

Blog Post – Friday 8th December 2017

MiFID II - the gift that keeps on giving

Hopefully for those of us in financial services MiFID II is now pretty much part of the furniture, and whilst it is causing turmoil and deep discomfort, the reality, is that it is here to stay and there is no going back. Ever.

The reason I said 'hopefully' is that I have heard some horror stories about CEOs of a few buy side firms who are only just catching wind of MiFID II – yes, in December 2017!! (if that's you - Call me).

Virtually all of the fintech vendor community is clutching to MiFID II like their lives depend upon it. And rightly so, because the only way financial firms can attempt to comply is by implementing new and innovative technologies. And doing business in financial services is getting tougher by the day!

3rd January 2018 is under one month away today and all hands are on deck to ensure that turn midnight on 2nd January 2018, all financial institutions, in the eyes of the regulators, are seen to be attempting to comply with this new directive. And let's also be clear with other regulations such as The Senior Managers Creditation Regime (SMCR), 'it's not my job' definitely no longer applies. The implications for those who are found to be negligent are far reaching and potentially very unpleasant. Increasing regulation means that absolutely everyone in a senior role has to stand up and be counted, or take the consequences.

Inevitably with any wholesale change to the way in which business is done there will be areas which will be overlooked or forgotten, and this couldn't be more true than in the complex world of trading. No one person can cover the entirety of MiFID II, and with the best will in the world, and even with the most skilled teams in place, there will be parts of the puzzle which get missed off. But this shouldn't be the end of the world, if the technology solutions are agile and quick to implement then it's fine. Even the much feared FCA will accept an oversight if it's clear that the best efforts have been, and will continue, to be made.



Post January 2018 there may also be wave of panic when some solutions and technologies are either not functioning as expected or the human operator doesn't work with them. But again - if those proven, relevant technologies are ready in waiting, with experienced teams on hand to implement them there is a way out - and it might actually have a happy ending.

The past 18 months, for some, has been all about MiFID II but without doubt the next three to five months will be the most crucial. Vendors might have been tirelessly trying to flog their best-fit, next-gen, agile MiFID II solving capabilities for last two years but every dog has its day - and we have first-hand experience of using our agile technology to provide MiFID II solutions in the recent weeks.

Some might also be sick to death of the seven character acronym but I'm pretty confident there are a few more miles in the tank yet!

MiFID II - I still love you.

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