Commenting on the European Commission proposals for credit rating agencies, announced on Tuesday 15 November 2011, Richard Hopkin, a managing director at the Association for Financial Markets in Europe (AFME) said:

“It is important to have more competition in the credit rating agency sector, but it is also critical to maintain the quality, stability and independence of credit ratings. While the slight relaxation of the draft rotation requirements is a step in the right direction, significant questions remain. Potential aspects of the new regulation are still to be discussed and we remain concerned that any ability for ESMA to suspend sovereign ratings may damage the independence of the credit rating agencies in the eyes of the financial markets.”

-ENDS-

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Notes:

1. The Association for Financial Markets in Europe advocates stable, competitive and sustainable European financial markets that support economic growth and benefit society.

2. AFME (Association for Financial Markets in Europe) promotes fair, orderly, and efficient European wholesale capital markets and provides leadership in advancing the interests of all market participants. AFME represents a broad array of European and global participants in the wholesale financial markets. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association through the GFMA (Global Financial Markets Association). For more information please visit the AFME website, www.afme.eu