

IN THE NEWS: June 25, 2017

Welcome to the June issue of *Insights*, an e-newsletter that provides you a roundup of the most important financial services industry news.

[Trump Agenda Might Prompt Exam Changes at SEC, FINRA](#)

President Donald Trump's deregulation goal might prompt the Securities and Exchange Commission and the Financial Industry Regulatory Authority to exam firms less, but exams they do conduct are likely to be more stringent and to carry a harsher penalty, compliance experts say. Firms have no way of knowing whether they will be targeted, says John Wowak of Cipperman Compliance Services, so advisors should ensure procedures are up-to-date, especially on sensitive issues such as cybersecurity.

[If Active Managers are Dead, Their Stocks Haven't Hear About It](#)

Sentiment toward the financial sector has been improving since the Treasury Department issued a report on overhauling banking regulations. Shares of asset managers have been staging their own little bull markets these last few weeks, with an index of 18 stocks in the S&P 1500 advancing in nine of the past 12 days.

['Big Data' Fueling Transformation in Asset Management](#)

Smart beta and factor investing are two examples of how big data is transforming the investment landscape. Artificial intelligence (AI) has played a growing role in capital markets over the past 15 years, with algorithmic trading growing six-fold from 2003 to 2012. The fuel powering this evolution of AI-driven investment analytics? – big data.

[FSI Offers to Help FINRA Reach Out to Stakeholders](#)

The Financial Service Institute has applauded the Financial Industry Regulatory Authority's plan to create deeper engagement with industry stakeholders, adding that it is uniquely placed to assist with FINRA's efforts. "As one of the only trade associations that have individual financial advisor members, FSI can play a key role in facilitating outreach between FINRA and financial advisors, whose perspective comes from direct interactions with investors and who are directly impacted by FINRA

rules and regulations," wrote FSI President and CEO Dale Brown.

Markets One Year After Brexit Vote: It All Comes Down to the Pound

While the main FTSE 100 index has risen 17 percent over the 12 months since Britain voted to leave the European Union, this has been driven almost exclusively by a fall in sterling. In dollar terms, British stocks have underperformed every developed index in the world.

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