



Hong Kong Trustees' Association Ltd
香港信託人公會

HKTA Response to the Consumer Council on Fees Survey

The Consumer Council released its first fee survey on MPF in July last year. With the increase in transparency, many service providers launched new products and offered fee reduction to members in the past year in response to their appeal for lower fees. The Consumer Council has just completed another fee survey this year to compare the service fee within same type of funds and their percentage of reduction so as to provide a more comprehensive profile of the current MPF market. The Council approached the HKTA last week right before they finalized the survey. Our response is provided as follows:

1. Comparison on Fee Reduction

As original fees of some funds (with recent fee reduction) were comparatively higher, so the range of fee reduction might need to be larger. While some other funds with already lower charges, the room for reduction is smaller. Consumers should compare the effective charges after fee reduction instead of focusing on the magnitude of reduction.

2. Number of Members Benefited from Fee Reduction

Consumer Council mentioned that many MPF members did not benefit from MPF fee reduction. We should not concentrate on the number of such members from recent fee reductions. Although the fees of some funds are not reduced yet, their charges might be already comparatively low in the market. Members investing in these funds therefore have benefited by the lower fees for quite awhile already. Thus, it is not fair to compare the number of such members based on fee reductions only.

3. Comparison of Lowest and Highest Fees

We found that presentation of the table on Page 3 does not allow for objective comparison. Only 4 types of funds are included in the table (capital preservation, guaranteed, equity and bond) with one fund under each type for a service provider. If a trustee offers several equity funds, which equity fund should be listed? How about mixed assets funds? Is it included in the equity product type? If not, where should it be grouped? Under such circumstances,



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consumers will be hard pressed to get a comprehensive comparison.

This research put too much focus on fees but we think that consumers may make a wrong decision if fee is the only factor for fund selection. Fee should not be considered alone, consumers should also pay attention to range of fund choices, fund performance, scope of services and quality, personal financial position and risk appetite.



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1. 有關基金減費之比較

有些基金原本之收費較高，因此減幅較大，而另一些基金之收費本已較低，因而減幅不多。消費者不應著重減價幅度，而應該以減價後之實際收費(Effective Charge)作比較。

2. 受惠人數

貴會關注到大部分的強積金成員未能因而受惠，其實不應著眼於近期減價後之受惠人數。雖然有些基金尚未減價，但那些基金收費已比其他基金較低，成員受惠於低收費已有一段很長的時間，因此比較減價後之受惠人數並不合理。

3. 最平最貴收費之比較

根據第三頁的比較基金產品的圖表，只有四類基金產品之比較，並不客觀。就股票基金而言，若受託人同時提供多個不同國家或地區之股票基金，而圖表中只有一個股票基金欄目，應列出那一個股票基金呢？混合資產基金是否包含於股票產品中？若不包括在內，那就不是全面的比較，也令消費者難以選擇。

最後，本會認為整個調查著重收費，若單以低收費來選擇基金，可能會作出錯誤的決定。收費並不是選擇基金唯一之考慮因素，消費者同時應考慮基金選擇、基金表現、服務範圍及質素，個人之財務狀況及承擔風險程度，以作出明智的選擇。