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Additional Information

Level 1 Regulation
Short Selling Regulation (SSR) Regulation (EU) No 236/2012

Topic
Determination of net short position

Subject Matter
Calculation of net short positions held through derivatives on sovereign debt

Question
For the purpose of calculating the net short position in the sovereign debt of a sovereign issuer, is a duration adjustment required to be applied to derivative positions referenced in that sovereign debt?

ESMA Answer

29-01-2013

Original language

[ESMA70-145-408 SSR Q&A, Q&A 7.5]

For the purpose of calculating the net short position in a sovereign debt, ESMA considers that the text of Part 2 of Annex II of the DR only suggests that the positions held through derivative instruments in the sovereign debt of a sovereign issuer (e.g. options, futures, CDS…) should be delta adjusted.