



Setting the global standard for investment professionals

CFA Institute European Union Member Poll on Retail Investment Products

January 2009

Summary Report



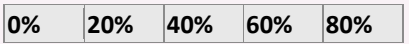
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1. Are you involved in the management, marketing and selling of investment products to retail/mass affluent customers?







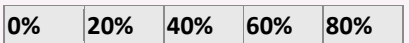
(Each Respondent could choose only **ONE** of the following options:)

Response	Total	% of Total Respondents	%
Yes	332		32%
No	694		68%
Total Responses: 1026			

2. If you have encountered any material differences in the regulatory requirements governing mandatory disclosures and conduct of business rules when recommending different types of investment products (e.g., unit-linked life insurance, open-ended fund, closed-ended fund, retail-structured product), which aspect(s) of the advice/sales process to individual clients is most affected by these differences?

Select all that apply:








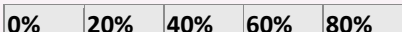
(Each Respondent could choose **ANY** of the following options:)

Response	Total	% of Total Respondents	%
Identification/explanation of the investment proposition	80		30%
Costs associated with the investment	75		28%
Range of probable risk-reward outcomes	66		25%
The selection of investment options most suitable for individual investors from the range of possible solutions	72		27%
Other (please specify)	10		4%
I do not encounter differences in regulatory requirements.	107		40%
Total Responses: 269			

3. Have recent developments in the financial markets prompted you to re-evaluate the suitability of certain investment products for retail/mass affluent clients; and, if so, which investment products are concerned?

Select all that apply:






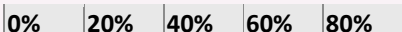
(Each Respondent could choose **ANY** of the following options:)

Response	Total	% of Total Respondents	%
Equity funds	52		19%
Real estate funds	69		25%
Hedge funds	131		48%
Fund of hedge funds	128		47%
Retail-structured products	120		44%
Other (please specify)	23		8%
Recent developments have not prompted me to re-evaluate suitabilities of investment products.	59		22%
Total Responses: 273			

4. Which factors have prompted you to rethink the suitability of these products?



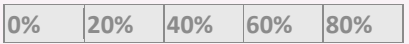
Select all that apply:

(Each Respondent could choose **ANY** of the following options:)

Response	Total	% of Total Respondents	%
Investment risk	125		46%
Liquidity risk	181		66%
Counterparty risk	142		52%
Other (please specify)	18		7%
I did not rethink the suitability of the products.	48		18%
Total Responses: 274			




5. Over the last two years, have your retail/mass affluent clients increasingly requested exposure to hedge fund products?

(Each Respondent could choose only **ONE** of the following options:)

Response	Total	% of Total Respondents	%
Yes	135		49%
No	139		51%
Total Responses: 274			

6. In your opinion, do you believe the fee structures of investment products drive their sale to customers rather than their suitability for customers?

(Each Respondent could choose only **ONE** of the following options:)

Response	Total	% of Total Respondents	%
Yes	175		64%
No	68		25%
No opinion	32		12%
Total Responses: 275		