

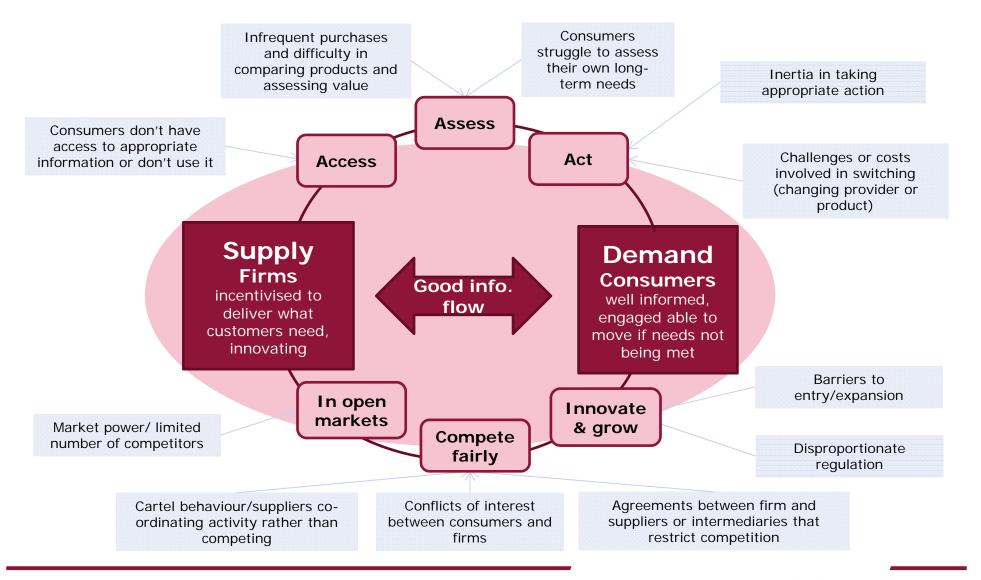
## **Competition in Wholesale Financial Markets**

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## What does effective competition look like?





# Investment & corporate banking market study

#### **Investment and Corporate Banking**

#### Corporate Banking\*

Corporate Lending: overdrafts and revolving lines of credit; loans on an unsecured or secured basis; syndicated loans.

#### Corporate Finance/Advice:

advice relating to restructuring balance sheets; management buy-outs & buy-ins; leverage buyouts; advice on transactions, acquisitions and capital raisings.

#### **Corporate Broking:**

Investor relations services, interface with stock market, marketing shares

#### **Primary Markets**

Equity Capital Markets: advising on and managing the marketing, distribution, allocation and underwriting of equity issues, including initial public offerings, follow-on equity offerings, special warrants and private placements.

**Debt Capital Markets:** advising on and managing the marketing, distribution, allocation and underwriting of bond issues.

Mergers & Acquisitions: identifying opportunities for clients and advising them on the potential for mergers and acquisitions or the sale of the business.

Acquisition financing: debt financing to support acquisitions.

#### Other Services

#### **Ancillary Services:**

Risk management solutions and trading activities to support primary market activities

#### Key:

- Primary Market
  Activities (Area of focus)
- Related Activities (Focus insofar as affect competition for primary market activities)



## Our focus has been on three broad issues

### Choice

 including barriers to entry and expansion, purchasing behaviour by clients, reciprocity and syndication

### Transparency

including the IPO process and allocations

### Bundling & cross-subsidisation

 including between lending and transactional services and between corporate broking and transactional services



# Asset management market study

There are around **£6trillion** of investments managed by UK asset managers, of which around £2tn is money invested by **pension funds**; and £1tn is investments made by **retail consumers**.

We want to ensure that investors can get the right access to the right products at the right prices, and to ultimately get **value for money** from their investments and pensions. We are looking at:





### **Questions?**

