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Additional Information

Level 1 Regulation
Markets in Financial Instruments Directive II (MiFID II) Directive 2014/65/EU- Investor Protection and Intermediaries

Topic
Best Execution

Subject Matter
Best Execution

Question
In accordance with the Annex (Table 3, ‘trading mode’ column) of RTS 27: The definition of trading mode as set out in Article 2 of RTS 27 does not provide for any continuous trading mode. How should the information on the ‘trading mode’ be inserted by an execution venue, which conducts continuous trading?

ESMA Answer

29-05-2019

Original language

[ESMA35-43-349 ESMA Investor protection Best execution Q&A 21]

If an execution venue uses the trading system of a ‘continuous order book’ or a ‘continuous quote driven system’ to conduct continuous trading, it has to provide information on the trading system (as requested in the column of Table 3 entitled ‘trading system’ and based on the typology and descriptions set out in Annex I of RTS 2). In order to fulfil this reporting obligation, it is sufficient to indicate in the respective RTS 27 reports that ‘continuous trading’ was conducted on the execution venue. In this case, execution venues should insert a ‘N/A’ (i.e. ‘not applicable’) reference in the ‘trading mode’ column of Table 3 of the Annex of RTS 27.