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IFPHK Survey Report on CFP^{CM} Professionals Releases

*CFP certificants benefits from gaining recognition from employers and clients
Regulatory impediments and lack of receptiveness of clients towards financial planning
impose key challenges to practitioners*

(Hong Kong – 20 March, 2014) – The Institute of Financial Planners of Hong Kong (IFPHK) today held a press conference to release results on its latest survey on career and industry trends for CFP Professionals.

In the press conference, the IFPHK's Chairman Steve Chiu and Chief Executive Officer Dennis Lau shared key findings with the media and IFPHK members. According to the survey, the respondents felt that they gained recognition from employers and clients and experienced a salary growth within 12 months of receiving the certification. The respondents are also optimistic about the future. In addition, the survey found that the two major challenges for practitioners are regulatory impediments and clients' lack of basic financial planning concepts.

The survey, which was conducted from mid-November last year to early January this year, was in partnership with Cerulli Associates, and reached 4,843 CFP professionals in Hong Kong. A total of 2,404 CFP professionals responded and the response rate is approximately 50 percent. The questions were split into two categories: financial planners' profile and their financial planning practice, their clients' asset allocation interests and financial planners' forecast of industry developments.

The key findings are summarized as below:

- 75% of respondents stated that they experienced an increase in income within 12 months of receiving CFP Certification
- 70.5% of respondents indicated that the financial planning skills acquired from CFP Certification allowed them to provide a greater number and more in-depth services to their clients
- 69.5% of respondents said that holding the CFP Certification allows them to gain more recognition from employers and clients
- Respondents anticipated an increase in the amount of the team's assets under management in 2014, in particular independent financial advisory firms expect asset amounts to double
- Respondents said the financial products that clients are most interested in were insurance, other securities (direct bonds, equities, options) and developed markets equities and mutual funds
- Physical commodities (such as gold) were of the least interest to their clients
- Respondents felt risk profile, the level of understanding of funds and customer demand were the three main factors affecting their fund recommendation
- Regulatory impediments (46.5%) and clients' lack of receptiveness towards financial planning (44.7%) were key future challenges

Steve Chiu, Chairman of the IFPHK said at the press conference, "We are delighted to see the CFP Certification receiving a great deal of recognition from employers and clients alike, and provided CFP certificants with the opportunity for income growth within 12 months of certification. In fact, by going through the rigorous 4E requirement (Education, Examination, Experience and Ethics) of CFP Certification, financial planning practitioners have demonstrated their commitment to professionalism in financial planning."

He said, "The report also revealed the key challenges to financial planners today - regulatory impediments and clients' lack of receptiveness towards financial planning. I would take this opportunity to urge financial



planners to stay current with industry knowledge and skills, and to uphold the principle of best interest of clients. It will demonstrate to all the professionalism of CFP certificants and the IFPHK.”

Dennis Lau, Chief Executive of the IFPHK added, “Since its establishment, the IFPHK has been committed to promoting CFP Certification and the importance of financial planning. As such, the IFPHK will step up its efforts to publicize CFP Certification this year. The first Information Session on CFP Certification for the public is scheduled for the evening of April 8 at the IFPHK, and will be hosted by Mr Paul Pong, Vice chairman of the IFPHK and Mr Perseus Lam, Hong Kong’s Best Financial Planner 2009. Following this there will be the Information Week where one-on-one consultation will be provided to individuals who are interested in IFPHK’s financial planning qualifications. To encourage participation, those who submit their candidacy registration application forms during the Information Week will have their first-time application fee waived.”

He continued, “In addition, the IFPHK will join hands with charities and community organizations to arouse public awareness of financial planning. IFPHK ambassadors who are CFP certificants will volunteer to teach basic financial planning skills to the public free-of-charge. This initiative aligns with the IFPHK’s mission to raise the financial literacy of the Hong Kong public in the long run.”

The Financial Planning Standards Board (FPSB) initiated the survey and worked with many affiliate members around the world to study various aspects of the global population of CFP professionals. These include CFP professionals’ background, types of services provided, client characteristics, market trend as well as the recognition and advantages of being a CFP professional.

For the full report on the Survey on the Career and Industry Trends for CFP Professionals, please visit the IFPHK website at www.ifphk.org. Enquiry: 2982 7888.

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About IFPHK

IFPHK was established in June 2000 as a non-profit organization for the fast-growing financial services industry. It aims to be recognized in the region as the premier professional body representing financial planners dedicated to upholding the highest professional standards.

The Institute is the sole licensing body in Hong Kong authorized by Financial Planning Standards Board Limited to grant the much-coveted and internationally-recognized CFP^{CM} Certification and AFPTM Certification to qualified financial planning professionals in Hong Kong and Macau.

It represents more than 6,800 financial planning practitioners in Hong Kong from such diverse professional backgrounds as banking, insurance, independent financial advisory, stock broking, accounting, and legal services.

Currently there are more than 153,000 CFP certificants in 25 countries/regions; the majority of these professionals are in the U.S., Canada, China, Australia and Japan, with more than 4,800 CFP certificants in Hong Kong.

About FPSB

FPSB manages, develops and operates certification, education and related programs for financial planning organizations to benefit the global community by establishing, upholding and promoting worldwide professional standards in financial planning. FPSB demonstrates its commitment to excellence with the marks of professional distinction – CFP, CERTIFIED FINANCIAL PLANNER and CFP Logo Mark.



Territories where FPSB has a nonprofit member organization include: Australia, Austria, Brazil, Canada, Chinese Taipei, Columbia, France, Germany, Hong Kong, India, Indonesia, Ireland, Japan, Malaysia, New Zealand, the Netherlands, the People's Republic of China, the Republic of Korea, Singapore, South Africa, Switzerland, Thailand, the United Kingdom and the United States. At year-end 2013, the number of CFP professionals worldwide reached 153,376. For details of FPSB, please visit twitter.com/fpsb or facebook.com/fpsb1.

About Cerulli Associates

Cerulli Associates is a global research firm specializing in product and distribution strategies for the global asset management industry, and has covered the Asian markets since 2001. Our coverage of Asia includes reports on retail fund distribution and institutional asset management in northern and southeastern Asia, country-specific reports on selected markets, plus in-depth monthly and quarterly reports on the latest trends in the Asia Pacific asset management industry.

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