

# THE TOP BROKER OF THE YEAR

Winners share the secrets of their success — including excellent awareness of technology and renewed support for clients, writes **Colin Anthony**

The four firms winning the major awards in this year's Top Stockbroker survey make for an interesting contrast. Standard Online Share Trading/Stockbroking is the Top Stockbroker of the Year, slightly ahead of last year's winner, EasyEquities/GT247. Consilium Securities is ranked the Top Advice-Based Stockbroker and GT247.com/EasyEquities is the Top Online trader. DWT Securities takes the People's Choice award, which is highly prized because it is determined solely by client feedback. The other awards are based on an assessment by research house Intellidex, which is strongly informed by client views.

Standard is one of the biggest players in the market and has been a consistently strong performer since Intellidex launched the survey in 2010, winning the overall award in 2014 and finishing second last year.

GT247, EasyEquities and GT Private Broking are all brands within the Purple Group, which has consistently been among the most innovative in the industry, particularly with its investment products. Management is forever

working on developing new offerings that make it easier or more attractive for clients to trade.

Consilium Securities took part in this survey in the early years but ceased two years ago when it underwent a revamp, under new management. Now it is back with a bang: apart from being ranked the top advice-based broker, it wins a special mention as the top-ranked CFD provider and is fourth in the highly competitive People's Choice award.

This is the second consecutive year that DWT Securities has won the People's Choice award. Despite being an online, execution-only broker, it adopts a

“One strong trend is a blurring of the lines between stockbroking and wealth management”

## SA'S TOP STOCKBROKERS

### OVERALL RANKINGS: THE TOP 10 OF 2016

Firm	Rank	Total
<b>Standard Online Share Trading/Stockbroking</b>	<b>1</b>	<b>26.44</b>
<b>GT247.com/EasyEquities/GT Private Broking</b>	<b>2</b>	<b>25.33</b>
<b>Unum Capital</b>	<b>3</b>	<b>24.83</b>
<b>Sanlam Private Wealth/iTrade Online</b>	<b>4</b>	<b>24.80</b>
<b>PSG Wealth</b>	<b>5</b>	<b>24.18</b>
<b>Absa Stockbrokers</b>	<b>6</b>	<b>24.07</b>
<b>Sharenet</b>	<b>7</b>	<b>23.58</b>
<b>FNB Securities</b>	<b>8</b>	<b>23.19</b>
<b>Consilium Securities</b>	<b>9</b>	<b>22.73</b>
<b>Investec Wealth &amp; Investment</b>	<b>10</b>	<b>22.62</b>

similar philosophy as the high-touch advice brokers in terms of its efforts to build long-term relationships with clients. It also remains tightly focused on its core business.

The varied size and strengths of these four firms reflect that the survey discovers excellence in all reaches of the stockbroking industry. South African clients are well served and the market has become increasingly competitive, forcing brokers to evolve constantly. Technological developments have been driving much of the change but shifting

client needs play a major role.

One strong trend is a blurring of the lines between stockbroking and wealth management. For the past two decades, brokers have competed to create the most innovative online trading platforms and access to every kind of market exposure. This has enabled retail clients to practically become personal hedge fund managers. Now the pendulum has swung back, with clients wanting more personal attention and a service that covers their whole financial situation. Broking businesses are

now offering customised solutions, wealth and financial planning.

A consequence of this is that there are fewer online-only brokers around. DWT Securities is one, but MD Dawid Weideman emphasises the “personal touch” aspect of its services. There is much telephonic interaction with clients, with DWT staff offering support and guidance.

“Clients can pick up the phone any time,” he says. “It does help people that there’s human support for the online stuff.”

He believes one of the main reasons clients gave DWT the top rating in the People's Choice award is because of that personal element. Another important reason is that the firm stays tightly focused on its core business. Most of its clients are active day traders. The firm is strongly focused on derivatives and can implement algorithmic trading and provide clients with direct market access.

“We’ve built up a nice client base and provide high-quality service that they’re happy with. We don’t feel we need to expand and bring in something else. As soon as you add something there’s lots of other things that come with it — particularly from a compliance perspective. So we’re happy in sticking with what we know and do well.” Clearly, clients are happy with that too.

Standard Online Share Trading/Stockbroking has long split its offering between an online-centric share trading service and a high-touch stockbroking service focused on high-net-worth clients. But increasingly, the line between the two is blurring. Director Brett Duncan points out that this trend picked up strongly in the UK after its retail distribution review was introduced in early 2013, aimed at introducing more transparency and fairness in the investment industry. A similar process is under way in SA, driven by the Financial Services Board.

“It’s a natural broadening of the offering,” says Duncan. “And it makes sense — there’s no reason why a client in the online space shouldn’t have the same demands as those in the wealth

### TOP ONLINE BROKERS

Firm	Rank	Score
<b>GT247.com/EasyEquities/GT Private Broking</b>	<b>1</b>	<b>21.89</b>
<b>IG</b>	<b>2</b>	<b>21.56</b>
<b>28E Capital</b>	<b>3</b>	<b>21.12</b>
<b>Standard Online Share Trading/Stockbroking</b>	<b>4</b>	<b>20.92</b>
<b>PSG Wealth</b>	<b>5</b>	<b>20.39</b>

The 2016 People's Choice winner is DWT Securities. See page 20

### TOP ADVICE-BASED BROKERS

Firm	Rank	Score
<b>Consilium Securities</b>	<b>1</b>	<b>25.69</b>
<b>28E Capital</b>	<b>2</b>	<b>25.19</b>
<b>Afrifocus Securities</b>	<b>3</b>	<b>24.84</b>
<b>FNB Securities</b>	<b>4</b>	<b>24.61</b>
<b>BP Bernstein</b>	<b>5</b>	<b>24.57</b>

space. Online brokers are becoming holistic.”

For a bank like Standard, he says, it’s all about collaboration across business units.

“At the end of the day it’s how you service your clients and, more and more, clients like seeing things in one place. What you’re prone to find is that in the background there are many different things going on, lots of working parts, but seeing it all in one place is important to clients, it provides a sense of the net worth. That’s important today.”

The bank’s stockbroking business is still primarily

“Brokers have competed to create the most innovative online trading platforms and access to every kind of market exposure”

share-focused, he says, “but certainly with some of the stuff we’re starting to do, we’re becoming a wealth porter and broker.”

And the move is being driven by clients. “They don’t care if they’re dealing with different units but it must be integrated.”

It is digital technology that provides the ability to integrate, among other things, and Duncan expects “a quantum change” in digital offerings.

For example, clients can now use Standard Bank’s UCount rewards programme to fund their tax-free savings accounts

## STOCKBROKER OR NOT? HERE ARE THE FACTS

**THE FIRMS WE COVER COME** in two types: registered financial services providers (FSPs) that offer stockbroking-like services, writes **Stuart Theobald**.

Registered stockbrokers tend to be older firms concentrating on personal relationships with clients while FSPs are usually online- and execution-only businesses and focused on derivatives such as contracts-for-difference.

There is considerable rivalry between these firms, with only registered stockbrokers allowed to call themselves “stockbrokers”. There is more to it than the name, though: clients of registered stockbrokers hold their securities in their own name in an account directly with the JSE.

FSPs tend to provide their services using third parties that

have developed derivatives platforms or hold client assets in a segregated entity that has an account with the JSE.

FSPs tend to be cheaper as they avoid a lot of the costs that come with being a registered stockbroker. Their clients do face somewhat more risk in that their assets are in the name of their broker rather than in their own name with the JSE. So if the firm were to hit the skids, it could be difficult to extract client assets from the mess, even though most FSPs are fastidious in holding client assets in segregated bankruptcy-remote entities.

A registered stockbroker is also much more able to manage issues such as corporate actions and voting on company resolutions. But for most retail clients, that is not important.

There have been calls for us

to exclude FSPs from this survey and restrict it to registered stockbrokers only. We have not done this, because our priority is to provide a useful service to members of the public, for whom the difference is often irrelevant. Also, the worldwide trend is for stockbrokers to become more universal wealth services providers in which the actual stockbroking activity is a shrinking component.

We recognise that not having a JSE licence does enable such firms to offer cheaper services but not some of the more complex share ownership rights larger investors might demand. Members of the public should be aware of that when choosing their broker.

We note in the descriptions of each broker when the person is registered only as an FSP.

## IM Cover Story

(TFSA). This is but one step, he says, to ensure clients benefit from being in the bank's ecosystem.

The key to being successful in the direct space, is that if you're going to have a lot of digital platforms, you need to combine it with good educational offerings and community and social networks. As a result, more brokers are getting involved in social media, "creating digital communities in the financial world", as he puts it.

"We're comfortable in the digital world and for us to move into the wealth space is much easier than the other way around."

While he expects the trend of integrating wealth and broking

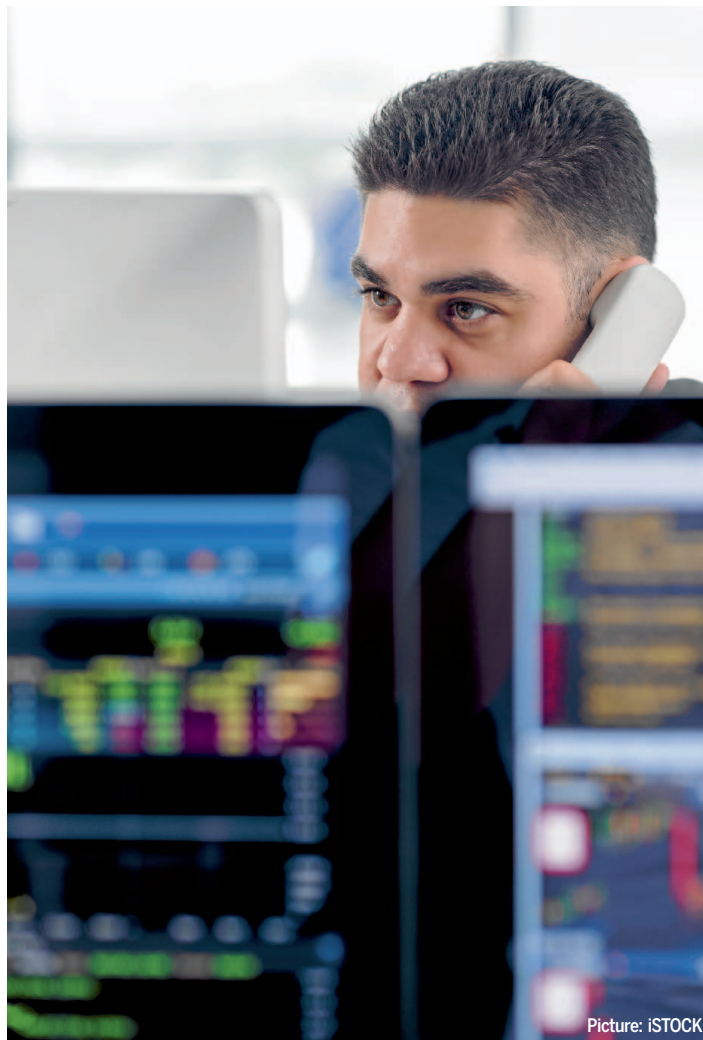
services to "become massive", the biggest game changer for him is the introduction of TFSA.

"That's bringing a whole new class of investor into the digital space. Following the UK trend, it will become a dominant force in SA.

"The maximum of R30,000 a year that can be invested in a TFSA may seem small but it becomes substantial after a few years," he says. And with many parents opening TFSA's for their young children, it means a big change for the market.

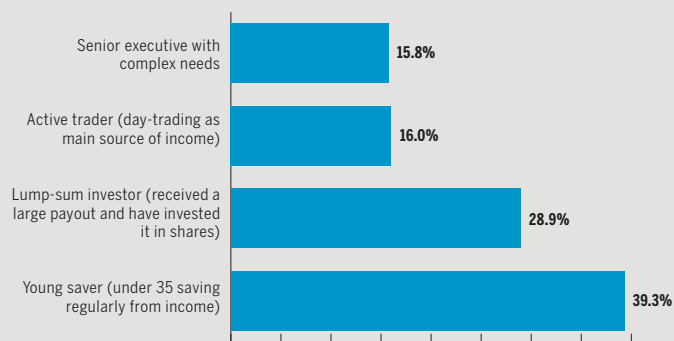
"Traditionally, a client comes to us only in their early 30s when they've built up enough cash to invest in the stock market. Now if

CONTINUED ON PAGE 16



Picture: iSTOCK

### WHAT SORT OF INVESTOR DO YOU CONSIDER YOURSELF TO BE?



Source: INTELLIDEX STOCKBROKING CLIENT SURVEY

## METHODOLOGY

### SA's TOP STOCKBROKERS

**THE SEVENTH EDITION OF THE ANNUAL** survey of SA's retail stockbrokers is the biggest yet. The survey has been growing every year since the first one was conducted in 2010. This year the number of participating firms climbed to 21, with 6,378 clients completing the People's Choice survey. Both are record numbers.

The Top Stockbroker of the Year survey has established itself as the leading assessment of the industry. The survey is conducted by Intellidex, a specialist financial research house.

The structure and nature of the survey has been informed by our experience built up over past surveys, as well as on feedback from the stockbroking community and stockbroking clients. Last year we changed the survey format substantially to place more

emphasis on specific offerings to clients and client-satisfaction ratings, and less emphasis on how stockbrokers would cater to different client archetypes. We also changed the awards last year to recognise the top online broker and the top advice-based (telephone) broker. We maintain that format this year.

The research follows three legs. First, a comprehensive questionnaire is sent to stockbrokers, asking for details of their products, pricing and market positioning. Second, a mystery shopping and desktop research exercise is undertaken by Intellidex to verify the information provided and assess transparency and responsiveness. Finally, a major online survey is undertaken of retail stockbroking clients. Clients rank their brokers on numerous factors. These scores determine the People's Choice Award, and feed into

other scoring categories where relevant.

An in-depth analysis of the results is undertaken, allocating scores to each stockbroker's performance in various categories based on the information provided, our own assessments and feedback from the client survey. The points weightings are generally guided by the range in the market. So, for example, when calculating value for money, the cheapest broker is scored 5/5 and the most expensive is scored 1/5. Points are awarded proportionately to the brokers between these extremes.

We also award special mentions to the best providers of contracts for difference and tax-free savings accounts. These are largely determined by clients.

# IM Cover Story

There'll be a new generation of young adults arriving on our doorstep with substantial assets

CONTINUED FROM PAGE 14

a person is fortunate enough to have had parents who could invest in a TFSA since they were young, they'll have a decent investment portfolio by their late teens or early 20s. That means there'll be a new generation of young adults arriving on our doorstep with substantial assets. Brokers will have longer relationships with clients and if it was invested prudently, the amount could form the equivalent of a retirement fund. It's cradle-to-grave investing."

Preparing for this new generation has already begun, he says, with the trend to exchange-traded funds and other products, and ensuring clients can access and trade their portfolios from all available channels.

"We've lived in an age of wealth management being the preserve of the really wealthy," Duncan says. "Digital is turning that on its head. Students will be interested simply because it's accessible, they want to buy through their digital channels. And people are becoming a lot more clued up about financial markets, and technology is also enabling that."

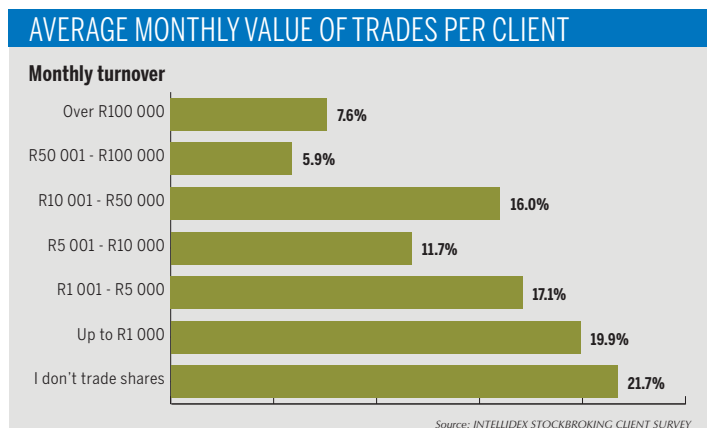
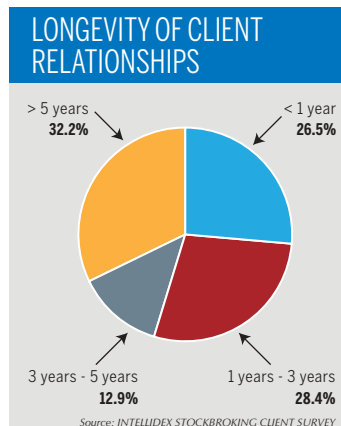
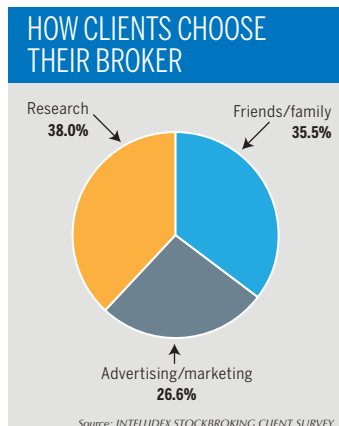
Consilium Securities, the top advice-based broker, has its roots in old money but it is also opening up to a younger market.

"We tried to modernise it, introducing online trading, CFDs, derivatives and other things that our older management weren't too keen on," says Nick Kunze, who took over as CEO two years ago. The changes, he says, were effectively forced on the firm through client demand.

"It's been quite fun data-



Picture: iSTOCK



mining our old client base and seeing how they're embracing the change, as well as our younger, newer clients — many of whom are children of our older clients."

He says the firm spent a lot on research to find out what the new generation wants and found they prefer the one-stop boutique that offers online and advice-based trading with as many options as possible. "So we decided to offer all the modern elements combined with the traditional values of the old-school broker."

Another trend Kunze has picked up on with the younger generation is a marked improvement in financial literacy levels. "I think more and more, the financial knowledge of people on the street is way ahead of 20 years ago." However, there is a long way to go in this area and far more can — and should — be done to teach schoolchildren about the stock market and financial planning.

"You want to empower a population?" he asks. "Teach them about shares, dividend flows and investing generally. That would be brilliant." **IM**

# Special mention: CFD providers

For the past four years *Top Stockbroker of the Year* has provided a ranking of the best providers of contracts for difference (CFDs), a type of derivative that allows for low-cost, short-term leveraged trading.

When we introduced this award in 2012 CFDs were the second-most-traded instrument after equities. But their popularity has waned in recent years and this year exchange-traded funds overtook them in trading activity. This is a worldwide trend.

CFDs are useful for shorter-term traders as they are generally cheaper to trade in and out of than normal shares are, but become more expensive the longer the holding period.

Determining the best CFD providers is fraught — there are

many issues that are important. Ideally, we determine three things: client satisfaction, cost and credit risk. This last measure, though, is very difficult. Many firms write CFDs off the balance sheet of bigger prime brokers and are therefore much less of a credit risk than it would appear from the size of the broker itself.

CFDs can now be traded on the JSE, which eliminates the credit risk as it guarantees settlement or “over the counter” trade between broker and client. The latter type has been going for longer and probably still makes up most CFD trades.

CFDs imply credit risk because brokers may end up owing traders money if the CFD moves into a profit position. That should be no problem for brokers

Firm	Rank	Score
Consilium Securities	1	13.2
GT247/EasyEquities/GT Private Broking	2	13.0
DWT Securities	3	12.9
28E Capital	4	12.2
IG South Africa	5	12.1

who are managing their risk correctly, but can become a big problem if they are not. Dealstream, which collapsed in 2008 owing clients money, is the oft-cited example.

While we assess this risk as comprehensively as possible, it is very difficult to do so without conducting a full systems audit.

Brokers also write CFDs in various ways, sometimes using their own balance sheets as the counterparty, and at other times using the balance sheets of big banks or prime brokers. We asked brokers to identify which balance sheet was the counterparty to the CFDs they

wrote, but knowing the answers doesn't shed much light on just how credit worthy those balance sheets are.

It is also important to clients that CFD trading facilities are easy to use and costs are low.

Costs can be assessed directly, but have two sources: the charges for CFD transactions and the implied leverage in transactions. Often low fees are paid for by charging high interest rates for leverage, or paying low interest rates for short exposures. We measured the difference between these, known as the spread.

Client satisfaction can be assessed from clients' opinions on

## SPECIAL MENTION: BEST TAX-FREE SAVINGS ACCOUNTS

**STOCKBROKERS ARE A KEY PROVIDER** of tax-free savings accounts (TFSAs), which were launched last year. Brokers have created a compelling offer for first-time investors to get involved in the stock market and we support them with this special mention of those we think have created the best offerings.

Investors can save up to R30,000 a year with a lifetime limit of R500,000 with all gains free of tax. TFSA rules do not allow direct investments in listed equities but allow for access to the equities market through exchange-traded funds. These invest in a portfolio of shares and are a cheap way to get exposure to a diverse equity investment. Equities tend to be riskier than alternatives like bank accounts, but the evidence is clear that in the long run of five to 10 years they outperform. Stockbroker accounts are also the most tax efficient, allowing investors to avoid capital gains tax and dividend tax.

Because of the restrictions, most brokers

offer the same range of ETFs and our assessment considered price, awareness, ease of opening an account and client views.

Stockbrokers have kept in mind the goal of getting more first-time investors into the market and have kept prices low.

EasyEquities, for instance, charges no monthly fees, has no investment minimum and takes just 0.25% commission on purchases and sales of ETFs. Afrifocus was one of the first to market with a set of managed TFSA accounts at an annual fee of 0.5%, which appeals to clients not wanting to make their own decisions about which ETFs are best to invest in. Standard Online Share Trading/Stockbroking has slashed its commission to just 0.25% on TFSAs.

A survey conducted by Intellidex this year shows that from the launch of TFSAs on March 1 2015 to February 2016, 261,887 tax-free accounts had been opened, of which 34,585 were through stockbrokers. Assets in stockbroking TFSAs totalled R229.3m, giving

an average of R6,630 per account. A combination of clients' assessments of their broker's TFSA product and our own investigations was used to rank brokers on their TFSA offerings. First place was taken by the Purple Capital group of companies including EasyEquities, GT Private Broking and GT247 which all offer the same basic TFSA. EasyEquities has gone out of its way to promote TFSAs to first-time investors. Our research shows it has had great success. [IM](#)

### Special mention: Best TFSA providers

1	GT247/EasyEquities
2	Afrifocus Securities
3	Standard Online Share Trading/Stockbroking
4	Unum Capital
5	PSG Wealth

the quality of their brokers' interaction with them and the support they offer.

We used those rankings, costs and our own investigations in our rankings.

Consilium Securities, in its debut entry in this survey, is the top-ranked firm. Its clients

awarded it good scores on all categories, but particularly for CFD trading ideas. [IM](#)

## Wine & Culinary Tourism Reconsidered



and setting global food trends. At the same time, delegates had the opportunity to experience the culinary culture and hospitality of the Cape Winelands.

South Africa has earmarked tourism as a key sector with excellent potential for growth and Government aims to increase tourism's contribution to the economy to R499-billion by 2020 (National Department of Tourism, 2012). And especially in the Cape Winelands, tourism is crucial to the economy. It is an important source of income to the local community and supports skills development and education – all important factors in a country where unemployment is one of the biggest challenges. Tourism supports one in every 12 jobs in South Africa.

One of the speakers at the Délice conference was blue-sky thinker and international expert when it comes to all things wine and tourism, Robert Joseph. Sharing his thoughts and insights on the importance of culinary tourism, his main message was that although culinary and wine tourism is important, they are (not yet) a stand-alone industry. Culinary and wine tourism have to work closely with the bigger tourism sector. Although food and wine enthusiasts might travel for the specific idea of exploring restaurants and wine estates, to attend cooking classes and learn about the local cuisine, they still only make up for a small portion of tourists. Many more people might be interested in food than they were in the past, but dining usually makes out part of a bigger travel experience. Most people focus on all kinds of other things and have only a limited interest in wine and food.

When one is as closely involved with an industry as we are, it is easy to forget this. Having said that, the Franschhoek Valley has been hard at work at creating complementary experiences to the food and wine offering – hikes, horse riding, art...

Being innovative (how about yoga and wine tasting?), being consumer friendly (perhaps visitors struggle with the unfamiliar cuisine? perhaps guests are older and need more focus on comfort? everyone wants Wi-Fi!) and working with the bigger tourism industry (create a relationship with game reserves, golf courses, holiday resorts...) are of the utmost importance.

And then: be on Social Media and be accessible on mobile platforms. Nomophobia, according to Robert Joseph, is a recognised psychological condition! Travellers find out about your business and offering via their mobile devices much more than via travel agents. Be clever about marketing your destinations to travellers. Some might still read travel magazines, but many will see what you offer on Instagram.

And while it might be so that only a limited number of tourists have an exclusive culinary focus, everyone has to eat – regardless of whether they are travelling for sport, business, family holiday or adventure. And creating more of a experience than a burger from a fast food outlet, is one of the aims of culinary tourism. Be known for your culinary offering so that travellers allow, within their wider itinerary, time to explore local restaurants, cooking classes, wine tastings, artisan food routes...

[Read more on www.heinonwine.com](http://www.heinonwine.com)

Culinary Tourism was on the agenda when renowned international guests and important global role players met in Franschhoek recently as part of the Délice Network of Good Food Cities' first gathering in the Southern Hemisphere. La Motte CEO and Chairman of Franschhoek Tourism, Hein Koegelenberg, shares his thoughts on the role of wine and culinary tourism within the bigger South African tourism offering.

"I was delighted when the Cape Winelands joined the international Délice network of like-minded cities, engaged in promoting the benefits of culinary excellence and good food. Positioning the local industry within a global context is of the utmost importance – highlighted the quality of the offering available and creating awareness on an international platform. On the program was discussions on international best practice in culinary tourism, culinary excellence, city marketing, food sustainability


**how can we help you?**

# build your wealth through your investment journey.

We will be here with you on your journey to build your financial wealth – whether your portfolio requires the personal touch, or you want to invest independently. We offer access to global and local investments and trading, custodial and money broking services. At FNB Securities, we empower you to empower yourself.

[www.fnbsecurities.co.za](http://www.fnbsecurities.co.za)

FNB Securities (Pty) Ltd. - a part of the FirstRand Group. An Authorised user of the Johannesburg Stock Exchange (JSE) and Financial Services Provider (FSP182)



# PEOPLE'S CHOICE AWARDS

## SA's TOP STOCKBROKERS

### Client satisfaction high in retail broker sector

**DWT SECURITIES TAKES TOP PLACE IN** this year's award based solely on client feedback. We conducted an online survey of stockbroking clients to which a record 6,378 clients responded.

It was an extremely tight race, with clients rating each of the top 10 brokers as excellent.

DWT pipped 28E Capital to the top rating, with EasyEquities and related companies a hair's breadth behind them. Remarkably, it's the same top three in the same order as last year.

DWT and 28E both are both primarily derivatives-driven brokers that cater to active day traders.

One DWT client gushed in the survey: "I have never encountered better service from any financial organisation than I have had from DWT Securities." Another said the firm was amazing at resolving queries quickly.

28E's clients were as complimentary, describing the firm as "perfect".

The high rankings these brokers received from their clients suggests that it may be easier for smaller, niche-type firms to keep clients happy.

We based our scores on two questions that we believe are integral to assessing client satisfaction levels: we asked clients to rank overall quality of service; and how



likely they would be to recommend their broker to friends and family.

Clearly SA's retail stockbrokers are excellent at keeping their clients happy. Only 1.08 points separate first place from 10th, reflecting the fiercely competitive nature of the industry.

GT247/EasyEquities is a consistently strong performer, both in the client survey and the survey's other categories. It offers a wide range of services and products, and works hard at generating products that suit

its largely online client base.

Consilium Securities, which comes in at fourth place in its debut year in this survey, is a full-service broker targeting high-net-worth clients. Typically, such firms emphasise building long-term relationships with clients.

However, longevity of relationships is important to all brokers. About a third of clients from all firms who completed the People's Choice survey have been with their broker for more than five years. The next highest is the 28.4% of clients who have been with their broker for one to three years, indicating that the number of new clients being signed up by stockbrokers is at a healthy level.

Clients also believe they're getting good value for money. Only 6.2% say their broker's costs are "expensive", while about two-thirds describe their costs as either "very affordable" or "affordable". The balance describes costs as "fair".

The quality of research offered by brokers, particularly fundamental analysis of specific companies, also received exceptionally high rankings.

Nearly 60% of clients occasionally use their brokers' research to influence their investment decisions, while 26.5% use it extensively.

Rank	Firm	Score
1	DWT Securities	9.29
2	28E Capital	9.05
3	GT247.com/EasyEquities/GT Private Broking	9.03
4	Consilium Securities	8.90
5	Afrifocus Securities	8.86
6	IG South Africa	8.78
7	Sharenet	8.56
8	Unum Capital	8.27
9	BP Bernstein	8.25
10	FNB Securities	8.21

The lucky winner of the R10,000 cash prize for completing the Top Stockbroker online client survey is Alfredo da Silva from Northcliff, Johannesburg, who has an account with Afrifocus Securities. His name was drawn from a list of 4,901 eligible participants. The R10,000 will be deposited into his stockbroking account.

# Which broker is right for you?

**THE TOP STOCKBROKERS SURVEY HAS CHANGED** in recent years to place less emphasis on how stockbrokers would respond to the specific needs of certain archetype investors. However, we still assess which firms excel in which areas, something that is important to clients. The tables below can be used as a guide in picking the right broker for your needs. We selected only those firms with strong scores in each archetype. Our choices are based on our insights into the feedback from brokers and clients. They are not ranked but listed in alphabetical order.

## YOUNG saver

**Under 35, saving regularly from income:** Largely self-directed, such clients will interact mostly online, requiring some educational guidance and low-cost trading for relatively small monthly investments.

### Young Saver

GT247.com	PSG Wealth
Standard OST/ Stockbroking	

## LUMP-SUM investor

**Received a large payout and invested it in shares:** Such clients often need personal advice to develop an investment strategy to match their life stage and needs. Typical clients include those retiring, receiving a retrenchment package, an inheritance or divorce settlement.

### Lump-Sum Investor

ABSA Stockbrokers	Afrifocus Securities
Consilium Securities	FNB Securities
Nedbank OST/Private Wealth	PSG Wealth
Sanlam Private Wealth	Standard OST/ Stockbroking

## ACTIVE trader

**Day-trading as main source of income:** Such clients largely use index futures, CFDs or single-stock futures to trade. The priority is efficient execution and low trading costs.

### Active Trader

28E Capital	IG South Africa
PSG Wealth	Rand Swiss
Unum Capital (formerly Vunani)	

## SENIOR executive

**Complex investment needs:** Such clients have complex needs such as large concentrated equity exposures, requiring financial engineering skills as well as financial advice.

### Senior Executive

FNB Securities	Independent Securities
Investec Wealth & Investment	Nedbank OST/ Private Wealth
Sanlam Private Wealth	Standard OST/ Stockbroking

SA's  
**TOP**  
STOCKBROKERS



Pictures: iSTOCK

# What they're good at

SA's  
**TOP**  
STOCKBROKERS

We have assessed each stockbroker on five core measures and the best performers are listed in the tables

Some brokers, particularly the larger ones, cater to the full spectrum of client segments, from the novice investor to the high-action day trader. Others are more niche-orientated, with differing areas of specialisation. The tables below reflect which brokers excel in different areas. Note that tied scores are common.

## Responsiveness & transparency

	Rating
Rand Swiss	<b>5.00</b>
Sharenet	<b>4.80</b>
IG South Africa	<b>4.80</b>
Sanlam Private Wealth/iTrade	<b>4.75</b>
ABSA Stockbrokers	<b>4.40</b>
PSG Wealth	<b>4.25</b>
FNB Securities	<b>4.25</b>

This measures the efficiency and time for responses to our mystery shopping exercise and the transparency of the information provided both on the website and in our communication with the brokers.

Transparency levels are generally excellent, having improved tremendously over the past few years. In terms of responsiveness, while the ones ranked here were excellent, there were a few who were tardy.

## Overall quality of offline services

	Rating
Afrifocus Securities	<b>4.41</b>
FNB Securities	<b>4.30</b>
Sasfin Securities	<b>4.25</b>
Nedbank OST/Private Wealth	<b>4.24</b>
Rand Swiss	<b>4.24</b>
Standard OST/Stockbroking	<b>4.23</b>
Sanlam Private Wealth	<b>4.23</b>

Clients were asked to assess the quality of service levels for telephone-based trading, including live interactions with broker representatives.

## Available instruments and trading tools

	Rating
Standard OST/Stockbroking	<b>5.00</b>
Unum Capital	<b>4.00</b>
GT247.com/EasyEquities/ GT Private Broking	<b>4.00</b>
Rand Swiss	<b>4.00</b>
28E Capital	<b>4.00</b>
Thebe Stockbroking	<b>4.00</b>
Sanlam Private Wealth	<b>4.00</b>
PSG Wealth	<b>4.00</b>
Afrifocus Securities	<b>4.00</b>

We assessed this category using information garnered from the brokers' submissions as well as our own investigations into their offerings. The tools assessed, among others, were: direct market access, ability to view market depth, live prices, charting, stop-loss orders and limit orders. Available instruments assesses the range of investable instruments.

## Client support, including research and educational tools

	Rating
PSG Wealth	<b>4.60</b>
Consilium Securities	<b>4.58</b>
Standard OST Trading/Stockbroking	<b>4.53</b>
Rand Swiss	<b>4.49</b>
Sanlam Private Wealth	<b>4.37</b>

The range as well as the quality of educational support and research provided by brokers pretty much across the market (there are a few exceptions) is extraordinary. Investors are well catered for in SA. From shares to sophisticated derivatives and worldwide exposure, investors can familiarise themselves with just about any type of trade online or at the numerous events, live and online, that are offered by stockbrokers.



Picture: iSTOCK

## Overall quality of online services

	Rating
4GT247.com/EasyEquities/ GT Private Broking	<b>4.46</b>
Rand Swiss	<b>4.46</b>
Standard OST/Stockbroking	<b>4.35</b>
IG	<b>4.30</b>
PSG Wealth	<b>4.27</b>

Client rankings were the primary measure in this category. We looked at how clients rated their broker's online trading platform as well as mobile/tablet accessibility.

## Value for money

	Rating
GT247.com/EasyEquities/ GT Private Broking	<b>5.00</b>
Rand Swiss	<b>4.85</b>
Standard OST/Stockbroking	<b>4.73</b>
Sharenet	<b>4.68</b>
Consilium Securities	<b>4.60</b>

We used the information submitted by the brokers on the total cost of performing a single buy execution of five amounts (R11,000; R51,000; R101,000; R501,000; R1,001,000). We gave a higher weighting to costs for brokerage fees on equities trading and also looked at charges for trading of contracts for difference and other common derivatives, including the cost of leverage.

# The broker scores

SA's  
**TOP**  
STOCKBROKERS

## 28E CAPITAL

Score  
(out of 5)

Responsiveness and transparency	3.00
Value for money	3.49
Available instruments and trading tools	4.00
Overall quality of online services	4.22
Quality of offline services	4.11
Client support, including research and educational tools	3.36

**THIS FIRM TARGETS** sophisticated active day traders. It gives clients access to a variety of third-party platforms that provide powerful tools like algorithmic trading. Using these, clients get direct market access, and 28E has recently launched a new system for index futures and local equity CFDs. Clients can write their own algorithms and mechanical trading systems. While day traders are core, 28E does cater for all client types. For example, it states that “young savers” make up only 10% of its target market — with the others evenly spread at 30% each — but it still caters for them with a fee-free offering based on ETFs and other products. It also offers actively managed discretionary portfolios. It is quite expensive for anyone not doing significant trading. The service charge is R400/month unless more than R500 is spent on brokerage. That would require about R80,000 of equities trades a month.

However, 28E is keeping its clients happy. The firm ranked second in the People’s Choice award for the second year running and its CFD offering is ranked in the top five.

## ABSA ONLINE STOCKBROKING

Score  
(out of 5)

Responsiveness and transparency	4.40
Value for money	4.40
Available instruments and trading tools	3.00
Overall quality of online services	4.15
Quality of offline services	4.00
Client support, including research and educational tools	4.11

**OVER THE PAST** few years Absa has been working hard to improve its offering and the results are starting to show, as it has climbed up the rankings this year. It has evolved from an execution-only broker into a full-service



retail offering with advisory, and portfolio and wealth management services. This is consistent with a trend we’ve picked up across the market of using a brokerage to operate as a wealth manager.

But Absa is still paying close attention to other market segments. It has done a good job in the tax-free savings market with its low-cost ETF/ETN account, which has zero monthly fees. It has also integrated it with the Absa rewards programme, so clients get something back for their brokerage spend. It has also introduced an international trading facility and provides good research and education, all at no cost.

Despite improving in all areas over recent years, the firm still performed relatively poorly in the People’s Choice survey. This could be a question of needing to improve communication to clients so they are more aware of the new offerings, but we do wonder if clients reflect frustration with other areas of the bank in providing feedback on the stockbroking unit.

**AFRIFOCUS’S CORE MARKET** is the lump-sum investor and it has a wealth division that effectively offers full wealth management — another firm that seems to be dissolving the

## AFRIFOCUS SECURITIES

Score  
(out of 5)

Responsiveness and transparency	3.40
Value for money	1.82
Available instruments and trading tools	4.00
Overall quality of online services	3.53
Quality of offline services	4.41
Client support, including research and educational tools	4.31

line between stockbroking and wealth management. However, it has widened its appeal considerably by developing products to cater for every risk profile and investment size. These range from a low-cost, tax-free savings account and online platform for do-it-yourself traders with accompanying trade ideas to full discretionary managed portfolios. Every account now also has a dedicated portfolio manager.

The firm is primarily an advice-based broker that offers a high level of personal interaction and ranks third in that category, but a good range of instruments can also be traded online. We were very impressed with the quality of its research for clients and its frequent client interaction is appreciated: in the client survey it ranks fifth overall, from sixth last year.



# IM Cover Story



Picture: iSTOCK

## BP BERNSTEIN

Score  
(out of 5)

Responsiveness and transparency	2.90
Value for money	3.47
Available instruments and trading tools	2.00
Overall quality of online services	3.14
Quality of offline services	4.06
Client support, including research and educational tools	3.80

**THIS IS AN ADVICE-DRIVEN** broker operating telephonically, though clients can obtain access to data online. The firm's core market segment is the lump-sum investor, and it offers such clients discretionary managed portfolios tuned to match their risk profile.

The firm is strong on client communication and has been operating for 60 years, boasting extensive investment experience among staff.

While it does not target other archetype categories, it does cater for them. Young savers can call experienced traders for advice while active traders are offered equities and CFD trading. The firm allocates staff to each active trader to ensure efficiency of communication and execution. Clients with sophisticated investment needs are referred to network partners if BP Bernstein cannot accommodate them.

This is the first year BP Bernstein is participating in this survey and it did not provide much detail about its activities. It

strikes us as the type of old-school broker that clients can call up to discuss their portfolios and the markets, or just to have a lekker chat.

## CONSILIUM SECURITIES

Score  
(out of 5)

Responsiveness and transparency	2.50
Value for money	4.60
Available instruments and trading tools	3.00
Overall quality of online services	3.89
Quality of offline services	4.16
Client support, including research and educational tools	4.58

**HAVING NOT PARTICIPATED** in the survey for the past two years, Consilium makes a strong return, winning the award for top advice-based broker and best CFD provider. It is no fluke: the firm has been rebranding and developing a new website with a wealth of support, including trade ideas, education, research and market commentary. We were particularly impressed with the range of research it offers. Despite changes at the firm it is keeping its clients happy: Consilium finishes an impressive fourth in the People's Choice survey.

It is a dual online and telephone-based advice broker, prioritising the lump-sum market segment with a focus on bespoke advice. Its systems work on the back of Saxo

Bank's worldwide trading engine. While the range of instruments available to trade is limited relative to those of some of its competitors, it saves the more complicated instruments, such as futures and some derivatives products, for telephone-based trading. Its trading platform provides full access to local and international markets.

## DWT SECURITIES

Score  
(out of 5)

Responsiveness and transparency	4.25
Value for money	4.57
Available instruments and trading tools	2.00
Overall quality of online services	4.05
Quality of offline services	2.96
Client support, including research and educational tools	2.24

**WINNER OF THE PEOPLE'S CHOICE** award for the second consecutive year, DWT highlights the advantages of being a relatively small broker. An online execution-only broker, it operates with a relatively small base of clients who are mostly active day traders, and DWT's focus is on catering for their needs and supporting their trading on the Swordfish platform. It is strongly focused on derivatives, can implement algorithmic trading and offers direct market access.

It offers no research and little in the way of investment education, but is clearly giving clients exactly what they want. Its CFD product was ranked third overall by clients.

## FNB SECURITIES

Score  
(out of 5)

Responsiveness and transparency	4.25
Value for money	3.71
Available instruments and trading tools	3.00
Overall quality of online services	4.01
Quality of offline services	4.30
Client support, including research and educational tools	3.92

**USING THE RESOURCES** of the wider banking group to its advantage, FNB Securities provides a strong offering, catering well to most types of investors. Its main markets are the sophisticated executive and lump-sum investor. Where necessary, the stockbroking business can draw on the capabilities of the wider group, and it is able to offer a full wealth management approach,

with risk and financial needs assessment leading to an investment strategy. It does not cater fully to the active day trader with limited online derivatives capabilities, and its high minimum of R25,000 to trade online might put off young savers. However, it offers a low-cost Share Saver product that allows clients to invest in a basket of the 100 biggest JSE shares using a monthly debit order. It also offers a low-cost, tax-free savings account. It has beefed up its offshore offering, with clients now able to invest in bonds on its offshore platform. Clients also earn eBucks reward points when using the service.

**GT247.COM/EASY EQUITIES/GT PRIVATE BROKING**

	Score (out of 5)
Responsiveness and transparency	3.90
Value for money	5.00
Available instruments and trading tools	4.00
Overall quality of online services	4.46
Quality of offline services	3.96
Client support, including research and educational tools	4.01

**WE WROTE LAST YEAR** that this firm had impressed us for some time with its innovative approach in developing new systems and products to suit its client base. Winning the overall Top Stockbroker award last year hasn't slowed it down. It has since introduced EasyEquities baskets. Each basket consists of shares with assigned weightings pre-selected by well-known personalities and professionals. It has also upgraded its website, introduced recurring payments functionality and set up a trading instruction tool that enables clients to place orders when the market is closed, to be executed when it opens. By means of a joint venture with exchange-traded fund provider Satrix it has introduced SatrixNow, an offering focused on Satrix's ETFs.

We do think this firm could simplify its branding, which is now split between the youthful and sexy EasyEquities, GT247, focused on active traders, and GT Private Broking, which focuses on high-touch clients. We think its low-cost offering for the young savers archetype, which makes up 40% of its client base, couldn't be better, and EasyEquities has probably done more than anything else to introduce new investors to the market. It must be noted here, though, that GT247 is not a registered stockbroker but a financial service provider, which enables it to offer cheaper services, but not some of the more complex share dealing that larger investors might want.

**IG SOUTH AFRICA**

	Score (out of 5)
Responsiveness and transparency	4.80
Value for money	4.00
Available instruments and trading tools	2.00
Overall quality of online services	4.30
Quality of offline services	2.93
Client support, including research and educational tools	3.92

**IG IS A WORLDWIDE BROKER** specialising in trading CFDs. It has a sophisticated online trading platform that allows clients to gain exposure to many international markets as well as the JSE. Its reach across asset classes and foreign markets is unrivalled — you can gain exposure to practically anything using derivatives through its platform. It has built up probably the largest CFD business in the SA market. It is listed on the London Stock Exchange, making it a worthy counterparty for CFD trading.

The company is good at bringing in new clients with limited experience, offering online training videos, a phone-based trading app and face-to-face seminars. Clients rate it highly for its Web interface and phone app.

IG is not a registered stockbroker but operates under a financial services provider licence. This is set to change: it's been rolling out a cash equities service in several of its markets and is set to do so in SA next year. That may see it take on a JSE membership and evolve into a more expansive service provider, offering more traditional share trading alongside derivatives.

**INDEPENDENT SECURITIES**

	Score (out of 5)
Responsiveness and transparency	1.10
Value for money	1.72
Available instruments and trading tools	3.00
Overall quality of online services	2.28
Quality of offline services	4.06
Client support, including research and educational tools	2.50

**INDEPENDENT IS AN OLD-SCHOOL** broker that specialises in the complete financial needs of high-net-worth clients. It provides discretionary managed portfolios tailored to meet the needs of clients as well as retirement funds using segregated portfolios. It sees itself as a stock picker, able to advise

and grow clients' wealth over time. It has a minimal presence online, relying on the phone for trading, but "face to face" is important, though, with periodic meetings with clients. It provides no research, relying on its portfolio managers to advise clients. It is 100% focused on the sophisticated executive market.

**INVESTEC WEALTH & INVESTMENT**

	Score (out of 5)
Responsiveness and transparency	3.50
Value for money	3.71
Available instruments and trading tools	3.00
Overall quality of online services	4.03
Quality of offline services	4.09
Client support, including research and educational tools	4.29

**INVESTEC'S OFFERING FITS WELL** within the group's overall private banking and wealth management service. The broker focuses on high-net-worth clients, ensuring share portfolios are integrated with the client's banking and asset management services. Investec is particularly strong on helping clients with tricky share situations, such as those with concentrated exposures to their own companies, or in need of liquidity but unable to liquidate a position in companies they have significant influence in.

Client feedback indicates it has a sizeable group of young professionals who are using Investec for their stock portfolios. Investec did not provide a response to our questionnaire this year, but their clients rate the firm highly.

Most indicate that they are fairly active investors managing their savings, with some in retirement and quite sizeable portfolios. A surprisingly large number of clients use Investec's phone app to manage their accounts.

**LEGAE SECURITIES**

	Score (out of 5)
Responsiveness and transparency	2.50
Value for money	2.60
Available instruments and trading tools	1.00
Overall quality of online services	1.50
Quality of offline services	3.58
Client support, including research and educational tools	2.50

**LEGAE REMAINS A TELEPHONE-BASED** broker, with the website providing portfolio

information only.

It comes across as an institutional broker, focused on servicing asset managers and similar companies, with a retail broking offering focused on high net-worth clients.

It has an interesting research offering, including advice on how to vote at company AGMs, though this is likely to be more useful to large shareholders. It services clients who want advice on their portfolios and is geared both to those managing their nest eggs and to sophisticated executives who might need more complex services.

**MOMENTUM SP REID**

	Score (out of 5)
Responsiveness and transparency	3.10
Value for money	2.94
Available instruments and trading tools	3.00
Overall quality of online services	3.94
Quality of offline services	3.93
Client support, including research and educational tools	3.92

**THE BROKER WAS BOUGHT OUT** by the MMI group in mid-2015 and has been beefing up its offerings to extract synergies from the wider group. Over the past year it introduced a range of in-house funds, including offshore-focused funds, and various themes such as dividend-paying funds. This enables it to offer clients a range of portfolios that are managed by the in-house team.

The firm straddles all of the client archetypes with a strong online offering that integrates various third-party platform

providers, covering a wide range of instruments. But it also has a good old-fashioned one-on-one service for clients needing bespoke portfolios based on their personal circumstances. Its research offering contains pithy company comments and picks up on interesting themes.

**NEDBANK OST/ PRIVATE WEALTH**

	Score (out of 5)
Responsiveness and transparency	2.80
Value for money	1.91
Available instruments and trading tools	3.00
Overall quality of online services	3.78
Quality of offline services	4.24
Client support, including research and educational tools	3.79

**NEDBANK IS A SUBSTANTIAL BROKER**, with its offering couched within the overall private wealth management business. That leaves it well placed to integrate its broking services with holistic wealth advice, so it is strong in dealing with clients who need support to invest their portfolio. It is also good at dealing with sophisticated high-net-worth clients, and tells us that it has a specialist service specifically designed for corporate executives who are receiving a windfall from vesting share options. It provides a reasonable service for less sophisticated investors who just want to accumulate a portfolio online, but wouldn't be ideal for day-trading clients looking to actively trade a portfolio online in real time, though this may change as it has launched an online CFD trading capability.

**PSG WEALTH**

	Score (out of 5)
Responsiveness and transparency	4.25
Value for money	2.97
Available instruments and trading tools	4.00
Overall quality of online services	4.27
Quality of offline services	4.08
Client support, including research and educational tools	4.60

**PSG HAS REJIGGED** its stockbroking offering to form a more integral part of its overall wealth management service. It now covers the full range of client needs, from an excellent online trading service with direct market access and a full suite of derivatives, to sophisticated portfolio management on behalf of high-net-worth clients.

PSG has led the SA market in the integration of funds with an overall stockbroking model. So you can now see your share portfolio and portfolio of unit trusts and other investments all in one. All other instruments, including derivatives, are packaged into the single online portfolio, which includes financial planning tools, educational aids and research. The research is particularly strong, ranging from fundamental analysis to macro-strategy and tactical allocation advice. It has plenty of face-to-face seminars with clients to help develop their market insights. A nice additional service is its Scriptfin lending facility, lends clients cash against the value of their portfolio. That saves clients from having to liquidate a portfolio when they need short-term liquidity.

Its offering spans all client types, and it has a good, low-cost entry-level service, including a tax-free savings account with access to 57



We see things differently. Shift your perspective to take advantage of unobvious investment opportunities.

Our experienced and highly qualified investment team have a long track record of managing hedge funds in South Africa, delivering consistent superior risk adjusted returns.

We know hedge funds

T +27 11 263 7700  
E laurium@lauriumcapital.com  
www.lauriumcapital.com



Laurium is an authorised financial services provider (FSP No 34142). Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. President Management Company (Pty) Ltd is registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). For any additional information such as fund prices, fees, brochures, minimum disclosure documents and application forms please go to www.lauriumcapital.com.

# IM Cover Story

funds. For investors who need advice, PSG can't be beaten, and it develops "private share portfolios" that are structured for client needs.

The only factor holding back PSG's performance is a relatively high brokerage rate for large trade sizes. Clients are, on the whole, very positive about the broker.

## RAND SWISS

Score (out of 5)

Responsiveness and transparency	5.00
Value for money	4.85
Available instruments and trading tools	4.00
Overall quality of online services	4.46
Quality of offline services	4.24
Client support, including research and educational tools	4.49

**A NEWCOMER TO THE MARKET** — it was launched in June last year — Rand Swiss has been working hard to build a business from the ground up. We're impressed with the online-driven trading environment it has created, providing clients with access to some powerful third-party platforms that give access to a wide range of instruments and exposures

around the world. It is not a registered stockbroker but holds licences from the Financial Services Board, much like other trading-focused firms IG, GT247 and DWT. It offers face-to-face interaction involving wealth management services as well as bespoke portfolio management for clients including high-net-worth clients. Its strength, however, is its trading platforms, and Rand Swiss enters the market with an attractive proposition for day traders at a very low cost. Our only pause for concern is the structure of its CFD offering, with the firm itself acting as counterparty. As it is a newcomer, we'd be more comfortable facing a balance sheet with a long track record, though its risk is all hedged out to the large banks.

Too few of the firm's clients completed our online survey for us to draw firm views on client satisfaction levels, which held back their scores in the overall rankings. It is a good debut performance and we think it's one to watch.

**SANLAM'S BROKING OFFERING** ranges from high-touch personal service to online trading. As part of Sanlam's extensive private wealth service, the broking integrates with an overall financial planning service that we

consider the best in the market. With that focus, Sanlam is probably not ideal for an active day-trader type of client, though it offers a dedicated derivatives trading desk and seems very capable, particularly in SA exposures. It has a good offering for clients looking to combine financial planning with an investment strategy.

We are blown away by Sanlam's offering for the top end of the client range, with a sophisticated scrip lending facility (so you can earn extra by lending out the shares you don't want to sell), as well as a strong structured finance capacity to hedge any risks. It also offers lending against portfolios, which provides liquidity without the need to liquidate share positions.

## SANLAM PRIVATE WEALTH/TRADE ONLINE

Score (out of 5)

Responsiveness and transparency	4.75
Value for money	3.31
Available instruments and trading tools	4.00
Overall quality of online services	4.15
Quality of offline services	4.23
Client support, including research and educational tools	4.37

#ONEPLACE

# UNUM

Shares. ETFs. Indices. CFDs. FX. Commodities

+27 (0)11 384 2920/1/2/3 tradingdesk@unum.co.za www.unum.co.za

**SASFIN  
SECURITIES**Score  
(out of 5)

Responsiveness and transparency	1.80
Value for money	1.20
Available instruments and trading tools	2.00
Overall quality of online services	2.67
Quality of offline services	4.25
Client support, including research and educational tools	3.92

**WITH THE EVOLUTION** of its parent company into a full private bank, Sasfin's stockbroking division is raising its profile. It has a long pedigree, dating back to even before the JSE was founded, and that old-school DNA remains. It focuses on building extensive relationships with its clients, each of whom interacts directly with a portfolio manager who oversees the client portfolio. Its sweet spot is discretionary portfolio management on behalf of clients with assets of more than R1m who need broader financial planning. The broker is looking to build capabilities that would complement its parent bank's focus on entrepreneurs. This will include structured finance products to help large clients hedge out single equity exposures. It has also launched a structured note that delivers returns based on a basket of offshore shares.

**SHARENET**Score  
(out of 5)

Responsiveness and transparency	4.80
Value for money	4.68
Available instruments and trading tools	2.00
Overall quality of online services	4.07
Quality of offline services	4.13
Client support, including research and educational tools	3.90

**A FIRST TIMER** in this survey, Sharenet has been active in the market for some time, providing data and analysis to investors. It has built a trading service over the past five years, having launched a CFD product in 2010 and a securities trading product in 2013. A significant part of its business is paid-for financial education seminars and tools. It has a partnership with IG, which acts as the counterparty for its CFDs. Clients mostly give it an emphatic thumbs up: more than 90% say they are likely or highly likely to recommend it to friends and family, giving it good traction in our Peoples' Choice award.

**STANDARD BANK  
OST/  
STOCKBROKING**Score  
(out of 5)

Responsiveness and transparency	3.60
Value for money	4.73
Available instruments and trading tools	5.00
Overall quality of online services	4.35
Quality of offline services	4.23
Client support, including research and educational tools	4.53

**THE BIG BLUE** retakes the top position in this year's survey, a position it last held in 2014. The bank excels due to its comprehensive offering, which stretches from a dynamic online trading environment to highly personalised broking services for high-net-worth clients. And it's all offered at a low cost.

Standard has driven its innovation hard and we particularly like the developments around its tax-free savings account, which it calls a tax-free investment account, a rather more appropriate description. You can redeem Standard Bank loyalty points in the form of contributions to the accounts. Plus you can get up to R1,000 contributed to it by the bank if you use Standard Bank's graduate banking service. The bank has also been driving the integration of broking and wealth management.

The bank has an integrated service with Standard Bank Financial Consultancy, which ensures that clients can benefit from a full financial planning service as part of their overall investment plan.

It has also expanded its discretionary portfolio management service to clients with portfolios of R500,000 or more. Showing its scope, it maintains its appeal to day-trading clients, with low costs and a newly integrated Iress platform for global trading.

**THEBE  
STOCKBROKING**Score  
(out of 5)

Responsiveness and transparency	2.50
Value for money	3.35
Available instruments and trading tools	4.00
Overall quality of online services	4.09
Quality of offline services	3.94
Client support, including research and educational tools	3.65

**THEBE HAS A MIXED OFFERING** that would appeal both to clients looking for broader financial advice and to active traders wanting solid execution. It has a good range of offerings online and telephonically, and offers clients solid educational resources and interesting trade ideas.

It offers among the lowest-cost CFDs (which it introduced recently), with good imbedded interest rates for long and short positions. It writes CFDs off Investec's balance sheet so it has a good risk profile. It has also launched a tax-free product, improving its appeal to young savers, and caters to all the archetypes but is still predominantly focused on the sophisticated executive. For longer-term investors it offers a bespoke portfolio service, with portfolios shaped around client risk profiles. It has a reasonable offering for high-net-worth clients with good financial planning capabilities. Its online trading platform is solid.

**UNUM  
CAPITAL**Score  
(out of 5)

Responsiveness and transparency	3.75
Value for money	4.59
Available instruments and trading tools	4.00
Overall quality of online services	4.13
Quality of offline services	4.16
Client support, including research and educational tools	4.20

**UNUM IS THE NEW NAME** for the broking business that used to be part of the Vunani group. It has a solid offering, particularly for active traders using derivatives and for online trading through various partners. It is unusual in that it is highly rated by clients for the quality of telephone-based advice it directs at short-term traders. Its trading offering is very cost-effective and the counterparts are Investec, Nedbank and Peregrine. In the past year it has developed some pretty solid online stock analysis and investor education.

Unum makes a good go of tailored advice around long-term investor needs too. It offers bespoke portfolios to clients based on their risk profiles. For high-net-worth clients it offers bespoke portfolios, various hedging strategies to deal with issues such as concentrated equity exposures, and loan facilities, secured by the portfolio, to assist with short-term liquidity needs. It also provides a good place to park cash, paying 92% of the JSE Trustee rate.

With Unum reinventing itself outside of the Vunani fold, the challenge will be to maintain its strengths and build capacity.