

## VIDEO

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# Focus on Funds: Brexit Could Cost Investors

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Brexit—the United Kingdom’s exit from the European Union—could have significant implications for global funds and their investors. In the October 21, 2016, edition of *Focus on Funds*, ICI Global Managing Director Dan Waters lays out what to watch for in the negotiations.

### Transcript

**Stephanie Ortvals-Tibbs, ICI Director, Media Relations:** Brexit—the United Kingdom’s decision to leave the European Union is a decision with significant consequences for global funds and their investors. ICI Global is helping to create a place for their voice in the dialogue, as I learned from ICI Global Managing Director Dan Waters.

Dan, in your view, what do global asset managers need to know first and foremost?

**Dan Waters, Managing Director, ICI Global:** This is not just a debate between the UK and the EU; this is about all investors globally. That’s the most important and first thing to say. That’s where we’re coming from.

What does that look like? Can we please have a process that is mature, thoughtful, calm, and transparent? Can we have a process that, if we need a transition after two years—which we probably do—that we know what that is going to look like? So that whatever the new world is that we get to, it is a world that works in the interest of investors in Europe and globally.

**Ortbals-Tibbs:** Knowing that this is such a vital issue and seeing it through your global vantage point, you also have partnered with Chatham House, the Royal Institute of International Affairs, and feel this is an issue that needs to be brought to the fore from our perspective and from theirs. What’s happening there?

**Waters:** We’re partnering together now. We have a conference scheduled for the 23rd of March, which is going to explore global capital markets, how they’re changing, and the dimension of Brexit that we’ve just been touching upon.

One of the things we want to keep in mind is, if we’re focusing on investors and investors’ needs, and the needs of businesses and companies to fund themselves, you don’t want a Brexit outcome that ends up building some kind of wall around the European Union in terms

of the ability of capital to flow into the Union, and frankly out of the Union as well, for investment purposes. That's going to be something we're watching very closely.

**Ortbals-Tibbs:** As part of that, you're also bringing in a number of perspectives from Asia, from the Americas, so that this becomes this wider dialogue.

**Waters:** Absolutely right. There is a huge amount of interest in this in Asia. You've got Asian businesses—Japanese, Chinese, businesses from Taiwan, businesses from Australia—with significant interests in the United Kingdom and in Europe more generally. As I say, this is a global issue. When I go to Asia, this is always on the agenda. People are watching this very closely. Everyone has an interest in an outcome that maximizes the benefits and continues to realize the benefits of global investment, both from the point of view of the investors and from the point of the view of the companies being funded.

## **Additional Resources**

- [Chatham House event: Global Capital Markets](#)
- *ICI Viewpoints:* [Matching Models to Reality: Doomsayers Are Disappointed—Again—as Funds Weather Brexit Shock](#)

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