

VIDEO

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Focus on Funds: ICI Response to Possible SEC Action on Systemic Importance of Funds

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According to news reports this week, the U.S. Securities and Exchange Commission is taking several steps that could position it to lead the American regulatory debate surrounding the relationship between asset management and financial stability. ICI Chief Economist Brian Reid put these moves in perspective during three appearances on national broadcast outlets. The September 12, 2014, edition of Focus on Funds presents the highlights.

Transcript

Stephanie Ortbals-Tibbs, Director, ICI Media Relations: Welcome to Focus on Funds, the Investment Company Institute's weekly roundup of industry news, ICI activities, and research findings.

Multiple news reports indicate the U.S. Securities and Exchange Commission is taking several steps that could position it to lead the American regulatory debate surrounding the relationship between asset management and financial stability.

In the midst of these reports, ICI Chief Economist Brian Reid appeared on several national television shows, breaking down the issue for fund investors and putting the latest developments in perspective. Here are some highlights.

Tyler Mathisen, Host, Nightly Business Report: As I understand it, Brian, without getting too Washington insider here, you and the ICI—not you personally, but the ICI—is happier having the Securities and Exchange Commission take the lead on this process rather than the FSOC, the Financial Stability Oversight Council, or, say, the Fed, which comes basically more out of a banking heritage. Do I have that correct?

Brian Reid, ICI Chief Economist: Yes, we believe that the SEC is the right regulator to be looking at this. They have a 75-year history of effectively regulating mutual funds and fund

advisers, and we believe that they have the expertise and the understanding of funds, and this is where it belongs. Financial regulators have been looking at ways to make sure that the rules are providing financial stability, and we believe that this is just part of that overall review. And we believe that the SEC is the right place to be doing that.

Stephanie Ortals-Tibbs: That's this week in funds. See you next week.

Additional Resources

- [Full Interview: Nightly Business Report](#)
- [Full Interview: WSJ Live's Opinion Journal](#)
- [Full Interview: The Willis Report on Fox Business News](#)
- [ICI Resources on Financial Stability and the Asset Management Industry](#)

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