

# To The Reign Of The Saving-Actor

**Forbes**

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29 mars 2017



**Everything has already been written about the phenomenal capacity of the French to spare. They distinguish themselves year after year as the European Savings Champions. 87% of them put money aside, more than Belgians (83%), Spaniards (81%), Italians or the British (75%), according to a study carried out by Blackrock in 2015.**

Their savings rate - 15.5% of the gross disposable income in 2015 - is nearing the record and should allow them to set aside, as in 2015, more than 100 billion euros in 2016. Real ants! While this frugality can be welcomed, the French favors safe and risk-free savings that do not benefit their bank accounts or the real economy, which would nevertheless need fresh capital to innovate and earn market shares.

## **Regulated current accounts, booklets and savings products...**

Everything is good to avoid the risk and especially to earn very little money as these investments serve depressing returns: between 0.75% and 1.6% on average in 2016. While low interest rates should rather encourage French investors to take risks by investing in more highly remunerative investments such as equities, bonds, SMEs or commercial real estate, they simply save as "good fathers" without risk Without yield. Distrust of financial institutions, multiple financial crises to which must be added an economic culture lower than

the average of the OECD countries (PISA 2014 study), all concur to make French passive savers, obsessed by security rather Good performance.

### **Things are nevertheless changing**

The saver is increasingly looking for a return on investment. Through digital, it has access to multiple sources of information. Only he can discover and understand how economic mechanisms and financial markets work. It also has easier access to alternative savings products that offer better returns. Finance must take these transformations into account and consider savers as full players in the investment equation. To achieve this, we need to be transparent by putting in place the tools enabling Mr. Tout le Monde to know in real time the reality of his investments and the performance associated with it. It is also necessary to align the interests of financial professionals with those of savers. Asset managers and other bankers must be at the service of their clients and not the other way round.

We must also announce performance targets, inform our clients of our investments in real time, the positive and negative points, convictions or doubts we have about a particular market. Honesty, transparency and pedagogy must be the cardinal virtues that will make the saver a fully-fledged actor of his savings, and thus a proper investor. Ready to take risks in conscience because he will have been well informed and well advised. Let us not deceive ourselves, savers entrust us with their trust and their money: we are therefore indebted to them.

**The reconciliation of the French with the taking of risk will therefore be made under these conditions: that we put the saver at the heart of our business model in order to make it a true actor of his savings.**

Frédéric Puzin - Chairman of CORUM