

## VIDEO

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# Focus on Funds: ICI's Research Keeps Going Global

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In the July 17, 2015, edition of *Focus on Funds*, ICI Chief Economist Brian Reid outlines how ICI research informs the regulatory dialogue about the role of funds in financial stability around the globe.

### 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.

This is a special report from Paris, where I've just finished speaking with ICI Chief Economist Brian Reid about the increasing global depth that ICI research is adding to its efforts, especially in response to questions surrounding funds and financial stability.

**Brian Reid, ICI Chief Economist:** I'm meeting with regulators and members of the media, talking about some of the issues that we're seeing on a global stage. One of the most important has been this issue of global systemically important financial institutions, or SIFIs, as it's sometimes referred to, and there are participants on the global stage through the Financial Stability Board. So, I'm meeting with other regulators outside of the United States that participate in those discussions, to think about why it is that asset managers themselves should not be designated as systemically important financial institutions, but to also broaden the discussion to help regulators begin to think through issues of—what are activities or perhaps products that regulators can focus on? We often forget that securities market regulators are prudential regulators, because they make sure the markets work in good times and in bad. And enhancing those regulations to make markets more resilient through periods of stress, I think, is a key function that the Financial Stability Board should be focusing on. And we're heartened to see that they are turning their attention to these broader issues that affect all market participants.

**Ortbals-Tibbs:** Brian, how does this engagement—this further engagement—in the European Union and in the Asia-Pacific region, both with funds and with regulators, help inform our work to answer questions around the issue of funds and financial stability?

**Reid:** Well, in terms of the financial stability issues, we recognize that there are many voices in this, and so focusing on those different viewpoints, concerns, and varying levels of data availability. Some nations, some countries collect volumes of data. Brazil is, I think, a prime example, of the depth of data that they have. The United States is in the middle of that, where the SEC is working to enhance their data collection for mutual funds and other types of regulated funds. We also have data collections looking at the bond markets and our equity markets that help our regulators. Other countries have much more limited impact.

One of the contributing factors that the ICI can bring to this, and ICI Global in particular, is to begin to think about, what do we know from what we can see—in terms of our ability to bring data and bring analysis to the discussion and to make this a very fact-based analysis of financial stability globally.

**Ortbals-Tibbs:** That's this week in funds. See you next week.

## **Additional Resources**

- [ICI Financial Stability Resource Center](#)

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