

Asset Management & Investment Funds

Financial Services Regulation and Compliance - Investment Firms August 2024

Domestically, the CBI publishes guidance on breach and incident reporting for MiFID firms. At European level, ESMA publishes its report on Trends, Risks and Vulnerabilities Risk Monitor.

26 Sep 2024

Domestic

CBI publishes guidance on breach and incident reporting for MiFID firms

On 20 August 2024, the the Central Bank of Ireland (**CBI**) published guidance on breach and incident reporting for MiFID firms. The guidance outlines the process for incident reporting as required under Regulation 4(2) of the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Investment Firms) Regulations 2023. Reporting is completed through a form which is available on the CBI's website.

European

ESMA publishes its report on trends, risks and vulnerabilities (TRV)

On 29 August 2024, ESMA published its report on trends, risks and vulnerabilities risk monitor. ESMA noted that markets continued to be resilient in the first half of 2024 but highlighted fragile market liquidity, in equity and in other markets, and concerns relating to real estate exposures. The main risks highlighted by the report were higher-for-longer interest rates, political and peripheral risks, real-estate valuations, greenwashing and social media driven investments.

The report noted that EU fund performance was positive, however the credit quality of bond fund portfolios was not improving and real-estate funds remained vulnerable. Addressing corporate bonds, the report noted that issuance was high in the first quarter but then decreased during the second quarter. The report highlighted corporate debt sustainability as a considerable risk in light of the significant upcoming maturity wall in relation to corporate bonds.

In relation to sustainable finance, the report noted the decrease of green bond issuance and the outflows faces by sustainable funds in the second half of 2023 highlighting credible transitional plans as a necessary factor in steering investment in green transition. The report highlighted the continuing surge of

crypto-asset markets in early 2024, however it noted that volatility in August led to some substantial falls in valuations.

For more information on these topics please contact any member of A&L Goodbody's [Asset Management & Investment Funds](#) team.

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