



New report into data quality control confirms lack of readiness for MiFID II

London, UK, 25 September 2017: A new report launched today by CJC shows that while 75% of financial institutions are aware of the data quality requirements for MiFID II and other impending regulations, only 20% have put in place the more rigorous data quality checks required to meet new rules around transparency and risk.

CJC, a leading provider of cloud technology, consultancy and managed services to global capital markets firms commissioned A-Team Group to undertake a benchmark study among major Tier 1 and Tier 2 sell-side institutions. CJC's resulting 'Data Governance and Quality Control for Emerging Regulatory Imperatives' report explores how the industry is responding to data governance demands posed by new regulations.

It shows that:

- MiFID II pre-trade transparency provisions are of greatest concern to respondents, followed by trade reporting under MIFIR, and risk assessments under BCBS 239 and FRTB
- Dedicated MiFID II and FRTB implementation teams are now in place at 85% and 50% of trading firms respectively, reinforcing the high levels of awareness that work needs to be done to ensure compliance. These are typically cross-functional teams, some more evolved than others, including banking, markets, tax, finance, law, compliance and technology.
- The top three perceived benefits from verified/accurate data are: regulatory compliance and better capital adequacy provision (92%); minimising exceptions (66%); and minimising reputational risk.

Sheena Clark, Director of Regulatory Services at CJC said: *“Recent and emerging regulations are raising the bar for demonstrating accuracy of contributed and regulatory reporting data yet some trading firms have been slow to get their house in order and implement robust governance processes to validate the data they are using and publishing.”*

“Organisations that press ahead with tackling the issue and invest in the appropriate policies, procedures, systems and controls now rather than leaving it to the last minute will be better equipped to set data standards across their firm as a whole, making it far easier to manage any changes required.”

CJC is launching the new report at the World Financial Information Conference (WFIC), 24-27 September 2017. WFIC is the leading global forum for the sourcing, compliance and delivery of financial information. Organisations can find out how firms are tackling the data challenges imposed by new regulations by downloading CJC's data governance report at www.cjcit.com

“There are a lot of issues that banks need to consider and we are working closely with those that need some extra help in understanding the full implications of the new regulations so that they are prepared when they come into force,” added Sheena Clark.

CJC has recently expanded its capabilities to cover tailored regulatory consultancy within market data operations. Its Regulatory Services division is helping banks and brokers to take control of the prices they publish to the market through data vendors or submissions to benchmark rates. In addition, CJC has developed a dedicated suite of methodologies to help financial institutions improve transparency and reporting around financial pre-trade

contributed data and other price sensitive data to address obligations under MiFID and FRTB.

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Notes to editors

The new benchmark study from CJC was conducted by the A-Team Group, amongst data and business professionals within major Tier 1 and Tier 2 sell side institutions. In-depth phone interviews were carried out during the Summer with 15 institutions to evaluate how the industry is responding to the EU's Markets in Financial Instruments Directive (MiFID II) and MIRFIR, the Basel Group's Fundamental Review of the Trading Book (FRTB) and the Basel Committee on Banking Supervision's regulation number 239 (BCBS 239).

About CJC

CJC specialises in cloud technology, consultancy and managed services that optimise data and trading technology operations, processes and commercial control for global capital markets firms. Clients include Thomson Reuters, IG, JP Morgan, ICBC Standard Bank, RBC Capital Markets, TPICAP and UBS. Founded in 1999, CJC provides global reach through its headquarters in London and offices in New York, Hong Kong and Singapore. Key partners include Solace, Equinix, BCC Group, TNS, MDX and Redcello.

CJC helps clients to:

- Transform data platforms, both technically and commercially, to control costs
- Access innovative technology solutions
- Improve operational processes and control
- Understand and comply with a raft of regulatory obligations

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