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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
Position reporting

Question
Should an investment firm acting as broker and using a matched principal model be subject to position reporting?

ESMA Answer

13-11-2017

Original language

[ESMA 70-872942901-36 Commodity derivatives Q&A, Q&A 4.12]

Yes. Any investment firm trading in commodity derivatives contracts traded on a trading venue or in EEOTC contracts is subject to position reporting and should provide a complete breakdown of positions held on own account and on behalf of clients as the investment firm can end up holding a position even if trading on a matched principal basis. It is the investment firm’s responsibility to assess whether the transaction executed results in a change in the positions held on own account and/or on behalf of clients.