

Examples of investor education work undertaken by SFC

1. SFC made an ongoing effort to educate the public about the risks of investment and related regulations. A variety of investor education work was conducted making use of different channels including website, newspaper and magazine articles, radio and TV programmes, etc. Described below are some examples of these initiatives.

Investor education portal

2. In 2000, SFC started a designated investor education portal, formerly known as the Electronic Investor Resources Centre (www.hkeirc.org) and then renamed in January 2006 to InvestEd (www.InvestEd.hk), to provide investors with educational information on investments and regulations.

3. A series of articles were published from December 2003 to January 2004 on the portal describing the key features and risks of credit-linked notes and equity-linked notes.

4. Another series of eight feature articles on structured products were published in March 2008 to explain the common features of structured products and information need to know before investing in structured products. From April to June 2008, three articles were published in its monthly e-newsletter to remind investors to understand the risks before investing in structured products.

Dr Wise's column

5. In December 2003, a monthly on-line column written by a fictitious character, namely Dr Wise's column, was introduced on the portal to discuss key issues of investing and to explain regulatory issues. For example, "Investing in Bonds" published in May 2004 explaining the features of bonds and credit-linked notes, "Should you invest in structured notes?" published in July 2005 advising investors of the features and risks of structured notes,

"Retail Structured Notes – Buyer Beware" published in November 2006 advising investors of what they should understand before placing an order for any retail structured note.

Printed media

6. Eight newspapers articles were published from October to December 2001 describing the key features and risks of structured products. From December 2003 to January 2004, a series of five newspaper articles were published describing the key features and risks of credit-linked notes and equity-linked notes. From April to June 2008, eleven newspaper and magazine articles on structured products were published to alert investors to the risks of structured products.

Investor Education Month

7. Starting January 2006, SFC designated each January as Investor Education Month and rolled out a series of activities around a theme. For example, the theme for 2006 was "Before you invest, ask the right questions", the theme for 2007 and 2008 was "Know your risk", and the theme for 2009 was "Be Smart, Ask First".

Source: Evidence of Mr Martin WHEATLEY and Prof CHAN Ka-keung