

The Market & Regulatory Digest provides a scan of global regulatory changes and market developments from the past quarter.

The Americas

- **The Canadian Securities Administrators (CSA)** has made or proposed amendments to several policy documents:

- [A consultation proposing amendments was launched to NI 52-112 regarding non-GAAP financial measures](#). These changes aim to align disclosure requirements with IFRS 18, effective January 1, 2027, preventing duplicative reporting by allowing incorporation by reference. The consultation period ends February 11, 2026.
- [Proposed amendments were made to NI 81-102 Investment Funds](#) and the companion policy relating to liquidity risk management for all investment funds. The consultation period ends March 27, 2026.
- [Amendments to modernize investment fund disclosure rules were finalized](#), and will become effective April 22, 2026. Key changes include replacing the Management Report of Fund Performance (MRFP) with a streamlined Fund Report, exempting redundant conflict-of-interest reporting and simplifying financial statement disclosures. CSA will publish a revised Fund Report draft for further feedback before implementation.

HIGHLIGHTS
• CSA proposes liquidity risk management amendments to NI 81-102 Investment Funds
• CSA reduces regulatory burden in continuous disclosure regime for investment funds
• CSA amends NI 52-112 Non-GAAP and Other Financial Measures Disclosure
• The U.S. Department of the Treasury and the European Commission co-chaired the EU-U.S. Joint Financial Regulatory Forum
• Bank of England consults on regulating systemic stablecoins
• Standard Chartered leads Doha Bank's digitally native bond issuance

To help provide guidance around derivatives trade reporting (TR), CSA staff also [compiled a list of FAQs to help clarify implementation requirements under the TR Rules](#) while preserving flexibility for reporting counterparties and trade repositories to operationalize them.

CSA also announced that [a temporary exemption for exempt market dealers participating in prospectus offerings will not be extended](#) beyond December 20, 2025.

- **The Canadian Investment Regulatory Organization (CIRO)** is consolidating its Investment Dealer and Partially Consolidated Rules and Mutual Fund Dealer Rules into [a single, harmonized rulebook](#) (the CIRO Rules). CIRO also [proposed amendments to UMIR](#) to differentiate trading increments for US inter-listed securities from other securities, with CIRO setting the increments for U.S. inter-listed securities. The changes include defining "U.S. inter-listed security" in UMIR 1.1 and amending UMIR 6.1 to prohibit orders priced below the established increment. The consultation period ended on January 27, 2026.

CIRO [is publishing guidance](#) on the obligations of a participant or access person under the UMIR with respect to trading activity in a security that trades in both Canadian and U.S. currencies on Canadian marketplaces. And finally, [amendments to the Universal Market Integrity Rules](#) allow contingent orders for listed securities tied to trades in related listed derivatives. These align with the TSX's updates on Contingent Option Trades and took effect December 22, 2025.

And finally, CIRO and the CSA [have published their findings from a second phase of reviews of registrants' compliance with the Client Focused Reforms](#) (the CFRs Phase 2 Sweep).

- **The Canadian Council of Insurance Regulators (CCIR)** and the **Canadian Insurance Services Regulatory Organizations (CISRO)** [released the final Segregated Funds Guidance](#), which sets national standards for insurers and intermediaries regarding the design, distribution, sale and servicing of individual variable insurance contracts (IVICs).
- **The Bank of Canada (BoC)** [updated its terms and conditions for the Receiver General morning auctions](#), which came into effect on February 1, 2026.

- **The Government of Alberta** [passed legislative amendments to the Securities Act \(Alberta\)](#) put forward by the **Alberta Securities Commission** (ASC) they say will help the ASC address evolving threats to investor protection and ensure that existing safe harbours or defences from statutory civil liability can reasonably apply to new areas of issuer disclosure, such as climate-related disclosure.
- **The Government of British Columbia** [proposed amendments to Business Practices and Consumer Protection Act](#) to address greenwashing-related consumer protection representations in British Columbia. The bill expands the definition of deceptive practices to include false or misleading environmental or sustainability claims and applies to consumer-facing representations.
- **The Office of the Superintendent of Financial Institutions** (OSFI) [updated its voluntary cyber security self-assessment tool](#) to help federally regulated financial institutions in Canada evaluate and strengthen their technology and cyber risk management practices. OSFI also [updated its Crypto-asset Exposures Guidelines](#).
- **The U.S. Department of the Treasury** and the **European Commission** [co-chaired the EU-U.S. Joint Financial Regulatory Forum](#) on December 9 and 10, 2025, focusing on key areas including digital finance, banking regulation, capital markets and FATCA. The forum's focus is to promote cross-border regulatory harmony with enhanced cooperation on digital finance and banking modernization that will lead to reduced compliance friction for global financial institutions operating in both jurisdictions.
- **The U.S. Securities and Exchange Commission** (SEC) extended central clearing deadlines for US treasuries to December 2026 (cash) and June 2027 (repos), with [DTCC's](#) Fixed Income Clearing Corporation (FICC) preparing for expanded rules. This initiative consolidates bilateral and central clearing processes, requiring major operational upgrades across market participants.
- **Brazil:** The Brazilian Tax Authority (RFB) [now mandates foreign entities with Brazilian tax registration](#) to disclose ultimate beneficial owners for transactions, rights or activities within Brazil. These changes aim to enhance transparency in Brazil's financial system—but may complicate international business operations and increase regulatory scrutiny for affected entities.

Global

- **The International Organization of Securities Commissions** (IOSCO) [published its Final Report on Pre-Hedging](#) on November 3, 2025, establishing a harmonized definition and recommendations for dealers. The report mandates pre-hedging solely for genuine risk management with client benefit, requiring transparent disclosures and prior client consent.

What's more, IOSCO [also published its Final Report on the Tokenization of Financial Assets](#), which highlights the financial sector's growing use of distributed ledger technology to tokenize assets. The report aims to foster a common understanding among IOSCO members about tokenization adoption and regulatory responses, while examining implications for market integrity and investor protection.

EMEA updates

- **The European Union:** The European Banking Authority (EBA) [published its final Regulatory Technical Standards](#) on structural foreign exchange (FX) under the Capital Requirements Regulation. These standards deliver greater consistency and supervisory convergence in the application of structural FX provisions across the European Union.

The Council of the European Union [adopted conclusions outlining principles to simplify EU financial services regulation](#). This initiative targets reducing administrative burdens through streamlined reporting, aligned definitions and technological solutions like AI. Implementation requires structured stakeholder consultations, enhanced impact assessments and coordinated timelines, with the European Commission tasked to propose simplification packages by 2026.

The European Commission [announced its Savings and Investments Union Strategy](#) that is intended to foster more integrated EU capital markets by removing regulatory, supervisory and operational barriers that hinder key market players and infrastructures. It further aims to modernize the legislative framework and contribute to simplification and burden reduction. The feedback period ends March 20, 2026.

- **United Kingdom:** The Bank of England (BoE) [published a consultation paper](#) outlining its proposed regulatory framework for sterling-denominated systemic stablecoins, with a feedback period ending on February 10, 2026.
- **Saudi Arabia:** Clearstream [has signed a memorandum of understanding](#) with the Securities Depository Center Company (Edaa), a subsidiary of the Saudi Tadawul Group, to co-develop the Saudi Collateral Management Service. This initiative seeks to enhance efficiency and liquidity in the Saudi capital market by enabling automated financing activities for domestic and international investors, while improving connectivity to global markets.

Saudi Arabia's Capital Market Authority (CMA) [fully opened its capital market to all foreign investor categories](#) starting February 1, 2026, eliminating the Qualified Foreign Investor (QFI) regime and swap agreement frameworks.

- **The Middle East and Africa:** [Standard Chartered facilitated Doha Bank's USD 150 million T+0 digital bond issuance](#) via Euroclear on December 15, 2025. This collaboration underscores digital bond adoption in the Middle East and Africa region.

- **Israel:** The Tel Aviv Stock Exchange (TASE) [adopted a Monday–Friday trading schedule](#) starting January 5, 2026.
- **Oman:** The Muscat Clearing and Depository Company (MCD) [introduced new operational rules](#) for the Delivery versus Payment model, effective January 1, 2026, aimed at enhancing settlement efficiency and reducing risks for custodian client transactions on the Muscat Stock Exchange (MSX). In addition, Oman's Financial Services Authority [reduced the dividend distribution period](#) for public joint-stock companies and investment funds from 15 to seven business days, effective December 9, 2025, aligning with international standards.

APAC updates

- **Hong Kong:** Hong Kong Exchanges and Clearing Limited (HKEX) [proposed streamlining Hong Kong's board lot framework](#) on December 18, 2025, standardizing units to eight options and lowering the minimum board lot value to HKD 1,000. The consultation period ends March 12, 2026. In addition, the Financial Services and the Treasury Bureau (FSTB) and Securities and Futures Commission (SFC) [finalized legislative proposals to regulate virtual asset dealers and custodians in Hong Kong](#) on December 24, 2025, while initiating consultations on VA advisory and management regimes.
- **China:** The China Securities Regulatory Commission (CSRC) [announced amendments to the Qualified Foreign Investor \(QFI\) scheme](#), streamlining access and expanding investment opportunities for foreign capital. Additionally, the Dalian Commodity Exchange (DCE) [expanded the investment scope for QFIs](#) in commodity futures and options (including LLDPE, PVC, and PP futures), effective from October 28, 2025.

The China Securities Regulatory Commission (CSRC), People's Bank of China (PBoC) and State Administration of Foreign Exchange (SAFE) [jointly launched a One-Stop Service Guideline for QFI qualification approval and account opening](#) on October 30, 2025.

The Shanghai and Shenzhen Stock Exchanges, with the China Securities Depository and Clearing Corporation (CSDCC), issued a notice on December 22, 2025, [enabling overseas institutional investors \(OIs\) to participate in China's bond repo market as reverse repo parties](#).

- **Singapore:** Singapore and China [deepened their financial cooperation](#), launching initiatives including RMB clearing expansion and A-share secondary listings on SGX and OTC bond market access, effective immediately. As well, SGX Derivatives [launched Bitcoin and Ethereum perpetual futures](#) on November 24, 2025, introducing regulated, exchange-cleared crypto trading for institutional investors.
- **Taiwan:** The Taiwan Stock Exchange Corporation (TWSE) announced that the [amended Operating Rules on the Use of Domestic Securities by Overseas Chinese and Foreign Nationals as Collaterals for Offshore Investment Activities](#) will take effect March 30, 2026. Expanded collateral eligibility and streamlined compliance processes enhance liquidity options and reduce administrative burdens.
- **South Korea:** The Ministry of Economy and Finance [announced securities settlement and FX market reforms](#) (to be effective April 2026), aiming to enhance foreign investor accessibility and support MSCI Developed Markets Index inclusion. The extended settlement hours and 24-hour FX trading will address liquidity/staffing concerns.

As well, South Korea's Financial Services Commission (FSC) [relaxed foreign investor eligibility for securities omnibus accounts](#), effective January 2, 2026, to enhance market accessibility. Eligibility no longer requires major shareholder status or domestic firm affiliations, resulting in an expansion of foreign participation. The FSC also [proposed enhanced corporate disclosure measures](#), mandating expanded English reporting and executive compensation transparency to be phased in from May 1, 2026, through 2028.

- **India:** The Securities and Exchange Board of India (SEBI) [issued a standard operating procedure \(SOP\) for offshore derivatives instruments by foreign portfolio investors](#) (FPIs), effective November 17, 2025, to address regulatory arbitrage concerns. Consequently, the SOP mandates new registration requirements and enhanced disclosures, increasing transparency and regulatory alignment. SEBI also updated its SOP for FPIs on December 17, 2025, [introducing new monitoring requirements for segregated portfolios and raising the compliance threshold](#) from INR 250 billion to INR 500 billion.

In addition, SEBI [amended the Foreign Portfolio Investors Regulations, 2019](#), to become effective June 1, 2026, introducing the SWAGAT-FI framework to streamline access for trusted foreign investors including government funds and public retail funds. This expansion eases compliance burdens while enabling Indian Mutual Funds and IFSC-based retail schemes (with resident Indian contributions capped at 10%) to participate as FPI constituents. SEBI [also amended the Foreign Venture Capital Investors Regulations](#) under the SWAGAT-FI framework on December 5, 2025, effective June 1, 2026, to simplify investment access for trusted foreign investors.

- **Indonesia:** The Indonesia Clearing and Guarantee Corporation (KPEI) and Bank Indonesia [launched the Tri-Party Agent Repo facility](#) on October 6, 2025, to strengthen money/FX markets and liquidity via government securities.
- **Vietnam:** FTSE Russell [announced the reclassification of Vietnam](#) from Frontier to Secondary Emerging market status, taking effect from September 21, 2026, subject to an interim review in March 2026.
- **Thailand:** The Bank of Thailand (BOT) [has implemented a relaxation of measures to prevent Thai Baht speculation](#), effective December 1, 2025, which includes easing restrictions on Non-Resident Baht Accounts for Securities (NRBS).

- **Malaysia:** Bank Negara Malaysia (BNM) [released a discussion paper on asset tokenization](#) in the Malaysian financial sector, inviting stakeholder feedback by March 1, 2026, to co-develop a regulatory roadmap.

Industry update

- At Standard Charter Bank's (SCB) **The Future of Digital Asset** event, discussions focused on developments shaping the digital assets landscape. Recent US legislation—the *GENIUS Act* and *Digital Asset Market Clarity Act*—has encouraged firms to enter the digital assets space, with 401(k) investments now possible. **Hong Kong** is positioning itself as the APAC hub and maintaining regulatory leadership through decisive action by the HKMA and SFC. The stablecoin market is gaining traction with more than 35 financial and fintech institutions applying for HKMA licensing, including SCB. The industry is also exploring tokenized bonds, crypto ETFs and digital payment systems like e-HKD. Market trends show investors increasingly prefer on-chain asset holding for security reasons, while family offices are expected to allocate up to 5% of assets to digital assets—up from 2% five years ago. Tokenization is expanding beyond digital assets to real-world assets and fixed income, with particular growth in insurance and crypto-native products. Challenges remain around audit practices due to valuation volatility, though firms like SCB are leveraging AI solutions for compliance support.
- **The Association of Global Custodians** is advancing digital asset advocacy across regions. In the **Americas**, engagement with DTCC focuses on aligning custodian efforts around digitalization and tokenization initiatives. **Europe** is deepening collaboration with trade associations including ISSA, AFME and AIMA, particularly on private markets research. The **Middle East/Africa** Committee is monitoring settlement cycle changes to T+2 in Nigeria.

In **Malaysia**, the AGC Asia Secretariat, in liaison with the CBWG, is conducting targeted advocacy with BNM to address implementation challenges in the RENTAS system's transition from legacy MT202 messages to the ISO 20022 pacs.009 standard for real-time fund and securities transfers.

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