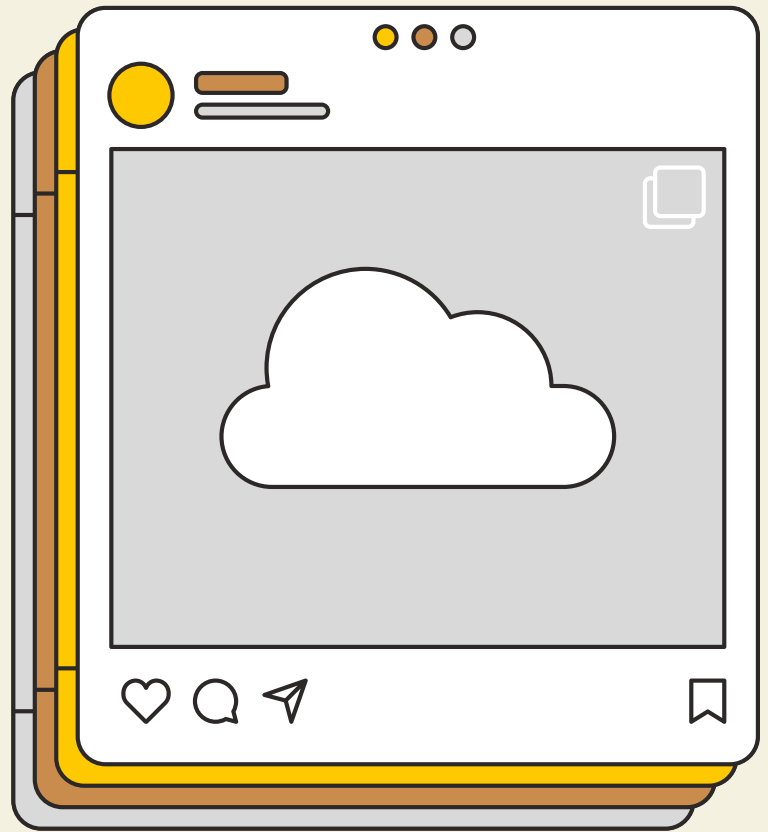


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# HUNTER INSIGHTS

Vet the “Experts”



INDEPENDENT WEALTH MANAGEMENT

Are you turning to social media to find out how to fix your toaster, make an authentic baguette, or get medical advice? Millions get answers from “influencers” and there has been an increase in people going online for financial advice, particularly among younger generations. They turn to finfluencers<sup>1</sup> – short for financial influencers – as their investing gurus. TikTok’s financial hashtag (#FinTok) alone has more than five billion views. The democratization of investment information can be a good thing but carries with it unintended consequences. Anyone can now be an “expert” if their megaphone is large and loud enough.

While some finfluencers peddle sound general advice (pay down high interest debt, create a budget, and increase your savings), there is a tremendous amount of misinformation out there, as well as cases of outright market manipulation. Misinformation can come from a sheer lack of knowledge, but others have a more sinister goal in mind. In 2022, the SEC brought charges against eight social media influencers in a \$100 million pump and dump scheme. These so-called trading experts used misinformation to get their followers to buy stocks that they owned. As the increased demand moved the share price upward, the influencers sold their shares at a profit.

Social media rewards those with the most followers, and in most cases, controversy and absolutes are what drive traffic. When it comes to something as important and complex as personal finances, there is no one-size-fits-all solution. We are less interested in millions of views and remain committed to a deeper one-on-one conversation with you to help you in developing a comprehensive and unique investment plan.

<sup>1</sup> The North American Securities Administrators Association issued an advisory stating that: “A finfluencer is a person who, by virtue of their popular or cultural status, has the ability to influence the financial decision-making process of others through promotions or recommendations on social media. They may influence potential buyers by publishing posts or videos to their social media accounts, often stylized to be entertaining so that the post or video will be shared with other potential buyers. The financial influencer may be compensated by the business offering the product or service, the platform on which the message appears, or an undisclosed financier. While there is nothing new about marketers paying celebrities to endorse their products, what is different is that such breezy and hyper-emotional endorsements are being made in what is otherwise a very regulated industry with stringent rules about performance claims and disclosure of potential conflicts of interest. Remember, investment promoters generally must provide potential investors with all information relevant to making an informed investment decision. Finfluencers are testing the limits of what is considered regulated investment advice and protected free speech.”

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