



CNMV's announcement on the progress of the clearing, settlement and registration reform and publication of a new date of T+2 implementation

June 6, 2016

Progress of the Reform

On 27 April the new system of clearing and settlement of shares kicked off. After five weeks the settlement rate of transactions cleared by CCPs has reached a good level. As an example, last days BME Clearing has achieved an efficiency rate of around 99%.

Notwithstanding, the settlement rate of bilateral trades (not cleared by a CCP) has not yet reached the comparable rates of on exchange business, although the performance has increased markedly in the last days.

The CNMV, as market supervisor, is monitoring the performance of the system and looking for quick responses to the issues arising and thus achieve as soon as possible a good rate of efficiency.

As an example, the first settlement cycle has been brought forward to 8.00 hours and the frequency of real time settlement processes has been increased. Currently, other measures are being considered and they will be implemented if necessary.

Move to T+2

A reasonable period of time will be needed until the abovementioned measures achieve the desired impact. In addition, market participants have argued that certain market events such as the UK Referendum and T2S migration wave 3 should warrant a postponement of the date envisaged for the move to T+2. Therefore, instead of the 27th of June, the implementation date of T+2 should be the 3rd of October (with respect to the trades of the 29th of September).