

MEMO# 30911

October 16, 2017

ICI Global Submits Comment Letter on IOSCO Consultation Report Examining Regulatory Reporting and Public Transparency in the Secondary Corporate Bond Markets

[30911]

October 16, 2017 TO: ICI Members

ICI Global Members SUBJECTS: Fixed Income Securities RE: ICI Global Submits Comment Letter on IOSCO Consultation Report Examining Regulatory Reporting and Public Transparency in the Secondary Corporate Bond Markets

ICI Global has submitted a comment letter in response to a consultation report published by the Board of the International Organization of Securities Commissions (IOSCO) on regulatory reporting and public transparency in the secondary corporate bond markets.[\[1\]](#) The Consultation Report proposes that regulatory authorities should consider steps to enhance pre-trade transparency in corporate bond markets and implement regimes that require post-trade transparency.

ICI Global's letter supports IOSCO's objective of making the secondary corporate bond markets more transparent—to regulators and the public—without unduly disturbing market liquidity. We explain, however, that the Consultation Report fails to provide regulators with a roadmap to accomplish its laudable goal and encourage IOSCO to recommend that regulators take an incremental and data-driven approach to corporate bond markets transparency to reduce the risk of harming liquidity.

Part I of the letter urges IOSCO to recommend that regulators find the right balance of transparency and liquidity to benefit the corporate bond markets. Part II explains why regulators should pursue public transparency in a data-driven and incremental manner and why regulatory reporting must be a prerequisite for this common-sense approach. Part III explains how IOSCO could assist regulators in implementing such an approach to benefit their own markets and avoid the potential pitfalls of transparency.

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[Attachment](#)

endnotes

[1] See ICI Memorandum No. 30845 (August 21, 2017), *available at* https://www.ici.org/my_ici/memorandum/memo30845; see also IOSCO Board, *Regulatory Reporting and Public Transparency in the Secondary Corporate Bond Markets*, (August 2017), *available at* <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD578.pdf> (Consultation Report).

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