



Welcome Remarks by Datuk Syed Zaid Albar
Chairman, Securities Commission Malaysia
Virtual InvestSmart® Fest 2021 (Virtual ISF 2021)
8 October 2021

Assalamualaikum wbt dan Salam Sejahtera
Ladies and Gentlemen

1. Good morning and welcome to the Virtual InvestSmart® Fest 2021, themed *#Jaga Diri, #Jaga Pelaburan*.
2. The COVID-19 pandemic has taught us many things. One is that we are resilient. This virtual event is a testimony of how quickly we have adapted to new ways of doing things.
3. But we also learned that we were not prepared for a crisis such as this. A financial literacy survey conducted in 2020, for example, revealed that 53 percent of respondents are unable to survive on their savings for more than three months if they lose their main source of income.
4. This situation will be further exacerbated by 2030, when Malaysia is expected to become an ageing society, with people aged 60 and above making up 15 percent of the population. Structurally, this poses a challenge for the Malaysian retirement savings landscape.
5. Currently, about 40 percent of the Malaysian population is estimated to be uncovered by any form of social protection, and many under the formal retirement system are expected to face insufficient funds for retirement.
6. COVID-19 has disrupted businesses and livelihoods, forcing many people to use to their EPF savings to supplement their income during the crisis, resulting in lower retirement savings.

7. Concerns have been raised about retirement security, particularly given that about 46 percent of EPF members under the age of 55 have less than RM10,000 in their EPF accounts. The pandemic has also resulted in a significant drop in percentage of members meeting the basic savings threshold of RM240,000 at age 55 from 36 percent to 27 percent
8. There is a Malay proverb, 'Sediakan payung sebelum hujan' – this best summarises the importance of financial planning, especially in the light of the lessons learnt from the pandemic. Preparation is key... before you start investing for the rainy day, or another unexpected crisis.

Ladies and Gentlemen

9. One of the things that the pandemic has reminded me of... is that health is of utmost importance, as well as the happiness and financial security of our loved ones. While we all have different needs and commitments, it is never too late to start planning your financial future.
10. Over the next three days, we have prepared a comprehensive programme to cater to a wide range of investors with varying backgrounds and investing goals.
11. One of our popular offerings is the #FinPlan4U which provides free financial planning sessions. Do take the opportunity to sign up for one of these sessions. Learn how to prepare for the next crisis through a consultation with a certified financial planner. These free online sessions, which began on Monday 4th October, will continue until Sunday 10th October.
12. Through this session, you will learn how to make your money work harder for you and your future. How to diversify your income, and how to invest in different products that can provide multiple income streams so that they can act as a buffer in difficult times.
13. As you prepare for your financial future - besides knowing what to do - you also need to know what to look out for. What are the danger signs that you may encounter on your journey ahead.
14. Unfortunately, there will be unscrupulous people who will try to take advantage of others' vulnerabilities especially during this challenging period.

15. Against this backdrop, I wish to highlight two key issues that are the focus of the SC's investor protection initiatives. The first is our ongoing fight against investment scams. The second is dealing with unlicensed market operators and investment advisers.

Ladies and Gentlemen

16. Scams continue to be a source of concern for us at the SC. We have seen a significant jump in the number of complaints and enquiries received. As of September 2021, the SC has received over 2,000 queries and complaints about illegal investment schemes or scams¹. This is more than double the total number reported in 2020.
17. These scams typically promise high returns within a short period of time, with little or no risk. They are frequently promoted through social media channels, with payments required into mule bank accounts operated by scammers.
18. Please be especially cautious of such investments. When investing, never deposit your money into someone's personal bank account.
19. In response, we have taken swift action to combat these scams. As at 30 September 2021, we have made 202 new entries in the SC's Investor Alert, compared to 134 entries for the entire year of 2020.
20. This year alone, with the help of the Malaysian Communications and Multimedia Commission (MCMC) and Facebook Malaysia, we have managed to block 97 websites and 7 Facebook accounts.

Ladies and Gentlemen

21. Aside from investment scams, we have also seen an increase in the number of activities carried out without the necessary licence or registration with the SC.
22. This year, the SC took enforcement action against two foreign digital asset exchanges² (DAX), reprimanding and blocking their websites for operating illegally in Malaysia.

¹ As of Sept 2021, the SC has received a total of 2,041 queries and complaints on illegal investment schemes or scams

² Binance and Remitano

23. Investors should be aware that those who trade on unregistered DAXes are not protected under Malaysian securities laws and are exposed to fraud and money laundering risks.
24. As of 30 September 2021, the SC has included 38 operators on its Investor Alert List, comprising entities and related individuals for carrying on the business of investment advice without a licence.
25. We also directed 29 of these operators to cease and desist from providing unlicensed investment advice. These activities were typically carried out by self-proclaimed “investment gurus” who offered their services through subscription-based private chat groups on Telegram, WhatsApp and Facebook.
26. If you encounter them, do not engage with these unlicensed individuals. They may be receiving advice from unqualified persons or are being used as part of a market manipulation scheme.
27. What you can do instead is equip yourselves with the right knowledge and investment information. In fact, this year’s InvestSmart® Fest will feature talks by licensed investment advisers. We hope this will help you become acquainted with the nature and quality of advice that can be expected from qualified and licensed advisers.

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28. Now... in its eighth year, InvestSmart® Fest coincides with the Financial Education Network (FEN)’s Financial Literacy Month 2021, and the IOSCO World Investor Week 2021, a global effort among capital market regulators to raise awareness about the importance of investor education and protection.
29. Besides the talks by licensed investment advisers and the #FinPlan4U financial planning sessions that I mentioned earlier, there is also the InvestSmart® Fest Youth Public Speaking Competition, which is being held in collaboration with the Malaysian Institute for Debate and Public Speaking.
30. This competition is open to Malaysian youths aged between 15 to 30 to raise the level of financial and investment literacy as well as anti-scam awareness.

31. We are also hosting a Virtual ScamBuster Treasure Hunt on Sunday, with attractive prizes to be won. This is a fun and educational experience aimed to promote anti-scam awareness.

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32. Investor education will continue to be a key priority for the SC. Two weeks ago, the SC unveiled our third Capital Market Masterplan. We have identified investor empowerment as one of the thrusts for the capital market.
33. We will also continue to carry out initiatives in support of the F-E-N's Malaysia National Strategy for Financial Literacy to elevate financial literacy among Malaysians and promote responsible financial behaviours.
34. Before I conclude, I would like to thank our event partners, namely, Bursa Malaysia Berhad, Malaysian Financial Planning Council and Financial Planning Association of Malaysia, as well as all our esteemed speakers and exhibitors for their continued support.
35. I would also like to extend my heartfelt thanks and appreciation to all of you for taking the time to attend and participate in our activities.
36. With that, it gives me great pleasure to officially open InvestSmart® Fest 2021.

Thank you.