

Capital Markets: Derivatives 2024 – Global Overview

Published by *Chambers and Partners*

September 4, 2024

Derivatives have become an integral part of the global financial landscape, with transaction volumes growing dramatically over the years. These powerful financial instruments, whose value is derived from underlying assets such as stocks, bonds, commodities, currencies, interest rates or market indexes, play a crucial role in risk management and speculative opportunities worldwide.

The derivatives industry has undergone significant changes, shaped by global events like the 2008 financial crisis, which prompted a wave of regulatory reforms aimed at enhancing market stability and transparency. Today, derivatives are traded on regulated exchanges and over-the-counter (OTC) markets in major financial centers around the world, including New York, London, Tokyo and Hong Kong.

While derivatives are powerful tools for risk management, allowing businesses to protect against price volatility, currency fluctuations and interest rate changes, they also carry significant risks, including market, credit and liquidity risks. Most jurisdictions place considerable restrictions on who can trade derivatives, how these instruments are traded and whether certain post-execution activities (e.g., mandatory clearing, imposition of margin, risk mitigation measures) must occur.

The regulatory environment for derivatives varies by country but has seen increased oversight and reform over the last decade. The primary regulatory bodies in some of the most active trading jurisdictions (by trading volumes) include the US Commodity Futures Trading Commission (CFTC), the European Securities and Markets Authority (ESMA), the Financial Conduct Authority (FCA) of the United Kingdom, the Financial Services Agency of Japan (FSA), and Monetary Authority of Singapore (MAS).

This "Capital Markets: Derivatives 2024" Guide aims to provide a clear understanding of derivatives, their types, global market impact, and regulatory landscape, helping business professionals navigate the complexities of this rapidly evolving financial environment. This Guide will also cover recent

developments in the derivatives market, including but not limited to international cooperation, novel products, technological innovations, and improved risk management of central counterparties (CCPs).

["Capital Markets: Derivatives 2024 – Global Overview," Chambers and Partners](#), September 4, 2024

Additional Katten sections in the "Capital Markets: Derivatives 2024" Guide:

["Capital Markets: Derivatives 2024: Trends & Developments – England and Wales," Chambers and Partners](#), September 4, 2024

["Capital Markets: Derivatives 2024: Law & Practice – England and Wales," Chambers and Partners](#), September 4, 2024

CONTACTS

For more information, contact your Katten attorney or any of the following attorneys.



Carl E. Kennedy
+1.212.940.8544
carl.kennedy@katten.com



Daniel J. Davis
+1.202.625.3644
daniel.davis@katten.com



Stephen R. Morris
+1.212.940.6654
stephen.morris@katten.com



Alexander C. Kim
+1.212.940.6535
alexander.kim@katten.com



Nicholas Gervasi
+1.212.940.8562
nicholas.gervasi@katten.com

Attorney advertising. Published as a source of information only. The material contained herein is not to be construed as legal advice or opinion.

©2026 Katten Muchin Rosenman LLP.

All rights reserved. Katten refers to Katten Muchin Rosenman LLP and the affiliated partnership as explained at [katten.com/disclaimer](#).