

### PRESS RELEASE 12/09

#### ■ PUBLIC CONSULTATION BY ESMA CONCERNING THE DRAFT TECHNICAL STANDARDS ON SHORT SELLING AND CERTAIN ASPECTS OF CREDIT DEFAULT SWAPS

On 15 February 2012, ESMA launched its second public consultation on a draft technical advice regarding possible delegated acts with respect to short selling and certain aspects of credit default swaps. The consultation paper deals, among others, with the following:

- specification of the definitions laid down in the regulation on short selling and certain aspects of credit default swaps (CDS) and in particular of when a person is considered to own a financial instrument for the purposes of the definition of short sale;
- the methods of calculating net short positions;
- the methods of calculating positions where different entities in a group or where a manager of different investment funds pursuing the same investment strategy in relation to a particular issuer have long or short positions;
- cases in which a CDS transaction is considered to be hedging against a default risk or the risk of a decline of the value of the sovereign debt;
- methods of calculating an uncovered position;
- specification of the parameters and methods for calculating the threshold of liquidity in relation to sovereign debt for suspending restrictions on short sales; and
- specifications of what constitutes a significant fall in value.

The draft technical advice on possible delegated acts (ESMA/2012/98) is published by ESMA on its website at <http://www.esma.europa.eu>. Contributions shall be submitted online directly to ESMA under the heading "Your Input-Consultations" by 9 March 2012.

Luxembourg, 15 February 2012

