

ESMA issues final standards for publication of derivatives data

ESMA's RTS define the operational standards for aggregation and comparison of aggregate position data across TRs, which is important to assess risks associated to those markets.

ESMA's RTS ensure that the market activity in derivatives traded both on and off venue is correctly identified and aggregated. The RTS are setting out several additional requirements to better specify and enhance the data quality made available publicly by TRs and also to allow the publication of certain aggregated figures that are required by MiFID II and the Benchmarks Regulation.

In order to ensure that the end users are able to aggregate and compare the aggregate position data published by TRs, ESMA's RTS establish general rules by defining:

- the frequency and timeliness of publication;
- the general technical aspects of aggregation for the purposes of publication; and
- the details of aggregations for the purposes of benchmarks' and commodities' thresholds

Under the European Market Infrastructure Regulation (EMIR), derivative contracts are to be reported from both sides. This often includes several parties such as brokers and clearing members, which stand between the counterparty and the central clearing counterparty (CCP).

In order to ensure a good quality of data, further to the breakdowns per asset class and contract type, additional data per type of venue of execution, reporting and cleared status have been included. The final RTS also includes further clarifications related to the publication of data by TRs, specifically on:

- calculation of market activity and outstanding volumes for on and off-venue traded derivatives;
- the avoidance of double counting across different trade repositories;

ESMA has sent its final RTS to the European Commission, which has three months to decide whether or not to endorse them.