



THE CNMV TEMPORARILY EXTENDS THE PREVENTIVE BAN ON TRANSACTIONS WHICH MIGHT CONSTITUTE OR INCREASE A NET SHORT POSITION ON SPANISH FINANCIAL STOCKS

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The CNMV, taking into account current European markets' developments, that continue going through a period of high volatility, in cooperation with other European regulators that limited short selling¹ and under the coordination of ESMA, has decided to extend the decision adopted last [11 August 2011](#) of banning, as a temporary preventive measure, transactions which might constitute or increase a net short position on Spanish financial stocks.

The CNMV has agreed to extend the deadline of the decision adopted on 11 August 2011 until 30 September 2011, based on article 85.2 j of Law 24/1988, of 28th July, on Securities Markets (SMA).

Consequently, a ban is established, in a preventive manner and until 30 September 2011, on any legal or natural person entering into transactions which might constitute or increase a net short position on Spanish financial stocks, in the same conditions as those set in the above mentioned 11 August 2011 decision².

This prohibition can be lifted before the deadline or can be renewed exceptionally if needed.

It is reminded that article 99 z) quinquies of the SMA defines as a very serious infringement the violation of preventive measures imposed by the CNMV under letter j of article 85.2 of the Law.

The CNMV will continue to closely monitor the impact of the temporary measure and, in any event, before the end of September 2011 and upon consultation with the above mentioned regulators in the framework of ESMA, the CNMV will assess the opportunity to lift the temporary ban. The aim is to lift the ban as soon as market conditions allow it and in the most possible coordinated way.

¹ FSMA (Belgium), AMF (France), HCMC (Greece) and CONSOB (Italy).

² Refer also to [Frequently Asked Questions](#) that are regularly updated.