



GIBSON DUNN

This Week in Derivatives

March 13, 2026

From the Derivatives Practice Group: This week, the CFTC and the SEC announced a historical Memorandum of Understanding to guide coordination and collaboration between the two agencies.

New Developments

CFTC Seeks Public Comment on Advanced Notice of Proposed Rulemaking Relating to Prediction Markets. On March 12, the CFTC published an [Advanced Notice of Proposed Rulemaking](#) (ANPRM) seeking public comment on the need to amend or issue new regulations concerning event contracts traded on prediction markets. The ANPRM asks questions concerning the application of statutory core principles and Commission regulations to prediction markets, the types of event contracts that may be prohibited as contrary to the public interest, cost-benefit considerations related to prediction markets, and other topics. [NEW]

CFTC Staff Issues Prediction Markets Advisory. On March 12, the CFTC's Division of Market Oversight issued a prediction markets advisory (Staff Letter [No. 26-08](#)) regarding the listing for trading of event contracts. In light of the rapid rise in popularity of prediction markets, the division seeks to encourage growth and innovation in these markets while reminding designated contract markets of their regulatory obligations pursuant to the Commodity Exchange Act and Commission regulations. [NEW]

CFTC and SEC Announce Historic Memorandum of Understanding Between Agencies. On March 11, the CFTC and SEC announced that they have entered into a [Memorandum of Understanding](#) (MOU) to guide coordination and collaboration between the two agencies to support lawful innovation, uphold market integrity, and ensure investor and customer protection. The MOU reflects both agencies' commitment to provide fair notice to market participants, respect individual liberty, and foster lawful innovation with the minimum effective dose of regulation to enhance U.S. competitiveness in finance. [NEW]

CFTC Announces Marc H. Sielski as Executive Director. On March 9, the CFTC announced that Marc H. Sielski has been named the agency's executive director. Sielski has an extensive background in financial services and management consulting, including proven expertise in organizational effectiveness, operational excellence, strengthening governance and controls, enterprise transformation, finance/administration, procurement, HR coordination, and technology. [NEW]

CFTC Chairman Selig Announces Departure of Senior Advisor Brigitte Weyls. On March 6, CFTC Chairman Michael Selig announced Brigitte Weyls, senior advisor, will depart the Commission following more than 17 years of distinguished public service. Weyls joined the CFTC in August 2008. Over the course of her tenure, she played an important role in many of the Commission's most significant litigation, policy, and rulemaking initiatives. Her work helped shape the agency's approach to emerging and complex markets, including prediction markets, digital assets, and precious metals. [NEW]

CFTC Issues No-Action Position Regarding Systems Safeguards Issue. On March 3, the CFTC issued [CFTC Letter No. 26-07](#) in response to a no-action letter request from Coinbase Derivatives, LLC (COIN), a designated contract market submitted pursuant to Commission regulation 140.99. COIN seeks a no-action position with respect to certain requirements under Commodity Exchange Act Section 5(d)(20), and Commission regulation 38.1051(c) addressing backup facilities.

CFTC Chairman Selig Announces Mel Gunewardena as Director of the Office of International Affairs and Senior Markets Advisor to the Chairman. On March 2, CFTC Chairman Michael S. Selig announced Mel Gunewardena as director of the Office of International Affairs and Senior Markets Advisor to the Chairman. Gunewardena was previously a managing director in the Global Markets Trading Divisions at Goldman Sachs, Deutsche Bank, and State Street.

CFTC Chairman Selig Announces David I. Miller as Director of Enforcement. On March 2, CFTC Chairman Michael S. Selig announced that former federal prosecutor David I. Miller will serve as the CFTC's director of enforcement. Miller joins the CFTC from private practice, having served as a litigation partner at two global law firms.

CFTC Chairman Selig Announces Alan Brubaker as Director of the Office of Legislative and Intergovernmental Affairs. On March 2, CFTC Chairman Michael S. Selig announced that Alan Brubaker will serve as the CFTC's Director of the Office of Legislative and Intergovernmental Affairs. Brubaker joins the CFTC after serving as a senior advisor to the House Committee on Oversight and Government Reform under Kentucky Congressman James Comer.

New Developments Outside the U.S.

ESMA Sets Out Actions to Simplify the Retail Investor Journey and Make Investing More Accessible. On March 12, ESMA published its [takeaways](#) from the 2025 Call for Evidence on the retail investor journey. Taking into account the input from stakeholders, ESMA outlined a number of actions and operational improvements it will take forward to make it easier for retail investors to access suitable investment opportunities. [NEW]

EU Financial Markets Enter 2026 Amid High-risk Environment. On March 11, ESMA published its first [risk monitoring report](#) of 2026, outlining the key risks and vulnerabilities in EU financial markets. ESMA found that risks of market and systemic stress remain high despite resilient market performance in the second half of 2025. [NEW]

ESMA Publishes Report Showing New Investment Funds Drive Reduction in Costs to Investors. On March 3, ESMA published its [2025 market report](#) on the costs and performance of EU retail investment products. This eighth Costs and Performance report shows that ongoing costs in the EU continued to decline in 2024. According to ESMA, this is mostly due to new investment funds entering the market, as they usually charge lower fees. Cost reductions for long-standing funds remained more limited.

New Industry-Led Developments

ISDA Publishes Paper on Safe, Efficient Markets for SFTs. On March 12, ISDA [published](#) a report on securities financing transactions (SFTs). ISDA's paper identifies the structural and regulatory drivers that influence secured funding availability under different market conditions and outlines targeted advocacy

priorities aimed at supporting resilient, efficient and well-supervised SFT markets. It also considers the differences in accounting, data and prudential frameworks for SFTs and derivatives – along with emerging digital asset developments – that can create barriers to holistic trading book risk management, including efficient cross-product netting sets, liquidity management and collateral efficiencies. [NEW]

ISDA, GFXD, UK Finance, LMA Respond to HMT on UK BMR Reform. On March 11, ISDA, the Global Foreign Exchange Division of the Global Financial Markets Association, UK Finance and the Loan Market Association [responded](#) jointly to a [consultation](#) from His Majesty's Treasury (HMT) on the future regulatory regime for benchmarks and benchmark administrators. The associations support the HMT proposals to replace the existing UK Benchmark Regulation (BMR), which was onshored from the EU and has wide regulatory reach, with a regime that would regulate only those benchmarks and benchmark administrators that may pose systemic risks to UK financial markets. [NEW]

ISDA Submits Recommendations to Simplify EU Regulation and Enhance Legislative Process. On March 9, ISDA submitted a [paper](#) to the European Commission setting out focused proposals to improve the functioning of the EU regulatory framework for derivatives. According to ISDA, the paper comprised eight targeted recommendations to simplify selected Level 1 provisions in a way that preserves high regulatory standards while delivering meaningful reductions in operational complexity and compliance costs. [NEW]

IOSCO Appointed Emily Fitts as Chair of the Monitoring Group. On March 5, IOSCO's Monitoring Group [announced](#) that Emily Fitts has been appointed the new Chair of the Monitoring Group, effective immediately. Previously, she was the Deputy Chief Accountant (International) of the U.S. Securities and Exchange Commission. Fitts succeeds Ryan Wolfe, who served as Chair between April 2025 and March 2026.

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