The Top Research Firm in the World is: Bank of America Merrill Lynch.

Bank of America Merrill Lynch has reclaimed the title of Top Global Research Firm.

The U.S.-based multinational firm was the top-rated research provider overall across eight rankings compiled by *Institutional Investor* in 2019, claiming a total of 234 team positions in equities and fixed income research across the U.S., Asia, Europe, Middle East, Africa, and Latin America.

The bank’s triumphant return to the top of the leaderboard — where BofA Merrill Lynch held court from 2011 to 2016 — comes after two years of playing second fiddle to JPMorgan Chase & Co. This year, JPMorgan took second place overall, having accumulated a total of 224 research team positions globally. Citigroup completes the top three, with 206 cumulative team positions.

Candace Browning, head of research at BofA Merrill Lynch, said the bank has spent the last year or so adapting to a shift in the type of research that clients want to consume — a shift that’s been driven by geopolitical uncertainty, shrinking research budgets, regulatory change, passive index growth, and technological advancements.

“There has been a shift from the more commoditized, single-stock type of research to more thematic and trend-identification research, as well as data-driven research,” Browning said. “There’s still very high demand for research, but there’s been a shift in the type of research that people want to consume.”

According to Browning, BofA Merrill Lynch has sought to meet client demand by expanding its thematic research, focusing more on “mega trends” like longevity and environmental, social, and governance issues. The bank has also continued to build what Browning calls its “library of proprietary indicators,” forward-looking market and industry indicators created using big data.

“We are constantly making sure that we’re using the newest, best tools available to us in the world of computing,” Browning said.

BofA’s close rival JPMorgan has similarly been investing in and utilizing advanced technology to further its global research efforts. In an emailed statement to *II*, JPMorgan’s chair of global research Joyce Chang noted that her firm produced over 140 research publications applying alternative data, machine learning, and artificial intelligence techniques in the first half of 2019 alone.

Meanwhile, UBS has continued to earn acclaim for its Evidence Lab, which recruits data scientists and subject-matter experts to seek answers to investing-related questions about markets and industries. This year, the Swiss bank accumulated a total of 155 team positions to lead the equity research division, but placed fourth overall among II’s Global Research Leaders due to a lack of fixed-income research positions.
BofA Merrill Lynch led the fixed-income category with 102 team positions, solidifying its position as 2019’s top research provider overall. In a year defined by market volatility and geopolitical turmoil, Browning said her department benefited from its scale, as analysts collaborated across sectors and regions “in order to find better answers” to the questions investors are now asking.

“What’s happened as a result of geopolitical shifts, and principally the shifting relationship between China and the U.S., is that analysts really need to look at new forces that are impacting their companies and their companies’ projected earnings,” Browning said. “How do you do that? I think the key is to drive more communication across the research department — making sure the defense analyst is actively engaged with the semiconductor analyst so the semiconductor analyst can [address] national defense concerns.”

As to how BofA Merrill Lynch manages to attract and retain the top talent in each of the many sectors and countries that the research department covers, Browning said the bank tries to be “a really fun place to work,” where employees are “treated with dignity and respect.”

“It’s a great team,” she said. “People want to work together and they like being here and I think that’s an important part of our success.”