

# Financial Regulation: Weekly Update. 16 February 2018

Matías Daniel Cabrera / Alvaro Romero / Pilar Soler  
16 Feb 2018

## GLOBAL

- [IOSCO issues report on policy measures to protect investors of OTC leveraged products](#)

Proposes [new policy measures](#) and guidance to regulators. Aims to protect retail investors who are offered leveraged products (Rolling FX contracts, CFDs and binary options).

## EUROPE

- [ESRB publishes recommendations on leverage and liquidity in investment funds](#)

[Recommends](#) additional liquidity management tools, further supervisory requirements, tighter liquidity stress tests, limits on leverage and a harmonised reporting framework.

- [ESAs issue a warning on the risks involved in buying virtual currencies \(VC\)](#)

Warn about the [main risks](#) of investing in VC: high price volatility, and VC exchange platforms with operational problems making accounts subject to cyber-attacks.

- [EIOPA publishes a new set of Q&A on regulation](#)

Two [new Q&As](#): i) On Commission Delegated Regulation (EU) 2015/35, and ii) on the templates for the submission of information to the supervisory authorities.

- [EBA publishes corrective update of XBRL taxonomy 2.6](#)

Corrects a [technical error](#) in the XBRL table for remittance of the benchmarking exercise that competent authorities must use.

## SPAIN

- [CNMV presents 2018 action plan](#)

It [establishes](#) a new strategic line regarding tech development in financial markets. It includes a set of 50 initiatives and objectives for the year.

## UNITED KINGDOM

- [PRA and FCA issue consultation and report on Algorithmic Trading](#)

i) PRA [consults](#) on the governance and risk management of algorithmic trading activities in firms. Deadline: 7 May. ii) FCA issues [report](#) on algorithmic trading in wholesale markets. It focuses on 5 key areas including risk controls and market conduct.

## UNITED STATES

- [CFPB consults on the supervision process and presents new strategic plan](#)

i) Requests [information](#) to assess the efficiency of its supervision programme, and whether changes are appropriate. Deadline: 90 days after publication (expected 20 Feb). ii) Strategic plan that [outlines](#) 3 main

goals, describing objectives and strategies.

- [CFTC issues advice regarding virtual currencies](#)

It warns [consumers](#) to avoid pump-and-dump schemes that might occur in traded virtual currencies, tokens or digital coins.

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](#).

This document has been prepared by BBVA Research Department, it is provided for information purposes only and expresses data, opinions or estimations regarding the date of issue of the report, prepared by BBVA or obtained from or based on sources we consider to be reliable, and have not been independently verified by BBVA. Therefore, BBVA offers no warranty, either express or implicit, regarding its accuracy, integrity or correctness.

Estimations this document may contain have been undertaken according to generally accepted methodologies and should be considered as forecasts or projections. Results obtained in the past, either positive or negative, are no guarantee of future performance. This document and its contents are subject to changes without prior notice depending on variables such as the economic context or market fluctuations. BBVA is not responsible for updating these contents or for giving notice of such changes.

BBVA accepts no liability for any loss, direct or indirect, that may result from the use of this document or its contents.

This document and its contents do not constitute an offer, invitation or solicitation to purchase, divest or enter into any interest in financial assets or instruments. Neither shall this document nor its contents form the basis of any contract, commitment or decision of any kind.

In regard to investment in financial assets related to economic variables this document may cover, readers should be aware that under no circumstances should they base their investment decisions in the information contained in this document. Those persons or entities offering investment products to these potential investors are legally required to provide the information needed for them to take an appropriate investment decision.

The content of this document is protected by intellectual property laws. It is forbidden its reproduction, transformation, distribution, public communication, making available, extraction, reuse, forwarding or use of any nature by any means or process, except in cases where it is legally permitted or expressly authorized by BBVA.