



THE SMART INVESTOR

SPECIAL FREE REPORT

WHICH BROKER SHOULD YOU CHOOSE?





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A COMPREHENSIVE GUIDE TO CHOOSING YOUR DESIRED BROKER

Your investment journey begins with the opening of a brokerage account.

But with a plethora of technical terms, this can feel immensely daunting.

We've experienced that too.

Hence, The Smart Investor has put together this guide, zooming into the key points to consider and what to look out for when choosing a broker.

From,
The Smart Investor Team

INTRO





WHAT ARE YOUR CHOICES OUT THERE?

With more than a few brokers available and new ones popping up all the time, there are now more than a few players within this industry.

We decided to list the available brokers and provide a brief introduction of each.

First, let's start off with the veterans that have been operating for many decades.

DBS VICKERS

Wholly owned subsidiary of DBS Group (SGX: D05)

Largest bank in the South East Asia region



Vickers has offices in Hong Kong, Indonesia, Thailand, China, the USA and the UK

POEMS

POEMS by PhillipCapital stands for Phillip Online Electronic Marketplace

First to introduce online trading to Singapore in 1996

PhillipCapital has a strong reputation and currently has offices in 15 countries





UOB KAY HIAN

UOB Kay Hian (SGX: U10) is a global investment bank based in Singapore



It's online trading platform is called UTrade

It is backed by another Singaporean Bank, United Overseas Bank Ltd (SGX: U11)

MAYBANK KIM ENG

Maybank Kim Eng (MKE) became the first stockbroker to be listed on the Singapore Exchange in 1990

In 2011, it was delisted after being acquired Malaysian bank Maybank (KLSE: 1155)

MKE serves as the investment banking arm of Maybank



STANDARD CHARTERED

Standard Chartered has a 160 year history in Singapore



SCB Trading is the official online trading and brokerage platform of British bank Standard Chartered (LON: STAN)

It currently has 11 branches islandwide



SAXO

Saxo Capital Markets has operated in Singapore since 2006, which also acts as its APAC headquarters

It is a licensed subsidiary of Saxo Bank, a Danish investment bank



It has clients in over 180 countries

INTERACTIVE BROKERS

Based in America, Interactive Brokers (NASDAQ: IBRK) was founded in 1977

It is available in over 200 countries worldwide

In July 2020, they opened a Singapore office, helping it to compete more effectively in Singapore



FSMONE (IFAST)

FSMone is an online brokerage platform that was incorporated in Singapore in 2000 by Fundsupermart

It is the B2C division of wealth management platform iFAST Corporation Limited (SGX: AIY)



iFAST also operates in Hong Kong, Malaysia, China and United Kingdom



IGM (IFAST)

iFAST Global Markets (iGM) is also a branch under iFAST Corporation, like FSMone



However, it differentiates itself by offering dedicated Investment Advisers (IA)

The IA provides personalised advice, as well as construct and monitor an investment portfolio for its clients

TIGER BROKERS

Based in China, Tiger Brokers is one of the newer brokerages, having been founded in 2014. It is parked under the company Up Fintech Holding Ltd (NASDAQ: TIGR)

It expanded to Singapore in 2020, offering lower fees than competitors



They are also backed by Interactive Brokers and Xiaomi Corp (SEHK: 1810)

MOO MOO

Moomoo is one of the new kids on the block, having been launched in Singapore only in March 2021

Its parent company, Futu Holdings Ltd (NASDAQ: FUTU), is based in the United States



The company has backing from Tencent Holdings (SEHK: 0700), Matrix Partners and Sequoia Capital



Stock market investing

IMPORTANT CRITERIA FOR YOUR BROKER CHOICE



Next, you will want to look at various criteria when selecting your preferred broker.

Highest on the list will be the fees that each brokerage charges.

Next, you need to look at the available markets that the broker allows you to buy shares in.

Finally, we also look at additional features. Such attributes go beyond mere fees and may sway your final decision on which broker to choose.

1

FEES

Fees are the transactional costs associated with each stock that you buy or sell.

2

AVAILABLE MARKETS

For example, if you are thinking of investing in Malaysian shares, Interactive Brokers will not allow you to do so.

3

ADDITIONAL FEATURES

Attributes such as reward systems and referral promotions go beyond mere fees and may sway your final decision on which broker to choose.



FEES TABLE

Let's start off with the fees table as shown below (updated as of 14 June 2021).




BROKERAGE 	ACCOUNT TYPE 	HOLDING 	COMMISSION FEES			
			SINGAPORE (SGD)		UNITED STATES (US)	
			MINIMUM	CHARGE	MINIMUM	CHARGE
DBS VICKERS	CASH UPFRONT	CDP	\$10.00	0.12%	\$18.00	0.15%
	CASH		\$25.00	0.28%	\$25.00	0.18%
POEMS	CASH UPFRONT	CUSTODIAN	N/A	0.08%	US\$1.88	US\$1.88 TO US\$3.88
	CASH	CDP	\$25.00	0.28%	\$20.00	0.30%
UOB KAY HIAN	CASH UPFRONT	CUSTODIAN	\$10.00	0.12%	US\$13.00	0.12%
	CASH	CDP	\$25.00	0.275%	US\$20.00	0.30%







BROKERAGE 	CUSTODIAN FEE 	MINIMUM FUNDING 	TRANSFER-IN FEE 	TRANSFER-OUT FEE 	OTHER FEES
DBS VICKERS	SGD 2 PER STOCK / MONTH CAPPED AT SGD 150 / QUARTER*	N/A	N/A	\$50 / FOREIGN STOCK SG: CDP FEE	DIVIDEND HANDLING FEE: US STOCKS - 1% OF DIVIDEND SG STOCKS - N/A
POEMS	SGD 2 PER STOCK / MONTH CAPPED AT SGD 150 / QUARTER	N/A	SG: SGD 20 / STOCK US: USD 50 / STOCK	SG: \$20 / STOCK US: US \$100 / STOCK	DIVIDEND HANDLING FEE: 1% OF DIVIDEND (MIN \$1, MAX \$50) CASH ACCOUNT FEE: \$15 / QUARTER (AT LEAST 1 TRADE PER QUARTER FOR WAIVAL)
UOB KAY HIAN	FIRST S\$0-S\$5 MIL - S\$15 (SUBJECT TO A MIN CHARGE OF S\$2 PER SUB ACCOUNT PER QUARTER)	N/A	N/A	\$68.50 / STOCK	≤ S\$10 = S\$1 + GST > S\$10 < S\$500 = S\$5 + GST ≥ S\$500 = 1% + GST (CAPPED AT S\$25 + GST) CCASS SCRIP FEE: ONE-TIME CHARGE OF HKD 1.50 PER BOARD LOT

* CUSTODIAN FEE WILL BE WAIVED IF THERE ARE AT LEAST 2 TRANSACTIONS PER MONTH OR 6 TRANSACTIONS PER QUARTER.

N/A



BROKERAGE 	ACCOUNT TYPE 	HOLDING 	COMMISSION FEES			
			SINGAPORE (SGD)		UNITED STATES (US)	
			MINIMUM	CHARGE	MINIMUM	CHARGE
MAYBANK KIM ENG	CASH UPFRONT	CUSTODIAN	\$10.00	0.12%	\$10.00	0.12%
	CASH	CDP	\$25.00	0.275%	\$20.00	0.30%
STANDARD CHARTERED	CASH UPFRONT	CUSTODIAN	\$10.00	0.20%	\$10.00	0.25%
SAXO MARKETS	CASH UPFRONT	CUSTODIAN	\$3.00	0.08%	US\$1.00	0.08%

BROKERAGE 	CUSTODIAN FEE 	MINIMUM FUNDING 	TRANSFER-IN FEE 	TRANSFER-OUT FEE 	OTHER FEES 
MAYBANK KIM ENG	SGD 2 PER STOCK / MONTH CAPPED AT SGD 150 / QUARTER	N/A	N/A	SG:\$15 / STOCK US: \$100 / STOCK	DIVIDEND HANDLING FEE: US STOCKS - \$2 TO 1% (MAX OF \$50) SG STOCKS - N/A
STANDARD CHARTERED	N/A	N/A	SG: \$10 / STOCK US: FREE	SG: \$10 / COUNTER / 1000 SHARES US: US\$39	N/A
SAXO MARKETS	0.12% P.A MONTHLY MINIMUM OF SGD5 DOES NOT APPLY TO SG STOCKS	N/A	N/A	EUR\$50	N/A



BROKERAGE 	ACCOUNT TYPE 	HOLDING 	COMMISSION FEES			
			SINGAPORE (SGD)		UNITED STATES (US)	
			MINIMUM	CHARGE	MINIMUM	CHARGE
INTERACTIVE BROKERS	CASH UPFRONT	CUSTODIAN	\$2.50	0.08%	US\$1.00	0.005%
FSMONE (IFAST)	CASH UPFRONT	CUSTODIAN	\$8.80 FLAT	N/A	US\$3.80	0.08%
IGM (IFAST)	CASH UPFRONT	CUSTODIAN	\$10.00	0.06%	\$10.00	0.06%

BROKERAGE 	CUSTODIAN FEE 	MINIMUM FUNDING 	TRANSFER-IN FEE 	TRANSFER-OUT FEE 	OTHER FEES
INTERACTIVE BROKERS	N/A	N/A	\$10	US\$50 / STOCK	\$15 FROM 2ND WITHDRAWAL
FSMONE (IFAST)	N/A	N/A	N/A	N/A	SGX HANDLING CHARGES: USD3 FOR ETF, SGD20 DERIVATIVE SECURITIES US DIVIDEND HANDLING: UP TO 30%
IGM (IFAST)	N/A	N/A	N/A	\$10.70 / TRANSFER	UPFRONT SETUP FEE: CASH, SRS - UP TO 4% PLATFORM FEE: 0.28% P.A. (FIRST 100K)



BROKERAGE 	ACCOUNT TYPE 	HOLDING 	COMMISSION FEES			
			SINGAPORE (SGD)		UNITED STATES (US)	
			MINIMUM	CHARGE	MINIMUM	CHARGE
TIGER BROKERS	CASH UPFRONT	CUSTODIAN	0.03%	0.04% X TRADE	MIN US\$ 0.99 ORDER	US\$ 0.005/ SHARE
MOO MOO	CASH UPFRONT	CUSTODIAN	\$0.99	0.03% X TRANSACTION AMOUNT	N/A	\$0.99/ ORDER

BROKERAGE 	CUSTODIAN FEE 	MINIMUM FUNDING 	TRANSFER-IN FEE 	TRANSFER-OUT FEE 	OTHER FEES
TIGER BROKERS	MIN: \$2.16 MAX:\$13,500	N/A	N/A	US STOCK: US\$150 / STOCK SG STOCK: \$100	N/A
MOO MOO	N/A	N/A	N/A	\$75	N/A



An explanation is in order for the “account type” and “holding”.

Let’s start with the term “holding”.

WHAT IS HOLDING?

There are two categories for this - either **CDP** or **Custodian (Bank)**.

When you buy a stock, you are issued a physical / electronic certificate for that stock.

Both the CDP and custodian banks are storage centres for stocks and other assets.

For Singapore stocks, you sometimes have a choice between a CDP and custodian account.

All foreign stocks are held in a custodian account.

The key difference between the CDP and custodian accounts lies in the **ownership** of the stock:

CDP	Custodian
<p>The stock is recorded under your name. In other words, you are the legal owner of the stock.</p>	<p>You are the beneficial owner. This means that you are entitled to the benefits of owning the stock, but ownership of the stock belongs to the custodian bank.</p>

Holding

COMMON TERM



CDP Account

PROS

1) Annual General Meeting (AGM) attendance



2) Voting rights



Having the stock under your name comes with shareholder rights. You will be guaranteed a place in the company's AGM and given the option to exercise voting rights on corporate policies and company resolutions.

3) One-time fee



CDP does not charge you any fees for holding the stocks.

CONS

1) Extra fees



The commission fees are typically higher than custodian accounts because of additional fees levied by CDP. CDP charges a clearing fee of 0.0325% of the contract value, and a brokerage rate of 0.75% on each buy-in contract



Custodian Account

PROS

1) Lower commission fees



2) Anonymity



With no additional levies from CDP, brokers who offer custodial accounts are able to charge cheaper fees.

This could help you save as much as 60% on your trading fees.

Since the ownership title is held by the custodian bank, individuals have the option to remain anonymous.

3) Foreign stocks



The CDP account is only used for holding local stocks, hence you will need a custodian account to buy foreign stocks

CONS

1) Custody fees



In return for holding your securities, account administration and other services, custodian accounts **may** charge a custodian fee. These fees are typically based on the total number of stocks owned.

2) Risk lies with the health of the custodian bank



As you are not the legal owner of the stock, the custodian bank's survival may affect your stockholdings.

Thankfully, there are many laws in place that protect your stocks.

One example is that custodian banks must keep your assets in a separate trust account away from their own assets.



WHAT IS ACCOUNT TYPE?

As for “account type”, there are also two different categories -- either “cash” or “cash upfront”.

Like its name suggests, “Cash Upfront” accounts require the customer to pay upfront.

For brokerages, these accounts are typically linked to their custodian account.

Note: One exception is DBS Vickers Cash Upfront for CDP account

Cash Account

Cash accounts are more flexible in their funding date.

Customers are required to pay for their purchase of stocks within the next two business days.

For example, a stock bought on Monday can be paid latest by Wednesday of the same week.

There are 4 different methods of payment for Cash accounts. They are:










- 1) GIRO (direct debit - automatic)
- 2) iBanking account linked to brokerage
- 3) ATM machine
- 4) Cheque to broker

Account Type

COMMON TERM



AVAILABLE MARKETS

BROKERAGE 	SG 	US 	UK 	HK 	CANADA 	JAPAN 	MALAYSIA 	CHINA 
DBS VICKERS	✓	✓	✓	✓	✓	✓		
POEMS	✓	✓	✓	✓	✓	✓	✓	✓
UOB KAY HIAN	✓	✓	✓	✓	✓		✓	✓
MAYBANK KIM ENG	✓	✓		✓			✓	✓
STANDARD CHARTERED	✓	✓	✓	✓		✓		
SAXO MARKETS	✓	✓	✓	✓	✓	✓	✓	✓
INTERACTIVE BROKERS	✓	✓	✓	✓	✓	✓		
FSMONE (IFAST)	✓	✓		✓			✓	✓
IGM (IFAST)	✓	✓		✓			✓	✓
TIGER BROKERS	✓	✓						✓
MOO MOO	✓	✓		✓		✓		✓



AT A GLANCE, BOTH SAXO AND UOB KAY HIAN COVER THE MOST NUMBER OF MARKETS.



Additional Features



Finally, we compare the additional features that each broker has in place to entice customers and generate loyalty.

1

TIERED ACCOUNTS

Some brokers offer special promotions, such as the waiving of inactivity fees or lower trade commissions, if you have a certain amount of money invested with them.

If you are looking to invest a significant amount of money, it will be useful to find out more so that you can enjoy the best privileges.

For example, **Interactive Brokers'** minimum commission of US\$10 a month is waived if you have at least US\$100,000 deposited with them.

However, even if you do not plan to invest such a large sum yet, it will be good to keep this information in the back of your mind should your portfolio grow larger in future.



Additional Features

**2**

REWARD SYSTEMS

Sometimes, brokers also offer reward points when you execute transactions on their platforms. These points can be redeemed for rewards such as market analytic tools, financial magazine subscriptions or even bonus unit trust credits.

These rewards vary from brokerage to brokerage, so do check out their websites for more information.

3

REFERRAL PROMOTION

Lastly, cash rewards are often offered if you can refer your friends to sign up. These can sometimes be quite generous!

For example, Saxo offers you and your friend up to a combined \$1,000 if he funds his Saxo account with at least \$100,000 and makes three qualifying trades.



THESE ADDITIONAL FEATURES ARE PUT IN PLACE BY BROKERS TO ENTICE CUSTOMERS AND GENERATE LOYALTY.



ADDITIONAL FEATURES

BROKERAGE 	TIERED ACCOUNTS 	REWARD SYSTEM 	REFERRAL PROMOTIONS 
DBS VICKERS		✓	
POEMS	✓	✓	✓
UOB KAY HIAN		✓	✓
MAYBANK KIM ENG		✓	
STANDARD CHARTERED	✓		
SAXO MARKETS	✓	✓	✓
INTERACTIVE BROKERS	✓		✓
FSMONE (IFAST)	✓	✓	✓
IGM (IFAST)	✓		
TIGER BROKERS		✓	✓
MOO MOO		✓	✓



GET SMART

WEIGHING ALL THE VARIABLES

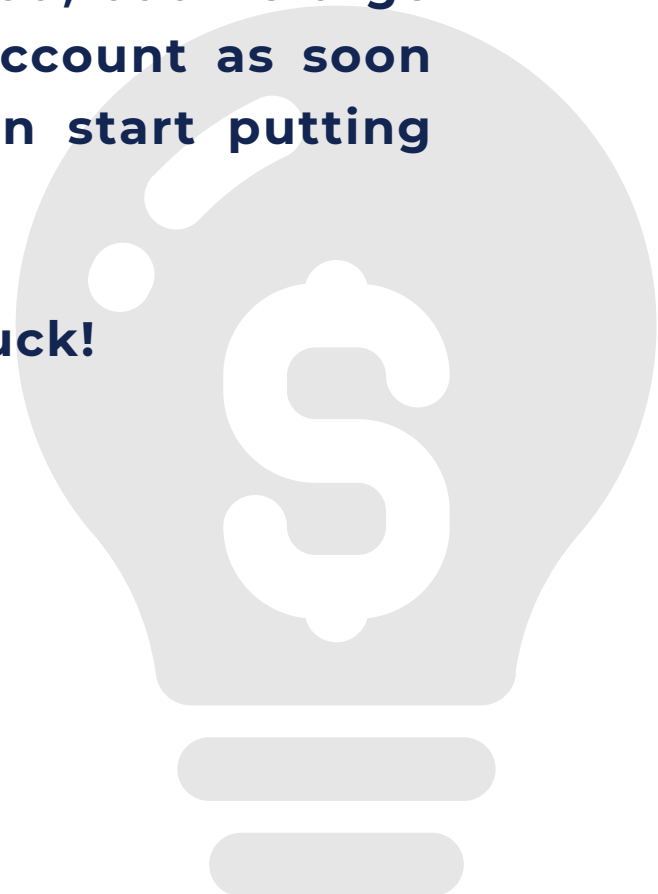
And that's it!

We have laid down all the important variables you should consider when selecting a broker.

The final decision is up to you, but we urge you to open a brokerage account as soon as you can so that you can start putting your money to work.

Happy investing and good luck!

**From,
The Smart Investor Team**





APPENDIX: RELEVANT LINKS

DBS Vickers:

- <https://www.dbs.com.sg/personal/investments/promotions/default.page> (reward system)

POEMS:

- <https://www.poems.com.sg/cash-plus/> (tiered accounts)
- <https://www.poems.com.sg/promotions/poems-rewards/poems/> (reward systems)
- <https://www.phillipcfid.com/promotions/#1469392742471-c9338a86-14fc> (referral promotion)

UOB Kay Hian:

- <https://www.utrade.com.sg/home/Promo-Referral.html> (referral promotion)

Maybank Kim Eng:

- <https://www.maybank-ke.com.sg/pricing/pricing-listing/stocks/> (reward system)

Standard Chartered:

- https://av.sc.com/sg/content/docs/sgo_efees_schedule.pdf (tiered accounts)

Saxo Markets:

- <https://www.home.saxo/en-sg/accounts> (tiered accounts)
- <https://www.home.saxo/en-sg/accounts/referral> (referral promotion)

Interactive Brokers:

- <https://www.interactivebrokers.com/en/pricing/commissions-stocks.php> (tiered accounts)

FSMone:

- <https://secure.fundsUPERmart.com/fsm/new-to-fsm/fsmone-prestige> (tiered accounts)
- <https://secure.fundsUPERmart.com/fsm/rewards/about-fsm-rewards> (reward systems)
- <https://secure.fundsUPERmart.com/fsm/new-to-fsm/fsmone-prestige> (referral promotion)

IGM:

- <https://www.ifastgm.com.sg/igm/home/pricing-structure> (tiered accounts)

Tiger Brokers:

- <https://www.tigerbrokers.com.sg/activity/forapp/welcome/sgp.html?adcode=AC1713167566154PhgMAh> (reward systems)
- <https://www.tigerbrokers.com.sg/activity/forapp/invitflow-intl/#/> (referral promotion)

Moo Moo:

- <https://support.moomoo.com/en-sg/topic69> (reward systems)
- <https://act-sg.moomoo.com/ambassador?lang=en-us> (referral promotion)



APPENDIX: CUSTOMER SERVICE CONTACT NUMBERS

With a slew of information to digest, it can be easier to have someone from the inside that can clarify your doubts.

In the table below, we've summarized the customer support services that the brokers offer.

BROKERAGE 	CONTACT INFORMATION 
DBS VICKERS	<ul style="list-style-type: none"> • Email: info-sg@dbsvonline.com • Phone Hotline: +65 6327 2288 (Mon 6.30am – Sat 6.30am) • Customer Service Centre: MBFC Tower 3, 8.30am – 4.30pm, Mon to Fri (Except PH)
POEMS	<ul style="list-style-type: none"> • Email: talktophilip@phillip.com.sg • Phone Hotline: + 65 6531 1555 (Mon-Fri, 8.45am-5.30pm) • Live Chatbot: https://www.poems.com.sg/contact-us/(24/7) • Customer Service Centre (appointment only): <ul style="list-style-type: none"> ◦ Raffles City Tower, Mon-Fri, 9am-6pm ◦ Ang Mo Kio Ave 8, Mon-Fri 9am-6pm & Sat, 9am-1pm
UOB KAY HIAN	<ul style="list-style-type: none"> • Email: cs@uobkayhian.com • Book an appointment: appointment@uobkayhian.com • Phone Hotline: <ul style="list-style-type: none"> ◦ General Hotline +65 6536 9338 (Mon-Fri, 8.30am-5.30pm) ◦ US Trading Night Desk (Mon-Fri, 10pm-2am (Standard Time), or 9pm-1am (DST)) • Live Chatbot: https://sg.uobkayhian.com/login/Contacts.html (Mon-Fri, 8.30am-5.15pm) • Customer Service Centre: Anthony Road (Newton), Mon-Fri, 8.30am-6pm



BROKERAGE 	CONTACT INFORMATION 
MAYBANK KIM ENG	<ul style="list-style-type: none"> • Email: helpdesk@maybank-ke.com.sg • Phone Hotline: <ul style="list-style-type: none"> ◦ General Enquiries +65 6432 1888 ◦ US Trading Night Desk +65 6231 5554 <ul style="list-style-type: none"> ▪ US Market Trading Days, 9.30pm-4am (DST), or 10.30pm-5am (Standard Time) • Customer Service Centre: 50 North Canal Road Singapore 059304, Singapore
STANDARD CHARTERED	<ul style="list-style-type: none"> • Phone Hotline: 1800 242 5333 (Mon-Fri, 8am-5am) • Live chatbot: https://www.sc.com/sg/help/contact-us/ (Mon-Sun, 9am-12am) • Customer Service Centres: https://www.sc.com/sg/atm-branch-locator/
SAXO MARKETS	<ul style="list-style-type: none"> • Support ticket/ chat: https://www.help.saxo/hc/en-sg/articles/360001255683- • Phone Hotline: +65 6303 7888
INTERACTIVE BROKERS	<ul style="list-style-type: none"> • Email:https://www.interactivebrokers.com/en/general/contact/newContact/contact.php • Phone Hotline: +65 6990 5200 General 08:00 - 17:00 (Mon - Fri) (Asia/Shanghai) • Live chatbot: https://www.interactivebrokers.com.sg/en/index.php?f=1560&p=chat (Mon-Fri, 24 hours)
FSMONE (IFAST)	<ul style="list-style-type: none"> • Email: clienthelp@fundsupermart.com • Phone Hotline: <ul style="list-style-type: none"> ◦ General Hotline +65 6557 2853 (Mon-Fri, 8.30am-10.30pm & Sat, 8.30am-12.30pm (Excl PH)) ◦ Overnight number 6439 8008 ◦ US Trading Night Desk 6439 8007 (Mon-Fri, 10pm-5.30am (Standard Time), or 9pm-4.30am (DST)) • Live chatbot: https://secure.fundsupermart.com/fsm/advice-services/contact-us (Mon-Fri, 8.30am-10.30pm & Sat, 8.30am-12.30pm (Excl PH)) • Customer Service Centre: Ocean Financial Centre, Mon-Fri, 8.30am-5.30pm



<p>BROKERAGE</p> 	<p>CONTACT INFORMATION</p> 
<p>IGM (IFAST)</p>	<ul style="list-style-type: none"> • Email: enquiries@ifastgm.com • Phone Hotline: +65 6439 8001 • Live chatbot: https://www.ifastgm.com.sg/igm/home/find-adviser • Customer Service Centre: https://www.ifastgm.com.sg/igm/home/find-adviser
<p>TIGER BROKERS</p>	<ul style="list-style-type: none"> • Email: service@tigerbrokers.com.sg • Phone Hotline: +65 6950 0591 (9am-6pm) • Live chatbot: https://www.tigerbrokers.com.sg/about/contactus
<p>MOO MOO</p>	<ul style="list-style-type: none"> • Email: clientservice@sg.moomoo.com • Phone Hotline: <ul style="list-style-type: none"> ◦ General Enquiries +65 6439 1100 (Mon-Fri, 9am-6pm) ◦ Customer service hotline +65-6321 8888 (Trading day: 24 hours; Holiday or weekend: 09:30 AM - 09:30 PM SGT)



THE SMART INVESTOR

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