young population (31% aged 20–39), rapid urbanization, strong FDI momentum, and very low insurance penetration. The challenge is distribution

infrastructure and consumer trust, but the trajectory is clear—this is one of Asia’s most compelling growth stories for financial services.

Key Comparative Insights

- **Common themes across all six:** Digitalization, professionalization of the workforce, regulatory modernization, a desire for savings and security, and a shift from transactional selling to relationship-based planning. These trends are universal, even if the pace varies.

4. Close: Key Takeaways for This Room

I would like to leave you with these five takeaways:

1. **Asia is the growth engine for financial services globally (and most industries).** These six markets alone represent \$21.5 trillion in GDP and are home to nearly 2 billion people. The insurance market is growing faster than GDP in most of them, and penetration levels suggest we are still in the early innings.
2. **The story is bifurcated but equally compelling.** Mature markets like China and Singapore are about sophistication – wealth management, retirement, health ecosystems. Emerging markets like Indonesia, the Philippines, and Vietnam are about access to first-time protection, financial literacy, digital onboarding. Both represent real, investable opportunities.
3. **Quality is replacing quantity everywhere.** Whether it is China’s agent force transitioning and shrinking by 70% while productivity rises, or Malaysia’s new skills framework, or Indonesia’s push to professionalize agents into digital financial advisors—the direction is universal. The money will go to professionals who are well-trained, tech-enabled, and client-centered.
4. **Digital is the distribution equalizer, but human advice still matters.** Intermediated channels (agents, advisors, bancassurance) still represent over 90% of sales across most Asian markets. Technology augments advisors; it does not replace them. The winning model is the “tech-enabled human.”
5. **The window is open now.** Regulatory environments are modernizing, consumer awareness is rising, digital infrastructure is scaling, and a generational wealth transfer is underway across the region.

For CEOs thinking about entering or expanding in the Asian market, the question is not whether to pay attention—it is how quickly you can build the capabilities, partnerships, and talent to participate.

Thank you.