

## Financial Regulation: Weekly Update. 1 July 2016

Matías Daniel Cabrera / Pablo Fernández / Pilar Soler

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### GLOBAL

- BIS publishes 2015/16 annual report

**Addresses:** i) global economy and global financial markets, ii) monetary policy, iii) fiscal policy and iv) financial sector.

- ISDA publishes German Jurisdictional Module

The **module** complements ISDA Resolution Stay Jurisdictional Modular Protocol allowing market participants to comply with Section 60a of the German Recovery and Resolution Act.

- CPMI-IOSCO publish documents of Financial Market Infrastructures (FMIs)

The third **update** monitoring the implementation of their principles for FMIs. Besides it publishes a **guidance** document on cyber resilience for FMIs.

### EUROPE

- EBA consults on Guidelines on disclosure requirements for the EU banking sector

**Aimed** at fostering consistency and comparability among institutions and improving market discipline. Follows an update of Basel Committee's Pillar 3 requirements. Deadline: 29 Sept.

- ESRB releases risk dashboard

**Systemic risk** dropped at the end of 1Q after a rise at the beginning of 2016. Risk appetite is increasing. The **economic recovery** continues. Banks' profits continue to fall.

- ESMA publishes position and opinion on waivers from pre-trade transparency

It **aims** at ensuring that the supervisory activities and actions of competent authorities under MiFID II converge with ESMA's opinion and provide clarity to firms.

- ESMA releases a peer review report on prospectus approval process

Considers there is room for increasing **harmonisation**. Prospectuses tend to be **complex** and **difficult** to understand and national regulators might have different interpretations.

- Council confirms agreement with EP on institutions for occupational pension funds (IORPs)

The draft [directive](#) is aimed at facilitating the development of IORPs and better protecting pension scheme members and beneficiaries.

- EIOPA publishes technical advice to the EC

It recommends a risk-based enhancement of the Solvency II asset class for high-quality infrastructure investments regarding infrastructure corporates.

- OJEU publishes the regulation on indices used as benchmarks

The now binding [regulation's](#) objective is to increase the accuracy and integrity of benchmarks which affect the pricing of many financial instruments.

## SPAIN

- The Bank of Spain keeps countercyclical capital buffer at 0% for 3Q2016

Applicable to credit exposures in Spain. The [analysis](#) of the indicators advises not to set the CCyB above 0 %, according to the information available at December 2015.

- CNMV on MiFID code of conduct, joint investment institutions (IIC) and liquidity contracts

i) [Application](#) of MiFID code of conduct to distribute financial instruments under BRRD ii) periodic public information content of IIC iii) liquidity contracts subscribed by issuing entities.

## UNITED STATES

- Federal Reserve releases annual Comprehensive Capital Analysis and Review (CCAR)

[Capital plans](#) of 33 bank holding companies were reviewed. Two received an objection on qualitative concerns and one has been allowed to resubmit by the end of the year.

Recent publications of interest (in English and Spanish):

- [Regulation Watch](#). Setting a limit to leverage in banking. May 2016
- [Presentation](#). New requirements for loss absorbing capacity: TLAC and MREL
- [Financial Regulation Outlook](#). June 2016
- [Digital Economy Outlook](#). June 2016

Previous editions of our Weekly Regulatory Update in [Spanish](#) and [English](#)

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