

# ESMA issues positive opinion on short selling ban by Spanish CNMV

The European Securities and Markets Authority (ESMA) has issued an official [opinion](#) agreeing to an emergency short selling prohibition, for a period of one month, by the [Comisión Nacional del Mercado de Valores](#) (CNMV) on net short positions in Liberbank, S.A. (Liberbank) shares under the Short Selling Regulation.

The measure is expected to enter into force at 08:15a.m. CET, (before trading session begins) and to be applicable until 23:59 of 12 July 2017. It temporarily prohibits transactions in any shares, either directly or through related instruments and irrespective of the venue or market in which the transactions leading to those positions are conducted. The measure does not apply to market-making activities, trading in index-related instruments or short positions entered into to hedge positions on convertible bond or subscription rights.

The short selling measure applies to any natural or legal person, irrespective of their country of residence, and does not exempt market making activities.

ESMA considers that the current circumstances related to Liberbank constitute an adverse scenario for the Spanish financial system, and that the proposed measure is appropriate and proportionate to address the threat in the Spanish financial markets.