

# MIFID II: ESMA ISSUES LATEST DOUBLE VOLUME CAP DATA

The number of new breaches is 54: 45 equities for the 8% cap, applicable to all trading venues, and 9 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 December 2018 to 11 June 2019. The instruments for which caps already existed from previous periods will continue to be suspended.

In addition, ESMA highlights that some trading venues in the meantime have submitted corrected data that affects past DVC publications. For 1 instrument, this means that the previously identified breach of the cap proved to be incorrect and the suspensions of trading under the waivers should be lifted.

As of 7 December, there is a total of 637 instruments suspended. Please be aware that ESMA does not update DVC files older than 6 months.

ESMA has also updated the [DVC completeness indicators](#) file. In order to assess the contribution of a trading venue both completeness indicators should be considered. The completeness ratio indicates the percentage of reports provided divided by the number of reports expected irrespectively from the number of instruments available for trading on that trading venue. In other words, missing one or a few periods on a large number of instruments, or missing the same number of periods in one instrument only does not change the value of this indicator. This indicator is independent from the number of instruments available for trading on the venue. On the other hand, the completeness shortfall takes into account the number of incomplete ISINs for the trading venue. In other words, missing one or a few periods on a large number of instruments, increases the value of this indicator.

## **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.