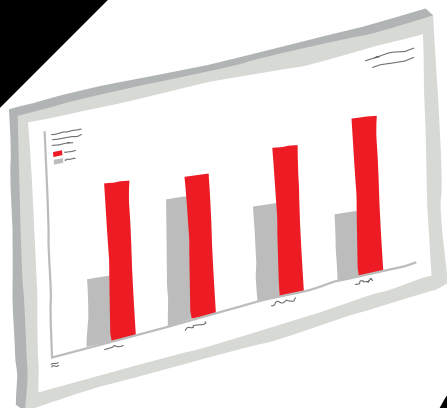


What a Financial Planner or Wealth Advisor brings to the table?





When it comes to wealth advisory in India, customers are still inclined to go for methods or advisors/ relationship managers who do not charge any fees. Whereas holistic wealth advisory and financial planning for a customer even if it means that it comes for an additional fee, is justified for the knowledge that the advisor brings to the table. Financial advice comes in two forms, depending on the requirement of the investor, one can be in the form of detailed advice which comes for a fee and there is basic advice which is given by a financial distributor. It is important to consult an advisor given the complexity of the nature of the business and the number of products available today. One may decide to engage with him as a financial advisor depending on the depth of the advice which is required.

The Indian Mutual Fund Industry has gone through multiple regulatory changes and corrections which has now made mutual funds a very transparent investment tool for the investor as well as the distributor. There are also many certified advisors in the market who are truly invested in knowledge based advisory. They take a complete view of a client's overall portfolio in all kinds of financial and non-financial instruments and then apply the logic of financial goals, risk appetite, asset allocation and therefore re balancing a client's portfolio for better long term wealth generation.

There is one set of customers in the market who value such wealth advisors and irrespective of the brand or the firm they work for, they have faith in the advisor for the knowledge that he or she brings to him. Managing hard earned wealth of a client is a customised approach which should not be generalised which tends to happen when one does not pay attention to the quality of the advisory that one is getting. If this means fees for that advisory, investors should be open for the same as its only wisdom to trust a person whose core competency is wealth advisory. And there is a good set of investors in India who are going for fee based wealth advisory.

Product knowledge and market understanding are the key essentials of a good wealth advisor and the industry in general is striving towards constantly upgrading itself on the knowledge and service delivery front. Technology is also playing a big part in simplifying or demystifying financial jargons for customers and also better delivery and customer service.

So, what makes a Wealth Manager important?

- Understands how to evaluate different products, their suitability and how the recommendation of the same can impact investment risks, returns and strategies in a personal finance environment for investors and prospective investors in the market over long term.
- He also knows the Income tax, Wealth tax and legalities of Estate planning in personal finance, and regulatory aspects underlying advisory.
- His approach for financial planning will be a holistic approach to investing, insurance, retirement planning so that it leads to long-term relationships with their clients and for the client too it's not a onetime exercise.

The industry is moving towards knowledge based advisory and hence, clients who are busy with their work can be open to look at searching the right financial or wealth advisor for themselves. While the industry is also making a lot of effort in customer education in general about mutual funds, there are multiple range of products, online broking, insurance, traditional products, and the plethora of information available in the market available now. Someone who is not aware of the variety of instruments available in the market may find things like a maze or else go in for very standard traditional options without actually paying attention to planning. This is where a wealth advisor will help you.

An Investor Education & Awareness Initiative by HSBC Mutual Fund

Visit <https://grp.hsbc/KYC> w.r.t. one-time Know Your Customer (KYC) process, complaints redressal process including SEBI SCORES (<https://www.scores.gov.in>). Investors should only deal with Registered Mutual Funds, to be verified on SEBI website under Intermediaries/Market Infrastructure Institutions (<https://www.sebi.gov.in/intermediaries.html>). Investors may refer to the section on 'Investor Education' on the website of HSBC Mutual Fund for the details on all 'Investor Education and Awareness Initiatives' undertaken by HSBC Mutual Fund.

Document intended for distribution in Indian jurisdiction only and not for outside India or to NRIs. HSBC MF will not be liable for any breach if accessed by anyone outside India. For more details, click here / refer website.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.