



Meeting DATE and PLACE : 1 June 2022, DG FISMA, Brussels

Name ORGANISATION(S)/INDIVIDUAL(S) : Representatives of IMMFA, EACT and MMFs investors

DG FISMA-Unit C4/E3/A5: [REDACTED]
[REDACTED]

Main ISSUES DISCUSSED

Upcoming MMFR review:

IMMFA and representatives of MMFs investors indicated that major reasons for investing in EU MMFs are: possibility to operate cash globally via a standard process from an accounting but also risk management point of view; for cash management purposes and to diversify investor base; to meet margin calls, flexibility to have intra day trading and the accounting treatment as cash and cash equivalent.

IMMFA and representatives of MMFs investors indicate that there are no good alternative to MMFs currently on the market: banks have “regulatory” limits (Basel rules on liquidity) on the amount of deposits they can take and there are not enough banks where to deposit cash while being able to diversify counterparty risk; CPs are not a good alternative because treasuries need intra-day/daily liquidity, very few corporates can invest in repos due to operational complexity.

Name of the AUTHOR of the minutes : [REDACTED]