

Retail fund distribution in the midst of major changes according to CACEIS and PwC report

- *Asset managers need to refine product propositions and distribution models*
- *Distributors need to propose new engagement models*

CACEIS and PwC Luxembourg joined forces to release a new report, entitled *Reshaping retail fund distribution - Winning strategies and tactics in a disrupted environment*.

In addition to an overview of the current fund distribution arena and its continuous transformation, the thought leadership piece identifies three disrupting factors with which players will have to contend going forward: (1) the latest regulatory agenda, (2) a serious change in the investor base and (3) recent technological developments.

The report highlights the impact of these catalysts on the fund industry value chain and the balance of power between the legacy industry players (i.e. asset managers, institutional investors and distributors) and the industry's new players. It offers various new strategic actions and value propositions that asset managers and distributors should consider in response.

Four years ago, (June 2011), CACEIS and PwC published the report *Rethinking distribution – Creating competitive advantage in a new fund distribution paradigm* in which they suggested a strategic reconsideration of distribution practices. Since then, the impact of these disruptions on the industry has intensified and now requires appropriate actions.

“The decision to focus our research paper on retail fund distribution was driven by the changing face of this industry,” said Olivier Carré, Partner, Regulatory & Compliance Advisory Services Leader at PwC Luxembourg. *“Opportunities abound for asset management firms and distributors, but they must understand how to make the most of them. New pricing models, strong client-centric solutions, and increasing integration of social, mobile, analytics and cloud, a.k.a. SMAC technologies, will be essential for those who want to succeed in the new fund distribution landscape.”*

Joseph Saliba, CACEIS Deputy Chief Executive Officer, stated, *“We believe that the insight and recommendations in this report will help asset managers and distributors define strategies that are needed to navigate the challenges before them. Readers will get a glimpse into the world of retail fund distribution with a specific focus on the hurdles distributors and product manufacturers will have to overcome if they want to succeed in this new environment.”*

The full report can be downloaded at www.caceis.com or www.pwc.lu

Editor's notes:

About CACEIS

CACEIS is the asset servicing banking group dedicated to institutional and corporate clients. Through offices across Europe, North America and Asia, CACEIS offers a broad range of services covering execution, clearing, depositary and custody, fund administration, middle office outsourcing, forex, securities lending, fund distribution support and issuer services. With assets under custody of €2.4 trillion and assets under administration of €1.4 trillion, CACEIS is one of the world market leaders in asset servicing, the second depositary bank, and the leading fund administrator for European funds (figures as at 31 December 2014). www.caceis.com

About PwC

1. PwC Luxembourg (www.pwc.lu) is the largest professional services firm in Luxembourg with 2,450 people employed from 55 different countries. PwC Luxembourg provides audit, tax and advisory services including management consulting, transaction, financing and regulatory advice. The firm provides advice to a wide variety of clients from local and middle market entrepreneurs to large multinational companies operating from Luxembourg and the Greater Region. The firm helps its clients create the value they are looking for by contributing to the smooth operation of the capital markets and providing advice through an industry-focused approach.
2. The PwC global network is the largest provider of professional services in the audit, tax and management consultancy sectors. We are a network of independent firms based in 157 countries and employing over 195,000 people. Talk to us about your concerns and find out more by visiting us at www.pwc.com and www.pwc.lu.

Press Contacts

CACEIS Group
Claude Michaux
Tel: +352 4767 2792
claude.michaux@caceis.com

PwC Luxembourg
Youcef Damardji
Tel.: +352 49 48 48 6044
youcef.damardji@lu.pwc.com