

Submission Date

18/11/2016

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Additional Information

Level 1 Regulation

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

Topic

Tick size regime

Subject Matter

Liquidity band for instruments trading in different currencies across trading venues

Question

How is a liquidity band applied for instruments trading in different currencies across trading venues?

ESMA Answer

18-11-2016

Original language

[ESMA 70-872942901-38 MiFID II MiFIR market structures Q&A, Q&A 4.4]

Once a particular liquidity band is assigned to an instrument, trading of that instrument will continue within that band until another liquidity band is assigned as a result of periodical or ad hoc review by the relevant NCA or ESMA. As set out in Recital 8 of RTS 11, the same liquidity band will be applied irrespective of the currency denomination used for the quotation of the financial instrument.