

# Clients First

An Interview with Gerardo Mato, Chairman of Global Banking & Markets – Americas, HSBC Securities (USA) Inc.

**EDITORS' NOTE** Gerardo Mato is Chairman of Global Banking & Markets – Americas, at HSBC Securities (USA) Inc., a subsidiary of HSBC Holdings plc, one of the world's leading and largest banking and financial services organizations. Mato has more than 30 years of experience in Investment Banking, Markets, and in the Corporate Banking business across the Americas. He joined HSBC in 2002 from Merrill Lynch. He sits on the boards of the Council of the Americas and The Atlantic Council. Mato is Chairman of the Atlantic Council's Adrienne Arsht Latin America Center and is Co-Chair of the U.S. Chamber of Commerce. He is the Chairman of the Advisory Council for the China General Chamber of Commerce. Mato's post-graduate studies include the Wharton School of Business and Harvard Business School.



Gerardo Mato

**Will you highlight the history of HSBC's Global Banking & Markets business in the Americas and what have been the keys to the strength of the business?**

When I joined HSBC, I was asked to develop the emerging market piece from New York to the world, including building out the Latin American franchise. I attribute our success to a combination of factors. HSBC is a true global bank which offered different alternatives than what was currently being offered by mostly American

banks. We were able to open new markets globally and provide creative ideas and solutions. For example, Latin America was very dependent on the U.S. market and we were able to open new markets like the Sterling market, the Asian market and the European market. This allowed us to bring clients different products and alternative ways to finance them that were not previously on the table. We also brought a global investor base that was not focused on Latin America at that time.

A key to our success has been the strong relationships we have built throughout the region as well as our focus on looking for the synergies that existed throughout the Americas in order to look at it as a whole region. The culture of HSBC is one of our key strengths where we prioritize clients first. My approach

to the business was never to ask how much money we were making, but rather to be sure the client was happy. This is the culture in the bank – it is about serving clients and putting clients first. To give you an idea of what that challenge represented at that time, HSBC was thought by many to be a hospital (Hospital San Bernardo do Campo). That was our starting point and we've come a long way to be at the top of the league tables.

**How has the global pandemic impacted HSBC's business in the region?**

The pandemic has clearly caused uncertainty and challenges for the global economy, but it has also created new opportunities. If addressed effectively, Latin America can use this moment to leapfrog in the global economy. I believe that the region has been hit the hardest by the pandemic, but this has created all types of possibilities. The pandemic has changed the way HSBC operates as we have been working from home. I am so proud of our employees who have kept a positive attitude and have continued to focus on the needs of our clients. In 2020, the largest deal that was done in the world was the Argentine debt restructuring and HSBC was the leading bank. This debt restructuring was a challenge for the government, the bank, and the investors as this needed to be done through Zoom and phone calls, but everyone stepped up and made it happen. It was very important for this deal to happen because if

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Argentina would not have been able to restructure the debt, the country and the economy would have gone into a much deeper depression which would have caused great challenges and strain on the people of the country. HSBC's ability to help solve this issue directly impacted the lives of people.

We have to face the fact that the world has changed, but with technology and the ability of our people to adapt and adjust to the crisis, we have proved that it is possible to continue to perform well and take care of our clients.

**You mentioned HSBC's focus on putting clients first. Do you worry that technology is going to take away from the human touch and personal relationship that is such a priority for HSBC?**

That is a great question, but as I said before, you can go a long way with technology to execute deals although it will never replace human interaction 100 percent. I believe that personal meetings will always be critical for certain deals and situations. Being together in a room makes you more social and you discuss personal things like family and hobbies which creates the bond between the client and the banker. We are human beings and that connectivity is critical. It is not possible to build a new relationship on Zoom the same way you do in person, because at the end of the day our business is about building trust. In order to do this, you need to focus on the human

side and to truly get to know the client which happens when you are together in person. We are a bank, but we are comprised of people and our success is based on the creativity of our team and the trust we build with our clients.

**How critical is it for HSBC to be engaged in the communities it serves and to be a good corporate citizen?**

We cannot ignore what is happening in the world and what the social needs are, especially now when we need to be mindful that the pandemic has changed the world. The question is how we can help the communities we serve and the world more broadly. HSBC is the leading bank in sustainability which is a key aspect of our strategy. We are very committed to the transition to low carbon economies and we support investments in this area.

One example of the importance of our work for society is the recently announced proposed acquisition of ISA by Ecopetrol. We have supported Ecopetrol in this important step towards becoming a more sustainable company by incorporating a significant business that will be a big enabler of the energy transition process. HSBC's ability to help in facilitating this transaction will have a significant impact on the lives of people. We support the communities we serve and it is important that these communities are doing well and growing in order for our business to be successful.

**You commit your time and energy to the Adrienne Arsht Latin America Center at the Atlantic Council. What interested you in working with the Center and how do you define the Center's mission?**

The first issue for the Center was to make sure we assembled the right board, and by this I mean not just politicians and economists, but a broad range of people. We need people who are connected to the region and who are sensitive to its needs and issues. I believe that the ultimate goal of the Center is to touch someone's life for the better. We want to face the realities that are taking place in the region and understand how we can make a positive impact. An example of the work of the Center goes back to the Argentine debt restructuring. We used the Adrienne Arsht Latin America Center as a resource to connect investors with the Minister of Finance and President of the country which was crucial for the success of the deal. The Center does not have any political bias – we are neutral and felt that communication was critical at the time of the restructuring. We wanted to help facilitate this in order to be a positive force.

Adrienne is a special person and truly loves the region and she has so much energy and passion that she will not stop until the Center makes a difference. Adrienne is not just a name on the Center, she is the engine that drives its work. Adrienne has great contacts in the region as do all of the Center's board members, and it is about connecting the dots in order to make someone's life better. ●

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