New Haven Register

http://www.nhregister.com/opinion/20160730/market-matters-identity-theft-concerns-span-the-financial-spectrum

The Middletown Press

http://www.middletownpress.com/opinion/20160730/market-matters-identity-theft-concerns-span-the-financial-spectrum

THE REGISTER CITIZEN

http://www.registercitizen.com/opinion/20160730/market-matters-identity-theft-concerns-span-the-financial-spectrum

July 30 on the Internet; July 31, 2016 in print

MARKET MATTERS: Identity theft concerns span the financial spectrum

Joseph Matthews

Identity theft is, unfortunately, an all too familiar topic in today's society. As technology and the Internet continue to play a growing role in our daily lives, we must always remember to be alert and err on the side of caution when sharing information.

We are often reminded of how intrusive a breach of personal information can be — whether through commercials on TV or articles in the local paper. Falling victim to identity theft can be stressful, particularly in instances that impact your finances.

A recent Morgan Stanley poll of high net worth investors (those with $100,000 or more in investible assets) between the ages of 25 and 75 years old showed that identity theft ranks as both an issue respondents are most concerned about — 72 percent — and an issue that 51 percent feel they are most likely to be impacted by, surpassing concerns over major illnesses and terrorism.

According to data from the Federal Trade Commission (FTC), Connecticut ranks number two across all 50 states in the per capita rate of reported identity theft complaints. In addition, the Bridgeport, Stamford, Norwalk Metropolitan Statistical Area ranked number 5 nationally in the Largest Metropolitan Area ranking for identity theft complaints.

This data comes in comparison to 2014, when Connecticut ranked 14th in the country. According to the FTC's Consumer Sentinel Network report for 2015, 225 complaints per 100,000 residents were logged in 2015, compared to only 84.4 complaints per 100,000 residents in 2014. Those numbers did not include fraud or other forms of consumer complaints.

Connecticut's increase mirrors an upward national trend in identity theft. In 2015, the FTC registered approximately 490,220 complaints, a notable rise from 332,647 in 2014.

Based on the Morgan Stanley poll, 91 percent of high net worth investors say they have been affected by data security issues, with security breaches at companies where they do business leading the way at 63 percent. In spite of these breaches, 83 percent of the investors polled trust their financial institutions to protect their personal information, compared with 71 percent who trust their doctors and hospitals, 61 percent who trust their employers and 49 percent who trust retailers where they shop.

The prevalence of identity theft requires that we plan for it and take precautions to help avoid it. For starters, stay alert when people ask for personal information and never divulge your credit card number or other sensitive data over the Internet or telephone unless you initiate the communication.

It also is wise to regularly monitor your financial accounts and reconcile them at least monthly, so your financial institution can be notified of any discrepancies immediately. Remember, fraudulent charges can be small purchases initially, and if successful, can lead to more regular theft without detection.

It is also important to report unauthorized financial transactions to your bank, credit card company and the police as soon as you detect them.

And don't be careless with your passwords. Simple combinations that are easy to remember can also be easy to hack. Be unique and use different passwords for banking and social media accounts — taking extra caution to never share them.

Identity theft is an unfortunate reality, but that doesn't mean we have to be helpless against it. Your financial adviser can help share additional tips for protecting sensitive financial information, as well as insuring your on-line transactions are conducted with institutions that place a high priority on protecting your assets and best interests.

The Investor Pulse Poll surveyed 752 high net worth investors during spring 2016. High net worth investors account for 95 percent of total U.S. household investable assets by value, according to Federal Reserve data. The Investor Pulse Poll was conducted by GfK Public Affairs & Corporate Communications using the GfK KnowledgePanel. In order to qualify for this study, respondents were required to have $100,000 or more in household liquid investable assets, be between the ages of 25 and 75 years old.

*Joseph Matthews is a Financial Advisor with the Wealth Management Division of Morgan Stanley on Post Road in Fairfield. He can be reached at 203-319-5165 or by email at joseph.matthews@morganstanley.com.**The information contained in this column is not a solicitation to purchase or sell investments. Any information presented is general in nature and not intended to provide individually tailored investment advice. The views expressed herein are those of the author and may not necessarily reflect the views of Morgan Stanley Wealth Management, or its affiliates. Morgan Stanley Smith Barney, LLC, member SIPC.*