Submission Date
28/03/2018

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Status: Answer Published

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
ADNT - Liquidity band

Question
If the ADNT for an instrument is not available, which liquidity band should trading venues apply until the ADNT is published by NCA or ESMA? When can the trading venue proceed to adopt such a liquidity band?

ESMA Answer

28-03-2018

Original language

[ESMA 70-872942901-38 MiFID II MiFIR market structures Q&A, Q&A 4.8]

In the event of the ADNT not being published by ESMA or, where applicable the NCA, all relevant trading venues would need to apply a harmonised default tick size pending such a publication to ensure a uniform tick size regime across the Union.

For an instrument that is admitted to trading or traded in the EU, where the applicable ADNT remains unavailable, trading venues should assign the highest liquidity band (i.e. liquidity band for instrument with an ADNT ? 9,000) to the instrument in question for the purpose of the tick size regime. This default regime should apply until the actual publication of the ADNT by ESMA or by the relevant NCAs. ADNTs published should apply the day after their publication.