

## Financial Regulation: Weekly Update. 2 December 2016

Matías Daniel Cabrera / Pilar Soler / Alvaro Romero

---

### GLOBAL

- FSB publishes responses to CCP resolution consultation

It publishes 33 responses to its Essential Aspects of CCP Resolution Planning consultation. The responses will assist the FSB in developing standards by early 2017.

### EUROPE

- EU Commission publishes proposal of recovery and resolution of CCPs

The Commission issues proposed regulations to ensure that CCPs can be dealt with effectively when things go wrong. An accompanying Q&A has been published too.

- EU Commission adopts rules to strengthen regulation of commodities markets

The package completes the rulebook of secondary measures under MIFID II, and gives market participants time to prepare for its application, as of 3 Jan 2018.

- SRB publishes 2017 work programme

Objectives for next year are: resolution readiness, the Single Resolution Fund, policy and cooperation and SRB's human resources, finance, procurement and IT.

- ESRB on macroprudential issues derived from low interest rates and structural changes

The report points to three main areas of risk: the sustainability of some financial institutions' business models; broad-based risk taking; and the shift towards a market-based system.

- ESMA publishes risk dashboard for the third quarter of 2016

Updates its Risk Dashboard. Sees continued high levels of market risk. The overall assessment of risk levels in EU markets remains unchanged for the time being.

- EBA updates list of CET1 instruments

New instruments have been assessed and evaluated as compliant with the Capital Requirements Regulation (CRR).

- [EBA amends supervisory reporting standards due to the new IFRS 9](#)

Aims at aligning the reporting framework with the new IFRS 9 requirements while ensuring reporting institutions have adequate implementation time.

- [ECB lays foundations for pan-European instant payment solutions](#)

Technical framework for [instant payments](#) in euro approved. An ECB group initiated the work on the scheme. Framework for mobile payment solutions available from end-2017.

- [ESMA launches database of credit rating information](#)

The [European Ratings Platform](#) provides free access to timely information on credit ratings and outlooks. The objective is to increase transparency for investors.

## UNITED KINGDOM

- [FCA consults on high-cost credit and overdrafts](#)

It seeks [evidence](#) and feedback on high-cost products (such as payday loans) and on overdrafts (to enhance transparency). Deadline: 15 Feb 2017.

- [BOE publishes results for 2016 stress tests on the banking system](#)

[The first](#) stress test under the BoE's new approach. PRA Board judged some capital inadequacies for three banks (RBS, Barclays and Standard Chartered).

- [PRA consults on amendments to rules on loan to income \(LTI\) ratios in mortgage lending](#)

Focuses in owner-occupied market, and sheds light on the scope of the LTI policy. It proposes changing the fixed quarterly limit to a [four-quarter rolling limit](#). Deadline: 10 Jan.

- [FCA publishes new data on savings interest rates and announces new rules](#)

Data set aimed at delivering [better outcomes](#) for customers of savings accounts. New rules will force firms to provide easy-to-understand key information in an upfront summary box.

## UNITED STATES

- [CFTC relaxes clearing and trade execution requirements for certain counterparties](#)

Commodities Futures Trading Commission extends the [no-action relief](#) on clearing and trade requirements for certain inter-affiliated swap actions. Deadline: 31 Dec 2017.

- [CFTC authorises simplified risk disclosure documents for some customers](#)

[Allows](#) futures commission merchants (FCM) and introducing brokers (IB) to provide non-institutional customers with a single consolidated risk disclosure document.

Recent publications of interest (in English and Spanish):

- [Flash](#). 2016 G-SIBs List. November 2016
- [Regulation Watch](#). New package of banking reforms. November 2016
- [Regulation Watch](#). Europe: TLAC implementation and MREL review. November 2016
- [Financial Regulation Outlook](#). October 2016
- [Digital Economy Outlook](#). October 2016

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.