



The voice of banking

## **ESMA guidelines on transaction reporting, reference data, order record keeping & clock synchronisation**

### **Introduction**

The BBA is pleased to respond to ESMA's guidelines on transaction reporting.

The BBA is the leading association for UK banking and financial services representing members on the full range of UK and international banking issues. It has over 200 banking members active in the UK, which are headquartered in 50 countries and have operations in 180 countries worldwide. Eighty per cent of global systemically important banks are members of the BBA.

As the representative of the world's largest international banking cluster the BBA is the voice of UK banking.

The BBA would like to acknowledge the time and effort ESMA has taken to formulate a detailed set of guidelines on a technical and challenging topic. We fully support the format of this guidance, and would recommend this approach is maintained rather than being translated into Q&As.

Please find below our comments on transaction reporting. The BBA has no comments on order record keeping, and for clock synchronisation we support the response of the FIX Trading Community.

The BBA would be pleased to provide further assistance on any of the matters below, and would encourage ESMA to provide further opportunities for dialogue with the industry when it develops the final transaction reporting requirements.

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## Q1: Are there any other scenarios which you think should be covered?

### Key issues

- Could ESAMA please clarify by way of further examples who should be populated in the Buyer/Seller field when an investment firm faces an Investment Manager who places orders for funds that it manages. The industry understands this field to reflect the fund manager/investment advisor level only in all instances.
- We recommend “allocation” is used by ESMA only in the context of how it is used in the industry i.e. defining the process of allocation of an asset to underlying funds on the completion of an order.
- It would be of great benefit to the industry if ESMA could confirm the MiFID II migration strategy as soon as possible. There are a wide range of scenarios that will need to be considered, and we will provide further scenarios as requested by ESMA.
- MiFIR Article 26 Obligation to report transactions states “*the reports shall be made to the competent authority either by the investment firm itself, an ARM acting on its behalf or by the trading venue through whose system the transaction was completed, in accordance with paragraphs 1, 3 and 9*”. Furthermore, chapter 4: Publication and Access RTS 13 (13) states that “*An investment firm which has transaction reporting obligations, known as a ‘reporting firm’, may choose to use a third party to submit transaction reports on its behalf to an ARM, that is a ‘submitting firm’.*”

Please consider an example where investment firms within a group submit reports to their respective competent authorities via an ARM, and those reports are submitted to the ARM via a centralised infrastructure provided by one of those investment firms. Could ESMA please confirm this example would not require the owner of a centralised reporting engine to register as an ARM.

We believe this scenario fits within the parameters of Article 26(7) MiFIR and also reflects current industry practice under MiFID I and also other EU legislation such as EMIR. Additionally, this structure is reflective of group legal entities being used both within individual business streams and across group business streams.

### Editorial comments

- Para 1.1.1: re the second paragraph, could ESMA please specify what “*executed by the given firm*” refers to.
- We assume every reference to “investment firm” in this document means an investment firm as defined in Article 4(1)(1) of MiFID, and references to “firms” mean any legal entity including investment firms as defined in Article 4(1)(1) of MiFID.
- We assume every reference to “trading venue” in this document means trading venues as defined in Article 4(1)(1) of MiFID.
- We believe Article 4(1)(1) should read 4(1)(24).

### Request for additional examples

- The validation rules for field 41 Instrument identification code and field 47 underlying instrument codes have the following validation instructions:

*“The check digit of the ISIN code should be valid according to the algorithm of ISIN validation”*. In order to validate this digit, see

[http://en.wikipedia.org/wiki/International\\_Securities\\_Identifying\\_Number](http://en.wikipedia.org/wiki/International_Securities_Identifying_Number)

Given the open source nature of Wiki, firms would welcome an alternative validation source.

### **Q2: Are there any areas in Part I covered above that require further clarity? Please elaborate.**

#### Key Issues

- Could ESMA provide an example demonstrating how negotiated transactions (i.e. trades executed off venue but subject to rules of a venue) should be reported, specifically showing how the Buyer, Seller, Venue and execution time fields should be populated.
- Although we appreciate there is no formal requirement under RTS 22 requirement for venues to provide the MIC code or the Waiver information, we would be grateful if ESMA would encourage venues to provide this information to the investment firms in order to facilitate in accurate and complete reporting.
- Para 1.1.5: could ESMA please clarify the requirements when the passport expires. For example, can firms continue reporting the passport number as their personal identifier (even after it's expired) or should they report either a replacement passport number (if obtainable) or, failing that, the next highest priority identifier (National ID number in this case).

#### Editorial comments

- Para 1.1.5.1: with reference to “*removing prefixes*” we recommended this is widened to include more global prefixes to avoid inconsistency of application.
- Article 2(5)(g) of RTS 22 is applicable to funds in the broadest sense in respect of the creation and redemption of fund units however the guidance refers to the “*authorised participant*” and “*fund administrator*”, which are specific roles within the issuance process for Exchange Traded Funds. Could ESMA please confirm and clarify in the guidance that the Article 2(5)(g) exclusion applies to funds more broadly.
- Could ESMA please provide further clarity around the application of this exclusion; such clarity may usefully be provided in a full scenario covering the creation of units, their issue to the first takers at an issue price (primary market activity), and then their subsequent trading on a trading venue (secondary market activity).

### Request for additional examples

- Could ESMA please provide an example for trades executed off venue but subject to rules of a venue i.e. negotiated trades.

### **Q3: Are there any other situations on reportable transactions or exclusions from transactions where you require further clarity?**

#### Key issues

- With reference to RTS 22, could ESMA please clarify whether firms should assume that where a transaction type has not been exclusively exempted from reporting, it is a reportable transaction.
- Could ESMA please confirm that the exception applied in article 2(4) of RTS 22 (section 1.1.6.1) should solely be applied to *'hitting its own order on the order book of a trading venue'*, and any other example is not reportable.
- Could ESMA please provide clarity on Article 2(5)(g) and its application to funds not listed on exchange, as the text provided is specific to ETFs.
- We strongly believe the transfer of collateral is out of scope for transaction reporting. Please refer our response to question 6 for further details. Could ESMA please confirm this is the correct approach.
- Para 1.1.7.1: with reference the interaction between MiFIR and the SFTR, could ESMA please confirm the following:

**MiFIR** reportable product/transactions are reported when **MiFIR** goes live

**SFTR** reportable product/transactions are reported when **SFTR** goes live

**SFTR** exempt product transactions that will be reported under **MiFIR** are to be reported when **SFTR** goes live

- To illustrate the “*obligation to report complete and accurate details of the transaction under MiFIR Article 26(1)*”, could ESMA please consider the following example. On 24/07/2017 at 10:11:12, Firm X and Firm Y agree a Listed Derivatives Contract outside the Trading Venue but subject to the Trading Venue rules. For the purposes of this example we will use a pre-negotiated wholesale Eurex Block Trade. The parties to the contract agree the details at 10:11:12 but the contract is not executed until it is lodged with the exchange so no transaction report can be generated as yet. At 12:22:34, the trade is submitted to Eurex. At that point, each firm’s counterparty is crystallised as the CCP and an exchange trade code is made available for inclusion on the transaction report. Once the exchange trade details are known, the transaction reports can be generated by Firm X and Firm Y. How shall Firm X and Firm Y report:

N	Field	Report 1 Values	Report 2 Values
3	Trading venue transaction identification code	GHIJ1234	GHIJ1234
4	Reporting entity identification code	{LEI} of firm X	{LEI} of firm Y
7	Buyer identification code	{LEI} of firm X	{LEI} of the CCP
16	Seller identification code	{LEI} of the CCP	{LEI} of firm Y
20	Trading date time	‘2017-06-24T12:22:34Z’	‘2017-06-24T12:22:34Z’
29	Trading capacity	‘DEAL’	‘DEAL’
36	Venue	Segment {MIC} of trading venue M	Segment {MIC} of trading venue M

#### Editorial comments

- Para 1.1.7.1 example 14 bullet 1: we believe as per example 2 this should read as per example 11.
- Para 1.1.7.1 example 10: refers to “current example 5 below”; could ESMA please clarify whether should this read “above”, or should the example number be updated.

#### Request for additional examples

- Could ESMA please provide clarification with regards to the reports required from the book builder on an IPO. Could ESMA also please expand Example 13 under 1.1.7.1 meaning of ‘*transaction*’: acquisitions and disposals to include management of an underwritten rump and an illustrative example as follows:

### Example 13

A company engages investment firm X to run a book build on its behalf. A number of investors subscribe to the book build.

Investment firm X has a transaction reporting obligation in relation to the transfer of financial instruments from the company (seller) to the investors (buyers).

If the issue is under subscribed and investment firm X takes up the rump of the issue, then investment firm X will have to report the acquisition because of the carve out at the end of the Article 2 of the RTS 22, despite the subscription being the result of pre-determined contractual term, where no investment decision by firm X takes place at the point in time of the creation (conditions are set in the prospectus and in the underwriting agreement and investment firm X makes no decision when the shares are issued and allocated due to the short fall).

N	Field	Report 1 Values	Report 2 Values	Report 3 Values	Report 4 Values
4	Reporting entity identification code	{LEI} of firm X	{LEI} of firm X	{LEI} of firm X	{LEI} of firm X
7	Buyer identification code	INTC	{LEI} of client A	{LEI} of client B	{LEI} of firm X
16	Seller identification code	{LEI} of the issuing company	INTC	INTC	INTC
20	Trading date time	'2017-06-24T14:25:13Z'	'2017-06-24T14:25:13Z'	'2017-06-24T14:25:13Z'	'2017-06-24T14:25:13Z'
29	Trading capacity	'AOTC'	'AOTC'	'AOTC'	'AOTC'
30	Quantity	'300000'	'200000'	'60000'	'40000'
33	Price	'99'	'99'	'99'	'99'
36	Venue	XOFF	XOFF	XOFF	XOFF

- An illustration at to the “*obligation to report complete and accurate details of the transaction under MiFIR Article 26(1)*”

On 24/07/2017 at 10:11:12, Firm X and Firm Y agree a Listed Derivatives Contract outside the Trading Venue but subject to the Trading Venue rules. For the purposes of this example we will use a pre-negotiated wholesale Eurex Block Trade.

The parties to the contract agree the details at 10:11:12 but the contract is not executed until it is lodged with the exchange so no transaction report can be generated as yet.

At 12:22:34, the trade is submitted to Eurex. At that point, each firm's counterparty is crystallised as the CCP and an exchange trade code is made available for inclusion on the transaction report.

Once the exchange trade details are known, the transaction reports can be generated by Firm X and Firm Y.

How should Firm X and Firm Y report:

N	Field	Report 1 Values	Report 2 Values
3	Trading venue transaction identification code	GHIJ1234	GHIJ1234
4	Reporting entity identification code	{LEI} of firm X	{LEI} of firm Y
7	Buyer identification code	{LEI} of firm X	{LEI} of the CCP
16	Seller identification code	{LEI} of the CCP	{LEI} of firm Y
20	Trading date time	'2017-06-24T12:22:34Z'	'2017-06-24T12:22:34Z'
29	Trading capacity	'DEAL'	'DEAL'
36	Venue	Segment {MIC} of trading venue M	Segment {MIC} of trading venue M

**Q4: Are there any specific areas covered by the mechanics section where you require further clarity? Please elaborate.**

Key issues

- Para 1.1.8.4: we believe this should be amended to reflect that ARM's must pass on transactions in a timely way & not be allowed to release reports up to the last minute; this would hamper firms' ability to correct any errors by T+1.
- Para 1.1.8.5: we note this section states that competent authorities will use reference data as of day T for validating transactions. Could ESMA please confirm the expectation that instrument data will be examined against the validity of the instrument on a given day and not solely on the reference data provided to ESMA on that day.
- Article 14(1): could ESMA please clarify the procedure of how agreement by the competent authorities of the home and host Member States should be raised, gained and confirmed.
- ESMA acknowledges additional clarity is required for MiFIR article 26(7). We would be grateful if ESMA could provide guidance at the earliest opportunity to allow firms time to implement the measures required.

Editorial comments

- Para 1.1.8.1: this should be "populate all fields".

Request for additional examples

- Could ESMA please confirm that validation of the instrument reference on the validity period, defined as from the start to end date of the instrument, will be applied by NCAs against transaction reports received and not instrument data only from the specific trading day of the report (captured in field 28). As a result, where an instrument is traded within the validity period it will be accepted, subject to passing the other validation checks.

**Q5: Do you require further clarity on the content of Article 1 of RTS 22? Please elaborate.**

Key issues

- The validation rules for field 41 Instrument identification code and field 47 underlying instrument codes have the following validation instructions. 'The check digit of the ISIN code should be valid according to the algorithm of ISIN validation. In order to validate this digit, see [http://en.wikipedia.org/wiki/International\\_Securities\\_Identifying\\_Number](http://en.wikipedia.org/wiki/International_Securities_Identifying_Number) Given the open source nature of Wiki, we would welcome an alternative validation source.

Editorial comments

- Article 1(1): we believe "*The information shall be provided using the data standards and formats specified in Table 2 Annex I*" should read "*Table 1 Annex 1*". We are comfortable with the content of Article 1, with the exception of editing suggestions below.

**Q6: Do you require further clarity on the content of Article 2 of RTS 22? Please elaborate.**

Key issues

- We strongly believe the transfer of collateral is out of scope for transaction reporting based on the fact that:
  - (i) The transfer is not an acquisition as defined under RTS 22 Article 2, 2 a, b and c, i.e. not a purchase, entering into a derivative contract or an increase to notional amount of a derivative contract.
  - (ii) The activity of collateral movement is captured under the exclusion list of RTS 22 Article 2 5 b) a contract arising exclusively for clearing or settlement purposes and c) a settlement of mutual obligations between parties where the net obligation is carried forward.
  - (iii) The common definition of collateral supports the fact that transfer activity is not an acquisition and is better described by exclusions referenced above.

Could ESMA please confirm this is the correct approach and that the transfer of collateral is indeed out of scope for transaction reporting.

- Article 2 (4) states "*For the purposes of Article 26 of Regulation (EU) No 600/2014, transaction shall also include a simultaneous acquisition and disposal of a financial instrument where there is no change in the ownership of that financial instrument*",

We believe that this was intended to capture the situation where an Investment firm hits its own order on the order book of a trading venue an example of which is provided in section 1.2.7.3.

We believe that no transaction reporting obligation should exist for SI / OTC fill to a principal order from the firm's own books because despite the trade reporting obligation, no transaction has occurred between the firm and the client.



If ESMA disagrees and deems fills to principal orders from the firm's own books to be transaction reportable, would ESMA please confirm that both the buyer and the seller on the report should be the Investment Firm on the resulting reports.

- Article 2(5)(g) of RTS 22 is applicable to funds in the broadest sense in respect of the creation and redemption of fund units however the guidance refers to the "authorised participant" and "fund administrator" which are specific roles within the issuance process for Exchange Traded Funds. Could ESMA please confirm and clarify in the guidance that the Article 2(5) (g) exclusion applies to funds more broadly.

#### Request for additional examples

- Could ESMA please provide further clarity around the application of this exclusion. Such clarity may usefully be provided in a full scenario covering the creation of units, their issue to the first takers at an issue price (primary market activity), and then their subsequent trading on a trading venue (secondary market activity).

**Q7: Do you require further clarity on the content of Article 3 of RTS 22? Please elaborate.**

#### Key issues

- Could ESMA please provide further clarity on the definition of "transfer" (within execution) as related to Article 2(1)(V).
- The final report indicates that the list of activities is exhaustive but this is not confirmed in the RTS. Could ESMA please confirm this is accurate.

**Q8: Do you require further clarity on the content of Article 4 of RTS 22? Please elaborate.**

#### Key issues

- We believe under Art 4(2) the details of the clients order request are subject to change following execution, so the details in the transaction report may differ from the original order e.g. a partially filled order.
- Could ESMA please provide further explanation for Article 4(1)(c) the definition of obvious errors and omissions.

#### Editorial comments

- In addition to the above the example 1.3.8.2 appears to be blank with an explanation on Page 119 that the client side of the report is populated from the information received by the transmitting firm and is blank as the decision was made by Representative 1 rather than by a person in Firm X.

### Request for additional examples

- Could ESMA please clarify how the 'investment decision within the firm' field should be populated in the case of a successful transmission of order. RTS 22 indicates that this field should be populated with the information received from the transmitting firm however the validation rule CON-571 indicates that Investment decision identifier should be blank in both the market side and client side reports where the firm deals on a matched principal capacity or on any other capacity unless the decision maker field is populated with the LEI of the executing firm. It does not specify any rules where RTO has been satisfied and the firm is trading as either 'matched principal' or any 'other capacity'. Please could ESMA provide examples for these trade scenarios.
- Para 1.3.8.2: in addition to the above the example on page 115 appears to be blank with an explanation on page 119 that the client side of the report is populated from the information received by the transmitting firm and is blank as the decision was made by Representative 1 rather than by a person in Firm X.

### **Q9: Do you require further clarity on the content of Article 5 of RTS 22? Please elaborate.**

We are satisfied with the content of Article 5 of RTS 22 and have no further queries.

### **Q10: Do you require further clarity on the content of Article 6 of RTS 22? Please elaborate.**

### Key issues

- Could ESMA please confirm what measures NCAs and ESMA will employ to ensure protection of personal data submitted to them. For example, whether these protective measures be made generally available in order that it can be provided to employees / clients on demand.
- Could ESMA please provide details of the controls they have/will put in place in order to protect this personal data when making reports available to other regulatory agencies, for example, central banks.
- Could ESMA please provide confirmation that for countries where none of the priority identifier types that have been specified are available CONCAT may be used e.g. Italy.

### Request for additional examples

- Article 6(2): we recommend if National Passport Number is available irrespective of 1st, 2nd or 3rd priority it should be used.
- Article 6(3): we recommend that CONCAT ID should not be used over National Passport Number if National Passport Number is available under 3rd country 'All other countries' ID type but CONCAT requested under EEA ID type.

**Q11: Do you require further clarity on the content of Article 7 of RTS 22? Please elaborate.**

We are satisfied with the content of Article 7 of RTS 22 and have no further queries.

**Q12: Do you require further clarity on the content of Article 8 of RTS 22? Please elaborate.**

Key issue

- Could ESMA please provide clarity on Article 8(2) and Article 9(4), the definition of “*primary responsibility*”.
- We recommend ESMA addresses any conflicts between MiFID II requirements to provide employee personal data (such as passport information or National Identification Numbers) and laws and regulations which protect private or personal information. We would welcome further discussion with ESMA on this matter

Editorial comments

- Article 9 RTS 22: first line of part 3 says “*theexecution*”

**Q13: Do you require further clarity on the content of Article 9 of RTS 22? Please elaborate.**

Key issue

- Could ESMA please provide clarity on Article 9(4) definition of “*primary responsibility*”.

**Q14: Do you require further clarity on the content of Article 10 of RTS 22? Please elaborate.**

We are satisfied with the content of Article 10 of RTS 22 and have no further queries.

**Q15: Do you require further clarity on the content of Article 11 of RTS 22? Please elaborate.**

Key issues

- The Consultation paper suggests that firms need to report the short selling indicator at the point of execution and not at end of day or T+1. We are concerned that the cost of implementing real time live position calculations will be disproportionately high compared to the benefits achieved from the field. We are also concerned that the expectation on firms to link the population of this field with their disclosures under the Short Selling Regulation.
- We share ESMA and NCA’s concerns and difficulties with regards to meeting the requirements of this field, and will seek pragmatic solutions with regulators in due course. We recommend that ESMA convenes an industry working group to look specifically at the issues raised by this field.

**Q16: Do you require further clarity on the content of Article 12 of RTS 22? Please elaborate.**

Key issues

- We would be grateful if ESMA could provide additional clarity on execution for a combination of financial instruments.

**Q17: Do you require further clarity on the content of Article 13 of RTS 22? Please elaborate.**

Editorial comments

- We believes that the use of 'an' in the phrase 'an investment firm' in the first line of the Article 13(2) could indicate a separate firm to that identified at the start of the sentence. This could lead to differences in interpretation by firms. The use of 'the' here would ensure consistency of reporting.

**Q18: Do you require further clarity on the content of Article 14 of RTS 22? Please elaborate.**

Key issues

- 14(1): could ESMA please clarify procedure of how agreement by the competent authorities of the home and host Member States should be raised, gained and confirmed.
- Article 14(3)(b) and (c): could ESMA please define "*supervisory responsibility*".
- In the final RTS ESMA removed the reference to non-EU branches of an investment firm. Could ESMA please confirm their intention behind this decision.
- In a situation where a 3rd country firm used the membership of an EEA branch to execute on an EEA trading venue, could ESMA please confirm which country should be identified as supervising the person responsible.

Editorial comments

- Para 1.2.10.3: in the example where a transaction is executed by EEA branches of non EEA firms, the guidance is unclear, as field 60 could be populated with GB or FR or DE rather than the US; could ESMA please confirm why the example in 1.2.10.3 wouldn't have shown one of the EU countries.

**Q19: Do you require further clarity on the content of Article 15 of RTS 22? Please elaborate.**

Key issues

- Could ESMA please provide further clarity on notification timings to relevant competent authorities of the reporting of a transaction for which no obligation to report applies “within Article 15(2)”.

Editorial comments

- Under 'e' first sentence 'transaction' is split into two words.

**Q20: Do you require further clarity on the content of Article 16 of RTS 22? Please elaborate.**

Key issues

- Article 16(1)(a): could ESMA please define '*turnover*'?
- Article 16(2): "*in which a request for admission to trading was first made or where the instrument was first traded.*" We believe this level of data should be available in ESMA Instrument Reference Data made available to investment firms.

**Q21: Do you require further clarity or examples for population of the fields covered in Block 1? Please elaborate.**

Key issues

- Could ESMA please include an example from an investment firm perspective when dealing with a fund manager/asset manager and the population of the reports from both the investment firm and the fund manager.
- Could ESMA please provide clarity on whether within example 1.2.1.2 if natural person information is required in addition to the Spanish Código de identificación fiscal.

Editorial comments

- Para1.2.1.2: '*Buyer/Seller has dual nationality (two EEA countries)*' which states "*Accordingly, in the example above, if the person does not have the Romanian National Identification Number, the Romanian passport number shall be used & in the absence of the passport number the CONCAT code is generated & used to identify the buyer. The CONCAT code shall be RO19520508DAVIDSTEFAN.*" Could ESMA please confirm whether this be '*a Romanian National Identification Number*'
- We recommend if National Passport Number should be used if available, irrespective of 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> priority.

Request for additional examples

- Could ESMA please provide further scenarios and/or examples detailing when to use 'INTC' in the buyer/seller identification code.

**Q22: Do you require further clarity or examples for population of the fields covered in Block 2? Please elaborate.**

Key issues

- Could ESMA please include an example from an investment firm perspective when dealing with a fund manager/asset manager & the population of the reports from both the investment firm & the: a) fund manager and b) Private bank / Wealth Manager.

**Q23: Do you require further clarity or examples for population of the fields covered in Block 3? Please elaborate.**

Key issues

- Could ESMA please include an example from an investment firm perspective when dealing with a fund manager/asset manager & the population of the reports from both the investment firm & the: a) fund manager and b) Private bank / Wealth Manager.
- Could ESMA please provide an example showing how the transaction report should be populated where a client has Direct Electronic Access. In particular how the Buyer / Seller, Decision Maker, Execution within the firm and Venue fields are populated.
- Could ESMA please provide clarity on Article 9(4) definition of primary responsibility

**Q24: Do you require further clarity or examples for population of the fields covered in Block 4? Please elaborate.**

Key issues

- Could ESMA please provide clarity on Article 9(4) definition of primary responsibility

**Q25: Do you require further clarity or examples for population of the fields covered in Block 5? Please elaborate.**

Key issues

- Could ESMA please clarify definition of "primary responsibility", or confirm that this is up to firms to decide and make consistent.

**Q26: Do you require further clarity or examples for population of the fields covered in Block 7? Please elaborate.**

Key issues

- Could ESMA please confirm that if EEA trading venues do not issue transaction id numbers, what should be reported in the trading venue transaction identification number field, and that the field will not be completed when a firm is acting as an SI.

Editorial comments

- Para 1.2.7.1: *“Executing a transaction on a trading venue in an anonymous order book”* example, field 3 should read *“Trading venue transaction identification code”* rather than *“Trading venue transaction identification number”*.
- Para 1.2.7.3: *“Executing a transaction on a trading venue by hitting its own order on an anonymous order book”* should read Art 2(4).
- Re validations: the trading venue transaction reference number (field 3) must not be populated where field 36 (venue code) is populated with a non-EEA Trading Venue or 'XXXX' or 'XOFF' – this should also include SI.

**Q27: Do you require further clarity or examples for population of the fields covered in Block 8? Please elaborate.**

Key issues

- We are concerned the required resources of implementing real time live position calculations will be disproportionately high in relation to the benefits achieved. We are also concerned it may be unrealistic to expect firms to link the population of this field with their disclosures under the SSR due to the significant challenges of capturing whether a client is short selling at the time an order is received.
- Could ESMA please provide an additional example of the population of the short sell flag when the CCP is denoted as the seller i.e. is NTAV preferred.

Editorial comments

- Could ESMA please confirm whether UNDI read NTAV, or if NTAV will be removed from RTS 22 Annex I, Table 2, field 62.
- We believe the short selling flag is only applicable to shares and sovereign debt but the some of the examples in CP shows that this flag is applied to other products. Could ESMA please provide clarification.

### Request for additional examples

- Could ESMA please provide examples of the population of the short sell indicator in relation to several market fills for one order in transmission.
- RTS 22 Article 11(4): ESMA states that no differentiation between a partial and full short sale needs to be made, but in 1.3.5, there is a differentiation. Could ESMA please confirm that no differentiation is required and the consultation paper will be revised (See also Part III, 1.3.5 (Grouping Orders)).
- Could ESMA please confirm that if a firm hasn't trade reported a field because either venue has or the seller of the trade has, whether the firm is still required to determine and report these Post Trade Indicator field. We would welcome further examples and clarity of the use of the Post Trade Indicator, Waiver Indicator and Commodity Derivative Indicator.

### **Question on Block 9**

#### Key issues

- Could ESMA please confirm when guidance for population of the OTC post-trade indicator for cancellations and amendments, currently under consideration by ESMA, will be made available.
- In the case where investment firms are not in receipt of waivers of post trade transparency reports, or have knowledge if the trade was brought under the rules of the exchange in the case where the counterparty has undertaken PTT publication, could ESMA consider that population of these fields should only be completed by the firm who has completed with PTT publication.

#### Editorial comments

- Page 62 '2.9.2' should read '1.2.9.2'.
- Para 1.2.9.1: Example 1, field 63, LRGS is not available in validations, could ESMA please provide further details.
- Para 1.2.10.1: "*Transaction executed on behalf of a client*" example, could ESMA please clarify how they would like field 16 and field 58 are added to example description, to clarify their population.
- Para 1.2.9.1: could ESMA confirm whether the word 'transaction' from 1.2.9.1 should not read 'trade'. OTC transactions will be trade reported so is there a contradiction between statement 1 and statement 2.



**Q28: Do you require further clarity or examples for population of the fields covered in Block 10? Please elaborate.**

Key issues

- Could ESMA please confirm how "*Country of the branch membership*" would be reported if connection is a shared connection.

Editorial comments

- Para 1.2.9.1: 1st para 2nd line "*whether the executing firm made the transaction report itself*" should be "*whether the executing firm made the trade report itself*".
- Para 1.2.9.1: Example 3 trading venue in text should be M not venue A.
- Para 1.2.9.1: second line 'transaction' should be 'trade'.
- Para 1.2.10.1: Page 65 Field 58 – it should be Paris as the branch is acting in accordance with RTS 22 14(3).

Request for additional examples

- Para 1.2.10.3: transaction executed by EEA branches of non EEA firms. Could ESMA please provide an example of a Firm trading on a regulated market such as Tradeweb and how it would populate field 61 62 and 63. Could ESMA please also provide an example where the membership of the venue is held by the parent firm or US based branch, and clarify whether in this case would there be an obligation to report.
- 1.2.10.1: re the "transaction executed on behalf of a client" example, we recommend field 16 and field 58 are added to example description, to clarify their population.

**Q29: Do you require further clarity or examples for population of the fields covered in Block 11? Please elaborate.**

Key issues

- We recommend ESMA reconsiders its position on how cancellations are submitted. Within the consultation document ESMA notes that only four specific fields should be submitted when cancelling a transaction. This approach may prove more technically challenging for firms compared to resubmitting the full file with a cancel flag.

Editorial comments

- Para 1.2.11.3: with regards to the "*Correcting the information in a transaction report*" example, we believe the original report values field 4 should read "{LEI} of investment firm X".
- Para 1.2.11.2: With regards to "*submitting a cancellation*" example, we recommend that "{LEI} of ARM 2 and {LEI} of ARM 3" is added to Cancel report Values field 6.

**Q30: Do you require further clarity or examples for population of the fields covered in Block 12? Please elaborate.**

Key issues

- We believe in Para 1.2.12.2 “Decrease in Notional”, contradicts the up-front payment field description in the Reporting Fields RTS22. See details in C.

Editorial comments

- The references to field 42 should be field 38 – “upfront payment”. Field 42 is Instrument full name.

Request for additional examples

- We believe the example demonstrates the original seller X as the firm buying since the exposure is being reduced and the original buyer Y as the seller, therefore leaving the up-front payment as a positive number due to the fact the buyer and seller have been flipped. However within the Reporting Fields RTS for the Up-Front payment field, it states where the seller pays the up-front payment the value populated is negative. This raises 2 questions

Firstly, is this L3 example valid, and should the buyer and seller be switched as firm X will be holding the position as the seller overall

Secondly if firm X is kept as the seller, on the decrease, according to the RTS the up-front payment in this example should be negative.

- Could ESMA please include an example on how to report early termination.

**Q31: Do you require further clarity or examples for the scenarios in section 1.3.1? Please elaborate.**

Key issues

- We are of the view that the transfer of collateral is out of scope for transaction reporting based upon the following:
  - (i) The transfer is not an acquisition as defined under RTS22 Article 2, 2 a, b &c. i.e. not a purchase, entering into a derivative contract or an increase to notional amount of a derivative contract.
  - (ii) The activity of collateral movement is captured under the exclusion list of RTS 22 Article 2 5 b) a contract arising exclusively for clearing or settlement purposes and c) a settlement of mutual obligations between parties where the net obligation is carried forward.
  - (iii) The common definition of collateral supports the fact that transfer activity is not an acquisition and is better described by exclusions referenced above.

We would be grateful if ESMA could confirm this is accurate.

Editorial comments

Could ESMA please confirm:

- what type of business the example in 1.3.1.1 example refers to.
- what type of business the example in 1.3.1.2 refers to. This is interpreted as custodial and therefore out of scope.
- where the 'Trading date time' in Report by firm Y Values in the example in para 1.3.1.2 originate from.
- NOAP will be added to validations.
- NPTF has been removed from validations (field 63).

Request for additional examples

- Could ESMA please confirm that the Price Ccy field should be blank where a value of NOAP is populated in the Price field.

**Q32: Do you require further clarity or examples for the scenarios in section 1.3.2? Please elaborate.**

We are satisfied with the examples for the scenarios in section 1.3.2 and have no further queries.

**Q33: Do you require further clarity or examples for the scenarios in section 1.3.3? Please elaborate.**

Editorial comments

- Para .3.3.2: where an investment firm introducing the client to another investment firm without interposing itself says "*client A knows that it has the relationship with firm Y for this transaction*" but later says client A would id firm X as the seller. We assume it is an error and should be firm Y. Alternatively, could ESMA please clarify that they are saying that interposing when one party is classified as a Client should be treated differently to interposing between two brokers.

**Q34: Do you require further clarity or examples for the scenarios in section 1.3.4?  
Please elaborate.**

Key issues

- Para 1.3.4.1: could ESMA please provide an example when filling from a firm's SI, as per the following example:

The transactions are first booked in firm X's own books and then booked later to the client at 16:24:12 on the same day at a volume weighted average price of SEK 99.6667.

The satisfaction of the order from the firm's own books qualifies as a "transaction involving a simultaneous acquisition and disposal of a financial instrument where there is no change in the ownership of that financial instrument but post-trade publication is required under Articles 6, 10, 20 or 21 of Regulation (EU) No 600/2014" and is therefore transaction reportable despite no change in beneficial owner.

N	Field	Report 1 Values	Report 2 Values	Report 3 Values	Report 4 Values
4	Reporting entity identification code	{LEI} of firm X	{LEI} of firm X	{LEI} of firm X	{LEI} of firm X
7	Buyer identification code	{LEI} of firm X	{LEI} of firm X	{LEI} of firm X	{LEI} of client A
16	Seller identification code	{LEI} of central counterparty for trading venue M	{LEI} of central counterparty for trading venue M	{LEI} of firm X	{LEI} of firm X
20	Trading date time	'2017-06-24T14:25:13.159Z'	'2017-06-24T15:55:13.746Z'	2017-06-24T16:20:11 Z'	'2017-06-24T16:24:12Z'
29	Trading capacity	'DEAL'	'DEAL'	'DEAL'	'DEAL'
30	Quantity	'300'	'200'	'100'	'600'
33	Price	'99'	'100'	'101'	'99.6667'
36	Venue	Segment {MIC} of trading venue M	Segment {MIC} of trading venue M	Segment {MIC} of firm's own SI	'XOFF'

- Para 1.3.4.2: it is unclear how MTCH could be applied to market executions, and could ESMA please provide further guidelines as to how this section should be populated. Please take the following example as no more than a best efforts guess. The client side is part reported per execution using the MTCH reports, but the SI element of the order will mean that an additional client side report with capacity DEAL will be required when the transaction with the client is booked. We would be pleased to find out ESMA's thoughts on this example:

N	Field	Report 1 Values	Report 2 Values	Report 3 Values	Report 4 Values
4	Reporting entity identification code	{LEI} of firm X	{LEI} of firm X	{LEI} of firm X	{LEI} of firm X
7	Buyer identification code	{LEI} of client A	{LEI} of client A	{LEI} of firm X	{LEI} of client A
16	Seller identification code	{LEI} of central counterparty for trading venue M	{LEI} of central counterparty for trading venue M	{LEI} of firm X	{LEI} of firm X
20	Trading date time	'2017-06-24T14:25:13.159Z'	'2017-06-24T15:55:13.746Z'	2017-06-24T16:20:11Z'	'2017-06-24T16:24:12Z'
29	Trading capacity	'MTCH'	'MTCH'	'DEAL'	'DEAL'
30	Quantity	'300'	'200'	'100'	'100'
33	Price	'99'	'100'	'101'	'101'
36	Venue	Segment {MIC} of trading venue M	Segment {MIC} of trading venue M	Segment {MIC} of firm's own SI	XOFF

- Para1.3.4.3: could ESMA please include an example of mixed trading capacity, mindful that INTC is no allowed for single client order. In the suggested example below, the question is how should firm X report.

The transaction reports of firm X dealing on an 'any other' basis are exactly the same as the reports for matched principal shown in 1.3.4.2 except that the trading capacity is reported as 'AOTC' rather than 'MTCH' and the trade from the firm's own book is reported against the client rather than as an internal trade.

In both cases, regardless of the fact that the client wants an average price, the firm shall submit a transaction report for each execution allocating to the client at the time of the market execution and the market price. The firm can submit the average price information in the separate confirmation to the client.

If the client is a firm with transaction reporting obligations, then it shall also transaction report the market executions rather than an average price transaction.

N	Field	Report 1 Values	Report 2 Values	Report 3 Values
4	Reporting entity identification code	{LEI} of firm X	{LEI} of firm X	{LEI} of firm X
7	Buyer identification code	{LEI} of client A	{LEI} of client A	{LEI} of client A
16	Seller identification code	{LEI} of central counterparty for trading venue M	{LEI} of central counterparty for trading venue M	{LEI} of firm X
20	Trading date time	'2017-06-24T14:25:13.159Z'	'2017-06-24T15:55:13.746Z'	2017-06-24T16:20:11 Z'
29	Trading capacity	'AOTC'	'AOTC'	'DEAL'
30	Quantity	'300'	'200'	'100'
33	Price	'99'	'100'	'101'
36	Venue	Segment {MIC} of trading venue M	Segment {MIC} of trading venue M	Segment {MIC} of firm's own SI

- Could ESMA please clarify why AOTC capacity lead to average price confirmed and traded with client not being populated on the transaction report.

#### Editorial comments

- Para 1.3.3.2: investment firm introducing the client to another investment firm without interposing itself says "client A knows that it has the relationship with firm Y for this transaction" but a bit later it says client A would id firm X as the seller. We assume that is an error and should be firm Y. Alternatively, could ESMA please clarify whether the intention that interposing when one party is classified as a Client should be treated differently to interposing between two brokers.

#### **Q35: Do you require further clarity or examples for the scenarios in section 1.3.5? Please elaborate.**

#### Key issues

- Could ESMA please clarify the population of field 26 "*Short selling indicator*" as for Firm X in Report 1 (assuming client is selling at 09:35:10Z after market execution of 09:20:15:374Z).
- Para 1.3.5.2: b) populates an average price in field 33, which inconsistent with 1.3.4.3. Could ESMA please clarify whether market price or average price should be used on reports identifying clients as buyer or seller when the executing entity reports in AOTC capacity.
- RTS 22 Article 11(4): ESMA states that no differentiation between a partial and full short sale needs to be made, but in 1.3.5, there is a differentiation. Could ESMA please confirm that no differentiation is required and the consultation paper will be revised (See also Part III, 1.3.5 (Grouping Orders)).

- Could ESMA please clarify what is required on the final paragraph on page 91 of “*where both clients or one of the clients is short selling, the short selling indicator is blank in the aggregated market transaction report since this report does not relate to a single client but instead to all clients whose orders have been aggregated*” in relation to RTS 22 Art 11 (4).
- Para 1.3.5.2: Could ESMA please expand the example of several market fills for several clients d) Several clients and several transactions (firm X deals on an ‘any other’ basis)

#### SCENARIO 1 (clients receive an average price)

Please include a variation on scenario 1 where Client A and Client B wish to warehouse at the end of the day, not book. Firm X will book block trades with Clients A and B at the end of the NEXT day.

The average price of those block trades will be of all of today’s executions plus all of tomorrow’s executions.

Could ESMA please confirm whether the requirement that a transaction report be produced as though the booking to the client had been undertaken, even though whilst the allocation to a client account has been done, no actual transaction with the client has been executed until the end of day 2.

#### Editorial comments

- Para 1.3.5.1: client is selling not buying in the example.
- Para 1.3.5.2 c) Scenario 2: states a truncated average price to 2dp.
- Para 1.3.5.1: clients are selling in this example, and this drove the sale to the market. Could ESMA please clarify why the client sell time later than the market sell time.
- Para 1.3.5.2 c) scenario 2: could ESMA please clarify why this scenario populates Trading date time field in Report 4 as 15:33:33Z instead of 17:55:55Z for client B allocation when acting in AOTC capacity.

#### Request for additional examples

- Could ESMA please provide further examples required on AOTC usage on non-agency capacity flows, warehouse up to T+5 with same client, and warehouse up to T+5 with different clients.
- Para 1.3.5.2: could ESMA please provide further examples where several market fills for several clients – Warehouse at end of day (Appendix 4).

**Q36: Do you require further clarity or examples for the scenarios in sections 1.3.6 and 1.3.7? Please elaborate.**

Key issues

- Could ESMA please provide additional bilateral examples in relation to a scenario whereby an investment firm executes multiple markets fills to satisfy a singular client order, but due to transmission by that client of its multiple clients' details, the investment firm is subsequently required to transaction report the activity as multiple buyer / seller rather than the singular client whom had placed the order.

Editorial comments

- We recommend annotation of diagrams with Trader 1 (at firm X), Trader 3 (at firm Y).
- Para 1.3.5.1: the table on page 91 contains a contradiction to RTS article 11 in last paragraph.

**Q37: Do you require further clarity or examples for the scenarios in section 1.3.8? Please elaborate.**

Key issues

- Could ESMA please confirm the short selling flag and the commodity derivative indicator are mutually exclusive.
- Para 1.3.8.1: could ESMA please confirm why the time shall be the same for all reports.
- Para 1.3.8.2: could ESMA please confirm why in the information for X shall provide to firm Y is item 11 blank; it is inconsistent with 1.3.8.3 information firm Y shall provide to firm Z item 9.
- Para 1.3.8.2: with regards to the example of "*Investor 1 is instead an investment firm with transaction reporting responsibilities*", could ESMA please confirm why Investor 1 transaction report shall have the same price and time as the report by firm Z, subject to granularity requirements.
- Para 1.3.8.3: in the example whereby "*Firm dealing with ultimate client does not meet the transmission conditions and receiving firm is acting on own account*", could ESMA please confirm that field 58 'Country of the branch responsible for the person making the investment decision' should be populated with GB rather than CY.

Editorial comments

- Para 1.3.8.4: "Firm is aggregating and meeting transmission conditions for some orders and not other" report 3 by firm Y populates field 25 "Transmission of order indicator" as 'false' but populates field 27 'Transmitting firm identification code for the seller' (with firm X). Could ESMA please confirm if field 25 should be populated with 'true' and thus field 27 is populated or if field 25 should indeed be populated with 'false' and thus field 27 is blank.



- Para 1.3.8.3: where the “*Chain with a firm acting both as a receiving firm and transmitting firm for a transaction*” and field 57 “*Investment decision within firm*” are blank, it would result in error code CON-570. Could ESMA please confirm how this should be populated.
- Para 1.3.8.3: example on page 124 field 58 in the table should be GB not CY.

**Q38: Do you require further clarity or examples for the scenario in section 1.3.9?  
Please elaborate.**

We are satisfied with the examples for the scenarios in section 1.3.9 and have no further queries.

**Q39: Do you require further clarity or examples for the scenario in section 1.3.10?  
Please elaborate.**

For DEA access transacted in a principal capacity firms could ESMA please confirm who the investment decision maker for the firm would be in following scenarios:

- (i) The RM who manages the client account,
- (ii) The system (not an ALGO) that credit checks / validates the order at the Reporting Firm,
- (iii) Person who manages the system that credit checks / validates the order at the Reporting Firm.

**Q40: Do you require further clarity or examples for the scenario in section 1.3.11?  
Please elaborate.**

Key issues

- Para 1.3.11.2: give-up for clearing concludes “*The clearing broker will only ensure the subsequent clearing and settlement of the trade, which does not constitute execution. Therefore only firm X shall report.*” ESMA/2014/1570, Section 8.2 Obligation to Report Transaction Item 13 page 561 states “*In some scenarios the clearing broker rather than the executing broker has the obligation to report because only the clearing broker has the client information*”. Could ESMA please provide examples of business scenarios where this obligation would apply.
- Para 1.3.11.1: execution is between client A and firm Y. Irrespective of transmission criteria being met firm X has not acted in an execution capacity, firm Y will always book the transaction against client. Could ESMA please clarify why firm X would need to report if it does not meet the conditions for transmission.

Editorial comments

- Para 1.3.11.5: Could ESMA please confirm what should appear in the execution time field.

### Request for additional examples

- Could ESMA please provide an example of how the transaction reports should be completed for the Give up scenarios specifically including the buyer / seller / execution time and venue fields.

### **Q41: Do you require further clarity or examples for the scenarios in sections 1.3.12 and 1.3.13? Please elaborate.**

#### Key issues

- Could ESMA please provide an example of reporting the open repo and subsequently the reporting of the term leg.
- Could ESMA please provide an example of reporting a BSB/SBS transaction.
- Para 1.3.13: the scenario provided is not detailed enough to show how the required fields (only shows fields 4, 7, 16, 41, & 65). Could ESMA please provide additional scenario's to include how the following attributes are reported start date, end date/open rate start cash-end cash, type, haircut, currency, call date please also include details as to reporting/non reporting of SFTR transactions lifecycle events, rolls, partials, substitutions, recalls, early termination, etc.

### **Q42: Are there any other equity or equity like instruments scenarios which require further clarification?**

#### Key issues

- Could ESMA please clarify when deriving eligibility from an underlier, whether firms are required to drill down to the ultimate underlier or just the direct underlier of the financial instrument e.g. for an OTC Future on S&P index, neither the financial instrument nor direct underlier are admitted for trading on an EEA venue. However the S&P index contains an instrument which is traded on a German MTF on the same ISIN (e.g. IBM). Does this mean this transaction is reportable? If yes, firms would expect to have to over report in these instances given the daily changes made with instruments making up baskets or indices.

#### Editorial comments

- Equity missing from title of 1.4.

### **Q43: Are there any other bonds or other form of securitised debt scenarios which require further clarification?**

#### Key issues

- Could ESMA please provide an example of trading a non EEA debt instrument with the following CFI attribute of D\*\*\*\*\* where there is an EEA underlying instrument, demonstrating the requirements for fields 41, 42, 43, 54.

- Could ESMA please provide an example of trading a non EEA warrant with the following CFI attributes RW\*\*\*\* where the underlying instrument is a ISIN listed in the EEA demonstrating the requirements for fields 41, 42, 43, 47, 50, 51, 53, 54, 55. (41 to 56).

**Q44: Are there any other options scenarios which require further clarification?**

Key issues

- Could ESMA please clarify where is the equity option premium amount reported? In the upfront payment field, as with the CDS example. Or is premium not considered an “*up front*” payment.
- Could ESMA please provide examples illustrating how options, futures, swaps, relating to how:
  - (i) Interest rates
  - (ii) Currencies

should be transaction reported.

**Q45: Are there any other contract for difference or spreadbet scenarios which require further clarification?**

We are satisfied with the examples for contract for difference and spreadbet scenarios and have no further queries.

**Q46: Are there any other credit default swaps scenarios which require further clarification?**

We are satisfied with the examples for credit default swaps scenarios and have no further queries.

**Q47: Are there any other swap scenarios which require further clarification?**

Key issues

- Could ESMA please clarify whether the Complex trade component is to be used for Swaps or for strategy trades or both.
- Could ESMA please provide worked example for an FX Swap On Venue.
- The CP shows that TRS should be reported as two reports so a separate report for each leg, while plain vanilla interest rate swap is reported as a single report. Could ESMA please clarify how the swaps should be reported.
- Equity swaps are booked and confirmed as a single instrument/product. Equity/financing legs are captured as attributes within this single booking, so sending a separate trade report for each ‘leg’ would introduce unnecessary complexity and would detract from how the trades are represented in the Risk Management System. If anything, introducing a one-to-many relationship between swap bookings and trade reports would only increase the possibility of misreporting, especially when considering updates/amendments. It also adds unnecessary complexity to the reconciliation process, and will result in undue noise for the regulator. It is also worth noting that the price on the financing leg is based on the

benchmark level which would not always be known by T+1. For instance in UK the market standard is to take benchmark on day of effective date which is T+2. Therefore this represents another challenge in reporting financing leg as a separate transaction on T+1 basis.

In addition the CP example also represents the quantity in a way that is different to the current market standards, it identifies quantity as having value 1 with a price multiplier of 1000000 to represent a trade of nominal 1000000. This is against current market standard and would present issues when increasing or unwinding a trade. Our proposal would therefore be that swaps are reported as one transaction with the initial price as the 'asset initial price' and the quantity to be equal to the nominal and price multiplier to be 1. In the context of example provide in CP L3 this would be as below.

- Executing entity identification code {LEI}
- Buyer identification code {LEI}
- Seller identification code {LEI}
- Quantity 1000000
- Price 50
- Price Currency USD
- Venue XXXX
- Complex trade component id
- Instrument identification code
- Instrument full name
- Instrument classification {CFI code}
- Notional currency 1 EUR
- Price multiplier 1
- Underlying instrument code DE000BAY0017
- Underlying index name LIBO
- Term of the underlying index 3MNTN
- Expiry date 2017-12-31
- Delivery type CASH

#### Editorial comments

- Para 1.4.3.7 D): TRS example - report 1 value has a blank in field 39 upfront payment CCY in the value cell of the tabular representation where the XML has the CCY "EUR" populated - XML looks to be correct.
- Field 30 (Quantity): has to be reported in line with the reference data for the instrument. Where the reference data for the interest rate swap displays a price multiplier of '100000000', then field 30 displays a quantity of 1.
- RTS 23: Draft regulatory technical standards on supply of financial instruments reference data under Article 27 of MiFIR -Field 25: Price multiplier: Number of units of the underlying instrument represented by a single derivative contract. For a future or option on an index, the amount per index point.

Request for additional examples

- Could ESMA please provide examples for cross currency swaps and FX trades with two notionals i.e. whether they should be reported as one transaction report per leg as with the equity swap examples - cross currency swaps are a single transaction. Could ESMA please clarify whether a Derivative Swap product has not been covered in the consultation paper the expectation is that a transaction report should be sent at the base product ISDA taxonomy level. Equity Swaps, Interest Rate Swaps and Credit Default Swaps exist at the base product ISDA taxonomy level and therefore 1 transaction report should be sent. FX Swaps do not exist at the base product level and are traded as 2 forwards and therefore the expectation would be that 2 transaction reports would be sent, 1 for each forward linked using the complex trade ID. If a package transaction can be broken down to the base product ISDA taxonomy level, it should be broken down and reported at the individual leg level and the transaction reports will be linked together with the complex trade ID.

**Q48: Are there any other commodities based derivatives scenarios which require further clarification?**Request for additional examples

- Could ESMA please provide examples as to how options, futures, swaps, forwards relating to commodities should be transaction reported.

**Q49: Are there any other strategy trades scenarios which require further clarification?**Key issues

- Could ESMA please clarify where the strategy is listed on a venue should the code supplied by the venue be used in field 40 "Complex Trade Component ID".

Request for additional examples

- Could ESMA please clarify that if a Derivative Swap product has not been covered in the consultation paper the expectation is that a transaction report should be sent at the base product ISDA taxonomy level.
- Could ESMA please clarify whether if a package transaction can be broken down to the base product ISDA taxonomy level, it should be broken down and reported at the individual leg level and the transaction reports will be linked together with the complex trade ID.