



Driving
competitiveness and inclusiveness
with **technology**

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1. Pain points & what tech can bring in



2. Major tech trends & areas of possibilities



3. SEC's approaches to FinTech



Traditional
Financial Intermediaries

Features

- Centralized / Concentrated
 - Human intensive
 - Capital intensive
 - Economy of scale
 - Vertically integrated



Pain points

- High cost
- Long wait
- Inadequate access
- Conflict of interests
 - Human error
- Barrier to entry

What tech can bring in



Technology

- Data analytics
- Artificial intelligence (AI)
- Cloud computing
- Blockchain



FinTech examples

- Robo-advisors
- Crowdfunding
- Blockchain for trading, clearing, and settlement



Benefits

- Cheaper
- Faster
- Better access
- Competition
- Innovation
- Choice

2 Major tech trends



Artificial Intelligence



Blockchain

- 1 Automation of advisory and asset allocation
- 2 Alternative distribution channels
-----> new model for customer acquisition
- 3 Shift from technology-enabled human relationships to digital experiences with a little human support

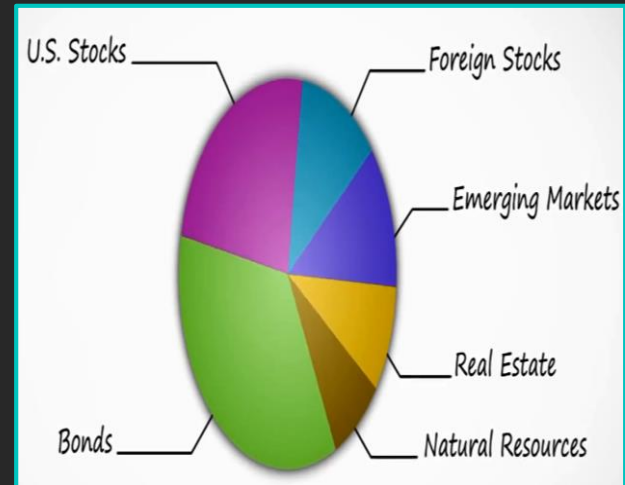
- Innovation in brokerage and wealth management services enabling better investment decision support
- Products and services for traditionally unprofitable customers

Areas of possibilities

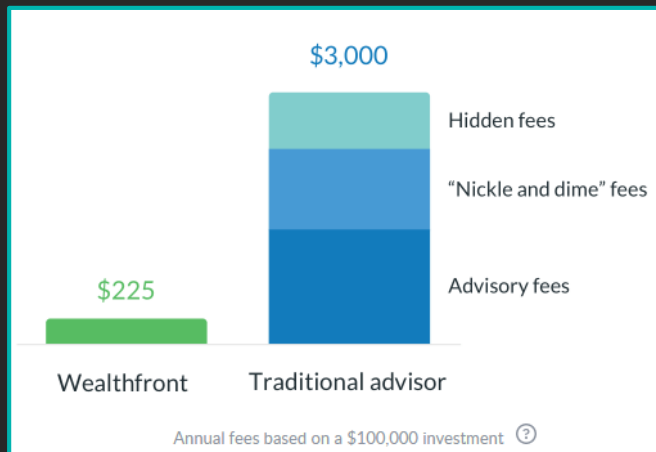
- Automated investment service

The image shows a screenshot of the Wealthfront website's onboarding process. It features a progress bar with three steps: '1 Answer Questions' (active), '2 View Your Plan', and '3 Sign Up'. The main heading is 'Let's Create Your Plan'. Below it, a question asks 'When deciding how to invest your money, which do you care about more?' with three radio button options: 'Maximizing gains', 'Minimizing losses', and 'Both equally'. To the right of the question is a 'Your Risk Tolerance' gauge ranging from 0 (Conservative) to 10 (Aggressive), with a needle pointing towards the conservative end. At the bottom, there are 'Prev' and 'Next' buttons, and a disclaimer stating 'This is anonymous, so you can answer truthfully. We won't ask you for identifying information unless you decide to invest with us.'

Answer a few questions



Individual portfolio

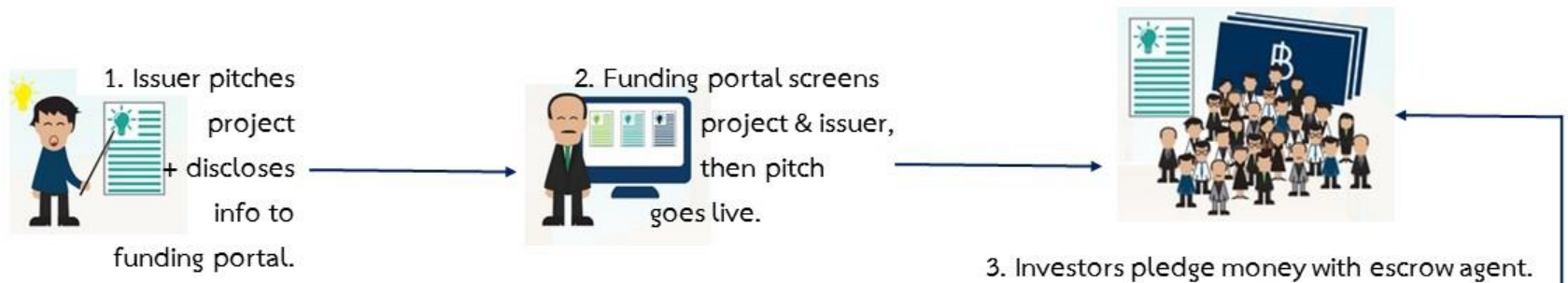


Lower fees

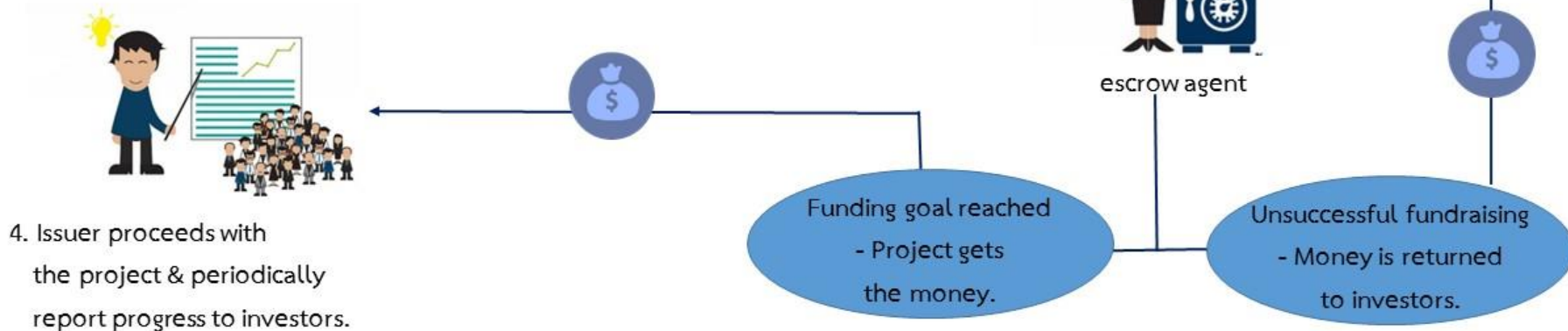


The financial advisor for
new generation

Areas of possibilities - Crowdfunding



Equity crowdfunding process



The Promising Foundation for “Internet of Value”

From “Internet of information” to “internet of value”

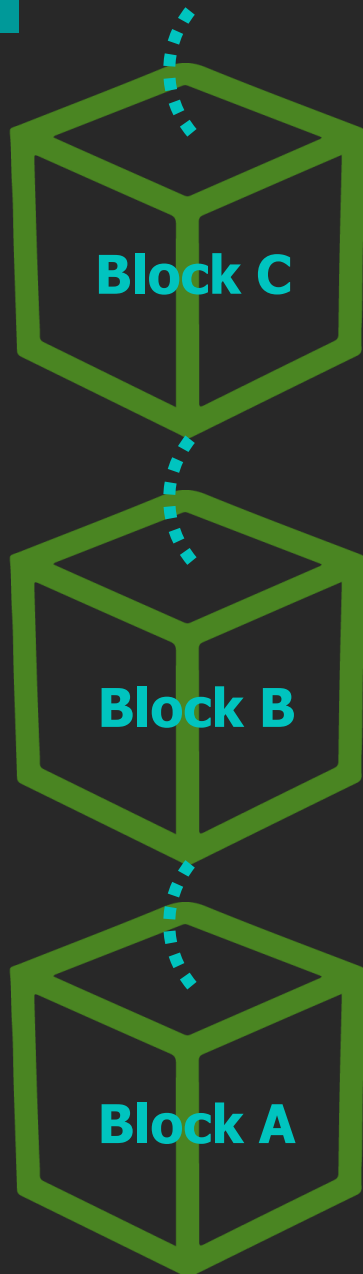


The truth is centered.



Everyone holds the truth.

Information in blocks and linkage in blockchain



Block A

Proof of work:
00078456klvfdsaf

Previous box :
00084596xyopqts

Transaction :
94351ivco

Transaction :
abg854opr

Transaction :
jk64op477

Block B

Proof of work:
000xzvn4876dlefg

Previous box :
00078456klvfdsaf

Transaction :
cdop8894g

Transaction :
986457ggx

Transaction :
zqxyto358

Block C

Proof of work:
000aglb8795ccdpa

Proof of work:
000xzvn4876dlefg

Transaction :
ipesg5879

Transaction :
378opbel8

Transaction :
xx7958bop

Blockchain

(distributed ledger technology)



Payment



Clearing and settlement

- **Cryptography backed**
- **Verifiable**
- **Immutable record**
- **Transparency by design**



**Audit or data management
of asset**



Smart contract

Unbundling of services and New Breed of Players

Unbundling of services



Types of technology :



Blockchain



AI

FinTech startups and incumbents can complement one another

FinTech startups

- Innovation
- Passion
- Agility



Incumbents

- Customer base
- Domain knowledge
- Human resource
- Infrastructure
- Capital
- Trust & brand

Cross border potential for FinTech

- Easily **scalable** across region and beyond
- **Not constrained** by borders
- Increased interests in **FTA negotiations**
- Smaller economies can **leapfrog hurdles** in traditional models

**Regional
opportunities
for Thai players**

How do we help Thai players benefit from FinTech?

Newcomer

- Encourage
- Mentor
- Create Space

Incumbent

- Encourage them to **embrace** rather than fight or resist

1. Ensure data accessibility

- Machine readable data
- Open API
- Personal data portability
- Capital market data pool

2. Navigate legal uncertainties

- Electronic transactions
- Digital authentication
- Blockchain application

3. Reduce barriers to entry

- Virtual sandbox
- Regulatory sandbox
- Enabling regulations

Driving competitiveness and inclusiveness with technology

so that ...

- The underserved will be served.
- Investors are empowered.
- Thai players can compete in regional and global markets.

25th
Anniversary
1992-2017



Thank you