

AfrAsia Bank off to a 'very good start', says CEO James Benoit

- “ We seek to be at the forefront of innovation, while positioning ourselves as a ‘different bank’

The country’s newest bank, AfrAsia Bank, formally launched a few months ago, has had “a very good start” in terms of corporate banking, with large institutional deposits flowing in, as well as in the area of wealth management, according to its Chief Executive Officer, Mr. James Benoit. The bank’s attention is now turning towards the region, with what are described as “substantial prospects” in East African countries, Madagascar and the Seychelles.

“Mauritius is a great platform to become a regional investment hub”, says James Benoit. “The Freeport is doing very well there’s a lot of business in Madagascar, specially with the mining boom around the world, Kenya presents interesting opportunities. Investors in the region require significant capital for the hotel industry and other sectors. Prospects are very good”.

AfrAsia Bank is thus “very optimistic” about the region. “We see Mauritius as an ideal base to serve the region. The general banking climate here is excellent”, says James Benoit, who led consumer banking and corporate banking businesses in China, the Philippines, Hong Kong, the Middle East and Canada. Regional trade is increasing. South African companies are aggressively seeking new markets. “We must tap these numerous business opportunities”.

AfrAsia has sought first and foremost to be innovative. “We position ourselves as a different bank”, comments Mr. Benoit. “We want to offer tailor-made innovative products and financial solutions that are different from traditional banking, while ensuring that our customers get personalized services”.

AfrAsia Bank thus believes in what it calls “Disruptive Innovation’ that is (according to Harvard Professor Clayton Christensen, “successfully exploiting products and services models that significantly transform the demands and needs of a mainstream market and disrupt its former key players”.

Targeted customers are high-income individuals who require wealth management advice. Through its partnership with sister companies ACMS and Capital Leasing (both close to the Groupe Mon Loisir and located under the same roof as AfrAsia), the new bank seeks to assist in the areas of capital building and preservation, cash and borrowings management, financial protection against risk.

The banks products include: (a) Bonus Savings Accounts, at Savings rate + 0.50% p.a interest for balances of Rs 250,000 and at Savings rate +0.75% for balances between Rs 500,000 and Rs 1 million (b) Spinnaker Savings Accounts, with a minimum balance of Rs 500,000, with Savings rate + 1.0% p.a. for balances over Rs 1 m. Other savings provide for rupees in savings accounts being deposited in two predetermined foreign currency accounts or Interest Bearing Current Accounts at 3.2%.

In the area of Corporate banking, AfrAsia is also attracting great interest. “We have established good relations with companies that are household names in Mauritius and are attracting large institutional deposits”.

To keep up with increased demands for services, AfrAsia is slowly building up its human resources capability. The bank currently employs a team of 38 staff (including two expatriates). “Next year, we’ll deepen our strength in that area, as we expand”, says James Benoit. “We are at present seeing numerous highly-qualified Mauritians coming back after a few years experience overseas. We always refer in Mauritius to an alarming brain drain, but seldom to the other movement, that is experienced Mauritian professionals returning home after a while. There are quite a few around now and we intend to make good use of these skills which have been acquired overseas”, adds James Benoit.

Assisting James Benoit is currently a team of experienced bankers: Ben Padayachy, Rouben Chocalingum, Thierry Vallet and Geerish Santokhee in Corporate and Investment Banking; Bilal Bahemia, Sewlyn Lee and Guylaine Lennon in Wealth Management and Private Banking, Nadeem Abdul Carrim in International Banking and Offshore Management and Jen Ramanah and Jean-Francois Ulcoq in Foreign Exchange and Treasury.

The bank has also acquired the Flexcube software and treasury system, used overseas by Citi Bank, which should give it an edge. “And there’s more to come”, confides James Benoit. “The world has broadened substantially. Things are happening everywhere, in India, China and other places. In the Philippines, they are now using SMS for banking purposes. There are all kinds of things happening in capital markets. Numerous new products can therefore be developed here. We intend to be at the forefront of such innovations”.