

Bank of Israel

Monetary Committee Secretariat



**Summary of the Monetary Committee discussion held at the Bank of Israel
regarding the Bank of Israel (Clearing Houses' Reporting Requirements) Order, 5779-2019**

The discussion was held on May 1, 2019.

Background:

The Tel Aviv Stock Exchange (TASE) has transferred daily data on mutual funds' activities to the Bank of Israel since 2008. The information includes details on funds raised, redemptions and balances. The data are collected at the Bank for financial-market analysis, monitoring, examination of the stability of the financial system, and for research. Approximately a year ago, the TASE's legal counsel contacted the Information and Statistics Department and requested the regulation of the transfers by an official order. Also, the Legal Department considers the regulation of the issue by order as a necessity. The issue was discussed with the Israel Securities Authority as well, as required by Section 39(a) of the Bank of Israel Law, 5770-2010, as the Authority is the regulator in the mutual fund sphere.

A draft of the Order was sent to the TASE for review and was discussed with them, and afterwards was sent to the Ministry of Justice for review and was modified in accordance with to their remarks. The final draft was brought to the Monetary Committee for its approval.

The Bank of Israel Law, 5770-2010, authorizes the Governor, among other things, to establish by an Order, reporting requirements that apply to financial entities, in order for the Bank to attain its objectives and discharge its functions. The Order that was brought to the Monetary Committee for approval comes to anchor the Clearing Houses' reporting requirements, by force of that Law.

Pursuant to Section 39(b) of the Law, the authority to issue the Order is the Governor's, with the approval of the Monetary Committee.

Decision of the Monetary Committee:

The Committee approved the Bank of Israel (Clearing Houses' Reporting Requirements) Order, 5779-2019. The Decision was reached on May 1, 2019.

Participants in the discussion:**Members of the Monetary Committee**

Prof. Amir Yaron, Governor of the Bank of Israel, and Chairperson
Mr. Andrew Abir
Prof. Reuben Gronau
Prof. Moshe Hazan
Prof. Zvi Hercowitz

Other participants in the discussion:

Ms. Michal Ohana, Head of the Capital Markets Unit in the Information and Statistics Department
Mr. Eddy Azoulay, Chief of Staff to the Governor
Mr. Ohad Zada, Economist in the Information and Statistics Department
Adv. Yehudit Sirkis Daren, Assistant to Legal Counsel
Mr. Yoav Soffer, Bank of Israel Spokesperson
Prof. Michel Strawczynski, Director of the Research Department
Mr. Gaby Fiszman, Head of the Statistics Division and Deputy Director of the Information and Statistics Department
Dr. Eyal Rosen, Director of the Information and Statistics Department
Ms. Esti Schwartz, Secretary of the Monetary Committee and the Supervisory Council