# Buy-side Survey: Impact of MiFID II on investment research

### ****Welcome to the Survey 'Impact of MiFID II on Investment Research'**** Introduction Your participation is much appreciated! If you have questions, please email [admin@riskcontrollimited.com](mailto:admin@riskcontrollimited.com). The survey is available online until ****15th June 2019****. Risk Control is conducting this survey on behalf of the European Commission (DG FISMA). The survey will be summarised in a study that Risk Control is preparing for the Commission entitled 'Impact of MiFID II Rules on SME and Fixed Income Investment Research'. Information on the European Commission tender award associated with this project may be found [here](https://ted.europa.eu/udl?uri=TED:NOTICE:15457-2019:TEXT:EN:HTML&tabId=0). It is expected that the report will be published after the project is completed in September 2019.

### Data Confidentiality Notice The results of the project will be included in anonymised and aggregated form in the final report. The identity of respondents to the survey will be known only to the Risk Control team involved in verifying the quality of the data and will not be reported to any body outside Risk Control. Data will be employed only as inputs to the study for the European Commission and all copies will be destroyed once the project is complete.

### Session management The surveys must be completed within a single browser session. When you have completed the survey, click the submit button and your data will be included in the survey. If your browser session ends before you have completed the survey, you will have to re-submit your data. If you wish to prepare your answers offline, you may find it convenient to use the PDF version of the questions that can be found [here](http://www.riskcontrollimited.com/wp-content/uploads/2019/04/buy.side_.survey.pdf). You should then type your prepared responses into the online version of the survey. Definitions On the sell side, we distinguish between:

### ****Global banks or investment banks**** (we define this based on the EU top ten equity underwriting institutions, namely Goldman Sachs, JP Morgan, Morgan Stanley, Citi, Bank of America Merrill Lynch, Deutsche Bank, UBS, Barclays, Credit Suisse, BNP Paribas)

### ****Large banks or investment banks**** (defined as banks with assets greater than EUR 200 bn other than those listed above and investment banks other than those listed above)

### ****Mid-sized and small banks**** (defined as banks with assets below EUR 200 bn)

### ****Global non-bank brokers**** ****(or brokers with non-significant banking activities)**** (defined as a non-bank broker active in multiple countries and with a broad international focus)

### ****Other brokers****

### ****Large Independent Research Providers (IRPs)**** (30 employees or more)

### ****Other IRPs**** (fewer than 30 employees).

### We define ****Small and Medium Enterprises or SMEs**** to be firms with market capitalisation less than EUR 1bn. In this sense, ****SMEs**** are a combination of ****Small Caps**** (EUR 200 mn to 1 bn), ****Micro Caps**** (EUR 50 mn to 200 mn), and ****Nano Caps**** (less than EUR 50 mn). We define • Large Cap firms are those with equity market capitalisation greater than EUR 5 bn • Mid Cap firms are those with equity market capitalisation between EUR 1 bn to 5 bn The term "Research" as used in the survey is defined in the broad sense not just "investment research" produced by a "research department".  "Research" here also means telephone, email and face-to-face interactions as well as written research. "Credit research" is defined to include research covering corporate bonds and securitisations but not research related to instruments issued by sovereigns or public sector entities. Please note that, in parallel to this survey, Risk Control is conducting one-hour structured interviews on the effects of MiFID II unbundling rules on investment research. If you would like to participate, please email [admin@riskcontrollimited.com](mailto:admin@riskcontrollimited.com). In these interviews, we seek to understand respondents broader perspectives on the regulations and their impact on the market. All interviews are conducted on a confidential basis.  Thank you! Click Next to begin!

## Identification

### 1) What is the name of your firm?\*

This question is **compulsory**. The firm name associated with your survey response will be treated **confidentially** and **will not be revealed to anyone** except the Risk Control team that checks the data quality of responses prior to them being collated and presented in an **aggregated**, **anonymised** form.

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### 2) Please provide a contact email address.\*

This question is **compulsory**. The email address will be used only to confirm the identity of the firm that has submitted the response to ensure data quality. It **will not be revealed to anyone** outside the Risk Control team that checks the data quality of responses prior to them being collated and presented in an aggregated, **anonymised** form.

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## Broad description of buyside firm

#### 3) In which country is your firm domiciled?

( ) Argentina

( ) Australia

( ) Austria

( ) Bahrain

( ) Belgium

( ) Brazil

( ) Bulgaria

( ) Canada

( ) Chile

( ) China

( ) Croatia

( ) Cyprus

( ) Czech Republic

( ) Denmark

( ) Estonia

( ) Finland

( ) France

( ) Germany

( ) Greece

( ) Hungary

( ) Iceland

( ) India

( ) Indonesia

( ) Ireland

( ) Israel

( ) Italy

( ) Japan

( ) Kuwait

( ) Latvia

( ) Liechtenstein

( ) Lithuania

( ) Luxembourg

( ) Malaysia

( ) Malta

( ) Mexico

( ) Netherlands

( ) New Zealand

( ) Norway

( ) Oman

( ) Peru

( ) Philippines

( ) Poland

( ) Portugal

( ) Qatar

( ) Romania

( ) Saudi Arabia

( ) Singapore

( ) Slovakia

( ) Slovenia

( ) South Africa

( ) South Korea

( ) Spain

( ) Sweden

( ) Switzerland

( ) Taiwan

( ) Thailand

( ) United Arab Emirates

( ) United Kingdom

( ) United States

( ) Other

### 4) Please specify the country in which your firm is domiciled:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

#### 5) If your firm is domiciled in the EU, is it a subsidiary of a firm domiciled outside the EU?

( ) Yes

( ) No

( ) Not domiciled in the EU

#### 6) If your firm is domiciled in the EU and is a subsidiary of another firm, what is the domicile of your firm's parent?

( ) Not applicable

( ) Argentina

( ) Australia

( ) Austria

( ) Bahrain

( ) Belgium

( ) Brazil

( ) Bulgaria

( ) Canada

( ) Chile

( ) China

( ) Croatia

( ) Cyprus

( ) Czech Republic

( ) Denmark

( ) Estonia

( ) Finland

( ) France

( ) Germany

( ) Greece

( ) Hungary

( ) Iceland

( ) India

( ) Indonesia

( ) Ireland

( ) Israel

( ) Italy

( ) Japan

( ) Kuwait

( ) Latvia

( ) Liechtenstein

( ) Lithuania

( ) Luxembourg

( ) Malaysia

( ) Malta

( ) Mexico

( ) Netherlands

( ) New Zealand

( ) Norway

( ) Oman

( ) Peru

( ) Philippines

( ) Poland

( ) Portugal

( ) Qatar

( ) Romania

( ) Saudi Arabia

( ) Singapore

( ) Slovakia

( ) Slovenia

( ) South Africa

( ) South Korea

( ) Spain

( ) Sweden

( ) Switzerland

( ) Taiwan

( ) Thailand

( ) United Arab Emirates

( ) United Kingdom

( ) United States

( ) Other

### 7) Please specify the domicile of your firm's parent:\*

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

#### 8) If your firm is domiciled outside the EU, does your firm have authorised European subsidiaries providing investment services to clients in the EU?

( ) Yes

( ) No

( ) Not applicable

#### 9) If your firm is domiciled in the EU, does it have one or more authorised subsidiaries outside the EU?

( ) Yes

( ) No

( ) Not applicable

#### 10) If you are not domiciled in EU, do you trade financial products through EU trading venues, or service EU clients directly / indirectly via sub-advisory agreements with EU firms that are subject to MiFID II?

( ) Yes

( ) No

( ) Not applicable

#### 11) What is the size of your firm’s Assets Under Management (AUM)? Choose one of the following options (in EUR, billions):

( ) AUM > 500

( ) 100 < AUM <= 500

( ) 50 < AUM <= 100

( ) 10 < AUM <= 50

( ) 5 < AUM <= 10

( ) 1 < AUM <= 5

( ) 0.5 < AUM <= 1

( ) 0.2 < AUM <= 0.5

( ) 0.1 < AUM <= 0.2

( ) AUM <= 0.1

#### 12) What is the size of the Assets Under Management (AUM) of the group of companies to which your firm belongs? Choose one of the following options (in EUR, billions):

( ) AUM > 500

( ) 100 < AUM <= 500

( ) 50 < AUM <= 100

( ) 10 < AUM <= 50

( ) 5 < AUM <= 10

( ) 1 < AUM <= 5

( ) 0.5 < AUM <= 1

( ) 0.2 < AUM <= 0.5

( ) 0.1 < AUM <= 0.2

( ) AUM <= 0.1

#### 13) In which of the following asset classes do your funds invest? Choose one or more of the following options:

[ ] Large Cap Equities

[ ] Mid Cap Equities

[ ] Small Cap Equities

[ ] Micro Cap Equities

[ ] Nano Cap Equities

[ ] Corporate Bonds

[ ] High-yield Bonds

[ ] Corporate Loans

[ ] Securitisations

[ ] Other

#### 14) If you invest in SME (Small/Micro/Nano Cap) Equities, do you have specialised funds designated as such for this purpose?

( ) Yes

( ) No

#### 15) If you invest in High-yield bonds, do you have specialised funds designated as such for this purpose?

( ) Yes

( ) No

#### 16) Which of the following best describes your firm?

( ) Asset manager

( ) Hedge fund

( ) Pension fund

( ) Insurance firm

( ) Private bank

( ) Family Office

( ) Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\*

## Research budget, organisation, budgets, research staff, costs of external research, comparison EU/US, trends pre/post MiFID II

#### 17) Does your firm have a Research Department?

( ) Yes

( ) No

#### 18) Which areas of research are the most important for your business? Choose one or more of the following options:

[ ] Macroeconomics

[ ] Fixed Income (non-Credit)

[ ] Credit

[ ] Large or Mid Cap Equities

[ ] Small/Micro/Nano Cap Equities

[ ] Analytics & Trading strategies

[ ] Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\*

### 19) By your estimate, how much were your firm's research budgets in 2017, and how did research budgets evolve in 2018 and 2019?

#### Budgets in 2017 in EUR

Overall (internal and external): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

External research: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

External research on Large and Mid Cap Equities: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

External research on SME Equities: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

External research on Credit: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Internal research: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

#### Changes in Budgets

|  |  |  |
| --- | --- | --- |
|  | **Percentage change from 2017 to 2018** | **Percentage change from 2018 to 2019** |
| Overall (internal and external) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| External research | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| External research on Large and Mid Cap Equities | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| External research on SME Equities | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| External research on Credit | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Internal research | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

#### 20) How have the MiFID II unbundling rules induced your firm to change its own overall research activity?

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Greater reliance on** | **Reduced reliance on** | **No change in** |
| Internal research | ( ) | ( ) | ( ) |
| Quantitative strategies | ( ) | ( ) | ( ) |
| Passive strategies | ( ) | ( ) | ( ) |
| Fundamentals-based strategies | ( ) | ( ) | ( ) |

#### 21) What is the number of internal researchers within your firm for

#### ****•**** Large and Mid Cap Equities? ****•**** SME Equities? ****•**** Credit?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **0 to 10** | **10 to 50** | **50 to 200** | **200 to 500** | **More than 500** |
| Large and Mid Cap Equities | ( ) | ( ) | ( ) | ( ) | ( ) |
| SME Equities | ( ) | ( ) | ( ) | ( ) | ( ) |
| Credit | ( ) | ( ) | ( ) | ( ) | ( ) |

#### 22) What is the percentage change in the number of internal researchers within your firm since January 2018 for

#### ****•**** Large and Mid Cap Equities? ****•**** SME Equities? ****•**** Credit?

|  |  |
| --- | --- |
|  | **Percentage Change** |
| Large and Mid Cap Equities | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| SME Equities | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Credit | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

#### 23) Is the change in the number of your firm's internal research analysts since January 2018 above or below trend?

#### ****•**** Large and Mid Cap Equities? ****•**** SME Equities? ****•**** Credit?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Above trend** | **Below trend** | **Same as trend** | **Unknown** |
| Large and Mid Cap Equities | ( ) | ( ) | ( ) | ( ) |
| SME Equities | ( ) | ( ) | ( ) | ( ) |
| Credit | ( ) | ( ) | ( ) | ( ) |

#### 24) In your view, has the all-in cost of external research changed since January 2018 in the cases of

#### ****•****  Large and Mid Cap Equity research? ****•****  SME Equity research? ****•****  Credit research?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Increased** | **Stable** | **Decreased** | **Do not know** |
| Large and Mid Cap Equities | ( ) | ( ) | ( ) | ( ) |
| SME Equities | ( ) | ( ) | ( ) | ( ) |
| Credit | ( ) | ( ) | ( ) | ( ) |

#### 25) In your view, is comparable research offered by IRPs more or less expensive than that of brokers in the three cases:

#### ****•**** Large and Mid Cap Equities? ****•**** SME Equities? ****•**** Credit research?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **IRPs more expensive** | **IRPs less expensive** | **Equally expensive** | **Unknown** |
| Large and Mid Cap Equities | ( ) | ( ) | ( ) | ( ) |
| SME Equities | ( ) | ( ) | ( ) | ( ) |
| Credit | ( ) | ( ) | ( ) | ( ) |

#### 26) In your view, is the all-in cost of comparable research from EU brokers more or less than the all-in cost of research from US brokers in the three cases

#### ****•**** Large and Mid Cap Equities? ****•**** SME Equities? ****•**** Credit?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **EU brokers more expensive** | **EU brokers less expensive** | **Equally expensive** | **Unknown** |
| Large and Mid Cap Equities | ( ) | ( ) | ( ) | ( ) |
| SME Equities | ( ) | ( ) | ( ) | ( ) |
| Credit | ( ) | ( ) | ( ) | ( ) |

#### 27) In your view, is Equity research for EU SMEs more or less costly than for US SMEs?

( ) More expensive in Europe

( ) Less expensive in Europe

( ) Equally expensive

( ) Unknown

#### 28) Which factors influence the relative cost across the two jurisdictions?

An additional factor can be added in the last row.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Greater in EU** | **Greater in US** | **Equal in two jurisdictions** | **Unknown** |
| Degree of competition | ( ) | ( ) | ( ) | ( ) |
| Regulatory burden | ( ) | ( ) | ( ) | ( ) |
| Quality of research | ( ) | ( ) | ( ) | ( ) |

### 29)

#### In your view, has the administrative burden of obtaining external research changed since January 2018 in the three case:

#### ****•**** Large and Mid Cap Equities? ****•**** SME Equities? ****•**** Credit?

#### 

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Increase** | **Decrease** | **Stable** | **Unknown** |
| Large and Mid Cap Equities | ( ) | ( ) | ( ) | ( ) |
| SME Equities | ( ) | ( ) | ( ) | ( ) |
| Credit | ( ) | ( ) | ( ) | ( ) |

#### If you wish, please provide text on what changes in the administrative burden have been most material for your business.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

#### 30) Have MiFID II inducement rules resulted in a change in the execution cost of trading for SME Equities?

( ) Reduced execution costs

( ) Increased execution costs

( ) No impact

( ) Unknown

#### 31) Have MiFID II inducement rules resulted in a change in execution spreads for Credit securities?

( ) Reduced spreads

( ) Increased spreads

( ) No impact

( ) Unknown

## Payment methods & legal aspects

#### 32) How does your firm pay for research currently and how did it pay before MiFID II?

|  |  |  |
| --- | --- | --- |
|  | **Before MiFID II** | **Since MiFID II** |
| P & L | [ ] | [ ] |
| RPA | [ ] | [ ] |
| Commission Sharing Agreement | [ ] | [ ] |
| Bundled method | [ ] | [ ] |
| Via spreads (for credit research) | [ ] | [ ] |

#### 33) Which of the following considerations has influenced your choice post MiFID II? Choose one or more of the following options:

[ ] Competitive considerations

[ ] Taxation strategy

[ ] Regulatory burden

[ ] Administrative burden

[ ] Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\*

#### 34) Is the choice between P&L and RPAs likely to affect the total cost to clients (including both direct and indirect charges)?

( ) Yes

( ) No

( ) Unknown

#### 35) If you have adopted the P&L method, have you adjusted your fees accordingly?

( ) Yes

( ) No

( ) Unknown

#### 36) If your firm pays for external research via RPA, how is the cost allocated between funds?

( ) Prorated among all funds based on their size

( ) Prorated by fund categories (equities, fixed income, etc.) based on their size

( ) Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\*

#### 37) Has your firm written guidelines for research cost allocation?

( ) Yes

( ) No

( ) Not relevant

( ) Unknown

#### 38) Have you received sufficient guidance from your national regulators and ESMA on the application of the new rules?

( ) Yes

( ) No

( ) Unknown

#### 39) Does your firm have written contracts and agreements in place with your research providers?

( ) Yes in all cases

( ) Yes in most cases

( ) Yes in minority of cases

( ) No

( ) Unknown

#### 40) Has your firm taken any steps to stop receiving any unsolicited research?

( ) Yes

( ) No

( ) Unknown

#### 41) What steps has your firm taken? Choose one or more of the following options:

[ ] Automatically blocked or filtered certain senders or materials

[ ] Requested a provider to stop providing research

[ ] Used the compliance function of the firm to monitor, assess and determine whether the material can be accepted before it reaches those parts of the firm that would make use of it

[ ] Provided adequate training or information to staff to ensure they understand the inducements obligations and the firm’s specific approach to receiving research

[ ] Established a process whereby staff can report to compliance or senior management any cases of unsolicited research

[ ] Other: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\*

#### 42) Has the level of your firm's participation in investor roadshows changed since January 2018?

( ) Increased participation

( ) Decreased participation

( ) No change in participation

( ) Unknown

#### 43) Does your firm find it challenging to distinguish which Corporate Access activities should be paid for and which are Minor Non-Monetary Benefits (MNMB)?

( ) Yes

( ) No

( ) Unknown

#### 44) Where does your firm apply the MiFID II rules on external research? Choose one or more of the following options:

[ ] EU

[ ] Rest of Europe

[ ] US or Canada

[ ] Asia excluding Japan

[ ] Japan

[ ] Rest of the world

## Availability, sourcing, evaluation of quality and actual use of research

#### 45) How many investment research providers do you currently use ****overall**** and how many are brokers/independent providers/other entities within your own group? Same question prior to the introduction of MiFID II in January 2018?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Total** | **Brokers** | **Independents** | **Intragroup** |
| Post-MiFID II |  |  |  |  |
| Pre-MiFID II |  |  |  |  |

#### 46) How many investment research providers do you currently use for ****Large and Mid Cap Equities**** and how many are brokers/independent providers/other entities within your own group? Same question prior to the introduction of MiFID II in January 2018?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Total** | **Brokers** | **Independents** | **Intragroup** |
| Post-MiFID II |  |  |  |  |
| Pre-MiFID II |  |  |  |  |

#### 47) How many investment research providers do you currently use for ****SME Equities (Small/Micro/Nano Caps)**** and how many are brokers/independent providers/other entities within your own group? Same question prior to the introduction of MiFID II in January 2018?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Total** | **Brokers** | **Independents** | **Intragroup** |
| Post-MiFID II |  |  |  |  |
| Pre-MiFID II |  |  |  |  |

#### 48) How many investment research providers do you currently use for ****Credit**** and how many are brokers/independent providers/other entities within your own group? Same question prior to the introduction of MiFID II in January 2018?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Total** | **Brokers** | **Independents** | **Intragroup** |
| Post-MiFID II |  |  |  |  |
| Pre-MiFID II |  |  |  |  |

#### 49) Have MiFID II rules led you to change your consumption of research from Online Research Marketplaces (ORMs)?

( ) Increase due to MiFID II rules

( ) Decrease due to MiFID II rules

( ) No

#### 50) Have MiFID II rules led you to change your consumption of research from Broker Platforms?

( ) Increase due to MiFID II rules

( ) Decrease due to MiFID II rules

( ) No

#### 51) Of your current research providers, how many are ****domiciled in the EU****?

|  |  |
| --- | --- |
|  | **Quantity** |
| Large and Mid Cap Equities | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| SME Equities | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Credit | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

#### 52) Of the research providers you employed ****before**** January 2018, how many were ****domiciled in the EU****?

|  |  |
| --- | --- |
|  | **Quantity** |
| Large and Mid Cap Equities | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| SME Equities | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Credit | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

#### 53) Has MiFID II encouraged the emergence of new research providers for SME Equities (Small/Micro/Nano Cap) research?

( ) Yes

( ) No

( ) Unknown

#### 54) Which organisations have provided additional research for SME Equities?

[ ] Brokers

[ ] Independent Research Providers

[ ] Buyside researchers

#### 55) Has MiFID II encouraged the emergence of new research providers for Credit research?

( ) Yes

( ) No

( ) Unknown

#### 56) Which organisations have provided additional Credit research?

[ ] Brokers

[ ] Independent Research Providers

[ ] Buy-side researchers

#### 57) Which methods do you use to assess the value of research and what is their relative importance in your overall assessment?

|  |  |
| --- | --- |
|  | **1 (least) to 5 (most)** |
| Judgement or Score Cards of Individual Managers | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Numbers of Times Accessed | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Use of Public Research Rankings | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Broker Voting | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Analyst Ranking | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

#### 58) Has the ****quantity**** of research that your firm consumes on ****(i) Large and Mid Cap Equity, (ii) SME Equity**** and ****(iii) Credit**** changed since January 2018?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Increase in quantity** | **Decrease in quantity** | **No change in quantity** | **Unknown** |
| Large and Mid Cap Equities | ( ) | ( ) | ( ) | ( ) |
| SME Equities | ( ) | ( ) | ( ) | ( ) |
| Credit | ( ) | ( ) | ( ) | ( ) |

#### 59) Has the ****quality**** of ****(i) Large and Mid Cap Equity, (ii) SME Equity**** and ****(iii) Credit**** research changed since January 2018?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Increase in quality** | **Decrease in quality** | **No change in quality** | **Unknown** |
| Large and Mid Cap Equities | ( ) | ( ) | ( ) | ( ) |
| SME Equities | ( ) | ( ) | ( ) | ( ) |
| Credit | ( ) | ( ) | ( ) | ( ) |

#### 60) How have the following influences on SME Equity research quality evolved since January 2018?

An additional factor can be added in the last row.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Increase** | **No change** | **Decrease** | **Unknown** |
| Number of analysts employed by research providers | ( ) | ( ) | ( ) | ( ) |
| Seniority of analysts employed by research providers | ( ) | ( ) | ( ) | ( ) |
| Depth and thoroughness of analysis | ( ) | ( ) | ( ) | ( ) |
| Increase in number of research providers | ( ) | ( ) | ( ) | ( ) |

#### 61) How have the following influences on Credit research quality evolved since January 2018?

An additional factor can be added in the last row.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Increase** | **No change** | **Decrease** | **Unknown** |
| Number of analysts employed by research providers | ( ) | ( ) | ( ) | ( ) |
| Seniority of analysts employed by research providers | ( ) | ( ) | ( ) | ( ) |
| Depth and thoroughness of analysis | ( ) | ( ) | ( ) | ( ) |
| Increase in number of research providers | ( ) | ( ) | ( ) | ( ) |

#### 62) Overall, would you say that the MiFID II research unbundling rules have changed your access to research on EU ****SME Equities****?

( ) Rules have increased access

( ) Rules have had no effect on access

( ) Rules have reduced access

( ) Unknown

#### 63) If you answered "Rules have increased access" or "Rules have reduced access", did this affect your investments in EU Small and Micro Caps?

( ) Yes

( ) No

( ) Unknown

#### 64) If you answered "Rules have increased access" or "Rules have reduced access", did this affect the performance of your funds?

( ) Negative impact

( ) Positive impact

( ) No impact

( ) Unknown

#### 65) Overall, would you say that MiFID II research unbundling rules have changed your access to research on EU ****Credit****?

( ) Rules have increased access

( ) Rules have had no effect on access

( ) Rules have reduced access

( ) Unknown

#### 66) If you answered "Rules have increased access" or "Rules have reduced access", did this affect your investments in EU Credit?

( ) Yes

( ) No

( ) Unknown

#### 67) If you answered "Rules have increased access" or "Rules have reduced access", did this affect the performance of your funds?

( ) Negative impact

( ) Positive impact

( ) No impact

( ) Unknown

## Thank You!

### Thank you for taking our survey. Your response is very important to us.