



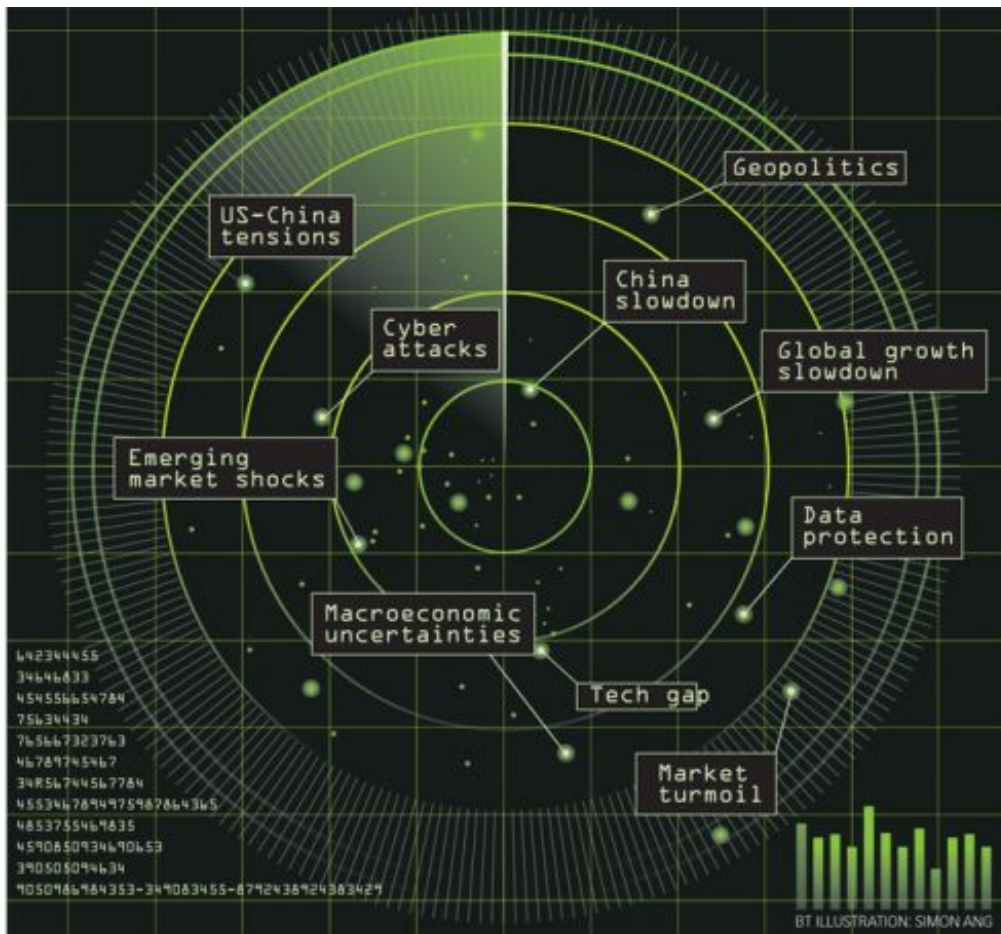
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Belt up for the ride!

THIS WEEK'S TOPIC: What's the biggest risk event that you're watching out for, as a business leader, in 2019 ?

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Victor Mills
Chief Executive
Singapore International Chamber of Commerce

Arguably, the biggest risk for all of us is that we become so distracted by external events, or so overwhelmed by all the data inputs around us, that we end up standing still rather than progressing. The way to progress is to keep focussed on what we can control rather than on what we can't control. What's important for all businesses is that leaders stay focussed on understanding their customers and what they need and want. This allows leaders to develop the right strategies to serve their customers and to develop their teams to ensure that the strategy is implemented.

Leonard Cheong
Managing Director
AdNovum Singapore

2019 promises to be a turbulent year for all. Several risk factors and economic complexities, including the ongoing US-China trade dispute, a bearish global outlook, increasing protectionism and resurfacing tensions between Singapore and Malaysia will impact bottom lines. However, with every challenge comes an opportunity. Businesses will witness more online transactions and smart hackers will be actively trying to outsmart the security industry during this period. Companies should leverage this time to make wise investments in innovations and technologies that create value, such as machine learning, blockchain and cybersecurity. When the economy stabilises, companies that have a strong and secure digital backbone will be poised to soar.

SEE ALSO: Trade war 'certainly' hurting China economy: US official

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Dileep Nair
Independent Director
Thakral Corporation Limited

The US-China trade dispute is, to many, the number one global risk in 2019. Some consider a possible slowdown in the Chinese economy as having the bigger impact on Singapore. I feel that it is relations with our neighbours that can pose the biggest risk to us. Already we have disputes on maritime borders, use of airspace and pricing of Johor water, with Malaysia. Relations are currently stable with Indonesia under President Jokowi. However, elections are due in April and the opposition is fomenting a rise in Islamic conservatism and we can easily become a bogeyman. Any souring of relations with our neighbours can have enormous impact on our businesses, trade and economy. Of course, we want to live in peace and friendship with them, based on the principles of mutual respect, equality, and upholding the rule of law. Whether this will be reciprocated in 2019 remains a very big imponderable.

John Bittleston
Founder and Chair
Terrific Mentors International Pte Ltd

I'm watching out for one of the many economic indicators that markets are sensitive to and that will have a blip that sends the world's markets into a serious, sudden decline. Fear of a repeat of 2007/8 financial crisis is widespread even though it is actually unlikely

to happen. But now that so many markets are programmed to act responsively rather than intelligently, a sudden crash could occur. Because people distrust top financiers, they could react irrationally forgetting how much money there is out there to support markets.

Karl Hamann
Chief Executive Officer
QBE Insurance (Singapore) Pte Ltd

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The US-China trade war continues to be one of the biggest risk factors for businesses in 2019, even for those outside of the United States and China. With the price of materials and intermediate goods fluctuating with the changing rhetoric between the world's two largest economies, businesses around the world will find it challenging to forecast and plan for the year. From an insurer's standpoint, insuring for economic instability is what will keep our underwriters for trade credit and surety product lines busy all year, as we continue to protect firms' bottom lines amid the shifting economic landscape.

Nick Waters
CEO
Dentsu Aegis Network Asia Pacific

A synchronised slowdown in growth across the world's major economies would pose the biggest threat to businesses in 2019. Economists predict that the sugar rush of the 2018 Trumponomics is fading, as data reveals signs of an economic cool-off in the US this year. The euro area also paints a gloomy picture as growth flattens. Heavyweight China - which accounts for 42.7 per cent of Asia-Pacific's GDP - is also struggling to battle a slowdown brought on by uncertainties around trade, both from the US and the Western world at large. However, Asia-Pacific ad-spend remains consistent from 2018 at +4.5 per cent. This points to the need for brands to ensure the creation of new value for customers in a low-growth environment.

Tony Cripps
Chief Executive Officer
HSBC Singapore

International heads are turning their attention to Asean as an alternative bloc amidst trade tensions. Global MNCs stand ready to dip their toes in the region's supply chain pool, an opportunity which businesses here are jumping to catch. Herein lies the risk - the world's leading companies will not take the plunge unless the water is crystal clear. Businesses will face increasing scrutiny in 2019 from international consumers, investors and governments to improve their sustainability credentials. Asian companies trail global peers in ESG adoption, with just 24 per cent of Asian corporates having an ESG strategy compared to 48 per cent globally and 87 per cent of European/UK companies. Sustainability has the ability to shift the dial on corporate Asean's competitiveness. Adoption of ESG within supply chains will become a sink or swim decision for businesses.

Ben Elliott
Chief Executive Officer
Experian Asia Pacific

The importance of securing consumer trust has never been more critical than in today's information age. While consumers continue to demand customised and seamless experiences, they are also cognisant of the personal information they share. The biggest potential risk for organisations is the inability to protect vital information, while meeting these expectations.

Consumer data protection and adhering to data security regulations must be considered as top priorities for businesses going forward. This will help them strike the ideal balance between creating frictionless consumer engagements and having robust security measures in place, a crucial determinant in securing consumer trust.

Vikas Nahata
Co-Founder and Executive Chairman
Validus Capital

With markets teetering on the brink of a slowdown in recent months, 2019 could see central banks pull back liquidity that could hurt the mid-market economy the most. In the face of this, fintechs and online lenders are increasingly stepping up to support SMEs and the economy, and will cement their place as a viable alternative for financing businesses. Not all alternative lenders will survive however; the ones that do will become fintech stalwarts. The biggest risk to small businesses is not having enough cashflow to fund their growth.

Lionel Lim
VP and MD, APAC and Japan
Pivotal

Technology gap continues to be one of the many risks companies seek to mitigate in 2019. Unlike market risks which are volatile and unpredictable, technology risks can be prevented with the right tools and processes.

As the digital economy matures, companies should look at how software can help them achieve business goals by leveraging technologies such as cloud and AI to increase agility with a smaller budget. To this end, more companies will start prioritising and adopting agile methods to remain current. Companies that are still holding onto their traditional approaches will gradually lose competitiveness and be left behind.

Virginie Maisonneuve
Chief Investment Officer
Eastspring Investments

2019 we believe will be a "rite of passage to a multipolar world" and will be marked by continued volatility as the global economy adjusts to continued geopolitical risks and several important trends. Specifically, we see three particular factors shaping 2019: a peak in US interest rates with an impact on major global currencies valuation; a re-synchronisation of global growth with the slowing of the US economy; and the ongoing trade tensions between the US and China.

We believe the latter will persist in some shape given the long-term strategic competitive stakes linked to technology. These will all have global implications on asset markets as they could trigger a shift in market leadership. Geopolitical issues such as Brexit, the second phase of the US presidential tenure and the preparation of the next US electoral cycle, as well as political tensions supported by populist movements in countries like France and Italy, are all important to watch.

Jayaprakash Jagateesan
Chief Executive Officer
RHT Holdings Pte Ltd

Following last year's stunning election results in Malaysia and subsequently testy bilateral ties, all eyes will be on five major elections set to take place across the region in 2019. A shock election result in Australia, India, Indonesia, Thailand and the Philippines - Singapore's major trading partners representing about 19 per cent of total exports - could pose risks to businesses with significant exposure to these markets.

Our view is that country risk will continue to be a cause for concern in an interconnected economy like ours and businesses need to expect the unexpected. Working with the right partners both locally and overseas can help businesses find the right solutions to prepare for any eventuality.

Jeff Hurmuses
Area VP and MD, Asia Pacific
Malwarebytes

With the proliferation of data breaches in the corporate world in 2018, the cybercrime industry is not showing any signs of slowing down. Although large organisations were the victims of major data breaches last year, make no mistake - in 2019, businesses of every

size are under threat, especially those in industries like education, healthcare and manufacturing, which store and manage large amounts of sensitive data.

Cybercriminals will develop more sophisticated fileless and "invisible" malware that is difficult to detect and remediate to steal personal data, resulting in more intelligent and destructive breaches.

Svend Janssen

Head of Asia

Western Union Business Solutions

On the back of ongoing trade tensions and interest rate hikes to stem the dollar's strength, the biggest risk for the region remains the ripple effect of a market shakeup on emerging market currencies.

The already choppy waters of the regional financial markets are keeping enterprises on their toes as they eye international expansion. Cash management remains a key challenge as currency fluctuations due to market volatility can shrink profit margins and affect their bottom lines.

Payment infrastructures that are agile and responsive to the ever-shifting dynamics of the global economy can help businesses navigate the complexities of cross-border business transactions and compliance frameworks across different jurisdictions.

Callum Laing

Chairman

Unity Group

In the world of small business, the biggest risks are rarely macro. For the small businesses we work with around the world, the risks will be the same as they are every year and will focus predominantly on cash flow and the finding and retention of skilled team members. Macro events like recessions provide a convenient excuse, but the true entrepreneurs amongst small business owners see opportunities where others see risk. Bring it on, 2019!

Mario Singh
CEO
Fullerton Markets

There are three things I'm looking at to give me a good snapshot of global risks in 2019:

- 1) The US: The US is still the world's largest economy. It is expected to grow between 2-3 per cent in 2019 although President Trump has mentioned that he is targeting 4 per cent. I also have my eye on the current US shutdown which could derail markets.
 - 2) China: China has the world's largest population and one of the fastest growing economies. In 2018, China's benchmark stock index fell 25 per cent, the world's worst. China's car sales also fell 6 per cent in 2018, the first drop in 20 years.
 - 3) The Baltic Dry Index: This is a measure of shipping rates for dry bulk commodities. It is a leading indicator for raw material demand. A higher figure signals better growth.
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Stephan Neumeier
Managing Director APAC & Japan
Kaspersky Labs

2019 is seen as a year of geopolitical uncertainties with ongoing trade tensions and a host of elections across Asia-Pacific. While companies will have to prioritise geopolitical risks in corporate decision making, there is an even bigger risk at large: cybersecurity in this technology-powered world. As we become increasingly connected, sophisticated adversaries will continue to leverage network loopholes, evolve their strategies and perpetrate cyberattacks, making organisations more vulnerable than ever. This puts companies at risk of financial and reputational loss and to prevent such ramifications, organisations must continuously scrutinise and refresh internal policies, programmes, and internal safeguards, while implementing nimble, robust measures against cyberthreats.

Wolfgang Baier
Group CEO
Luxasia Pte Ltd

Being in the business of partnering luxury beauty brands to reach Asia-Pacific consumers, the largest risk in 2019 for us is the trade relationship between the US and China. Luxasia is aiming for aggressive growth in China, with plans to bring in more brands to delight Chinese consumers. However, the potential imposition of tariffs up to 25 per cent by both countries could impair the reception of many US brands in China. We are also mindful of cybersecurity risks as Luxasia transforms into an increasingly omni-channel business in which consumer data are crucial and need to be protected.

Edgar Seah

Head of the Asia Pacific Region

Hedera Hashgraph

Enterprises get discouraged by the ongoing anarchy within first generation blockchain platforms. Enterprises are not used to, and do not like, software that splits (or forks) into competing development groups. With hard forks already planned for some of the major blockchain platforms in 2019, enterprises may believe this is too high a price to pay for using the innovative technology. Fortunately, new governance models are emerging in the space that will help prevent forking and deliver the consistency that enterprises need to benefit from distributed ledger technology.

Joanne Wong

Senior Regional Director for Asia Pacific & Japan

LogRhythm

Businesses across industries should certainly watch out and be prepared for a cybercrime attack that has large-scale, immediate and dire consequences. In fact, LogRhythm predicts that this year data breaches will continue to grow in sophistication and successfully compromise a major corporation. It'll result in an impediment on business continuity, heavy losses and fines, as well as disrupt daily operations of its customers.

While 2018 saw cyberattacks of varying scales, the awareness of and vigilance against attacks such as data theft, digital currency heists, or even malware infections have remained low among the general public and businesses - which is another huge risk in itself.

Khai Lin Sng
Co-Founder and CFO
Fundnel

The impending slowdown in the Chinese economy and its impact on the regional economy takes priority in our watchlist. Weaning the Chinese economy off its heavy debt requires a long-term strategy for reform. The region is also susceptible to the nascent US-China trade war, which might have greater far-reaching impacts than what we expect. As a player in the private capital market, we expect a general decrease in over-levered or speculative investments, accompanied by a fall in valuations. This will lead to a shift in focus towards the fundamental value of private companies in emerging growth economies in South-east Asia, countries that are anticipated to lead global growth on account of accelerating middle class growth and urbanisation.

Reshmi Khurana
MD and Head of Southeast Asia,
Business Intelligence and Investigations
Kroll

There are significant geopolitical events expected in Asia-Pacific in 2019 that global investors should watch closely. With India, Indonesia, Philippines, Sri Lanka and Thailand all scheduled to hold national elections in the coming months, business leaders should consider the risk of how these elections will impact economic policy making, and market sentiment, in the region. While most reckon that these elections will change little at the top, investors should not expect any major market liberalisation or policy reforms in the coming months, nor at the same time, for fiscal largesse towards those at the bottom of the wealth pyramid to be stepped up. This could prove challenging in a region where corporate and bank balance sheets are highly leveraged but economies are growing more slowly than expected.

Chris Burton
MD of Singapore and Malaysia
Vistra Group

The biggest elephant in the room globally remains the increasingly broad strategic competition between the US and China. We hear that officials are trying to work out a trade deal and Donald Trump's recent tweets appear to be more positive. A deal may help ease tensions, but there is no guarantee of success. There is still plenty of room for escalation on a wider front, inter alia over Taiwan, South China Sea, Belt and Road, North Korea - and now Huawei. Global trade is already impacted, but let's hope this does not intensify in a more malignant direction, especially after the departure of General Jim Mattis.

Goh Puay Cheh

Executive Director

The Institute of Internal Auditors Singapore

The pace and scale of technology innovation brings both opportunities and challenges to business. New technologies can bring benefits, but businesses need to mitigate and manage the risks surrounding data.

The pursuit of digital business models to drive growth has increased the complexity of collecting and managing data. The technological capabilities involved may expose organisations to cybersecurity threats and a greater dependence on platforms delivered through third parties. New data privacy regulations such as General Data Protection Regulation and recent high-profile breaches have raised the stakes for organisational accountability. All these have led to heightened risks around data governance and privacy, which internal auditors must watch closely. Internal audit has a key role in ensuring new technologies are sound and reliable, and anticipating and mitigating risk to keep data secure and organisations protected.

Magnus Grimeland

Founder and CEO

Antler

Increased volatility creates huge opportunities for disruption and innovation for companies and individuals that are willing to take them. The biggest risk anyone runs right now is not to innovate and transform.

Yann Hamon
Managing Director
why innovation!

After over 20 years of experience in developing digital and innovative competency for large organisations, the biggest challenge I foresee in the inside-out thinking culture is that it is an impediment to proper management of uncertainty. Experienced business stakeholders often believe that they know what the market needs; they think they know better than the users themselves! This results in companies accumulating high level of risk. By adopting a true agile mindset, business leaders should consider testing and validating the data collected from their users. They also need to implement a Darwinist organisation - one that is able to continuously learn, reorganise and innovate in pursuit of new revenue streams or new business models. Such capability relies on each and every employee's shift in the way of thinking about how value is delivered both to customers and business.

Maren Schweizer
CEO
Schweizer World

2019 is somewhat riskier compared to the two previous years. Rapidly changing business environments and the potential for unexpected surprises vividly illustrate the reality that organisations of all types face risks that can disrupt their business model over time and damage reputation almost overnight.

My most critical concerns are:

- Existing operations and IT infrastructure may not be able to meet performance expectations as well as competitors that are "born digital" in parallel with high speed of disruptive innovations and technologies on the radar.
- Record lows in unemployment and tightening labour markets including succession challenges.
- Cyber extortion will continue to occur exponentially. Cyber risk and crime are here to stay globally with a potential highly frequent and severe impact. There is no other comparable risk of such a dimension.
- Cybercrime and cybersecurity risks cannot be prevented, but risk detection, mitigation, response and control can make the difference between barely surviving

and prospering.

Steve Settle**Regional Director (Asia)****CFO Centre**

Whilst it is certainly worth taking pause at the start of a year to consider the impact of potential risks to one's business, the list of potential threats is long, not exhaustive and a number of the pundit predictions will be wrong. The age-old maxim of "hope for the best and plan for the worst" continues to apply so it is worth doing some quick scenario planning (primarily around revenues and costs) - what would ensue in the event that "x" happens and only if the impact is significant, build a contingency plan to mitigate the risk - before getting on with business.

Nick Jonsson**Managing Director****EGN Network, Singapore**

Swan or Elephant? The end of easy money in South-east Asia.

For many executives in Asia, the elephant in the room - the biggest grey swan - arises from the ending of QE (quantitative easing) by central banks in Europe and the US. The days of easy access to capital are clearly numbered, as the Fed has raised interest rates six times in a row. Couple this looming cash shortage with a slowing China and you are looking at a "perfect storm".

Companies that have not already done so need to trim costs and de-risk balance sheets. If they rely on debt they will see constrained borrowing at higher interest rates, and receivables may also grow as cash-strapped customers slow payments. Watch out!

Leon Perera**Chief Executive Officer****Spire Research and Consulting**

In terms of impact on the world economy in 2019, the biggest risk event would be a massive and crippling cyberattack on the IT systems of a particular country, affecting its healthcare, financial, governmental or other systems. Such attacks could come from state actors or non-state actors like terrorists. Such an event could induce the public to cease online transactions for an extended period of time. This could have a devastating effect on many industries that depend on online transactions for sales or supply chain activity.

Hari V Krishnan

CEO

PropertyGuru Group

In PropertyGuru's Market Outlook for 2019, we called out rising interest rates as a key factor for property seekers to look out for. In 2018, the 3-month Sibor rose from around 1.5 per cent at the start of the year and ended at 1.88 per cent in December. This is because Sibor rates are closely pegged to the US Federal Reserve benchmark rates, which are set to continue increasing in 2019.

With 80 per cent of Singaporeans surveyed by PropertyGuru already concerned about property affordability, increasingly expensive financing should act as further headwinds to transactions. We continue to recommend homeseekers to exercise financial prudence and avoid overextending themselves when it comes to buying their next property.

Ang Shih-Huei

CEO

Klareco Communications

With elections scheduled in Indonesia, Thailand, India and Australia, and mid-term elections in the Philippines this year, businesses need to prepare for uncertainty. As the 2018 Malaysian elections demonstrated, it is important to recognise areas of public affairs that are impacted by political change.

While time spent understanding and engaging with the likely political victors is key to success in a market, it is also crucial to recognise areas of continuity. Identifying the fundamentals of industry structures, the rule of law, and the influence of long-term government officials which often survive an electoral cycle apply, and are no less valuable to businesses.

Andrew Rigoli
Vice President, Corporate Development & Strategy
Equinix Asia-Pacific

The constantly shifting geopolitical environment, macroeconomic forces and rapid technical developments are some of the considerations that occupy business leaders' minds in 2019.

Equinix is no exception. With 5G wireless broadband technology set to impact business landscapes, a robust digital infrastructure is integral to keep pace with the exponential growth of data volume and speeds. As businesses seek flexibility to expand in this 5G revolution, they need to scale digitally and interconnect as they move to the digital edge. This is critical at digital hubs like Singapore, where our upcoming fourth data centre, SG4, is set to elevate businesses' capabilities, allowing them to successfully navigate network risks through the power of interconnection.

Stephen McNulty
President, Asia Pacific and Japan
Micro Focus

2019 brings increased uncertainties stemming from, amongst other things, the trade war and Brexit. Whatever the ensuing outcomes, there is rising corporate nervousness and concern about both geographical business location and how businesses will operate internationally. This will create increased volatility for mergers and acquisitions (M&As), as companies across all industries seek to reduce risk and even try to take advantage of the volatility. Such corporate transformations often introduce dual challenges of data management and security, which are critical issues for companies to cover during M&A due diligence process. From the security of personnel and customer data to the safety of applications, it is key that companies ascertain there are no "smoking guns" in an increasingly risky landscape.

Albert Phuay Yong Hen
Chairman and Group CEO
Excelpoint Technology Ltd

Businesses should be vigilant as they could face a myriad of challenges due to the volatile global political environment, such as US-China trade tensions, upcoming elections in Thailand and Indonesia, and more.

These uncertainties could cause a dip in market and consumer confidence, inhibiting global investments and spending, which could potentially cause an economic slowdown across markets. It is inevitable that disruptions will be seen across global supply chains, impacting developments in many industries. However, we believe that there are still many opportunities within the technology and infrastructure segments, especially with the advent of Smart City initiatives and increasing spotlight on the Internet of Things. With careful planning and strategies in place, businesses need to keep a close watch on these geopolitical movements, deep-dive into the individual markets and mine the opportunities that arise.

It is definitely important for nations to keep global trade buoyant, for businesses to focus on building resilience in their economic structures and supply chains, and for people to stand united.

Sheena Chin
Country Director
Veritas Storage Singapore

Looming trade war remains to be a big risk in 2019. If trade tensions escalate, businesses will come under pressure, especially for an open economy like Singapore. In an uncertain global climate, business growth will be crimped, as decision makers might hold off from making major investment decisions with changing dynamics on both economic and political fronts. This will have a ripple effect across all the economies, even if they are not directly involved in any trade spats. In today's digital economy where trade transcends borders, it is important for businesses to embrace digital transformation and innovation and keep pace of the increasingly stringent data and privacy regulations amid rising nationalistic sentiment.

Tripti Lochan
Co-CEO
VMLY&R

With US-China trade talks wrapping up last week without a clear resolution, I would be lying if I were to say that the potential for the situation to escalate into a full-blown global trade war, wasn't top-of-mind when we talk about risks events in 2019.

Not only would an event like this have far reaching implications for brands, impacting global supply chains, it would also inevitably undermine consumer and investor confidence - which can only be bad for business.

As a CEO, my attention is firmly focused on this risk, and how it will affect our business and our clients' business. We only hope that the world's two strongest economies can come to a resolution that is good for business the world over.

Jessie Xia

Managing Director - Southeast Asia

ThoughtWorks

Singapore saw an unprecedented number of cyberattacks in 2018 - from the SingHealth data breach to the spike in online attacks during the Trump-Kim Summit. In 2019, cybersecurity may well be the single biggest risk that organisations are likely to face. Today, almost all businesses and professionals are connected to some digital device or network, and this leaves them potentially vulnerable to the next global cyberattack. Also, with the increased focus on data analytics, the need for robust data protection has never been greater.

Ana Dhoraingam

CEO, Singapore

PineBridge Investments

Volatile is the one word that best describes how markets performed in 2018. Market investors are therefore still in buckle-up mode, as they brace themselves for more whipsaw action. The steep declines in stock and bond prices in 2018 have actually provided new buying opportunities that have not been seen in the past several years. Investors who stay on the sidelines risk leaving money on the table and missing out on investment gains in future years. With low risk of recession in the near term, investors staying risk-off and underestimating a recovery in markets in 2019, may actually be the biggest risk event in investment portfolios.

Sandie Overtveld**VP Asia Pacific****Zendesk**

From an overall regional economic perspective, we are staying positive and watching for a decline in populism and improved trading relations between the US and China. This would likely lead to more open, and less volatile markets, aiding in faster growth globally and in the region. At Zendesk, we believe that with a healthier economic outlook, we can also expect accelerated adoption of technology and an evolution of how customers engage with brands.

With the global average Internet penetration surpassing 50 per cent, and with 31 billion IoT connected devices, customers increasingly expect to engage directly with brands through their devices on any channel of preference - like WhatsApp, Facebook, e-mail, phone and other platforms. This will necessitate the need for AI adoption to help companies scale their operations. While many will be worried that this would translate to jobs being made redundant, AI adoption will paradoxically lead to the creation of new jobs and to higher wages but will also require continued investment in education and training.

Shahzad Nasim**Group Executive Chairman****Meinhardt**

I don't see oil prices hitting US\$20 per barrel anytime soon till electric cars and electric public transport become the main mode of commuting - this will take many years. The immediate risk to businesses stems from the negative sentiment created by trade wars, especially between America and China which is already affecting major tech players and consumer confidence. Rising protectionism as a result of political shifts to the left in some countries will also bring uncertainty to global free trade flow. China's slowing economy will also impact the growth of Asian countries as consumer sentiment remains weak.

Lim Soon Hock**Managing Director****PLAN-B ICAG Pte Ltd**

Many of the grey swans for 2019 have been widely publicised - US-China trade war, Brexit, interest rate hike, the hot potatoes of North Korea and Afghanistan, etc. One or more of these happening presents a lethal concoction for the world economy and businesses.

However, the biggest risk for businesses is not investing in technologies that can potentially mitigate the ill effects of any of the grey swans that will eventuate. Amid the uncertainties, people and companies who use technology will be smarter than those who do not. We are looking at the next Internet revolution driven by data analytics, AI, robotics, blockchain and other forms of digital transformation.

There is no turning back on the use of technology and those who do not invest will lose out, especially in times of crisis. We are looking at an epochal development in not just better decision making, but also how businesses are run. The only limit is how fast humans can act. However, the quality of decision making will certainly improve through technology, allowing greater speed and sophistication.

Toby Koh**Group Managing Director****Ademco Security Group**

Singapore's political relationship with larger countries is getting more complex. We find ourselves actively managing the two superpowers, China and USA. Unpredictable leadership in our neighbouring countries is a definite and immediate cause of concern. Possible leadership changes in India, Indonesia and Thailand this year may affect us to a large extent, not just this year but for years to come. As we have seen all along, Singapore is vulnerable to global trade and politics. This will inevitably impact Singapore businesses. Business owners have to diversify risk into the Asia Pacific region and be mindful of populist politics that can turn the table on our best business strategies. Business continuity planning in every sense of the word must be relooked at now. Our government must be on its toes and actively engage bilateral relationships for our own stability. The line is getting thinner.

Ian Lee**CEO, Asia Pacific****The Adecco Group**

The global economy is entering a period of uncertainty. A couple of risk factors that will weigh negatively on the global economy : 1) The ongoing US-China trade tension which is beginning to exert further downward pressure on the slowing Chinese economy. 2) There are still uncertainties around Brexit that might bring with it negative consequences 3) Rising interest rates from a tighter monetary policy makes borrowing more expensive. All of the above may delay business investment plans, dampen consumer sentiments, threaten jobs and delay hiring. We should realise that we all live in an intertwined global economy and stronger international cooperation is imminent for future economic stability and growth.

Helen Ng

CEO

General Storage Company Pte Ltd

The ongoing trade war between the United States and China bodes ill for the global economy. Free trade and free movement of skilled labour form the basis of a vibrant economy, which, in turn, underpins the self-storage industry's continued prosperity. If overall consumer confidence continues to decline in China, there will be a severe knock-on impact worldwide. Consumer-oriented industries in Singapore such as self-storage would feel the chill too. Households might put off storing non-essential items and small businesses might scale down their inventory.

Andrew Chan

Founder & CEO

ACI HR Solutions

On the macroeconomic front, 2019 may be a roller coaster that would be throwing curveballs along our way. A few of these that we can expect would be Brexit, scheduled for March, that is still filled with uncertainties; the possibility of US foreign policies throwing caution to the wind in the region; coupled with the longest bull run in Wall Street history that will see the smart money on a downturn, possibly around 2020. With all these on the cards, a strong start to 2019 will be important for businesses to anchor themselves for what is to come.

David Leong
Managing Director
PeopleWorldwide Consulting Pte Ltd

2019 is murky and uncertain owing to serious geopolitical uncertainties surrounding President Trump's administration and the ongoing trade spat between US and China. Apple suffered a precipitous drop in share price after its latest revenue warning, sending the US stock market spiraling downwards as supply chains rattled in fear of more negative news.

The world supply chains in all industries are shifting directions to avert and mitigate the punitive trade tariffs and barriers.

For businesses, such trade barriers and tariffs pose friction to trade movement. They slow the volume and velocity of trades globally and for Singapore, any trade flow disturbances can potentially be a tsunami. Singapore's alignment to trade blocs, with multilateralism at play, will help reduce the market quakes.

Zaheer K Merchant
Regional Director (Singapore & Europe)
QI Group of Companies

The biggest risk I am watching out for is a geopolitical risk trigger, which will send events into a spiral. Each of Nomura's "grey swans" will be either attributable to, caused by, or be an effect of largely, geopolitical risk. And this risk for me is the worsening trade war between the US and China. With a hesitant Fed, interest rates rising, global exchanges down, currencies in flux, consumption in disarray, teetering talks laced with false bravado, the knock-on effects globally from Europe to Asia are patently already evident. The danger is seismic, with every industry from agriculture to services (including supply chains) being affected. Add Brexit, an escalating of arms across the world from Japan to the Middle East, cyber events, and the volatility needs a mere spark. The good news - it's not too late for considered negotiations to resolve the impasse. Concrete guidelines, immediacy of implementation and smoother transitions will correct matters because the options otherwise are quite awry for business (and world) leaders.

Dora Hoan
Group CEO
Best World International Ltd

I think the trade war between China and US is the biggest risk event.

The negative impact from the trade war will affect our world economy and cause global economic recession. The confrontational tariff increases have driven up commodity prices, and negatively impacted the global value chain cooperation. Other economies are intricately linked to China's fortunes through highly interconnected supply chains. China's economic slowdown is worsening as the trade war weakens consumer confidence. This will also hurt the economies of many other countries, such as South Korea, Taiwan, even Singapore.

US trade policy is becoming more protectionist. In addition to US tariffs mainly targeted at China, Trump's proposal to raise tariffs on all imported cars and auto parts will pose a big risk to global economic growth.

There are no winners in the trade war. Cooperation is the correct way.

Annie Yap
CEO
AYP HR Group

China's anticipated slowdown is most disconcerting. The domestic property market has cooled, as have the vital auto and manufacturing industries. Furthermore, the unresolved trade tensions with the United States spell bleak times ahead. Contagion effects for other nations will come in today's labyrinthine world economy, especially for countries dependent on exports to China - Australia, Chile and South Korea, to name a few.

Incidentally, China is Singapore's largest trade partner, and total exports (accounting for roughly 15 per cent overall) have been gradually declining. Over time, we will have to find solutions and combat the predicament.

Henry Tan
Group CEO
Nexia TS Group

Grey swans that will affect businesses would be what will happen to the two largest economies - the US and China. To me, the hidden reason for the trade war is the jostling for world dominance. The US is concerned that if China's wings are not clipped it will surely dominate the world within a few years as an economic powerhouse. Not just in cheap production or "copy technology", but with real innovative and advanced technologies. On the other hand, China knows that US consumers are a key part of their growth strategies and without access (or reasonable access) its strategies would not work. These polar concerns make the outcome of any trade talks or positioning difficult to predict.

Businesses will be affected depending on where our businesses are sited and where our markets are. This grey swan may be positive or negative - much depends on whether the two powers can negotiate an outcome that brings stability.

Tan Mui Huat
President and CEO, Asia
International SOS

In the new norm of the VUCA (volatile, uncertain, complex, ambiguous) world, geopolitical events, populism, cybersecurity and natural disaster disruptions continue to rank high on the minds of executives. Natural disasters including earthquakes, wildfires, hurricanes and tsunamis inflicted more than US\$160 billion of damage and claimed thousands of lives in 2018.

In the Ipsos MORI Business Resilience Trends Watch 2019, almost half of decision makers believe that travel risks will increase this year. 63 per cent of decision makers stated that educating employees about travel risks has remained the greatest challenge for ensuring the safety of travellers and has become an increasing issue, up by 10 percentage points from the previous year.

As we head into 2019, with increasing trends in global mobility against a VUCA backdrop, organisations that focus on ensuring their travel policies reflect a modern workforce will better mitigate against potential risks and meet their Duty of Care and sustainability.

Marcus Loh
Council Member | Accreditation Board Member
Institute of Public Relations of Singapore

As the world grapples with a storm of economic challenges in 2019, South-east Asia will offer investors an attractive destination for investment and export. In that milieu, the biggest risk facing our homegrown communication practitioners, agencies and enterprises, is the mistake of not keeping pace with the craft of reputation management and brand building in the data age, as we've seen happen in many advanced economies. As the sector's apex chamber, the Institute of Public Relations of Singapore will continue to raise standards and celebrate best practices of our industry through milestone initiatives like the upcoming PRISM awards in March, held in conjunction with the institute's 50th anniversary.

Dhirendra Shantilal
Global Board Director
Fircroft Group

For decades, OPEC has been the determining factor in oil prices. As the swing producer, and the largest source of conventional petroleum reserves, the nations of OPEC could adjust production to balance the market in case of abrupt supply or demand changes.

The recent surge in US shale oil production over the past 12 months has upended this dynamic however.

We're in uncharted territory, where no single producing block can swing prices. A delicate game of international negotiation will now have to occur or risk a global oversupply glut and a commensurate crash in prices. We're already seeing the beginnings of global realignment to cope with this new reality with OPEC engaging in talks with Russia.

Although the oil majors have done well to reduce the breakeven costs of their projects, they - and their workforces - remain uniquely vulnerable to a crash in oil prices. As industry commentator James Howard Kunstler put it - "high oil prices crush economies, low oil prices crush oil companies".

Striking a balance will be key to ensuring that energy and resources companies are able to maintain sufficient volumes of skilled and experienced workers to operate and maintain their planned projects in the years ahead. A lack of recruitment activity following the oil price slump during the mid-1980s means that the industry is facing a skills gap today with a lack of young workers to replace those now reaching retirement. In order to avoid a similar problem in the future, it is imperative that the majors continue to invest in their recruitment and talent attraction efforts for the long-term even if prices decline in the short-term through 2019.

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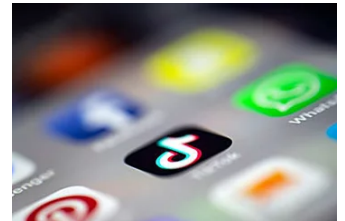
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