

Get out of Thinkorswim now! Better brokerages for retail investors to consider

Description

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Online global brokerage TD Ameritrade used to be popular among Singapore investors, especially those who were introduced to it through various investment trainers or trading course providers. However, investors received a shock last week when TD Ameritrade announced that their brokerage platform â?? Thinkorswim â?? will no longer be serving retail investors in Singapore. If youâ??re among those affected, hereâ??s what you can do.

PSA: Get out of Thinkorswim now

TD Ameritrade Singapore has stated that you will need to either (i) proceed with becoming an Accredited Investor with them, or (ii) take steps to close or transfer your account by the following deadlines:

- **The deadline to act is 27 October 2023**, after which **a monthly charge of USD 50 will be automatically deducted** from your account **until your cash balance is zero**.
- **The final deadline to close your account is 31 December 2023.**



Timeline and Important Dates

Today

Please promptly proceed with either becoming an Accredited Investor or take steps to close or transfer your account.

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27 October 2023

Beginning 27 October 2023, all remaining non-Accredited Investor accounts will be charged a monthly account maintenance fee of USD $50. Accounts with cash balances less than USD $50 will only be charged an amount to reduce their cash balance to $0 (zero).

1 December 2023

As of U.S. market close on 1 December 2023, non-Accredited Investor accounts will be restricted. We will no longer accept new trade orders to establish positions or deposits on any remaining accounts. However, you may still place liquidating orders to close positions and remedy deficient margin accounts.

4th December 2023

Starting on U.S. market open on 4 December 2023, any remaining accounts (excluding Accredited Investors) with a debit balance (margin loan financed by securities lending) may have positions liquidated to bring their account to a zero or positive cash balance.

Source: TD Ameritrade Singapore

To avoid paying USD 50 for essentially nothing, please take action now before 27 October 2023.

Should I become an Accredited Investor?

Firstly, even if you meet MASâ?? criteria and qualify to become an Accredited Investor (AI), you will need to manually opt-in with TD Ameritrade if you wish to continue using the TOS platform. The good news is, your financial assets held in a different bank can be combined to hit the assets threshold.



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However, *should* you register as an accredited investor with TD Ameritrade? That is a different matter altogether, as youâ??d have to weigh the benefits and consequences to decide whether it makes sense to you. More importantly, as an Accredited Investor customer, you would no longer fall under certain Singaporean customer protection rules. *Read more about the trade-offs here.*

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generally not subject to the supervision of the MAS or the conduct rules applicable to licensed finan
for certain conditions imposed by the MAS and limited regulations in Singapore which apply to the
conditions applicable to the Cross-Border Arrangement requires you to qualify as an AI as defined u
an AI.

You are required to complete and sign this Form for us to verify your eligibility as an AI and be satisf
of opting in as an AI. We reserve the right to request additional information or documents for the as
AI status, Client Agreement and Limited Services Agreement are subject to the final confirmation a
and CSFF if applicable.

Source: TD Ameritrade â?? Declaration and Opt-In Form for Accredited Investor Status and Cross-Border Arrangement

For those who do not qualify or do not wish to register as an AI, you will now need to move your assets and switch to another broker.

What about my assets on Thinkorswim?

For cash, you can simply request for a wire transfer to withdraw the cash into your bank account.

For equities and/or options, you can decide whether you prefer to

1. **Close (sell) your existing positions and reopen them again (buy) on your next broker.** This is the easiest and fastest method, as you are completely in control of the process and do not have to wait for any approvals. Your trade will normally take up to two (2) business days to complete on TOS; once your funds are cleared, you can proceed to withdraw them to your bank account and over to your new broker.
2. **Hold your open position and transfer them to your new alternative broker instead.** I wouldnâ??t recommend this *unless* youâ??ve decided to switch to Interactive Brokers, as the transfer method is much slower and comes with several limitations. To transfer your account assets, you will need to initiate the Transfer of Assets (TOA) on your new brokerage which may then require you to complete their forms (either an Automated Customer Account Transfer Service (ACATS) transfer, or a DTC / DRS transfer).

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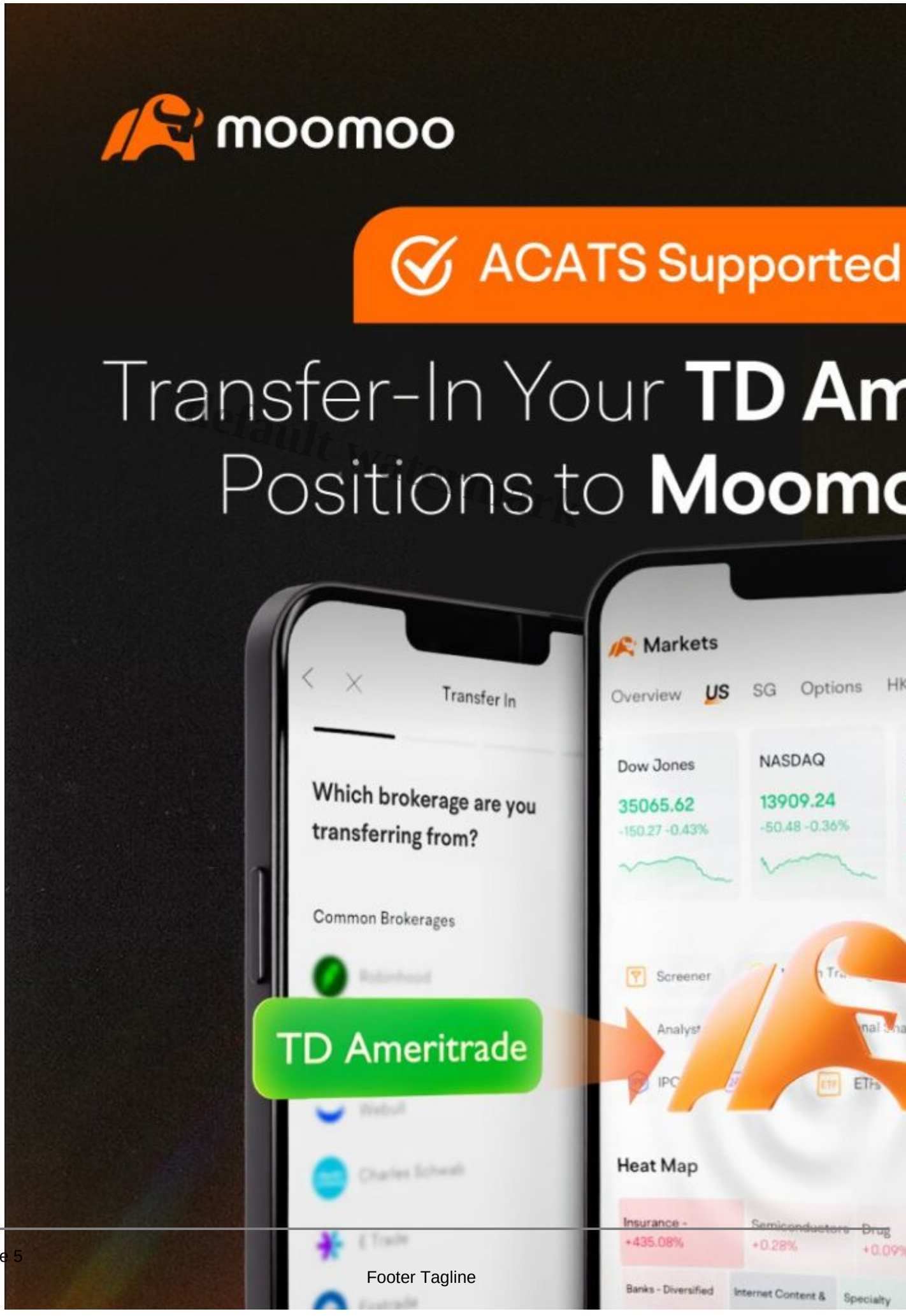
Do note that there is a US$75 fee for ACAT transfers from TD Ameritrade Singapore to other brokers, but the good news is that TD Ameritrade is waiving any transfer or wire fees you incur this year *only* for entire account transfers and/or wire withdrawals. In other words, youâ??ll have to do everything all at one go.

For non-ACAT transfer requests e.g. DTC or DRS, the process has a longer processing time and excludes non-securities items i.e. cash, options and fractional shares. During that period, you will not be able to trade on some of your securities positions either, so to make things simpler, go for either (i) an ACAT transfer, or (ii) liquidate and simply restart anew on another broker.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ACATS Supported
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Which brokerage are you transferring from?
Common Brokerages
TD Ameritrade
Markets
Overview
US
SG
Options
Dow Jones
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-150.27 -0.43%
NASDAQ
13909.24
-50.48 -0.36%
Screener
Heat Map

Popular among Singaporeans, Moomoo SG supports ACATS transfers for clients migrating from TD Ameritrade.

Best Alternative Brokerages to Thinkorswim

Which brokerage to choose really depends on what features and support you prioritise, or find valuable. For instance, if you insist on having all your Singapore stocks in your CDP account (like I do), then you may prefer to pay more for a local bank brokerage or opt for either FSMOne or POEMS to transact your local investments. Maybe youâ??re an experienced investor who trades across the US, Australia and London markets, in which case you would likely already be on Interactive Brokers, POEMS or Saxo. Some people value investing only in brokerages that have a local presence (i.e. with local hires (Singaporeans) and organising local events), so they prefer Moomoo SG or FSMOne.

Frequent traders with a high volume of transactions tend to prefer digital bro
Moomoo SG, Tiger Brokers or WeBull
, due to the need for lower commissions per trade and access to live prices.

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Sometimes, *when* you started investing also matters, because the brokerage options available to you then would have been different. Many older investors who started in the early 2000s would likely still be with their bank brokerages (e.g. DBS Vickers, OCBC Securities or Standard Chartered) or theyâ??d be on FSMOne, which was Singaporeâ??s first online-only discounted brokerage then.

As a newbie investor, you may be tempted to simply go for the lowest-cost brokerage in Singapore. However, as someone who has been watching the scene evolve over the last decade, let me tell you why that isnâ??t ideal: because the **brokerages have changed their fees over time.**

- Prior to 2000, the cheapest was a close fight between POEMS and Standard Chartered (non-CDP).
- In the early 2000s, the cheapest brokerage was FSMOne.
- In the 2010s, DBS Vickers gave FSMOne a run for its money for CDP investors when it lowered its fees for cash upfront trades.
- In 2020, Tiger Brokers entered the scene and became the cheapest online broker.
- In 2021, Moomoo SG launched and beat Tiger Brokers with even lower fees.
- In 2022, Webull entered Singapore and became the cheapest for US & HK stocks. In 2023, it removed its minimum funding requirement and is now currently giving away the most generous welcome sign-up rewards to attract new users over to its platform.

Disclaimer: These are all based off my own memory, so if you were investing du

If you choose your brokerage solely based on the cheapest fees, you may be setting yourself up for disappointment in the future as or when your broker amends its charges.

However, you should definitely still compare so that you clearly know the pros and cons of each brokerage â?? that will help you make a more informed decision as to which account to open. My friend Kelvin helped work on a comparison table across all the low-cost brokerages in Singapore, which you can also view in full on his Youtube channel here (support him with a like, or you can tip him here!)

	Interactive Brokers	moomoo	TIGER BROKERS	Webull	Syfe Trade	poems	FSM
	FEES						
US Market	USD 0.0035/share (min USD 0.35)	USD 0.99	USD 0.01/share (min USD 1.99)	0.025% (min USD 0.5)	USD 1.49 (2 free trades / month)	USD 1.88 - USD 3.88	0.0 (min US
SG market	0.08% (min SGD 2.50)	0.06% (min SGD 0.99)	0.06% (min SGD 1.99) (SGD2 custody fee/quarter unless 1 SGX trade/quarter)	No Access	0.06% (min SGD 1.98)	0.06% - 0.08%	SGD
Hong Kong market	0.05% (min HKD 18)	0.03% (min HKD 18)	0.06% (min HKD 15)	0.03% (min HKD 12)		0.05% - 0.08% (min HKD 15 - HKD 30)	0.0 (min H
China market		0.03% (min CNH 18)	0.06% (min CNH 15)	0.02% (min CNH 12)		0.08% - 0.15% (min CNH 50 - CNH 80)	0.0 (min C
Australia market	0.08% (min AUD 5)		0.1% (min AUD 8)			0.12% - 0.18% (min AUD 15 - AUD 25)	
London market	0.05% (min USD 1.70)					0.12% - 0.18% (min GBP 10 - GBP 20)	
Malaysia market						0.08% - 0.12% (MYR 8.80 - MYR 30)	0.0 (min MY
US options	USD 0.25 - USD 0.65 per contract (min USD 1)	USD 0.30 per contract (min USD 0.99)	USD 0.65/contract	USD 0.55/contract		USD 0.88/contract (min USD 2.88)	
Recurring fees						*maintenance: SGD 15/quarter (waived if ≥1 trade/quarter) *foreign shares custody: SGD 2/month, max SGD150/quarter (waived if ≥2 trades/month or 6 trades/quarter or SGD132 commission/quarter) *dividend fee: 1%, min SGD 1, max SGD 50 corporate action: SGD 10 *Applies if AUM below SGD250k	

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Iâ??ve zoomed in on aspects I recommend focusing on, which would be the different features and Pros vs Cons of each brokerage:

	FEATURES						
US fractional shares	Yes	Yes	Yes	Yes	Yes	No	No
US market data	Need to subscribe for real-time data	Real-time / in-depth Lv2 (60 levels)	Real-time / in-depth Lv2 (40 levels)	Real-time Lv1	Real-time Lv1	Real-time Lv1	Gold / Diamond Clients only
Option strategies	Yes	Yes	Yes	Only covered call, cash covered put	No	Only covered call	No
Supports transfer in?	US Stocks and Options (via ACATS)	Only US stocks and ETFs (via DTC)	Only US stocks and ETFs (via DTC)	No	US Stocks only (via ACATS)	Only stocks, ETFs, bonds	Only stocks, ETFs, bonds, funds
	Pros / Cons						
Pros	Low US, Australia, London, options commission Access to London market Popular among global investors	Low US, SG commission #1 retail brokerage in Hong Kong	Low SG, US option commission Among China's top online brokerages	Low US, HK, CN, US option commission Highly popular in US	Low SG commission Free 2 US trades per month	Low SG commission Supports CPF, SRS Lots of trading products, eg CFD, FX	Low MY commission Supports CPF, I26, SRS
Cons	- No live data - High learning curve	No support for Australia and London market	Recurring custody fee for SG unless actively trade	No access to SG stocks Limited option strategies	Only SG, US stocks	Recurring fees	Higher minimum commission, except MY

Which online brokerage do you recommend?

Again, which brokerage is best for you is a personal decision that only you can make because what you value may be different from mine. I invest and trade only in the US, SG and HK markets, so features like access to Malaysia stocks (Saxo, ProsperUs) do not make any difference to me.

Nonetheless, hereâ??s my general experience and stance on how I chose between brokerages:

- **Singapore stocks or ETFs** â?? I only use CDP-linked brokerages, and my platform of choice is FSMOne because I started investing in the 2010s when Tiger Brokers and Moomoo did not exist here.
- **Automated investments / Regular Savings Plans** â?? If you hold a RSP (also known as RSS), I like FSMOne. However, some folks prefer to invest via their bank for the convenience, in which case DBS Invest Saver (or digiPortfolio) or OCBC would be a decent choice. Moomoo SG also offers 5.8% p.a. guaranteed returns on Moomoo Cash Plus with no lock-up periods.
- **London-domiciled ETFs or stocks** â?? **Interactive Brokers** is the cheapest.
- **US stocks** â?? I started with **Tiger Brokers**, then I opened with **Moomoo SG** when they launched, so Iâ??m currently have my stocks in both brokers. Right now, one is for buy-and-hold and money market funds, while another is used for more some opportunistic trades. For Moomoo SG, the $0.99 commission fee per order means the higher the transaction amount, the more I save on fees.

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Brokerage commission on 40 GOOG shares						
IBKR	moomoo SG	Tiger Brokers	Webull	Syfe Trade	POEMS	FSMOne
$ 0.35	$ 0.99	$ 1.99	$ 1.38	$ 1.49	$ 1.88 - 3.88	$ 4.4

For instance, hereâ??s the brokerage commission fees Iâ??d have to pay if I were to buy 40 GOOG shares across each of the different brokers.

- **Hong Kong stocks** â?? I started with Tiger Brokers, so my HK stocks are all parked here. However, if I were to choose now, I would go with **Webull** instead since theyâ??re the cheapest. If you have lower capital and need access to odd-lot trading for HK shares so that you can afford to buy blue-chip HK stocks, then **Moomoo SG** is your only option available.
- **US options** â?? My options account is with Interactive Brokers, only because I learnt it from a friend who was using that platform.

`Let me also disclaim that I do not have direct experience with ALL the brokera`

You can also read the reviews that Iâ??ve done here (in alphabetical order) to decide which is best for you:

- FSMOne â?? great for automating your ETF investments, including setting up beneficiary accounts for your children
- Moomoo â?? commission-free trades broker, and Hong Kongâ??s top online retail brokerage
- POEMS â?? great for traders and local CDP/CPF/SRS investors

- Syfe Trade â?? Singaporeâ??s first neobroker offering fractional US shares and free 2 US trades each month
- Tiger Brokers â?? a fantastic low-cost brokerage in Singapore
- Webull â?? cheapest broker for US and HK stocks

Best low-cost online brokerages (according to Budget Babe)

If youâ??re starting out today or looking for a new account to start afresh on, hereâ??s my personal verdict on how I would classify the various low-cost online brokerage platforms:

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Many of you have told me that you prefer a low-cost broker that

- Offers an easy-to-navigate user interface, even for beginners.
- Has local support, including a local hotline and organises local events where you can actually speak to real human beings or experts to ask questions about the app / your portfolio. Best if it also has educational outreach efforts (such as courses) to help beginners.

- Is used and trusted by many fellow peers and Singaporeans.
- Must be safe and unlikely to wind up, or close its Singapore operations.
- Allows one to invest in Singapore, US and Hong Kong stocks.
- Can be used for options trading.
- Offers yield on your uninvested, idle cash parked in your brokerage account.

If that sounds similar to your own criteria, then you might want to check out Moomoo SG.

`The following advertisement is brought to you by Moomoo SG.`

Iâ??ve written extensively about Moomoo SG offerings over the years, including the attractiveness of their money market funds for idle cash and how I use their app to analyze a company while Iâ??m on the move. In the aftermath of Robinhoodâ??s saga with the SEC over their controversial Payment for Order Flow (PFOF), I questioned if our zero-commission brokerages here use the same practice, and was relieved when Moomoo SG officially said no here.

Thanks to the various events and investment conferences that Moomoo SG has held in Singapore, Iâ??ve also gotten to know their team better and had the privilege to ask them about their plans and commitment to the Singapore market, as well as how safe they really are, as an online discounted brokerage.

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Today, Moomoo SG has grown to become one of Singaporeâ??s top choices of brokerages and expanded to become one of the most impressive brokerage apps I have on my phone.



Whether youâ??re a retail investor affected by the Thinkorswim closure, or simply thinking of switching to a more reputable brokerage like Moomoo for your long-term needs, you can now take advantage of Moomoo SGâ??s ongoing promotion and get up to S$1,000 of rewards when you transfer in your eligible assets from another broker.

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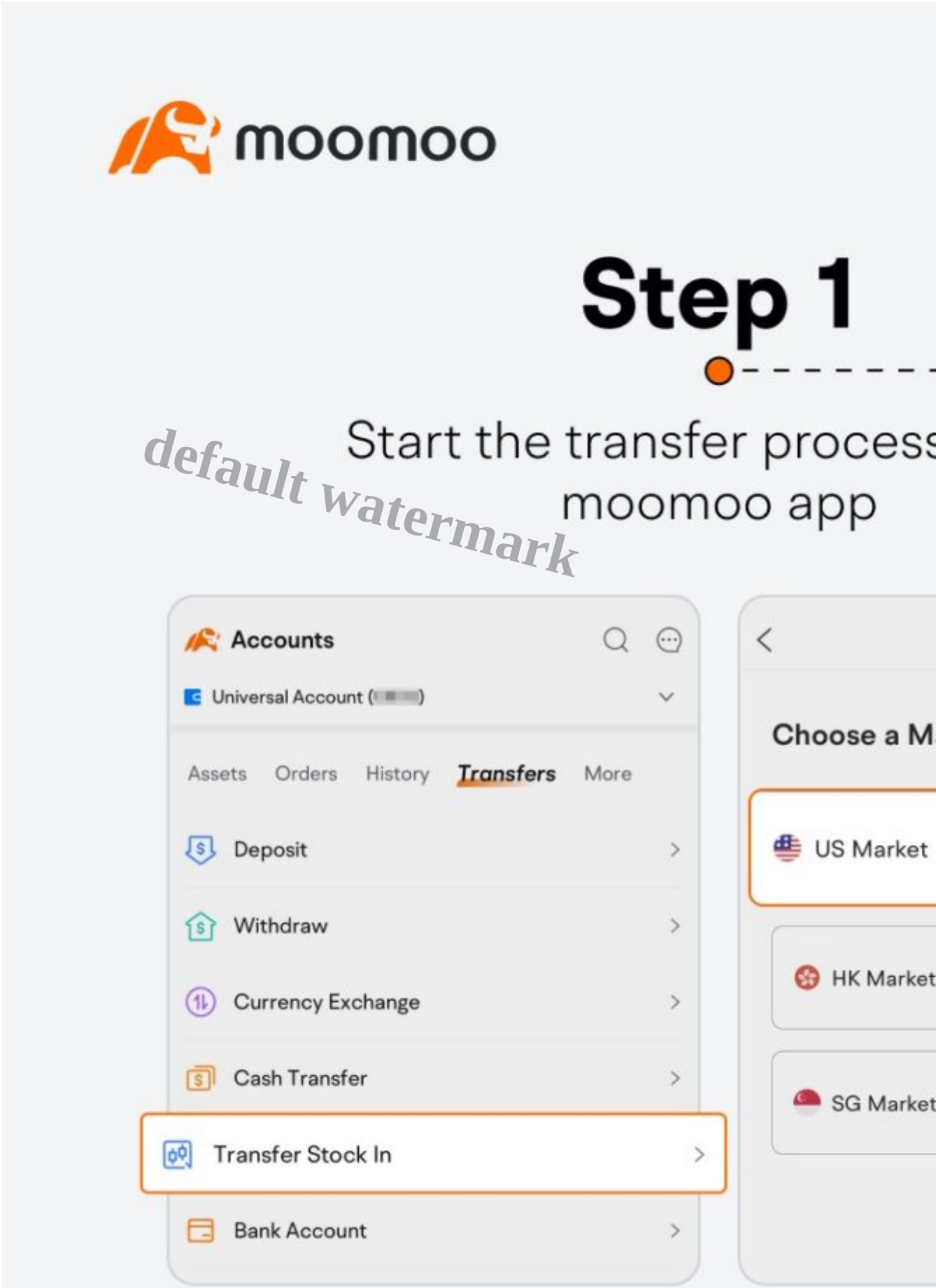
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Step 1
Start the transfer process
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Accounts
Universal Account
Assets
Orders
History
Transfers
More
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Currency Exchange
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Choose a M
US Market
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Step 2

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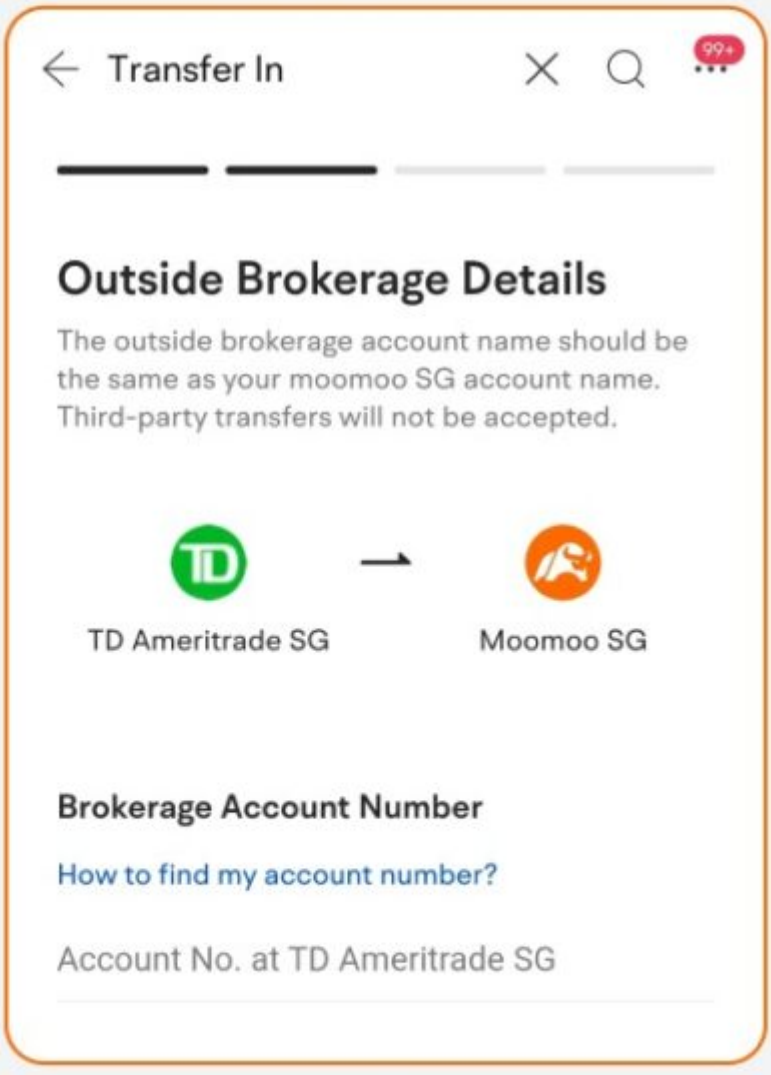

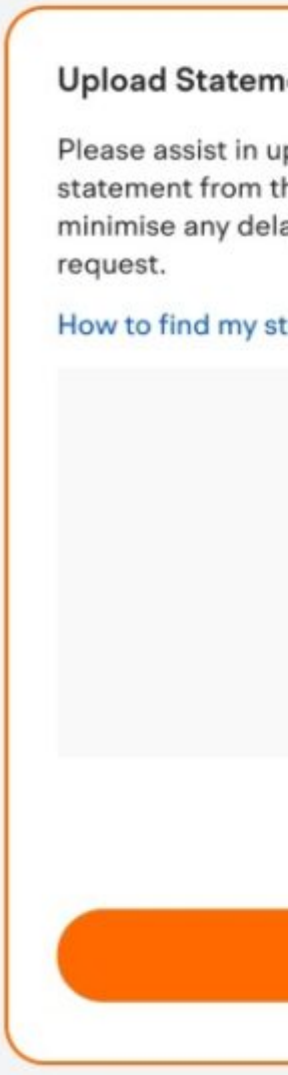

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Step 3A

Choose Full or Partial Tra
select "Full Transfer

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Does your outside brokerage account contain any of the following assets?

- Fractional shares
- Cryptocurrencies
- Options contracts expiring within 14 days
- OTC Stocks
- Mutual funds
- Bonds
- Futures
- Annuities
- Publicly Traded Partnership stocks
- Microcap stocks

○ Yes, it does

○ No, it does not

○ I'm not sure

You can

By tapping "Initiat
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If youâ??re transferring from TD Ameritrade, you can also refer to this page for specific instructions on how to do a ACATS / DTC transfer of your assets over to Moomoo SG.



Click here to learn more and get started with a Moomoo SG account today!

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Category

1. Investing