

## 2013 Greenwich Leaders: Emerging Market Equities

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### Greenwich Share and Quality Leaders: Emerging Market Equities

This report presents the 2013 Greenwich Share and Quality Leaders among emerging market equity brokers. Greenwich Share and Quality Leader designations are awarded to brokers based on the results of interviews conducted by Greenwich Associates with 300 institutional investors in CEEMEA (including South Africa) and Latin American equities. Greenwich Quality Leaders are firms whose receive quality ratings from their institutional clients that top those awarded to competitors by a statistically significant margin.

#### CEEMEA Equity Brokerage Leaders

Bank of America Merrill Lynch's 13.9% commission-weighted vote share in research and advisory services easily secures the firm the number-one spot in CEEMEA (including South African) equities for 2013. Deutsche Bank, Morgan Stanley and J.P. Morgan are deadlocked for second with vote shares of 9.7–10.1%, followed by Credit Suisse and Citi, which are all statistically tied with vote shares of 8.0–9.2%. These firms are the 2013 Greenwich Share Leaders in CEEMEA Equity Research and Advisory Services.

The 2013 Greenwich Quality Leaders in CEEMEA Equity Research & Analyst Services are Bank of America Merrill Lynch, Deutsche Bank and J.P. Morgan. In

CEEMEA Equities Sales, the 2013 Quality Leaders are Bank of America Merrill Lynch and Deutsche Bank.

CEEMEA is an aggregation of discrete and geographically dispersed regional and country markets including Russia—by far the biggest—Eastern Europe, the Middle East/North Africa, Turkey and South Africa. “Most of the Greenwich Leaders have a strong presence in the important Russian market, and most have built a relatively broad franchise spanning several of the individual CEEMEA markets,” explains Greenwich Associates consultant Jay Bennett. “But because of the sheer breadth of the CEEMEA designation and the vast differences from market to market, no firm can claim leadership in all these geographies. Brokers pick their spots, and individual firms will be strong in certain markets and have less of a presence in others.”

#### Latin American Equity Brokerage Leaders

BTG Pactual's commanding position in Brazilian equities has propelled the firm to the top spot among providers of equity research and advisory services across Latin America. The Latin American equities business is driven by the Brazilian and Mexican markets. BTG leads all brokers with a 12.2% commission-weighted vote share in Latin American Equity Research and Advisory Services. Next is a tightly packed group of brokers who are tied from a statistical standpoint with vote shares of 9.6–10.9%.

### Greenwich Share Leaders — 2013



#### CEEMEA Equity Research/Advisory Vote Share<sup>1</sup>

Broker	Trading Share	Statistical Rank
Bank of America Merrill Lynch	13.9%	1
Deutsche Bank	10.1%	2T
Morgan Stanley	9.7%	2T
J.P. Morgan	9.2%	2T
Credit Suisse	8.2%	5T
Citi	8.0%	5T

#### Latin American Equity Research/Advisory Vote Share<sup>1</sup>

Broker	Vote Share	Statistical Rank
BTG Pactual	12.2%	1T
Morgan Stanley	10.9%	2T
J.P. Morgan	10.4%	2T
Bank of America Merrill Lynch	10.1%	2T
Banco Itau	9.6%	2T
Credit Suisse	9.6%	2T

Note: <sup>1</sup>Based on responses from 61 CEEMEA and 74 Latin American respondents at buy-side institutions for Equity Research/Advisory Vote Share, weighted by commission spend of accounts. Greenwich Associates Research/Advisory Vote Share represents a broker's relative importance to the buy-side institutions within the Greenwich Associates universe for research, sales and corporate access. Scores are based upon the amount of business conducted with each respondent and the size of each responding institution based on commission spend with the sell-side community. Top five leading brokers are cited including ties.

Source: Greenwich Associates 2013 U.S., European, Brazilian Equity Investors Study

Included in this group are Morgan Stanley, J.P. Morgan, Bank of America Merrill Lynch, Banco Itau and Credit Suisse. These firms are the 2013 Greenwich Share Leaders in Latin American Equity Research & Advisory Services. The 2013 Greenwich Quality Leaders in Latin American Equity Research & Analyst Service are BTG Pactual and Morgan Stanley. In Latin American Equity Sales, the 2013 Greenwich Quality Leaders are Banco Itau, Bank of America Merrill Lynch and BTG Pactual.

“The Brazilian banks — particularly BTG Pactual and Banco Itau — have successfully built out from their solid, domestic franchises to expand their coverage with U.S. and European clients,” says Greenwich Associates consultant John Colon. “Meanwhile, global banks in recent years took advantage of what was then strong demand for Latin American equity products among their clients in North America, Europe and elsewhere.”

*Consultants Jay Bennett, John Colon and John Feng advise on the institutional equity markets globally.*

## Methodology

*From January to March 2013, Greenwich Associates interviewed 300 institutional investors in CEEMEA and Latin American equities at U.S., European and Brazilian institutions about the research and sales services they receive from their brokers. These*

*portfolio managers and traders were also asked about current market practices, trends and compensation.*

*The findings reported in this document reflect solely the views reported to Greenwich Associates by the research participants. They do not represent opinions or endorsements by Greenwich Associates or its staff. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Greenwich Associates compiles the data received, conducts statistical analysis and reviews for presentation purposes in order to produce the final results.*

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The Greenwich Quality Leader<sup>SM</sup> and Greenwich Share Leader<sup>SM</sup> designations are determined entirely by the results of the interviews described above and do not represent opinions or endorsements by Greenwich Associates or its staff. Such designations are a product of numerical scores in Greenwich Associates' proprietary studies that are generated from the study interviews and are based on a statistical significance confidence level of at least 80%. No advertising, promotional or other commercial use can be made of any name, mark or logo of Greenwich Associates without the express prior written consent of Greenwich Associates.

## Greenwich Quality Leaders — 2013



### CEEMEA Equity Sales Quality

#### Broker

Bank of America Merrill Lynch  
Deutsche Bank

### CEEMEA Equity Research & Analyst Service Quality

#### Broker

Bank of America Merrill Lynch  
Deutsche Bank  
J.P. Morgan

### Latin American Equity Sales Quality

#### Broker

Banco Itau  
Bank of America Merrill Lynch  
BTG Pactual

### Latin American Equity Research & Analyst Service Quality

#### Broker

BTG Pactual  
Morgan Stanley

Note: Based on 61 CEEMEA and 74 Latin American respondents for Sales Quality and Research and Analyst Service Quality. Leading brokers are displayed in alphabetical order.  
Source: Greenwich Associates 2013 U.S., European, Brazilian Equity Investors Study



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