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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

Intervention to allow smaller tick size

Question

Can a trading venue or NCA manually intervene to allow a smaller tick size if it can be shown that the mandated minimum tick size is adversely impacting liquidity?

ESMA Answer

18-11-2016

Original language

[ESMA 70-872942901-38 MiFID II MiFIR market structures Q&A, Q&A 4.5]

No, except where there has been a corporate action event in which the NCA concerned will consider assigning a different liquidity band according to its estimate of the ADNT occurring in the most liquid venue following the said corporate action event.