Consultation Paper

Manual on post-trade transparency

Responding to this paper

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in Annex 1. Comments are most helpful if they:

- respond to the question stated;

- indicate the specific question to which the comment relates;

- contain a clear rationale; and

- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **31 March 2023.**

All contributions should be submitted online at www.esma.europa.eu under the heading 'Your input - Consultations'.

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the heading 'Data protection'.

Who should read this paper?

This consultation paper (CP) is of particular interest for entities subject to the post-trade transparency requirements and/or reporting such information - investment firms, including SIs, trading venues and approved publication arrangements (APAs) and as well as other stakeholder groups and associations accessing post-trade information.

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List of acronyms

APA	Approved Publication Arrangement
CDR 2017/567	Commission Delegated Regulation (EU) 2017/567 supplementing Regulation (EU) No 600/2014 with regard to definitions, transparency, portfolio compression and supervisory measures on product intervention and positions
CP	Consultation Paper
CTP	Consolidated Tape Provider
DEA	Derivatives on Emission Allowance
DR	Depositary receipt
EA	Emission Allowance
ECB	European Central Bank
ESMA	European Securities and Markets Authority
ETF	Exchange Traded Funds
ETC	Exchange Traded Commodity
ETD	Exchange Traded Derivatives
ETN	Exchange Traded Notes
FIRDS	Financial Instruments Reference Data System
FR	Final report
FX	Foreign Exchange
ISIN	International Securities Identification Number
LIS	Large in scale
MIC	Market Identifier Code
MiFID	Directive 2014/65/EU on Markets in Financial Instruments Directive and amending Directive 2002/92/EC and Directive 2011/61/EU
MiFIR	Regulation (EU) No 600/2014 on Markets in Financial Instruments Regulation and amending Regulation (EU) No 648/2012
MTF	Multilateral Trading Facility
NCA	National Competent Authority
OTC	Over-the-counter
RM	Regulated Market

RTS 1	Commission Delegated Regulation (EU) 2017/587 of 14 July 2016
RTS 2	Commission Delegated Regulation (EU) 2017/583 of 14 July 2016
RTS 22	Commission Delegated Regulation (EU) 2017/590 of 28 July 2016
RTS 23	Commission Delegated Regulation (EU) 2017/585 of 14 July 2016
SFP	Structured Finance Products
SI	Systematic Internaliser
TCTV	Third-country trading venue
TOTV	Traded on Trading Venue

1 Executive Summary

Reasons for publication

Commission Delegated Regulation (EU) 2017/587 (RTS 1) and Commission Delegated Regulation (EU) 2017/583 (RTS 2) further specify the MiFIR pre- and post-trade transparency requirements for equity instruments (shares, depositary receipts, ETFs and certificates) and non-equity instruments (bonds, structured finance products (SFPs), emission allowances and derivatives).

Following the application of MiFID II and MiFIR for nearly five years and ESMA's work on reviewing the MiFID II/MiFIR provisions and the related Level 2 provisions, in particular on transparency as well as on the functioning of the consolidated tape provider (CTP) for equity instruments, this consultation paper (CP) presents ESMA's proposals on a Level 3 guidance, in the form of a Manual, on the post-trade transparency fields.

The reviewed RTS 1 and 2 have not been endorsed by co-legislators yet. However, considering the need to foster the data quality of the post-trade transparency reports before the setting-up of a CTP, ESMA is publishing this CP on the basis of the texts of the reviewed RTS 1 and 2 adopted by the European Commission on 17 January 2023. ESMA will make any adjustments necessary as a consequence of the outcome of the legislative process when preparing the final Manual.

Contents

Section 2 provides the context of this Level 3 workstream, Section 3 defines the Q&As, already published by ESMA, which will be moved into the Manual. Section 4 analyses the proposed changes to the CFI code – MiFIR identifier mapping which is the basis of the identification of the different types of instruments for the purpose of transparency. Section 5 and 6 focus on the reporting fields of the post-trade transparency reports for equity instruments and non-equity instruments, respectively. Section 7 concludes with a focus on the flags used to identify the different transactions and a separate sub-section is dedicated to the new portfolio flag for non-equity instruments.

Next Steps

Stakeholders are invited to provide comments by 31 March 2023. ESMA will analyse the feedback received to the consultation and aims at publishing a final report and the Manual on post-trade transparency after the endorsement of the reviewed RTS 1 and 2 by all co-legislators.

Disclaimer

This Consultation Paper is published following the European Commission's adoption of the revised RTS 1 and 2 and without prejudice to the right of non-endorsement of the revised RTS 1 and 2 by the European Parliament and Council that have a 3-month period to object the adoption of those texts. ESMA aims to publish a final report and Manual on post-trade transparency only after the end of the non-objection period.

2 Introduction

1. In the Final Reports of the RTS 1[1] and 2 Review[2] published in March 2022, ESMA committed to provide further clarification at Level 3 on certain issues related to post-trade transparency to improve the consistency and usability of the information published and on the reporting to ESMA's Financial Instruments Reference Data System (FITRS) for the purpose of the performance of the transparency calculations.

2. In this context, ESMA intends to use a new Level 3 tool as foreseen under Article 29(2) of ESMA Regulation[3] which allows for the development by ESMA of new practical instruments and convergence tools to promote common supervisory approaches and practices as appropriate.

3. This new Level 3 tool will be a Manual which is intended purely as a practical tool with the clear purpose of supporting the practical implementation of the applicable post-transparency legal requirements to stakeholders. The manual does not provide EU law interpretation or contain supervisory elements.

4. This Manual on post-trade transparency will provide a general overview of the post-trade transparency regime for equity, equity-like and non-equity instruments and will include in one single document (i) legal references of Level 1 (MiFIR / MiFID II), (ii) legal references of Level 2 (RTS), (iii) legal references of Level 3 (Opinions/Guidelines), (iv) guidance included in previously published Q&As and (v) new Level 3 guidance.

5. To prepare one section of this Consultation Paper (CP), ESMA held a workshop on 11 October 2022 to collect technical feedback on the proposed new Level 3 guidance on the fields included in Table 2 of Annex II of RTS 2, specifying the post-trade transparency information which has to be made public. The feedback collected supported ESMA in identifying areas for which more work was necessary.

6. This CP is seeking feedback on the additional L3 guidance proposed by ESMA concerning the CFI code-MiFIR identifier mapping (Section 4), the reporting fields in RTS 1 and 2 (Sections 5 and 6) and changes to the flagging regime following the review of RTS 1 and 2 (Section 7). ESMA intends to cover additional topics in the Manual and provides an overview of the content of the Manual in Section 3 of this CP.

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[1] esma70-156-4944_final_report_-_rts_1_review.pdf (europa.eu)
[2] esma70-156-4825_final_report_-_rts_2_review.pdf (europa.eu)
[3] CL2010R1095EN0030010.0001.3bi_cp 1..1 (europa.eu)

7. This CP is based on the reviewed RTS 1 and 2[4] as adopted by the European Commission (the EC)[5] following the positive Opinion issued by ESMA on the further amendments requested by the EC to adopt the texts[6]. Therefore, in all the tables in the following sections "Reviewed RTS 1" and "Reviewed RTS 2" refer to the reviewed RTS 1 and 2 adopted by the European Commission.

3 Content of the Manual

8. The areas that will be tackled in the Manual are: (i) the scope of instruments and transactions subject to post-trade transparency, (ii) the relevant entities in charge of the reporting and publication of post-trade transparency information, (iii) when post-trade transparency information has to be made public: real-time vs. deferred publication, (iv) which post-trade transparency information has to be made public, i.e. reporting fields and flags, and (v) the common aspects as well as the differences between the post-trade transparency regime and the transparency calculations in relation to the scope of instruments and transactions.

9. In addition to the descriptions of the above five topics, the relevant legal references as described in the introduction, the current guidance included in certain Q&As as defined in Section 3.2, and the additional guidance on which ESMA is consulting through this CP (see paragraph 6), the Manual will in addition tackle a selected list of topics identified throughout its drafting. This preliminary and non-exhaustive list, provided in Section 3.1, may be supplemented following the consultation.

3.1 Selected list of additional topics tackled in the Manual

10. On the scope of instruments subject to post-trade transparency, ESMA intends to provide clarifications on the delineation between ETFs and units in collective investments, and on the classification of CDS index tranches and total return swaps, inter alia.

11. With regard to the scope of transactions subject to post-trade transparency, the status of transfers of financial instruments when no price is paid (e.g. donations or gifts) will also be clarified.

12. As far as the relevant entities in charge of the reporting and publication of post-trade transparency information are concerned, the Manual will clarify which entity is in charge of the reporting and publication of post-trade transparency information for FX derivatives.

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[4] ESMA initially submitted the amendments to those RTSs in March 2022 (see ESMA70-156-4944 and ESMA70-156-4825)
[5] RTS 1 and RTS 2 adopted
[6] ESMA opinion

More specifically, Q&A #3 of Section 2 - General Q&As on transparency topics will be enriched to clarify if the near leg or the far leg date should be used to identify the counterparty receiving / paying the currency first sorted alphabetically by the ISO 4217 standard.

13. The Manual will also include practical explanations on the use and combination of flags, examples of post-trade publication schemes and details on package transactions based on the already published Q&As but updated for the changes provided by the revised RTS 1 and 2 texts.

14. The Manual will also clarify which instruments and transactions are in scope of the calculation of the transparency parameters, compared to instruments and transactions in scope of the post-trade transparency regime.

15. These additional topics are not covered in this CP. However, ESMA invites stakeholders to share their views on any of these topics, as well as on other topics that could be considered for inclusion in the Manual.

3.2 Published Q&As moved to the Manual

16. As mentioned above, the Manual will include both already published Q&As and new Level 3 guidance. The table below presents the Q&As that will be moved to the Manual and deleted from the Q&A document on MiFID II and MiFIR transparency topics.

General Q&As on transparency topics				
#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
1	Obligation on trading venues to make available their arrangements for the publication of quotes and transactions	Articles 3(3), 6(2), 8(3) and 10(2) of MiFIR	03/04/2017	Keep in the Q&A document.
2a	Flags and details for the purpose of post-trade transparency	Tables 3 and 4 of Annex I of RTS 1; Tables 2 and 3 of Annex II of RTS 2	03/04/2017	Move to the manual.
2b				Move to the manual.
2c				Keep in the Q&A document.
3a	Which investment firm reports	Article 12(4), (5) and (6) of RTS 1 and	03/04/2017	Move to the manual.

3b		Article 7(5), (6) and (7) of RTS 2		Keep in the Q&A document.
4	Application of the transparency regime for primary transactions	Title II and III of MiFIR	03/04/2017	Move to the manual.
5	ISINs for pre-trade transparency	Articles 3 and 8 of MiFIR	03/04/2017	Keep in the Q&A document.
6	Use of 'PNDG' as price when making transactions public	Articles 20 and 21 of MiFIR, Annex I of RTS 1, Annex II of RTS 2	03/04/2017	Move to the manual.
7	RFQ systems	Annex I of RTS 1 and RTS 2	14/11/2018	Keep in the Q&A document.
8	Application of post-trade transparency requirements by trading venues and SIs	Articles 6 and 10 of MiFIR	03/10/2017	Move to the manual.
9	Obligation to make available data free of charge 15 minutes after publication	Article 13(1) of MiFIR	15/11/2017	Keep in the Q&A document.
10	Requirements to publish information on post-trade data 15 minutes after publication free of charge	Article 13(1) of MiFIR, Articles 64(1) and 65(1) and (2) of MiFID II	14/11/2018	Keep in the Q&A document.
11	Publication of transactions – how to populate the field 'publication date and time'	table 2 of Annex II of RTS 1 and table 3 of Annex I of RTS 2	29/05/2018	Move to the manual.
12	Voice trading systems – guidance on the application of pre-trade transparency requirements	Article 8 of MiFIR and annex 1 of RTS 1 and 2	29/05/2018	Keep in the Q&A document.
13	Reporting of a new ISIN in FIRDS and FITRS following a corporate action	Article 1 of RTS 23 and Article 17(5) of RTS 1 and Article 13(16) of RTS 2	03/06/2019	Move to the manual.
Equity transparency				

#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
1	Trading obligation for shares	Article 23 of MiFIR	03/04/2017	Keep in the Q&A document.
2	Scope of the trading obligation for shares	Article 23 of MiFIR	15/11/2017	Keep in the Q&A document.
3	Default transparency regime for equity instruments	Articles 2(1)(17)(b), 4(1)(a) and (c), 7(1), 14(2) and (4) and 20(2) of MiFIR	30/09/2021	Move to the manual.
4	Publication of request for market data (RFMD) transactions	Article 20 of MiFIR	04/01/2019	Move to the manual.
5	Determination of the turnover to be used for the average value of transactions (AVT) calculation	Article 11 of RTS 1	02/10/2019	Move to the manual.

Non-equity transparency				
#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
1	Definition of Exchange for physical	Article 2(1)(48) of MiFIR	31/05/2017	Move to the manual.
2	Deferred publication: application for OTC-trades	Article 21 of MiFIR	03/10/2017	Move to the manual.
3	Supplementary deferral regime	Article 11(3)(a) of MiFIR and Article 11(1)(a)(ii) of RTS 2	03/10/2017	Move to the manual.
4	Questions related to package orders/transactions	Article 2(1)(49) & (50) of MiFIR and Article 18 of MiFIR	15/11/2017	Move to the manual.
5	Normal trading hours for non-equity instruments	Article 21 of MiFIR	03/10/2017	Move to the manual.
6	Publication of transactions in an aggregated form by APAs	Article 11(3)(a), (c) and (d) of MiFIR	15/11/2017	Move to the manual.
7	Publication of transactions in an aggregated form by APAs	Article 11(3)(a), (c) and (d) of MiFIR	15/11/2017	Move to the manual.

8	Temporary suspension of transparency for bonds	Articles 9(4) and 11(2) of MiFIR	15/11/2017	Keep in the Q&A document.
9	Geographical scope of the temporary suspension of transparency	Articles 9(4) and 11(2) of MiFIR	15/11/2017	Keep in the Q&A document.
10	Default liquidity status of bonds	Article 2(1)(17)(a) of MiFIR	04/10/2018	Move to the manual.
11	The "nominal value" of bonds	Table 4 of Annex II of RTS 2	18/12/2017	Move to the manual.
12	Scope of the trading obligation for interest rate derivatives	Commission Delegated Regulation (CDR) 2017/2417	28/03/2018	Keep in the Q&A document.
13	Classification of derivatives on derivatives	Annex III of RTS 2	04/10/2018	Move to the manual.
14	Scope of Article 9(1)(c) of MiFIR	Article 9(1)(c) of MiFIR	04/10/2018	Keep in the Q&A document.
15	Default LIS and SSTI thresholds for bonds	Articles 8, 9 and 11 of MiFIR and Articles 3,5,9 and 10 of RTS 2	04/01/2019	Move to the manual.
16	Money Market Instruments (MMIs)	Article 11 of Commission Delegated Regulation (CDR) 2017/565	02/04/2019	Move to the manual.
17	Reporting of prime brokerage transactions	Article 7(7) and Table 2 of Annex II of RTS 2	02/04/2019	Move to the manual.
18	Treatment of constant maturity swaps	Article 13 and Annex III of RTS 2	12/07/2019	Move to the manual.
19	Conversion of LIS/SSTI thresholds in lots	Article 13(9) RTS 2	29/05/2020	Move to the manual.
20	Default liquidity status, SSTI and LIS thresholds of non-equity instruments	Article 13 of RTS 2	29/05/2020	Move to the manual.
21	Publication of transactions in an aggregated form	Article 11(3) of MiFIR and Article 11 of RTS 2	29/05/2020	Move to the manual.
22	Reporting of Field 25 of RTS 2	Table 2 of Annex IV of RTS 2	30/09/2021	Move to the manual.

23	Reporting of Field 24 of RTS 2	Table 2 of Annex IV of RTS 2	20/05/2022	Move to the manual.
24	Classification of bonds	Table 2.2 of Annex III of RTS 2	20/05/2022	Move to the manual.

General Q&As on transparency topics				
#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
Pre-trade transparency waivers				
1	Pre-trade transparency waivers under MiFID I	Article 4(7) of MiFIR	03/06/2019	Keep in the Q&A document.
2	Waiver procedure for illiquid non-equity financial instruments	Article 9(1)(c) of MiFIR	18/11/2016	Keep in the Q&A document.
3	Substantial and non-substantial amendments to MiFID I waivers	Article 3(1) and Article 8(1) of MiFIR	31/05/2017	Keep in the Q&A document.
4	Calculation of the "current volume weighted spread reflected in the order book" for negotiated transactions	Article 4(1)(b)(i) of MiFIR	31/05/2017	Keep in the Q&A document.
5	Maximum authorised deviation around the reference price for negotiated transactions in illiquid equity instruments	Article 4(1)(b)(ii) of MiFIR	15/11/2017	Keep in the Q&A document.
6	Partial execution of LIS orders (Article 9(1)(a) of MiFIR) and orders above SSTI	Article 9(1)(b) of MiFIR	15/11/2017	Keep in the Q&A document.
7	SSTI – calculation of indicative pre-trade prices	Article 8(4) of MiFIR	15/11/2017	Keep in the Q&A document.
8	Categorisation of subscription rights	Article 4 of MiFIR	18/12/2017	Move to the manual.
9	Process for a waiver under Article 18(2) of MiFIR	Article 18(2) of MiFIR	18/12/2017	Keep in the Q&A document.
10	Reference price waiver and multi-listed shares	Article 4(1)(a) of MiFIR	18/12/2017	Keep in the Q&A document.

#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
11	Pre-arranged/negotiated transactions for non-equity instruments	Article 9 of MiFIR	12/07/2019	Keep in the Q&A document.
11a	Hedging Exemption	Article 8(1) of MiFIR	12/07/2019	Keep in the Q&A document.
12	Minimum size of orders held in an order management facility for non-equity financial instruments	Article 4 of RTS 2	07/02/2018	Keep in the Q&A document.

Double volume cap

#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
3	Application of the double volume mechanism to newly issued instruments	Article 5(4) of MiFIR	03/10/2016	Keep in the Q&A document.
4	Mid-month reports	Article 5(6) of MiFIR	03/10/2016	Keep in the Q&A document.
5	DVC and corporate actions	Article 5 of MiFIR and RTS 3	12/07/2018	Keep in the Q&A document.
6	Responsibility to verify DVC	Article 5 of MiFIR	28/01/2022	Keep in the Q&A document.

Systematic internaliser regime

#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
1	Schedule for the initial implementation of the systematic internaliser regime	Article 17 of the Commission Delegated Regulation (EU) No 2017/565	29/01/2019	Keep in the Q&A document.
2	Level at which the firm must perform the calculation where it is part of a group or operates EU branches	Articles 12 to 16 of the Commission Delegated Regulation (EU) No 2017/565	31/01/2017	Keep in the Q&A document.
3	Transactions that should be exempted from, and included in, the calculation	Articles 12 to 16 of the Commission Delegated Regulation (EU) No 2017/565	31/01/2017	Keep in the Q&A document.

#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
4	Level of asset class at which the calculation should be performed for derivatives, bonds and structured finance products	Articles 13 to 15 of the Commission Delegated Regulation (EU) No 2017/565	08/07/2020	Keep in the Q&A document.
5	Compliance with the quoting obligations for SIs in non-equity instruments	Article 18 of MiFIR	31/05/2017	Keep in the Q&A document.
6	Compliance with the SI regime and notification to NCAs	Articles 15(1) and 18(4) of MiFIR	03/06/2019	Keep in the Q&A document.
7	Transactions that should be included in the calculations	Article 4(1)(20) of MiFID II	03/10/2017	Keep in the Q&A document.
8	Commercial policy of access to quotes	Article 18(5) of MiFIR	03/10/2017	Keep in the Q&A document.
9	Access to quotes	Article 18(7) of MiFIR	03/10/2017	Keep in the Q&A document.
10	Price to be published by SIs in bonds and derivatives	Article 18 of MiFIR	15/11/2017	Keep in the Q&A document.
11	Mandatory SI regime	Article 4(1)(20) of MiFID II and Articles 14 to 18 of MiFIR	03/06/2019	Keep in the Q&A document.
11a	Voluntary SI regime	Article 4(1)(20) of MiFID II	03/06/2019	Keep in the Q&A document.
11b	Quoting obligation for SI in non-TOTV instruments	Articles 14 to 18 of MiFIR	03/06/2019	Keep in the Q&A document.
12	Quoting obligation for SIs in non-equity financial instruments	Article 18 of MiFIR	02/04/2019	Keep in the Q&A document.
13	Impact for SIs of an instrument changing liquidity status in between the SI determination dates	Article 14 to 22 of MiFIR and Articles 12 to 17 of the Commission Delegated Regulation (EU) No 2017/565	02/04/2019	Keep in the Q&A document.

Data Reporting Services Providers				
#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?

#	Topic of the Question	Level 1/Level 2 issue	Last Updated	Move to the Manual?
1	Reports from IF to APAS (time limit for sending the reports and clarification on possible disagreements between the investment firm and the APA)	Articles 7, 11, 20 and 21 of MiFIR	31/05/2017	Move to the manual.
2	Assignment of MICs to APAs	Annex I of RTS 1 and Annex II of RTS 2	31/05/2017	Keep in the Q&A document.
3	Timeline for approving connections to ARMs to NCAs	Article 61(3) of MiFID II	15/11/2017	Keep in the Q&A document.
4	APA reports to competent authorities and ESMA	Article 2 of RTS 3	01/02/2019	Move to the manual.

Third country issues				
#	**Topic of the Question**	**Level 1/Level 2 issue**	**Last Updated**	**Move to the Manual?**
1	Application of post-trade transparency requirements for transactions by EU investment firms on third-country trading venues	Articles 20 and 21 of MiFIR	31/05/2017	Move to the manual.
2	Transactions outside the EU/ trades by non-EU firms	Articles 3,4, 6-11, 20, 21 of MiFIR as well as Article 4(1)(20) of MiFID II and 12 to 16 of the Commission Delegated Regulation (EU) No 2017/565	15/11/2017	Move to the manual (except for the part on SI calculations which will remain in the Q&A).

Q1: Please share any feedback you may have on the additional topics highlighted in section 3.1. Do you believe that other specific technical topics shall be addressed on top of those described in Sections 3.1 and 3.2 above and presented in the rest of this CP?

4 CFI code – MiFIR identifier mapping

17. The correct classification of instruments is crucial for the correct application of the transparency regime. To support the classification of the financial instruments in line with Level 1 and 2, the mapping between the CFI code and the MiFIR identifier[7] was developed in 2016 to clarify the correspondence between the CFI code[8] reported to Financial Instruments Reference Data System (FIRDS) and the MiFIR identifier[9] reported to Financial Instruments Transparency System (FITRS).

18. This mapping has already been revised in the past to increase its granularity compared to the first version. However, over the past months ESMA has been made aware by stakeholders of certain instruments improperly classified compared to the current CFI code – MiFIR identifier mapping as well as of classification issues that are mainly related to (i) Money Market Instruments (MMIs), (ii) ETCs and ETNs, (iii) bonds vs. structured finance products (SFPs) and securitised derivatives (iv) further distinction among the different bond types.

19. The mapping is thus revised to further clarify the correspondence between the two identifiers (CFI code and MiFIR identifier) and expand its granularity for certain types of financial instruments with the goal to minimise the misalignments in the context of the reporting of transparency reference data. This clarification will contribute to a more consistent classification of instruments for post-trade transparency purposes also assuming that there is a convergent assignment of the CFI codes by the different National Numbering Agency and correct CFI reporting by the Trading Venues.

Distinction among the different bond types

20. ESMA reminds that to further enhance convergence in the classification of the different bond types a Q&A was published in May 2022 (Q&A#24, Section 4 – Non-equity transparency)[10]. However, ESMA appreciates that this Q&A might not be sufficient. Therefore, ESMA envisages to enrich this guidance further. Market participants are invited to indicate issues faced and suggest possible more granular mapping between the CFI code and MiFIR identifier, if any is possible.

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[7] 2016-1523annex9.11_cfi-rts2_field_mapping_rev.2.xlsx (live.com)
[8] Classification of financial instruments (CFI) code identified according to ISO 10962 assigned by Association of National Numbering Agencies (ANNA) and the Derivatives Service Bureau (DSB) for OTC derivatives.
[9] Classification of financial instruments (CFI) code identified according to ISO 10962 assigned by Association of National Numbering Agencies (ANNA) and the Derivatives Service Bureau (DSB) for OTC derivatives.
[10] Q&As on MiFID II and MiFIR transparency topics (europa.eu)

Money Market Instruments (MMIs)

21. ESMA reminds that the MMIs are defined in Article 11 of CDR 2017/565 as following: "Money-market instruments in accordance with Article 4(1)(17) of Directive 2014/65/EU, shall include treasury bills, certificates of deposits, commercial papers and other instruments with substantively equivalent features where they have the following characteristics: (a) they have a value that can be determined at any time; (b) they are not derivatives; (c) they have a maturity at issuance of 397 days or less".

22. In accordance with Article 27 of MiFIR those instruments reference data should be reported to FIRDS, but they are not subject to the transparency regime. Therefore, ESMA identifies those instruments by means of the CFI code which should start with DY**** since as per CFI code these instruments should include *"financial instruments designated at issuance as such with a short-term like for instance treasury bills and commercial paper including municipal money market instruments"*. Furthermore, ESMA also checks the maturity at issuance by means of fields "#10 – Issuance date" and "#8 – Maturity" of Table 2 of Annex IV of RTS 2 to make sure it is of 397 days or less.

ETCs and ETNs

23. In its [Final Report delivering draft RTS and ITS for MiFID II/ MiFIR backed in 2015 (p. 98)](https://www.esma.europa.eu/sites/default/files/library/2015/11/2015-esma-1464_-_final_report_-_draft_rts_and_its_on_mifid_ii_and_mifir.pdf)[11] ESMA clarified that, despite ETCs and ETNs have the same trading characteristics of ETFs, their legal structure leads to define them as bonds. Indeed, an ETC is defined in RTS 2 as "*a debt instrument issued against a direct investment by the issuer in commodities or commodities derivative contracts. The price of an ETC is directly or indirectly linked to the performance of the underlying. An ETC passively tracks the performance of the commodity or commodity indices to which it refers*" and, an ETN is defined in RTS 2 as "*a debt instrument issued against a direct investment by the issuer in the underlying or underlying derivative contracts. The price of an ETN is directly or indirectly linked to the performance of the underlying. An ETN passively tracks the performance of the underlying to which it refers.*"

24. In the current version of the CFI code – MiFIR identifier mapping ETCs and ETNs are identified with the CFI code starting with EY****, a CFI code representing equity instruments despite being qualified as non-equity instruments (bonds) as described above. However, as it is outlined in the analysis described in Section 4.1.2 (see Table 2 - Incorrect Non-Equity MiFIR Identifier), those instruments seem to be included also in other CFI codes. Therefore, the revised mapping should tackle this.

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[11] https://www.esma.europa.eu/sites/default/files/library/2015/11/2015-esma-1464_-_final_report_-_draft_rts_and_its_on_mifid_ii_and_mifir.pdf

Bonds vs. SFPs and securitised derivatives

25. ESMA was made aware of the need of further clarifications to identify bonds vs. SFPs and securitised derivatives. These uncertainties are also evident from the analysis of the CFI code – MiFIR identifier mapping presented below (see Table 2 - Incorrect Non-Equity MiFIR Identifier).

4.1 CFI code – MiFIR identifier mapping analysis

26. In order to address the issues presented by market participants, ESMA carried out an analysis on the CFI codes and related MiFIR identifiers reported to FIRDS and FITRS. The analysis has been performed on an original data set extraction of 6,621,525 ISINs as of 1 September 2022 and includes also terminated ISINs and those that were available for trading in the UK before Brexit.

27. ESMA decided to include the data from the UK to have an overview of the classifications of the instruments also on those trading venues, being mindful that many UK trading venues set up subsidiaries in the EU following Brexit.

28. All ISINs-CFIs combinations out of the scope of the MiFIR transparency requirements based on the CFI code – MiFIR identifier mapping, and all (26,000) cases where multiple CFIs were allocated to the same ISINs[12] have been filtered out resulting in smaller sample of 3,769,239 ISINs. This smaller data sample has been analysed to flag all relevant mapping issues.

29. The total number of ISINs affected by at least one MIFIR identifier mismatch for equity or non-equity were 16,329. More specifically, 2 types of errors have been identified:

- 49 ISINs (DA**** and ES****) were assigned both an equity and a non-equity MiFIR identifier by different trading venues.

- the remaining ISINs had a MiFIR identifier assigned not in line with the CFI code – MiFIR identifier mapping.

4.1.1 CFI code – Equity MiFIR identifier mapping analysis

30. From the table below (see Table 1 - Incorrect Equity MiFIR Identifier), the ISINs assigned with an incorrect equity MiFIR identifier are analysed and it is evident that the numbers of errors are very small in most of the cases. Furthermore, looking at the instruments behind,

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[12] ESMA is working to converge to a single classification and assignation of a CFI code.

it seems that the problem of those ISINs is mainly an incorrect assignment of the MiFIR identifier. Hence, ESMA does not consider it necessary to revise the mapping for equity instruments.

			Table 1 - Incorrect Equity MiFIR Identifier							
Row Labels	Count ISINs for each CFI [A]	% over the ISINs affected [B] / [A]	Analysis	CRFT	DPRS	ETFS	OTHR	SHRS	Totals [B]	% over the ISINs affected [B] / 16,329
CE**M*	8	25.0%	small num of instruments					2	2	0.0%
CE**X*	2	100.0%	small num of instruments					2	2	0.0%
DA****	4,760	4.5%	Analysed in conjunction with the second table.	13		155		46	214	1.3%
DB****	2,009	0.6%	small num of errors			2	2	9	13	0.1%
DD****	6	66.7%	small num of instruments			1		3	4	0.0%
DE****	177	17.5%	relatively small num of instruments and errors			2	1	28	31	0.2%
DS****	68	36.8%	small num of instruments					25	25	0.2%
DT****	5,244	0.0%	small num of instruments			1			1	0.0%
ED****	8	100.0%	small num of instruments					8	8	0.0%
EM****	75	77.3%	The 58 misallocations refer to 4 ISINs traded on many different TVs. Therefore, the issue is limited and rather seems a misallocation of the CFI code.					58	58	0.4%
EP****	8	12.5%	small num of instruments			1			1	0.0%
ES****	16	62.5%	small num of instruments		1	8	1		10	0.1%
EY***B	2	100.0%	small num of instruments	2					2	0.0%

EY***C	5	100.0%	small num of instruments			5			**5**	**0.0%**
EY***G	1	100.0%	small num of instruments	1					**1**	**0.0%**
EY***I	152	100.0%	Those ISINs classified as ETFs relate to UK trading venues. Those still available for trading are on TVs in FR, HU, LU and NL and they are all classified as certificates as the name suggests. However, they rather appear to be securitised derivatives. Therefore, it is considered that those 42 ISINs should rather be assigned a different CFI code.	42		110			**152**	**0.9%**
EY***M	17	94.1%	small num of instruments	15		1			**16**	**0.1%**
EY***S	2	100.0%	small num of instruments	2					**2**	**0.0%**
EY***T	33	100.0%	small num of instruments	1		30		2	**33**	**0.2%**
EY***X	4	100.0%	small num of instruments	2		2			**4**	**0.0%**
RW****	42	35.7%	small num of instruments			14		1	**15**	**0.1%**
Grand Total	**12,639**			**78**	**1**	**332**	**4**	**184**	**599**	**3.7%**

4.1.2 CFI code – Non-equity MiFIR identifier mapping analysis

31. In the table below, the ISINs assigned with an incorrect non-equity MiFIR identifier are analysed. The issues are mainly due to misallocations of CFIs assigned to instruments and concern a few financial instruments and derivatives: bonds (DB****), asset-backed securities (DA****), mortgage-backed securities (DG****), medium term notes (DT***) and other debt instruments (DM****). The purpose is to provide a third update to the mapping which would support the resolution of the issues related to the MiFIR Identifier association.

32. As far as ISINs with a CFI code starting with DG**** are concerned, it seems that these are classified as bonds since they are mortgage bonds. However, most of those instruments are Mortgage-backed securities, therefore they should be classified as SFPs. Hence, instruments with a CFI code starting with DG**** should be classified as SFPs while mortgage bonds should rather have a CFI code as DB*S**. Therefore, no changes are proposed to the grid as the current guidance is considered sufficient.

33. The CFI construct DM**** is a miscellaneous of different debt instruments that do not fit the other debt groups defined in the ISO standard. As of today, the MiFIR identifier assigned was limited to bonds only. However, looking at the results of the analysis it seems that a relevant number of ISINs are classified as securitised derivatives (SDRV) and SFPs (classifications as ETCs are represented by only 5 ISINs). Consequently, considering the equivocal delineation between bonds and SFPs, ESMA proposes to open the mapping including SFPs on top of bonds. However, for SDRV, ESMA considers it more appropriate to revise the CFI code allocated to those instruments.

34. Instruments classified as DT**** should represent medium term notes. However, a relevant number of instruments are classified as SFPs. From a preliminary analysis of those instruments, it appears that those are bonds and, therefore, the MiFIR identifier assigned should be corrected. ESMA will follow-up on those cases in the context of the data quality programme. In conclusion, in this case ESMA proposes not to change the mapping.

35. Several ISINs assigned a DB**** CFI Code, are reported as SFPs. However, the CFI code starting with DB**** clearly indicates bonds. Therefore, ESMA does not propose any change to this mapping at this stage but, would like to receive further feedback on why those instruments are reported as such.

36. Instruments reported with construct and related sub-classes as DA**** (Asset Backed Securities) accounted for the biggest mismatch. The proposal here is to consider relaxing the rule of the current mapping expanding the grid to ETCs and ETNs on top of SFPs. This would be in line with the preliminary feedback received by market participants claiming that many ETCs and ETNs are allocated a DA**** CFI code. As far as the instruments are assigned a bond MiFIR identifier, most of those instruments are actually covered and

convertible bonds structures, therefore, the issues are due to wrong CFI allocation instead of a wrong MiFIR identifier allocation. Therefore, ESMA does not consider opening the classification of <u>DA****</u> instruments to bonds.

37. Last but not least, from the analysis ESMA concluded that it is necessary to expand the granularity of the mapping to instruments with the CFI codes SE*L**, SE*P** and SE*V** that would fall under MiFIR ID as Equity Derivatives.

38. The table below summarises the proposals presented above (proposed amendments are in red).

CFI code definition	CFI code first 2 letters	CFI code	Instrument type	MiFIR identifier *Field 4, Table 2, Annex III, RTS 1 Field 3, Table 2, Annex IV, RTS 2*	Asset class of the underlying Field 4 of TS 2
Mortgage-backed securities	DG	DG****	SFPs	SFPS	
Miscellaneous	DM	DM****	Bond or SFPs	BOND or SFPS	
Medium-term notes	DT	DT****	Bond	BOND	
Bonds	DB	DB****	Bond	BOND	
Asset-backed securities	DA	DA****	SFPs or ETCs or ETNs	SFPS or ETCS or ETNS	
Equity swaps (volatility)	SE	SE*L**	Equity Derivatives	DERV	EQUI
Equity swaps (price return)	SE	SE*P**	Equity Derivatives	DERV	EQUI
Equity swaps (variance)	SE	SE*V**	Equity Derivatives	DERV	EQUI

Q2: Do you agree with ESMA's proposed amendments to the CFI code – MiFIR identifier mapping?

Q3: Referring to the section "Distinction among the different bond types", do you see the need for further clarification to be included, or further refinements to the existing CFI-MiFIR Identifier mapping?

Q4: Do you see the need for further clarification to be included, or further refinements to the existing CFI-MiFIR Identifier mapping not presented in the previous answer?

			Table 2 - Incorrect Non-Equity MiFIR Identifier								
Row Labels	**Count ISINs for each CFI [A]**	**% over the ISINs affected [B] / [A]**	**Analysis**	**BOND**	**DERV**	**ETCS**	**ETNS**	**SDRV**	**SFPS**	**Totals [B]**	**% over the ISINs affected [B] / 16,329**
CE**C*	6	100.0%	small num of instruments			6				**6**	**0.0%**
CE**E*	1	100.0%	small num of instruments				1			**1**	**0.0%**
CE**M*	8	75.0%	small num of instruments			6				**6**	**0.0%**
CE**X*	2	50.0%	small num of instruments			1				**1**	**0.0%**
DA****	4,760	96.5%	Mapping to be opened to ETCs and ETNs on top of SFPs	3,503	3	692	192	202		**4,592**	**28.1%**
DB****	2,009	99.4%	More feedback required					170	1,826	**1,996**	**12.2%**
DC****	1	100.0%	small num of instruments						1	**1**	**0.0%**
DD****	6	33.3%	small num of instruments						2	**2**	**0.0%**
DE****	177	82.5%	small num of instruments			13	43		90	**146**	**0.9%**
DG****	1,458	100.0%	No changes are proposed, the misclassification seems related to the unclear classification of mortgage bonds vs. mortgage backed securities	1,458						**1,458**	**8.9%**
DM****	2,040	100.0%	Mapping to be opened to SFPs on top of bonds			22		99	1,919	**2,040**	**12.5%**
DN****	3	100.0%	small num of instruments						3	**3**	**0.0%**

DS****	68	63.2%	small num of instruments						43	**43**	**0.3%**
DT****	5,244	100.0%	Mapping to be opened to SFPs on top of bonds				1	324	4,918	**5,243**	**32.1%**
DY****	40	100.0%	small num of instruments					2	38	**40**	**0.2%**
EM****	75	22.7%	small num of instruments	14			3			**17**	**0.1%**
EP****	8	87.5%	small num of instruments	7						**7**	**0.0%**
ES****	16	43.8%	small num of instruments	1			3	3		**7**	**0.0%**
EY***M	17	5.9%	small num of instruments	1						**1**	**0.0%**
ITN***	2	100.0%	small num of instruments		2					**2**	**0.0%**
RF****	119	100.0%	All those misclassifications are concentrated on one TV. Therefore, further analysis will be done with the TV and no changes are proposed				119			**119**	**0.7%**
RS****	2	100.0%	small num of instruments					2		**2**	**0.0%**
RW****	42	64.3%	small num of instruments	4					23	**27**	**0.2%**
SE*L**	2	100.0%	small num of instruments		2					**2**	**0.0%**
SE*P**	12	100.0%	small num of instruments		12					**12**	**0.1%**
SE*V**	3	100.0%	small num of instruments		3					**3**	**0.0%**
Grand Total	**16,329**			**4,988**	**22**	**740**	**362**	**802**	**8,863**	**15,777**	**96.6%**

5 Equity - Reporting fields: table 3 of Annex I, RTS 1

39. As far as the reporting fields for equity are concerned, the level 3 guidance for Table 3 of Annex I of RTS 1 is limited to the field "Quantity" which should be exceptionally populated with the nominal or monetary value of the financial instrument for certificates or other equity-like financial instruments which are not traded in units.

#	Field identifier	Reviewed RTS 1	Level 3 Guidance
7	Quantity	*Number of units of the financial instruments.* *The nominal or monetary value of the financial instrument.*	For certificates or other equity-like financial instruments which are not traded in units, the nominal or monetary value of the financial instrument. The number of units of the financial instruments should be used in all other cases.

Q5: Do you agree with ESMA's Level 3 guidance for table 3 of Annex I of RTS 1?

6 Non-equity - Reporting fields: table 2 of Annex II, RTS 2

40. The guidance on Table 2 of Annex II of RTS 2 will be structured as follows (i) guidance on fields which are common to all non-equity instruments (see section 6.1) and, (ii) guidance for each combination of asset class and contract type on the fields #3 -"Price", #5 – "Price currency", #6 – "Price notation", #7 – "Quantity", #8 – "Quantity in measurement unit", #9 – "Notation of the quantity in measurement unit", #10 – "Notional amount" and #11 "Notional currency" (see sections 6.2 – 6.5).

6.1 Common non-equity instruments fields and new field: "number of transactions"

41. As far as the fields common to all non-equity instruments (field #1 - Trading date and time, field #2 – instrument identification code, field #4 – Missing price, field #12 – Type, field #13 – Venue of execution, field #14 – Third-country trading venue of execution, field #15 – Publication date and time, field #16 – Venue of publication, field #17 – Transaction identification code) ESMA does not consider additional guidance as necessary on top of the one already published in Q&As and other Level 3 documents.

42. However, ESMA was made aware that in table 2 of Annex II of RTS 2, the field number of transactions is missing even though this field is necessary to comply with the post-trade transparency obligations when the supplementary deferral provided in Article 11(3)(a) and (c) of MiFIR is applied, which provides for the aggregation of several transactions.

43. ESMA is aware that the negotiations on the MiFIR review are on-going, and that in consequence of the review the deferral regime for non-equity instruments might be simplified, which might render the field 'number of transactions' no longer necessary. However, as the timeline and final content of the MiFIR review is not clear at this stage[13], ESMA sees merit in suggesting including such a field in the post-trade transparency reports, as per the table below, when applying the supplementary deferral in Article 11(3)(a) and (c) of MiFIR. Therefore, ESMA recommends the addition of the field "Number of transactions" as specified below:

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[13] The Manual will be revised after the MiFIR review.

#	Field identifier	Financial Instruments	Description and details to be published	Type of execution or publication venue	Format to be populated as defined in Table 1
19	Number of transactions	For all financial instruments applying the supplementary deferral in Article 11(3)(a) and (c) of MiFIR.	This field should be populated with the number of transactions executed when deferred publication of details of several transactions in an aggregated form is required under Article 11(3)(a) or (c) of MiFIR.	RM, MTF, OTF APA CTP	{DECIMAL-18/17}

Q6: Do you agree with ESMA's proposal to include the "Number of transactions" field in table 2 of Annex II of RTS 2?

44. The following sections provide examples and guidance on the relevant fields of price, quantity, and notional amount of the transaction on a per asset class and contract basis.

6.2 Bonds (except ETCs and ETNs)

Legal References to definition: MiFID II art 4(1) (44)(b) and RTS 2 Annex III Table 2.2

Example 6.2.1: A trade in a bond with the characteristics below is executed at a clean price expressed in percentage of the face value of 97.05% for a total nominal amount of EUR 250,000.

ISIN code: IT0004931082	Maturity: 24 Jul 2030	Minimum trading value (lot size): EUR 5,000	
Issuer: MEDIOBANCA	Coupon rate: 3.00%	Amount issued: EUR 20.000.000	Face value (per bond): EUR 1,000

Example 6.2.1: A trade in a convertible bond with the characteristics below is executed at a clean price expressed in percentage of the face value of 80.75% for a total quantity of 10 convertible bonds (i.e. 10 units). The nominal amount is equal to [Lot size x Quantity x Price] = [100,000 X 10 X 80.75%] = EUR 807,500

ISIN code: DE000A3E4589	Maturity: 06/08/2025	Minimum trading value (lot size): EUR 100,000	Conversion price: EUR 87.64
Issuer: Zalando	Coupon rate: 0.05% pa	Amount issued: EUR 500,000,000	Face value (per bond): EUR 100,000

Example 6.2.3: A trade in a bond with the characteristics below is executed at a price expressed in yield 4.7290% for a total nominal amount of USD 50,000.

ISIN code: US064159KD73	Maturity: 19/09/2022	Minimum trading value (lot size): USD 2,000	Face value (per bond): USD 1,000
Issuer: The Bank of Nova Scotia	Coupon rate: 2.450%	Amount issued: USD 1,000,000,000	Bond price as % of the face value: 99.94%

Example 6.2.4: A trade in a bond with the characteristics below is executed at a price of BRL 3,974.057 for a total nominal amount of BRL 45,000. The price is intended to be the clean price.

ISIN code: BRSTNCNTB096	Maturity: 15/08/2024	Minimum trading value (lot size): BRL 3,000	Face value (per bond): BRL 1,000
Issuer: BRAZIL, FEDERATIVE REPUBLIC OF (Government)	Coupon rate: 6.00%	Bond yield: 6.21%	Amount issued: BRL 63,880,044,000

#	Field identifier	Reviewed RTS 2	Guidance	Example 6.2.1	Example 6.2.2	Example 6.2.3	Example 6.2.4
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	In the case of inflation-linked bonds the price should be reported net of the inflation adjustments.	97.05	80.75	0.047290	3,974.057
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	This field should be left blank if the price notation is different from "MONE".				BRL
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.*		PERC	PERC	YIEL	MONE

#	Field identifier	Reviewed RTS 2	Guidance	Example 6.2.1	Example 6.2.2	Example 6.2.3	Example 6.2.4
		For credit default swaps, this field shall be populated with 'BAPO'.					
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.					
		The value provided in this field shall be consistent with the value provided in the field "Price".					
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.					
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.					
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*			10		

#	Field identifier	Reviewed RTS 2	Guidance	Example 6.2.1	Example 6.2.2	Example 6.2.3	Example 6.2.4
8	Quantity in measurement unit		Not applicable				
9	Notation of the quantity in measurement unit		Not applicable				
10	Notional amount	*This field shall be populated: (i) for bonds (excluding ETCs and ETNs), with the face value, which is the amount repaid at redemption to the investor.*	The total face value of the transaction. The face value should be the amount that the issuer pays at the maturity of the bond, as determined at issuance without consideration of subsequent amortisation amounts. In the case of inflation-linked bonds the face value to report shall be net of the inflation adjustments.	250,000	807,500	50,000	45,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a*		EUR	EUR	USD	BRL

#	Field identifier	Reviewed RTS 2	Guidance	Example 6.2.1	Example 6.2.2	Example 6.2.3	Example 6.2.4
		currency CFD or spread-betting contract, this will be the notional currency of leg 1.					

Q7: Do you agree with the guidance provided for bonds? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

6.3 SFPs

Legal References to definition: MiFIR art 2(1) (28)

Example 6.3.1: A trade in a Mortgage-Backed Security (MBS) with the characteristics below is executed at a price, expressed in percentage of the face value, of 93.25% for a total nominal amount of EUR 228,000. The price is intended to be the clean price.

Maturity: 1 Aug 2033   Service fees: 0.716

Coupon rate: 3.00%   Amount issued: EUR 23,340,639,303,702

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.3.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price should be expressed in percentage of the face value except when market convention dictates otherwise.	93.25
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	This field should be left blank if the price notation is different from "MONE".	

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.3.1
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	This field should be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it should be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.	PERC
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*		
8	Quantity in measurement unit		Not applicable	

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.3.1
9	Notation of the quantity in measurement unit		Not applicable	
10	Notional amount	*This field shall be populated: (iii) for structured finance products (SFPs), with the nominal value per unit multiplied by the number of instruments at the time of the transaction.*	The total face value amount of the transaction. The face value should be the amount that the issuer pays at the maturity of the SFP, as determined at issuance.	228,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

Q8: Do you agree with the guidance provided for SFPs? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

6.4 ETCs and ETNs

Legal References to definition: RTS 2 Annex III Table 2.4

Example 6.4.1 - ETN: a trade for 170 units at a price of EUR 81.62 (net of commission) has been executed on the ETN with the following characteristics:

ISIN code: IE00BKS8QT65   Underlying: BNP PARIBAS US TREASURY NOTE 10Y FUTURE

Minimum trading size (lot size): 1   Amount issued: 1,800   Currency Denomination: USD   Commission: 0.25%

Example 6.4.2 - ETC: a trade for 150 units at a price of EUR 17.50 (net of commission) has been executed on the ETC with the following characteristics:

ISIN code: XS2265368097   Underlying: 1/100 OF AN OZ OF LBMA GOLD   Minimum trading size (lot size): 1

Full name: GPF Physical Gold ETC   Amount issued: 849,000   Currency Denomination: USD   Commission: 0.14%

#	Field identifier	Reviewed RTS 2	Guidance	Example 6.4.1	Example 6.4.2
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*		81.62	17.50

#	Field identifier	Reviewed RTS 2	Guidance	Example 6.4.1	Example 6.4.2
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR	EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price shall be expressed in "MONE" – Monetary value.	MONE	MONE
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	Mandatory field	170	150

#	Field identifier	Reviewed RTS 2	Guidance	Example 6.4.1	Example 6.4.2
8	Quantity in measurement unit		Not applicable		
9	Notation of the quantity in measurement unit		Not applicable		
10	Notional amount	*This field shall be populated: (ii) for ETCs and ETNs and securitised derivatives, with the number of instruments exchanged between the buyers and sellers multiplied by the price of the instrument exchanged for that specific transaction. Equivalently, the price field multiplied by the quantity field.*	Price x Quantity	13,875.40	2,625
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR	EUR

Q9: Do you agree with the guidance provided for ETCs and ETNs? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

6.5 Derivatives

45. Before entering the proposals of the additional Level 3 guidance ad-hoc for each asset-class and contract type ESMA considers useful to remind stakeholders of a few key concepts:

Traded on a trading venue (TOTV) concept

46. The TOTV concept has been clarified in an ESMA Opinion ([ESMA70-156-117](#)) based on which only OTC derivatives sharing the same reference data details as the derivatives traded on a trading venue (RMs, MTFs and OTFs) should be considered TOTV and, hence, subject to the MiFIR transparency requirements and to transaction reporting according to Article 26(2)(a) of MiFIR. Accordingly, only derivatives executed off-venue sharing the same ISIN as TOTV derivatives are subject to the MiFIR transparency and transaction reporting requirements.

Exchange-traded derivative' vs. OTC derivative

47. The TOTV concept has not to be confused with that of an 'exchange-traded derivative' (ETD) which means a derivative that is traded on a regulated market or on a third-country market considered to be equivalent to a regulated market in accordance with Article 28 of MiFIR, and as such does not fall within the definition of an OTC derivative as defined in Article 2(7) of Regulation (EU) No 648/2012. OTC derivatives include derivatives traded on an MTF or OTF as well as derivatives traded only bilaterally, i.e. on SIs or OTC.

48. The above can be summarised by the following table, which is important since TOTV derivatives are those subject to transparency and, therefore, in the scope of this CP:

	TOTV derivatives	Non-TOTV derivatives

ETD	Yes	No
OTC derivatives traded on MTF and OTF	Yes	No
Pure OTC derivatives not traded neither on a RM, MTF or OTF	No	Yes

Price multiplier (*)

49. ETDs do not usually have a 1-to-1 relationship with the underlying. The relationship between the derivative contract and the underlying is defined in the contract terms of the derivative and is referred to in this document as price multiplier. In the case of derivatives traded on an MTF or OTF, this feature might not be present and set to 1; i.e. the relationship between the derivative and the underlying is 1-to-1.

50. This information is also reported in FIRDS referencing to field #25 - "Price Multiplier" of RTS 23.

51. In the case of equity derivatives or commodity derivatives with a share or a certain amount of commodity as underlying the price multiplier is generally called lot size.

Strike price (**)

52. Among the contract terms of an option there is the strike price, i.e. the price at which a put or call option can be exercised. Also, this field is reported to FIRDS as field #31 - "Strike price" of RTS 23.

6.5.1 Interest rate derivatives

Legal References to definition: MiFID II Article 4(1) (44)(c) and Annex I C (4) and RTS 2 Annex III Table 5

6.5.1.1 Bond Futures and Forwards

Example 6.5.1.1.1 – Bond futures: 10 Euro-Bund futures contracts are exchanged at a price of 152.84%. The price quotation is in percent of the par value. The tick size is equal to 0.01 percent and the tick value is equal to EUR 10. The value of one point (price multiplier) is the tick value divided by the tick size hence EUR 100,000. The notional amount is equal to [Price x Quantity x Price Multiplier] = [152.84% X 10 X EUR 100,000] = EUR 1,528,400

As far as bond forwards are concerned, it seems that they are not TOTV instruments. Therefore, the guidance and related example for those products are not provided yet. However, ESMA welcomes any feedback on the need of guidance for bond forwards.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance Bond Futures	Example 6.5.1.1.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price of the future contract as executed on the venue expressed in percentage if this is the standard market convention.	152.84

#	Field identifier	Reviewed RTS 2	Level 3 Guidance Bond Futures	Example 6.5.1.1.1
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	This field should be left blank if the price notation is different from "MONE".	
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price should be expressed in percentage where this is the standard market convention. Where a price in percentage is not the standard market convention, it should be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.	PERC

#	Field identifier	Reviewed RTS 2	Level 3 Guidance Bond Futures	Example 6.5.1.1.1
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	10
8	Quantity in measurement unit		Not applicable	
9	Notation of the quantity in measurement unit		Not applicable	
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	Price x Quantity x Price multiplier (*)	1,528,400
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

6.5.1.2 Bond Options

Example 6.5.1.2.1: 200 call options on Euro-Bund futures are exchanged at a price (option premium) of EUR 1.50. The call expires on 09 Dec 2022 and the strike price is 110 (in percent of the par value). The tick size is equal to 0.01 percent and the tick value is equal to EUR 10. The value of one point (price multiplier) is the tick value divided by the tick size hence EUR 100,000.

The underlying of the option is the Euro-Bund futures whose price quotation is in percent of the par value.

The notional amount is equal to [Strike price x Quantity x Price Multiplier] = [110.00% X 200 X EUR 100,000] = EUR 22,000,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.1.2.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The premium of the derivative contract per underlying or index point composed of the intrinsic and extrinsic value of an option.	1.50
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield*	The price should be expressed in "MONE" – Monetary value.	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.1.2.1
		The price notation shall be reported in accordance with standard market convention.		
		For credit default swaps, this field shall be populated with 'BAPO'.		
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.		
		The value provided in this field shall be consistent with the value provided in the field "Price".		
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.		
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	200
8	Quantity in measurement unit		Not applicable	
9	Notation of the quantity in measurement unit		Not applicable	

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.1.2.1
10	Notional amount	*This field shall be populated: (v) for options*, *swaptions, swaps other than those in (iv), futures and forwards*, *the notional amount of the contract.*	Strike Price (**) x Quantity x Price multiplier (*)	22,000,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

Q10: Do you agree with the guidance provided for bond futures, bond forwards and bond options? Do you think that it is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

6.5.1.3 IR Futures and Forward Rate Agreements (FRAs)

Example 6.5.1.3.1 – IR futures: 10 Three-Month EURIBOR Futures contracts with 1Y maturity are exchanged at a price of 98.94%. The price quotation is in percentage, expressed as 100 minus the traded rate of interest. The tick size is 0.0025 points, and the tick value is EUR 6.25. Usually multiplier = tick value / tick size but since the interest rate relates to a Three-Month period which is only a quarter of the one-year maturity, the tick value EUR 6.25 has to be multiplied by 4. Therefore, the price multiplier is equal to EUR 6.25 x 4 = EUR 25. The contract size (price multiplier) is equal to EUR 25 / 0.0025% = EUR 1,000,000. The notional amount is equal to [Price x Quantity x Price Multiplier] = [98.94% X 10 X EUR 1,000,000] = EUR 9,894,000

Example 6.5.1.3.2 – FRA: One Three-Month EURIBOR FRA contract 6 x 12 (i.e. the FRA expires in 6 months and pays interest in 12 month) is exchanged at a fixed rate of 2.02%. The total notional amount is EUR 10,000,000.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.3.1	Example 6.5.1.3.2
			IR Futures	**FRAs**		
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	According to the market convention, either [100 – the fixed rate priced into the contract] or [the fixed rate priced into the contract].		98.94	2.02
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	Not applicable			

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.3.1	Example 6.5.1.3.2
			IR Futures	FRAs		
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price should be expressed in "PERC".		PERC	PERC

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.3.1	Example 6.5.1.3.2
			IR Futures	FRAs		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	Not applicable.	10	
8	Quantity in measurement unit		Not applicable			
9	Notation of the quantity in measurement unit		Not applicable			
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	Price x Quantity x Price multiplier (*)	It should be notional amount on which the periodic cash flow payments are based.	9,894,000	10,000,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*			EUR	EUR

6.5.1.4 IR Options

Example 6.5.1.4.1: 15 Three-Month Options contracts are exchanged at an option premium of EUR 0.13. The contract has the following characteristics:

Maturity date: 19 Sept 2022   Strike price: 97.75%   Underlying: 3M EURIBOR Future   Contract size: One 3M EURIBOR Futures contract

3M EURIBOR Futures contracts have the minimum price change equal to 0.0025 points, equivalent to a value of EUR 6.25. The contract size is EUR 1,000,000.

The notional amount is equal to [Strike price x Quantity x Price Multiplier] = [97.75% X 15 X EUR 1,000,000] = EUR 14,662,500

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.1.4.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The premium of the derivative contract per underlying or index point composed of the intrinsic and extrinsic value of an option.	0.13
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield*	The price should be expressed in "MONE" – Monetary value.	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.1.4.1
		The price notation shall be reported in accordance with standard market convention.		
		For credit default swaps, this field shall be populated with 'BAPO'.		
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.		
		The value provided in this field shall be consistent with the value provided in the field "Price".		
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.		
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	15
8	Quantity in measurement unit		Not applicable	
9	Notation of the quantity in measurement unit		Not applicable	

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.1.4.1
10	Notional amount	*This field shall be populated: (v) for options*, *swaptions, swaps other than those in (iv), futures and forwards*, *the notional amount of the contract.*	Strike Price (**) x Quantity x Price multiplier (*)	14,662,500
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

Q11: Do you agree with the guidance provided for IR futures, FRAs and IR options? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

6.5.1.5 Interest rate swaps (IRS)

The interest rate swaps (IRS) covered in the guidance below are both single currency and multi-currency swaps as well as, fixed-to-float, float-to-float, fixed-to-fixed, OIS and inflation swaps.

The price elements of swaps are the two rates (fixed and/or floating rates) and the spread (i.e. spread on the floating leg index reference price, in the case there is a spread on the floating leg). The floating rates, their terms and the notional currencies are all reference data fields reported in FIRDS under RTS 23 fields: 13 (Notional currency 1), 40-46 (Underlying index name, Term of the underlying index, Notional currency 2, Floating rate of leg 2, IR Term of contract of leg 2). Therefore, they can be retrieved from FIRDS. To cover the missing information ESMA proposes to:

- report in the field "Price" the fixed rate in line with Q&A#2 of section 16 - Interest Rate Swaps reporting and Q&A#1 of section 14 - Financial instruments' volatile attributes of the Q&A document on MiFIR data reporting[14]

- add a new field where to report the spread on the floating leg. This field in not in RTS 2. Therefore, ESMA considers that this field can be voluntarily provided in the post-trade transparency regime on top of the minimum set of fields required by RTS. In a future RTS 2 review (following the MiFIR review) ESMA could then add the field to RTS 2.

ESMA acknowledges that reference data, especially for derivatives traded on MTFs or OTFs and those frequently changing ISIN with the change of the maturity but not of tenor, might be reported and published by FIRDS with one day delay with respect to the first day of trading.

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[14] esma70-1861941480-56_qas_mifir_data_reporting.pdf (europa.eu)

Example 6.5.1.5.1 – Single currency swap: A trade on a single currency Fixed to float interest rate swap with the following characteristics is executed:

Notional amount: EUR 35,000,000	Effective date: 16 Jun 2027	Maturity date: 16 Jun 2032	Spread over Floating rate: 3.5%
Fixed rate: 2.6%	Payment frequency: Annual	Day count convention: 30/ 360	Notional type: Constant
Floating rate: €STR	Reset frequency: Semi-annual	Day count convention: ACT/ 360	Tenor: 5Y

Example 6.5.1.5.2 – Multi currency swap: A trade on a multi-currency Float to float interest rate swap with the following characteristics is executed:

Effective date: 16 Jun 2027	Maturity date: 16 Jun 2032	Notional type: Constant Tenor: 5Y	Notional amount: EUR 50,000,000
Floating rate 1: SONIA	Payment frequency: Annual	Day count convention: 30/ 360 Fixed leg currency: USD	
Floating rate 2: 6M EUR Euribor	Reset frequency: Semi-annual	Day count convention: ACT/ 360	Floating leg currency: EUR
Spread over Floating rate 1: 3.5%			

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.5.1	Example 6.5.1.5.2
			Single currency swaps	**Multi-currency swaps**		
21	Spread		For fixed-to-float, OIS and inflation swaps against a fixed leg: the spread of floating leg 1 expressed in basis points. For float-to-float swaps: the spread of floating leg 1 expressed in basis points. For fixed-to-fixed swaps: Not applicable.		350	350

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.5.1	Example 6.5.1.5.2
			Single currency swaps	Multi-currency swaps		
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	For fixed-to-float, OIS and inflation swaps against a fixed leg: the fixed rate of the fixed leg 1 expressed in basis points. For fixed-to-fixed swaps: the fixed rate of the fixed leg 1 expressed in basis points. For float-to-float swaps: Not applicable.		260	
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	Not applicable			
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional*	The price should be expressed in "BAPO" – basis points.		BAPO	BAPO

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.5.1	Example 6.5.1.5.2
			Single currency swaps	Multi-currency swaps		
		amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention. *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*				
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	Not applicable			
8	Quantity in measurement unit		Not applicable			
9	Notation of the quantity in measurement unit		Not applicable			

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.5.1	Example 6.5.1.5.2
			Single currency swaps	Multi-currency swaps		
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	The notional amount on which the periodic cash flow payments are based.	The notional amount on which the periodic payments are based. This is the notional amount of leg 1 which is the leg with the reference rate that is first when sorted alphabetically in the case of a float-to-float swap[15].	35,000,000	50,000,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*			EUR	EUR

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[15] In line with Q&A on transaction reporting (page 35) esma70-1861941480-56_qas_mifir_data_reporting.pdf (europa.eu)

6.5.1.6 Futures on IRS

The IRS underlying futures contracts covered in the guidance below are both single currency and multi-currency swaps as well as, fixed-to-float, float-to-float, fixed-to-fixed, OIS and inflation swaps.

Example 6.5.1.6.1: A trade on 10 Futures on 5-year Euro-Swap **single currency** fixed to float with the following characteristics is executed:

Swap notional amount: EUR 100,000	Effective date: 16 Jun 2027	Maturity date: 16 Jun 2032	
Fixed rate: 1.0%	Payment frequency: Annual	Day count convention: 30/ 360	Notional type: Constant
Floating rate: 6M EUR Euribor	Reset frequency: Semi-annual	Day count convention: ACT/ 360	Tenor: 5Y
Number of Futures contracts traded: 10	Market value of the deliverable interest rate swap: -16,000		ISIN: DE000A11RAX8

The notional amount is determined as: [Quantity x Swap notional amount] = 10 x EUR 100,000 = EUR 1,000,000.

The price is equal to: [1 + (market value of the deliverable interest rate swap / Swap notional amount)] x 100 = [1 + (-16,000/ 100,000)] x 100] = 84%

Example 6.5.1.6.2: A trade on 10 Futures on 5-year Euro-Swap **multi-currency** fixed to float with the following characteristics is executed:

Swap notional amount: EUR 150,000	Effective date: 16 Jun 2027	Maturity date: 16 Jun 2032	Tenor: 5Y	Notional type: Constant
Fixed rate: 5.0%	Payment frequency: Annual	Day count convention: 30/ 360		Fixed leg currency: EUR
Floating rate: SOFR	Reset frequency: Semi-annual	Day count convention: ACT/ 360		Floating leg currency: USD
Number of Futures contracts traded: 10	Market value of the deliverable interest rate swap: 160,000			

The notional amount is determined as: [Quantity x Swap notional amount] = 10 x EUR 150,000 = EUR 1,500,000.

The price is equal to: [1 + (market value of the deliverable interest rate swap / Swap notional amount)] x 100 = [1 + (160,000/ 150,000)] x 100] = 207%

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.6.1	Example 6.5.1.6.2
			Single currency swaps	Multi-currency swaps		
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The percentage of the market value of the swap compared to its nominal value.		84	207
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*				
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or*	The price should be expressed in "PERC" – Percentage.		PERC	PERC

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.6.1	Example 6.5.1.6.2
			Single currency swaps	**Multi-currency swaps**		
		MONE, in accordance with the standard market convention. *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*				
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.		10	10
8	Quantity in measurement unit		Not applicable			
9	Notation of the quantity in measurement unit		Not applicable			

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.6.1	Example 6.5.1.6.2
			Single currency swaps	Multi-currency swaps		
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	[(Notional on which the periodic cash flow payments are based) x ("Quantity")]	[(Notional amount on which the periodic cash flow payments are based) x ("Quantity")] The "Notional amount on which the periodic cash flow payments are based" is the notional amount of leg 1 which is the leg with the reference rate that is first when sorted alphabetically in the case of a float-to-float swap[16].	1,000,000	1,500,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*				

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[16] In line with Q&A on transaction reporting (page 35) esma70-1861941480-56_qas_mifir_data_reporting.pdf (europa.eu)

6.5.1.7   Swaptions on IRS

The IRS underlying swaption contracts covered in the guidance below are both single currency and multi-currency swaps as well as, fixed-to-float, float-to-float, fixed-to-fixed, OIS and inflation swaps.

Example 6.5.1.7.1: A trade on one option contract on a **single currency** fixed to float interest rate swap with the following characteristics is executed:

Notional amount: EUR 1,000,000	Effective date: 16 Jun 2027	Maturity date: 16 Jun 2032	Option premium: EUR 25,000
Fixed rate: 2.6%	Payment frequency: Annual	Day count convention: 30/ 360	Notional type: Constant
Floating rate: 6M EUR Euribor	Reset frequency: Semi-annual	Day count convention: ACT/ 360	Tenor: 5Y

Example 6.5.1.7.2: A trade on one option contract on a **multi-currency** fixed to float interest rate swap with the following characteristics is executed:

Notional amount: EUR 1,000,000	Effective date: 16 Jun 2027	Maturity date: 16 Jun 2032	Option premium: EUR 25,000
Fixed rate: 2.6%	Payment frequency: Annual	Day count convention: 30/ 360	Fixed leg currency: EUR
Floating rate: SOFR	Reset frequency: Semi-annual	Day count convention: ACT/ 360	Floating leg currency: USD
Notional type: Constant Tenor: 5Y			

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.7.1	Example 6.5.1.7.2
			Single currency swaps	**Multi-currency swaps**		
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".*	The premium of the derivative contract composed of the intrinsic and extrinsic value of an option.		25,000	25,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.7.1	Example 6.5.1.7.2
			Single currency swaps	Multi-currency swaps		
		Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.				
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*			EUR	EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.*	The price should be expressed in "MONE" – Monetary value.		MONE	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.7.1	Example 6.5.1.7.2
			Single currency swaps	**Multi-currency swaps**		
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.				
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of option contracts bought or sold.		1	1
8	Quantity in measurement unit		Not applicable			
9	Notation of the quantity in measurement unit		Not applicable			
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	[(Notional amount on which the periodic cash flow payments are based) x ("Quantity")]	[(Notional amount on which the periodic cash flow payments are based) x ("Quantity")] The "Notional amount on which the periodic cash flow payments are based" is the notional amount of	1,000,000	1,000,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.1.7.1	Example 6.5.1.7.2
			Single currency swaps	Multi-currency swaps		
				leg 1 which is the leg with the reference rate that is first when sorted alphabetically in the case of a float-to-float swap.[17]		
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of* an FX derivative contract or a multi-currency swap or *a swaptions where the underlying swap is multi-currency* or a currency CFD or spread-betting contract, *this will be the notional currency of leg 1.*			EUR	EUR[18]

Q12: Do you agree with the guidance provided for interest rate swaps (IRS), IR, futures and IR swaptions? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

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[17] In line with Q&A on transaction reporting (page 35) esma70-1861941480-56_qas_mifir_data_reporting.pdf (europa.eu)

[18] The notional is reported in EUR since it is the first currency when the currencies of the pair (EUR and USD) are sorted alphabetically.

Q13: Concerning IRS (section 6.5.1.5), do you consider that a second "spread" field for the spread on the second floating leg would be necessary or in the case of swaps with two floating rates there is always one leg with the spread, if any?

Q14: Concerning IRS (section 6.5.1.5), do you consider that a second "price" field for the fixed rate of the second leg in the case of fixed-to-fixed swaps even if such contracts have not been identified to be TOTV at this stage?

Q15: Concerning Bond forwards (section 6.5.1.1), do you consider that further guidance is needed? If, so please provide concrete examples and proposals.

6.5.2 Equity derivatives

Legal References to definition: MiFID II Article 4(1) (44)(c) and Annex I C (4) and RTS 2 Annex III Table 6

6.5.2.1 Stock /Stock dividend /ETFs Futures and Forwards

Example 6.5.2.1.1 – Stock futures: A trade of 150 stock futures with the following characteristics is executed at a price of EUR 11.80:

ISIN: IT0019907812   Lot size (price multiplier): 500 shares   Maturity date: 21 Oct 2022   Underlying share: ENI

Contract name: Eni Stock Future Physical October 2022

The notional amount is determined by the product between the fields "Price" and "Quantity" and the price multiplier of the future contract as reported in field 25 - "Price Multiplier" of RTS 23, i.e. [Price x Quantity x Price Multiplier] = [EUR 11.80 X 150 X 500] = EUR 885,000

Example 6.5.2.1.2– Stock dividend futures: A trade of 150 stock dividend futures with the following characteristics is executed at a price of EUR 1.004:

ISIN: IT0017857647   Lot size (Price Multiplier): 10,000 shares   Maturity date: 15 Dec 2023   Underlying share's dividends: Stellantis

Contract name: Stellantis Stock Dividend Future December 2023

The notional amount is equal to [Price x Quantity x Price Multiplier] = [EUR 1.004 X 150 X 10,000] = EUR 1,506,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.1.1	Example 6.5.2.1.2
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.*	The price of the future or forward contract as executed on the venue.	11.80	1.004

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.1.1	Example 6.5.2.1.2
		The value provided in this field shall be consistent with the value provided in the field "Price Notation". *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*			
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR	EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".*	The price should be expressed in "MONE" – Monetary value.	MONE	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.1.1	Example 6.5.2.1.2
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.			
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.			
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	150	150
8	Quantity in measurement unit		Not applicable		
9	Notation of the quantity in measurement unit		Not applicable		
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	Price x Quantity x Price multiplier (*)	885,000	1,506,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR	EUR

6.5.2.2 Stock /Stock dividend /ETFs Options

Example 6.5.2.2.1 – Stock option: A trade of 12 call option contracts with the following characteristics is executed at an option premium of EUR 0.038:
ISIN: IT0020075922   Lot size (Price Multiplier): 1,000 shares   Maturity date: 21 Oct 2022   Underlying share: Campari
Contract name: Campari American Stock Option Physical October 2022 10.25   Strike price: 10.25

The notional amount is equal to [Strike price x Quantity x Price Multiplier] = [EUR 10.25 X 12 X 1,000] = EUR 123,000

Example 6.5.2.2.2 — Stock dividend option: A trade of 5 call option contracts with the following characteristics is executed at an option premium of EUR 0.002:
ISIN: IT0010376000   Lot size (Price Multiplier): 1,000 shares   Maturity date: 15 Dec 2023   Underlying share's dividends: Ferrari
Contract name: Ferrari European Stock Option December 2023 10.25   Strike price: 1.5

The notional amount is equal to [Strike price x Quantity x Price Multiplier] = [EUR 1.5 X 5 X 1,000] = EUR 7,500

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.2.1	Example 6.5.2.2.2
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The premium of the derivative contract per underlying or index point composed of the intrinsic and extrinsic value of an option.	0.038	0.002
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	Not applicable	EUR	EUR

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.2.1	Example 6.5.2.2.2
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price should be expressed in "MONE" – Monetary value.	MONE	MONE
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	12	5

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.2.1	Example 6.5.2.2.2
8	Quantity in measurement unit		Not applicable		
9	Notation of the quantity in measurement unit		Not applicable		
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	Strike Price (**) x Quantity x Price multiplier (*)	123,000	7,500
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR	EUR

6.5.2.3 Stock/ Volatility /Dividend Index Futures and Forwards

Example 6.5.2.3.1- Stock Index Future: A trade of 150 stock index futures with the following characteristics is executed at a price of 21,780 index points:

ISIN: IT0019041414   Maturity date: 16 Dec 2022   Underlying index: FTSE MIB index

Contract name: FTSE Mib Index Future December 2022

The tick size is equal to 5 index points and the value of one index point (Price multiplier) is equal to EUR 5.00.

The notional amount is equal to [Price x Quantity x Price Multiplier] = [21,780 X 150 X EUR 5] = EUR 16,335,000

Example 6.5.2.3.2 - Volatility Index Future: A trade of 50 volatility index futures with the following characteristics is executed at a price of 28.45 index points:

ISIN: DE000A0Z3CW9   Contract size: EUR 100 per index point of the underlying   Maturity date: 19 Oct 2022

Underlying index: VSTOXX index   Contract name: VSTOXX® Futures (FVS)   ISIN of the underlying index: DE000A0C3QF1

The tick size is 0.05 index points, and the tick value is EUR 5. Hence the value of one index point (Price Multiplier) is equal to EUR 100.

The notional amount is equal to [Price x Quantity x Price Multiplier] = [28.45 X 50 X EUR 100] = EUR 142,250

Example 6.5.2.3.3 - Dividend Index Future: A trade of 50 dividend index futures with the following characteristics is executed at a price of 980.00 index points:

ISIN: IT0015134981   Contract size: EUR 100 per index point of the underlying   Maturity date: 15 Dec 2023

Underlying index: FTSE Italia MIB Dividend index   Contract name: Ftse Mib Div Future December 2023

The tick size is equal to 1 index points and the value of one index point (Price multiplier) is equal to EUR 5.00.

The notional amount is equal to [Price x Quantity x Price Multiplier] = [980.00 X 50 X EUR 5] = EUR 245,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.2.3.1	Example 6.5.2.3.2	Example 6.5.2.3.3
			Futures	Forwards			
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*			21,780	28.45	980.00
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*					
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD,*	Since there is no existing price notation in RTS 2 for prices expressed in index points, no guidance is proposed on how to populate this field. However, ESMA considers that an appropriate code could be added in a second RTS 2 review.				

| # | Field identifier | Reviewed RTS 2 | Level 3 Guidance | | Example 6.5.2.3.1 | Example 6.5.2.3.2 | Example 6.5.2.3.3 |
			Futures	Forwards			
		BAPO or MONE, in accordance with the standard market convention.					
		The value provided in this field shall be consistent with the value provided in the field "Price".					
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.					
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.					
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.		150	50	50
8	Quantity in measurement unit		Not applicable				
9	Notation of the quantity in measurement unit		Not applicable				
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	Price x Quantity x Price multiplier (*)		16,335,000	142,250	245,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.2.3.1	Example 6.5.2.3.2	Example 6.5.2.3.3
			Futures	Forwards			
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*					

6.5.2.4 Stock/ Volatility /Dividend Index Options

Example 6.5.2.4.1 – Stock Index Option: A trade of 10 call option with the following characteristics is executed at an option premium of 970 index points:

ISIN: IT0019897500   Maturity date: 21 Oct 2022   Underlying index: FTSE MIB index   Strike price: 21,500 index points

Contract name: FTSE Mib Index Option October 2022 21500

The tick size is equal to 1 in index points and the value of one index point (Price multiplier) is equal to EUR 2.50.

The notional amount is equal to [Strike price x Quantity x Price Multiplier] = [21,500 X 10 X EUR 2.5] = EUR 537,500

Example 6.5.2.4.2 – Volatility Index Option: A trade of 10 call option with the following characteristics is executed at an option premium of 14.50 index points:

ISIN: DE000A2BM405   Maturity date: 19 Oct 2022   Underlying index: VSTOXX® Futures   Strike price: 13.50 index points

Contract name: Options on VSTOXX® Futures (OVS2)   ISIN of the underlying index: DE000A0Z3CW9

Contract size: EUR 100 per volatility index point.

The price quotation is in index points. The tick size is 0.025 index points and the tick value of EUR 2.50. Hence the value of one index point (Price Multiplier) is equal to EUR 100. The notional amount is equal to [Strike price x Quantity x Price Multiplier] = [13.50 X 10 X EUR 100] = EUR 13,500

Example 6.5.2.4.3 – Dividend Index Option: A trade of 10 call option with the following characteristics is executed at an option premium of 4.39 index points:

ISIN: DE000A1DKML1   Maturity date: 19 Oct 2022   Underlying index: EURO STOXX 50® Dividend index

Contract name: EURO STOXX 50® Index Dividend Options (OEXD)   ISIN of the underlying index: CH0042346186

Contract size: EUR 100 per index dividend point of the underlying   Strike price: 119 index points

The price quotation is in points. The tick size is 0.01 points, and the tick value is EUR 1. Hence the value of one index point (Price Multiplier) is equal to EUR 100. The notional amount is equal to [Strike price x Quantity x Price Multiplier] = [119 X 10 X EUR 100] = EUR 119,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.4.1	Example 6.5.2.4.2	Example 6.5.2.4.3
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The premium of the derivative contract per underlying or index point composed of the intrinsic and extrinsic value of an option.	970	14.50	4.39
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	Not applicable			
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or*	Since there is no existing price notation in RTS 2 for prices expressed in index points, no guidance is proposed on how to populate this field. However, ESMA considers that an appropriate code could be added in a second RTS 2 review.	BAPO	BAPO	BAPO

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.4.1	Example 6.5.2.4.2	Example 6.5.2.4.3
		MONE, in accordance with the standard market convention.				
		The value provided in this field shall be consistent with the value provided in the field "Price".				
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.				
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.				
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of option contracts bought or sold.	10	10	10
8	Quantity in measurement unit		Not applicable			
9	Notation of the quantity in measurement unit		Not applicable			

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.2.4.1	Example 6.5.2.4.2	Example 6.5.2.4.3
10	Notional amount	*This field shall be populated: (v) for options*, *swaptions, swaps other than those in (iv), futures and forwards*, *the notional amount of the contract.*	Strike Price (**) x Quantity x Price multiplier (*)	537,500	13,500	119,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR	EUR	EUR

Q16: Do you agree with the guidance provided for equity derivatives? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q17: For equity derivatives with an index as underlying (sections 6.5.2.3 and 6.5.2.4) how would you populate the price notation filed until the second RTS 2 review? After the second RTS 2 review, would you agree with ESMA's proposal to define an appropriate code for this field?

6.5.3 Credit derivatives

Legal References to definition: MiFID II Article 4(1) (44)(c) and Annex I C (8) and RTS 2 Annex III Table 9

6.5.3.1 Index credit default swap (CDS), Single name credit default swap (CDS)

Index CDS - The field price should not be the "fixed rate / standardised coupon" (e.g. 100 bps for investment grade or 500bps for high yield), which is in essence reference data but it should be the "quoted spread", i.e. the spread that reflects market condition of the trade, expressed in basis points. The difference between the standardised coupon and the quoted spread is settled at the beginning of the trade with an up-front payment.

Single name CDS – with the "recouponing" in early 2009, a new contract can no longer have zero initial cost and so there must be an initial upfront exchange of cash. As a result, it is expected that also in the case of single name CDS the price represents the "quoted spread", i.e. the spread that reflects market condition of the trade, expressed in basis points. The difference between the standardised coupon and the quoted spread is settled at the beginning of the trade with an up-front payment.

Based on the feedback received from market participants, the provision of the information on the up-front payment in the case of CDSs is supported. However, this field in not in RTS 2. Therefore, ESMA considers that this field can be voluntarily provided in the post-trade transparency regime on top of the minimum set of fields required by RTS. In a future RTS 2 review (following the MiFIR review) ESMA could then add the field to RTS 2.

Example 6.5.3.1.1 – Index CDS: One CDS contract on iTraxx Europe Crossover with 5Y maturity, a notional amount of EUR 1,000,000 and a fixed coupon of 500 basis points, is traded at 550 basis points (fixed coupon of 500 basis points + 50 basis points). The resulting up-front payment made by the buyer is EUR 10,000.

Example 6.5.3.1.2 – Single name CDS: One CDS contract on Allianz SE with 5Y maturity, a notional amount of EUR 1,000,000 and a fixed coupon of 100 basis points, is traded at 110 basis points (fixed coupon of 100 basis points + 10 basis points). The resulting up-front payment made by the buyer is EUR 10,000.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.3.1.1	Example 6.5.3.1.2
			Index CDS	Single name CDS		
22	Up-front payment		The amount of any up-front payment made or received by the CDS buyer to offset the difference between the standardised coupon and the quoted spread to be settled at the beginning of the contract. The up-front payment amount shall be expressed in monetary amount in the same currency of the notional. The negative symbol should be used to indicate that the payment was made, not received.		-10,000	10,000
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The coupon should be the total spread, including any standardised spread.		550	110
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*				

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.3.1.1	Example 6.5.3.1.2
			Index CDS	Single name CDS		
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*			BAPO	BAPO

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.3.1.1	Example 6.5.3.1.2
			Index CDS	Single name CDS		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	Not applicable			
8	Quantity in measurement unit		Not applicable			
9	Notation of the quantity in measurement unit		Not applicable			
10	Notional amount	*This field shall be populated: (iv) for credit default swaps, it shall be the notional amount for which the protection is acquired or disposed of.*			1,000,000	1,000,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*			EUR	EUR

6.5.3.2 Options on Index CDSs and single-name CDSs

It seems that options on index CDS and single-name CDS are not TOTV contracts for the time being. Therefore, ESMA provides guidance only for the fields price, price notation and quantity in line with the option contracts for the other asset classes.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	
			Option on Index CDS	Option on Single name CDS
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The premium of the derivative contract per underlying or index point composed of the intrinsic and extrinsic value of an option.	
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.*	The price shall be expressed in "MONE" – Monetary value.	

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	
			Option on Index CDS	Option on Single name CDS
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention. *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	
8	Quantity in measurement unit		Not applicable	
9	Notation of the quantity in measurement unit		Not applicable	

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	
			Option on Index CDS	Option on Single name CDS
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*		
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		

Q18: Do you agree with the guidance provided for credit derivatives (CDS and options on CDSs)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q19: Concerning options on Index CDSs and single-name CDSs (section 6.5.3.2), do you consider that further guidance is needed? If, so please provide concrete examples and proposals.

6.5.4 FX derivatives

Legal References to definition: MiFID II Article 4(1) (44)(c) and Annex I C (4) and RTS 2 Annex III Table 8

The standard terminology to identify the currencies in the pair is as follows:

- "base currency": this is the first currency in the pair (e.g. EUR for the EURUSD currency pair);

- "quote currency": this is the second currency in the pair (e.g. USD for the EURUSD currency pair);

- 1 unit of base currency = X unit of quote currency, where X is the FX rate (e.g. 0.98 USD per 1 EUR);.

This terminology is used in the guidance and examples below.

6.5.4.1 Deliverable forwards (DF), non-Deliverable forwards (NDF), FX Futures

Example 6.5.4.1.1 – DF: Trade on one EURJPY DF with a notional amount denominated in EUR (EUR 10 million) and exchange rate 140 JPY per EUR

Example 6.5.4.1.2 – DF: Trade on one JPYEUR DF with a notional amount denominated in JPY (JPY 100 million) and exchange rate 0.0071 EUR per JPY

Example 6.5.4.1.3 - NDF: Trade on one USDBRL NDF with a notional amount denominated in USD (USD 10 million) and exchange rate 4.67 BRL per USD

Example 6.5.4.1.4- NDF: Trade on one BRLUSD NDF with a notional amount denominated in BRL (BRL 10 million) and exchange rate 0.21 USD per BRL

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.4.1.1	Example 6.5.4.1.2	Example 6.5.4.1.3	Example 6.5.4.1.4
			DF and NDF	FX Futures				
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	All-in-rate = Spot price + Forward points. The forward points being the points added to or subtracted from the current spot rate of a currency pair to determine the forward rate for delivery on a specific value date. The all-in-rate should be expressed in units of "quote currency", i.e. the second currency in the pair.		140	0.0071	4.6700	0.2100
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	The "quote currency", i.e. the second currency in the pair.		JPY	EUR	BRL	USD
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield*	The price should be expressed in "MONE" – Monetary value.		MONE	MONE	MONE	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.4.1.1	Example 6.5.4.1.2	Example 6.5.4.1.3	Example 6.5.4.1.4
			DF and NDF	FX Futures				
		The price notation shall be reported in accordance with standard market convention.						
		For credit default swaps, this field shall be populated with 'BAPO'.						
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.						
		The value provided in this field shall be consistent with the value provided in the field "Price".						
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.						
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.						

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.4.1.1	Example 6.5.4.1.2	Example 6.5.4.1.3	Example 6.5.4.1.4
			DF and NDF	FX Futures				
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	Not applicable	The number of contracts bought or sold.				
8	Quantity in measurement unit		Not applicable					
9	Notation of the quantity in measurement unit		Not applicable					
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	It should be the total notional amount on which the cash flow payments are based.	It should be the total notional amount on which the cash flow payments are based. Equivalently, "Quantity" x "Contract size".	10,000,000	100,000,000	10,000,000	100,000,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance		Example 6.5.4.1.1	Example 6.5.4.1.2	Example 6.5.4.1.3	Example 6.5.4.1.4
			DF and NDF	FX Futures				
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*	In general, the "Notional amount" is denominated in the base currency (i.e. the first currency in the pair). The currency pair underlying the FX contract can be derived from field 13 – "Notional currency 1" and field 47 – "Notional currency 2" of RTS 23.		EUR	JPY	USD	BRL

6.5.4.2 Deliverable options (DO), non-Deliverable options (NDO)

Example 6.5.4.2.1: A trade of EURUSD vanilla option contract with a notional amount denominated in EUR (EUR 10 million), strike price 1.12 USD per EUR, premium EUR 5,000.

Example 6.5.4.2.2: A trade of USDJPY vanilla option contract with a notional amount denominated in USD (USD 10 million), strike price 114.84 JPY per USD, premium USD 2,000.

Example 6.5.4.2.3: A trade of EURCHF vanilla option contract with a notional amount denominated in CHF (CHF 10 million), strike price 0.9320 EUR per CHF, premium USD 4,000. In this example, it is assumed that the notional is denominated in the quote currency instead of in the base currency.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.4.2.1	Example 6.5.4.2.2	Example 6.5.4.2.3
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The premium of the derivative contract per underlying or index point composed of the intrinsic and extrinsic value of an option.	5,000	2,000	4,000
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR	USD	USD

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.4.2.1	Example 6.5.4.2.2	Example 6.5.4.2.3
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price should be expressed in "MONE" – Monetary value.	MONE	MONE	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.4.2.1	Example 6.5.4.2.2	Example 6.5.4.2.3
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	Not applicable			
8	Quantity in measurement unit		Not applicable			
9	Notation of the quantity in measurement unit		Not applicable			
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	The total notional amount on which the cash flow payments are based.	10,000,000	10,000,000	10,000,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*	In general, the "Notional amount" is denominated in the base currency (i.e. the first currency in the pair). The currency pair underlying the FX contract can be derived from field 13 – "Notional currency 1" and field 47 – "Notional currency 2" of RTS 23.	EUR	USD	CHF

6.5.4.3 Deliverable swaps (DS), non-Deliverable swaps (NDS)

Example 6.5.4.3.1: A EURUSD swap contract with a notional amount denominated in EUR (EUR 10 million). The spot FX rate is 0.98 USD per EUR, and the forward FX rate is 0.95 USD per EUR.

Example 6.5.4.3.2: A USDJPY swap contract with a notional amount denominated in USD (USD 10 million). The spot FX rate is 149.18 JPY per USD, and the forward FX rate is 150.10 JPY per USD.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.4.3.1	Example 6.5.4.3.2
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price of the contract is given in swap points expressed in units of quoted currency per unit of base currency and calculated as the difference between forward and spot FX rates.	-0.03	0.92
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	The "quote currency", i.e. the second currency in the pair.	USD	JPY

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.4.3.1	Example 6.5.4.3.2
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The price should be expressed in "MONE" – Monetary value.	MONE	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.4.3.1	Example 6.5.4.3.2
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	Not applicable		
8	Quantity in measurement unit		Not applicable		
9	Notation of the quantity in measurement unit		Not applicable		
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	It should be the total notional amount on which the cash flow payments are based.	10,000,000	10,000,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*	In general, the "Notional amount" is denominated in the base currency (i.e. the first currency in the pair). The currency pair underlying the FX contract can be derived from field 13 – "Notional currency 1" and field 47 – "Notional currency 2" of RTS 23.	EUR	USD

Q20: Do you agree with the guidance provided for FX derivatives (forwards, options and swaps)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

6.5.5 Commodity derivatives

Legal References to definition: MiFIR Article 2(1) (30), MiFID II Article 4(1) (44)(c) and Annex I C (5), (6) and (7) and RTS 2 Annex III Table 7

6.5.5.1 Futures on commodity

Example 6.5.5.1.1 - Electricity: 5 lots of baseload monthly (April) future on Nordic power at a price of 200 EUR per MWh. The lot size is equal to 720MWh (1MW x 24 hours x 30 days = 720 MWh).

Example 6.5.5.1.2 - Gas: 10 lots of quarterly (Q1) future on TTF Gas at a price of 120 EUR per MWh. The lot size is equal to 2,160 MWh (1MW x 24h x 90 days[19] = 2,160 MWh).

Example 6.5.5.1.3 - Wheat: 2 lots of future on Milling Wheat at a price of 350 EUR per tonne. The lot size is equal to 50 tonnes.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.5.1.1	Example 6.5.5.1.2	Example 6.5.5.1.3
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".*	The forward price of the underlying expressed in currency per measurement unit.	200	120	350

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[19] The number of days in the first quarter of the year i.e. Jan, Feb and March is equal to 31 + 28 + 31 = 90

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.5.1.1	Example 6.5.5.1.2	Example 6.5.5.1.3
		Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.				
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR	EUR	EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.*	The price should be expressed in "MONE" – Monetary value.	MONE	MONE	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.5.1.1	Example 6.5.5.1.2	Example 6.5.5.1.3
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.				
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	5	10	2
8	Quantity in measurement unit	*The equivalent amount of commodity or emission allowance traded expressed in measurement unit.*	Quantity x Lot size	3,600	21,600	100
9	Notation of the quantity in measurement unit	*For contracts designated in units in commodity derivatives, C10 derivatives, emission allowance derivatives and emission allowances except in the cases described under Article 11(1) letters (a) and (b) of this Regulation.*	Standard ISO20022 "unit of measure code".[20]	MWHO	MWHO	TONE
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	Price x Quantity in measurement unit	720,000	2,592,000	35,000

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[20] https://www.iso20022.org/standardsrepository/type/UnitOfMeasureCode

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.5.1.1	Example 6.5.5.1.2	Example 6.5.5.1.3
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR	EUR	EUR

6.5.5.2 Options on commodity futures

Example 6.5.5.2.1 - Options: 10 lots (= 10MW) of options on a gas future contract with monthly delivery in August at 50 EUR/MWh (strike price). The premium of the call option is 5 EUR/MWh. The lot size is equal to 744MWh (1 x 24 x 31 days).

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.5.2.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.*	The premium of the derivative contract per underlying or index point composed of the intrinsic and extrinsic value of an option.	5

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.5.2.1
		The value provided in this field shall be consistent with the value provided in the field "Price Notation".		
		Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.		
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield*	The price should be expressed in "MONE" – Monetary value.	MONE
		The price notation shall be reported in accordance with standard market convention.		
		For credit default swaps, this field shall be populated with 'BAPO'.		
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.		
		The value provided in this field shall be consistent with the value provided in the field "Price".		
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.		
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.		

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.5.2.1
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	10
8	Quantity in measurement unit	*The equivalent amount of commodity or emission allowance traded expressed in measurement unit.*	Quantity x Lot size	7,440
9	Notation of the quantity in measurement unit	*For contracts designated in units in commodity derivatives, C10 derivatives, emission allowance derivatives and emission allowances except in the cases described under Article 11(1) letters (a) and (b) of this Regulation*	Standard ISO20022 "unit of measure code".[21]	MWHO
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	Strike Price (**) x Quantity in measurement unit	372,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

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[21] https://www.iso20022.org/standardsrepository/type/UnitOfMeasureCode

6.5.5.3 Swaps on commodities

It is assumed that a commodity swap is a derivative contract where one leg will pay a return based on the commodity price while the other leg is tied to an interest rate or to another commodity price.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*	
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not*	

#	Field identifier	Reviewed RTS 2	Level 3 Guidance
		the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.	
		The value provided in this field shall be consistent with the value provided in the field "Price".	
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.	
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.	
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	
8	Quantity in measurement unit	*The equivalent amount of commodity or emission allowance traded expressed in measurement unit.*	
9	Notation of the quantity in measurement unit	*For contracts designated in units in commodity derivatives, C10 derivatives, emission allowance derivatives and emission allowances except in the cases described under Article 11(1) letters (a) and (b) of this Regulation.*	Standard ISO20022 "unit of measure code".[22]

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[22] https://www.iso20022.org/standardsrepository/type/UnitOfMeasureCode

#	Field identifier	Reviewed RTS 2	Level 3 Guidance
10	Notional amount	*This field shall be populated: (v) for options*, *swaptions*, *swaps* *other than those in (iv), futures and forwards*, *the notional amount of the contract.*	The notional amount on which the periodic cash flow payments are based.
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*	

Q21: Do you agree with the guidance provided for commodity derivatives (futures, options and swaps)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

6.5.6 Emission allowances and derivatives thereof

6.5.6.1 Emission allowances

Legal References to definition: RTS 2 Annex III Table 12.1 and ETS Directive Article 3

Example 6.5.6.1.1: a trade of 20 lots of EU allowances at a price of 80 EUR per tCO2. The lot size is equal to 1,000 EU allowances. Therefore, 20,000 EU allowances (i.e. 1,000 emission allowances per lot x 20 lots) are exchanged.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.1.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*		80
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.*	The price should be expressed in "MONE" – Monetary value.	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.1.1
		For credit default swaps, this field shall be populated with 'BAPO'.		
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.		
		The value provided in this field shall be consistent with the value provided in the field "Price".		
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.		
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	20
8	Quantity in measurement unit	*The equivalent amount of commodity or emission allowance traded expressed in measurement unit.*	Quantity x Lot size	20,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.1.1
9	Notation of the quantity in measurement unit	*For contracts designated in units in commodity derivatives, C10 derivatives, emission allowance derivatives and emission allowances except in the cases described under Article 11(1) letters (a) and (b) of this Regulation*	Standard ISO20022 "unit of measure code".[23]	TOCD
10	Notional amount	*This field shall be populated: (vi) for emission allowances, the resulting amount of the quantity at the relevant price set in the contract at the time of the transaction. Equivalently, the price field multiplied by the quantity in measurement unit field.*	Price x Quantity in measurement unit	1,600,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

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[23] https://www.iso20022.org/standardsrepository/type/UnitOfMeasureCode

6.5.6.2 Derivatives on emission allowances

Legal References to definition: MiFID II Article 4(1) (44)(c), MiFID II Annex I C (4) and RTS 2 Annex III Table 13

6.5.6.2.1 Futures on emission allowances

Example 6.5.6.2.1.1 - Futures: 5 lots of futures on EU allowances at a price of 85 EUR per tCO2. The lot size is equal to 1,000 EU allowances.

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.2.1.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The forward price of the underlying expressed in currency per measurement unit.	85
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield*	The price should be expressed in "MONE" – Monetary value.	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.2.1.1
		The price notation shall be reported in accordance with standard market convention.		
		For credit default swaps, this field shall be populated with 'BAPO'.		
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.		
		The value provided in this field shall be consistent with the value provided in the field "Price".		
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.		
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	5
8	Quantity in measurement unit	*The equivalent amount of commodity or emission allowance traded expressed in measurement unit.*	Quantity x Lot size	5,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.2.1.1
9	Notation of the quantity in measurement unit	*For contracts designated in units in commodity derivatives, C10 derivatives, emission allowance derivatives and emission allowances except in the cases described under Article 11(1) letters (a) and (b) of this Regulation*	Standard ISO20022 "unit of measure code".[24]	TOCD
10	Notional amount	*This field shall be populated: (v) for* options, swaptions, swaps other than those in (iv), *futures* and forwards, *the notional amount of the contract.*	Price x Quantity in measurement unit	425,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

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[24] https://www.iso20022.org/standardsrepository/type/UnitOfMeasureCode

6.5.6.2.2 Options on emission allowances futures

Example 6.5.6.2.1.1 - Options: 10 lots of options on EU allowances futures at a strike price of 80 EUR per tCO2 and a premium of 2 EUR. The lot size is equal to 1,000 EU allowances. Contract name: EUA Futures Options   Maturity: 14 Dec 2022   Minimum trading size: 1 lot   Option style: European

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.2.1.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	The premium of the derivative contract per underlying or index point composed of the intrinsic and extrinsic value of an option.	2
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.*	The price should be expressed in "MONE" – Monetary value.	MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.2.1.1
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention. *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	10
8	Quantity in measurement unit	*The equivalent amount of commodity or emission allowance traded expressed in measurement unit.*	Quantity x Lot size	10,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.6.2.1.1
9	Notation of the quantity in measurement unit	*For contracts designated in units in commodity derivatives, C10 derivatives, emission allowance derivatives and emission allowances except in the cases described under Article 11(1) letters (a) and (b) of this Regulation.*	Standard ISO20022 "unit of measure code".[25]	TOCD
10	Notional amount	*This field shall be populated: (v) for options, swaptions, swaps other than those in (iv), futures and forwards, the notional amount of the contract.*	Strike Price (**) x Quantity in measurement unit	800,000
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

Q22: Do you agree with the guidance provided for emission allowances and derivatives thereof? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

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[25] https://www.iso20022.org/standardsrepository/type/UnitOfMeasureCode

6.5.7 Securitised derivatives

Legal References to definition: MiFIR art 2(1) (28)

Example 6.5.7.1: a trade for 95,000 lots at a price of EUR 0.02 (net of commission) has been executed on a covered warrant with the following characteristics:

ISIN code: IT0005470361   Underlying: Bmw   Full name: Is Cw Call Bmw 110 E 051222   Expiry date: 22/12/2025

Amount issued: 10,000,000   Strike price: 110.00   Issuer: INTESA SANPAOLO   Barrier: N/A

Securitised derivative type: Covered Warrant Plain Vanilla   Minimum trading size: 10

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.7.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*		0.02
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		EUR

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.7.1
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.* *For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price".* *Where the price is reported in monetary terms, it shall be provided in the major currency unit.* *Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*	This field should be populated only with "MONE" – Monetary value.	MONE
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	This field is mandatory and should be populated with the number of contracts bought or sold.	95,000

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.7.1
8	Quantity in measurement unit		Not applicable	
9	Notation of the quantity in measurement unit		Not applicable	
10	Notional amount	*This field shall be populated: (ii) for ETCs and ETNs and securitised derivatives, with the number of instruments exchanged between the buyers and sellers multiplied by the price of the instrument exchanged for that specific transaction. Equivalently, the price field multiplied by the quantity field.*	Price x Quantity	1,900
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*		EUR

53. As per RTS 2 the field "Notional amount" should be populated with the product of "Price x Quantity". ESMA appreciates that a more precise formula would include the use of the strike price and price multiplier and possibly other parameters. However, due to the high degree of variety

of these products and the fact that they are mainly traded by retail market participants on the basis of the fields price and quantity, the product of "Price x Quantity" to determine the "Notional amount" as a simpler approach is deemed appropriate.

Q23: Do you agree with the guidance provided for securitised derivatives? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

6.5.8 Contract for difference (CFDs) and spread bets

Example 6.5.8.1: Equity CFD – shares of a US company

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.8.1
3	Price	*The traded price of the transaction excluding, where applicable, commission and accrued interest.* *The traded price shall be reported in accordance with standard market convention.* *The value provided in this field shall be consistent with the value provided in the field "Price Notation".* *Where price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.*		150.77
5	Price currency	*Major currency in which the price is expressed (applicable if the price is expressed as monetary value).*		USD
6	Price notation	*Indication as to whether the price is expressed in monetary value, in percentage, in basis points or in yield* *The price notation shall be reported in accordance with standard market convention.* *For credit default swaps, this field shall be populated with 'BAPO'.*		MONE

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.8.1
		For bonds (other than ETNs and ETCs) this field shall be populated with percentage (PERC) of the notional amount. Where a price in percentage is not the standard market convention, it shall be populated with YIELD, BAPO or MONE, in accordance with the standard market convention.		
		The value provided in this field shall be consistent with the value provided in the field "Price".		
		Where the price is reported in monetary terms, it shall be provided in the major currency unit.		
		Where the price is currently not available but pending ('PNDG') or not applicable ('NOAP'), this field shall not be populated.		
7	Quantity	*For financial instruments traded in units, the number of units of the financial instrument. Empty otherwise.*	The number of contracts bought or sold.	10
8	Quantity in measurement unit		Not applicable	
9	Notation of the quantity in measurement unit		Not applicable	

#	Field identifier	Reviewed RTS 2	Level 3 Guidance	Example 6.5.8.1
10	Notional amount	*This field shall be populated:* *(vii) in case of spread bets, the monetary value wagered per point movement in the underlying financial instrument at the time of the transaction;* *(viii) in case of contracts for difference, number of instruments exchanged between the buyers and sellers multiplied by the price of the instrument exchanged for that specific transaction. Equivalently, the price field multiplied by the quantity field.*		1,507.70
11	Notional currency	*Major currency in which the notional amount is denominated.* *In the case of an FX derivative contract or a multi-currency swap or a swaptions where the underlying swap is multi-currency or a currency CFD or spread-betting contract, this will be the notional currency of leg 1.*	The notional amount referred to is that reported in field #10.	USD

Q24: Do you agree with the guidance provided for CFDs and spread bets? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

7 Flags

54. As outlined so far, the purpose of the Manual on post-trade transparency is to provide stakeholders with a tool that serves as a comprehensive guide for the practical implementation of the applicable post-trade transparency legal requirements.

55. In the context of flags, ESMA identified that the guidance necessary to ensure proper and consistent implementation of the post-trade transparency requirements should consist of both clarifications already provided through Q&As on transparency topics and new guidance on amendments introduced to flags with the RTS 1 and 2 Review.

56. Therefore, ESMA will include in the Manual (i) the existing Q&A 2(a) and 2(b) of General Q&As on transparency topics enriched with additional explanations of the functioning of the whole flagging regime and updated in line with the revised RTS 1 and 2 texts and (ii) clarifications on the new portfolio trade flag PORT, and its differences with the package transaction flag TPAC.

57. However, ESMA would appreciate to receive feedback on any additional need of further clarification based on the adopted RTS 1 and 2 Review.

Q25: Do you believe that further guidance is needed? Is there any specific use case for which you deem it necessary to provide further guidance?

7.1 Portfolio flag for non-equity instruments (Table 3 of Annex II, RTS 2)

58. The RTS 2 amendment as adopted by the Commission includes a portfolio trade flag, reflecting the increased use of portfolio trades in bonds. Therefore, it is necessary to provide guidance on the use of such flag, in particular to ensure consistent use of the portfolio flag and avoid an overlap with the package transaction flag.

59. Consequently, this CP seeks to gather examples on situations and transactions the proposed PORT flag would need to cover. Specifically, ESMA seeks to provide clear guidance on the use cases of the PORT flag and differentiate between portfolio transactions and package transactions in order to avoid misreporting.

60. In this context, ESMA recalls that the definition of the PORT flag in RTS 2 is the following:

Flag	Name	Type of execution or publication venue	Description
'PORT'	Portfolio trade flag	RM, MTF, APA, CTP	Transaction in five or more different financial instruments where those transactions are traded at the same time by the same client and against a single lot price and that is not a 'package transaction' as referred to in Article 1(1).

61. Furthermore, as per Article 2(1)(49) of MiFIR, a package transaction means: (a) an exchange for physical, or (b) a transaction involving the execution of two or more component transactions in financial instruments and which fulfils all of the following criteria (i) the transaction is executed between two or more counterparties; (ii) each component of the transaction bears meaningful economic or financial risk related to all the other components; (iii) the execution of each component is simultaneous and contingent upon the execution of all the other components.

62. Based on the above and the ESMA Q&A on MiFID II and MiFIR transparency topics concerning package transactions (Q&A 1 and 4 of section 4 - Non-equity transparency), ESMA proposes to further outline the concept of a portfolio transaction and considers the adopted methodology by FINRA[26] appropriate for the EU as well.

63. Therefore, ESMA proposes that a portfolio transaction should:

- be executed between no more than two counterparties;

- consist of at least 5 unique issues of corporate bonds; and

- the execution of each component be simultaneous and contingent upon the execution of all the other components.

64. A portfolio transaction can in some instances be considered a package transaction as well. Portfolio transactions only concern corporate bonds, whereas a package transaction can involve other financial instruments in addition to corporate bonds and need to comply with the 'meffroc' requirements. However, a transaction cannot be flagged as a package transaction and portfolio transaction at the same time. The portfolio and package flags are mutually exclusive.

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[26] FINRA—the Financial Industry Regulatory Authority—is a US government-authorized not-for-profit US organisation that oversees U.S. broker-dealers. FINRA has issued a 'Guidance' detailing how to flag portfolio trades when reporting to FINRA's Trade Reporting and Compliance Engine which can be compared to the concept of a CTP in the EU.

65. In case a transaction qualifies as both a portfolio transaction and a package transaction, ESMA proposes to flag such transaction as a portfolio transaction. Otherwise, the only instance in which the portfolio flag would be used would be in case the transaction would not comply with the 'meffroc' (Article 2(1)(49)(b)(ii)) requirements.

Q26: Would you agree with ESMA's proposal to further specify the differences between portfolio transactions and portfolio trades? What are the main differences between a package transaction and a portfolio transaction involving? Please provide details.

8 Annexes

8.1 Annex I - Summary of questions

Q1: Please share any feedback you may have on the additional topics highlighted in section 3.1. Do you believe that other specific technical topics shall be addressed on top of those described in Sections 3.1 and 3.2 above and presented in the rest of this CP?

Q2: Do you agree with ESMA's proposed amendments to the CFI code – MiFIR identifier mapping?

Q3: Referring to the section "Distinction among the different bond types", do you see the need for further clarification to be included, or further refinements to the existing CFI-MiFIR Identifier mapping?

Q4: Do you see the need for further clarification to be included, or further refinements to the existing CFI-MiFIR Identifier mapping not presented in the previous answer?

Q5: Do you agree with ESMA's Level 3 guidance for table 3 of Annex I of RTS 1?

Q6: Do you agree with ESMA's proposal to include the "Number of transactions" field in table 2 of Annex II of RTS 2?

Q7: Do you agree with the guidance provided for bonds? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

Q8: Do you agree with the guidance provided for SFPs? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

Q9: Do you agree with the guidance provided for ETCs and ETNs? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

Q10: Do you agree with the guidance provided for bond futures, bond forwards and bond options? Do you think that it is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q11: Do you agree with the guidance provided for IR futures, FRAs and IR options? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q12: Do you agree with the guidance provided for interest rate swaps (IRS), IR, futures and IR swaptions? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q13: Concerning IRS (section 6.5.1.5), do you consider that a second "spread" field for the spread on the second floating leg would be necessary or in the case of swaps with two floating rates there is always one leg with the spread, if any?

Q14: Concerning IRS (section 6.5.1.5), do you consider that a second "price" field for the fixed rate of the second leg in the case of fixed-to-fixed swaps even if such contracts have not been identified to be TOTV at this stage?

Q15: Concerning Bond forwards (section 6.5.1.1), do you consider that further guidance is needed? If, so please provide concrete examples and proposals.

Q16: Do you agree with the guidance provided for equity derivatives? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q17: For equity derivatives with an index as underlying (sections 6.5.2.3 and 6.5.2.4) how would you populate the price notation filed until the second RTS 2 review? After the second RTS 2 review, would you agree with ESMA's proposal to define an appropriate code for this field?

Q18: Do you agree with the guidance provided for credit derivatives (CDS and options on CDSs)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q19: Concerning options on Index CDSs and single-name CDSs (section 6.5.3.2), do you consider that further guidance is needed? If, so please provide concrete examples and proposals.

Q20: Do you agree with the guidance provided for FX derivatives (forwards, options and swaps)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q21: Do you agree with the guidance provided for commodity derivatives (futures, options and swaps)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q22: Do you agree with the guidance provided for emission allowances and derivatives thereof? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q23: Do you agree with the guidance provided for securitised derivatives? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.

Q24: Do you agree with the guidance provided for CFDs and spread bets? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.

Q25: Do you believe that further guidance is needed? Is there any specific use case for which you deem it necessary to provide further guidance?

Q26: Would you agree with ESMA's proposal to further specify the differences between portfolio transactions and portfolio trades? What are the main differences between a package transaction and a portfolio transaction involving? Please provide details.