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PwC 2024 Global Investor Survey reveals top investor concerns for Singapore: Macroeconomic volatility, cyber risks, and geopolitical conflict

Around eight in 10 investing in Singapore urge companies to invest in both AI and talent

- Respondents who invest in Singapore rank macroeconomic volatility (51%), cyber risks (49%), and geopolitical conflicts (45%) as top concerns, while globally, cyber risks (36%) and

- geopolitical conflicts (36%) are the main worries
- More than half of respondents investing in Singapore expect significant increases in productivity (80% for Singapore; 66% globally), revenue (56% for Singapore; 63% globally), and profitability (54% for Singapore; 62% globally) from generative AI
- Six in 10 investors (60% for Singapore; 64% globally) urge companies to boost investments in reducing carbon emissions
- Respondents value data on cybersecurity and data privacy (47% for Singapore; 36% globally), human capital management (44% for Singapore; 37% globally), and supply chain management (44% for Singapore; 27% globally). 55% of investors for Singapore (62% globally) say AI has improved their ability to analyse this data

Embargoed until 3PM SGT, SINGAPORE, 4 December 2024 – Today, PwC launched the [2024 Global Investor Survey](#) which finds that around half of investors surveyed (49% for Singapore; 51% globally) expect the economy to grow over the next 12 months. Respondents who invest in Singapore rank macroeconomic volatility as the top concern at 51%, followed by cyber risks (49%) and geopolitical conflicts (45%). In contrast, globally, investors' greatest concerns are cyber risks (36%) and geopolitical conflict (36%), both of which are largely unchanged over the last two years but have slightly risen from 2023.

With these risks remaining top of mind for investors, almost nine in ten (88% for Singapore; 86% globally) agree that the ability of a company to manage through a crisis is an important factor in their investment decision-making. 60% of respondents who invest in Singapore and globally believe it is also very or extremely important that companies re-think their business models in response to supply chain instability – 71% for Singapore (68% globally) say they should increase their investment to de-risk them.

Investors want companies to invest in both people and AI

The pressure is on for companies to turn AI investment into impact, according to the report. 78% of respondents who invest in Singapore (73% globally) say companies should deploy AI solutions at scale, as overwhelmingly 80% (66% globally) expect the companies they invest in to deliver productivity increases from AI over the next 12 months, with 56% (63% globally) expecting revenue increases and 54% (62% globally) expecting it to increase profitability.

The report finds that 80% of respondents who invest in Singapore see technological change as the most significant driver of change for the businesses they invest in (71% globally) ahead of government regulation (66% for Singapore; 64% globally), geopolitics (66% for Singapore; 54% globally), supply chain instability (60% for Singapore and globally), and changes in customer preference (58% for Singapore; 61% globally).

Notably, investors are also not seeing a trade-off between AI and workers. Rather, 84% of respondents investing in Singapore (74% globally) urge the businesses to invest in upskilling their workforce. 29% of respondents who invest in Singapore (32% globally) expect AI to lead to headcount increases of 5% or more, while 36% (31% globally) expect little to no change in headcount.

Patrick Yeo, Deputy Markets Leader, PwC Singapore, says:

“Investors investing into Singapore no longer see AI as a “nice to have” showpiece but expect to see AI investments translate into tangible outcomes, driving up productivity leading to higher revenue and profitability. Rather than a zero-sum game, our survey also reveals investors’ expectations on businesses to upskill their workforce in tandem with investments in AI, with a good proportion expecting no change or even an increase in headcount. This aligns well with Singapore’s National AI strategy which will further enhance our position as an investment hub.”

Investors eye action on the impact of climate

Investors continue to prioritise action on the impact of climate. 29% of respondents who invest in Singapore (30% globally) expect that the companies they invest in will be highly or extremely exposed to threats from climate change within the next 12 months, up eight points from 2022, although down two points from 2023.

71% of respondents who invest in Singapore (75% globally) agreed that they would moderately or significantly increase their investment in companies that are taking a range of climate-related actions, with the greatest support for taking action to innovating products and services that enable customers to adapt and/or mitigate the impacts for climate change (80% for Singapore; 77% globally) and build sustainable supply chains by working with suppliers and communities (78% for Singapore, 80% globally). When assessing companies' net-zero transition plans 67% of respondents who invest in Singapore say governance (72% globally), followed by associated capital or operating expenditures (58% for Singapore; 68% globally) are very or extremely important. Additionally, 76% of respondents who invest in Singapore (71% globally) say companies should incorporate ESG/sustainability directly into their corporate strategies.

However, challenges remain – 54% of respondents who invest in Singapore (44% globally) agreed to a large or very large extent that corporate reporting about a company's sustainability performance contains unsupported claims – marking little change over the past two years. Not surprisingly, over seven in 10 surveyed (71% for Singapore; 73% globally) are demanding a level of detail in assurance reports on sustainability information that is comparable to that of financial audits.

Fang Eu-Lin, Sustainability and Climate Change Leader, PwC Singapore, says:

“It is not surprising that investors are continuing to prioritise action on climate as it has real bearing on business whether through physical or transition risks or keeping an eye on tangible opportunities. While the formative years in climate action were on setting the direction, the spotlight is now firmly on operationalising climate action, expressed through climate transition plans. Conducting climate transition plans is a strategic process, an

action plan to transition the company and its value chain to the new economy.”

Investors look beyond financial statements

Respondents who invest in Singapore value a wide range of data beyond financial information, particularly around cybersecurity and data privacy (47% for Singapore; 36% globally), human capital management (44% for Singapore; 37% globally), supply chain management (44% for Singapore; 27% globally), corporate governance (42% for Singapore; 40% globally) and innovation (42% for Singapore; 37% globally).

The report found that financial statements and note disclosures (69% for Singapore; 55% globally) followed by materiality assessment disclosures (65% for Singapore; 53% globally) are the top sources of information used by investors to assess companies. Most investors also report relying on multiple sources of information for the same objective, including dialogue with the company (62% for Singapore; 57% globally), third-party data sources (60% for Singapore; 44% globally), investor-focused communications (58% for Singapore; 61% globally), and ratings and scores from credit ratings agency (58% for Singapore; 43% globally). As investors look to qualitative data, AI may provide significant opportunities in analysing information published by companies – 55% of respondents who invest in Singapore (62% globally) say it has significantly or moderately increased their ability to do so.

Patrick Yeo, Deputy Markets Leader, PwC Singapore, says:


“Investors are increasingly looking beyond financial information and getting these information from multiple sources. Transparent and timely communication by management across these diverse information sources allowing investors to triangulate the information is vital for building trust with investors in Singapore’s competitive investment landscape.”

– Ends –

About PwC 2024 Global Investor Survey

In September 2024, PwC surveyed 345 investors and analysts across 24 countries and territories, including 45 respondents who invest in Singapore, and conducted in-depth interviews with 14 investment professionals. Respondents were predominantly institutional investors, comprising portfolio managers (21%), analysts (21%) and chief investment officers (23%), with 52% having more than ten years of experience in the industry. Their investments covered a range of asset classes, investing approaches and time horizons, and the assets under management (AUM) at their organisations range from <US\$500 million to US\$1 trillion or more; 53% of respondents are at organisations with total AUM of more than US\$10 billion.

About PwC

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 149 countries with more than 370,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

About PwC

At PwC, our purpose is to build trust in society and solve important problems - this is at the core of everything we do from the value we provide to our clients and society to the decisions we make as a firm.

Our services started with audit and assurance over a century ago. As times change and the issues faced by businesses and individuals evolved, we have developed specialised capabilities in tax, advisory and consulting to help you address emerging new challenges across focus areas like ESG, sustainability and climate change, digital transformation, cyber security and privacy, data, mergers and acquisitions, and more.

In Singapore, we have more than 3,500 partners and staff to help resolve complex issues and identify opportunities for public, private and government organisations to progress. As part of the PwC network with over 370,000 people in 149 countries, we are among the leading professional services networks in the world focusing on helping organisations and individuals create the value they are looking for.

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