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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 reporting

Subject Matter
Positions held by an investment firm on behalf of their clients

Question
Do positions held by an investment firm on behalf of their clients add to the investment firm's own positions?

ESMA Answer

07-07-2017

Original language

[ESMA 70-872942901-36 Commodity derivatives Q&A, Q&A 4.1]

Article 57(1) explicitly introduces the possibility that positions are held on behalf of another entity for legal or operational reasons. In order to avoid double counting, such positions are only to be reported as the positions of the person on whose behalf they are held. They are not to be added to or netted against other positions held by the investment firm.