



**Opening Remarks
by Ms Yew Yee Tee
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Yang Berbahagia Datuk Umar Swift, CEO of Bursa Msia
Management Team of the SC
Distinguished guests, ladies and gentlemen
Members of the media

1. Welcome to the InvestSmart® Fest 2024, the flagship event of the Securities Commission Malaysia (SC). Our goal is simple but critical - to empower Malaysians with the knowledge and tools they need to make informed financial decisions.
2. This year's theme *Bijak Labur, Hidup Makmur*, calls on all of us to invest wisely, for a more prosperous and secure future.
3. This event coincides with two important initiatives - the Financial Education Network's (FEN) Financial Literacy Month and IOSCO's World Investor Week. This highlights the important role that financial literacy plays in our everyday lives.
4. Since its inception in 2014, InvestSmart® has reached millions of Malaysians, both physically and digitally. This year, we continue our mission to provide you with comprehensive tools and knowledge to help you navigate the complexities of today's financial landscape.

Retirement Planning – A Pressing Concern

5. One of the nation's biggest challenges is the lack of sufficient retirement savings.
6. This issue has become even more pressing in our post-pandemic world, compounded by demographic shifts and economic uncertainties.

7. Some of the concerning facts include:-
 - (a) Based on the EPF Basic Savings Quantum, retirees should have basic savings of at least RM240,000 to support 20 years of retirement. However, in 2023, only 33% of members met this target;
 - (b) In a recent SC study, respondents were asked if their savings were sufficient for retirement, and how long it can sustain them after retirement. The findings were underwhelming - 54% believed that their current savings were insufficient for retirement. Only 16% indicated they would have enough for more than 20 years, while a worrying 18% stated it can only sustain them for 5 years or less.; and
8. With the life expectancy for Malaysia now at 76.6 years coupled with inflation and rising living costs, it is more crucial than ever for all of us to be equipped with financial awareness and literacy as early as possible.
9. Today, it is easier than ever to start investing with the breadth of the offerings in the market. With as little as RM50, platforms like equity crowdfunding (ECF), peer-to-peer financing (P2P financing), Digital Investment Management (DIM) and Digital Asset Exchanges offer accessible entry points alongside traditional investments such as stocks and unit trust etc. So, please explore the various capital market products and services offered by licensed and registered entities here today.

Scams and Unlicensed Activities, and Mule Bank Accounts

10. With greater awareness as to the importance of investing as well as greater advancement in technology, we also see proliferation of scams and unlicensed activities, so due care and vigilance are essential in investing.
11. Scams and unlicensed activities continue to be a growing concern. In 2023 the SC received 3,262 public complaints and enquiries on various scams and unlicensed activities, a 321% increase from 2019. As of 3Q2024, we have already received 3,380 complaints and enquiries, an increase of a 28% compared to last year, and these numbers involve new and sophisticated fraudulent schemes using deepfake technology and ever changing modus operandi. The positive side to this is that we also see greater awareness and scepticism amongst the public where many of these complainants and enquirers coming forth to the SC have not fallen victims to these scams (as compared to previous years).

12. Most scams share a common element—the use of mule bank accounts. Mule accounts involve instances where victims are persuaded to rent out their bank accounts which are used by scammers to illegally receive and move ill-gotten funds. Therefore, I advise you to never allow your bank accounts to be used as mule accounts. The monetary reward offered is not worth the while. Since 2022, the SC has acted against 19 mule account holders for receiving proceeds of unlawful activities, where enforcement actions were taken including imposition of fines in hundreds of thousands.
13. This year, the Penal Code (Amd) Bill 2024 was passed at Dewan Rakyat to combat online crimes using mule account for online fraud where, amongst others, mules are now being liable to fines of min RM10k and jail terms of at least 1 year if found guilty.
14. Also beyond such enforcement actions, these individuals would also faced other consequences such as not being allowed by banks to maintain or open bank accounts resulting in these individuals facing challenges in finding work or operating a business, both of which requires a bank account.
15. In combatting scams and unlicensed activities, the SC adopts a multi-pronged approach consisting of investor awareness and education, monitoring, surveillance as well as enforcement. Despite these various regulatory interventions by the SC, the key challenge has always been how to get the right warnings to the right people and before they become victims as most times those who need warnings most aren't seeing these warnings.
16. To date, key interventions by the SC include:-
 - (a) Through the updates of the SC's Investor Alert List with entries of new scams and unlicensed activities - As at 3Q2024, we have added 184 new scams and unlicensed activities entries to the Investor Alert List. And to date, we have a total of 1,311 entries in our Investor Alert List. The ease of checking these entries and identifying legitimacy of an entity offering investment opportunity has also been made through the recent introduction by the SC of the Investment Checker, a one stop search app;
 - (b) Blocking 114 websites and 191 social media accounts such as TG, FB, Instagram, X and Tik Tok so that these illegal or scam sites are not accessible to the public. This is made possible thanks to information from the public through our Aduan channel as well as SC's proactive surveillance.

- (c) Consistently develop new contents where we infuse financial and investment literacy as well as anti-scam content via various methods of delivery such as short videos, gamification, comic strips as well as e-learning. I am excited to introduce SC's latest anti-scam video featuring our very own homegrown comedian, Douglas Lim at this event today. The video will be launched immediately after this so stay tuned.
- (d) Where contraventions are detected, enforcement actions where this year itself, we have also initiated three enforcement actions for 3 cases and charged 7 consisting of 2 entities and 5 individuals in court.
- (e) The SC also continuously updates the public of new scam modus operandi as and when we detect these through issuance of media releases and communication blast to our capital market intermediaries. For example, this year alone as of Q3 2024, the SC has issued three industry blast (communication to all intermediaries) and three media releases.

Concerns on Finfluencers

- 17. Another area of concern that I would like to touch on is finfluencers. In today's digital age, many turn to social media and other digital platforms for information and advice, giving rise to 'finfluencers'.
- 18. Relying on finfluencers without investment knowledge and independent due diligence comes with risks. They may not be knowledgeable, and in some cases, their activity may require a licence from the SC and they are not licensed.
- 19. Globally, regulators are stepping up and taking action against irresponsible finfluencers who promote products and may either intentionally or unintentionally mislead consumers. We see for example in US, the securities regulator has taken action against finfluencers promoting crypto assets with notable cases such as reality TV star Kim Kardashian who was fined \$1.26 million for promoting tokens without properly disclosing that she was paid for it as well as the likes of actress Lindsay Lohan and YouTuber Jake Paul who were also taken to task for allegedly unlawfully promoting crypto asset securities. As influencers come under increasing scrutiny, they need to be acutely aware that their actions could have serious consequences.

20. For aspiring influencers looking for the attention of brands to become paid promoters, please take note. The landscape is changing. Adherence to regulations is not just a legal obligation but a necessity to maintain credibility and avoid severe penalties.
21. In addition, investors need to be made aware of the risk of accepting financial advice from social media posts and influencers/finfluencers. While social media has become an important platform for investors to share both the positive and negative experiences with brands, it can be dangerous to take financial advice from unknown or unlicensed individuals.
22. In this respect, the SC recently updated the *Guidance Note on the Provision of Investment Advice*, to explain the role of finfluencer and if their activities require a licence and we will continue to monitor this space.

Investor Empowerment initiatives by the SC

23. And of course before I end my speech, I must also remind all of you of the SC's TIPU formula for scams, a quick way to identify red flags of any investment offerings. It stands for Tidak Akan Rugi, Indah Khobar Dari Rupa, Peluang Hanya Sekali, Untung Besar which are all telltale signs of scams. Remember this as throughout the next few days in this event, you may be tested on this particularly at the Anti-Scam Zone.

Closing

24. In closing, I want to leave you with a final thought. Financial literacy is not just about knowing how to invest, it is about empowering yourself and your future. The knowledge you gain here today can be the difference between falling victim to a scam and securing a prosperous future for yourself and your family. Everyone is encouraged to take advantage of the various investor education initiatives rolled out in this event. They are in various mediums – social media, bite size videos, print, broadcast, media releases, as well as direct engagements.
25. Beyond this event, the SC has made available various tools to facilitate better investment decision so pls make use of these tools.
26. Before I end my speech, I would like to extend my deepest appreciation to our partners, including Bursa Malaysia, FIMM, FPAM, and MFPC, for their support in making this event possible.

Thank you, and I wish you all the best in your financial journey.