

MIFID II: ESMA ISSUES LATEST DOUBLE VOLUME CAP DATA

Today's updates include DVC data and calculations for the period 1 July 2018 to 30 June 2019 as well as updates to already published DVC periods.

The number of new breaches is 84: 56 equities for the 8% cap, applicable to all trading venues, and 28 equities for the 4% cap, that applies to individual trading venues. Trading under the waivers for all new instruments in breach of the DVC thresholds should be suspended from 12 August 2019 to 11 February 2020. The instruments for which caps already existed from previous periods will continue to be suspended.

In addition, ESMA highlights that none of the previously identified breaches of the caps proved to be incorrect thus no previously identified suspensions of trading under the waivers had to be lifted.

As of 7 August 2019, there is a total of 267 instruments suspended.

Please be aware that ESMA does not update DVC files older than 6 months.

ESMA is also publishing the completeness indicators. From today's publication onward, the file includes a single list with the indicators for all equity and equity-like instruments, instead of two separate lists, one for liquid shares and one for non-liquid shares and other equity like instruments.

Background

MiFID II introduced the DVC to limit the amount of dark trading in equities allowed under the reference price waiver and the negotiated transaction waiver. The DVC is calculated per instrument (ISIN) based on the rolling average of trading in that instrument over the last 12 months.