



## Capstone Project Summary



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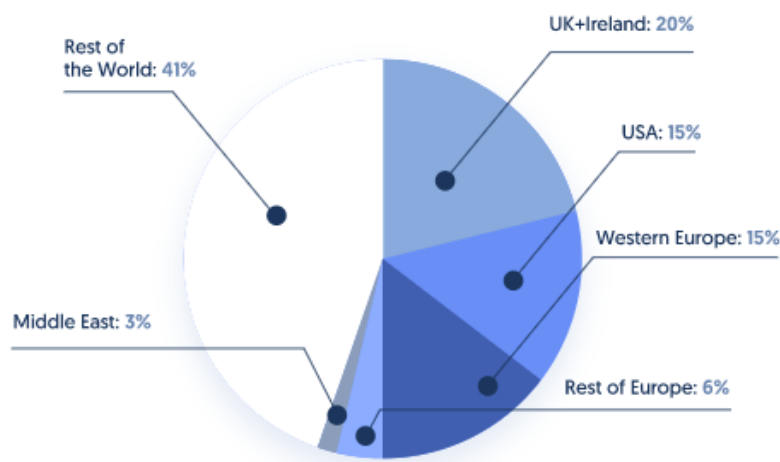
## The client

BrokerChooser is an independent online broker discovery and comparison platform. We highlight just quality and reliable brokers, such as Interactive Brokers, Saxo Bank, or Davy Select. BrokerChooser includes brokers even if they don't have a business connection with them. BrokerChooser is now a recognized and reliable information supply in the industry many brokers and other financial service providers contacting the company each month. Brokerchooser revises methodology every time, adjusting all criteria to be able to completely assess any broker service. Everything in the review is based on first-hand experience. The broker does not know they have been tested. Throughout the test, methodology based on criteria was followed.

## The project benefits to the client

BrokerChooser has many clients from Ireland, therefore, reviews of any local Irish brokerage firm such as on Davy can be very beneficial to them in order to provide better insights and comparison to its trusted Irish clients. Irish customers are in the top ten most important clients for BrokerChooser. Accordingly, the company can provide more comprehensive comparisons among the Irish local and international brokers in order to provide quality suggestions for Irish local customers when it comes to choosing a broker. Ireland has a strong economy and because of its entrance to Europe there is simplicity to do business. BrokerChooser can expect to have larger number of customers in the futures as well. Ireland economy and population is growing. Accordingly, such an Irish broker review can be beneficial to the company in order to provider broader quality service to the Irish market as well. By doing so that, BrokerChooser can expect to have more Irish customers in the future.

Figure 1: Customer Contribution by Country



Source: BrokerChooser website, for Busniss June 2021

Most of our audience is in the UK and the US. The majority of them are coming from English speaking nations .The middle class Irish population is growing which means an increasing client base. Many businesses and financial opportunities are in Ireland. Ireland and the United Kingdom are geographically extremely close. Ireland has a young population skilled in technology and the internet. Ireland now enjoys a situation as one of the fastest growing economies in Europe. This could be one of the main reasons why the World Bank has placed the country at 10<sup>th</sup> place in terms of establishing a business. It has a positive environment for start-ups. This is good news for clients who are interested in accessing the Irish stock market. The Irish economy earlier depended mainly on farming exports, but it now concentrates on high-tech businesses and services. A detailed, accurate and broad review on the one of the largest players could be value-added to the business because it could lead to better understanding of the local Irish brokerage market and its members such as the main brokerage firms Davy, Cantor Fitzgerald, Goodbody, Campbell O'Connor.

## Opportunities with Ireland Brokers

With Irish brokers, you have numerous opportunities to trade from conventional stocks and shares. Irish brokers allow Forex trading, CFD and commodity trading and also more and more cryptocurrency trading. From starting Islamic accounts to demo accounts brokers in Ireland are able to help your trading online. Brokers in Ireland have a competitive system, innovative culture and educated labour force. Ireland is a client and business focused economy and has a prudent regulatory background and its financial exchanges are supervised by the European Union's MiFID.

The cheapest and easiest method to purchase stocks and shares in Ireland is to have an execution-only trading account with an online brokerage firm. That implies you are able to buy or sell shares or ETFs that you pick yourself without receiving any investment assistance.

## Summarized work

BrokerChooser follows a well-established and unique methodology to rank and evaluate brokers according to different features. There are the same 9 main areas and requirements for all brokers. At the moment, the check 473 criteria for each broker altogether, as detailed in the below table:

Figure 2: BrokerChooser methodology including the different criteria

BrokerChooser methodology – number of criteria [2020]

Area	Criteria
Fees	268
Security	31
Trading platform	43
Deposit and withdrawal	15
Account opening	12
Product portfolio	55
Education	7
Customer service	14
Research	11
General information*	17

Source: BrokerChooser methodology 2020

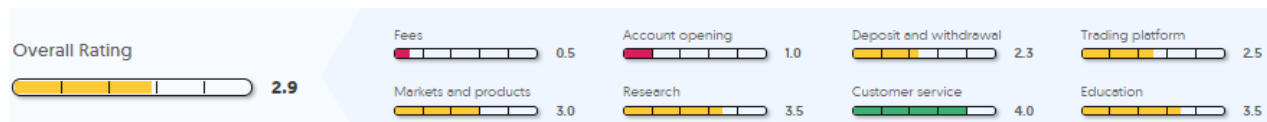
My main task was to follow the 9 areas according to the BrokerChooser's methodology and guidelines in order to evaluate Davy Select. This methodology is well-established and enables comparison among different brokerage firms in order to make the best investment decision considering such as broker fees, security, available educational materials, research opportunities, account opening process etc. The main objective of BrokerChooser is to assist you get the best online broker by creating simplicity to the method. All you get on BrokerChooser's website is built on reliable data and fair information. The methodology is revised every time, adjusting all our criteria to be able to entirely assess any broker service. In many case, such as accounting opening did take longer to open the account and provide the necessary documents for verifications.

My job started with data collections in order to deliver and write the report for the different sections from fees to research categories. Each section has different weight contribution to the final broker score or ranking. This result is an overall score which makes the different brokers comparable. I had many attempts to open an account at Davy Select as a mystery shopper, testing the services and analysing them with a set methodology with the criteria. Unfortunately, the account opening was very difficult due to the verification processes.

# Key outcomes

The final score is based on a combination of 100+ criteria, all gathered and weighted based on reader's preferences and on Broker Chooser's 10+ years business experience. The overall score of Davy Select is very low when we compare to other brokers

Figure 3: Davy Select's overall rating



Source: BrokerChooser Davy Select broker review June 2021

As it can be seen in the below table, top brokers have overall scores more than 4.5. The overall low score of Davy Select comes from two main features such as extremely low fee score and low account opening score. Apart from customer service which has a score of 4, other features have lower than 4. According to the BrokerChooser's methodology, Davy Select do not have the best available features to be a good broker. Davy Select could improve in my aspects in order to increase the overall score.

Figure 4: Top 5 Stock brokers



Source: BrokerChooser Davy Select broker review June 2021

# Learning experience

The learning outcomes are very useful, especially in my case, because this was my first exposure to evaluate and gain experience with any online broker in terms of comparing brokers globally and locally. One of the main lessons was that the account opening can be extremely difficult depending on the country such as Ireland. Double verification was needed regarding proof of address in order to be able to open an account. The old and well-established Irish brokers seem to follow an old-fashion way and mainly focus on fundamental stock trading, which means buy and hold different assets in the long-run. However, Davy Select's customer service is appropriate and its responses were relevant. Furthermore, Davy Select's fees are unexpectedly high compare to similar brokers. This can be one of the main decision points when we choose a broker. Considering the extremely high fees Davy Select will not be the best choice for many customers and account opening process can be time-consuming and difficult process. There are many online brokers which offer competitive fees and easy accounting opening process are such as Interactive Broker. Additionally, one striking feature is that Davy Select do not support trading throughout phone application. Customer need to access to Davy Select's website and sign up to the platform in order to sell and buy any asset classes.