

MiFID II

Valuing resources in 5 steps

Recent reforms to EU market legislation, the Markets in Financial Instruments Directive (MiFID), known as MiFID II, cover everything from trading venues to financial instruments, trade execution, and research payments.

Transparency is the overriding principle governing MiFID II and applies to all aspects of the reforms, which financial firms will need to comply with by January 3, 2018.

From greater transparency to detailed tracking of all sellside interactions and valuing broker votes, MiFID II poses a challenge to investment firms as they look to demonstrate they have appropriate and rigorous compliance oversight.

With the ultimate goal of ensuring that investors' interests come first, MiFID II focuses heavily on costs charged indirectly and with limited disclosure, namely trading commissions and research payments.

To address MiFID II and similar regulations worldwide on the transparency of research payments and quality of research products, **Dealogic Connect** offers a series of best practice solutions for investment firms:



Set a research budget: create consumption, hard dollar, and vote thresholds. Track your budget in real-time.



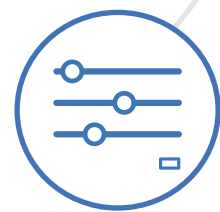
Regularly assess research quality: combine detailed tracking metrics of all resources consumed with qualitative vote metrics for quality assessments that are easy, efficient, and reliable.



Ensure research payments are in line with budgets: track amounts earned based on tracking metrics and vote according to pre-determined criteria to ensure research budget targets are hit.



Provide a summary of providers, payments, and services: use a combination of ranking reports that show total payments and activities, and a scorecard with detailed breakdown of resources consumed from each individual provider.



Set appropriate controls and senior management oversight: allow managers and investment professionals to track and provide quality metrics for every resource consumed; and search for, identify, and extract every interaction the firm has consumed on any specific name or over any period of time.

As firms prepare for MiFID II more granular information about the services consumed from the sellside and other research providers, together with a full audit trail, will be a must.



Providing fully customizable and scalable solutions for institutions of any size or strategy, Dealogic Connect not only maintains a detailed repository of all relevant services provided by sellside partners, but allows for resource consumption-based voting to help clarify the appropriate allocation of budget and commission dollars for the period.

For more information on how Dealogic Connect offers best practice solutions for MiFID II, contact our team today at info@dealogic.com