

CSDs: CSD&amp;CH (Serbia)

Date: 22 Nov 2010

SMI Markets: Serbia

## Government to Draft New Law on Capital Markets

The Serbian government will draft a new law on capital markets by the end of 2010, in order to bring Serbia legislation in line to the related EU Directives. The salient points of the new draft law will be as follows:

- Restructuring of the capital market by regulating the off-exchange market, as well as to introduce a new platform for Over-the-counter (OTC) trading and a multilateral trading facility (MTF);
- Mandatory quarterly financial reporting will be required for all stocks listed at the Belgrade Stock Exchange (BELEX);
- A guarantee fund will be established for the purpose of protecting investors from the risks of bankruptcy and default;
- The minimum capital requirements will be set between EUR 125,000 and EUR 730,000 for institutional investors;
- The Securities Commission will remain as the market regulator.

Further information on the new draft law will be announced in due course.

## CSD Risk Impact

### CSD&CH (Serbia)

CSD Rating: A-

CSD Flash Impact: On Watch

Impacted Risk Type: Counterparty Risk

Current Rating = A

Flash Impact = On Watch

The guarantee fund will provide, when implemented, additional protection to market participants in the event of a default in the market, the minimum capital requirements will also improve the quality of participants in the settlement system.

However, the precise impact on counterparty risk is set as "On Watch" until the concrete information has been disclosed in the actual new draft law.

## Market Information Impact

### Serbia

This information affects the data contained in the Stock Market, Other market where securities are traded and Settlement sections of the Securities Market Information Service.

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