



Thinking Big In Bad Times

Posted By Lucia Ku On 18 March 2009

SGX CFO Seck Wai Kwong revealed the unexpected opportunities at such an economically desolate time as this at a recent luncheon organized by The Marketplace.

On 3 March, the third Marketplace luncheon was held at the Raffles Hotel, with over 80 leaders and executives in attendance.

The speaker for the day was Seck Wai Kwong, the Senior Executive Vice President and Chief Financial Officer of Singapore Exchange Limited (SGX), who gave an analysis of the current market conditions from a Christian perspective.



According to Seck, the unprecedented scale of the ongoing crisis can be attributed to excessive leverage in the previously lax credit environment, and a breakdown of confidence among global investors and businesses following the burst of the financial and housing bubbles in America. In an attempt to stem this disaster, there has been swift intercession of central banks and governments in various parts of the world. But Seck expressed some doubt as to whether these measures could successfully contain the crisis.

It seemed there would be no good news — financial news — in Seck's speech. He suggested that markets are likely to witness even more de-leveraging, greater protectionism and possibly deflation in the long run. Consequently, organizations may suffer in a variety of ways such as an increasing cost of capital, restricted access to funds, reduced cash flow and subsequent credit losses.

On an individual level, people are likely to experience the loss of personal assets, increasing job risks and higher debt servicing during this time of worldwide financial uncertainties.

How long would this crisis last? Seck offered four possible scenarios: a short recession, an impending upswing leading to a boom, a long and deep recession or a global depression.

Seck's personal view is that the world is headed for a long and deep recession, or even a global depression. While one can (and should) still continue to invest, Seck urged investors and business leaders to conduct regular evaluations of portfolios and businesses alike, and even put up a crisis monitoring team to surge ahead of problems.

He spoke the truth in love, but it was a tough truth nevertheless.

In an effort not to entirely disappoint his audience, Seck lent his experience by offering some trading outlines for investors in the current climate.



PHOTOS: Gary Sim

First, he encouraged investors to stay disciplined to their respective trading rules for cost averaging and profit taking. Next, he reiterated the importance of limiting risk exposure and adopting a realistic investment stance.

Then Seck invited the audience to consider various crash opportunities by quoting the Boston Consulting Group that “a crisis is too good to waste”.

The main point of the luncheon came when Seck reminded his audience that at the end of the day, “there is no safe haven, our refuge is in God.”

He boldly related a touching personal experience that spurred him to work harder for God's glory. At the height of his luminous career, Seck had found an old Bible he had when he was in university, as a young Christian man. The blank pages in the Bible were filled with young Seck's handwriting.

He found himself having a “conversation” with his 20-year-old self, who told him: “You have gone a lot further and made a lot more money than I could imagine, but your love for the Lord is

much less than mine'. For Seck, that was a wake up call to return to the Lord with all his heart, soul and strength.

In relating this personal story, he challenged the audience to use this time of financial unrest to pursue great gain in godliness with contentment, to continue praying for their nation's leaders, and to practice good stewardship in their respective spheres of influence in order to strengthen others and gain glory for God. As Seck puts it, if the global financial situation does pan out to be the greatest depression ever, then this will too "the greatest opportunity for the gospel".

"I was inspired, knowing that many 'big' people out there like Mr Seck was able to do what he has done because of the Lord, and in such a secular environment as the stock exchange," said Nanz Chong-Komo, the emcee for the event.

For Ruth Yong, Financial Controller of Halogen Foundation Singapore, "[this session] has encouraged me to look beyond the crisis, and at the opportunities ahead — rather than to drown myself in troubled times."

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