

**Submission Date**

31/03/2023

# **ESMA\_QA\_743**

Status: Answer Published

## **Additional Information**

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### **Level 1 Regulation**

Benchmarks Regulation (BMR) - Regulation 2016/1011

### **Topic**

Methodology

## **Subject Matter**

Methodology and input data (ESMA70-145-114\_Q&A 5.13)

## **Question**

Can the methodology of a regulated-data benchmark include factors that are not covered by Article 3(1)(24) BMR?

## **ESMA Answer**

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18-12-2018

Article 3(1)(24) BMR defines a regulated-data benchmark as a benchmark determined by the application of a formula from specific input data. Thus, regulated-data benchmarks cannot include input data that are not covered by this definition.

However, the methodology of a regulated-data benchmark can include factors that are not covered by Article 3(1)(24) BMR only if those factors are not considered input data i.e. they do not measure the underlying market or economic reality that the benchmark intends to measure, but instead are elements that improve the reliability and representativeness of the benchmark (see Q&A: ESMA\_QA\_738 or ESMA70-145-114\_Q&A 5.12).