



Local experts give their take on the year that has passed and what to expect in the year ahead

KEEPING IT REAL

"The importance of financial markets and instrument is here to stay. In the last two decades, we started believing that financial engineering fosters economic growth and financial innovations are the driving factor behind accelerated growth.



This so-called conventional wisdom acquired in the last two decades needs to change. We need to move from financial innovations and engineering as the engines of growth to real innovations and real engineering as the drivers in the economy.

We have to understand that financial systems, including complex financial instruments, are very important tools to foster and sustain economic activities and growth; but they are by no means the substitute for real economic growth."

Dr Suman Banerjee, assistant professor of finance, Nanyang Business School