SEC INVESTMENT MANAGEMENT ADVISORY COMMITTEE

KEY GLOBAL REGULATORY THEMES IN FUND MANAGEMENT IN THE 2020s: A Personal Perspective

14 January 2020 Dan Waters
Theme One: Influence of Central Banks on Fund Management Regulation

Central Banks: continued interest in risks and vulnerabilities in mutual funds.

• Major focus on management of liquidity risk in mutual funds:
  • System-wide stress testing of mutual funds
  • Individual fund level liquidity risk management.
Theme Two: Focus on Retail Investor Outcomes

Securities regulators: enhanced focus on investor outcomes.

- Investment product design, governance, target market, engagement with distribution
- Impact of costs and charges, including the form and structure of these charges
- Move to value assessment / value for money
Global regulatory focus on ESG / Sustainable investment

• Risk of divergent regulatory standards for funds and fund managers globally.
• Risk of disconnect between fund management disclosure requirements and underlying consensus on sustainable economic activities.
Thank You