

PRESS RELEASE

ASIFMA Survey Signals Rebound in APAC Capital Markets Confidence

59% of firms plan expansion across Asia-Pacific, up from 40% in 2024

5 June 2025 (Hong Kong) – Confidence in Asia-Pacific capital markets is bouncing back, with nearly 60% of financial firms planning regional expansion despite ongoing geopolitical uncertainty, according to the 2025 Asia-Pacific Capital Markets Survey released today by the Asia Securities Industry and Financial Markets Association (ASIFMA).

The annual survey, conducted in collaboration with Ernst & Young Advisory Services Limited (EY), assessed how ASIFMA member firms view operating conditions across APAC in terms of market development and the regulatory and operating environments.

Peter Stein, CEO of ASIFMA, said: “Optimism about the business prospects of APAC capital markets is notably higher this year even amid geopolitical concerns, which is great to see. Firms are taking a longer-term view, focusing on the opportunities for growth, while finding ways to diversify and manage their risk.”

According to other key findings in the survey, Singapore, Australia, the Hong Kong SAR and Japan were ranked top four markets for ease of doing business, based on the regulatory and operating environment. Mainland China also scored well for firms seeking further expansion, with participants welcoming its investor protection regime and workforce skills, as well as its physical, clearing and settlements infrastructure. India, while still attractive, saw a dip in sentiment due to a perceived slowdown in market reform.

Eugène Goyne, EY Asia-Pacific Financial Services Regulatory Leader, said: “The resurgence in confidence is very encouraging. Market participants continue to eye the region for expansion, both in terms of absolute scale and product offering, with equities and asset management the most popular areas for expansion.”

The survey was conducted between January and April 2025, covering 13 key APAC markets: Australia, Mainland China, Hong Kong SAR, India, Indonesia, Japan, South Korea, Malaysia, Philippines, Singapore, Taiwan, Thailand, and Vietnam.

Key findings:

- 1. Ease of doing business – mature markets continue to perform the strongest.**
 - The leading markets have largely remained consistent since the survey began, with Singapore, Australia and Hong Kong SAR the top three markets again this year. Taiwan dropped out of the top four, to be replaced by Japan.
 - Mainland China fell to 11th from 7th, with the decline attributed to perceptions of the regulatory regime.
 - The Philippines showed a strong improvement, rising from 10th to 7th.
- 2. Intention to expand – there was a significant improvement in expansion sentiment to 59% in [2025] from 40% in [2024].**
 - A more favourable growth outlook was seen for Singapore and mainland China.

- Growth plans in India and South Korea were less positive, with a 14 and 29 percentage point decline in the number of participants looking to expand in those markets.
 - Expansion of products/services and scale were the main drivers for expansion.
- 3. ESG and Sustainable Finance** - Uncertainty around how consistently ISSB standards are being implemented has emerged as the top challenge in APAC sustainability disclosures, overtaking last year's concern about interoperability. While data gaps remain a major issue, many expect regulatory developments to help close them.
- 42% of respondents cited uncertainty and inconsistency in ISSB standards implementation as the top challenge—up 15 percentage points from 2023.
 - 85% identified significant gaps in sustainability data, particularly around reliability, depth, and consistency.
- 4. Digital Assets and Artificial Intelligence (AI)** - For the first time, the survey explored digital assets and AI, identifying Singapore, Hong Kong, Japan, and Australia as leading markets from a regulatory standpoint. Firms expressed strong support for principles-based, risk-tiered AI regulation. For digital assets, participating firms preferred modular licensing, stablecoin regulation, and industry collaboration that balances innovation with oversight.
- 88% of participants support risk-tiered regulation for AI; 79% favor a principles-based approach.
 - Half of the participants have no immediate plans to offer digital assets; those who do prefer tokenized assets.
 - AI is primarily used for risk management and compliance, followed by investment research, customer service, and asset management.

To read a full version of the survey, please click [here](#).

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About ASIFMA:

ASIFMA is an independent, regional trade association with over 160 member firms comprising a diverse range of leading financial institutions from both the buy and sell side, including banks, asset managers, law firms and market infrastructure service providers. Together, we harness the shared interests of the financial industry to promote the development of liquid, deep and broad capital markets in Asia. ASIFMA advocates stable, innovative, and competitive Asian capital markets that are necessary to support the region's economic growth. We drive consensus, advocate solutions and effect change around key issues through the collective strength and clarity of one industry voice. Our many initiatives include consultations with regulators and exchanges, development of uniform industry standards, advocacy for enhanced markets through policy papers, and lowering the cost of doing business in the region. Through the GFMA alliance with SIFMA in the United States and AFME in Europe, ASIFMA also provides insights on global best practices and standards to benefit the region. More information about ASIFMA can be found at: www.asifma.org.