

# Earning Investors' Trust: Focus on Singapore

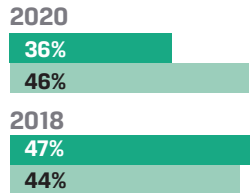


## Information Is Essential

Although confidence in the state pension system is high, trust in financial services is low.

### TRUST IN THE FINANCIAL SERVICES INDUSTRY

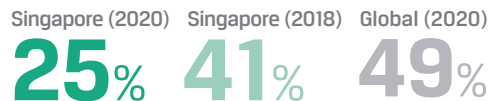
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### CONFIDENCE IN RECEIVING STATE-SPONSORED PENSION BENEFITS



### BELIEVE THEIR INVESTMENT FIRMS ARE WELL PREPARED TO MANAGE THEIR PORTFOLIO THROUGH A CRISIS

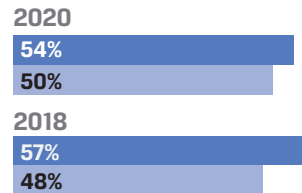


## Innovation and Tech Enhance Trust

Trust in the industry is driven by technological innovation, as well as the human touch that advisers provide.

### IMPORTANCE OF ACCESS TO TECH VS ADVISER

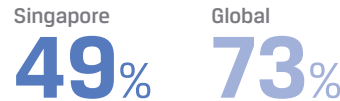
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### INVESTORS WOULD CONSIDER THE USE OF AI TO SELECT INVESTMENTS



### TRUST INVESTMENT ADVICE FROM HUMANS OVER ROBO-ADVISERS

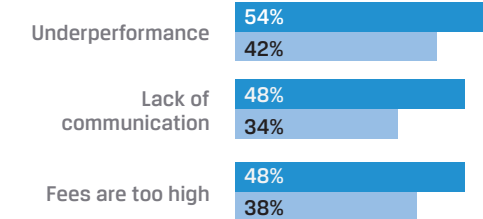


## Investors Want Greater Influence and Control

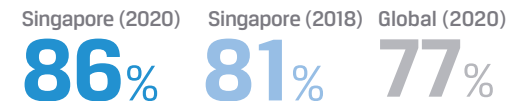
Performance, personalization, and social impact are high priorities for investors.

### CONSIDERATIONS TO LEAVE AN ADVISER

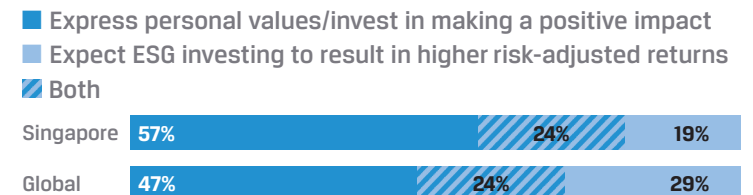
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### HAVE INTEREST IN PERSONALIZED INVESTMENT PRODUCTS



### REASON TO INVEST IN ESG



# Credibility and Professionalism

How Investment Professionals and Firms Can Take Action



Regulation of the domestic markets over five years has affected trust in regulators' ability to protect investors, with 38% of investors in Singapore trusting more, 29% trusting less, and 33% feeling the same.

## CREDIBILITY

- 1 MAINTAIN STRONG BRAND IDENTITY AND FOLLOW THROUGH ON BRAND PROMISES

### PREFERENCES WHEN HIRING AN INVESTMENT FIRM

■ People that can be counted on ■ A trusted brand

#### Singapore



#### Global



- 2 EMPLOY PROFESSIONALS WITH CREDENTIALS FROM RESPECTED INDUSTRY ORGANIZATIONS

### SATISFIED WITH THE LEVEL OF CREDENTIALING IN THE INDUSTRY



- 3 STAY FOCUSED ON BUILDING A LONG-TERM TRACK RECORD TO DEMONSTRATE COMPETENCE AND DELIVER VALUE

### IMPORTANT THAT ADVISER GENERATES RETURNS SIMILAR TO OR BETTER THAN A TARGET BENCHMARK



- 4 ADOPT A CODE OF CONDUCT TO REINFORCE YOUR FIRM'S COMMITMENT TO ETHICS

### TRUST ADVISER MORE IF THEY COMPLY WITH A VOLUNTARY CODE OF CONDUCT



## PROFESSIONALISM

- 5 IMPROVE TRANSPARENCY AND CLARITY REGARDING FEES AND CONFLICTS OF INTEREST

### LEVEL OF ADVISER TRANSPARENCY

■ Very transparent ■ Transparent ■ Not transparent

#### Conflicts of Interest



#### Fees



- 6 USE CLEAR LANGUAGE TO DEMONSTRATE THAT CLIENT INTERESTS COME FIRST

### INVESTORS IN SINGAPORE WANT INVESTMENT REPORTS



- 7 SHOWCASE YOUR ONGOING PROFESSIONAL DEVELOPMENT TO IMPROVE INVESTMENT KNOWLEDGE

### BELIEVE CONTINUING EDUCATION LEADS TO BETTER PORTFOLIO MANAGEMENT



- 8 DEMONSTRATE YOUR DEDICATION TO THE VALUES THAT CLIENTS HOLD DEAR

### ADVISER ALWAYS PUTS CLIENTS' INTERESTS FIRST



## ABOUT THE SURVEY

In 2019, CFA Institute and Greenwich Associates conducted a global survey of 3,525 retail investors and 921 institutional investors, including 100 retail investors and 25 institutional investors from Singapore. Retail investors were 25 years or older with investible assets of at least US\$100,000. Institutional investors included individuals responsible for investment decisions with at least US\$50 million assets under management, from public and private pension funds, endowments and foundations, insurance companies, and sovereign wealth funds. **For more information, visit [trust.cfa-institute.org](https://trust.cfa-institute.org)**

