



Course: Investment Advice, Research and Suitability Assessment

Course overview

This course aims to describe and explain the meaning of investment advice under MiFID as well as “Investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments”. It explains when a recommendation is considered as an investment advice. It analyses ESMA Guidelines for suitability and explains how to design questionnaires aiming at collecting information about clients for the purpose of a suitability assessment.

Course Description

This course explains the investment service of “investment advice” and the ancillary service of “Investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments”. It explains the four test that should be performed to assess whether a recommendation constitute an investment advice and the difference between information and recommendation. It describes what “research or other information recommending or suggesting investment strategy” means and the difference between Explicit and Implicit recommendations. It analyses the competences of staff giving information about investment products, investment services or ancillary services. Furthermore, it provides the MiFID Research definitions, compares analysis with research and explains when Marco Analysis is not Research. It analyses ESMA Guidelines for suitability and explains how to design questionnaires aiming at collecting information about clients for the purpose of a suitability assessment. It gives examples of elements that may affect the analysis of client’s financial situation and investment objectives and explains how to appraise client’s understanding of basic financial notions. In explains how the extend of the service requested by the client impact the level of details of information collected form clients. It describes how to assess the risk tolerance of clients through a questionnaire, how risk tolerance affects the choice of investment products and how to match clients with suitable investments.

Topics covered

The course is split into the following sections:

Section 1: Investment Analysis Legislation

- The Basics
- When is it considered Advice?
- Rough Guidelines
- Not Advice but Information

Section 2: Investment Analysis and Research

- Investment Research and Analysis
- Analysis vs Recommendation
- Suggesting an investment strategy?
- Investment Advice
- Explicit and Implicit recommendations and investment strategies
- Inducement and Research

Section 3: ESMA and MiFID Definitions

- ESMA Competence Requirements of staff giving information about investment products, investment services or ancillary services
- Analysis Vs Advice
- Advice via electronic means
- Advice or Not Advice?
- MiFiD Definitions
- Third Party Research



Section 4: Macroeconomic Analysis and Research

- How about macro analysis?
- What's research – MiFiD Style
- MiFiD Research Definitions
- So is Analysis Research?
- When Marco Analysis is not Research
- Wide Availability Means not Advice

Section 5: Suitability Assessment and MiFiD II

- ESMA Guidelines
- Information on the Assessment
- Investment Advice and Suitability
- Illiquid and Liquid Assets
- Information and Investment Advice
- Information and Portfolio Management
- Matching Clients with Products – ESMA
- Advice should be client-based

Section 6: Suitability Examples

- Questionnaire Design
- Examples of Elements that may affect the analysis of client's financial situation and investment objectives
- ESMA Requirements
- Appraisal of Client Understanding
- Level of detail of information collected
- Reliability of Information
- Objective Criteria

Section 7: Risk Tolerance

- Assessing the risk tolerance of clients through a questionnaire
- Risk Tolerance and Products
- Riskiness of Investment Products
- Client Knowledge Vs Firm Understanding
- Updating Client Information
- Matching Clients with Products

Course Duration

This course may take up to 5 hours to be completed. However, actual study time differs as each learner uses their own training pace.

The course is addressed to:

This course is addressed to all individuals who are involved in Investment Firms such as:

- Directors, Senior Managers, Compliance officers, head of departments of Investment firms and in general to employees of investment firms
- Internal Auditors
- Consultants

It is also suitable to professionals pursuing regulatory CPD for the renewal of the “Basic” and “Advance” CySEC Certificate or other relevant certificates in other jurisdictions.



Training Method

The course is offered fully online using a self-paced approach. The learning units consist of power point presentations and case studies. Learners may start, stop and resume their training at any time.

At the end of each section, participants take a Quiz to complete their learning unit and earn a Certificate of Completion once all quizzes have been passed successfully.

Accreditation and CPD Recognition

The course can be accredited by regulators and other bodies for 5 CPD Units that require CPD training in financial regulation.

Eligibility criteria and CPD Units are verified directly by your association or other bodies in which you hold membership.

Registration and Access

To register to this course, click on the *Take this Course* button to pay online and receive your access instantly. If you are purchasing this course on behalf of others, please be advised that you will need to create or use their personal profile before finalising your payment.

Access to the course is valid for 60 days.

If you wish to receive an invoice instead of paying online, please [Contact us by email](#). Talk to us for our special Corporate Group rates.

Instructor

With more than 10 years of experience, Nektarios is an expert in the financial services industry, having worked in key roles at investment funds, CIFs and other service providers. His exposure to the industry allowed him to gain knowledge in a variety of vital investment functions.

Complementing his practical knowledge of the industry, Nektarios also holds a number of professional and academic qualifications, including CySEC's Advance Certification. He is currently employed by an Investment Fund.