

Global Crypto Regulatory Update

Quantum Update 63

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Monetary Authority of Singapore – Fund Management & Liquidity Risk Regulation

Issues Consultation Paper on Updates to the Guidelines on Liquidity Risk Management Practices for Fund Management Companies

On **17 December 2025**, the Monetary Authority of Singapore issued Consultation Paper **P019-2025, "Consultation Paper on Updates to the Guidelines on Liquidity Risk Management Practices (Fund Management Companies)"** proposing targeted updates to the **Guidelines on Liquidity Risk Management Practices for Fund Management Companies** and consequential amendments to the **Code on Collective Investment Schemes**. The consultation responds to liquidity stresses exposed by recent global market volatility, including heightened redemption pressures, margin and collateral calls, and structural liquidity mismatches in open-ended funds. MAS frames liquidity risk as a systemic governance and conduct issue rather than a narrow portfolio management concern, a shift from principles-based guidance to operationally testable supervisory expectations. The proposed updates align Singapore's framework with International Organization of Securities Commissions Revised Recommendations (May 2025) and the Financial Stability Board 2024 report on liquidity preparedness for margin and collateral calls.

Scope & Application

The consultation applies to CMS-licensed Fund Management Companies managing collective investment schemes, particularly open-ended funds constituted in Singapore and authorised by MAS.

Core Risk Identified

MAS identifies misalignment between asset liquidity, redemption terms, and investor expectations as the core regulatory risk, compounded by leverage-related margin and collateral calls.

Legal Framework

The proposed updates are issued under section 321 of the **Securities and Futures Act 2001**, read together with Regulation 13B(1) of the Securities and Futures (Licensing and Conduct of Business) Regulations.

Key Regulatory Expectations

- Liquidity risk management expectations are strengthened across fund design, redemption mechanics, governance oversight, disclosures, and deployment of liquidity management tools.
- At least one appropriate liquidity management tool, preferably an anti-dilution tool, is expected to be implemented and operationally calibrated.
- Explicit and implicit liquidity costs must be reflected in pricing mechanics for subscriptions and redemptions.
- Boards and senior management bear enhanced accountability, with liquidity failures framed as oversight and control failures rather than market inevitabilities.
- Stress testing expectations are expanded to include extreme but plausible redemption scenarios and margin or collateral liquidity demands.
- Offering documents must provide clearer, more prominent disclosures on liquidity risks and the impact of liquidity management tools.

International Alignment

MAS expressly incorporates IOSCO and FSB standards by reference, elevating international soft law into domestic supervisory expectations.

Exchange-traded funds are excluded from scope, reflecting purposive statutory interpretation whilst maintaining IOSCO-aligned coherence.

Implementation & Enforcement

The proposed implementation timeline is six months after publication of the finalised Guidelines, following public consultation.

The initiative enhances MAS's ability to assess compliance through inspections and thematic reviews, reducing ex post discretion and increasing ex ante enforceability.

 **Overall, MAS is transforming liquidity risk from guidance into governance, signalling that future liquidity failures will be assessed as supervisory, conduct, and governance breaches within a converged securities and financial stability framework.**



US CFTC Published Public Remarks on Global Derivatives and Crypto Policy

Acting CFTC Chairman Caroline D. Pham Sets Out Vision for the "Golden Age of Crypto" and Market Innovation at FIA EXPO Keynote

On **18 November 2025**, United States Commodity Futures Trading Commission Acting Chairman Caroline D. Pham delivered a [keynote address at the FIA EXPO](#), articulating the Commission's strategic vision for derivatives market structure, blockchain infrastructure, tokenisation, and digital asset regulation. Framing the moment as a historic inflection point comparable to the electronification of markets in the late twentieth century, Pham positioned the United States at the threshold of what she termed a "[Golden Age of Crypto](#)." Her remarks set out a coherent regulatory philosophy anchored in market integrity, technology neutrality, and responsible innovation, whilst decisively rejecting regulation-by-enforcement as a sustainable policy tool. The address synthesised the Commission's recent supervisory actions, advisory committee outputs, and inter-agency coordination efforts into a single narrative of integration rather than disruption. For global market participants, the keynote provided unusually granular policy signalling: digital assets are not to be regulated as an exception, but incorporated within the existing commodity and derivatives regulatory perimeter through proportionate rulemaking, supervised experimentation, and international coordination. The speech stands as one of the clearest expositions to date of the CFTC's innovation-compatible regulatory trajectory.

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Foundational Infrastructure

Acting Chairman Pham characterised blockchain and tokenisation as foundational market infrastructure, enabling shared, programmable, and verifiable systems of value rather than speculative add-ons.

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Market Developments

She highlighted concrete market-structure developments since January 2025, including perpetual-style futures, extended and round-the-clock trading, prediction markets, and the CFTC's Crypto Sprint initiative.

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Conditioned Innovation

Innovation was expressly conditioned on market integrity, customer protection, and sound risk governance, with emphasis on experimentation through public-private collaboration rather than rigid prescriptive rules.

Advisory Committee Insights & Institutional Delivery

- The Global Markets Advisory Committee Digital Asset Markets Subcommittee was cited for its conclusion that tokenisation is a technological wrapper for existing assets, now gaining operational relevance in 24/7 trading environments.
- Institutional delivery since May 2025 included recalibration of swaps regulation, withdrawal of legacy Dodd-Frank proposals, interpretative and no-action relief, and modernised market surveillance via the Nasdaq Market Surveillance System.
- Pham underscored the first joint innovation roundtable with the United States Securities and Exchange Commission in fifteen years, signalling renewed inter-agency coordination.

Digital Asset Policy Framework

Digital asset policy was framed around the President's Working Group vision, with the Crypto Sprint structured on listed spot crypto trading, supervised tokenised collateral (including stablecoins), and targeted regulatory amendments.

The Chairman confirmed listed spot crypto trading on regulated venues by year-end, tokenised collateral guidance shortly thereafter, and clearing implementation in 2026.

Cross-Border & Tokenised Collateral

Cross-border access was addressed through substituted compliance, mutual recognition, passporting, and reaffirmation of the foreign boards of trade framework to safely onshore global liquidity.

Tokenised collateral and qualified payment stablecoins were positioned as efficiency-enhancing tools for margin and settlement, with openness to public input on regulatory treatment.

Market participants were implicitly called to conduct internal readiness reviews across trading structure, custody and margin design, technology neutrality, cross-border strategy, governance, and regulatory engagement.



US CFTC on International Regulatory Coordination

Acting Chairman Endorses IOSCO Pre-Hedging Report, Signals No Further Rulemaking for United States Markets

On **19 December 2025**, the United States Commodity Futures Trading Commission issued a [statement on international regulatory coordination](#), with Acting Chairman Caroline D. Pham formally welcoming the final pre-hedging report published by the International Organization of Securities Commissions. The statement squarely addressed long-standing industry concerns around the regulatory treatment of pre-hedging, a widely used risk-management practice in global financial markets. Acting Chairman Pham confirmed that IOSCO's conclusions accurately reflect both market reality and existing regulatory maturity across member jurisdictions, including the United States. Crucially, she clarified that IOSCO's recommendations are designed to support, not supplant, national legal frameworks and established industry standards. By explicitly confirming that the IOSCO report aligns with the CFTC's own regulatory position—and by ruling out any need for additional domestic rulemaking—the Commission delivered a clear signal of [regulatory restraint](#). The announcement reinforces legal certainty for market participants, reduces the risk of duplicative compliance burdens, and positions the CFTC as a stabilising force in cross-border regulatory harmonisation during a period of heightened scrutiny of trading practices and market conduct.

Legitimate Practice Affirmed

Acting Chairman Pham publicly affirmed that pre-hedging is a legitimate and well-established risk-management practice supported by extensive industry guidance and supervisory experience.

Active CFTC Contribution

The CFTC confirmed its active contribution to IOSCO's work, including review of existing codes, surveys of regulators and industry participants, formal consultations, and stakeholder roundtables.

Comprehensive Frameworks

IOSCO's final report recognises that member jurisdictions already maintain comprehensive regulatory frameworks governing pre-hedging activities.

Industry Standards & Regulatory Position

- The report explicitly relies on globally recognised industry standards, including the FX Global Code, the Global Precious Metals Code, and the Financial Markets Standards Board execution standards.
- Pham emphasised that IOSCO's recommendations are intended to complement existing national rules rather than impose uniform global regulation.
- Cross-asset consistency between IOSCO's recommendations and established industry codes was highlighted as essential to avoid market disruption and mitigate systemic risk.
- Acting Chairman Pham expressly confirmed that the IOSCO report "reflects the CFTC's position on pre-hedging," eliminating interpretive ambiguity for U.S. markets.

US Pledges No Further Rulemaking

The statement unequivocally ruled out the need for further CFTC rulemaking or guidance in response to IOSCO's recommendations.

For derivatives dealers, asset managers, banks, and institutional trading firms, the announcement delivers regulatory certainty and reduces exposure to overlapping or inconsistent compliance obligations.

- **The CFTC's stance reinforces a broader policy approach favouring international coordination, proportional regulation, and deference to well-functioning market standards in global financial markets.**



US CFTC: Advisory Committees for Digital Asset Governance

US CFTC Acting Chairman Appoints Rob Hadick to Global Markets Advisory Committee Digital Asset Markets Subcommittee

On **22 December 2025**, the United States Commodity Futures Trading Commission announced a targeted reinforcement of its digital asset advisory architecture, with Acting Chairman Caroline D. Pham confirming the [**appointment of Rob Hadick to the Global Markets Advisory Committee's Digital Asset Markets Subcommittee**](#). The appointment forms part of the Commission's broader effort to institutionalise market-practitioner input as digital asset market structure, cross-border supervision, and technological innovation increasingly shape commodities and derivatives regulation. As sponsor of the Global Markets Advisory Committee, Acting Chairman Pham has positioned the GMAC as a central forum for forward-looking regulatory dialogue, ensuring that policy development remains informed by real-world market dynamics. Hadick's inclusion brings direct investment and infrastructure expertise into the CFTC's advisory process at a moment when the agency is preparing for expanded oversight of crypto-linked products and platforms. T



Rob Hadick's Expertise

Rob Hadick serves as a General Partner at Dragonfly Capital Partners, where his work focuses on digital asset investment strategy, market infrastructure innovation, and global market access.



GMAC's Role

The Global Markets Advisory Committee operates as a high-level consultative body advising the CFTC on international market structure, cross-border coordination, and emerging financial technologies.



Subcommittee Focus

The Digital Asset Markets Subcommittee specifically advises on cryptoassets, distributed ledger technology, and the interface between traditional derivatives markets and decentralised financial systems.

Strategic Implications

Enhanced Advisory Capacity

- The appointment integrates senior private-sector digital asset expertise into the CFTC's formal advisory framework at a time of active policy development on crypto market structure.
- His role on the Digital Asset Markets Subcommittee strengthens the Commission's capacity to assess liquidity formation, trading infrastructure, and systemic risk in crypto and blockchain-based markets.

Governance Approach

- Acting Chairman Pham's sponsorship of the GMAC reflects a governance approach that prioritises expert-led policy formulation over reactive supervision.
- Pham publicly emphasised the value of practitioner insight at the intersection of technology and finance, framing the appointment as additive to regulatory effectiveness.

The announcement also acknowledged the continuing contributions of GMAC leadership across its subcommittees, reinforcing institutional continuity during a leadership transition period.

From a compliance perspective, the strengthened advisory ecosystem suggests forthcoming CFTC guidance and rulemaking will be informed by operational realities rather than abstract regulatory theory.

For global market participants, the appointment signals sustained regulatory openness to innovation, structured industry engagement, and internationally coordinated oversight of digital asset markets.

United States Commodity Futures Trading Commission Leadership Transition

Acting Chairman Caroline D. Pham Announces Departure from the US CFTC

On **22 December 2025**, the United States Commodity Futures Trading Commission confirmed that **Caroline D. Pham, Acting Chairman of the Commission, formally announced her departure from public service**. Commissioner Pham was sworn in on 14 April 2022 following Presidential nomination and unanimous Senate confirmation, and assumed the role of Acting Chairman on 20 January 2025, coinciding with the inauguration of Donald J. Trump. Her tenure unfolded during a period of intensified focus on market structure reform, regulatory legitimacy, and innovation across commodity, derivatives, and emerging digital asset markets. In her valedictory remarks, Pham emphasised a deliberate return to "regular order," market integrity, and liquidity—core statutory objectives—whilst simultaneously advancing responsible innovation and fair competition. The transition marks the close of a consequential leadership phase that recalibrated enforcement, modernised supervisory tools, and prepared the Commission for expanded oversight of new products and platforms, including cryptoassets and prediction markets. The departure also formalises the handover to Michael S. Selig, signalling continuity in a pragmatic, innovation-compatible regulatory posture for U.S. commodity and derivatives markets.

Leadership Achievements & Legacy



Institutional Stabilisation

Pham's leadership stabilised the Commission during a sensitive interregnum, reinforcing institutional credibility whilst Congress advanced digital asset market structure initiatives.



Regulatory Clarity

She prioritised resolving legacy implementation challenges in swaps and derivatives regulation, strengthening legal certainty for regulated entities.



Enforcement Framework

A comprehensive framework for self-reporting and cooperation in enforcement actions was issued, recalibrating enforcement incentives and compliance engagement.

Market Structure Innovation & Crypto Sprint

- The Commission facilitated market structure innovation, including workstreams on perpetual contracts, extended trading hours, and prediction markets.
- Of direct relevance to the crypto sector, Pham launched the CFTC's Crypto Sprint to operationalise recommendations of the President's Working Group on Digital Asset Markets.
- The Crypto Sprint delivered first-of-its-kind milestones, including listed spot crypto trading on CFTC-registered futures exchanges and a digital asset markets pilot programme.
- Additional outputs included guidance on tokenised collateral and the establishment of the CFTC Crypto CEO Forum and CEO Innovation Council, institutionalising industry dialogue.

Innovation Philosophy

Pham explicitly framed innovation as complementary to market integrity, positioning the CFTC to supervise new asset classes without compromising statutory mandates.

Leadership Continuity

Her endorsement of Chairman Selig underscores leadership continuity, particularly a common-sense balance between innovation enablement and systemic risk control.

- ❑ **For market participants, the transition signals regulatory stability, sustained openness to innovation, and continued emphasis on transparent, rules-based supervision.**



United States Commodity Futures Trading Commission Leadership Appointment

Michael S. Selig Sworn In as 16th Chairman of the CFTC: Pro-Innovation Era for United States Crypto and Derivatives Markets

On **22 December 2025**, United States Commodity Futures Trading Commission formally [swore in Michael S. Selig as its 16th Chairman](#), marking a consequential leadership transition for United States commodity, derivatives, and digital asset regulation. Chairman Selig was nominated by Donald J. Trump on 27 October 2025 and confirmed by the United States Senate on 18 December 2025. The appointment arrives at a pivotal juncture as Congress advances comprehensive digital asset market structure legislation with direct implications for crypto-linked commodities and futures markets.



Constitutional Legitimacy

Chairman Selig assumes office following confirmation after a clearly sequenced constitutional process, reinforcing institutional legitimacy at a time of heightened regulatory sensitivity for digital assets.



Innovation Framework

His public remarks frame the CFTC as the primary architect of future-ready commodity and derivatives regulation, explicitly linking innovation with market integrity and systemic stability.



Legislative Alignment

The appointment coincides with anticipated federal digital asset market structure legislation, likely to clarify and expand the CFTC's jurisdiction over crypto-commodities and related derivatives.

Professional Background & Policy Integration

SEC Crypto Task Force

Immediately prior to this role, Selig served as Chief Counsel of the United States Securities and Exchange Commission Crypto Task Force and Senior Adviser to Paul S. Atkins, where he advanced regulatory coordination between the SEC and CFTC.

His work at the SEC focused on moving away from regulation-by-enforcement toward clearer rulemaking frameworks for digital asset markets, a philosophy now expected to influence CFTC policy direction.

Cross-Agency Coordination

Selig also contributed to the President's Working Group on Digital Asset Markets and its report on strengthening American leadership in digital financial technology, signalling cross-agency policy integration.

His prior private-practice experience advising derivatives intermediaries, exchanges, clearing organisations, and digital asset firms strengthens the Commission's practical understanding of market infrastructure and compliance burdens.

Compliance & International Implications

- From a compliance perspective, market participants should anticipate increased emphasis on harmonised oversight, predictable registration pathways, and innovation-aligned supervisory expectations under the Commodity Exchange Act framework.
- Internationally, the appointment is likely to influence global regulatory dialogue, positioning the CFTC as a leading authority on regulated crypto-derivatives within a coordinated U.S. regulatory architecture.

United States Commodity Futures Trading Commission Leadership Update

US CFTC Chairman Appoints Amir Zaidi as Chief of Staff: A Pro-Innovation Direction for Digital Asset Markets

On **31 December 2025**, the United States Commodity Futures Trading Commission announced a senior leadership appointment with Chairman [Michael S. Selig naming Amir Zaidi as Chief of Staff](#). The announcement was made against the backdrop of accelerating Congressional momentum on United States digital asset market structure legislation, with direct implications for crypto-linked commodities, futures, and derivatives markets. The appointment is institutional rather than symbolic, signalling a calibrated shift toward regulatory continuity combined with market-led innovation. As Chief of Staff, Zaidi will occupy a central coordination role across rulemaking, enforcement prioritisation, inter-agency engagement, and legislative interface, at a time when the CFTC's jurisdiction over digital asset commodities is under active statutory expansion. The move reinforces the Commission's stated objective of developing "[fit-for-purpose](#)" regulatory architecture for evolving commodity markets, particularly those intersecting with blockchain-based financial instruments. For global market participants, the appointment offers a clear regulatory signal: innovation in crypto-derivatives will be supervised by leadership deeply familiar with both legacy futures markets and the earliest federally regulated digital asset products in the United States.

Historic Bitcoin Futures

Zaidi previously oversaw the historic launch of CFTC-regulated bitcoin futures contracts, the first federally approved crypto-linked financial instruments in the United States, establishing precedential supervisory benchmarks.

Continuity Leadership

Zaidi's prior advisory roles under former Chairman Chris Giancarlo and former Commissioner Scott O'Malia position him as a continuity figure from the post-Dodd-Frank reform era to the current digital asset transition.

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Legislative Coordination

His return coincides with imminent Congressional action on digital asset market structure legislation, which is expected to clarify and potentially expand the CFTC's oversight of crypto-commodities and derivatives.

Strategic Positioning & Operational Stewardship

Operational Leadership

The appointment places operational stewardship of the CFTC's internal strategy, policy coordination, and regulatory agenda under a former Director of the Division of Market Oversight with direct experience supervising bitcoin futures certification.

Chairman Selig's remarks explicitly frame the appointment within a pro-innovation regulatory philosophy, balancing market development with statutory compliance and systemic risk management.

Compliance Expertise

His intervening experience as Global Head of Compliance at a major broker-dealer strengthens the Commission's institutional understanding of compliance governance, market infrastructure, and supervisory expectations.

From a compliance perspective, the appointment suggests regulatory emphasis on clear product certification pathways, market integrity controls, and innovation-compatible supervisory frameworks rather than enforcement-first disruption.

Market Participant Implications

- Internationally, the move will be closely watched by foreign derivatives regulators and crypto market participants as an indicator of the United States' evolving stance on regulated digital asset derivatives markets.
- For exchanges, clearing organisations, and intermediaries, the leadership change underscores the importance of proactive engagement with CFTC rulemaking, particularly in anticipation of new crypto-commodities classifications and futures oversight standards.

The appointment reinforces the CFTC's commitment to building a regulatory framework that supports innovation whilst maintaining robust market integrity and investor protection standards in the rapidly evolving digital asset derivatives landscape.