

Financial Regulation: Weekly Update. 26 May 2017

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GLOBAL

- FSB issues recommendations to strengthen governance and mitigate misconduct risks

It examines whether reforms to incentives (governance and compensation) are reducing misconduct in financial institutions. These reports may be used to develop guidance.

- FSB & BIS publish FinTech credit report

Reaches several conclusions: FinTech platforms represent an increasing share of credit provision, policy makers should take account of the risks and opportunities for the market.

- Global Foreign Exchange Committee (GFXC) publishes code of conduct

This global code of conduct for the wholesale FX market sets out good practices. It was prepared by the FX Working Group (BIS), but it will be maintained and updated by the GFXC.

EUROPE

- ECB publishes Financial Stability review 2017

Includes an overview of current developments relevant for euro area financial stability. Aims at deepening financial stability analysis, and broadening the basis for macroprudential policy.

- EBA publishes final technical standards on valuation in resolution

The RTS aims to harmonise the criteria for valuing a bank before and during and after resolution. For it to become binding, the Commission must approve it through a delegated regulation.

- EBA publishes opinion on own funds in the context of the CRR / CRD IV review

Views on: i) EBA's role in terms of CET1 instruments, ii) definition of MDA and restrictions of distributions, iii) reduction, redemption, repurchase of capital instruments, and iv) point of non-viability, among others.

- EBA consults on scope of draft guidelines on connected clients

[Proposes](#) to extend the scope of the draft guidelines to the remaining aspects of the CRR, EBA technical standards and guidelines where this definition is relevant. Deadline: 26 Jun.

- [ESMA consults on Money Market Funds](#)

It contains key [proposals](#) regarding asset liquidity and credit quality, the establishment of a reporting template, and stress test scenarios. Deadline: 7 Aug.

- [ESMA issues opinion regarding the implementation of MiFID II and MiFIR](#)

Clarifies "[traded on a trading venue](#)", relevant for pre-trade and post-trade transparency requirements on investment firms operating OTC, also for transaction reporting obligations.

- [EBA publishes list of CET1 instruments](#)

It updates the list of [instruments](#) that Competent Authorities classify as CET1. It includes a report with information on the consequences of including (or not) some instruments.

- [EBA publishes details on its 2017 EU-wide transparency exercise](#)

[Announces](#) data points release for 130 banks covering all key balance sheet items for its exercise, to be launched in September 2017 with the Risk Assessment Report.

- [ESMA updates AIFMD and UCITS Q&As](#)

The update includes three new [questions and answers](#) on AIFMD and one on UCITS.

UNITED STATES

- [CFTC approves amendments to recordkeeping requirements](#)

[Amends](#) Regulation 1.31. These amendments were approved unanimously, will modernise the way in which regulatory records must be kept, making them technologically neutral.

Recent publications of interest (in English and Spanish):

- [Press Article](#). Brexit storm clouds. May 2017
- [Financial Regulation Outlook](#). April 2017
- [Press Article](#). Creating Green Opportunities. March 2017
- [Press Article](#). Shadow banking: time to step out into the light. March 2017
- [Regulation Watch](#). White Paper on the future of Europe. March 2017
- [Digital Economy Outlook](#). January 2017

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

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