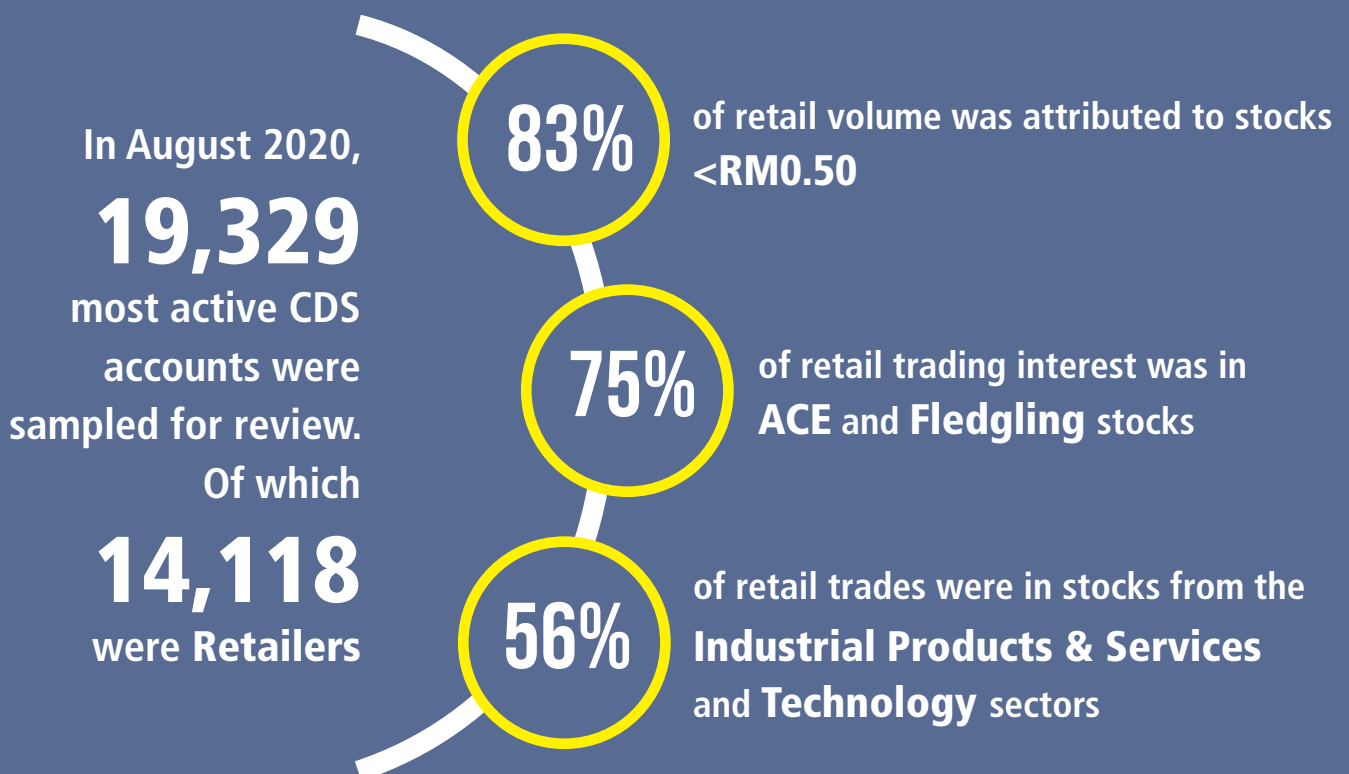


INCREASED RETAIL PARTICIPATION – A DETAILED SNAPSHOT

Similar to experiences in many other countries, the domestic equity market witnessed exceptional levels of trading activity by retail investors in 2020. The SC conducted an in-depth assessment into this trend, focusing on the characteristics of the retail investors in August 2020, where numerous all-time highs in total market-wide volume were recorded.

Overall, the assessment was done on an identified sample population of more than 19,000 Central Depository System (CDS) accounts. The sampling was based on the most active CDS accounts that, in aggregate, contributed to two-thirds of the total volume traded in each of the most active stocks in August 2020.

RETAIL PARTICIPATION IS BACK, SO WHO ARE THEY?



KEY OBSERVATIONS OF INVESTOR PROFILES



87%

of active retail accounts were opened **prior** to 2020



75%

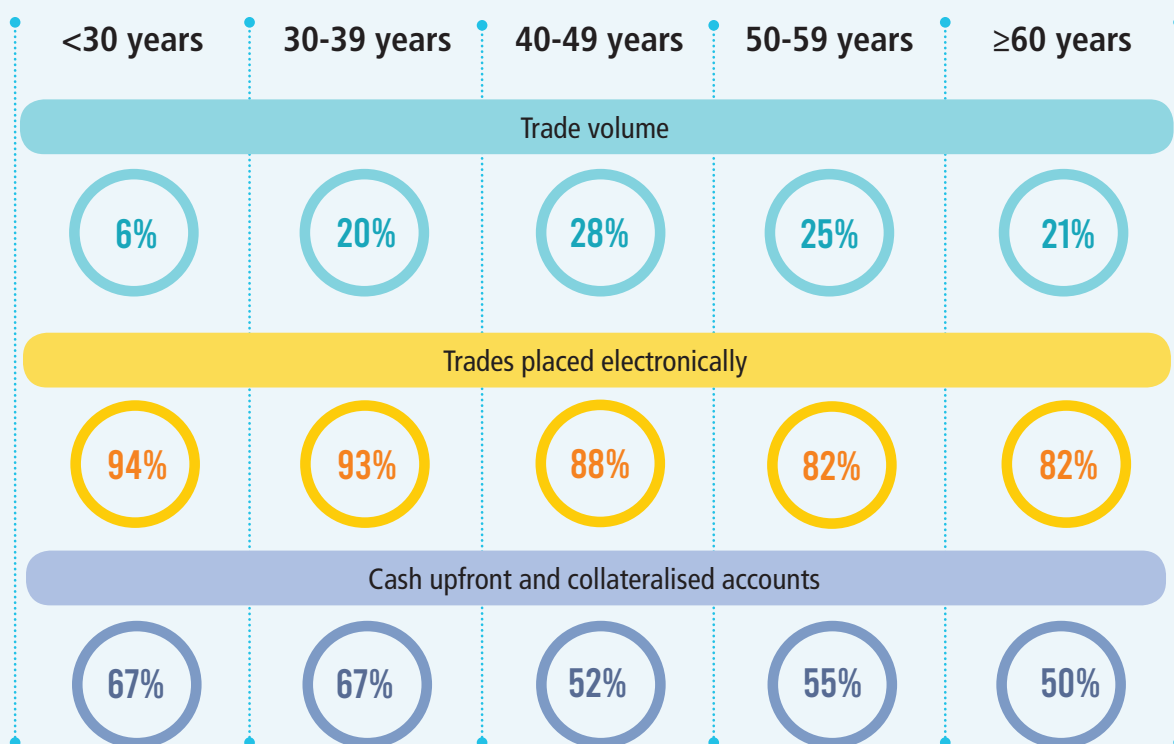
of these accounts belong to investors aged **>40** years



50%

of the retail trade volume was contributed by investors aged between **40-60** years

RETAIL INVESTORS' AGE



When combined with other supervisory and surveillance data, the outcome from this exercise forms a more complete picture of the profiles of the domestic retail investors. Overall, the increased participation of retail investors observed was assessed to not pose a significant systemic concern as it was driven by seasoned investors, with trades mainly from cash reserves without depending on borrowings. Nevertheless, the SC continues to closely monitor and address any potential build-up of risk on this front.