

# ESMA webinar – WP on MiFID II research unbundling

ESMA has published a [working paper](#) on MiFID II research unbundling. During the webinar you will see a presentation of the working paper and its findings, followed by a Q&A session.

Main findings presented in the working paper:

Concerns have been raised that the MiFID II research unbundling provisions could have had detrimental effects, particularly on SMEs, on the availability and quality of research on EU companies, as well as on company financing conditions. We do not find material evidence of these effects: following the introduction of the MiFID II research unbundling provisions

1. the quantity of research per SME has not declined relative to larger firms;
2. the probability of an SME completely losing coverage has not increased relative to a larger firm;
3. the quality of SME research has not worsened relative to larger firms; and
4. SME liquidity conditions have worsened, relative to larger firms, in terms of tightness (measured by bid-ask spreads), but not in terms of depth (measured by the Amihud illiquidity ratio and the turnover ratio). However, in absolute terms, SMEs continue to be characterised by lower amount of analyst research, higher probability of losing coverage, worse quality of research and limited market liquidity. This situation appears to have been neither improved nor worsened by the MiFID II research unbundling provisions.

This webinar will be of particular interest to:

1. Members of the academic community;
2. Think tanks; and
3. Financial market participants seeking to better understand the MiFID II research unbundling regime impacts, including financial institutions, legal firms and consultancies