

Connecting businesses across ASEAN



Regional

More than 9 in 10 businesses in ASEAN are more upbeat about the region's prospects than they were a year ago, according to a HSBC survey of decision makers in the six biggest ASEAN economies: Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.

The survey of 600 businesses found that companies expect to invest more inside ASEAN than elsewhere, fuelled by expectations of strong growth in intra-ASEAN trade. Digitisation of operations tops the list of strategic priorities.

Macroeconomic uncertainty is the number one barrier for companies expanding into new ASEAN markets. Respondents also identified local technological capabilities, supply chain challenges and competition as the most significant barriers to accelerating growth, reflecting the importance of hiring the right talent and thorough market research for companies looking to expand.

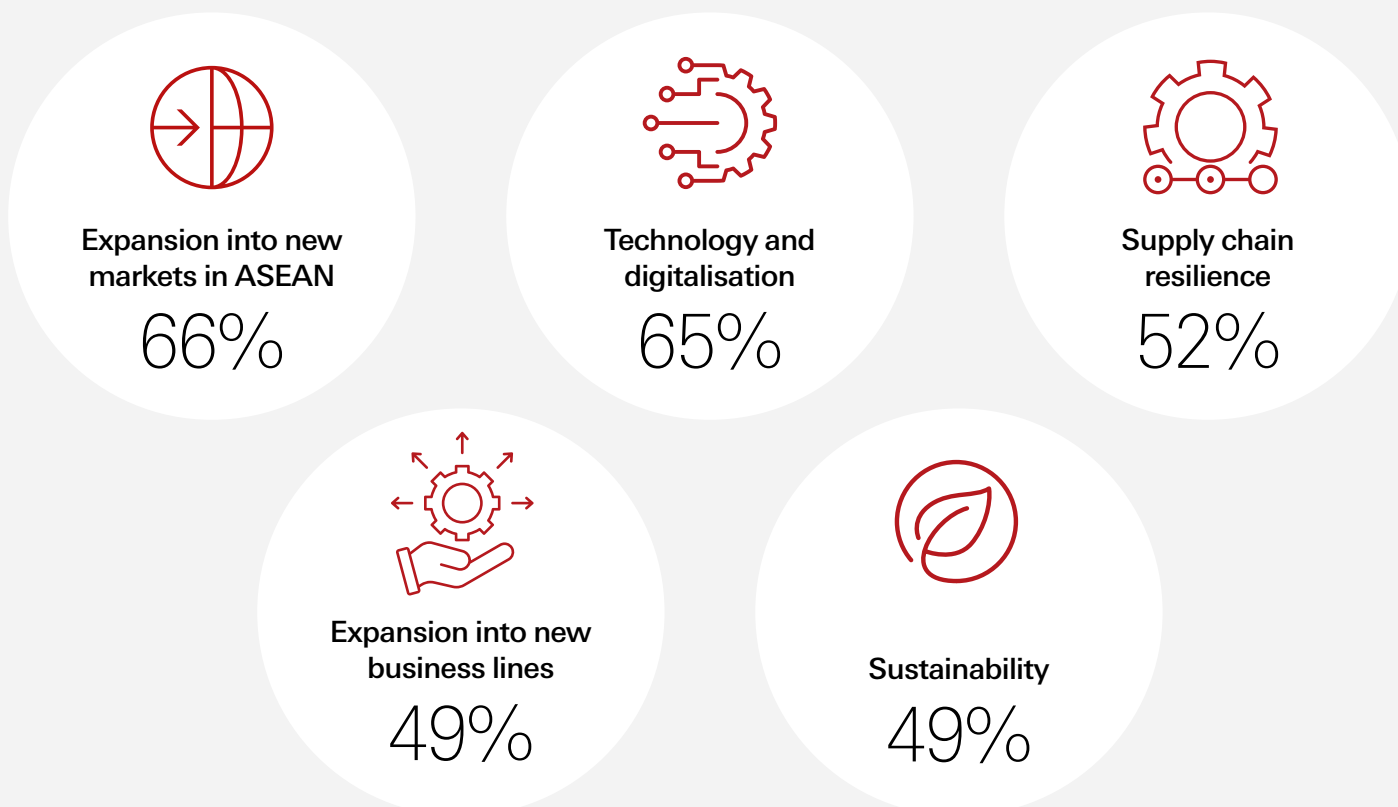
"ASEAN offers compelling opportunities for businesses with international growth ambitions," said **Amanda Murphy, Head of Commercial Banking for South and Southeast Asia at HSBC**. "It is a complex and diverse region, and each market has its own distinct characteristics. This reinforces the need for businesses to work with partners that have the right regional experience and local knowledge as they expand across borders."

With an estimated GDP of USD4 trillion by 2025¹ and a population of 672 million, ASEAN is a major consumer market and an increasingly important production base in international supply chains. Intra-ASEAN trade accounts for the biggest share of imports and exports, facilitated by growing digital connectivity and economic integration between the member economies.

¹ ASEAN economic outlook in 2024 | S&P Global (spglobal.com)

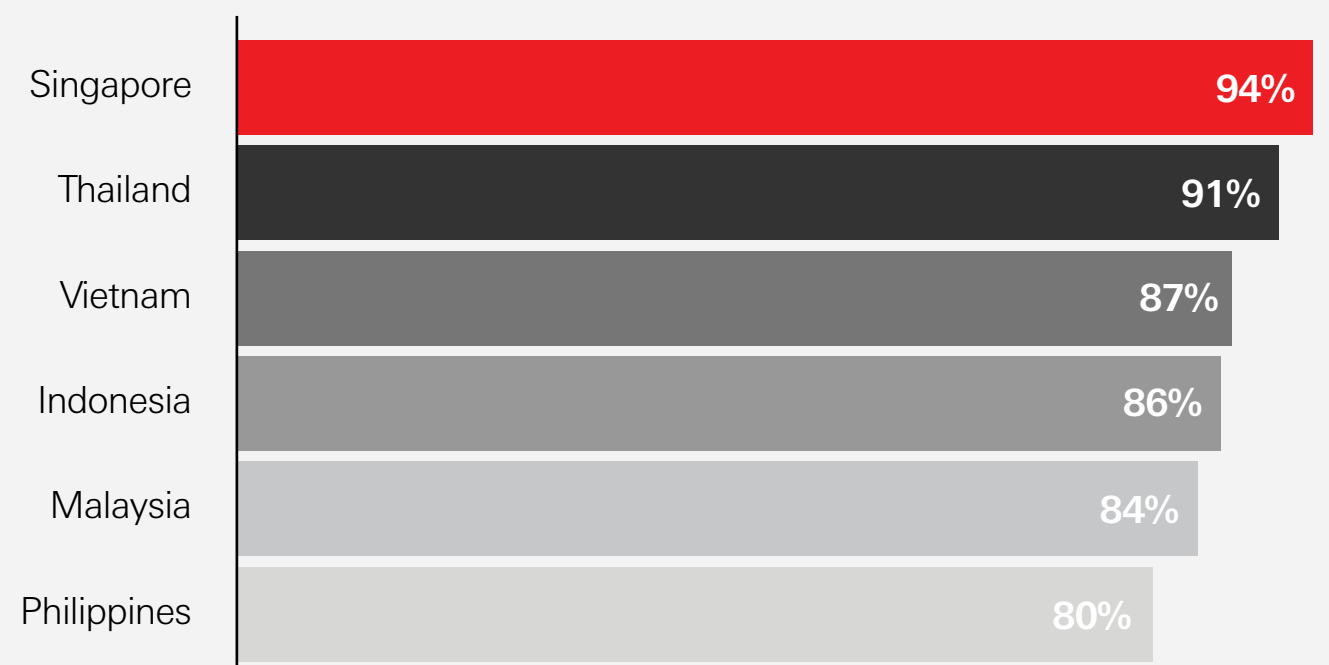
Businesses are planning to invest in entering new markets, technology and supply chain resilience

Areas of planned investment within ASEAN



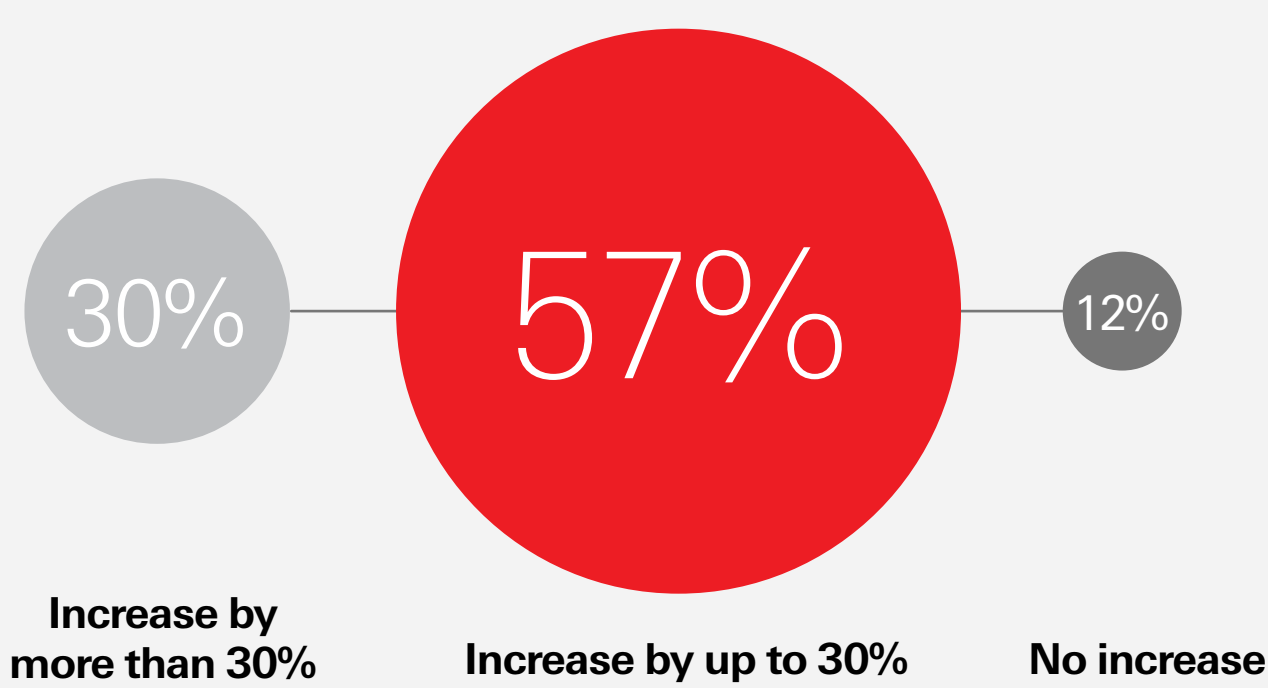
Confidence runs high on growing business across ASEAN markets

Share of respondents who are very confident about growing their business in each market



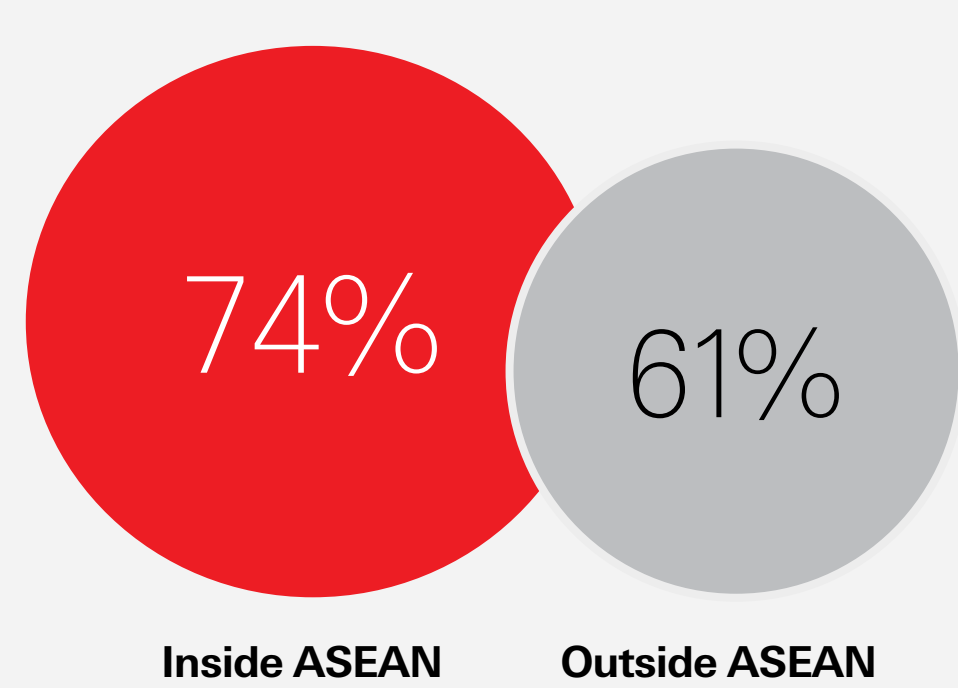
Intra-ASEAN trade is expected to flourish

How do you expect your trade with ASEAN markets to change in 2024?



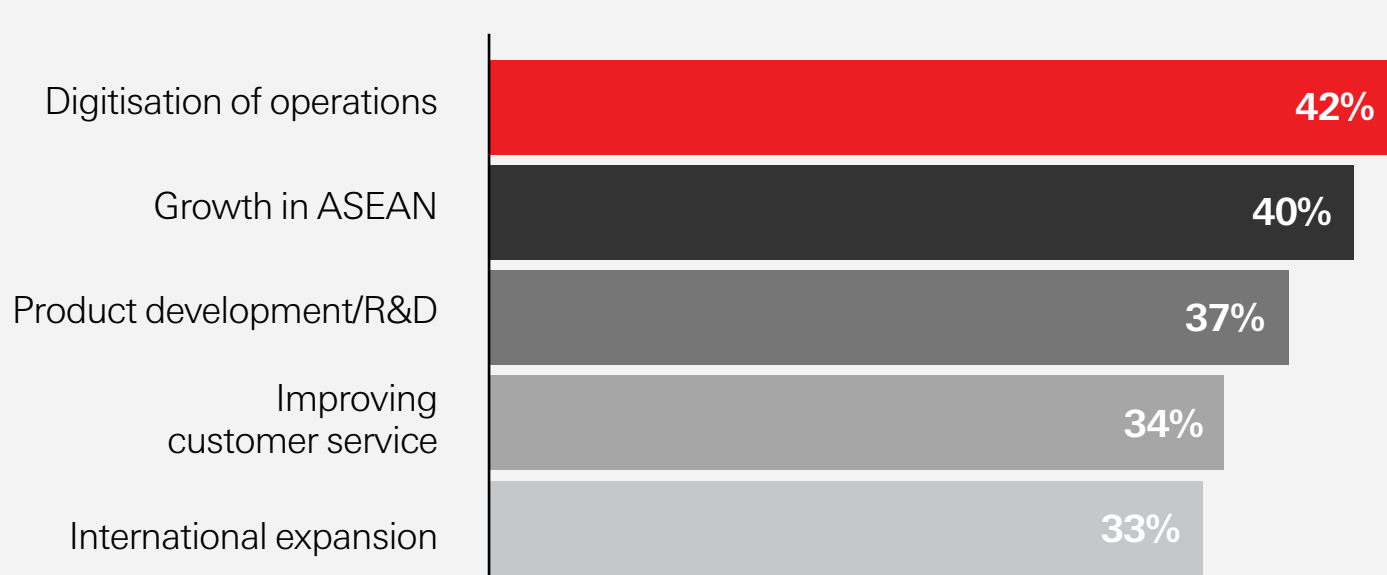
Businesses expect to invest more inside ASEAN than outside the region

Plan to invest more in 2024



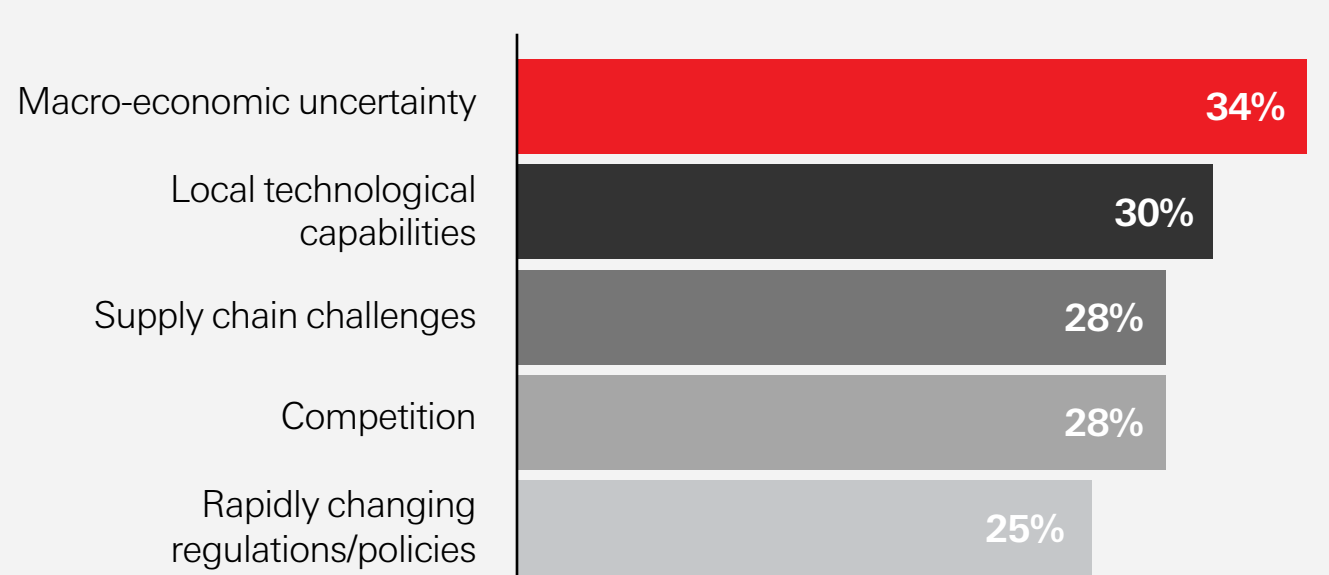
Businesses are prioritising digitisation and international expansion

Top 5 strategic priorities



Macro uncertainty and local tech capabilities hinder ASEAN expansion

Biggest barriers to entering new ASEAN markets



The survey gathered 600 responses from businesses with annual revenues of at least USD150 million, split equally across the six biggest ASEAN economies: Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.

HSBC in ASEAN

With over 135 years on the ground in six ASEAN countries and an extensive network within ASEAN, Asia and across the globe, HSBC provides clients with in-depth understanding of local market dynamics, expert advice and international connectivity.

HSBC's ASEAN network captures over 93% of ASEAN GDP and international trade, with over 15,000 staff across 200 locations serving 2.5m retail clients and 30,000 businesses.

To learn more about HSBC in ASEAN, please visit business.hsbc.com/asean

