



This Week in Derivatives

October 9, 2026

From the Derivatives Practice Group: This week, the CFTC issued no-action relief to designated contract markets seeking to convert their existing perpetual style broad-based security index futures contracts into true broad-based security index perpetual futures.

New Developments

CFTC Issues No-Action Letter for DCMs Regarding Converting Existing Perpetual-Style Broad-Based Security Index Futures into True Perpetual Futures. On October 5, the CFTC's Division of Market Oversight announced it has issued [no-action](#) relief to designated contract markets seeking to convert their existing perpetual style broad-based security index futures contracts into true broad-based security index perpetual futures. [NEW]

CFTC Seeks Public Comment on Advanced Notice of Proposed Rulemaking Relating to Regulation Crypto Asset Transactions and Regulation Crypto Asset Markets. On October 5, the CFTC published an [Advanced Notice](#) of Proposed Rulemaking (ANPRM) to provide notice of, and seek public comment regarding, its intent to establish a comprehensive regulatory framework comprised of fit-for-purpose rules concerning section 2(c)(2)(D) of the Commodity Exchange Act and retail commodity transactions described thereunder involving crypto assets (such transactions, CTXs). Among other topics, the ANPRM solicits comment on the manners in which the Commission can: (i) prevent abusive practices in crypto asset markets and CTXs under a uniform national regime; (ii) provide market participants

with crypto asset-specific contextual information concerning certain requirements and practices that are commonly accepted in the industry and have been found, based on the Commission's experience in overseeing aspects of crypto asset markets since 2014, to represent industry best practices for compliance with the regulatory requirements that attach to CTXs; and (iii) codify through rulemaking a subcategory of designated contract market registration, known as a crypto asset market, that is purpose-built specifically for CTXs. [NEW]

CFTC Staff Extends Brexit-Related No-Action Positions. On October 2, the CFTC's Market Participants Division and Division of Market Oversight announced they are extending temporary no-action positions in connection with the withdrawal of the United Kingdom from the European Union, known as Brexit. Letter No. [26-28](#) extends positions previously announced in CFTC Staff Letter No. [24-11](#), as amended by CFTC Staff Letter No. [26-10](#). It seeks to maintain the regulatory certainty established when the CFTC originally acted to issue EU comparability determinations and exemptive orders for certain EU entities.

CFTC Staff Releases Updates to FAQs Concerning Registrants and Registered Entity Activities Relating to Crypto Assets and Blockchain Technologies. On September 24, the CFTC's Market Participants Division, Division of Market Oversight, and Division of Clearing and Risk released updates to the [FAQs](#) Concerning Registrant and Registered Entity Activities Relating to Crypto Assets and Blockchain Technologies to address investments of customer funds in tokenized forms of permitted investments and the use of blockchain technologies to satisfy a registrant's recordkeeping requirements.

CFTC Releases Staff Advisory on Mention Markets. On September 22, the CFTC's Division of Market Oversight issued an [advisory](#) that addresses the listing and trading of event contracts that are based on whether an individual will say or "mention" certain words, attend or appear at an event, or otherwise interact with another person, which are commonly referred to as "mention market" contracts. The advisory outlines the limited circumstances in which such contracts may be listed consistently with the Commodity Exchange Act and Commission regulations.

New Developments Outside the U.S.

ESMA Appoints Carlos San Basilio as the New Member of its Management Board. On October 9, ESMA announced that it has appointed Carlos San Basilio of Comisión Nacional del Mercado de Valores as the new member of its [Management Board](#). Mr San Basilio will be replacing Carlo Comporti of Commissione Nazionale per le Società e la Borsa, who will be stepping down from his position as a member of the Board to assume his new role as Chair of ESMA, effective November 1, 2026. [NEW]

ESMA Seeks Evidence on the use of Tokenized Collateral in Central Clearing.

On October 9, ESMA launched a [Call for Evidence](#) on the potential use of tokenized collateral by central counterparties. ESMA is inviting all interested stakeholders to submit their contributions by January 15, 2027. The Call for Evidence focuses on how tokenization may affect the transfer, management, protection and use of collateral throughout its lifecycle. [NEW]

ESMA Calls for Changes to Make MiCA Clearer, Safer, and Ready for Emerging Services.

On September 30, ESMA responded to the European Commission's public consultation on the review of Markets in Crypto-Assets Regulation (MiCA). According to ESMA, ESMA's [recommendations](#) aim to simplify the framework while improving investor protection and addressing innovative business models, such as decentralized finance, staking, lending and borrowing.

ESMA Sets 2027 Priorities for Stronger, Simpler and More Integrated EU Capital Markets.

On September 28, ESMA published its annual [Work Program](#) for 2027. According to ESMA, the program reflects a shift from preparation to the delivery of several major initiatives. Among other things, ESMA will advance its supervision of consolidated tape providers and external reviewers of European Green Bonds.

Upcoming Changes to the Euribor Panel. On September 24, ESMA announced it will issue a statement on the upcoming changes to the Euribor panel. ESMA's statement concerns the [announcement](#) by the European Money Markets Institute that Cecabank, based in Spain, will withdraw from the Euribor panel. The withdrawal will take effect on September 30, 2026, which will be the bank's final day contributing input data to the benchmark determination.

ESAs Call for Vigilance Over External Dependencies, Cyber Threats, and Private Credit Risks. On September 23, the European Supervisory Authorities (the ESAs) identified external dependencies, emerging technologies, and private credit as key vulnerabilities for the EU financial system in their [Autumn 2026 risk update](#). The ESAs warn that the sector's reliance on non-EU providers and infrastructures could amplify the impact of geopolitical shocks and operational disruptions.

ESMA Sets New Supervisory Priority on Digital Innovation from 2027.

On September 23, ESMA announced it will launch a new [Union Strategic Supervisory Priority](#) (USSP) to help embrace innovation while protecting investors and maintaining strong safeguards. The digital innovation USSP aims to ensure supervisors have the expertise and capacity to oversee the use of new technologies. In collaboration with National Competent Authorities, ESMA's initial focus will be on how supervised entities use artificial intelligence and tokenization.

New Industry-Led Developments

ISDA Publishes Research on Assessing Tokenized Money Market Funds as Eligible Collateral Under the ISDA CSA. On October 6, ISDA [published](#) research to further facilitate the potential use of tokenized money market funds (TMMFs) in collateral arrangements by: (i) raising awareness of the particular issues that may need to be considered when taking or posting shares in TMMFs as collateral (depending on the structure of those TMMFs); (ii) highlighting which of those issues could potentially be dealt with through standardization, including potential amendments to, or supplements of, standard-form ISDA documentation; and (iii) otherwise outlining practical approaches that market participants may use to address party-specific considerations arising from the particular operational or legal features of tokenized assets. [NEW]

IOSCO Launches 10th Edition of World Investor Week. On October 5, IOSCO [announced](#) that World Investor Week officially began across participating jurisdictions around the world, marking the 10th edition of IOSCO's global campaign dedicated to investor education, investor protection, and financial literacy. [NEW]

ISDA Responds to EC JRC Survey on Carbon Accounting. On October 5, ISDA [responded](#) to the Joint Research Centre (JRC) of the European Commission (EC) survey, drawing on input from five member firms across the banking, exchange and market-data sectors. The response highlighted broad support for internationally recognized carbon accounting frameworks, particularly the Greenhouse Gas Protocol and International Organization for Standardization standards. Respondents reported ongoing efforts to simplify reporting through harmonized internal processes, digital tools and 'one-to-many' reporting models that enable a single dataset to support multiple reporting obligations. [NEW]

ISDA Publishes ISDA-Actrix US Treasury Repo Market Clearing Indicators. On September 29, ISDA [published](#) the ISDA-Actrix US Treasury Repo Market Clearing Indicators, which illustrate central clearing adoption in the U.S. Treasury repo market. Sponsored cleared repo volumes are used as a proxy to monitor client participation in central clearing, a key objective of the Securities and Exchange Commission's US Treasury clearing mandate.

ISDA Publishes Paper on Reshaping the US Treasury Market. On September 23, ISDA published a [paper](#) that examines the transition to mandatory central clearing of US Treasuries, covering the policy objectives underlying the reforms and the evolving market structure, including trends in clearing adoption and client participation. It also addresses application of the mandate to market participants, the clearing ecosystem and access models, margin and capital considerations, the connection to derivatives markets, and the documentation and operational steps required for efficient implementation.

Practice Members



Jeffrey L. Steiner
Washington, D.C.
+1 202.887.3632
jsteiner@gibsondunn.com



Michael D. Bopp
Washington, D.C.
+1 202.955.8256
mbopp@gibsondunn.com



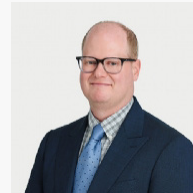
Michelle M. Kirschner
London
+44 20 7071.4212
mkirschner@gibsondunn.com



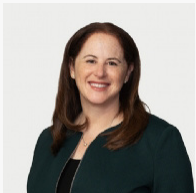
Darius Mehraban
New York
+1 212.351.2428
dmehraban@gibsondunn.com



Jason Cabral
New York
+1 212.351.6267
jcabral@gibsondunn.com



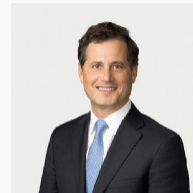
Adam Lapidus
New York
+1 212.351.3869
alapidus@gibsondunn.com



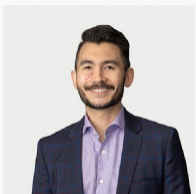
Stephanie L. Brooker
Washington, D.C.
+1 202.887.3502
sbrooker@gibsondunn.com



William R. Hallatt
Hong Kong
+852.2214.3836
whallatt@gibsondunn.com



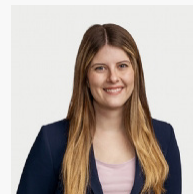
David P. Burns
Washington, D.C.
+1 202.887.3786
dburns@gibsondunn.com



Marc Aaron Takagaki
New York



Hayden K. McGovern
Dallas

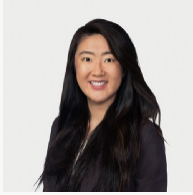


Karin Thrasher
Washington, D.C.

+1 212.351.4028
mtakagaki@gibsondunn.com

+1 202.887.3569
hmcgovern@gibsondunn.com

+1 202.887.3712
kthrasher@gibsondunn.com



Alice Yiqian Wang
Washington, D.C.
+1 202.777.9587
awang@gibsondunn.com

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