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03/10/2016

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Additional Information

Level 1 Regulation
Markets in Financial Instruments Regulation (MiFIR) Regulation (EU) No 600/2014-Secondary Markets

Topic
Double volume cap

Subject Matter
Application of the double volume mechanism to newly issued instruments

Question
How will the DVC be applied to newly issued shares?

ESMA Answer

03-10-2016

Original language

[ESMA 70-872942901-35 MiFIR transparency Q&A, Q&A 6.3]

ESMA will publish the percentage of trading in a financial instrument carried out under the reference price waiver and the negotiated transactions waiver under Article 4(1)(b)(i) of MiFIR for shares newly admitted to trading or traded from the start of trading.

However, since according to Article 5(1) of MiFIR the double volume cap mechanism can only apply where the relevant thresholds are breached over the previous 12 months, the suspension of waivers when the thresholds are breached can only be triggered when at least 12 months of data for the volume of total trading and the percentage carried out under the waivers is available.