

Financial Regulation: Weekly Update. 2

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GLOBAL

- [IOSCO issues recommendations for investment funds management](#)

They seek to improve [liquidity risk](#) management practices for open-ended collective investment schemes. Practical information, examples and good practices are also published.

EUROPE

- [SRB published non-confidential information on the resolution of Banco Popular](#)

Extensive [non-confidential](#) documents: resolution decision, valuation report (from SRB and independent experts), sale process letter (FROB), and resolution plan for 2016.

- [ESRB publishes report on Sovereign Bond-Backed Securities \(SBBS\)](#)

Includes [ESRB's](#) consideration on some key aspects of SBBS, such as the composition of the sovereign bond pool or the tranche structure of the new product.

- [EBA launches 2018 EU stress test](#)

Publishes macroeconomic [scenarios](#) for the exercise (the most severe scenario to date). Results expected by 2 Nov. ECB to [examine](#) 37 euro zone banks.

- [ESMA publishes results of CCP stress test](#)

This is the second EU-wide [stress test](#) for CCPs. Results show that overall, the system is resilient to the default of multiple clearing members and extreme market shocks.

- [High-Level Expert Group on sustainable finance releases its final report](#)

Includes key [recommendations](#) for embedding [sustainability at the core](#) of the EU financial system. Action Plan and findings to be discussed on 22 Mar. BBVA's support [link](#).

- [EU Council adopts negotiating directives for the Brexit transition](#)

To give the EU [Commission](#) mandate to start the discussions on the transitional period, which is set to last until 31 Dec 2020.

- [ESMA updates transitional transparency calculations \(TTC\)](#)

[Modifies](#) previous values published for equity and tick sizes under MiFID II. Additional corrections might be expected in the next two weeks.

- [SRB updates documents for the 2018 LDR data collection](#)

[It publishes](#): a liability data report Q&A which reflects feedback to entities, a guidance for the 2018 liability data report and an updated insolvency ranking of each country in the BU.

- [EIOPA consults RTS on PII and financial capacity of intermediaries](#)

It seeks to [adapt](#) the base amounts for Professional Indemnity Insurance and financial capacity of intermediaries under the Insurance Distribution Directive. Deadline: 27 Apr.

- [EIOPA publishes Market Development Report](#)

It focuses and [presents](#) the main findings regarding occupational pensions and cross-border activities for institutions for occupational retirement provisions.

- [EIOPA updates work programme for 2018](#)

[Key objectives](#): strengthen the protection of consumers, improve the functioning of the internal market and the financial stability of the insurance and occupational pension sectors.

UNITED STATES

- [OCC and FED publish Dodd-Frank Act \(DFA\) stress test scenarios](#)

OCC [releases](#) economic and market scenarios for DFA stress test to institutions with more than \$ 10 billion in assets. FED [releases](#) scenarios for the CCAR and DFA for the 18 largest and most complex firms, and 20 firms with less complex operations (only quantitative test).

- [Fed and FDIC complete assessment on 19 foreign banks' resolution plans](#)

Agencies give [feedback](#) and expect 19 foreign banks to include several topics in their resolution plans and submit them before 31 Dec 2018. Last submission was in Dec 2015.

- [CFPB finalizes changes to prepaid accounts rule](#)

Extends [effective](#) date of the rule one year, providing more flexibility on credit cards linked to digital wallets. Also adjusts requirements for resolving errors on unregistered accounts.

Recent publications of interest (in English and Spanish):

- [Financial Regulation Outlook](#). January 2018
- [Regulation Watch](#). Financial Regulation | Basel III End Game. December 2017
- [Regulation Watch](#). Global | 2017 G-SIBs List. November 2017
- [Press Article](#). 2018: a key year for progress toward banking union. January 2018
- [Press Article](#). Towards more selective and enforceable international regulatory standards. December 2017

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

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