

## CONCLUSIONS OF THE REVIEW OF THE OBLIGATION TO REPORT SUSPICIOUS TRANSACTIONS OF MARKET ABUSE IN 2022

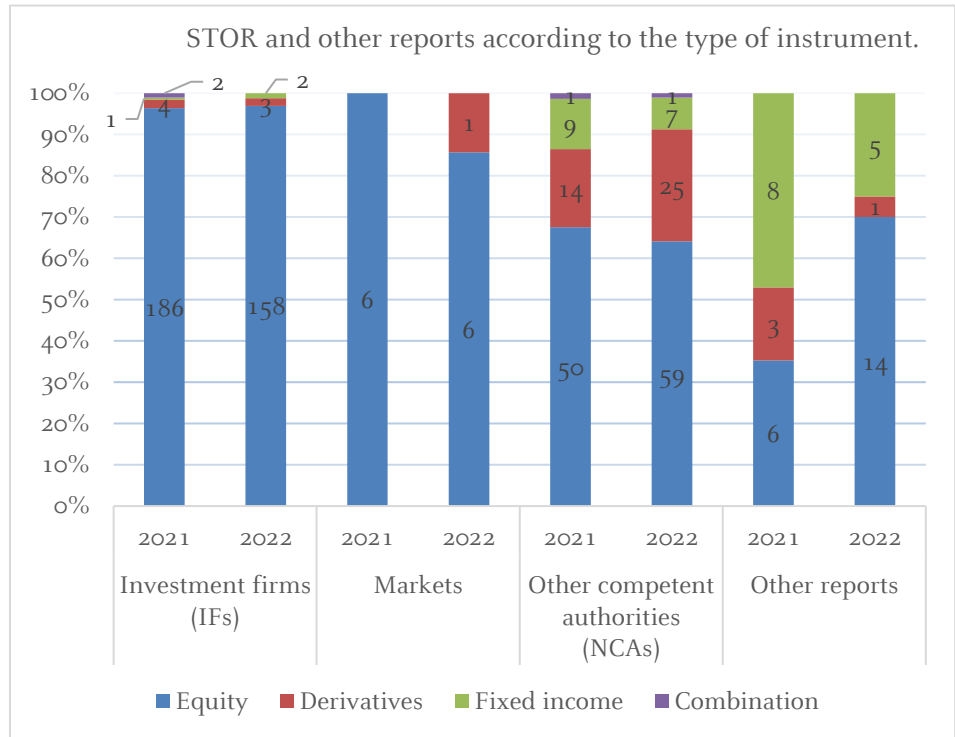
29 May 2023

- In 2022, 282 suspicious transactions that could constitute market abuse were reported to the CNMV.
- 85% of the reports received were related to equity instruments, and, in most cases, the rationale is possible insider dealing.
- Reports' quality remains at a similar level as previous years: 58% received a rate of medium-high quality.

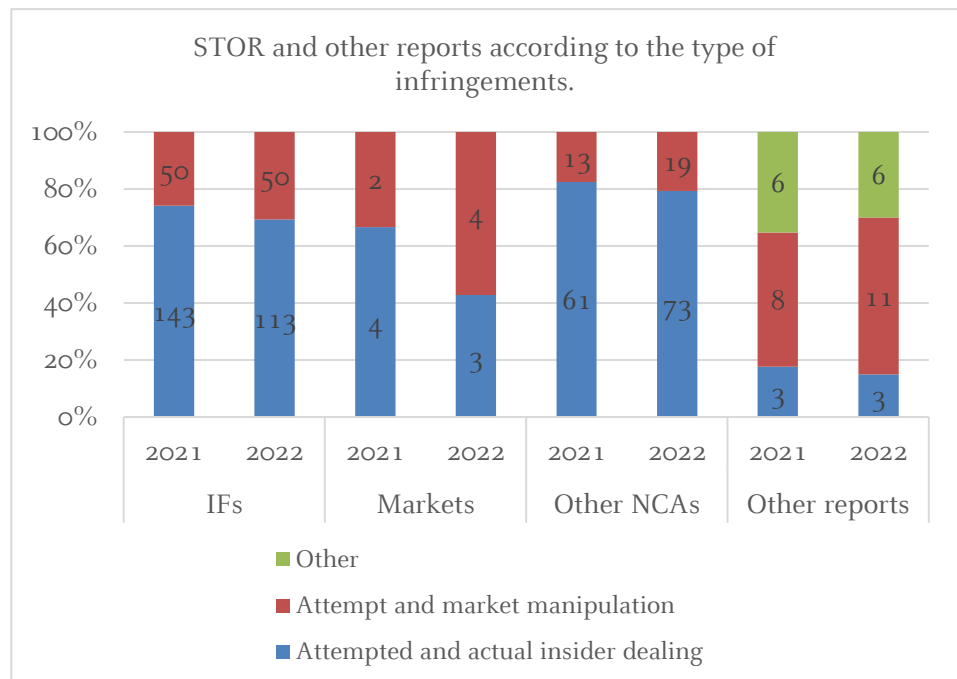
The number of suspicious transaction reports sent to CNMV fell to by 2.8% in 2022 compared to the previous year, reaching 282 notifications.

Such suspicious transactions and orders that could constitute market abuse must be notified to the competent authority in each reporting entity (CNMV in Spain), in accordance with the EU Regulation on market abuse. When these reports are related to foreign securities, the authorities forward the reports to the relevant competent authority. Such notifications are set forth in Article 16 of Regulation 296/2014 on market abuse and its implementing regulation Royal Decree 2016/957. Such regime does not include reports that the CNMV may receive on these matters through the whistleblowing channel.

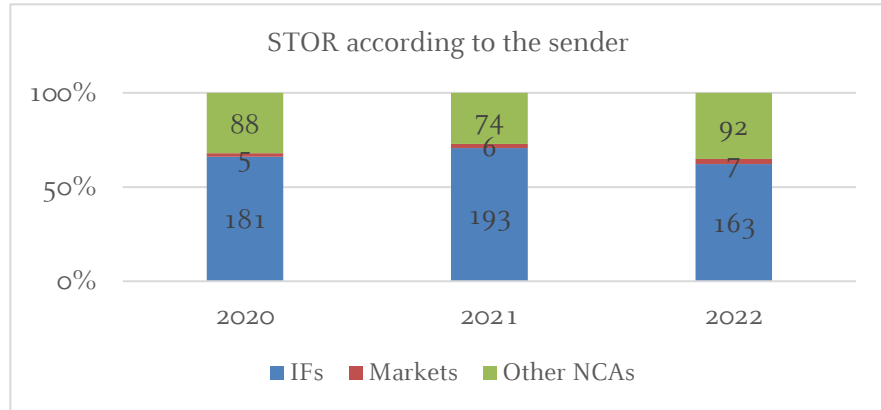
The information refers to a wide range of financial instruments, although 85% of all reports received in 2022 refer to equity instruments, being the same percentage as in 2021.



Regarding the type of conduct, the execution or attempted execution reports of insider dealing make up for almost 73% of the total, a higher percentage than in previous years.



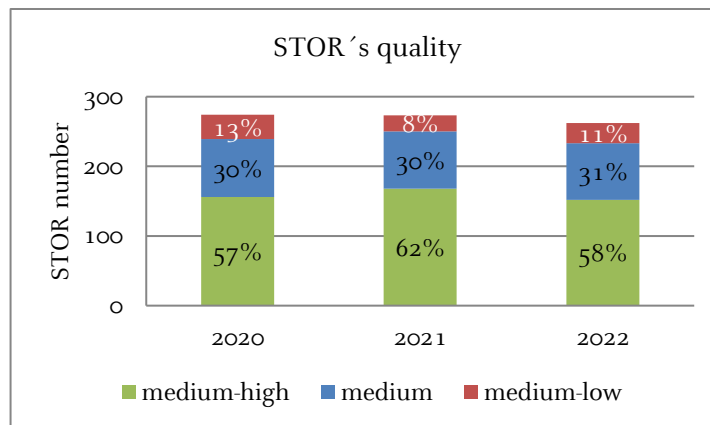
Reports are mostly submitted by IFs, followed by other NCAs and different markets.



### Quality assessment of the reports

According to the information provided by each entity, CNMV assesses the reports received, taking into account whether the information is complete, the description of the transaction is accurate, and if there is sufficient, reasonable, and feasible proof related to the possible breach of market abuse regulation. The quality of the report has been classified as medium-low, medium, or medium-high, maintaining, thus, the assessment criteria established in previous years.

In general, quality has remained at a similar level as previous years. As shown in the following graph, 58% of the reports received are of medium/high quality, compared to 62% in 2021 and 57% in 2020.





The CNMV's assessment of the quality of the reports takes into account the degree of precision of the explanations to provide evidence on plausible indications of infringement; temporal logic or sense of the orders on the security in possible cases of insider trading; analysis of the investor profile of the suspected client and their relationship with the issuer or the corresponding financial instrument, among other aspects.

### **Deadline for Reporting of Suspicious Transactions**

In terms of the deadline for reporting suspicious transactions, these should be sent to the competent authority as soon as possible. In this regard, the European Union authorities agreed, within the framework of the European Securities and Markets Authority (ESMA), a period of 60 calendar days, in general, to be considered as reasonable.

There were 30 reports received from financial entities with certain delay in 2022, which were submitted by 19 entities. Nonetheless, only 8 reports were submitted with unjustified delay.

For further information:

[CNMV](#) Communications Department

Tel.: 91 5851530 - [comunicacion@cnmv.es](mailto:comunicacion@cnmv.es)

