

Beware of 'finfluencers'

Social media investment advice under TTSEC scrutiny

AS FINANCIAL advice on social media becomes increasingly common, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) is urging the public to be cautious of so-called 'finfluencers'.

These are social media personalities who promote investment content without being registered professionals.

'The term 'finfluencer' may still be unfamiliar to many, but their influence is growing- especially among younger investors who trust online platforms more than traditional sources,' the TTSEC stated in its latest bi-annual market newsletter.

These individuals, who range from everyday users to high-profile celebrities, often use platforms such as TikTok, YouTube and Instagram to share general investment tips, promote financial products, or earn income through sponsored posts and affiliate links.

Unlike registered investment advisers, finfluencers are not required to meet professional qualifications or regulatory standards.

'They do not have a fiduciary duty to their audience, and their content may oversimplify complex topics, create unrealistic expectations, or even spread misinformation,' the TTSEC cautioned.

According to the Commission, the growing popularity of finfluencers presents new regulatory challenges particularly in determining when general advice crosses into personalised recommendations.

'Many of these individuals operate from jurisdictions outside T & T, placing them beyond local regulatory reach,' the TTSEC noted.

The Commission advised the public to always verify whether an investment adviser is registered by checking the TTSEC's website and to approach claims of high returns or financial success with scepticism.

The TTSEC's caution comes as it reports encouraging results from its May 2025 Brand Awareness and Investor Knowledge Survey.

Conducted online from May 12 to 23, the survey received 1,129 responses, with 934 participants completing key knowledge-based questions.

'Our mission goes beyond regulation, it includes empowering the public to make sound financial decisions. This year's survey showed a 33% increase in awareness of the TTSEC, rising from 67% in 2024 to 89% in 2025 among online respondents,' it stated.

The Investment Knowledge Score (IKS) for the online population also improved significantly, from 62% in 2024 to 72.4% in 2025 representing an increase of 16.8%.

'These gains reflect the impact of our sustained public education efforts,' the TTSEC noted.

Rural communities lack awareness However, the survey also exposed gaps. Rural communities and parts of south Trinidad, such as San Fernando and Point Lisas, lagged behind in awareness. Young adults aged 18 to 35 were underrepresented in awareness mentions, and while women made up 81% of survey respondents, they were less likely to rate themselves as 'very' or 'extremely confident' in financial knowledge compared to men.

Knowledge also varied by financial concept: respondents scored strongly on investments and mutual funds, but performed poorly on bonds and property-related instruments.

The TTSEC marked its 9th annual Investor Education (IE) month in May 2025 under the theme 'Investing in Knowledge, Investing in Community.' The campaign included live radio and television interviews, public education events, and workshops across both Trinidad and Tobago.

A highlight was the Investor Education mall exhibition at East Gates Mall, Trincity, held on May 2, which included interactive booths and presentations.

The TTSEC also partnered with the Central Bank, the Securities Dealers Association, and the Tobago House of Assembly to host investor forums and school outreach sessions, reaching over 1,200 students and dozens of professionals.

'The most effective outreach channels, according to survey respondents, were social media (87.5%) and in-person workshops (84.8%). This validates our strategy to meet the public where they are.'

Online financial guidance tips The TTSEC offered several tips for those seeking financial guidance online: • Verify registration: Always check if an adviser is listed with the TTSEC.

- Check credentials: Confirm that any claimed certifications are legitimate.
- Demand proof: Be sceptical of bold claims without verifiable data.
- Do your own research: Avoid relying solely on advice from unlicensed sources.
- Keep records: Document all financial transactions and advice sources in case of future disputes.

'While finfluencers can play a role in making financial topics more accessible, their content is never without risk. We urge the public to approach social media advice with care, do their due diligence, and consult registered professionals when making investment decisions.'

As financial literacy grows across T & T, the Commission reiterated its commitment to fostering an informed and confident investing public, while working to address the regulatory grey areas presented by new digital influencers.