

# **COST 19130 VIRTUAL MOBILITY GRANT REPORT**

## **Fintech and Artificial Intelligence in Finance - Towards a transparent financial industry**

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**VM grant title: Finance Sector Survey: Choices, Transparency and Literacy**

**VM grant start and end date: 1/6/2021 to 30/10/2021**

**Grantee name: Belma Öztürkkal**

The research conducted aims to understand financial literacy, perception of financial transparency, cryptocurrency investment of students, academics and/or employees in the finance and non-finance sector companies. The survey aims to evaluate the perception of investors for investment in different asset classes as stocks, bonds, mutual funds, etc, for transparency and risk through the study. There are questions related to financial literacy in the survey to associate the findings in other domains with the perceptions of the individuals.

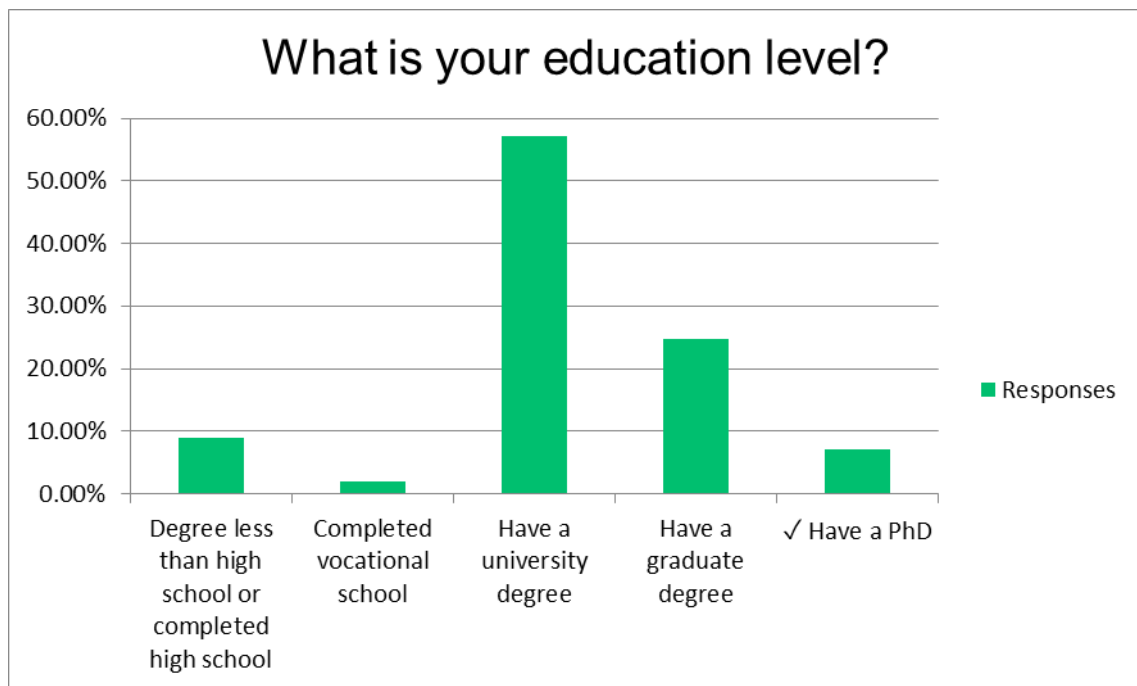
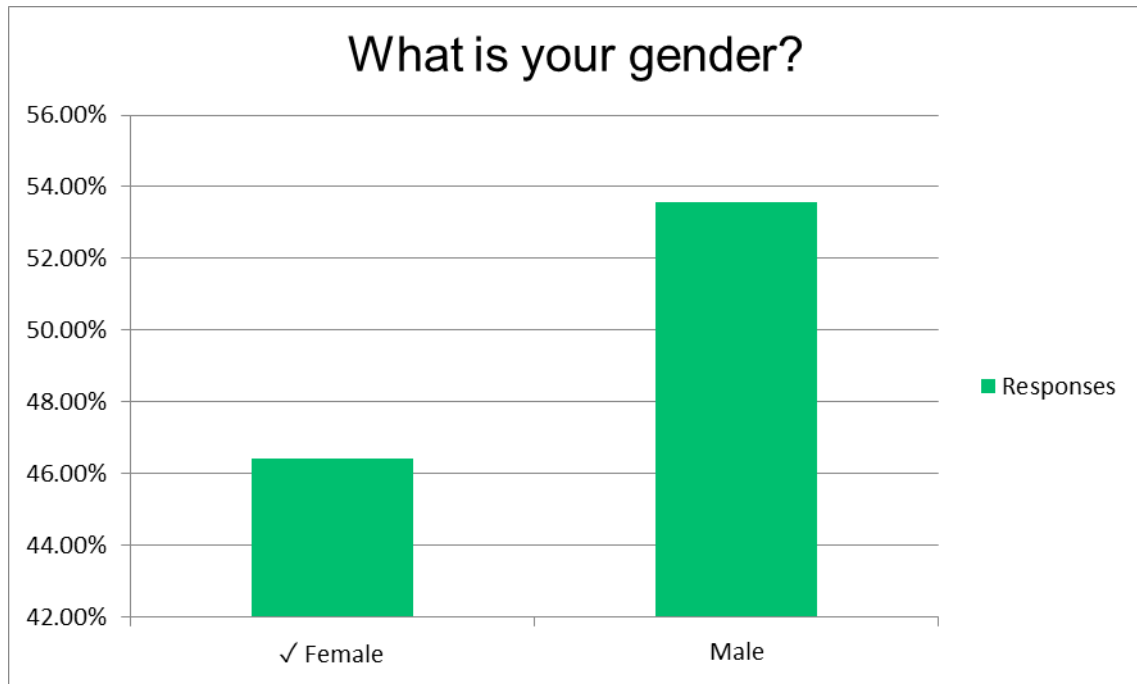
The survey study started by the end of the spring semester and this was a problem to collect responses from the students. The last week of September and October is used to redistribute the survey to the same networks in order to collect additional responses (especially from the students). Most of the responses are from Turkey. A good contribution is from Galena Pisoni, France who distributed the survey to her students and collected significant number of responses. I can identify few responses from Italy, Greece, Spain.

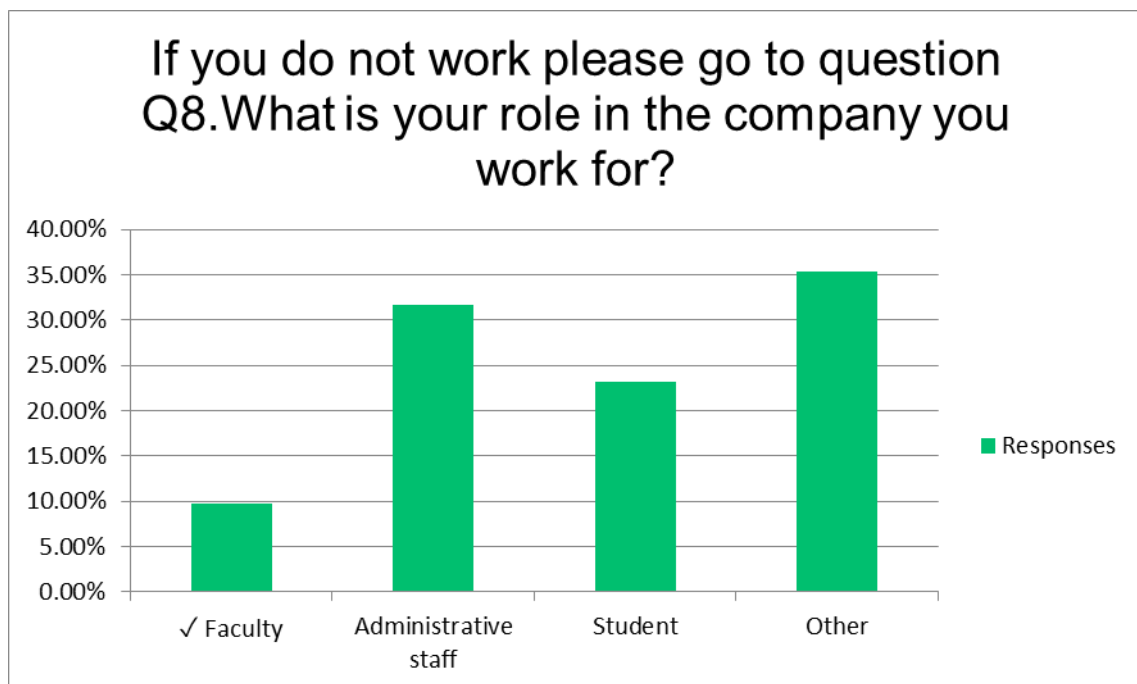
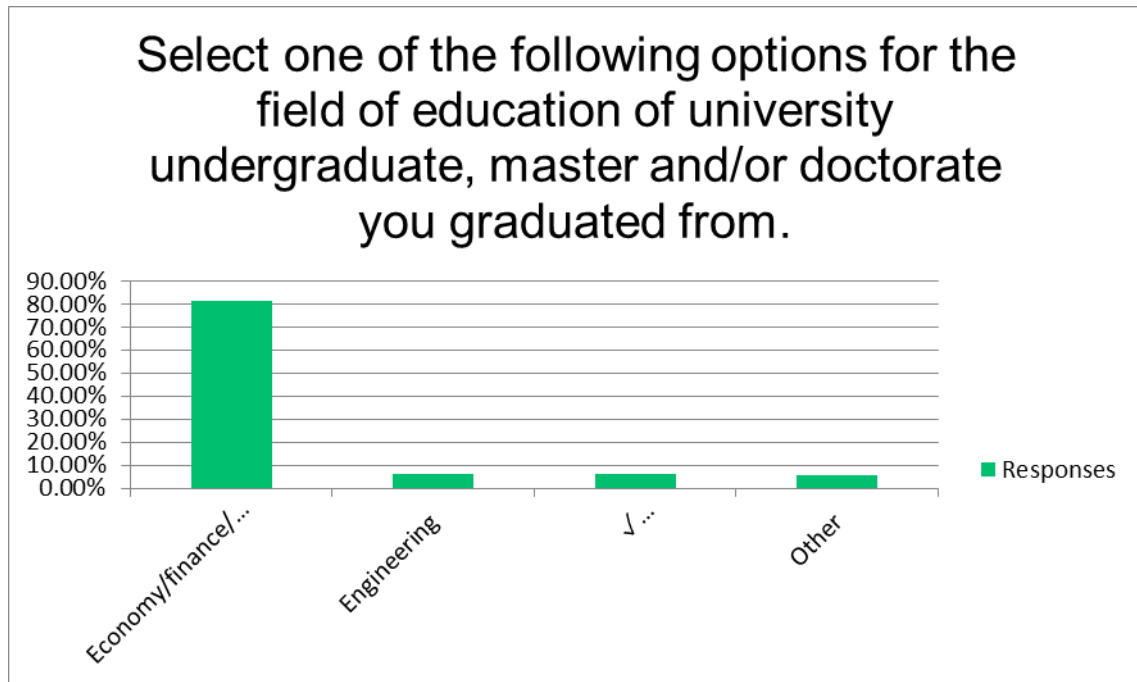
The survey is distributed through these channels:

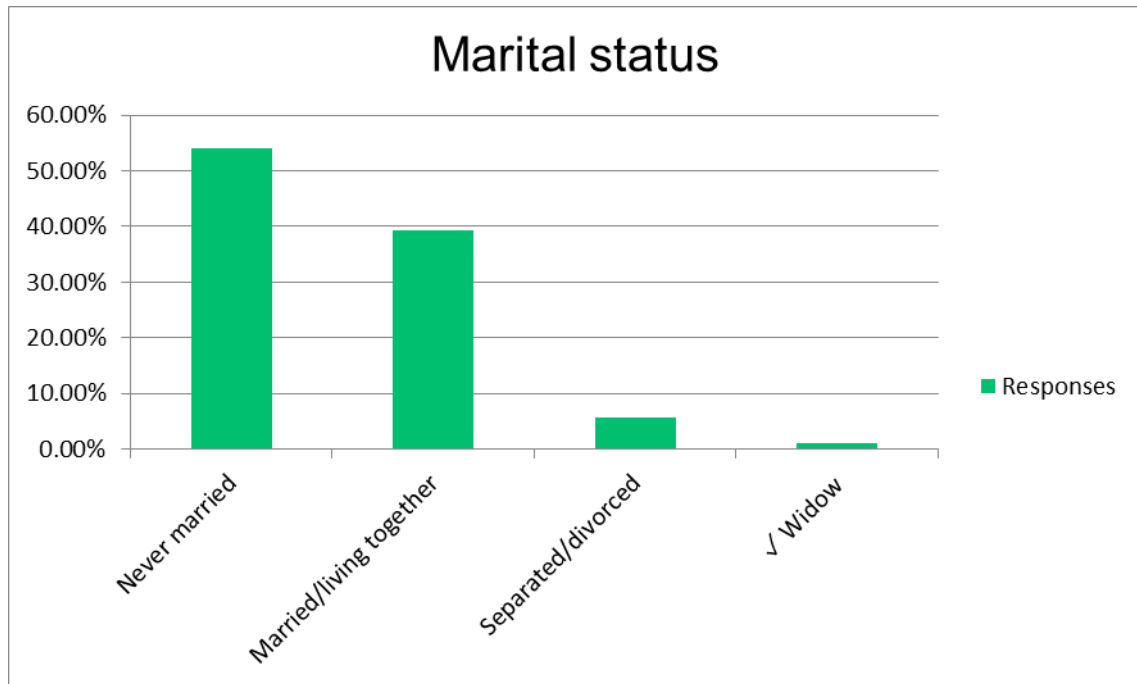
- COST 19130 network.
- Linked-in contacts of COST 19130 and members of COST who shared through linked-in.
- Employees and students of Kadir Has University - Turkey.
- CFA institution, Finance sector employees - Turkey
- A major company Sisecam employees – Turkey

272 survey responses are collected between 23/7 and 27/10/2021. There are additional 56 pilot responses from the survey in 2020.

## DEMOGRAPHICS AND INFORMATION ON FINANCIAL MATTERS





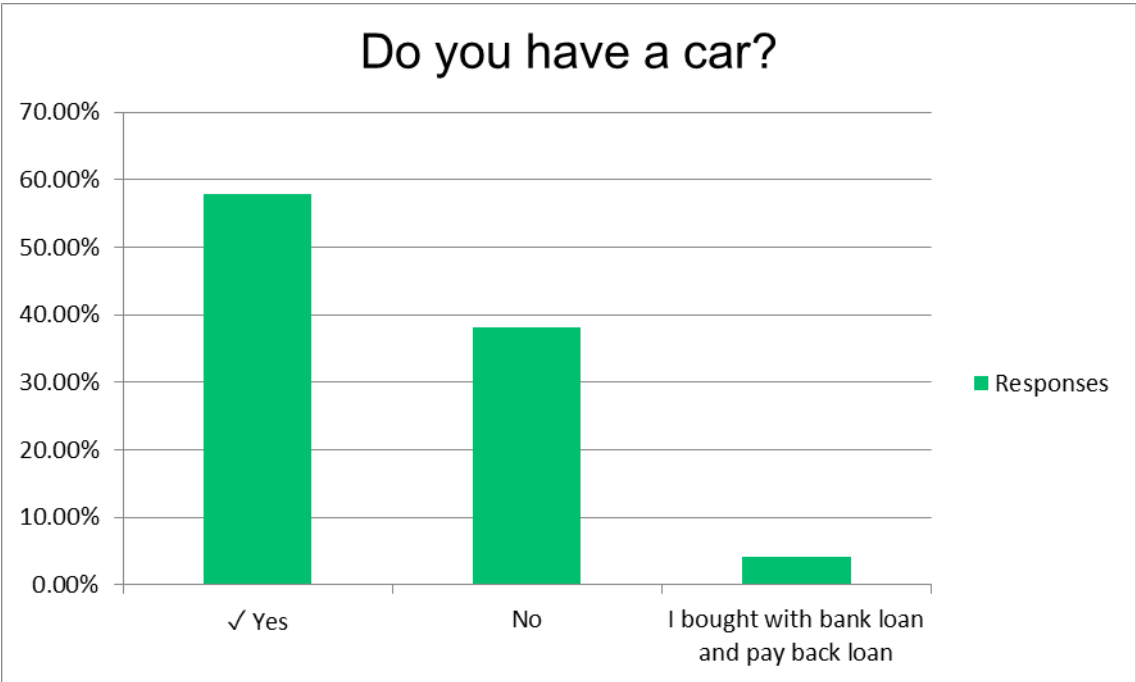
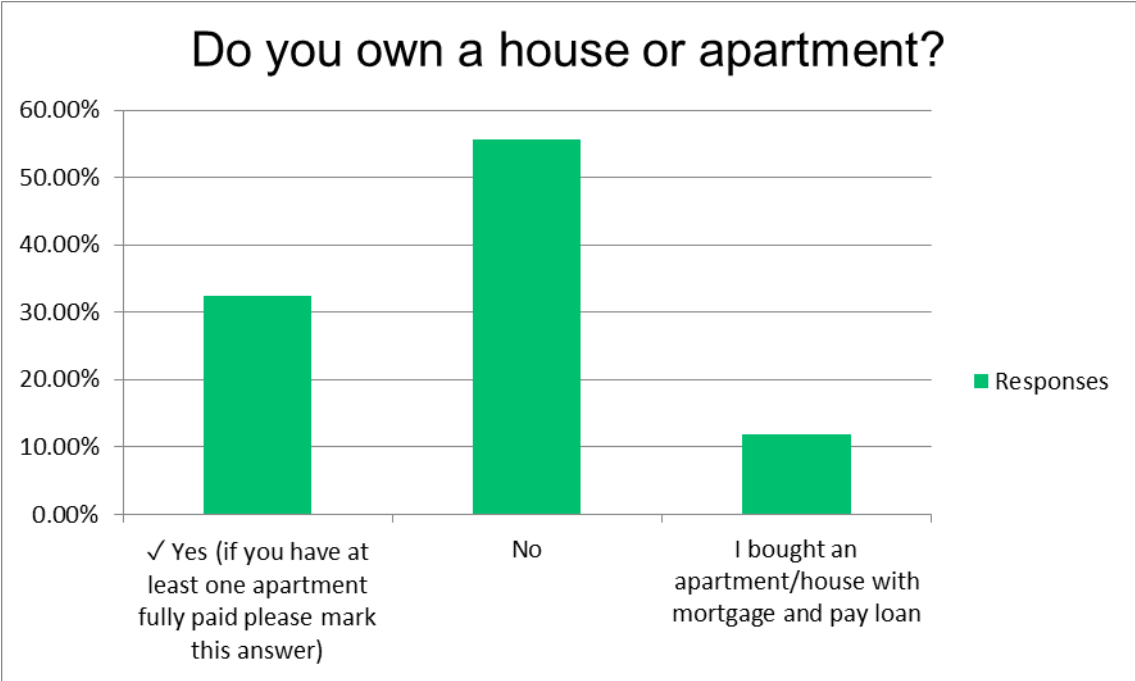


**If you are married or living together, mark the answer that best describes your spouse's employment status from the following sentences. (If you are not married or living together, please go to the next question)**

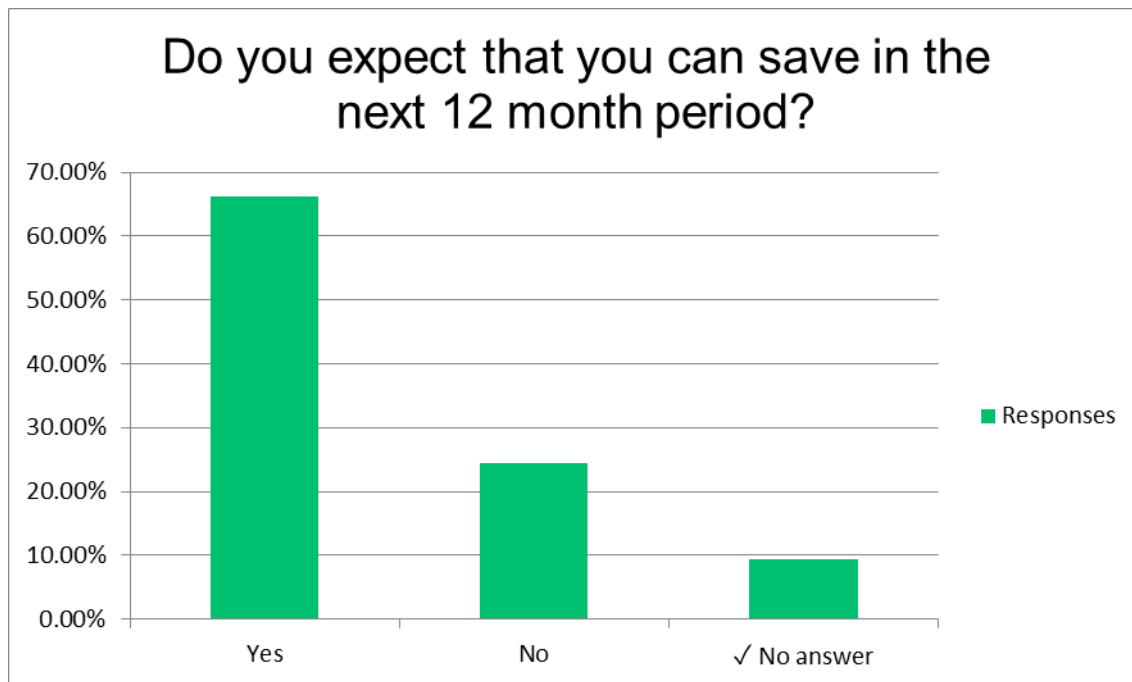
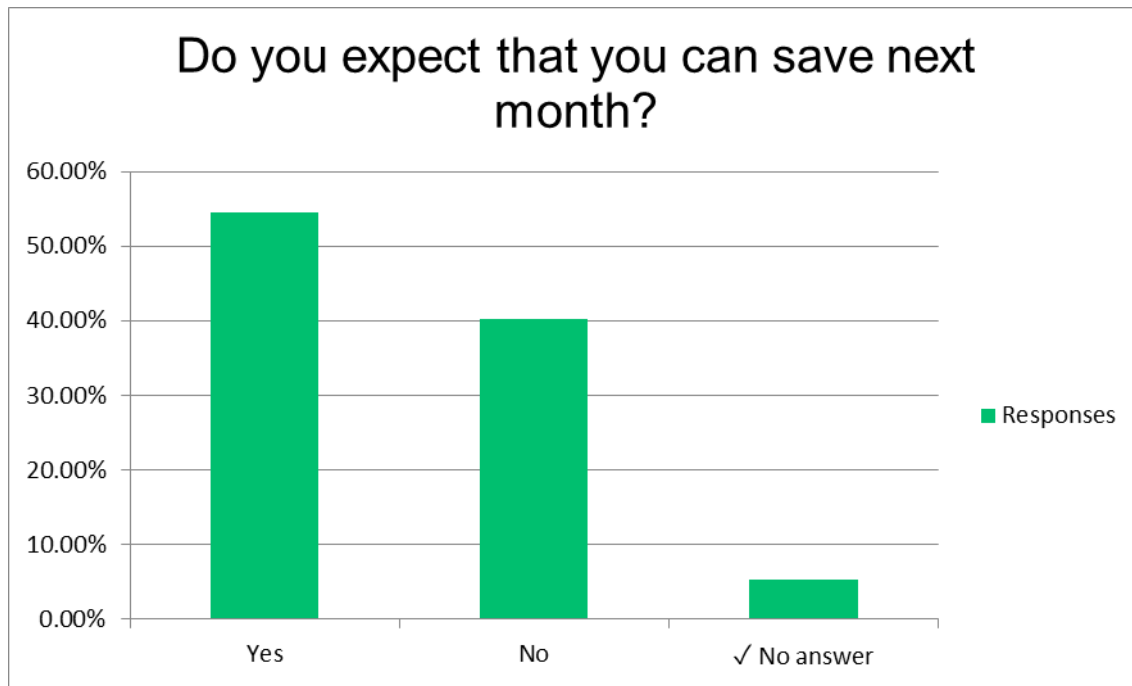
Answer Choices	Score	Responses	
Doesn't work in any income generating business	0/2	12.32%	17
Contributes an average of at least eight hours a week to volunteer in activities	1/2	4.35%	6
✓ (S)he has a paid job	2/2	55.07%	76
✓ Self-employed (or freelance)	2/2	10.14%	14
Other	0/2	18.12%	25
<b>Answered</b>			<b>138</b>
<b>Skipped</b>			<b>134</b>

**Which of the following would you describe yourself as?**

Answer Choices	Score	Responses	
✓ Modern	2/2	78.65%	210
Traditional conservative	1/2	18.35%	49
Religious conservative	0/2	3.00%	8
<b>Answered</b>			<b>267</b>
<b>Skipped</b>			<b>5</b>







**What is your knowledge for the below financial instruments?**

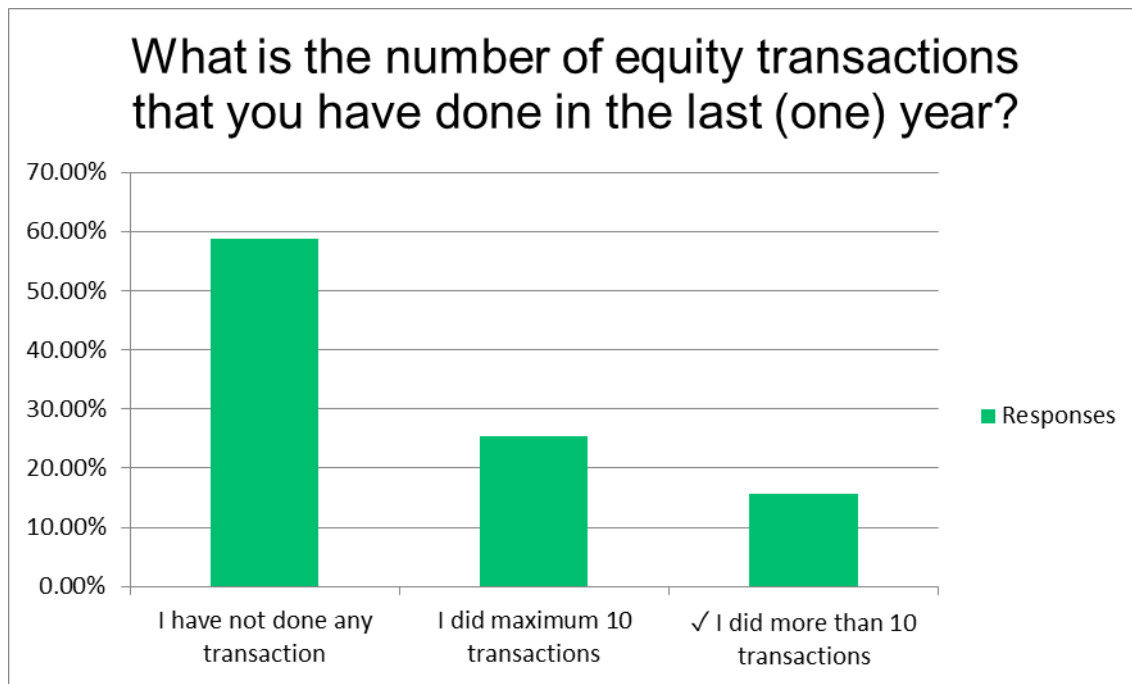
	I have no knowledge	I have low level of knowledge	I have average knowledge	I have more than average knowledge	I have high level of knowledge
Government bonds and bills	9.02%	17.29%	37.59%	25.19%	10.90%
Real estate	5.66%	14.34%	42.64%	27.55%	9.81%
Corporate bonds	12.78%	21.05%	34.59%	21.05%	10.53%
Mutual funds	15.85%	21.89%	35.09%	15.09%	12.08%
Derivative products	15.53%	23.86%	29.55%	21.97%	9.09%
Life insurance (indexed and with a payment plan)	7.17%	15.47%	44.91%	23.40%	9.06%
ETF (Exchange traded funds)	12.41%	21.43%	35.34%	20.30%	10.53%
Equities	7.92%	17.74%	33.96%	25.66%	14.72%
Structured products	19.77%	28.52%	25.48%	18.25%	7.98%
Cryptocurrencies (Bitcoin, Ethereum etc.)	11.61%	23.60%	32.96%	23.60%	8.24%

According to your knowledge, how transparent are the information and the ability to reach the information about the financial investment instruments below?

	I think it is not transparent	I think it has low level transparency	I think it has medium level transparency	I think it is above average transparent	I think it is very transparent	I do not know
Government bonds and bills	4.60%	14.94%	24.52%	24.14%	24.14%	7.66%
Real estate	4.65%	13.18%	33.33%	29.46%	13.57%	5.81%
Corporate bonds	3.10%	12.79%	33.33%	28.29%	11.24%	11.24%
Mutual funds	4.67%	16.34%	31.91%	19.07%	14.40%	13.62%
Derivative products	7.06%	18.43%	34.12%	16.47%	8.63%	15.29%
Life insurance (indexed and with a payment plan)	4.28%	10.51%	33.85%	23.74%	20.62%	7.00%
ETF (Exchange traded funds)	4.65%	14.34%	32.17%	22.87%	13.57%	12.40%
Equities	3.88%	13.18%	33.72%	21.71%	16.28%	11.24%
Structured products	5.86%	18.75%	33.98%	12.50%	7.03%	21.88%
Cryptocurrencies (Bitcoin, Ethereum etc.)	18.53%	24.32%	20.46%	14.67%	12.74%	9.27%

What do you think about the risk level of the information about the financial investment instruments below?

	I think it is not risky	I think it has low level risk	I think it has medium level risk	I think it has above average	I think it is very risky	I do not know
Government bonds and bills	27.69%	35.00%	16.54%	7.31%	5.00%	8.46%
Real estate	8.46%	33.85%	34.23%	12.31%	5.00%	6.15%
Corporate bonds	1.92%	13.85%	45.77%	20.38%	6.54%	11.54%
Mutual funds	2.34%	14.45%	44.14%	20.31%	5.86%	12.89%
Derivative products	1.16%	9.30%	17.83%	29.46%	25.97%	16.28%
Life insurance (indexed and with a payment plan)	12.74%	33.20%	31.66%	10.81%	2.32%	9.27%
ETF (Exchange traded funds)	3.10%	12.40%	32.95%	24.81%	10.85%	15.89%
Equities	0.78%	11.37%	32.55%	29.80%	14.12%	11.37%
Structured products	1.18%	9.45%	27.17%	22.05%	15.35%	24.80%
Cryptocurrencies (Bitcoin, Ethereum etc.)	1.54%	4.23%	6.92%	16.92%	63.08%	7.31%

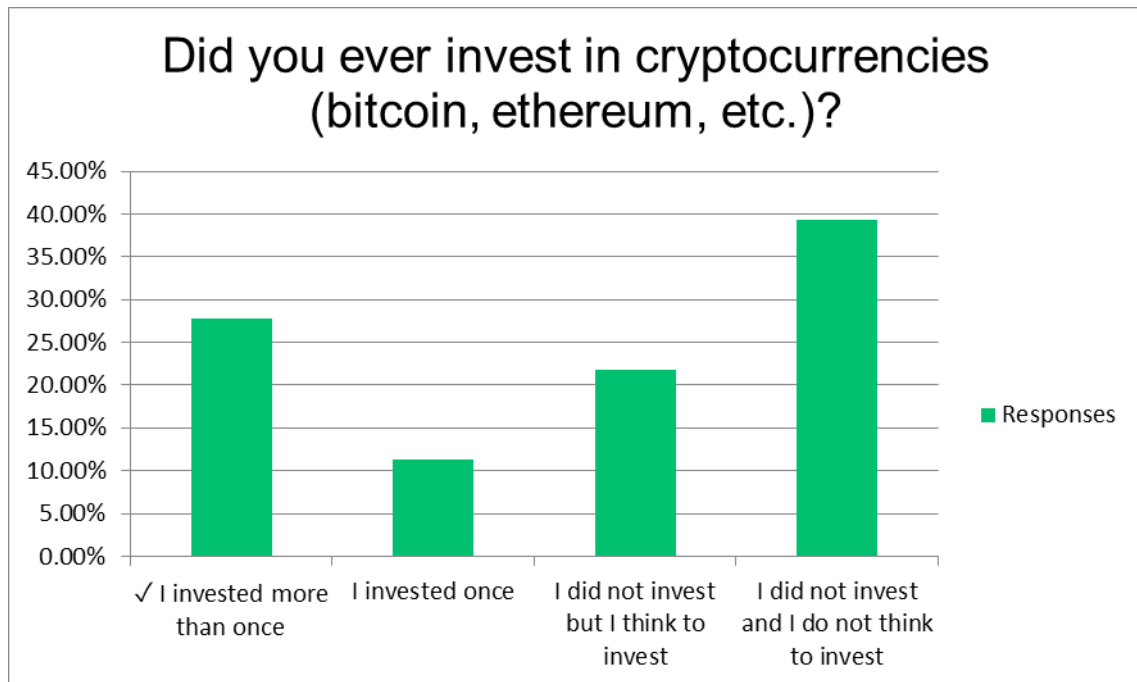


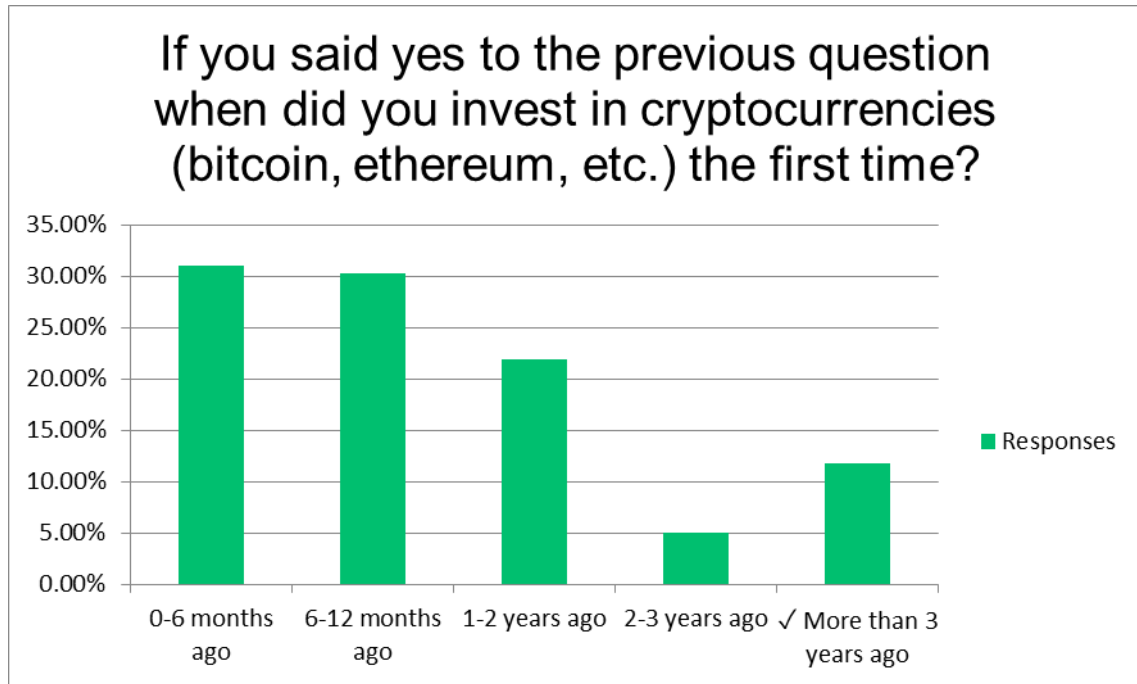


**If we take the total of your assets as 100 today, can you show how you split your assets among investment instruments of the total 100?\***

Answer Choices	Average Number
Government and/or corporate bonds and bills, repo, deposits, funds (local currency of the country you are resident)	20.6
Foreign exchange, foreign exchange bond, foreign exchange deposit, foreign exchange equity	16.3
Equity and equity funds	18.9
Private pension fund	6.5
Gold	17.0
Real estate (investment)	16.9
Real estate (to live in)	16.1
Derivative products	4.2
Cryptocurrencies (bitcoin, ethereum, etc.)	14.1
Other	14.1

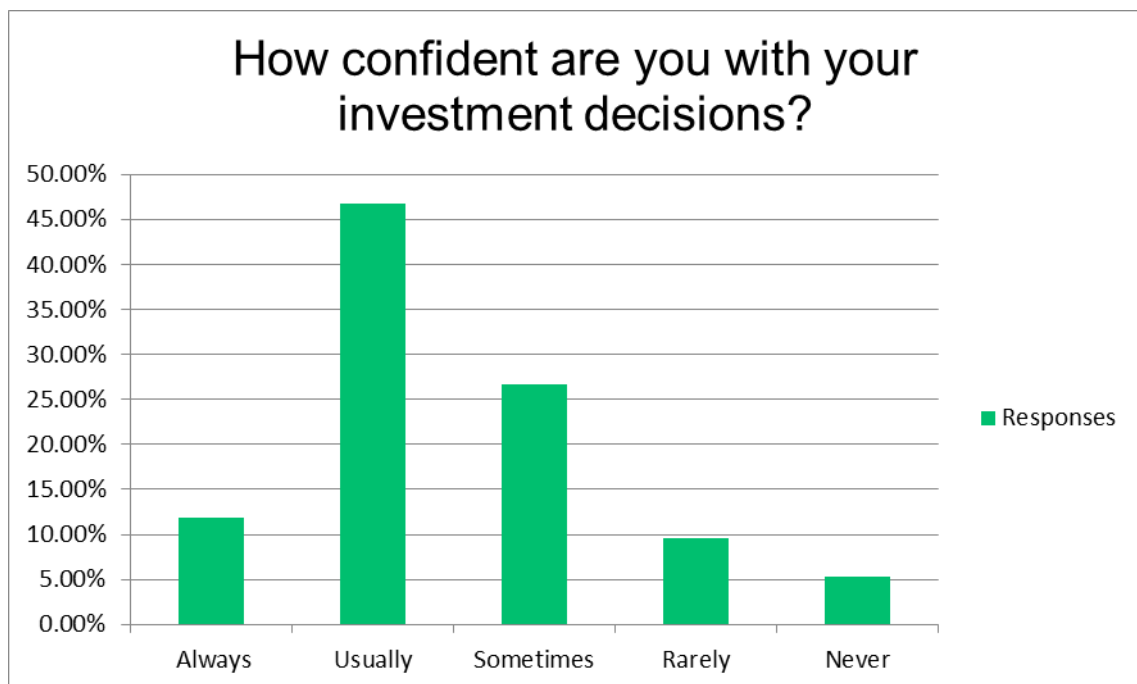
\*The number does not add to 100, as it takes simple average of the respondent selection for that asset choice.

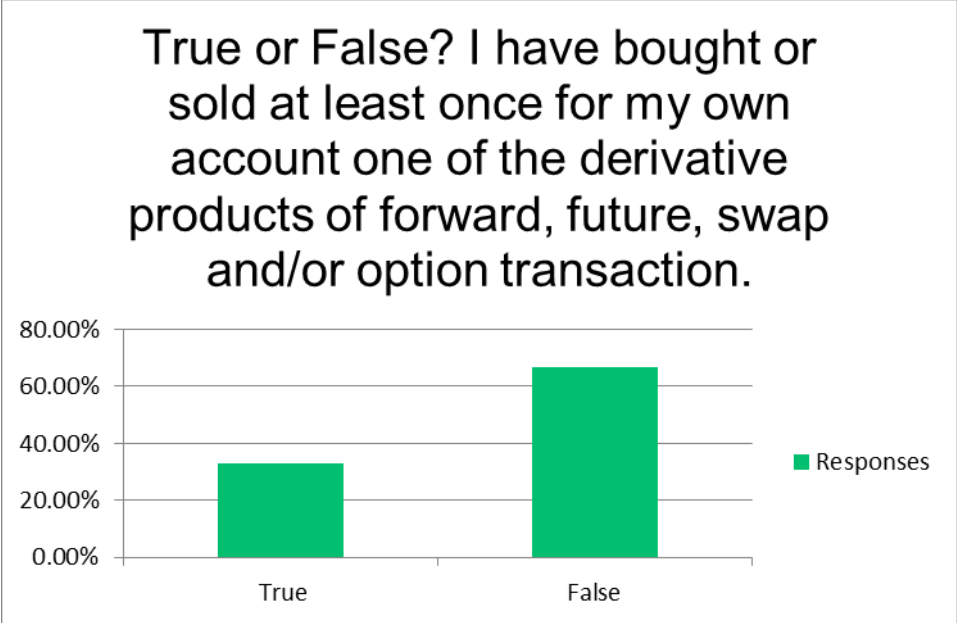




**Do you think cryptocurrencies (bitcoin, ethereum, etc.) will be widely used in your country in the future?**

Answer Choices	Percentage	Number of Responses
✓ Yes, they will be used in less than one year	7%	19
Yes, they will be used in one to three year	19%	49
Yes, they will be used in more than three year	24%	64
They will be used to a certain degree but I do not think they will be widely used	33%	86
I think they will not be used	17%	45

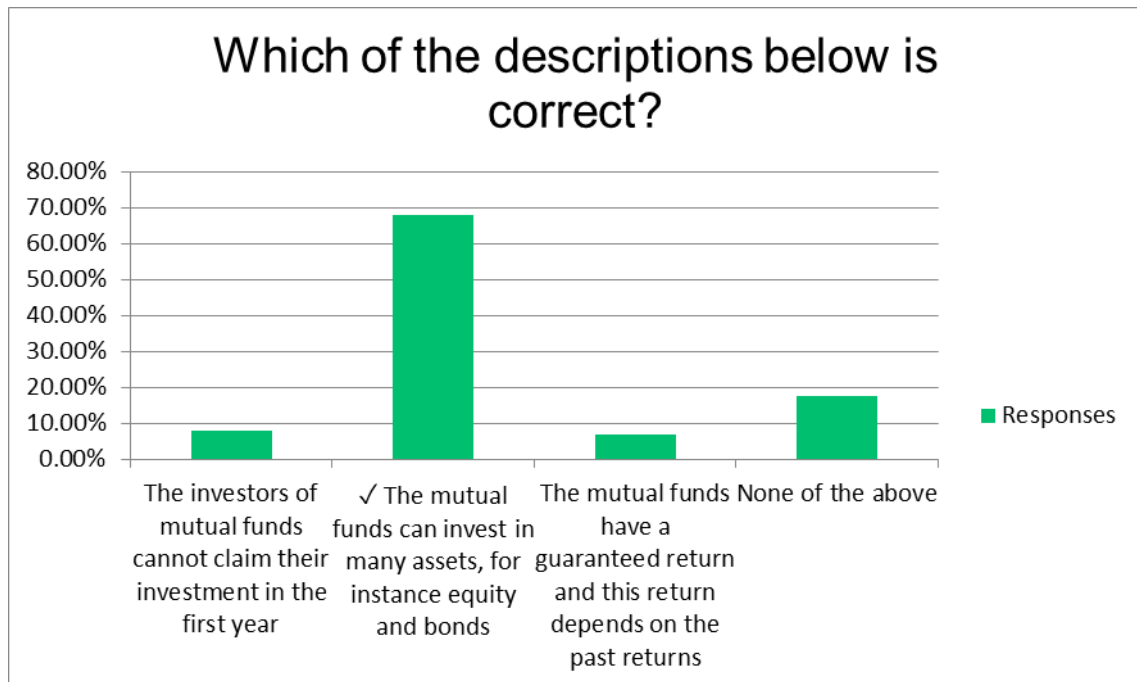
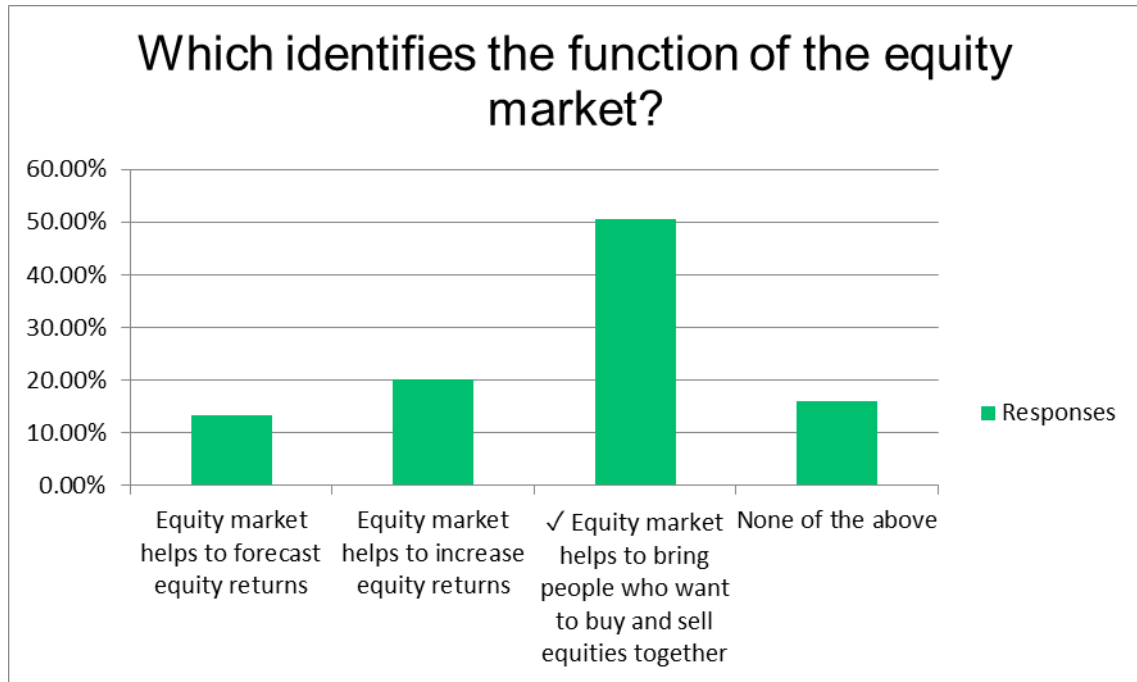


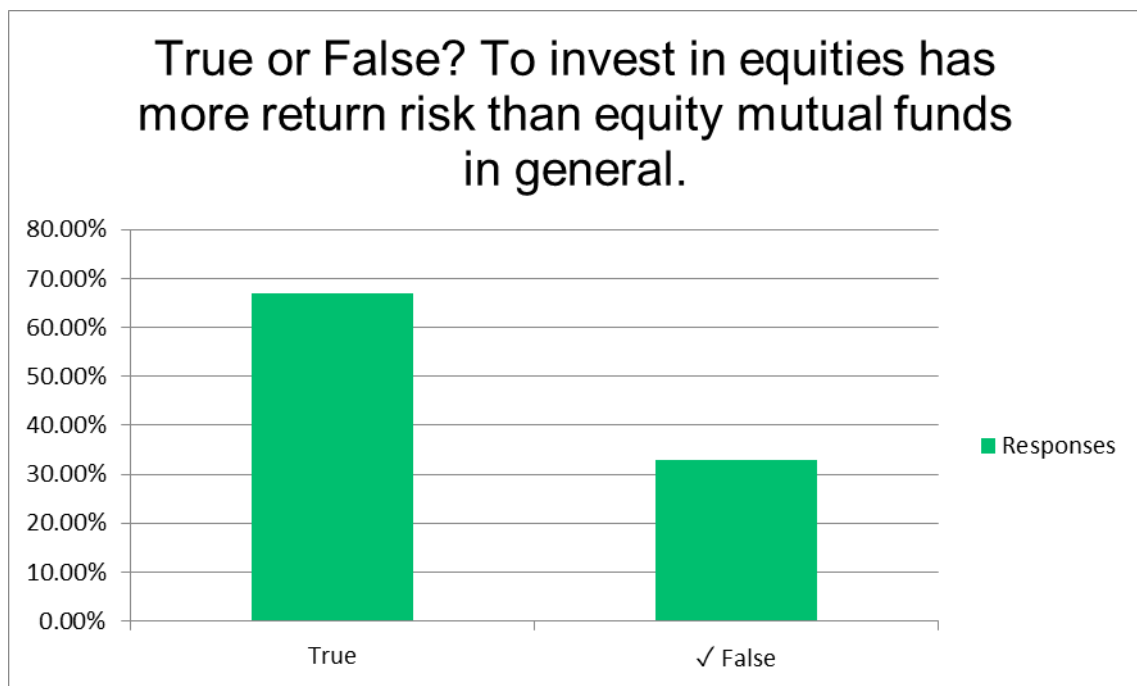
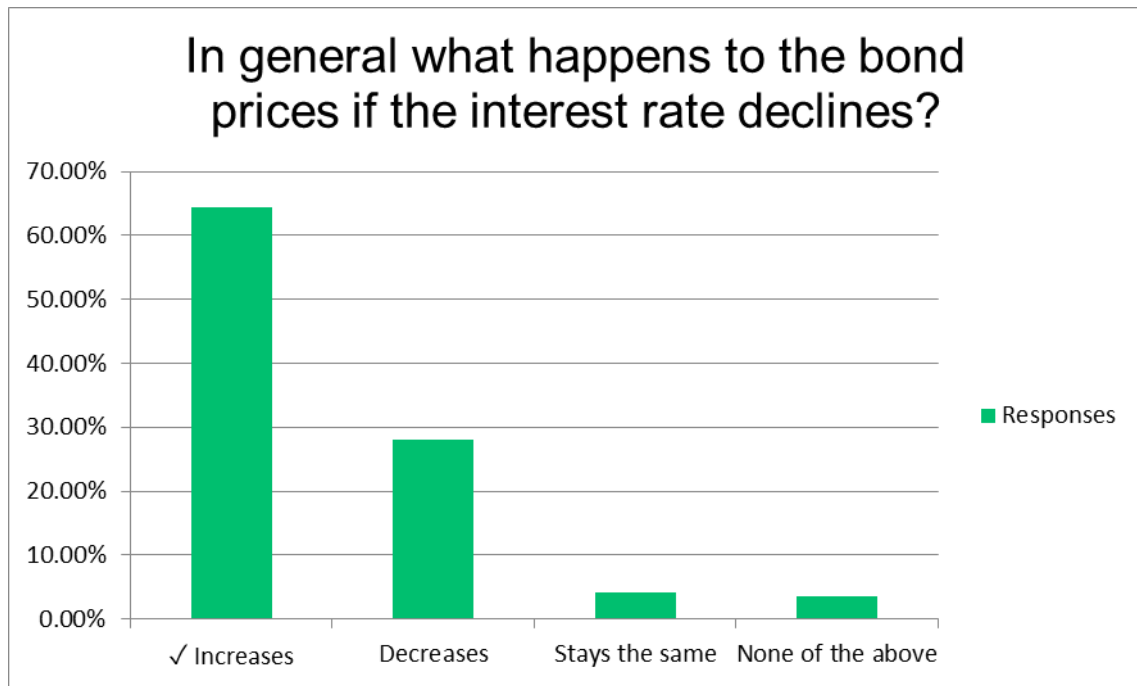


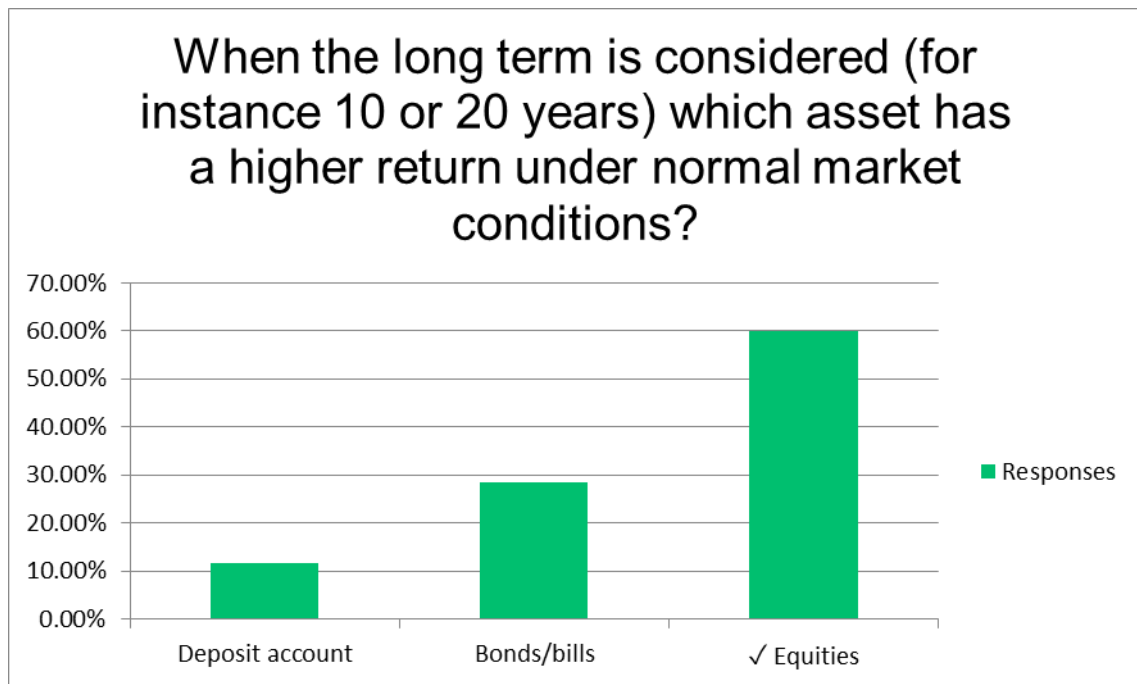
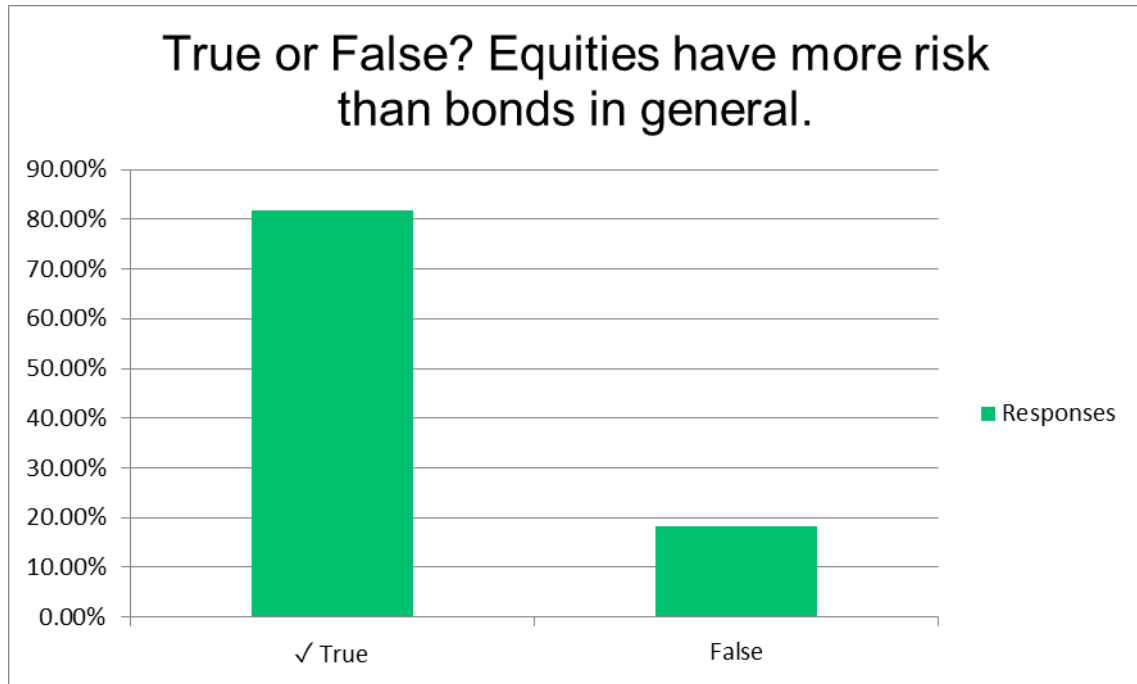
**What is your monthly net income?**

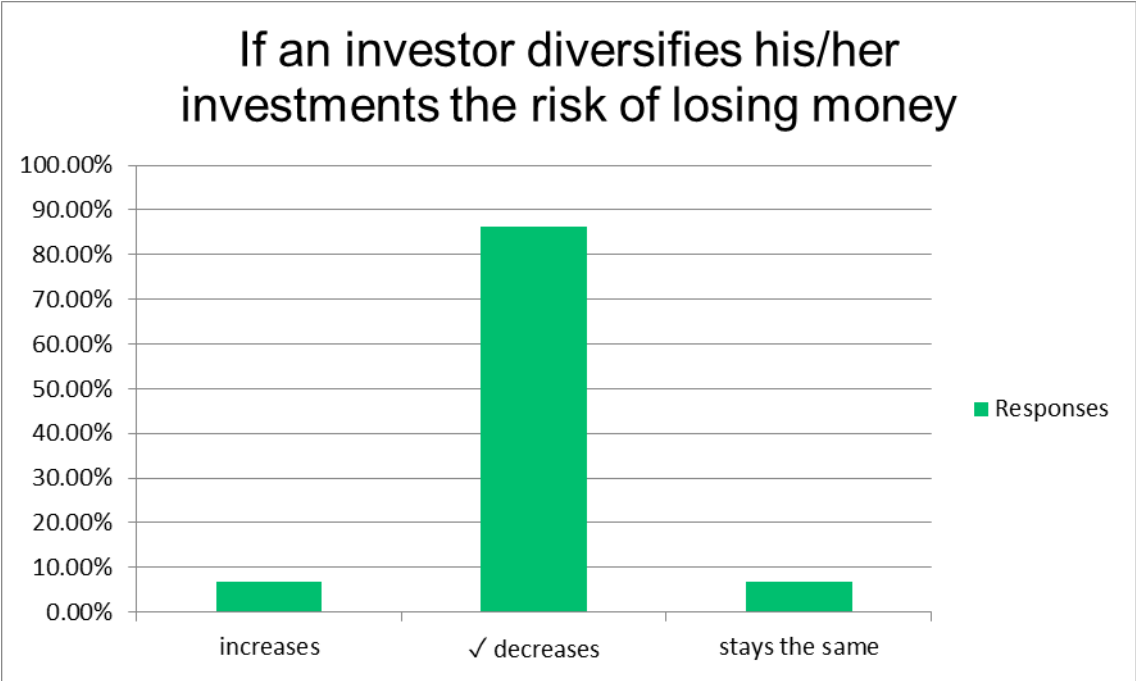
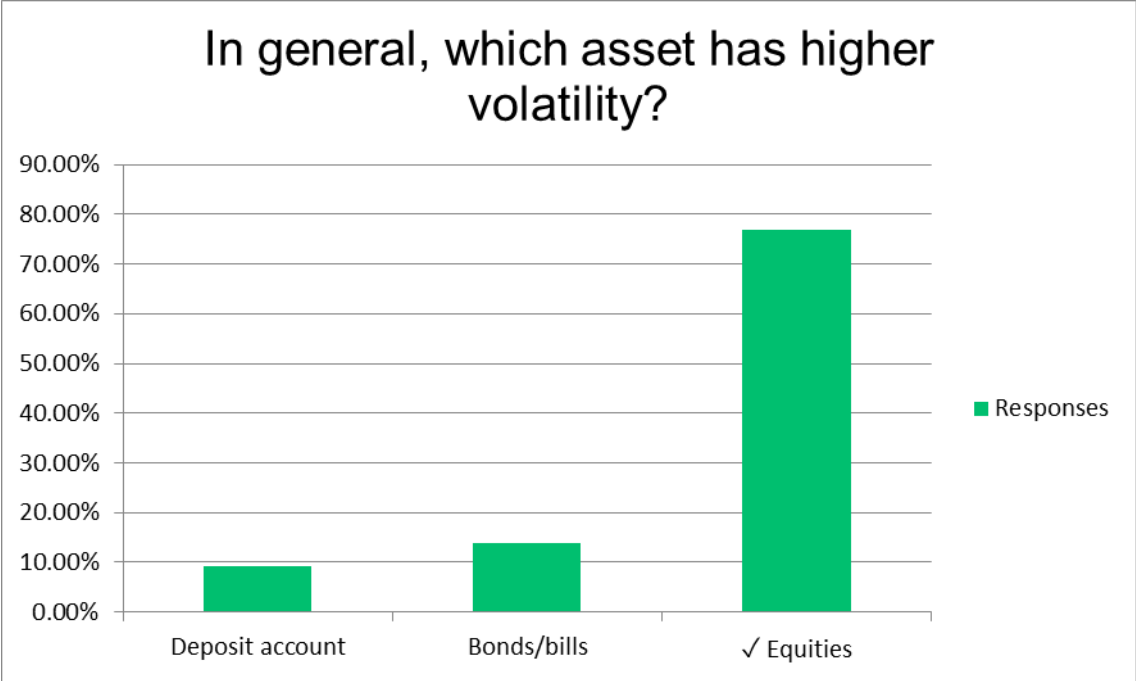
Answer Choices	Score	Responses
Less than 700 USD	0/3	38% 99
Between 700-1.999 USD	1/3	42% 109
Between 2.000-3.999 USD	2/3	12% 31
✓ More than 4.000 USD	3/3	8% 22

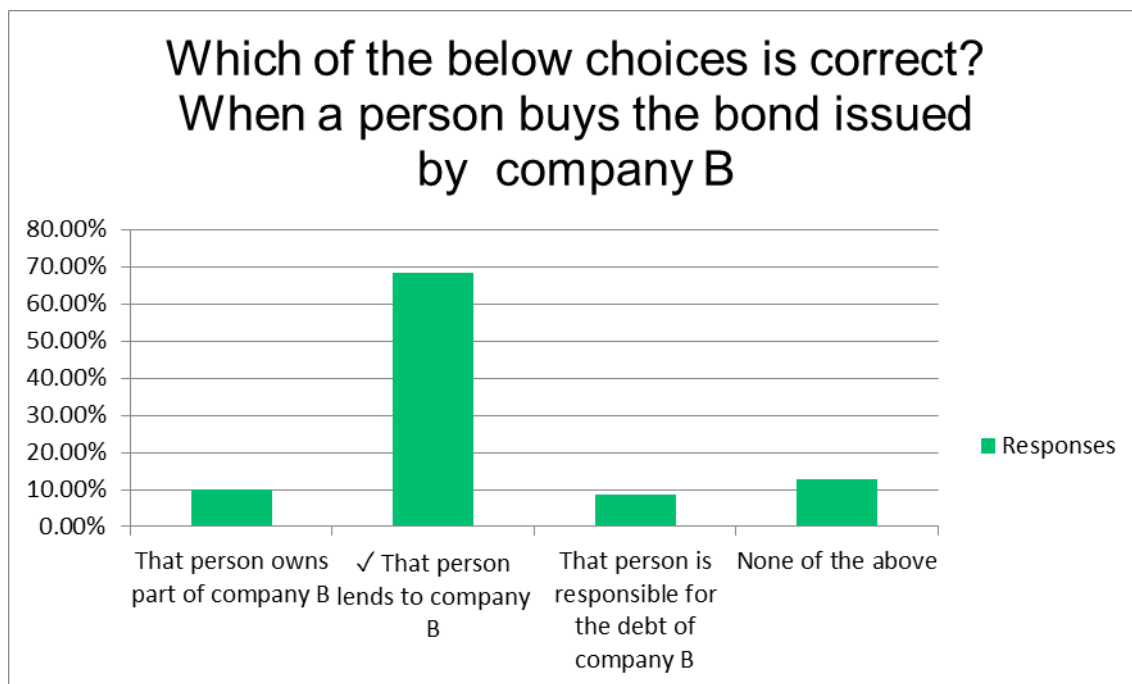
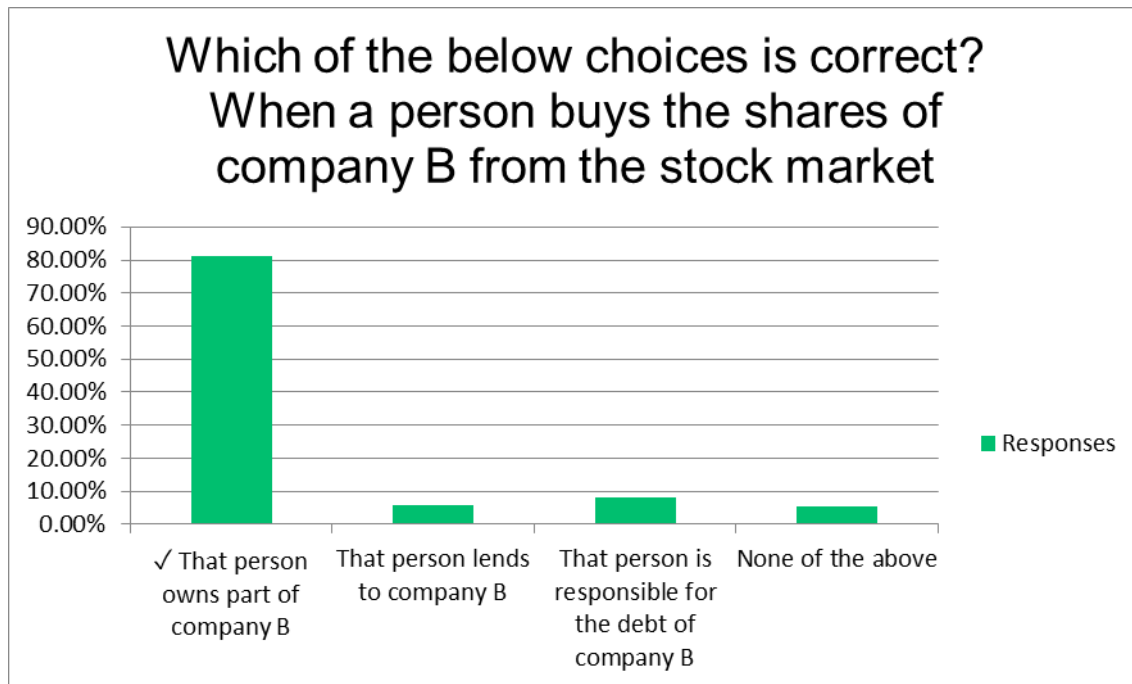
## FINANCIAL LITERACY



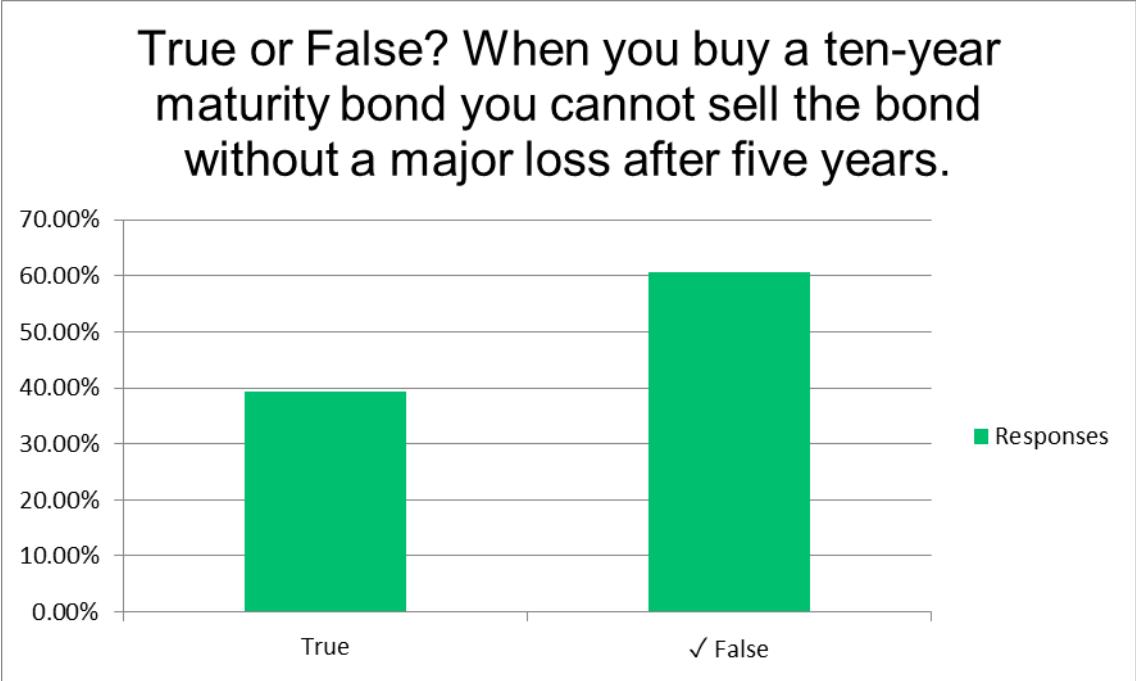




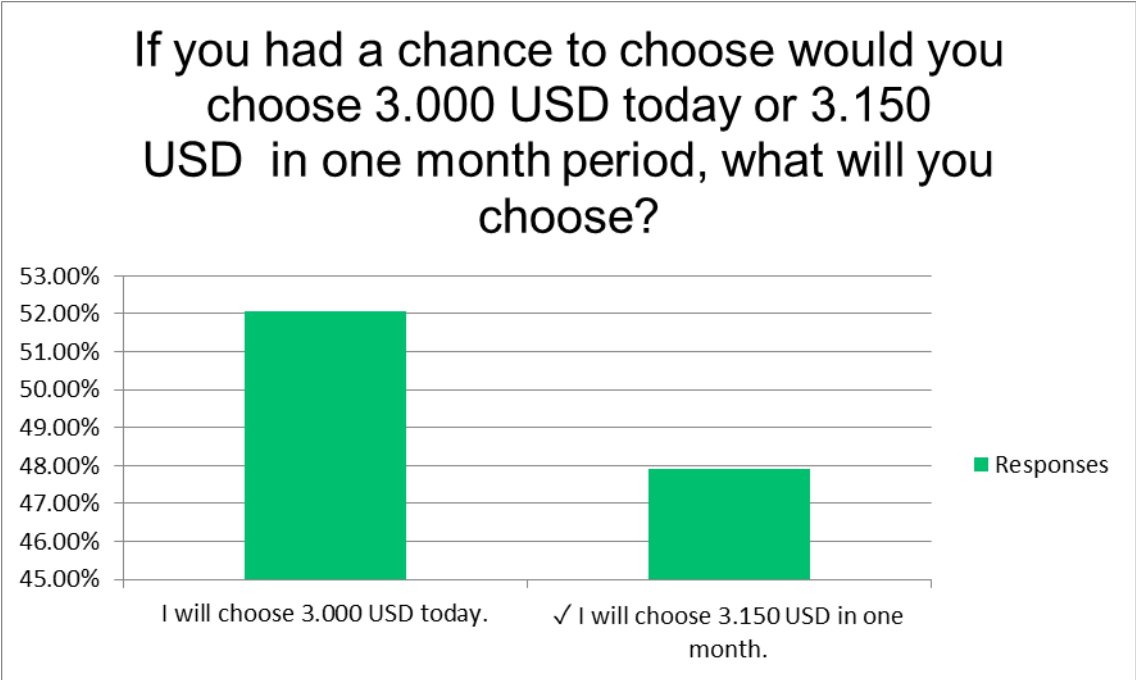






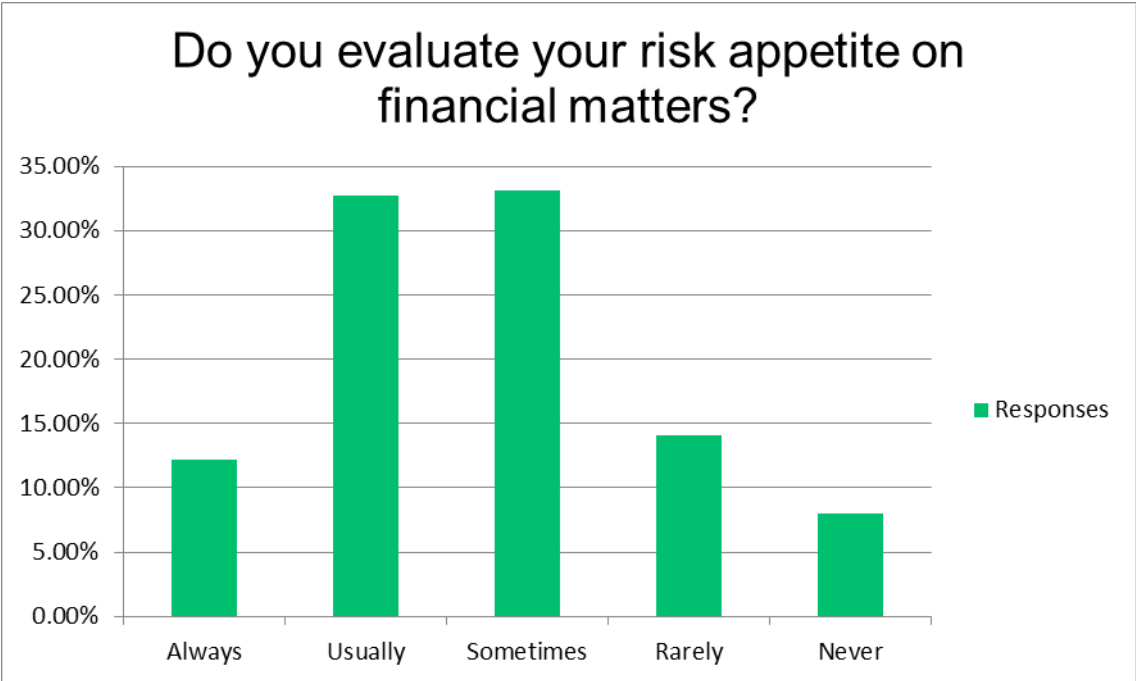


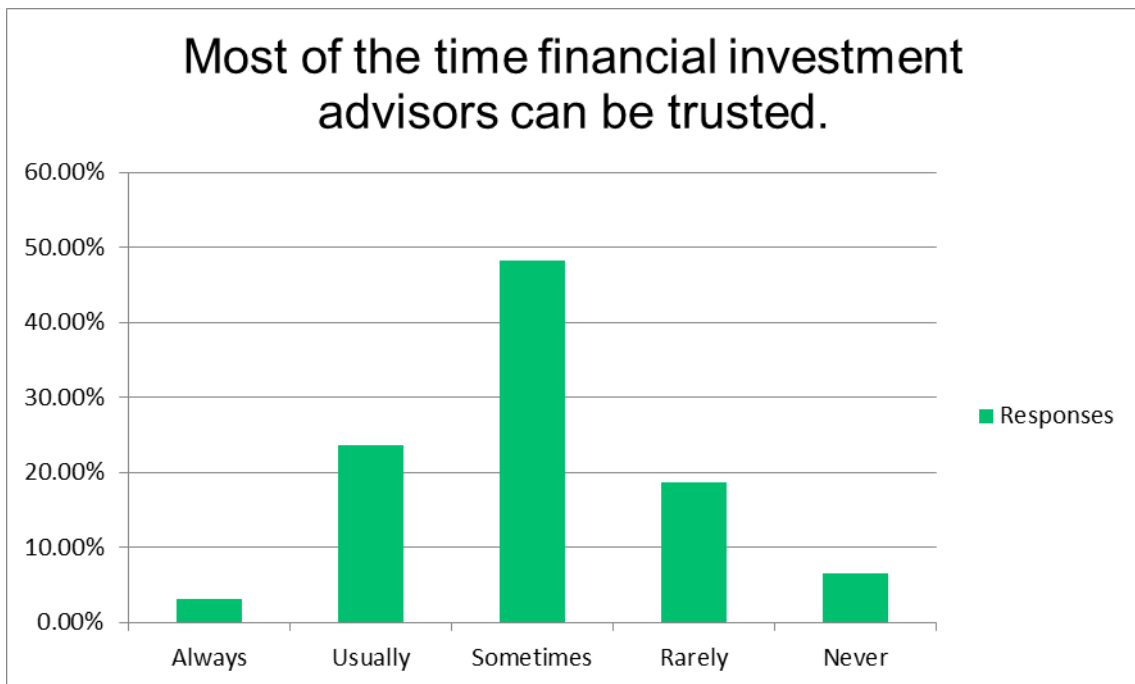
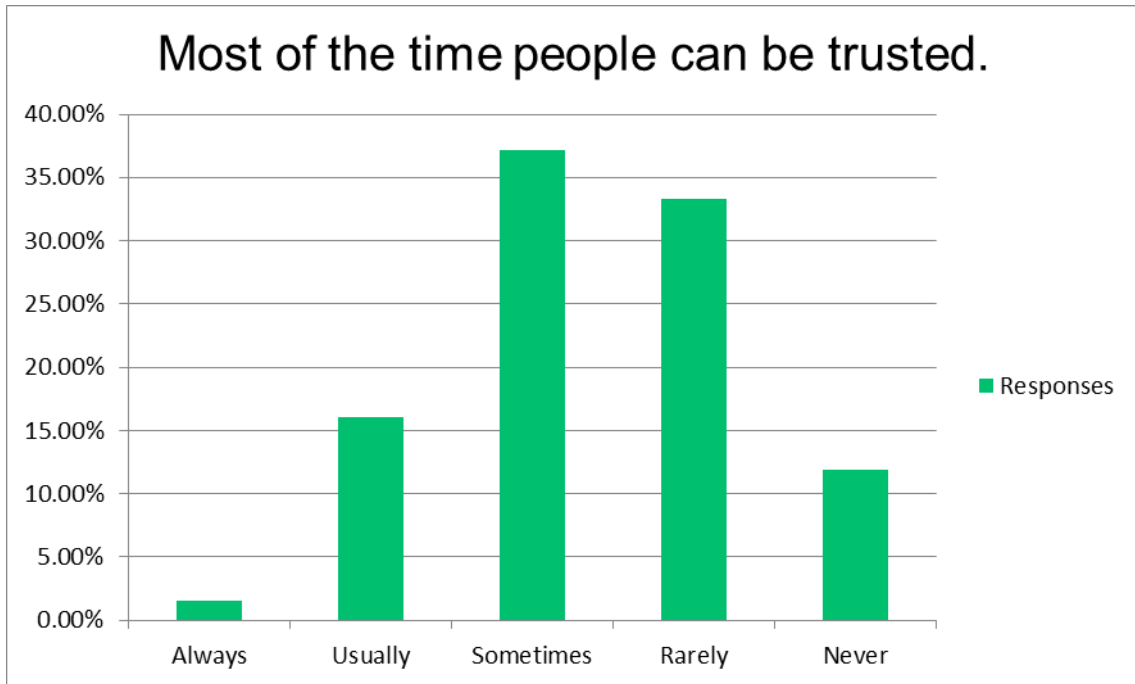
**HYPERBOLIC DISCOUNTING**

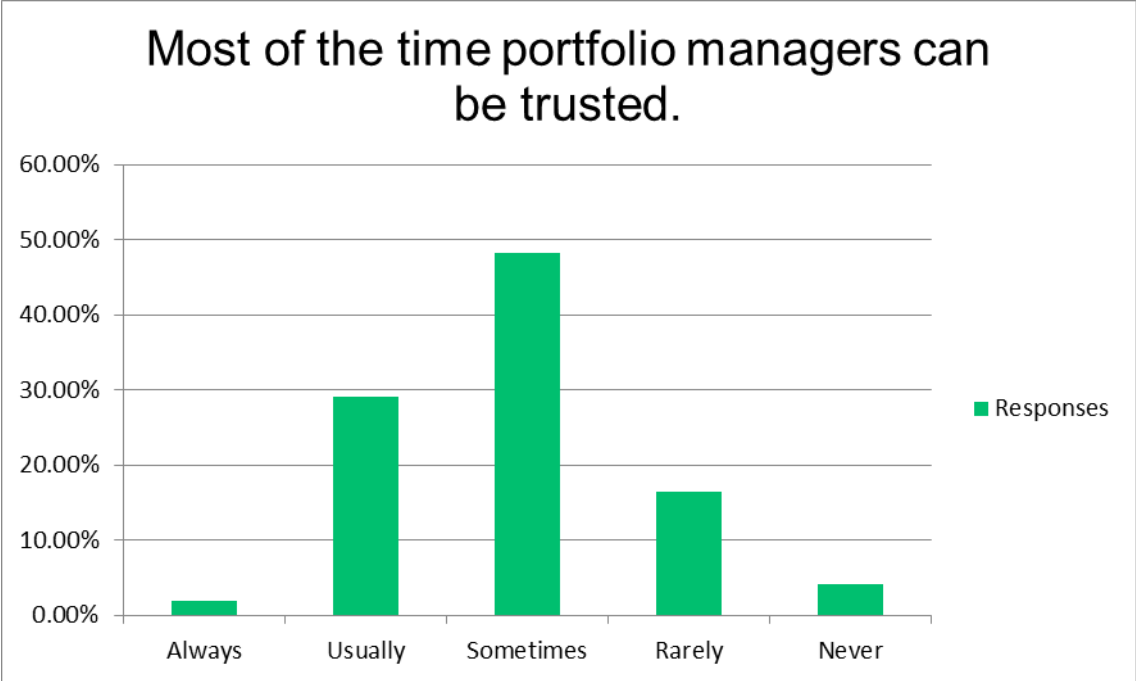


### CONFIDENCE LEVEL AND TRUST

Answer Choices	Responses
Very high	9%
Above average	36%
Average	38%
Very low	13%
Not knowledgeable	3%







**SOCIAL MEDIA**

