



## Ringing the bell for Financial Education Day

MONTSERRAT MARTÍNEZ PARERA, VICE-CHAIR OF THE CNMV

4 October 2021

Good morning.

I would like to thank David Jiménez-Blanco, Vice-Chairman of BME and Chairman of the Madrid Stock Exchange, for his words of introduction, and also BME for inviting me to this ringing of the bell for Financial Education. It is a pleasure for me to participate in this emblematic act, the ringing of the bell, on such a special day as Financial Education Day <sup>1</sup>.

It reminds me of the time, in 2008, during my previous era at the CNMV, when we launched the first Financial Education Plan between the CNMV and the Bank of Spain.

Over the years, the Plan has grown, it has become bigger, both in terms of content and impact. This has been possible thanks to the many public and private organisations and entities, such as the Instituto BME, that have joined us as partners in the plan.

Today we celebrate Financial Education Day, which is perhaps the most visible and recognisable moment. But it is only the tip of the iceberg of all the work that is done on an ongoing basis.

We cannot emphasise enough how important it is to improve the financial literacy and financial education of society. A study we published last March <sup>2</sup> reminded us that around 70% of individuals have medium or high financial literacy skills. So, we still have a long way to go.

This is particularly relevant in the area of investment. And what better place to talk about it than here.

The degree of financial literacy we have about concepts such as risk and return play a very important role in the decision to purchase financial products such as

---

<sup>1</sup> It is part of the "Ring the Bell for Financial Literacy" initiative promoted by IOSCO and WFE (World Federation of Exchanges)

<sup>2</sup> "An analysis of the Survey of Financial Competences (ECF)". CNMV working paper, March 2021: [http://www.cnmv.es/DocPortal/Publicaciones/MONOGRAFIAS/Encuesta\\_de\\_comp\\_financ\\_ENen.pdf](http://www.cnmv.es/DocPortal/Publicaciones/MONOGRAFIAS/Encuesta_de_comp_financ_ENen.pdf)

equities and fixed-income securities. Thus, by improving financial education - and in particular in the early stages of learning - we are broadening the range of investment possibilities and improving the financial well-being of society.

Currently, there are two trends in securities markets to which we are paying particular attention and which I would like to share with you.

Firstly, the area of sustainability, in an environmental and social sense, which is precisely the theme chosen for this year's Financial Education Day: "Your finances, also sustainable"; and the content of the following seminars organised by BME.

Here I believe our work is twofold. On the one hand, we need to promote greater awareness of the concept of sustainable finance, its implications for our day-to-day finances and the impact our decisions can have on the sustainability of the planet. On the other hand, with the large proliferation of so-called "green" products, we also need to make it easier for retail investors to understand what these new labels mean, what activities they are actually investing in and what risks they are taking. Thus, financial education and sustainability are closely linked.

The other area to which we are devoting particular attention is that arising from the use of new technologies and the change in investment patterns that we are seeing in particular in the younger segment of the population.

Today's teenagers and young adults are highly digitally literate and navigate social networks with great ease. This gives them new options to connect with the investment world and seek advice, which is undoubtedly a good thing.

Risks arise when this is coupled with platforms offering unfamiliar investment models or with tendencies to make investing just another video game. And also, when the supply of unregulated products, such as cryptoassets, proliferates. It should also be remembered that it is in the unregulated spheres that the greatest breeding ground for financial fraud is to be found.

That is why, at the CNMV, we are promoting actions against financial fraud, together with other institutions such as the Ministry of Economic Affairs and Digital Transformation. The aim is to assist in the early detection of fraud and to train investors to be able to detect cases of fraud.

Fortunately, and this is my final point, the vast majority of entities operating in our markets have high standards of professionalism. And this is further reflected in the private sector's commitment to improving financial education and investor education, as today's event shows.

I would like to conclude by once again thanking all the people and institutions, such as BME, who actively collaborate in improving financial education, for their work and efforts. It is very important that we continue to work together to raise awareness of the relevance of training to improve the well-being of all.

Thank you very much and I hope you enjoy the day ahead.