

LEADERSHIP DIALOGUES

BUILDING TRUST IN THE GLOBAL GOLD MARKET WITH PAWAN NAWAWATTANASUB, CEO OF YLG BULLION SINGAPORE

By SBMA

In the high-stakes world of gold trading, trust and rigorous compliance are not just ideals – they are the very foundations upon which successful and sustainable businesses are built. YLG Bullion, established in 2003 by Pawan Nawawattanasub, has grown from Thailand's leading gold trading company to a significant player in Southeast Asia, with a strong presence in Singapore.

This journey, spanning two decades and navigating diverse regulatory landscapes, offers invaluable insights into maintaining integrity and fostering growth in a complex global market. Crucible recently had the opportunity to speak with Pawan, CEO of YLG Bullion Singapore, to delve into the critical aspects of trust, compliance, and the evolving future of the gold industry.

In this exclusive Leadership Dialogues feature, Pawan shares her perspectives and the strategies that have underpinned YLG's success.

THE GOLD INDUSTRY IS BUILT ON TRUST. WHAT ARE THE KEY CHALLENGES IN MAINTAINING TRUST IN TODAY'S GLOBAL MARKET, AND HOW HAS YLG ADDRESSED THEM?

Trust is the foundation that underpins and sustains the growth of the gold industry.

At YLG, we place the utmost importance on building and maintaining the trust of our clients through transparency, adherence to international standards, and the consistent delivery of high-quality services.

We firmly believe that trust must be earned through consistent actions and safeguarded with unwavering commitment every single day.

To reinforce this commitment, we have cultivated a strong and unblemished track record spanning more than two decades, supported by thousands of successful transactions without discrepancies.



COMPLIANCE IS A CRITICAL ASPECT OF THE GOLD INDUSTRY. COULD YOU SHARE SOME SPECIFIC EXAMPLES OF HOW YLG HAS GONE BEYOND BASIC REGULATORY REQUIREMENTS TO ENSURE COMPLIANCE?

For YLG, compliance isn't just about meeting the minimum requirements – it's deeply ingrained in how we operate. We take a very proactive stance, starting with a highly structured and in-depth Know Your Customer (KYC) process right from the outset.

Our KYC goes beyond basic identity checks and is built on four key pillars. First, we thoroughly assess a customer's history and track record to understand their business stability and past success. Second, we evaluate their product knowledge to ensure they understand gold trading, helping us

distinguish serious traders. Third, we examine their industry network – who they work with and their reputation within the bullion community. Finally, we verify their financial capability through checks like bank statements and trade history to prevent defaults.

Based on this comprehensive assessment, we categorise customers by risk – A for low risk, B for solid networks and experience, and C for newer or smaller players with limited history. This structured approach allows us to effectively mitigate fraud and safeguard the integrity of our business and the wider industry.

Beyond standard regulations, we also place a strong emphasis on responsible gold sourcing. While not explicitly mandated for registered dealers to the same extent, we view it as a crucial ethical responsibility. We align ourselves with the London Bullion Market Association (LBMA) responsible sourcing principles and conduct thorough due diligence on our counterparties. To further this commitment, we actively engage with our suppliers, requiring them to adhere to policies aligned with LBMA and OECD guidelines.

Ultimately, our approach to compliance is about more than just following rules, but about actively working to ensure ethical practices and the integrity of the gold market at every step.

HOW HAS THE RISE OF DIGITAL PLATFORMS IMPACTED TRUST AND COMPLIANCE IN THE GOLD TRADING INDUSTRY? WHAT MEASURES HAS YLG TAKEN TO SAFEGUARD CUSTOMER DATA AND PREVENT FRAUD?

Digital platforms have brought speed and accessibility to gold trading but also new trust and compliance challenges, especially in cybersecurity and fraud. To address this, we've adapted our approach with several key measures.

We maintain our strict KYC process even online, thoroughly assessing customer backgrounds digitally. Our risk-based customer segmentation continues to guide our digital monitoring.

We've invested in a secure digital infrastructure with encrypted systems and robust cybersecurity protocols to protect data and transactions. We actively monitor for fraud indicators like inconsistent information and unusual activity, using specific tools for digital identity verification.

Finally, we prioritise educating our customers about online trading processes and security best practices to build trust in the digital environment.

IN YOUR OPINION, WHAT ARE THE MOST SIGNIFICANT TRENDS SHAPING THE FUTURE OF THE GOLD INDUSTRY AND HOW IS YLG PREPARING FOR THEM?

I believe the most significant trend shaping the gold industry's future is undoubtedly digitalisation. The pandemic accelerated this shift, with more consumers and retailers now preferring the convenience and real-time access offered by online platforms, both in Thailand and globally.

At YLG, we've proactively embraced this evolution. We launched a mobile trading application providing customers with a modern experience, enabling 24/7 gold trading in multiple currencies with live pricing. This caters directly to the growing demand for flexible digital solutions.

Beyond trading platforms, we also see the increasing importance of technologies like blockchain in enhancing transparency and trust within the gold supply chain. Initiatives like the Gold Bar Integrity Programme are setting new standards. YLG is closely monitoring these advancements to potentially integrate them into our operations, further bolstering authenticity and responsible sourcing.

In essence, the digital transformation is reshaping client interactions and supply chain management. YLG is committed to staying ahead by investing in advanced technologies and digital platforms that improve customer experience, ensure robust compliance, and maintain the integrity of the gold market.

YLG HAS EXPANDED FROM THAILAND TO SINGAPORE. WHAT WERE THE BIGGEST CULTURAL AND REGULATORY DIFFERENCES YOU HAD TO OVERCOME?

Rather than seeing it as a challenge to overcome, we viewed the expansion as an opportunity to understand and respect the different regulatory frameworks in each market.

In Thailand, physical gold trading is traditionally conducted outside of the banking sector, as banks generally do not engage directly in bullion transactions. The industry operates under a well-structured and centralised regulatory framework, with the Bank of Thailand overseeing activities. All transactions are reported to the central bank, ensuring strong oversight and transparency across the market.

Singapore, on the other hand, has a more open and diversified bullion landscape. Financial institutions such as banks and wealth managers are active participants in gold trading. The regulatory environment is broader, with oversight shared among multiple agencies. For example, financial institutions are regulated by the Monetary Authority of Singapore (MAS), while bullion dealers like YLG must be registered under the Precious Stones and Precious Metals Act (PSPM) and are supervised by the Ministry of Law.

This contrast – centralised regulation in Thailand versus a multi-agency system in Singapore – has shaped how we tailor our operations to align with local expectations, while maintaining our core standards of compliance, transparency, and trust.

WHAT ADVICE WOULD YOU GIVE TO OTHER GOLD TRADING BUSINESSES LOOKING TO BUILD AND MAINTAIN TRUST IN THE MARKET?

In the bullion industry, trust is everything—and there are no shortcuts to earning it. Like Rome, trust isn't built in a day, but one misstep can destroy it overnight. My advice to others in the gold trading business is simple: put integrity at the centre of everything you do, from the first customer interaction to every trade execution.

We've learned that trust is built through consistency, transparency, and strong relationships. This means conducting thorough KYC, complying fully with regulations, partnering with reputable banks and refineries, and delivering on every promise. Even when challenges arise, staying honest and communicative makes all the difference.

In this business, your reputation is your strongest currency. Protect it with care, and it will open doors for years to come.