

Financial Market Regulation in the Czech Republic with a Focus on the Securities Market

ABSTRACT:

The financial markets constitute a foundation of every market economy and in recent years their regulation is becoming increasingly relevant for political-legislative decision-making process (mainly as result of the last world financial and economic crisis). This Master's thesis focuses on the securities market regulation in Czech Republic and its main purpose is to evaluate this regulation, primarily its development and impacts on the market as a whole, on an individual issuer of a security or (as the case may be) on an investor as well. The thesis itself is divided into five parts. The first one represents a theoretical introduction to the financial markets and analyses basic terms, financial market functions and structure. The second, third and fourth chapters deal with crucial entities influencing the securities market – a regulated market organizer, an investment firm, investment intermediaries and a multi-sided trading system organizer. Chapters especially strive to compare contemporary legislation with legislation as amended by the Act No. 204/2017 Sb., which generally comes into force January 3rd 2018 and which transposes important European secondary legislation regulations, such as Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (MiFID II), Regulation (EU) No. 600/2014 of the European Parliament and of the Council on markets in financial instruments (MiFIR) and Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse (MAR). The last part concentrates on securities market regulation from the issuer's and investor's point of view and tries to answer a question, how they are influenced by regulatory measurements. In case of an issuer, the author's attention is turned to conditions for an admission of securities for trading and information obligations, as for an investor, the point is to introduce short selling regulation.

KEYWORDS:

financial market, securities market, regulation, security, short selling