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19/12/2016

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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
Order book - Tick size regime

Question
What happens to orders remaining on the order book at the moment the tick size increases?

ESMA Answer

19-12-2016

Original language

[ESMA 70-872942901-38 MiFID II MiFIR market structures Q&A, Q&A 4.7]

Trading venues have discretion to set the rules covering the treatment of orders remaining on the book at the moment the minimum tick size increases, including whether or not such orders are to be cancelled or amended. Trading venues are responsible to disclose those rules appropriately. Trading venues must also observe the requirement to enforce the minimum tick size for orders submitted after that tick size comes into force.