

ESMA_QA_2306

Status: Question Published

Additional Information

Level 1 Regulation

Markets in Financial Instruments Regulation (MiFIR) Regulation (EU) No 600/2014-
Secondary Markets

Level 2 Regulation

Regulation 2017/583 - RTS on transparency requirements in respect of non-equity financial
instruments (RTS 2)

Topic

Non-equity transparency

Subject Matter

Questions related to package orders/transactions

Question

[ESMA 70-872942901-35 MiFIR transparency Q&A, Q&A 4.4]

a) How is the requirement for a package order that 'Each component of the transactions bears meaningful economic or financial risk related to all the other components' to be interpreted?

- b) Can package orders also include equity instruments? If yes, how is pre- and post-trade transparency applied?
- c) When does an investment firm apply the systematic internaliser obligations on a package order level?
- d) How should systematic internalisers determine whether package orders which are not liquid as a whole are subject to the transparency obligations in non-equity instruments under Article 18(1) or 18(2) of MiFIR?
- e) Which party to a package transaction is required to make the transactions public via an APA?
- f) Can package orders (Article 2(1)(49)(b) of MiFIR) also include instruments that are not admitted to trading or traded on a venue?
- g) Where an investment firm buys a newly issued bond in the primary market as the result of an allocation and funds its investment by selling another bond to the lead manager of the issuance, simultaneously with and contingent upon the investment in the new issue, would this qualify as a package order for the purpose of pre-trade transparency?