

Emerging Markets Test Brokers and Investors Alike

2016 Greenwich Leaders: Emerging Markets Equities

November 22, 2016



2015 brought little respite to investors, as most markets were flat or declined sharply, roiled by fears over global growth, volatile commodity prices, international political discord, and domestic crises. However, those with the fortitude to stay the course were rewarded with more promising conditions in the first half of 2016, as a succession of markets rebounded.

“In a similar vein, investors have looked for consistency and sound advice from their brokers, rewarding those able to help them navigate both macro issues of economics and asset allocation, and those with depth of coverage across countries and industries,” notes Greenwich Associates Managing Director Jay Bennett.

The 2016 Greenwich Share and Quality Leader designations are awarded to brokers based on the results of interviews conducted by Greenwich Associates with 44 North American and European investors in CEEMEA equities and 73 North American, European, and Brazilian investors in Latin American equities. Greenwich Quality LeadersSM are firms that receive quality ratings from their institutional clients in sales and in research/analyst service that top those awarded to competitors by a statistically significant margin.

Greenwich Leaders: CEEMEA

Expansive in geographic scope, CEEMEA assets nonetheless concentrate in Russian (36%) and South African (24%) equities. Eastern Europe represents 19% of assets on average, followed by Turkey at 12% and Middle East/North Africa at 10%. Few brokers are consistently strong in all of these markets and regions, resulting in a broad first tier of brokers for the provision of research and advisory services. Bank of America Merrill Lynch earns first place with 14.3% of the vote share, followed by UBS, Morgan Stanley, HSBC, Citi, Credit Suisse, and Goldman Sachs in a broad statistical tie for second. These firms are the 2016 Greenwich Share LeadersSM in CEEMEA Equity Research/Advisory.

Greenwich Share Leaders — 2016



CEEMEA Equity Research/Advisory Vote Share

Broker	Vote Share	Statistical Rank
Bank of America Merrill Lynch	14.3%	1
UBS	9.0%	2T
Morgan Stanley	8.6%	2T
HSBC	8.6%	2T
Citi	8.5%	2T
Credit Suisse	8.3%	2T
Goldman Sachs	8.2%	2T

Latin American Equity Research/Advisory Vote Share

Broker	Vote Share	Statistical Rank
Bank of America Merrill Lynch	11.6%	1T
Credit Suisse	11.5%	1T
BTG Pactual	11.1%	1T
Banco Itau	10.9%	1T
J.P. Morgan	10.7%	1T

Note: Based on responses from 44 CEEMEA and 73 Latin American respondents at buy-side institutions, 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 2016 U.S., European, Brazilian Equity Investors Study

Bank of America Merrill Lynch and UBS are the 2016 Greenwich Quality Leaders in CEEMEA Equity Sales & Corporate Access, while UBS has distanced itself from other competitors as the 2016 Greenwich Quality Leader in CEEMEA Equity Research Product & Analyst Service.

Greenwich Leaders: Latin America

Despite international economic headwinds and domestic political discord, Brazil continues to occupy a central role in Latin American portfolios, representing 56% of European investors' assets under management and 39% of U.S. investors' portfolios. Mexico, however, has grown in importance among U.S. investors, equaling if not modestly surpassing Brazilian equities in importance. Brazilian institutions, meanwhile, remain largely domestic with 91% of assets in Brazilian equities.

With this as a springboard, it is perhaps not surprising that BTG Pactual and Banco Itau are among the 2016 Greenwich Share Leaders in Latin American Equity Research/Advisory. With scores of 10.7%–11.6%, they are joined by Bank of America Merrill Lynch, Credit Suisse, and J.P. Morgan in what is statistically a five-way tie for first.

The 2016 Greenwich Quality Leaders in Latin American Equity Sales & Corporate Access are Banco Itau, BTG Pactual and Morgan Stanley. Banco Itau, Bank of America Merrill Lynch, J.P. Morgan, and Morgan Stanley are the 2016 Greenwich Quality Leaders in Latin American Research Product & Analyst Service.

Greenwich Quality Leaders — 2016



CEEMEA Equity Sales & Corporate Access Quality

Broker

Bank of America Merrill Lynch
UBS

CEEMEA Equity Research Product & Analyst Service Quality

Broker

UBS

Latin American Equity Sales & Corporate Access Quality

Broker

Banco Itau
BTG Pactual
Morgan Stanley

Latin American Equity Research Product & Analyst Service Quality

Broker

Banco Itau
Bank of America Merrill Lynch
J.P. Morgan
Morgan Stanley

Note: Based on 44 CEEMEA and 73 Latin American respondents for Sales Quality and Research and Analyst Service Quality. Leading brokers are displayed in alphabetical order.

Source: Greenwich Associates 2016 U.S., European, Brazilian Equity Investors Study

Consultants [Jay Bennett](#), [John Colon](#), [John Feng](#), [Thomas Jacques](#), and [Satnam Sohal](#) advise on the institutional equity markets globally.

Methodology:

From March to May 2016, Greenwich Associates interviewed 117 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.

Coalition Greenwich
A division of **CRISIL**

www.greenwich.com | ContactUs@greenwich.com

Coalition Greenwich, a division of CRISIL, an S&P Global Company, is a leading global provider of strategic benchmarking, analytics and insights to the financial services industry.

We specialize in providing unique, high-value and actionable information to help our clients improve their business performance.

Our suite of analytics and insights encompass all key performance metrics and drivers: market share, revenue performance, client relationship share and quality, operational excellence, return on equity, behavioral drivers, and industry evolution.

About CRISIL

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better. It is majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics, and data to the capital and commodity markets worldwide.

CRISIL is India's foremost provider of ratings, data, research, analytics, and solutions with a strong record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights and efficient solutions to over 100,000 customers through businesses that operate from India, the U.S., the U.K., Argentina, Poland, China, Hong Kong, and Singapore.

For more information, visit www.crisil.com

Disclaimer and Copyright

This Document is prepared by Coalition Greenwich, which is a part of CRISIL Ltd, an S&P Global company. All rights reserved. This Document may contain analysis of commercial data relating to revenues, productivity and headcount of financial services organisations (together with any other commercial information set out in the Document). The Document may also include statements, estimates and projections with respect to the anticipated future performance of certain companies and as to the market for those companies' products and services.

The Document does not constitute (or purport to constitute) an accurate or complete representation of past or future activities of the businesses or companies considered in it but rather is designed to only highlight the trends. This Document is not (and does not purport to be) a comprehensive Document on the financial state of any business or company. The Document represents the views of Coalition Greenwich as on the date of the Document and Coalition Greenwich has no obligation to update or change it in the light of new or additional information or changed circumstances after submission of the Document.

This Document is not (and does not purport to be) a credit assessment or investment advice and should not form basis of any lending, investment or credit decision. This Document does not constitute nor form part of an offer or invitation to subscribe for, underwrite or purchase securities in any company. Nor should this Document, or any part of it, form the basis to be relied upon in any way in connection with any contract relating to any securities. The Document is not an investment analysis or research and is not subject to regulatory or legal obligations on the production of, or content of, investment analysis or research.

The data in this Document may reflect the views reported to Coalition Greenwich by the research participants. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Coalition Greenwich compiles the data received, conducts statistical analysis and reviews for presentation purposes to produce the final results.

THE DOCUMENT IS COMPILED FROM SOURCES COALITION GREENWICH BELIEVES TO BE RELIABLE. COALITION GREENWICH DISCLAIMS ALL REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, WITH RESPECT TO THIS DOCUMENT, INCLUDING AS TO THE VALIDITY, ACCURACY, REASONABLENESS OR COMPLETENESS OF THE INFORMATION, STATEMENTS, ASSESSMENTS, ESTIMATES AND PROJECTIONS, ANY WARRANTIES OF

MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARISING OUT OF THE USE OF ALL OR ANY OF THIS DOCUMENT. COALITION GREENWICH ACCEPTS NO LIABILITY WHATSOEVER FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND ARISING OUT OF THE USE OF ALL OR ANY OF THIS DOCUMENT.

Coalition Greenwich is a part of CRISIL Ltd, an S&P Global company. ©2024 CRISIL Ltd. All rights reserved.

greenwich.com

ContactUs@greenwich.com

Ph +1203.625.5038