

MiFID II, New Reality in Investment Industry

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Lessons from UK's RDR

Driving force - consumer protection

- No commission based sales
- Transparency of fees

If you can't sell once the costs are transparent to the client, you've got a problem.

Lessons from UK's RDR

- Many business closed, many advisors left the finance industry
- Greater segmentation of clients
- No advice below certain threshold of investable assets
- Mass market and mass affluent moved to online platforms
- Those with strong ability to create value thrived
- Regardless of overall benefits regulatory burden considerable

If it's good for clients it must be good for the industry?

Quality, client focused participants of the market benefit as well

- Advisors
- Distribution chains
- Fund houses
- Fund managers
- Online platforms

Level playing field for everyone



RDR/MiFID II speed up the inevitable?

Regardless of regulations clients were and are likely to pressure industry on:

Costs

Transparency

Quality of advice and service

Technological developments