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Additional Information

Level 1 Regulation

Markets in Financial Instruments Directive II (MiFID II) Directive 2014/65/EU- Secondary Markets

Topic

Position limits

Subject Matter

Position limits - net positions held by clearing members

Question

Are the net positions held by clearing members usable for the purposes of determining the positions of their clients for the application of position limits under Article 57?

ESMA Answer

19-12-2016

Original language

[ESMA 70-872942901-36 Commodity derivatives Q&A, Q&A 2.8]

No. Central counterparties determine net positions at the level of their clearing members, which usually encompass the long and short position of many different clients unless held in individually segregated accounts. A CCP may also see positions only for those contracts for which it provides a central counterparty service and not the EEOTC positions or any held at a CCP subject to interoperability. Position limits apply at the level of the individual person, and net positions held at clearing level must therefore be disaggregated.