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TO : ALL UTMC, IUTA AND CUTA

ATTN : CHIEF EXECUTIVE OFFICER / AUTHORISED REPRESENTATIVE

## Market Survey for Investors 2011/2012

Reference is made to FIMM's circular dated 8 November 2011 in relation to the above subject.

We wish to inform that the survey had been successfully implemented and the survey result is attached as Appendix A for your reference. The said survey result will also be made available on FIMM's i3 system.

Should you have any query pertaining to the survey result, please do not hesitate to contact Wong Yoon Ling (Ext. 306) or Kristal Lee (Ext. 305) at 603-2093 2600.

Thank you.

Yours sincerely,  
**Federation of Investment Managers Malaysia**



**AHMAD ZAKIE HJ AHMAD SHARIFF**  
Chief Executive Officer

## Introduction

The Market Survey for Investors 2011/2012 was implemented with the objective to obtain feedback from investors whether the Unit Trusts Consultants (UTC) adopt the best practices in marketing when dealing with their clients and whether certain mechanism and processes should be adopted to enhance the protection of investors.

This survey result was based on the feedback obtained from 5,060 respondents (investors) through 29 UTMC, 26 IUTA and 5 CUTA. The UTMC/IUTA/CUTA which participated in the survey are listed in the following tables:

### UTMC participated in the Survey

No.	UTMC
1	Affin Fund Management Berhad
2	Alliance Investment Management Berhad
3	Amanah Mutual Berhad
4	Amanah Saham Kedah Berhad
5	Amanah Saham Nasional Berhad
6	Amanah Saham Sarawak Berhad
7	AmInvestment Services Berhad
8	Apex Investment Services Berhad
9	Areca Capital Sdn Bhd
10	ASM Investment Services Berhad
11	BIMB Investment Management Berhad
12	CIMB Wealth Advisors Berhad
13	CIMB-Principal Asset Management Berhad
14	Hong Leong Asset Management Bhd
15	Hwang Investment Management Berhad
16	ING Funds Berhad
17	Kenanga Investors Bhd
18	Libra Invest Berhad
19	MAAKL Mutual Berhad
20	Manulife Unit Trusts Berhad
21	MIDF Amanah Asset Management Berhad
22	OSK-UOB Investment Management Berhad
23	Pacific Mutual Fund Berhad
24	Pheim Unit Trusts Berhad
25	Phillip Mutual Berhad
26	Public Mutual Berhad
27	RHB Investment Management Sdn Bhd
28	Saham Sabah Berhad
29	TA Investment Management Berhad

**IUTA participated in the Survey**

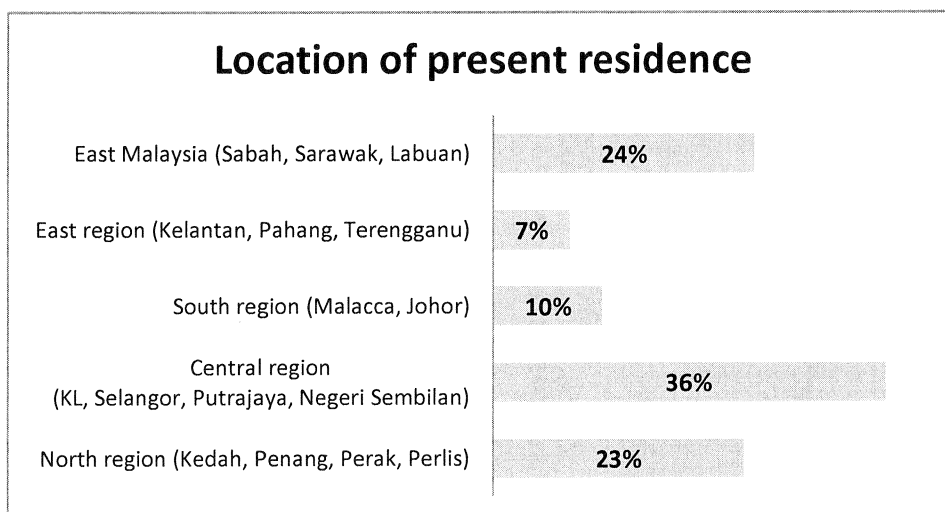
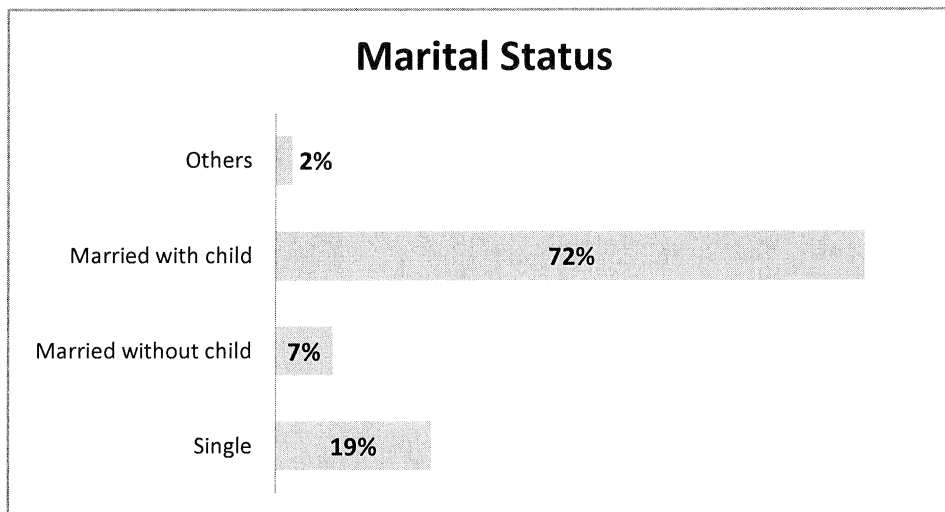
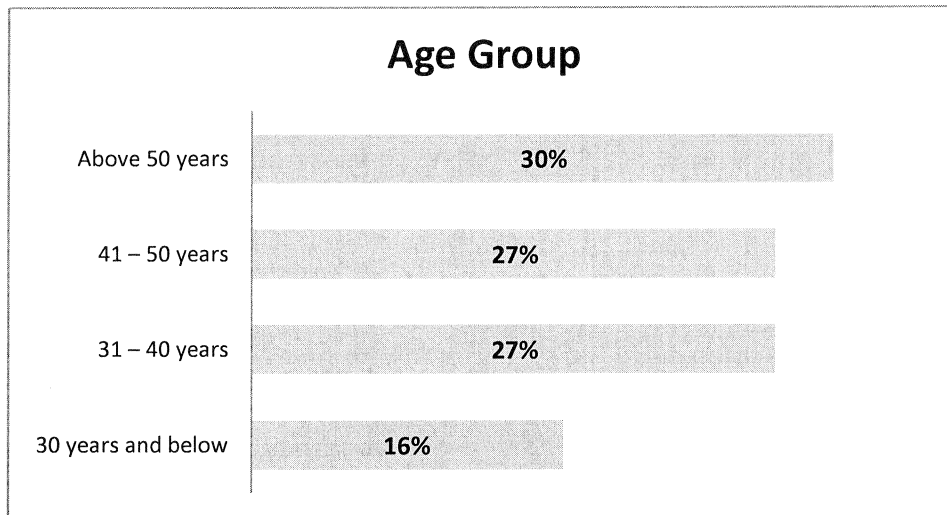
No.	IUTA
1	Affin Bank Berhad
2	Alliance Bank (Malaysia) Berhad
3	AmBank Berhad
4	AmInvestment Bank Berhad
5	Bank Islam Malaysia Berhad
6	Bank Simpanan Nasional
7	CIMB Bank Berhad
8	CIMB Islamic Bank Berhad
9	Citibank Berhad
10	ECM Libra Investment Bank Berhad
11	Hong Leong Bank Berhad
12	iFAST Capital Sdn Bhd
13	OCBC Al-Amin Berhad
14	OCBC Bank (Malaysia) Berhad
15	OSK Investment Bank Berhad
16	Public Bank Berhad
17	RHB Bank Berhad
18	Standard Chartered Bank (Malaysia) Berhad
19	Standard Chartered Saadiq Berhad
20	Apex Investment Services Berhad *
21	RHB Investment Management Sdn Bhd *
22	Amanah Saham Nasional Berhad *
23	ASM Investment Services Berhad *
24	CIMB Wealth Advisors Berhad *
25	MAAKL Mutual Berhad *
26	Phillip Mutual Berhad *

\* Note: These companies are with dual registration status with FIMM, i.e. UTMC and IUTA.

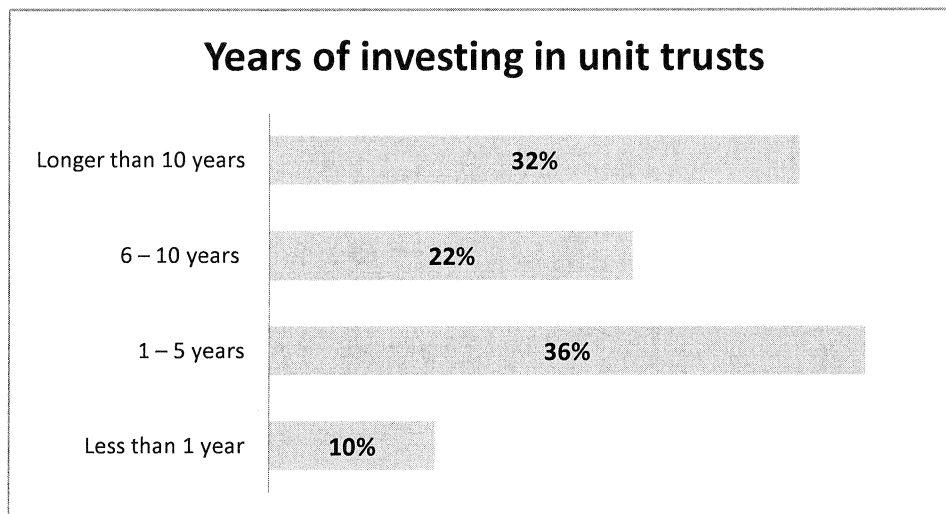
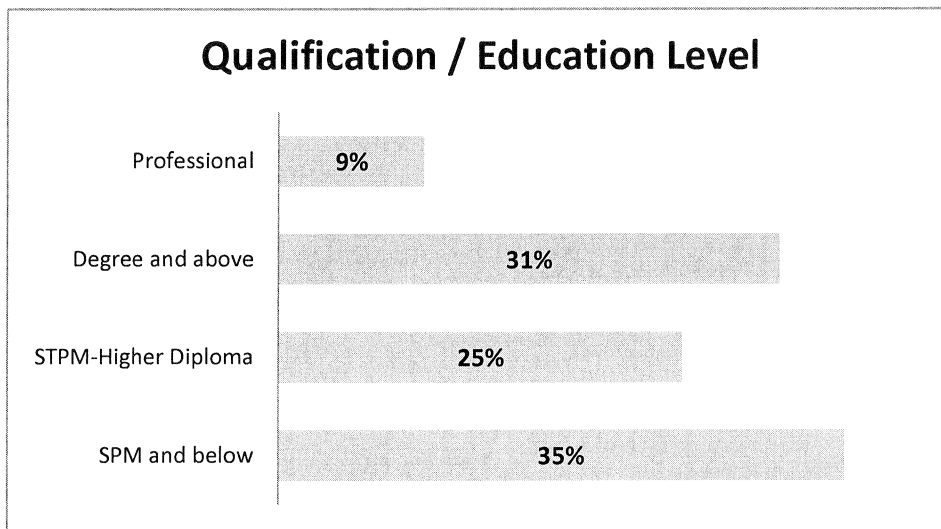
**CUTA participated in the Survey**

No.	CUTA
1	A.D. Financial Sdn Bhd
2	Fin Freedom Sdn Bhd
3	GV Wealth Planners Sdn Bhd
4	Standard Financial Planner
5	Whitman Independent Advisors Sdn Bhd

## Demographic Profile of Respondents



## Demographic Profile of Respondents



## Survey Results

Survey Questions		Industry-wide Responses (%)
Q1.	Did the UTC present his/her valid authorization card issued by FIMM before discussing unit trusts with you? Yes No	80 20
Q2.	Did the UTC inform you that he/she is only permitted to market funds distributed by the company in which he/she is currently attached to? Yes No	85 15
Q3.	Did you check with FIMM or on FIMM's website whether the UTC is registered with FIMM and who the UTC's Principal is? Yes No	42 58
Q4.	Was the relevant unit trust prospectus in relation to the funds marketed by the UTC made available to you during the meeting? Yes No	85 15
Q5.	If the answer to the above is "Yes", how was the prospectus made available to you? I was provided a copy to read but was not given a copy to take away. I was provided a copy to read and was taken through the key terms by the UTC. I was provided a copy to take away with me after the UTC took me through the key terms in the prospectus.	28 28 44
Q6.	Was a copy of the prospectus made available to you for take-away upon your request? I did not request for a copy of the prospectus Yes No	44 45 11
Q7.	Did the UTC explain to you that investments in equity and bond unit trust funds are medium to long term investments as stated in the relevant prospectus and are not meant for short-term trading? Yes No	89 11
Q8.	Did the UTC assess your investment needs/objectives/risk profile/appetite? Yes No	86 14
Q9.	If the answer to the above is "Yes", did the UTC explain the results of the assessment to you? Yes No	89 11
Q10.	Did the UTC explain how the recommended fund meets your investment needs/objectives/risk profile/appetite? Yes No	87 13

## Survey Results

Survey Questions		Industry-wide Responses (%)
Q11.	Did the UTC recommend products other than unit trusts to meet your investment needs/objectives/risk profile/appetite? Yes No	69 31
Q12.	Did the UTC adequately explain the nature, characteristics, key strategies and any specific features of the fund to you including the difference between capital protected and capital guaranteed fund? Yes No	81 19
Q13.	Were you informed on the general risks in unit trust investment and the specific risks in relation to the fund? Yes No	84 16
Q14.	Were the following aspects of the unit trust fund, as set out in the prospectus, explained to you?	
(a)	Fund's investment objective Yes No	90 10
(b)	Investment strategy Yes No	86 14
(c)	Risk factors Yes No	86 14
(d)	Fees and charges Yes No	85 15
(e)	Details of the fund management company Yes No	80 20
Q15.	Were you advised that unit trust prices may go down as well as go up and the reason thereof? Yes No	90 10
Q16.	Were you informed of what and how fees and charges are incurred when investing in the fund? Yes No	85 15
Q17.	Were you informed of your cooling-off right during your first time investing in unit trusts with us? Yes No	77 23

## Survey Results

Survey Questions		Industry-wide Responses (%)
Q18.	Did the UTC advise you not to make payment in cash or not to issue cheque in the name of UTC or any other third party? Yes No	79 21
Q19.	Did the UTC advise you to only make payment in favour of UTMC/IUTA and to write your name and contact number at the back of the cheque for investment in unit trusts? Yes No	80 20
Q20.	Did the UTC conduct follow-up session with you after he/she sold the unit trusts to you? Yes No	78 22
Q21.	Were you informed of how or where you can make an enquiry about your investment in unit trusts? Yes No	85 15
Q22.	Did the UTC explain to you how and where to obtain information on the performance of your fund? Yes No	84 16
Q23.	Were you informed of how or where to lodge a complaint about your unit trust investment? Yes No	72 28
Q24.	Were you informed of how or where to lodge a complaint against your UTC, UTMC, IUTA and CUTA? Yes No	66 34
Q25.	Did the UTC inform you that there will be a statement sent to you within 1-2 weeks or an e-statement will be made available online whenever there is transaction made in your unit trust account? Yes No	80 20
Q26.	Did the UTC request you to pre-sign the transaction form (investment application / redemption / switching form) before the form is properly completed? Yes No	44 56
Q27.	Are you aware that providing pre-signed forms can lead to unauthorized transactions on your behalf, the cost of which you may be liable for? Yes No	84 16



## Survey Results

Survey Questions		Industry-wide Responses (%)
Q28.	<p>Were you asked to fill-up a pre-investment form during your first time investing in unit trusts with us?</p> <p>Yes No</p>	<p>61 39</p>
Q29.	<p>Does the UTC reassess your investment needs/objectives/risk profile/appetite when you switch funds or invest in a new fund?</p> <p>Yes No</p>	<p>76 24</p>
Q30.	<p>How regularly does the UTC reassess with you the performance of your investments?</p> <p>Every 6 months or less Between every 6 months and 12 months UTC has never reassessed</p>	<p>41 37 22</p>
Q31.	<p>Did the UTC explain the reason why excessive switching is not encouraged, i.e. because it may impact the performance or integrity of the fund?</p> <p>Yes No</p>	<p>68 32</p>
Q32.	<p>Where your investment was funded from your EPF account, did the UTC explain the different process applicable and the costs to be incurred in relation to switching of funds?</p> <p>Not applicable Yes No</p>	<p>47 41 12</p>
Q33.	<p>If online service is provided, are you ready and comfortable to access your unit trust account via internet and perform online transactions?</p> <p>Yes No</p>	<p>70 30</p>
Q34.	<p>Are you interested to participate in investor awareness/education campaigns that improve your understanding in unit trusts as well as your rights as an investor?</p> <p>Yes, definitely Only for new products/services Only if free seminar Not at all</p>	<p>49 16 21 14</p>
Q35.	<p>What type of investor awareness/education programmes that improve your understanding in unit trusts as well as your rights as an investor would you prefer? You may tick more than 1 box.</p> <p>Educational websites Newsletters by mail Electronic newsletters Road shows and investment fair 1-2 hour workshops 1-day workshops</p>	<p>25 23 19 17 10 6</p>

## Survey Results

Survey Questions		Industry-wide Responses (%)
Q36.	Do you prefer interim reports and annual reports of the fund to be given to you in hard copy, CD or soft copy via email/website?	
	Hard copy	50
	CD	12
	Email/website	38