

Submission Date

07/07/2017

ESMA_QA_1529

Status: Answer Published

Additional Information

Level 1 Regulation

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

Topic

Position reporting

Subject Matter

Position reporting

Question

At what level should Asset Managers aggregate positions? Is this to be done at group level or a lower level (e.g. fund/legal entity identifier etc.)?

07-07-2017

Original language

[ESMA 70-872942901-36 Commodity derivatives Q&A, Q&A 4.6]

Under Article 4 (2) of RTS 21a, as an exception to the general rule on calculating positions for legal entities within a group, the parent undertaking of a collective investment undertaking (CIU), or of the management company of a collective investment scheme, should not aggregate the positions in commodity derivatives in any collective investment undertaking where it does not in any way influence the investment decisions in respect of opening, holding or closing those positions. In that case, positions are to be reported at CIU/LEI level. Alternatively, if the parent undertaking influences investment decisions by the collective investment undertaking or by the management company of a collective investment undertaking, it should aggregate the positions held in the relevant collective investment scheme(s).

The parent undertaking has to conduct a self-assessment exercise to determine whether it exercises any influence on investment decisions by the collective investment undertaking or by the management company of a collective investment undertaking, taking into account any relevant circumstances governing the relationship between the parent undertaking and the CIU or its management company.

Upon request, the parent undertaking should be in a position to explain to the relevant competent authority why it deems it does not exercise any influence on the decisions of the CIU or its management company.