

# Manage your research evaluation and consumption in a MiFID II world

## Thomson Reuters Buy-Side Research Solutions

With research and execution services unbundled as part of the MiFID II regulations, buy-side firms are required to select and pay for the research they consume. This change puts the onus on your firm to uncover the most relevant information, analyze its quality and value, and pay for it in a budget constrained environment. Thomson Reuters provides a full suite of capabilities to help you implement an efficient process that addresses this challenge. We also offer a real-time research collection, established in the 1980s, which aggregates reports from nearly 1,300 actively contributing providers from 87 countries around the globe.

### Solving the Research Unbundling Challenge



Objectively assess sell-side analyst quality



Create a research valuation framework including readership tracking\*



Manage entitlements to external research



Stay Informed on corporate access events\*



Improve research discovery to uncover insights faster



Carry out a systematic (qualitative and quantitative) broker vote\*



Effectively evaluate your firm's analysts



Purchase Investment Research via a Marketplace

\*Thomson Reuters and Visible Alpha, offer a joint solution that includes tracking corporate access and sell-side interactions, managing a research valuation process, and reviewing and voting on research provider value.

### 1. Objectively assess sell-side analyst quality

Assessing research quality and value is critical to help you make research-provider choices and meet regulator and client requirements, including justifying expenditures. Thomson Reuters StarMine analytics provides an unbiased sell-side analyst performance evaluation focusing on analyst accuracy, as well as relative analyst ranking by security and sector.

Our Analyst Scorecard and rankings help you make or justify broker selection decisions by:

- Weighting buy, sell and hold recommendations and earnings forecasts
- Assessing performance by star rating versus peers

### Rate sell-side research and find Research with the best consensus scores

Within Thomson Reuters Eikon you can rate the sell-side research reports that you read on a 1-4 scale. This enables you to assemble a comprehensive assessment of the quality of research you receive from the sell-side and build this into your overall research valuation framework. You can also view consensus scores so you can find and filter research that is more highly rated.

Analyst Scorecard rankings on Eikon help you assess accuracy and relative performance

Overall Summary		Estimate Accuracy			Recommendation Performance		
Analyst	Contributor	Score	Rating	Covg %	Score	Rating	Covg
80	★★★★★	29	★★★☆☆				
81	★★★★★	2	★☆☆☆☆				
79	★★★★★	99	★★★★★				
78	★★★★★	12	★★★☆☆				
76	★★★★★	29	★★★☆☆				
70	★★★★★	-	Insuff. Hist.				
64	★★★★★	62	★★★★★				
62	★★★★★	29	★★★★★				
61	★★★★★	78	★★★★★				
61	★★★★★	53	★★★★★				
58	★★★★★	6	★☆☆☆☆				
52	★★★★★	29	★★★★★				
46	★★★★★	95	★★★★★				
46	★★★★★	32	★★★★★				
43	★★★★★	57	★★★★★				
42	★★★★★	89	★★★★★				
41	★★★★★	99	★★★★★				
33	★★★★★	29	★★★★★				
32	★★★★★	30	★★★★★				
25	★★★★★	94	★★★★★				
14	★★★★★	1	★★★★★				
4	★★★★★	42	★★★★★				
0	★★★★★	78	★★★★★				

Analyst Scorecard provides access to contact details and performance

Analyst Estimate Ranking detailed with star rating

Analyst Recommendation Ranking detailed with star rating

## 2. Manage entitlements to external research

Thomson Reuters Eikon, along with Eikon Administrative Services, and associated tools enable buy-side firms to have greater control over broker entitlements. We have a long established track record in successfully managing research entitlements that has been tried and tested for over 30 years. Our process is mature, granular and robust, so you can be confident of having full control and ensuring access to the specific research you require. We currently have a dedicated, experienced Research Entitlements team to support you, and a new self-service tool is being developed.

With Eikon you can easily request access for research from sell-side brokers and independent research firms and manage those entitlements. You can also block unwanted research from sell-side firms so that the reports are not accessible to your users.

### Request entitlements to research from a vast collection of sources

User Name: Dan Kean  
 User ID: Daniel.Kean@thomsonreuters.com  
 Company: Client Site Asset Management

Company Select: Client Site.../ United States / 90414  
 User Select: Daniel Kean

**Search Criteria**

Contributor Name:

Contributor Type:

New contributors last 90 days

Research Ent Status: All

Estimates Ent Status: All

Approval Policy: All

First Name	Daniel Kean
Last Name	Kean
Job Role	Academic
Division	Bulk Entitlement Request
Email	daniel.kean@thomsonreuters.com
Phone Number	646-223-7899
Unique ID	daniel.kean@96
UUID	3L-5215 9276

Address 1	3 Times Square
Address 2	
City	New York
Province/State	NY
Country	United States
Post Code/ZIP	10036

[Export To Excel](#) [Request Selected Entitlement](#)

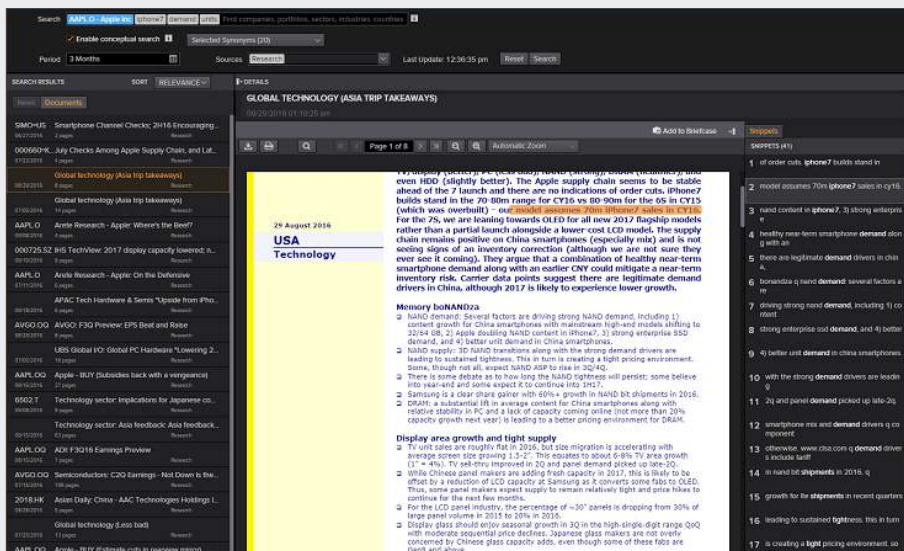
Contributor Name	Contributor Type	Approval Policy	Estimates Ent Status	Research Ent Status	Previous Response	Response Date	Contacts
<input type="checkbox"/> AlphaMena	Programmed	Firm-Level	Entitled	Entitled	Approved	26-Feb-2016	1
<input type="checkbox"/> AlfaCorp Capital	Broker	Firm-Level	Pending	Pending		01-Jul-2016	3
<input type="checkbox"/> Allantic Equities	Broker	User-Level	Not Entitled	Not Entitled	Declined by Broker Reason: Other Comments: Not...	1-Jun-2016	1
<input type="checkbox"/> Avondale Partners, LLC	Independent	User-Level	Not Entitled				
<input type="checkbox"/> AXIA Capital Markets	Broker	Open-Access	Entitled	Entitled			
<input type="checkbox"/> Axiom Capital	Broker	Open Access	Entitled	Entitled			

### 3. Improve Research Discovery to Uncover Insights Faster

The ability to search for and find research effectively is critical to deriving more value and ultimately generating alpha. In Thomson Reuters Eikon you can:

- Find research quickly using a host of search parameters, including company, portfolio, industry, broker, analyst, country, region, keywords, page count, and more
- Filter by 4 and 5 star rated analysts from StarMine so you can narrow down your results list to the highest quality analyst reports
- Widen your research by choosing to perform one search across all research, transcripts, filings, press releases and financial news from Reuters and more than 400 real time global sources
- Find results you might otherwise have missed by enabling the conceptual search function which displays up to 10 synonyms for you to choose from e.g. "R&D" and "Patent"

The powerful 'Search & Discover' tool in Thomson Reuters Eikon enables you to search simultaneously across research, transcripts, filings, press releases and news



### 4. Effectively Evaluate Your Firm's Analysts

Cost pressures due to MiFID II and increased competition put greater focus on buy-side analyst performance. Thomson Reuters Eikon includes extensive functionality for Analyst Performance Measurement including portfolio analytics to help you evaluate absolute, relative and total return results and assess the performance of your analysts.

View the performance of your analysts

Portfolio	Portfolio Return (Historical)	Benchmark Return (Historical)	Return Difference (Historical)	Sharpe Ratio	Return Difference 2015	Number Of Securities
TRBC Economic Sector, Equity, Cash, Fixed Income, Miscellaneous, Shorts Included, USD, FX Enabled	15.188	13.604	1.584	0.830	-0.336	9,000
...	23.605	22.314	1.291	1.395	-	15,000
...	8.020	8.514	-0.494	0.642	-	18,000
...	9.671	11.148	-1.477	0.570	-0.173	14,000

## 5. Create a Research Valuation Framework Including Readership Tracking\*

### Track Research Readership in your firm

Knowing how research is used within your organization can help you measure its value and relevance, and aid in discussions with sell-side firms. Thomson Reuters enables you to track readership by enterprise, departments or individual analyst consumption. Research can be tracked across all the main access points for your users including the Thomson Reuters Eikon desktop, Thomson Reuters Knowledge Direct API which allows you to incorporate research within your own applications, and also an Add-In for Microsoft Outlook.

Eikon provides valuable research consumption information and reporting

RESEARCH USAGE

From: 24-Oct-2016 To: 31-Oct-2016

View Results:  by Broker  My Usage  All Usage

Usage Level:  My Usage  All Usage

Print | Download to Excel

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Broker	Page 1 Viewed		Document Opened	
	Downloads	Percent	Downloads	Percent
ALL	0	0	32	100
ALL	0	0	6	25
ALL	0	0	6	19
ALL	0	0	3	9
ALL	0	0	2	6
ALL	0	0	2	6
ALL	0	0	2	6
ALL	0	0	1	3
ALL	0	0	1	3
ALL	0	0	1	3
ALL	0	0	1	3
ALL	0	0	1	3
ALL	0	0	1	3
ALL	0	0	1	3

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RESEARCH USAGE

From: 31-Oct-2015 To: 31-Oct-2016

View Results:  My Usage  All Usage

Usage Level:  My Usage  All Usage

Print | Download to Excel

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Analysts	Analyst Ratings		Page 1 Viewed		Document Opened	
	Recs	Estimates	Downloads	Percent	Downloads	Percent
ALL			0	0	34	100
ALL	★★★★	★★★★	0	0	11	32
ALL	★★★★	★★★★	0	0	6	18
ALL	★★★★	★★★★	0	0	4	12
ALL	★★★★	no history	0	0	3	9
ALL	no history	no history	0	0	2	6
ALL	★★★★	★★★★	0	0	2	6
ALL	★★★★	★★★★	0	0	1	3
ALL	★★★★	★★★★	0	0	1	3
ALL	★★★★	★★★★	0	0	1	3
ALL	★★★★	★★★★	0	0	1	3
ALL	★★★★	★★★★	0	0	1	3
ALL	★★★★	★★★★	0	0	1	3
ALL	★★★★	★★★★	0	0	1	3

Viewing 1-12 of 12

Thomson Reuters and Visible Alpha, offer a joint solution that includes tracking corporate access and sell-side interactions, managing a research valuation process, and reviewing and voting on research provider value.

### Monitor and analyze your broker interactions in one place

Visible Alpha's ONEaccess Resource Tracking lets you easily configure your organization's research valuation process based on your unique interactions data and weightings on a per user per broker basis. ONEaccess receive a direct feed of your broker interactions data and are able to validate and normalize it so you don't have to. Visible Alpha's ONEaccess Resource Tracking helps you:

- Save time and effort – Save hundreds of hours reviewing your broker interactions and ascribing a value to each
- Quantify the value of each interaction by creating a custom rate card
- Bring greater visibility to your consumption and ensure that it is aligned with your research budget
- Visualize your consumption through multiple dimensions, such as geography, broker or team, and restore transparency to the broker vote process with complete auditability
- Integrate your interactions data with Broker Vote, CSA, and Hard Dollar payment systems
- Customize your feed – Manage a firm-wide view of all upcoming interactions and choose which ones to include in your feed with a robust admin process

## 6. Stay Informed on Corporate Access Events with a Forward Calendar

Utilize the ONEaccess Forward Calendar to stay informed on the broker events and meetings important to you and your firm. Create customized views based on your interests, request access, and track your activity via integration with your CRM and other systems.

- **Design your view** – Create a customized view based on your specific interests
- **Request access to events** and receive confirmation with one click
- **Stay updated** – Sync your Outlook calendar with upcoming events and receive a curated email on a daily or weekly basis
- **View and share your personal or team calendar** via email or export it to Excel and have your activity populate in real-time

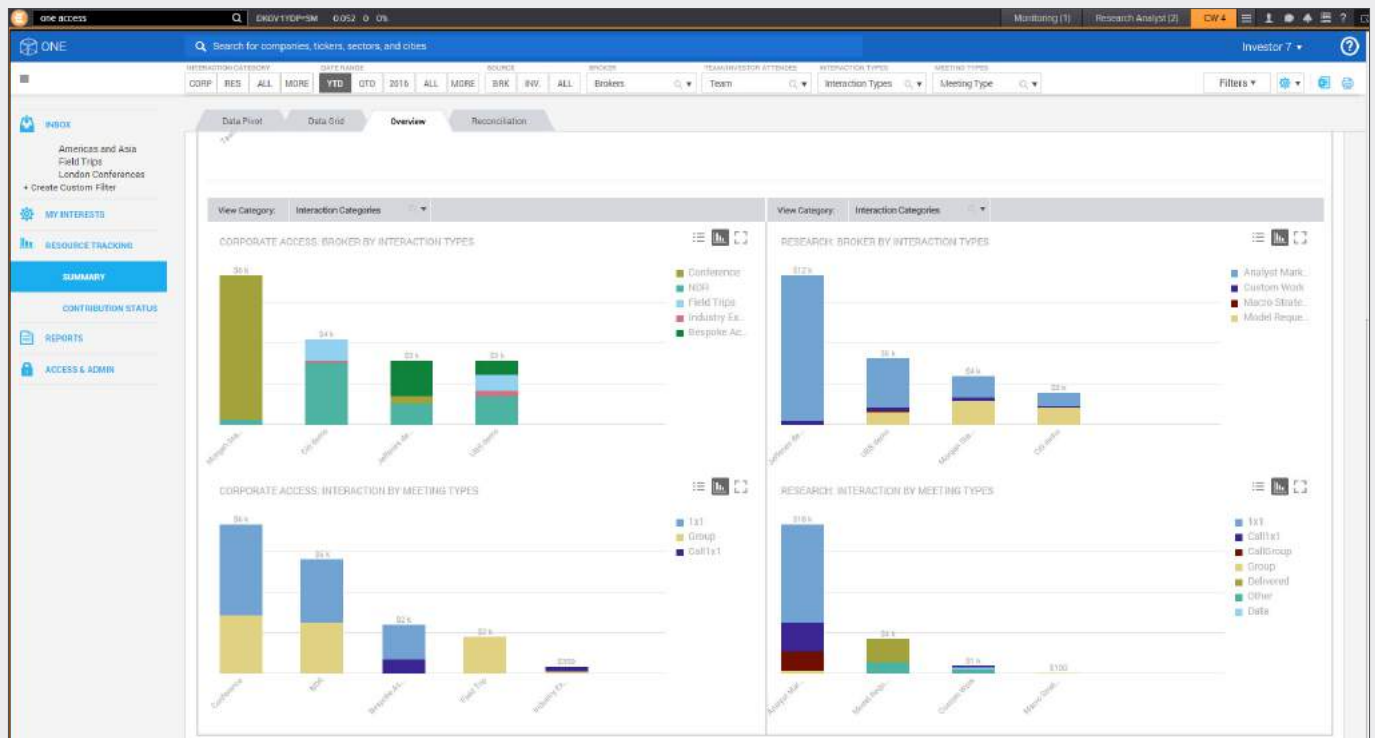
The screenshot displays the ONEaccess Forward Calendar interface. The main calendar view shows events for May 2017, with columns for Monday through Friday. Events include conferences (e.g., UBS Conference 2, Jefferies IR Day, BAML Conference, MS Conference Call, Jefferies Conference) and relationship management (RM) events (e.g., Citi RM, BAML Field Trip, MS RM Dinner, UBS Conference, Jefferies NDR). A sidebar on the left offers navigation options like 'INBOX', 'MY INTERESTS', 'RESOURCE TRACKING', 'REPORTS', and 'ACCESS & ADMIN'. Below the calendar, there are two additional windows: 'News: Global Financial News [GLOFIN] AND FTSE 100 INDEX [FTSE]' showing a list of news headlines with timestamps, and '.FTSE Index Movers' displaying a table of stock performance metrics.

RIC	Name	Last	Pct.Chng	Pct.Chng.Bar	Net.Chng	Idx.Pts.Net	Id
BDEV.L	BARRATT DEVLPMNT	620.000	3.940		23.500	0.935	
ABF.L	ASSOC.BR.FOODS	2,881.000	2.527		71.000	0.978	
BRBY.L	BURBERRY GRP	1,641.000	2.434		39.000	0.682	
NXT.L	NEXT	4,416.000	2.010		87.000	0.486	
AALL	ANGLO AMERICAN	1,038.500	1.764		18.000	0.929	

## 7. Carry out a systematic (qualitative and quantitative) broker vote

The ONEAccess Broker Vote enables you to:

- **Configure your vote** – Configure your broker vote by type, aggregation, and apply a standardized weighting for each vote component
- **Get a recommended vote** – Receive a recommendation to guide your current vote, based on past broker vote data and recent interactions
- **Create a broker scorecard** – Refine the ranking of each component of your broker vote and generate detailed broker scorecards
- **Prepare for MiFID II** with a robust framework that allows you to fulfill the requirements of the new regulations



## 8. Purchase Investment Research

Thomson Reuters Investment Research Marketplace is a set of investment research collections that asset managers can purchase and consume in Thomson Reuters Eikon. The new marketplace is launching in Q1 2018 with 3 contributors offering their research collections for purchase (see page 2 for details). The list of sources will then expand. These collections will be integrated with Thomson Reuters existing real-time research collection on the Eikon financial desktop.

- The Marketplace enables your portfolio managers and analysts to efficiently source the research they need via Thomson Reuters Eikon, to inform their investment process
- Buy-side firms can purchase research collections individually from specific research providers
- You don't need to have a broking relationship with the research provider to purchase access to their research and Thomson Reuters does the fulfillment and billing so you don't have to deal directly with multiple providers
- Subscriptions to research collections are at the firm (site) level and on an all-you-can-eat (AYCE) basis per collection
- Research which you have purchased will be co-mingled with real-time research to which you are already entitled in the Eikon desktop
- Research access is seamless with your current Analyst and Portfolio Manager research workflow
- Detailed usage reporting is available so you can monitor and review consumption of purchased research by your users and ensure you are getting value from your budget
- By purchasing research through Thomson Reuters Investment Research Marketplace you can provide full transparency into the research you are consuming and what you are paying for it, thereby ensuring compliance with the MiFID II research unbundling regulations

### Why use Thomson Reuters Investment research Marketplace?

- Thomson Reuters has decades of expertise in managing research distribution so you can trust that you are receiving research in a timely and secure manner
- Thomson Reuters has extensive relationships with research contributors globally and is well placed to expand the number of sources available in the marketplace

### Thomson Reuters Investment Research Marketplace Research Sources Available (as of February 2018)

Research Provider	Countries coverage	Asset Class Coverage	Equity Market Cap	# Stocks covered	Overview of research products
ABN Amro	BeNeLux	Equities and Macro	Large, Mid and Small caps	120	<ul style="list-style-type: none"> <li>• Company reports, daily</li> </ul>
AlphaValue	Developed Europe	Equities and Credit	Large, Mid and Small caps	472	<ul style="list-style-type: none"> <li>• Company reports, daily</li> <li>• Sector reports</li> <li>• In-depth Special Reports</li> </ul>
Vontobel	Switzerland	Equities	Focus on Swiss mid- and small-caps	125	<ul style="list-style-type: none"> <li>• Morning Note</li> <li>• Pocket Guides</li> <li>• Company &amp; Sector Reports</li> </ul>

Thomson Reuters can help you comply with changing research regulations. To learn more, contact your account manager or visit us online at [mifidii.thomsonreuters.com](http://mifidii.thomsonreuters.com)

