

PRESS RELEASE

ASIFMA survey signals soaring confidence in Asia Pacific capital markets, with competition for investment intensifying

An all-time high of 66% of firms plan expansion across Asia-Pacific

30 June 2026 (Hong Kong) – Confidence in Asia-Pacific capital markets has reached its highest point since the Asia-Pacific Capital Markets Survey was first published, with two-thirds of financial firms planning regional expansion over the next three years, according to the survey’s 2026 edition released today by the Asia Securities Industry and Financial Markets Association (ASIFMA) in collaboration with KPMG.

Now in its fifth annual edition, the survey assesses how ASIFMA member firms view operating conditions across APAC in terms of market development and the regulatory and operating environments. This year’s survey reflects responses from 34 ASIFMA members spanning 13 APAC markets, with the participant mix comprising 60% sell-side firms and 40% buy-side. The survey covered Australia, Chinese Mainland, Hong Kong SAR, India, Indonesia, Japan, South Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, and Vietnam.

“We are highly encouraged by the confidence in Asia-Pacific’s huge potential reflected in ASIFMA’s Asia-Pacific Capital Markets Survey results this year, despite geopolitical challenges. We can also see greater competition for global capital, with the survey providing a valuable barometer to track how that competition is playing out across the region’s capital markets,” said Peter Stein, CEO of ASIFMA.

The core finding of this survey is one of sustained positive sentiment toward Asia-Pacific. 66% of respondents indicate plans to expand their business in the region over the next three years — an all-time high, up from 59% last year and 40% in 2023/24. The proportion of participants with no expansion plans (22%) or who remain undecided (13%) is at a new low, and no firm reported plans to exit any surveyed APAC market.

The broader picture, however, suggests that competition among APAC jurisdictions for capital and investment is intensifying. Participants appear more selective and disciplined in how they deploy resources, with expansion intentions moderating in several traditionally core destinations and shifting in others. Firms are increasingly weighing relative attractiveness across markets, rather than treating APAC as a uniform growth opportunity.

“Participants highlighted the value they place in the Asia Pacific region, as both a key growth engine and a region of relative stability, supporting their long-term strategies. They also emphasized the ongoing efforts across individual markets to strengthen two-way dialogue with industry to ensure competitiveness while managing respective risks”, said David Lonergan, Head of Financial Services - Governance, Risk & Compliance Services, Hong Kong SAR, KPMG China.

“Through this report, we aim to help translate ongoing dialogue into meaningful action, bridging the gap between policy intent and implementation to support consistent progress across markets. We believe this report can play a role in enabling more coordinated engagement between regulators and industry, helping drive the next phase of growth across Asia Pacific markets”, he continued.

In terms of Digital Assets and Artificial Intelligence (AI), firms are channelling investment into regulated, lower-risk use cases, with regulatory clarity and cross-border harmonization cited as the most important enablers of further growth in both areas. Tokenized securities lead planned digital asset offerings while appetite for nascent or unregulated activities remains limited, and AI deployment is concentrated in back-office automation, customer service, and fraud detection with participants noting that fragmentation across APAC, in both digital asset and AI regulation, continues to constrain wider adoption.

Regarding ESG and Sustainable Finance, APAC participants remain committed to sustainable finance even as global sentiment cools, with the industry's own capability gap emerging as the principal area for development.

With respect to individual market assessment, Singapore retained its position as the region's top-ranked market for ease of doing business, with Hong Kong SAR reclaiming second place. India and Chinese Mainland both recorded notable upward movements in the rankings, reversing last year's declines. Across the region, the markets viewed as most attractive tend to combine open capital accounts, internationalized talent pools, predictable regulatory frameworks, and active two-way industry dialogue.

Summary of key findings:

1. Intention to expand – expansion sentiment reached an all-time high of 66%, up from 59% last year and 40% in 2024

- Expansion activity is increasingly concentrated in a select group of markets as follows:
1. Singapore 2. Hong Kong and South Korea (tied) 3. Chinese Mainland and Japan (tied) 4. India, Australia and Taiwan (tied) 5. Vietnam
- This year's data shows a sharp rise in South Korea's appeal, even as interest in the Chinese Mainland and India pulls back from previous peaks.
- While emerging ASEAN markets remain attractive for the future, firms are currently prioritizing these top-tier jurisdictions for immediate growth rather than spreading capital across smaller emerging markets.
- Two-thirds (66%) of those planning to expand intend to scale existing operations, and 63% plan to broaden product and service offerings within markets where they already have a footprint. Only 31% are looking to establish a presence in entirely new markets.
- High-turnover flow businesses — equities, fixed income and FX — dominate expansion plans, while balance-sheet-intensive and relationship-driven product lines see more selective capital commitment.
- The proportion of participants with no expansion plans (22%) or who remain undecided (13%) is at an all-time low.

2. Ease of doing business – mature markets remain the strongest performers, with notable upward movement for emerging APAC markets

- Singapore retained the top position, supported by the depth of its institutional infrastructure and consistency of regulatory engagement. Hong Kong SAR reclaimed second place, reflecting renewed confidence in its capital markets connectivity.
- India climbed from 8th to 5th, with participants welcoming the government's pro-business reform agenda and the consolidation of fragmented securities statutes under the new Securities Markets Code.

- Chinese Mainland rose from 11th to 7th, with participants citing expanded Connect schemes, QFII regime optimisation, improved hedging optionality, and broader foreign investor access reforms as evidence of incremental liberalisation.

3. ESG and Sustainable Finance – APAC participants remain committed to sustainable finance even as global sentiment cools, with the industry's own capability gap emerging as the principal area for development

- A combined 58% of respondents consider sustainable investing either "extremely" or "very" important to their business, with a further 30% viewing it as "somewhat" important.
- Assessments of ESG infrastructure across APAC have converged, with little now separating the highest- and lowest-ranked markets.
- Workforce training and enabling technology lead planned investments, and most respondents expect ISSB-aligned disclosure regimes to narrow remaining data gaps over time.

4. Digital Assets and Artificial Intelligence (AI) – participants continue to favour principles-based, risk-tiered approaches, with regulatory clarity and harmonisation cited as the most important enablers of further investment

- Tokenised securities lead planned digital asset offerings, while appetite for more nascent or unregulated activities — such as yield farming, DeFi lending, and DEX liquidity provision — remains limited.
- Participants describe digital asset regulation across Asia as more fragmented than comparable global frameworks, and rate markets offering regulatory clarity and familiar structures more highly.
- AI deployment is concentrated in back-office automation, customer service, and fraud detection — areas where return on investment is most direct and regulatory risk most manageable. A divergence in regulatory maturity is emerging across APAC, with jurisdictions pursuing independent paths and limited cross-border harmonisation.

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 140 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.

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