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Sticking to the Facts of Money Market Fund Regulation

By Dan Waters

In a [recent column](#), the *Evening Standard's* Anthony Hilton includes money market funds as part of a network he suggests forms “an unregulated zone” with “no oversight.”

This line of thinking runs counter to the facts. European and U.S. money market funds are among the most heavily regulated and transparent financial products. After the financial crisis, the rules governing these funds were tightened considerably by regulators in North America ([Canada](#) and the [United States](#)), as well as by the Institutional Money Market Funds Association in its [Code of Practice](#).

In the United States, the recent push to impose floating net asset values and other structural rule changes for money market funds was broadly opposed by investors who rely on these funds as conservative choices for cash management.

As regulators examine possible reforms for money market funds, they should harmonize the views expressed by investors and regulators in a range of other jurisdictions. This approach is most likely to foster systemic stability.

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