

ESMA_QA_2645

Status: Question Rejected

Additional Information

Level 1 Regulation

Packaged Retail and Insurance-based Investment Products Regulation (PRIIPS) Regulation (EU) No 1286/2014

Level 2 Regulation

PRIIPS - Regulation 2017/653 on the presentation, content, review and revision of key information documents and the conditions for fulfilling the requirement to provide such documents

Topic

Disclosures

Additional Legal Reference

Additionally MiFID 2 - article 44

Subject Matter

Intent to Present Future Performance in Percentage Terms in Robo-Advisory App – Compliance with MiFID II (incl. Article 44) and PRIIPs

Question

We are currently exploring the possibility of presenting future performance in percentage terms within our robo-advisory application. The app provides automated investment recommendations based on client profiling and risk tolerance, and may in the future include visual projections of potential returns.

These projections would be expressed as percentages, clearly labeled as hypothetical, and accompanied by appropriate disclaimers and risk warnings. The format would follow the structure and methodology of performance scenarios as outlined in Annex IV of the PRIIPs Regulation.

In this context, we would like to clarify:

Is it permissible to present future performance in percentage terms if the format aligns with the performance scenarios described in PRIIPs Annex IV?

Would such a presentation be compliant with Article 44 of MiFID II, particularly in digital interfaces?