European Leveraged Finance Association

BRIEFINGS

LEGAL & REGULATORY

25 January 2020

Legal and Regulatory Updates

18/01/2021 – 22/01/2021

Key Highlights

- This Legal & Regulatory Update covers the week commencing **18/01/2021**.
- BoE publishes key elements of its 2021 stress test.
- ESMA publishes its latest liquidity stress testing in UCITS and AIFs guidelines compliance table.
- EBA publishes its annual report on Asset Encumbrance.
- ESAs publish final draft ITS on reporting templates for intra-group transactions and risk concentration under FICOD.
- ECB releases monetary policy decisions January 2021.
- ESRB publishes insights report on preparing for post-pandemic rise in corporate insolvencies.
- EC presents new strategy to stimulate openness, strength and resilience of EU's economic and financial system for years to come.
- EC launches targeted consultation on establishment of European single access point (ESAP) for financial and non-financial information publicly disclosed by companies.
- CBI publishes first Quarterly Bulletin of 2021.
- AMF clarifies relationship between new obligations under Sustainable Finance Disclosure Regulation (SFDR) and national requirements, and position-recommendation DOC-2020-03 on information to be provided by collective investment schemes integrating non-financial approaches.
- AMF Managing Director, Natasha Cazeneve gives speech highlighting AMF's support and position for key legislative reviews scheduled in 2021 such as MiFID II research rules, EU Green Deal, sustainable finance, ESG disclosure and EU's Digital Finance Package.
- CSSF delays application of European Single Electronic Format (ESEF) requirements in relation to annual financial reports by one year.
- CSSF publishes its Newsletter No. 240.
- FSB sets out its 2021 work programme.
- IRSG sets out its key areas of focus in financial services for UK's presidency of G7 this year.
- In this update, we also cover some of the most important news on leveraged finance published by the Financial Times and Thomson Reuters during the week.

Bank of England (BoE)

20 January 2021: BoE publishes key elements of its 2021 stress test

The Bank of England (BoE) published the scenario that it will be stress-testing banks against in 2021. The 2021 solvency stress test will assess the major UK banks and building societies against a UK and global scenario that reflects a severe path for the current macroeconomic outlook. The Bank's approach to concurrent solvency stress testing aims to use periods when the economy is growing to build up banks' buffers of capital, ready to be drawn on to support the economy in a stress. Once the economy enters a real stress the focus changes. At this point stress tests are used to assess whether the buffers of capital that banks have built up are large enough to deal with how the prevailing stress could unfold.

The results of the 2021 solvency stress test will act as a cross-check on the Financial Policy Committee's (FPC's) judgement of how severe the current stress would need to be in order to jeopardise banks' resilience and challenge their ability to absorb losses and continue to lend. It will therefore cross-check the judgement that the banking system is resilient to a reasonable worst-case stress in the current environment. It will also support the Prudential Regulation Authority's (PRA's) objective of promoting the safety and soundness of PRA-regulated firms. Finally, the results will also be used as an input into the PRA's transition back to its standard approach to capital-setting and shareholder distributions through 2021.

18 – 22 January 2021: Speeches, Letters & Publications

During the week, the BoE released the following speeches, announcements and publications that might be of interest to our readers:

- CP4/21 Financial Services Compensation Scheme: Management Expenses Levy Limit 2021/22 – in this Consultation Paper (CP), the Financial Conduct Authority (FCA) and the PRA set out proposals for the Management Expenses Levy Limit (MELL) for the Financial Services Compensation Scheme (FSCS) for 2021/22

- Capital buffers and Pillar 2A: Modification by Consent and Model Requirements – this is relevant to firms invited to apply for a voluntary requirement (VREQ) under section 55M of the Financial Services and Market Act (2000) in relation to a Pillar 2A requirement, a G-SII buffer or an O-SII buffer
- PS1/21 | CP7/20 Strengthening Accountability: SM&CR: Forms update – this Prudential Regulation Authority (PRA) Policy Statement provides feedback to responses to Consultation Paper (CP) 7/20 'Strengthening Accountability: SM&CR Forms Update'
- Bank of England Weekly Report 20 January 2021
- Minutes of Money Markets Committee meeting 3 December 2020
- Minutes of the Wholesale Distribution Steering Group December 2020
- Bank Liabilities Survey 2020 Q4
- Credit Conditions Survey 2020 Q4
- Article: Changes to publication of capital expenditure and Channel Islands and Isle of Man data January 2021 update – this article provides an update to the proposals to discontinue the collection and publication of statistics for monetary financial institutions' capital expenditure, and balance sheet data for monetary financial institutions located in the Channel Islands and Isle of Man
- How could the recent increase in homeworking affect the economy? – Bank Overground
- Macroprudential policy interactions in a sectoral DSGE model with staggered interest rates – Staff Working Paper No. 904
- Bank of England Flagship Seminar with Professor Lord Nicholas Stern – during the session, Professor Lord Stern discussed the opportunities to create a sustainable recovery, the transition to net zero, and the role and impacts on various economic sectors

Financial Conduct Authority (FCA)

18 – 22 January 2021: Speeches, Letters & Other Publications

During the week, the Financial Conduct Authority (FCA) released the following speeches, announcements and publications that might be of interest to our readers:

- FCA clamps down on consumer investment harm – the FCA published its report that highlights the many ways in which it works to protect consumers from investment harm by stopping and disrupting potentially harmful firms and activities. The report focuses on action taken by the FCA during the first ten months of 2020, when many consumers found their finances under pressure as a result of coronavirus lockdowns and restrictions
- FCA reminds firms to regularly review regulatory permissions – the FCA is reminding firms of their obligation to regularly review regulatory permissions to ensure they are up to date and removed where they are not needed. The FCA expects firms to notify it of material changes and apply to make any necessary changes in a timely way
- Half of reporting firms moved to FCA's new data collection platform – 50% of firms who have previously submitted their regulatory reporting on Gabriel are now using RegData
- Insider dealer Walid Choucair ordered to pay £3.9 million in confiscation – in a case brought by the FCA and heard at Southwark Crown Court, Her Honour Judge Korner, CMG, QC made a consent confiscation order totalling £3,893,964.82 to be paid by Choucair

Financial Reporting Council (FRC)

18 – 22 January 2021: Speeches, Letters & Other Publications

During the week, the Financial Reporting Council (FRC) released the following speeches, announcements and publications that might be of interest to our readers:

- Revision of quality management standards for UK audit firms – Webinar
- Feedback Statement: Business reporting of intangibles – in February 2019, the FRC staff published the Discussion Paper Business Reporting of Intangibles: Realistic Proposals. This feedback statement provides a summary prepared by FRC staff of the views expressed in the responses to the Discussion Paper

European Securities and Markets Authority (ESMA)

20 January 2021: ESMA publishes its latest liquidity stress testing in UCITS and AIFs guidelines compliance table

The European Securities and Markets Authority (ESMA) published its latest liquidity stress testing in UCITS and AIFs guidelines compliance table.

21 January 2021: ESMA updates Guidelines on written agreements between CCP college members

ESMA published the final report on its revised Guidelines regarding written agreements between members of CCP colleges. The revised Guidelines take into account changes to composition, functioning and management of CCP colleges which were introduced by amendments to the regulatory technical standards (RTS) on CCP colleges, and by EMIR 2.2. The objective of the Guidelines is to ensure common, uniform and consistent application of the RTS on CCP colleges and Articles 18 and 19 of EMIR. The Guidelines specifically aim at establishing a standard written agreement to support the smooth functioning of a CCP college.

European Banking Authority (EBA)

18 January 2021: EBA publishes its annual report on Asset Encumbrance

The European Banking Authority (EBA) published its annual report on Asset Encumbrance. According to the report, as COVID-19 spread across Europe and activity in primary markets froze, banks made extensive use of central bank liquidity facilities to build precautionary liquidity buffers. In this context, the asset encumbrance ratio rose substantially in the first half of 2020. The report emphasises that supervisory authorities should pay special attention to the increased reliance on central bank funding.

21 January 2021: EBA publishes final draft technical standards to identify investment firms' risk takers and to specify instruments used for purposes of variable remuneration

The EBA published two final draft Regulatory Technical Standards (RTS) on (i) the criteria to identify all categories of staff whose professional activities have a material impact on the investment firm's risk profile or asset it manages ('risk takers') and (ii) on the classes of instruments that adequately reflect the credit quality of the investment firm and possible alternative arrangements that are appropriate to be used for the purposes of variable remuneration. The objective of these RTS is to define and harmonise the criteria for the identification of such staff and the use of instruments or alternative arrangements for the purposes of variable remuneration so as to ensure a consistent approach across the EU.

European Supervisory Authorities (ESAs)

18 January 2021: ESAs publish final draft ITS on reporting templates for intra-group transactions and risk concentration under FICOD

The European Supervisory Authorities (ESAs) submitted to the European Commission the final Report on the draft Implementing Technical Standards (ITS) under the Financial Conglomerates Directive (FICOD) on reporting templates for intra-group transactions (IGT) and risk concentration (RC). The draft ITS aim at further increasing comparability amongst conglomerates of different EU Member States thereby improving supervisory consistency.

The harmonisation of the IGT and RC templates for conglomerates aim to align the reporting under FICOD in order to enhance convergence overview on group specific risks, in particular contagion risk. The draft ITS provide the foundation for the harmonisation of reporting, with one single set of templates and common definitions and instructions to fill in the templates as set out in the Annex to the ITS. The proposed date of entry into force of the ITS is 1 January 2022, which will give conglomerates sufficient time to implement the reporting requirements.

European Central Bank (ECB)

21 January 2021: ECB releases monetary policy decisions January 2021

In view of the economic fallout from the resurgence of the pandemic, the Governing Council of the European Central Bank (ECB) decided to reconfirm its very accommodative monetary policy stance:

- first, the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will remain unchanged at 0.00%, 0.25% and -0.50% respectively;
- second, the Governing Council will continue the purchases under the pandemic emergency purchase programme (PEPP) with a total envelope of €1,850 billion. The Governing Council will conduct net asset purchases under the PEPP until at least the end of March 2022 and, in any case, until it judges that the coronavirus crisis phase is over. The Governing Council will continue to reinvest the principal payments from maturing securities purchased under the PEPP until at least the end of 2023. In any case, the future roll-off of the PEPP portfolio will be managed to avoid interference with the appropriate monetary policy stance;
- third, net purchases under the asset purchase programme (APP) will continue at a monthly pace of €20 billion. The Governing Council also intends to continue reinvesting, in full, the principal payments from maturing securities purchased under the APP for an extended period of time past the date when it starts raising the key ECB interest rates, and in any case for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation; and
- finally, the Governing Council will continue to provide ample liquidity through its refinancing operations. In particular, the third series of targeted longer-term refinancing operations (TLTRO III) remains an attractive source of funding for banks, supporting bank lending to firms and households. The Governing Council continues to stand ready to adjust all of its instruments, as appropriate, to ensure that inflation moves towards its aim in a sustained manner, in line with its commitment to symmetry.

18 – 22 January 2021: Speeches, Letters & Other Publications

During the week, the ECB released the following speeches, letters and publications that might be of interest to our readers:

- The euro area bank lending survey Q4 of 2020
- Results of the ECB Survey of Professional Forecasters in the first quarter of 2021
- Consolidated financial statement of the Eurosystem
- Letter from the ECB President to Mr Bas Eickhout, MEP, on sustainable finance
- Letter from the ECB President to Mr Gunnar Beck, MEP, on financial stability
- Letter from the ECB President to Mr Chris MacManus, MEP, on a digital euro
- Do bank insiders impede equity issuances? – Working Paper Series
- Measuring the cost of equity of euro area banks – Occasional Paper Series
- What are provisions and non-performing loan (NPL) coverage? – Supervision Explained

European Systemic Risk Board (ESRB)

21 January 2021: ESRB publishes insights report on preparing for post-pandemic rise in corporate insolvencies

The European Systemic Risk Board (ESRB) published an insights report on preparing for the post-pandemic rise in corporate insolvencies. In this report, the authors provide an assessment of the current outlook for corporate insolvencies and the key trade-offs faced by policymakers, with a particular focus on macroprudential issues. The report first provides a brief summary of the economics of insolvency. The report then summarises the current economic situation. Based on this analysis, the report discusses the trade-offs faced by policymakers in dealing with a potential wave of corporate insolvencies. Finally, the report concludes with a brief discussion of longer-term structural issues related to insolvency law in the EU. The views expressed in this insights report are those of the authors and do not represent the views of other members of the Advisory Scientific Committee, the official stance of the ESRB or of its member organisations.

European Commission (EC)

19 January 2021: EC presents new strategy to stimulate openness, strength and resilience of EU's economic and financial system for years to come

The European Commission (EC) presented a new strategy to stimulate the openness, strength and resilience of the EU's economic and financial system for the years to come. This strategy aims to better enable Europe to play a leading role in global economic governance, while protecting the EU from unfair and abusive practices. This goes hand in hand with the EU's commitment to a more resilient and open global economy, well-functioning international financial markets and the rules-based multilateral system.

This proposed approach is based on three mutually reinforcing pillars:

1. Promoting a stronger international role of the euro by reaching out to third-country partners to promote its use, supporting the development of euro-denominated instruments and benchmarks and fostering its status as an international reference currency in the energy and commodities sectors, including for nascent energy carriers such as hydrogen. The issuance of high-quality euro-denominated bonds under NextGenerationEU will add significant depth and liquidity to

the EU's capital markets over the coming years and will make them, and the euro, more attractive for investors. Promoting sustainable finance is also an opportunity to develop EU financial markets into a global 'green finance' hub, bolstering the euro as the default currency for sustainable financial products. In this context, the Commission will work to promote the use of green bonds as tools for the financing of energy investments necessary to reach the 2030 energy and climate targets. The Commission will issue 30% of the total bonds under NextGenerationEU in the form of green bonds. The Commission will also look for possibilities to expand the role of the EU Emission Trading System (ETS) to maximise its environmental outcome and to support ETS trading activity in the EU. In addition to all this, the Commission will also continue supporting the work of the European Central Bank (ECB) on a possible introduction of a digital euro, as a complement to cash;

2. Further developing EU financial market infrastructures and improving their resilience, including towards the extraterritorial application of sanctions by third countries. The Commission, in cooperation with the ECB and the European Supervisory Authorities (ESAs), will engage with financial-market infrastructure companies to carry out a thorough analysis of their vulnerabilities as regards the unlawful extraterritorial application of unilateral measures by third countries and take action to address such vulnerabilities. The Commission will also establish a working group to assess possible technical issues related to the transfer of financial contracts denominated in euro or other EU currencies cleared outside the EU to central counterparties located in the EU. In addition to this, the Commission will explore ways to ensure the uninterrupted flow of essential financial services, including payments, with EU entities or persons targeted by the extra-territorial application of third-country unilateral sanctions; and

3. Further promoting the uniform implementation and enforcement of the EU's own sanctions.

The strategy also acknowledges the unprecedented recovery plan 'Next Generation EU' that the EU adopted to tackle the COVID-19 pandemic and to help Europe's economies recover and embrace the green and digital transformations.

20 January 2021: EC launches targeted consultation on establishment of European single access point (ESAP) for financial and non-financial information publicly disclosed by companies

The EC launched a targeted consultation on the establishment of a European single access point (ESAP) for financial and non-financial information publicly disclosed by companies. The purpose of this targeted questionnaire is to seek general and technical views on the way to establish an ESAP for companies' financial and sustainable investment-related information made public pursuant to EU legislation. The establishment of the ESAP is the first action in the Commission's new action plan on the capital markets union (CMU). The EU legislation in the financial services area requires companies to publish several hundreds of documents, particulars and datasets in order to increase the transparency and reduce asymmetry of information. These datasets may have regard to e.g., an entity's financial performance, environmental, social or governance matters, products and services provided.

The target groups of this consultation are:

- preparers: companies, issuers, SMEs, asset managers, private entities, market participants, etc;
- users: investors, analysts, asset managers, consumers, NGOs, data vendors, credit risk assessment entities, banks, etc;
- regulators: authorities, governments, European Authorities, National Competent Authorities, EFRAG ECB, etc;
- registers / repositories: OAMs, trading venues, ESMA, business registers, etc; and
- stakeholders with vested interest: software vendors, standard setters, data vendors, e-identifiers, accounting firms, certain not for profit organisations, academia, etc.

Responses should be submitted through the online questionnaire, and the consultation is open until 3 March 2021.

18 – 22 January 2021: Speeches, Letters & Other Publications

During the week, the EC released the following speeches, announcements and publications that might be of interest to our readers:

- Questions and Answers: Fostering the openness, strength and resilience of Europe's economic and financial system
- Remarks by Commissioner McGuinness at the press conference on the fostering the openness, strength and resilience of Europe's economic and financial system
- Remarks by Commissioner Gentiloni at the press conference on the fostering the openness, strength and resilience of Europe's economic and financial system
- Remarks by Executive Vice-President Dombrovskis at the press conference on the fostering the openness, strength and resilience of Europe's economic and financial system
- Commissioner McGuinness' remarks at UN Roundtable on Extractive Industries and Sustainable Development in the UNECE region
- Joint statement by the European Commission and the European Central Bank on their cooperation on a digital euro
- Commission sets out key actions for a united front to beat COVID-19 – ahead of the meeting of European leaders on a coordinated response to the COVID-19 crisis, the Commission set out a number of actions needed to step up the fight against the pandemic
- Remarks by Commissioner Stella Kyriakides at the press conference on key actions for a united front to beat COVID-19
- European Business Cycle Indicators 4th Quarter 2020 – this edition of the EBCI takes a closer look at the results of the autumn 2020 EU investment survey in the manufacturing sector
- What Types of Firms Become Illiquid as a Result of COVID-19? A Firm-Level Perspective Using French Data – this paper looks at the capacity of French firms to weather the COVID-19 crisis by considering characteristics such as cash reserves, operational flexibility and policy intervention
- Commission releases statement on consulting Member States on proposal to further prolong and adjust State aid Temporary Framework – the Commission sent to Member States for consultation a draft proposal to prolong until 31 December 2021 and further adjust the scope of the State aid Temporary Framework, initially adopted on 19 March 2020 to support the economy in the context of the coronavirus outbreak
- Commission approves €300 million Austrian scheme to support organisers of events affected by coronavirus outbreak
- Commission approves €12 billion German umbrella scheme to compensate companies for damages suffered due to coronavirus outbreak
- Commission approves €1.9 billion Polish scheme to support companies affected by coronavirus outbreak

Central Bank of Ireland (CBI)

22 January 2021: CBI publishes first Quarterly Bulletin of 2021

The Central Bank of Ireland (CBI) published the first Quarterly Bulletin of 2021. According to the CBI, the outlook for the economy will continue to depend on the future path of the virus and, in the near-term, on the measures to contain its renewed spread. Beyond that, it is assumed that economic activity will benefit from the accumulating positive impact of successful and widening deployment of vaccines. Additionally, while the EU-UK Trade and Cooperation Agreement (EU-UK TCA) will introduce new trade frictions which will impede growth in the Irish economy, the outlook, both for exports and for overall economic activity, has improved compared to the prospects under a no-deal Brexit. The Bulletin presents a baseline scenario representing the CBI's view of the most likely outlook for the economy, contingent on assumptions regarding Covid-19 developments, which are subject to exceptional levels of uncertainty.

Swiss Financial Market Supervisory Authority (FINMA)

18 – 22 January 2021: Speeches, Letters & Other Publications

During the week, the Swiss Financial Market Supervisory Authority (FINMA) released the following speeches, letters and publications that might be of interest to our readers:

- FINMA investigates responsibility of Julius Baer managers regarding violations of anti-money laundering regulations – FINMA has investigated the responsibility of individuals for serious anti-money laundering failings at Julius Baer. It has decided to initiate proceedings in one case and not to open proceedings in another case following a declaration of resignation. FINMA reprimanded two people in writing

Autorité des Marchés Financiers (AMF) of France

20 January 2021: AMF clarifies relationship between new obligations under Sustainable Finance Disclosure Regulation (SFDR) and national requirements, and position-recommendation DOC-2020-03 on information to be provided by collective investment schemes integrating non-financial approaches

The Autorité des Marchés Financiers (AMF) released detailed information to clarify the relationship between new obligations under the Sustainable Finance Disclosure Regulation (SFDR) and national requirements, and the position-recommendation DOC-2020-03 on the information to be provided by collective investment schemes integrating non-financial approaches. The AMF is working actively with market participants, its counterparts and European institutions to facilitate the implementation of the new European framework.

18 – 22 January 2021: Speeches, Letters & Other Publications

During the week, the AMF released the following speeches, announcements and publications that might be of interest to our readers:

- "Reshaping the regulatory framework: 2021 and beyond" – Speech by AMF Managing Director, Natasha Cazeneve highlighting the AMF's support and position for key legislative reviews scheduled in 2021 such as MiFID II research rules, the EU Green Deal, sustainable finance, ESG disclosure and the EU's Digital Finance Package
- AMF applies the ESMA guidelines on performance fees – the AMF published a position DOC-2021-01 to incorporate the ESMA guidelines on performance fees in undertakings for collective investment in transferable securities (UCITS) and certain types of alternative investment funds (AIFs). The objective of these guidelines is to promote greater convergence and standardisation in the area of performance fees and to encourage convergent supervision by competent authorities. They are intended, in particular, to ensure that the performance fee models used by asset management companies comply with the principles of acting honestly and fairly in conducting their business activities and with due skill, care and diligence, in the best interests of the fund they manage, thereby preventing undue costs being imposed on the fund and its investors. In addition, they aim to establish a common standard for the disclosure of performance fees to investors
- Brexit: continuity of intermediation activities – the AMF is reminding industry participants that with the loss of European passporting rights, entities based in the United Kingdom are no longer authorised to provide investment services in the European Economic Area, unless they have set up an authorised branch or subsidiary in the European Economic Area. The AMF is also stressing that entities that have relocated to the European Economic Area must have sufficient personnel to ensure prudent risk management and effective supervision of their activities
- AMF updates its General Regulation and guidelines on anti-money laundering and combating terrorist financing – the AMF updated Book III of its General Regulation and the four guidelines that make up its policy on anti-money laundering and combating terrorist financing (AML-CFT). This is to take account of the impact of the legislative and regulatory changes made in connection with the transposition of the fifth anti-money-laundering directive and to make a number of adjustments
- AMF postpones the effective date of the authorisation withdrawal of the asset management company Nestadio Capital – during its 17 December 2019 meeting, the AMF Board noted that the company was no longer complying with the terms of its authorisation. The AMF Board therefore decided to withdraw its authorisation as a portfolio asset management company. However, given the impossibility to complete a transfer or liquidation of the private equity funds managed by Nestadio Capital before 31 December 2020, the deadline of the authorisation withdrawal of the asset management company has been extended to 30 June 2021

Commission de Surveillance du Secteur Financie (CSSF)

20 January 2021: CSSF delays application of European Single Electronic Format (ESEF) requirements in relation to annual financial reports by one year

The Commission de Surveillance du Secteur Financier (CSSF) announced that it is delaying by one year the application of the European Single Electronic Format's (ESEF) requirements in relation to annual financial reports. For issuers subject to the Transparency Law in Luxembourg, this means that the requirements of the ESEF will, therefore, apply to the annual financial reports for periods beginning on or after 1 January 2021. For periods preceding that date, issuers may apply the ESEF requirements on a voluntary basis. Initially, the regulatory technical standards (RTS) on the ESEF were intended to apply to all annual financial reports drawn up in accordance with Article 3 of the Transparency Law for financial years beginning on or after 1 January 2020.

18 – 22 January 2021: Speeches, Letters & Other Publications

During the week, the CSSF released the following circulars, speeches, letters and publications that might be of interest to our readers:

- CSSF publishes its Newsletter No. 240 – discover the latest publications of the CSSF and the statistics relating to the financial sector

Financial Stability Board (FSB)

20 January 2021: FSB sets out its 2021 work programme

The Financial Stability Board (FSB) published its work programme for 2021. The work programme reflects a strategic shift in priorities in the COVID-19 environment. The work programme aims to maximise the value of FSB work to foster global financial stability while preserving the FSB's capacity to respond to new issues that may emerge.

Important FSB work programme items, which include key deliverables to the G20 Italian Presidency, are:

- international cooperation and coordination related to COVID-19: the FSB, through its cross-sectoral membership, will continue to promote financial stability during market stress related to COVID-19;
- non-bank financial intermediation (NBFI): the FSB will take forward the ambitious work programme for strengthening the resilience of NBFI laid out in its holistic review of the March market turmoil;
- central counterparty (CCP) resilience, recovery and resolvability: the FSB will, in cooperation with the Committee on Payments and Market Infrastructures (CPMI) and International Organization of Securities Commissions (IOSCO), consider the need for, and develop as appropriate, international policy on financial resources in recovery and resolution to further strengthen the resilience and resolvability of CCPs;
- cross-border payments: the FSB will complete a number of actions under the FSB roadmap to enhance cross-border payments. It will also continue discussions of regulatory and supervisory approaches with respect to global 'stablecoins';
- climate change and sustainable finance: the FSB will explore ways to promote globally comparable, high-quality and auditable standards of disclosure based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The FSB will also work on regulatory and supervisory approaches to addressing climate risks at financial institutions;
- interest rate benchmarks: the FSB will continue to support transition away from LIBOR to more robust benchmarks by end-2021, and report on progress to the G20; and
- cyber and operational resilience: the FSB will explore the scope for convergence in the regulatory reporting of cyber incidents and the need for revisions to the FSB Cyber Lexicon.

International Capital Market Association (ICMA)

18 – 22 January 2021: Speeches, Letters & Other Publications

During the week, the International Capital Market Association (ICMA) released the following speeches, letters and publications that might be of interest to our readers:

- ICMA publishes its response to the FCA's consultation on proposed policy with respect to the exercise of the FCA's powers under new Article 23D, which would give FCA enhanced powers, in particular, in relation to managing the orderly wind-down of critical benchmarks that are no longer representative
- Podcast: COVID-19 and accelerating structural change with Paul Donovan, UBS Wealth Management – Paul Donovan, Global Chief Economist of UBS Wealth Management, talks to Martin Scheck, ICMA about how COVID-19 is accelerating structural change making a return to the status quo unlikely. Also discussed are the differing patterns of consumption in the USA and Europe, and how they are affecting economic recovery, the forces currently restraining investment spending and prospects for the 'roaring 20s

Other Updates

We would like to bring to our ELFA readers' attention the following regulatory updates from regulators and associations we are not currently monitoring:

21 January 2021: IRSG sets out its key areas of focus in financial services for UK's presidency of G7 this year

The International Regulatory Strategy Group (IRSG) has set out its key areas of focus in financial services for the UK's presidency of the G7 this year. According to the IRSG, the recovery from the COVID-19 pandemic, climate change and digital agenda will all be central to the UK's presidency. The IRSG recognises the importance of the UK of demonstrating global leadership on these vital issues by fostering international cooperation. With this in mind, the IRSG developed a financial services roadmap for UK's G7 presidency, to ensure that it tackles the most pressing challenges for the global economy. The roadmap advocates four areas of focus for the UK: global regulatory coherence for pandemic recovery, leadership on climate agenda ahead of COP26, digital policy continuity, including on digital taxation, and alignment with G20 global policy priorities.

25 January 2020

In the News

During the week, the Financial Times and Thomson Reuters published the following news that might be of interest to our readers.

Financial Times

- Climate change, regulation, diversity and Covid top 2021 'to-do' lists
  "They must also tackle challenges including responding to climate change, growing investor interest in environmental, social and governance issues, diversity in the aftermath of racial injustice protests and regulatory changes. These issues are on top of ensuring that the fundamental task of delivering attractive risk-adjusted returns are not neglected at a time when concerns are mounting over the impact of central bank interventions on financial markets. FTfm asked the CEOs of some leading asset managers about their top priorities for 2021"

- Verisure taps frothy bond markets for €1.6bn private equity payout
  "Sweden's Verisure has tapped in to that scramble among investors to raise €4.4bn of new bonds and loans. The deal will refinance existing debt and fund the sizeable payout, which will benefit majority shareholder Hellman & Friedman and other owners including Singaporean sovereign wealth fund GIC. It will mark one of Europe's biggest dividend recapitalisations, where companies take on more debt to hand money to their owners"

- Financial scam compensation bill to cost £1bn next year
  "UK financial services companies face an annual bill of more than £1bn to fund compensation for the collapse of London Capital & Finance, coronavirus-related business failures, and pension scams. On Friday, the Financial Services Compensation Scheme — the lifeboat funded by banks, insurers, asset managers and financial advisers — said its levy on financial services providers would rise to £1.04bn in 2021/22, a 48 per cent increase on the previous financial year"

- UK dividends set to remain depressed in 2021, says report
  "Income investors face a bleak outlook in 2021, as dividends are expected to recover by just 8 per cent from their lows of last year. UK dividends were hit hard during the pandemic, falling by 44 per cent as companies rushed to conserve cash as a bulwark against volatility and business disruption. Company payouts are not expected to return to the record highs of 2019 until at least 2025, according to research by Link Group, an investor services business"

- More than half of UK chiefs lose bonuses after pandemic shock
  "More than half the chief executives of UK companies that have already reported 2020 figures received no bonus, as boards moved to counter investor criticism that bosses profited while businesses were hit by the pandemic. Annual bonuses of the 45 companies that reported in the second half of 2020 were significantly lower than the previous year, according to an analysis by Deloitte. More than half paid no bonuses at all, while salary and pension allowances for executive directors also fell, Deloitte found"

- BlackRock, Aegon and Columbia Threadneedle fail 'fee disclosure' test
  "BlackRock has appeared on a list of investment companies failing to disclose fees adequately to some pension clients, more than three years after the fund manager worked with the UK regulator to improve fee transparency for the sector. BlackRock, which has $8.7tn of assets under management, was among 29 fund managers assessed as not meeting minimum standards to help pension trustees get a handle on costs"

- Cineworld facing revolt over proposed £65m CEO bonus scheme
  "Cineworld, the cinema chain that has been severely hit by the pandemic, is facing a shareholder rebellion over a proposed bonus scheme that could award its chief executive up to £65m"

- London Capital & Finance investors entitled to payouts, court told
  "Retail investors who lost £236m in the collapse of London Capital & Finance are entitled to payouts that were refused to them by the UK financial compensation scheme, the High Court in London was told"

- UK coach sector warns of deepening crisis amid schools closures
  "UK coach operators have warned that the rate of business failures is accelerating following the closure of schools during the latest coronavirus lockdown and the government's refusal to provide any tailored support to the sector"

- Wetherspoon taps investors for second time in pandemic
  "Wetherspoon, the UK pub company, has become the first UK hospitality group to tap shareholders for fresh funds twice during the pandemic while it battles to survive lockdown closures. The group said on Tuesday that it would look to raise around £93m through an accelerated share placing as it faced uncertainty over the length of the current lockdown and the restrictions that pubs would have to trade under once they reopened"

- UK warehouse investment hits record high as shoppers shift online
  "The flow of money into the UK's retail logistics sector hit a record high last year, as investors sought to ride a boom in ecommerce and shift cash from struggling office properties and shopping centres"

- John Lewis repays £300m Covid funding and raises FY guidance
  "John Lewis has repaid £300m that it borrowed from the Bank of England's coronavirus pandemic loan scheme earlier than scheduled, after trading in the run-up to Christmas was more resilient than the retailer had expected"

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- [Moonpig confirms London IPO with £1.2bn valuation target]
  "Moonpig has confirmed plans to float in London next month, with the greeting cards company targeting a valuation of up to £1.2bn. The internet retailer, which in 2016 was bought by private equity firm Exponent, has been boosted by the pandemic, as shop closures pushed people to buy online and social-distancing rules preventing celebratory meetups prompted many to send cards and gifts instead"

- [Premier Foods profits set to jump as consumers stick to familiar brands]
  "The company will redeem £40m of bonds in February, after disposing of its stake in the Hovis bread brand for £37m late last year"

- [ECB to review format of private calls by chief economist to investors]
  "The European Central Bank is to review the format of private calls its chief economist has held with financial market participants, including Goldman Sachs, JPMorgan Chase and BlackRock, to discuss its monetary policy decisions"

- [France's central bank has pledged to green its balance sheet]
  "The Banque de France earlier this week promised to green the €22bn-worth of assets that it does not hold for monetary policy purposes — which mainly consists of a €14bn pension fund for its employees, along with some other portfolios it manages"

- [How Couche-Tard's ambitious bid for France's Carrefour was cut down]
  "Just 24 hours after the companies revealed they were in talks, French finance minister Bruno Le Maire declared his opposition, calling Carrefour a key link in the chain that ensures the food security of the French people. With its grip on a deal slipping, Couche-Tard, a $33bn group which operates convenience stores and petrol stations in North America and Europe, scrambled"

- [Air France-KLM still struggles amid Franco-Dutch illusions]
  "Politicians must stop obsessing over national icons and let airline become more efficient"

- [Deutsche probes alleged mis-selling of investment banking products]
  "Deutsche Bank is investigating whether its staff mis-sold sophisticated investment banking products to clients in breach of EU rules and then colluded with individuals within these companies to share the profits"

- [German online retailer Mytheresa valued at $3bn after US listing]
  "Mytheresa, the German online luxury retailer, was valued at $3bn after an initial public offering in New York on Thursday, capping an extraordinary leap in its valuation over the past two years and validating hedge funds that fought vicious legal battles for a piece of the company"

- [Birkenstock explores sale to private equity group CVC]
  "Birkenstock, the family-owned German company known for its sturdy sandals, is exploring a sale to private equity group CVC in a deal that may value it at more than €4bn including debt. Buyout group Permira and at least one other private equity group have also expressed interest in buying Birkenstock, people briefed on the matter said"

- [Netflix signals stock buybacks to come as subscribers hit 200m]
  "Netflix will no longer raise debt to fund its spending spree on television shows and films and may begin returning money to shareholders through buybacks, marking a milestone in the company's evolution as it reported it had passed 200m subscribers"

- [Carnival extends cruise suspensions and cancellations]
  "The world's largest cruise operator Carnival has extended its suspension of all US departures until the end of April and cancelled its Australian operations until mid May in response to rising Covid-19 cases around the world. It has also cancelled European cruises on its Carnival Legend ship, which had been due to run from May until October, and pushed back the launch of its Mardi Gras ship from Port Canaveral in Florida to May 29"

- [Listed private capital: Dyal it up]
  "The Spac merger values Blue Owl at 22 times earnings and allows previous investors to take $1.5bn off the table. That is a nice result for the pair, both of which were formed in the past decade. Taking cash now for the promise of future results, no matter how certain, is the best possible outcome for those involved"

- [Office Depot rejects $2.1bn takeover bid from rival Staples]
  "The owner of Office Depot has rebuffed a $2.1bn takeover bid from its larger rival Staples, saying it was open instead to negotiating a more limited deal between the two largest US bricks-and-mortar stationery retailers"

- [Fitch invests in AI start-up to improve bank misconduct detection]
  "Fitch Ratings has struck a partnership with a US artificial intelligence start-up as it seeks to improve its early detection of misconduct after a spate of high-profile banking scandals around the world. Fitch, one of the big three credit rating agencies globally, last year helped lead a $6m funding round for New York-based Sigma Ratings which runs software that scours publicly available information for corporate governance risks. It is now a minority owner of the business"

- [What will Biden's SEC pick mean for ESG?]
  "But his familiarity with environmental, social and governance investing and climate change is less clear. He has not expressed a clear position on mandatory ESG or climate change corporate disclosures"

25 January 2020

- BlackRock's sustainability 'report card' one year from Fink's annual letter
  "Still, many of their most vocal critics have been positive about BlackRock's progress over the year, even if they believe there is still work to be done. As Ms Howarth says: BlackRock is capable of so much influence and impact. It is our job to keep challenging and keep the heat on them"

- Sustainable ETF assets jump but most funds fall short on UN goals
  "Assets in exchange traded funds that claim to invest according to environmental, social and governance principles recorded exponential growth in 2020, but only a fraction of those ETFs were aligned with sustainable development goals developed by the UN, research shows"

- Hedge fund industry assets surge to record $3.6tn
  "Hedge fund assets hit a record last year as the industry delivered its best performance in more than a decade during the most tumultuous year for markets since the 2008 financial crisis. Assets surged $290bn during the final three months of the year, marking the biggest-ever quarterly jump and bringing total assets under management to a record $3.6tn, according to data provider HFR"

- Picking hedge fund winners turns harder for investors
  "The problem, however, comes when investors have to decide which funds to put their money in. Far more than in most years, being in the right place at exactly the right time in 2020 really determined a manager's fortunes, rather than an ability to dissect a balance sheet and build a pricing model"

- Goldman chief executive says Spac boom is unsustainable
  "David Solomon, Goldman Sachs chief executive, says the boom in listings of blank-cheque companies on Wall Street is unsustainable, casting doubt on a financing tool used to raise nearly $79bn from investors last year"

- Sorry, but debt forgiveness is not going to happen
  "One might argue that, with central banks' buying sprees including ever more corporate debt, mortgage-backed securities and other assets, at some point enough debt from all economic sectors will be held by them that we can then cancel debt across the board"

- Emerging markets attract $17bn of inflows in first three weeks of 2021
  "Investors have piled billions of dollars into emerging market assets at the start of 2021 after a banner end to last year, showing how the flood of central bank stimulus continues to drive a frantic hunt for returns"

- Majority of EM bonds remain off limits to passive investors
  "Passive investors in emerging market bonds have access to only a fraction of available securities, resulting in a lack of diversification and the potential that damaging inflows and outflows will be intensified, analysis suggests"

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Thomson Reuters

- Where do Bank of England officials stand on negative rates?
  "The Bank of England is due to publish on Feb. 4 feedback from banks about what negative interest rates would mean for their operations, a first stage of the BoE's consideration of the pros and cons of taking borrowing costs below zero. Members of the BoE's nine-strong Monetary Policy Committee have expressed differing views on whether negative rates - something already used by central banks in the euro zone, Japan and other countries - would help or hinder the British economy"

- BoE's Haldane sees UK economy recovering 'at a rate of knots'
  "Bank of England chief economist Andy Haldane said on Tuesday that he expected Britain's economy to begin to recover at a rate of knots from the second quarter of this year, as vaccines against COVID-19 are rolled out"

- Hedge fund Kyma Capital to take Vedanta dispute to U.S. regulators
  "Kyma Capital, founded by former Blackstone trader Akshay Shah, is set to complain to U.S. regulators in a dispute with Indian billionaire Anil Agarwal over nearly $1 billion in loans by Vedanta Limited to its parent company, a source familiar with the matter told Reuters"

- Bankers call for 'hybrid' shares to plug COVID corporate capital gap
  "European companies hit by COVID-19 could issue "hybrid" shares to plug a predicted capital gap of up to 600 billion euros ($723.48 billion) when government relief measures expire as vaccination programmes are rolled out, a report said"

- Britain's airlines, airports, aviation manufacturers ask government for help again
  "Britain's airlines, airports and aviation manufacturers pleaded for immediate financial support from the government and a longer-term recovery plan after COVID-19 stopped travel and new testing requirements dashed bounce-back hopes"

- British Airways-owner IAG buys Air Europa in cut-price 500 million euro deal
  "British Airways and Iberia owner International Airlines Group has agreed to buy Spain's Air Europa for 500 million euros ($606.7 million), after the pandemic cut the price in half and IAG struck a deal to defer payment for six years. Under the amended deal, Iberia, which is buying Air Europa on behalf of IAG, will not pay the 500 million euros until the sixth anniversary of the acquisition's completion, the companies said in a statement"

- UK's John Lewis lifts profit guidance after resilient Christmas
  "Britain's John Lewis Partnership lifted its annual profit forecast, saying trading held up better than it expected during the Christmas period, indicating the strength of its Waitrose supermarket chain and online offering during lockdowns"

- Euro zone pledges continued fiscal support against COVID, to work on recovery plans
  "Euro zone finance ministers pledged continued fiscal support for their economies on Monday and discussed the design of post-pandemic recovery plans as the European Commission warned the COVID crisis was making the bloc's economic imbalances worse"

- Euro zone banks to tighten access to credit further in Q1 – ECB
  "Euro zone banks expect to tighten access to credit further in the first quarter of this year, the European Central Bank's quarterly lending survey showed on Tuesday, just as pandemic-related lockdown measures force many firms to rely on emergency cash"

- EU seeks to cut reliance on U.S. dollar, other financial centres
  "The European Commission said on Tuesday it would seek to boost the international role of the euro and build European financial infrastructure so that the EU becomes more independent of outside financial centres and the dominance of the U.S. dollar"

- ECB keeps copious stimulus measures unchanged
  "The European Central Bank left its ultra-easy policy unchanged as expected on Thursday but kept the door open to more stimulus as the outlook sours amid a spreading COVID-19 pandemic. Having extended support well into next year with a massive stimulus package in December, the ECB is already providing nearly all the help it can and the flexibility built into its measures allows the bank to ramp up bond purchases without a fresh decision by policymakers"

- ECB's Lagarde rejects 'spread manipulator' tag
  "European Central Bank President Christine Lagarde batted back suggestions the ECB was actively capping bond yields or spreads for certain governments, saying on Thursday it was looking at more than one gauge of funding costs when conducting policy"

- ECB to delve into what 'favourable financing' means as questions mount: sources
  "European Central Bank policymakers are set to delve deeper at their next meeting into how they measure borrowing costs in the virus-hit euro zone economy after failing to reach an agreement this week, four sources told Reuters"

- EU exploring 7-yr, 30-yr bonds for SURE issuance-sources
  "The European Union is sounding out investors to issue seven- and 30-year bonds for its first debt issuance of the year backing the SURE unemployment scheme, three market sources told Reuters"

- Analysis: Ultra long bonds are back in force as rock-bottom rates create sweet spot
  "More governments are selling bonds that mature in 30, 50 and even 100 years' time, capitalising on rock-bottom borrowing costs and a willingness among investors to look past risks for the sake of slightly higher yields"

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- EU needs 'masterplan' to grab euro finance from London
"The European Union needs a masterplan to move euro financial services from London to the bloc if it wants to expand the single currency's role in a global economy dominated by the U.S. dollar, a senior EU lawmaker said"

- German financial watchdog warns weak banks may not survive pandemic
"Some individual banks that were very weak before the coronavirus pandemic may not survive the crisis, the head of Germany's financial watchdog said on Tuesday. Felix Hufeld, president of BaFin, said that on the whole Germany's banking industry was nevertheless relatively healthy"

- State support stops pandemic sinking one in ten German firms -IMF
"Government support is keeping roughly one in ten German companies afloat that would otherwise have gone bust during the coronavirus pandemic, the International Monetary Fund has found. In a report that on Tuesday laid bare the scale of economic damage masked by state aid, the Fund also warned that, once support was unwound, bankruptcy could soar, potentially weakening Germany's banks"

- Monte dei Paschi struggles to lure suitors to data room: sources
"State-owned Italian bank Monte dei Paschi di Siena has seen no potential bidders come forward yet to scrutinise confidential data after opening its books to suitors on Monday, two sources familiar with the matter said"

- Investors buy $2 bln in Gazprom Eurobond, shrugging off Nord Stream 2 sanctions
"Russian gas giant Gazprom is placing 8-year Eurobond worth $2 billion, Gazprombank said on Wednesday, amid strong demand, an indicator that investors saw limited risk from sanctions pressure on the Nord Stream 2 project"

- Swiss propose complete privatisation of PostFinance
"The Swiss government proposed on Wednesday the complete privatisation of post office bank PostFinance after an initial plan to sell only a minority stake ran into resistance. The idea is to ease pressure on the systemically important bank by letting it compete in the lending market, at a time when negative Swiss interest rates are weighing on its results"

- Norwegian Air gets government backing for survival plan
"Norway backed Norwegian Air's survival plan on Thursday as Industry Minister Iselin Nyboe said that the government had no intention of being a shareholder but would stump up cash if private investors did too"

- Outlook darkens for Wall Street as Biden's regulators take shape
"Wall Street may be facing an uncomfortable four years after President-elect Joe Biden's team confirmed on Monday it planned to nominate two consumer champions to lead top financial agencies, signaling a tougher stance on the industry than many had anticipated"

- Analysis: Yellen-backed policies set to aid risk assets, raise longer-term worries
"Treasury Secretary nominee Janet Yellen's unequivocal support for a pandemic rescue plan cuts both ways for investors, fueling optimism that the rally in risk assets will continue while bolstering concerns over a massive runup in government debt"

- Market likely to push back after Yellen revives idea of 50-year bonds
"Any proposal by the U.S. Treasury Department to sell 50-year bonds may face push-back from dealers and investors, who have not shown enthusiasm for suggestions that the United States sell ultra-long debt, analysts said"

- Analysis: Rising U.S. bond market inflation gauge masks extent of pandemic shock
"A surge in the bond market's best gauge of how much inflation investors expect in the years ahead could be underestimating how long the economic shock from the pandemic will last, even if the new Joe Biden administration pushes its proposed massive stimulus package through Congress quickly"

- Under government pressure, big U.S. lenders rush to launch more pandemic loans: sources
"The Paycheck Protection Program (PPP) reopens to large lenders on Tuesday, with many big banks including JPMorgan Chase & Co, Wells Fargo & Co and Bank of America, ready to start accepting applications, their representatives said"

- Big U.S. banks hunger for loans, capital relief as deposits pile up
"A swell of deposits during the coronavirus pandemic has put big U.S. banks on the back foot, with executives saying they hope regulators provide relief on rules that punish bloated balance sheets until loan demand snaps back. JPMorgan Chase & Co, Bank of America Corp and Citigroup took in more than $1 trillion in deposits last year, compared with a $92 billion increase in 2019"

- Bank of America eyes loan growth after first decline in six years
"Bank of America Corp executives said on Tuesday they were optimistic the bank could return to loan growth this year, after the coronavirus pandemic caused its loan book to shrink on an annual basis for the first time since 2014"

- Goldman Sachs profit surges on M&A, trading boost
"Goldman Sachs Group Inc reported a 153% jump in fourth-quarter profit on Tuesday, powered by another blowout performance at its core bond trading and underwriting business and an uptick in merger and acquisition activity"

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- Morgan Stanley serves up best of two weird worlds
  "Morgan Stanley has a foot in two worlds, both of them distorted in ways that help the Wall Street firm. On Wednesday the company run by James Gorman reported a 57% increase in earnings over 2020, driven by a surge in its stock and bond trading business. Banks can't rely on a repeat of that, but a stock-fueled M&A spree leaves Morgan Stanley well placed for what comes after"

- New York emerges winner as Brexit pushes swaps trading from London
  "Britain's exit from the European Union has pushed swathes of derivatives trading from London to the bloc and the United States in a further blow to the capital's financial sector"

- United Airlines says well-placed for post-pandemic growth as rivals shed big planes from fleets
  "United Airlines said on Thursday it expects to be a big winner of post-pandemic international travel as other airlines retire large planes or retreat from long-haul markets"

- Brazilian asset manager Vinci expects $1 billion valuation in Nasdaq IPO
  "Brazilian asset manager Vinci Partners Investments plans to raise up to $250 million and reach a $1 billion valuation in an initial public offering on Nasdaq, according to a securities filing"

- Biden's environmental policies impact on Asia
  "Biden has promised that under his administration the US will take the lead on climate issues, both at home and on the global stage. Such a change of tack for the US would have significant implications around the world, with much of the benefit being felt in Asia, and almost certainly accelerate current trends in sustainable finance and investingBiden has promised that under his administration the US will take the lead on climate issues, both at home and on the global stage. Such a change of tack for the US would have significant implications around the world, with much of the benefit being felt in Asia, and almost certainly accelerate current trends in sustainable finance and investing"

- Climate and ESG risks hurting 60% of developing countries' ratings -Moody's
  "Roughly 60% of developing countries' sovereign credit ratings are now negatively affected by environmental, social or governance (ESG) factors, Moody's said in a report on Monday. Referring to 144 countries it rates globally, Moody's said risks range from climate change and the global push away from polluting fossil fuels to aging populations, social unrest and the actions and credibility of the governments in charge"

- U.S. ban on China firms could affect $60 billion of bonds: JPMorgan
  "U.S. curbs on investors owning securities from a number of Chinese companies could affect as much as $60 billion worth of bonds and spark hefty outflows through forced selling, JPMorgan wrote in a note to clients"

- Irresistible? Pension funds plot move on China's $16 trillion bond market
  "China's $16 trillion bond market is the proverbial elephant in the investment room. But it's becoming too big to ignore, even for the most risk-averse Western investors"

- Chinese banks dispose of $467 billion soured assets in 2020, pressure remains
  "China's banking sector disposed of 3.02 trillion yuan ($466.6 billion) in non-performing assets in 2020, its top banking and insurance watchdog said on Friday, up more than 50% from a year ago"

- Analysis: China's would-be chip darling Tsinghua Unigroup bedevilled by debt and bad bets
  "Tsinghua Unigroup, a Chinese conglomerate that has long sought to become a semiconductor powerhouse, is now caught between a rock and a hard place as debt woes mount while key chip units are failing to thrive, sources with knowledge of the matter said"

- China's Evergrande to redeem $2 bln of convertible bonds early
  "Indebted Chinese property developer Evergrande Group said on Monday it would redeem early HK$16.1 billion ($2.1 billion) of convertible bonds maturing in 2023, in a move one analyst said was a sign investors had sought early repayment"

- AirAsia Group to raise up to $113 million via private placement
  "AirAsia Group plans to undertake a private placement to raise up to 454.5 million ringgit ($113 million) to address immediate and near-term cash flow requirements, the Malaysian budget airline group said"

- DHFL creditors vote in favour of Piramal's $5 billion bid
  "Creditors of India's Dewan Housing Finance Corp have voted in favour of a 372.5 billion rupees ($5.09 billion)takeover bid submitted by the Piramal Group for the troubled shadow lender, a source with knowledge of their decision said on Sunday. Three entities - Adani Group, Piramal Group and U.S.-based asset management company Oaktree Capital Management - had been invited to bid for DHFL's entire loan book"

- Qatar National Bank sells $1 billion in five-year bonds – document
  "Qatar National Bank, the Gulf's biggest lender, sold $1 billion in five-year bonds at 95 basis points (bps) over mid-swaps after attracting more than $2.5 billion in orders for the debt sale, a document showed"

- Exclusive: Qatar fund put pandemic bets on distressed debt, high-grade bonds – sources
  "Qatar Investment Authority is generating strong returns on a multi-billion dollar bet it made on distressed debt and highly rated bonds at the start of the COVID-19 crisis, two sources familiar with its move said"

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Regulators and Associations Monitored

1. FCA
2. BoE
3. The Pensions Regulator
4. FRC
5. ESMA
6. EBA
7. EIOPA
8. ECB
9. European Commission
10. BCBS
11. Autorité des Marchés Financiers (AMF) of France
12. CSSF
13. FINMA
14. CBI
15. ICMA
16. IOSCO
17. FSB

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