

The PREYMA Report

The G20 and Global Capital Markets Critical Issues and Analysis

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Contents

Introduction — July 2010	3
Executive Summary	4
Financial Regulation and Supervision	5
Strong Regulatory Framework	5
Basel III	5
Stress Tests	6
Financial Market Infrastructure	6
Dodd-Frank Bill	6
Management of Systemic Risk	7
Stronger Prudential Standards	7
Regulatory Framework for Derivatives	7
Too Big to Fail	8
Consumer Financial Protection	8
Credit Rating Agencies	9
Volcker Rule	9
Hedge Funds	10
Executive Compensation	10
Resolution and Reform of Systemically Important Financial Institutions	11
Bank Levies	11
Transparent International Assessments and Peer Review	11
Tax Havens	11
Money Laundering and Terrorist Financing	11
India	11
Saudi Arabia	12
Corruption	14
Acronyms and Abbreviations	15

Introduction — July 2010

In the semi-annual Monetary Policy Report of the U.S. Federal Reserve to the Senate Banking Committee, chair Ben Bernanke called the economic outlook “unusually uncertain.” This uncertainty may be due to the unbalanced recovery taking place across the globe. In July 2010, Canada announced a quarter point increase to its interest rates, the European Union reported the positive outcome of its banks’ stress tests and China surpassed Japan as the world’s second largest economy. With the sovereign debt crisis abated, for now, global economic growth,

although anemic, looks as though it has become entrenched.

The United States passed into the law the *Dodd-Frank Wall Street Reform and Consumer Protection Act*, the largest sweeping regulatory overhaul in almost 80 years. The European Council brought in a watered-down version of a regulatory overhaul and the Basel Committee on Banking Supervision (BCBS) shed some light on the upcoming capital requirements it will be bringing forth to the G20 Seoul Summit in November.

Sample

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