

FOR IMMEDIATE RELEASE

## **iFAST Singapore Launches Stocks Platform to Support FA Industry's Phase 2 of Growth**

**The stock dealing commission rates via the Wrap Account can be as low as 0.075%**

- With the availability of SGX B2B stockbroking services on iFAST Singapore from 14 July 2017, and recent proposals from MAS that can make it easier for wealth advisers to advise on a broader range of investment products, including stocks, iFAST Singapore sees the FA industry in Singapore embarking on Phase 2 of its growth
- Wealth advisers from the FA companies that use the iFAST Singapore platform can now add value to their clients by including stocks into their clients' Wrap Account, which includes other investment products such as funds, bonds and ETFs
- With an emphasis on growing assets under advice, wealth advisers can have a competitive fee structure when it comes to charging stock commission rates; the stock dealing commission rates can be as low as 0.075% (subject to a minimum of S\$15 per trade), substantially lower than the stock commission rates charged by brokerage firms and private banks in the market

*SINGAPORE (14 July 2017)* — iFAST Financial Pte Ltd (“iFAST Singapore” or the “Company”), the Singapore subsidiary of SGX-ST Mainboard-listed iFAST Corporation Ltd. (iFAST Corp), has launched SGX-listed stockbroking services on its Business-to-Business (B2B) platform today. iFAST’s B2B platform caters to the specialised needs of over 50 financial advisory (FA) companies, financial institutions, banks, and multinational companies, which provide wealth management solutions for non-DIY clients. The launch follows iFAST Singapore’s admission as a Trading Member of Singapore Exchange Securities Trading Limited (SGX-ST), and a Clearing Member of The Central Depository (Pte) Limited (CDP) in June 2017.

Based on the Consultation Paper on “Provision of digital advisory services” released on 7 June 2017 by the Monetary Authority of Singapore (MAS), there are proposals that can make it easier for wealth advisers to advise on a broader range of investment products, including stocks and bonds. In addition, the proposals can also help wealth advisers to adopt digital strategies that can help their clients with portfolio

rebalancing.

Mr Lim Chung Chun, Chairman and CEO, iFAST Corp, has welcomed the proposed initiatives in the Consultation Paper: “If the proposals go through, the local FA companies will find increasing support to grow and expand their advisory business. With the FAs playing a more vibrant role in the wealth management industry, Singapore’s position as a leading wealth management centre will continue to be greatly strengthened.”

### **Wrap Account model allows for long-term alignment of interest between advisers and clients**

With the introduction of stocks on the iFAST Singapore platform, wealth advisers in Singapore will have a better overview of their clients’ investment portfolios. The Wrap Account offered by FA companies using the iFAST B2B platform combines the clients’ assets under advice in various investment products, including unit trusts, bonds and Exchange Traded Funds (ETFs). Wealth advisers earn an advisory fee, known as a wrap fee, on the clients’ assets under advice. This revenue model tends to align the interest of the client and the adviser; when the client’s portfolio grows, the adviser is also rewarded as the wrap fee also increases.

“Historically, an over-reliance on contra trading in the stockbroking industry has meant that stocks are seen as speculative, and not as long-term investment options that can help grow investors’ income and wealth. With the proper investment planning process, based on fundamental research, and taking into account the investment timeframe, stock investing should be profitable in the long run,” added Mr Lim Chung Chun.

With an emphasis on growing assets under advice, wealth advisers can have a competitive fee structure when it comes to charging stock commission rates. “Wealth advisers are driven by providing robust wealth management solutions that can help to grow their clients’ portfolios and their own recurring revenues. This business model enables wealth advisers to charge stock commission rates that can be as low as 0.075% for their clients, which is substantially lower than the stock commission rates charged by brokerage firms and private banks in the market,” said Mr Lim Chung Chun.

In addition to stock dealing commission rates of 0.075% (subject to a minimum of S\$15 per trade), a number of FA companies and financial institutions that use the iFAST

Singapore platform have indicated they will not be charging any wrap fee on their clients' stock assets for the first six to 12 months.

### **Rapid fintech changes present opportunities for FA companies**

iFAST Singapore's focus on developing financial technology (fintech) capabilities will also complement the FA companies' wish to enhance their online offerings in a wealth management sector where clients expect greater efficiency. Mr Lim Chung Chun sees this shift in FA companies' direction as positive: "The more forward-looking FA firms will have more productive wealth advisers, with higher assets under advice per adviser. This means a more exciting and sustainable career path."

"Increasingly, we have been collaborating with FA companies on our platform to explore ways to improve their fintech solutions online and in the mobile application space. These fintech innovations are meant to improve the efficiency of the wealth advisers, as well as provide added convenience to their clients. We believe the fintech wave will continue to snowball into a significant driving force for innovation in the wealth management sector in Singapore, and we are excited to play our part and work with our FA partners to bring fintech changes that can make a positive difference to wealth advisers and clients," added Mr Lim Chung Chun.

## About iFAST Singapore

iFAST Financial Pte Ltd (iFAST Singapore) is the Singapore subsidiary of SGX-ST Mainboard-listed iFAST Corporation Ltd. (iFAST Corp), which is present in Singapore, Hong Kong, Malaysia, China and India. iFAST Singapore holds the Capital Markets Services licence and the Financial Advisers licence, issued by the Monetary Authority of Singapore, and is also a Central Provident Fund-registered Investment Administrator. iFAST Singapore is also an SGX Trading Member, a CDP Securities Clearing Member and a CDP Depository Agent. In Singapore, iFAST Singapore's Business-to-Business (B2B) division includes iFAST Central, iFAST Global Prestige and iFAST Pensions, which cater to over 50 financial advisory (FA) firms, banks, financial institutions and multinational companies. Fundsupermart (FSM) is the Business-to-Consumer (B2C) division of iFAST Corp.

## About iFAST Corp

iFAST Corp (stock code: AIY) is an Internet-based investment products distribution

platform, with assets under administration (AUA) of approximately S\$6.46 billion as at 31 March 2017. Incorporated in the year 2000 in Singapore and listed on the SGX Mainboard in December 2014, iFAST Corp is also present in Hong Kong, Malaysia, China and India. The Group provides a comprehensive range of investment products and services, to financial advisory (FA) firms, banks, financial institutions, multinational companies, as well as retail and high net worth (HNW) investors in Asia.

The Group offers access to over 5,000 investment products including funds, bonds and Singapore Government Securities (SGS), stocks, Exchange Traded Funds (ETFs), as well as insurance products, and services including robo-advisory portfolio management services which are known as MAPS (My Assisted Portfolio Solution), research and investment seminars, financial technology (fintech) solutions, and investment administration and transactions services.

iFAST Corp has two main business divisions, namely its Business-to-Consumer (B2C) website, Fundsupermart (including its new FSMOne multi-products platform in Singapore), targeted at DIY investors; and its Business-to-Business (B2B) platform that caters to the specialised needs of FA companies, banks and financial institutions. Over 6,000 wealth advisers from more than 240 FA companies, banks and financial institutions, use the iFAST B2B platform.

The Group's mission statement is, "To help investors around the world invest globally and profitably". The Group won the "Most Transparent Company Award 2015, New Issues Category" at the SIAS Investors' Choice Awards 2015, as well as the "Best Investor Relations - Merit Award" for First-Year Listed Companies at the Singapore Corporate Awards 2015. iFAST Corp made its debut in the Singapore Governance and Transparency Index (SGTI), ranking within the top 10% among SGX-listed companies.

For more information, please visit [www.ifastcorp.com](http://www.ifastcorp.com)

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