MiFID II at the Midpoint

European Investment Managers Navigate the First Year of the New Era

November 1, 2018

Executive Summary:



The MiFID II era began at the start of 2018, after years of buildup, uncertainty and preparation. The directives, intended to improve transparency in the investment process, were long predicted to add an administrative burden to market participants and to consolidate the industry as a whole.

While some concerns have been realized by the midpoint of this inaugural year, brokers are now receiving initial votes and evaluating consumption, so the monumental changes may not be fully apparent until 2019. We have closely tracked buy-side sentiment during the preparation phase, and now the Greenwich Associates 2018 European Equity Investors Study, which reflects investor sentiment during Q2 of this year, has shed some light on how MiFID II has played out so far.

Methodology:

From March to May 2018, Greenwich Associates interviewed 209 portfolio managers and 155 traders at European institutions about the research, sales and trading services they receive from their brokers. These portfolio managers and traders were also asked about current market practices, trends and compensation.

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