



European Securities and
Markets Authority

Reply form for the Consultation Paper on draft RTS on package orders for which there is a liq- uid market



Responding to this paper

The European Securities and Markets Authority (ESMA) invites responses to the specific questions listed in the ESMA Discussion Paper on the trading obligation for derivatives under MiFIR, published on the ESMA website.

Instructions

Please note that, in order to facilitate the analysis of the large number of responses expected, you are requested to use this file to send your response to ESMA so as to allow us to process it properly. Therefore, ESMA will only be able to consider responses which follow the instructions described below:

- use this form and send your responses in Word format (pdf documents will not be considered except for annexes);
- do not remove the tags of type <ESMA_ QUESTION_MIFID_PO_1> - i.e. the response to one question has to be framed by the 2 tags corresponding to the question; and
- if you do not have a response to a question, do not delete it and leave the text “TYPE YOUR TEXT HERE” between the tags.

Responses are most helpful:

- if they respond to the question stated;
- contain a clear rationale, including on any related costs and benefits; and
- describe any alternatives that ESMA should consider.

Naming protocol

In order to facilitate the handling of stakeholders responses please save your document using the following format:

ESMA_MiFID_PO_NAMEOFCOMPANY_NAMEOFDOCUMENT.

e.g. if the respondent were ESMA, the name of the reply form would be:

ESMA_MiFID_PO_ESMA_REPLYFORM or

ESMA_MiFID_PO_ESMA_ANNEX1

Deadline

Responses must reach us by **3 January 2017**.

All contributions should be submitted online at www.esma.europa.eu under the heading ‘Your input/Consultations’.



Publication of responses

All contributions received will be published following the end of the consultation period, unless otherwise requested. **Please clearly indicate by ticking the appropriate checkbox in the website submission form if you do not wish your contribution to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure.** Note also that a confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the headings 'Legal notice' and 'Data protection'.



Introduction

Please make your introductory comments below, if any:

< ESMA_COMMENT_MIFID_PO_0 >

General remarks:

Deutsche Börse Group (DBG) welcomes the opportunity to respond on ESMA's Consultation Paper (CP) on package orders for which there is a liquid market. **While we fully support the overall objective to increase transparency we are concerned that the proposal does not fully acknowledge the peculiarities of package orders, in particular as regards their trading patterns, size and complexity. As a result, the proposal at hand will incentivize trading activities being shifted to the OTC space and result in many aspects in a more restrictive transparency regime for package transactions compared to the individual components of the package.**

Before offering some general remarks to the CP itself, we would like to clarify two aspects upfront. We are concerned with restricting the use of exchange for physicals (EFPs) or the description of packages too much, since it could eliminate certain market practices that help to combine the financial markets and the real economy in a meaningful risk mitigating way.

1) Term 'physical underlying asset'

If for example the term 'physical underlying asset' would be mistakenly be understood as **commodities only** like oil, gold or wheat, this does **not reflect the entire scope of 'physical assets'**. Bonds or stocks are also physical securities that can be delivered. Pension funds for example, usually have bonds, stocks, or positions booked in their portfolio, which they combine with derivatives. When firms trade mainly in bonds, and they combine the transaction with a derivative, usually the asset managers talk about 'basis trades'. If the asset manager mainly deals in derivatives and combines the transaction with an underlying bond, then this is called 'exchange for physical'. If an asset manager is trading a derivative against an index price performance/position, this is also considered an exchange for physical.

Thus, the terminology of 'physical underlying asset' which is nowhere defined yet, should encompass the various forms that enable pension funds, for example, to combine the securities and positions with a derivative, as described above, in order to best interact between financial markets and the real economy in risk mitigating manners. **We very much would support ESMA in this endeavour to** addresses potential package transactions like EFPs under the Level 1 definition (Art. 2(1)(48) MiFIR) and we would recommend to **clarify the reference to the terminology 'physical underlying asset'**. The term should encompass the physical delivery of an asset, be it a commodity, security or booking of a position.

2) 'Complexity' as a factor (number of components to a package)

While the scope for EFPs could be further clarified, as described above, we also would like to highlight that a more precise differentiation in the waiver application for package transactions could render more meaningful results for the real economy. Since such package transactions can be very complex in nature, it is rather the degree of complexity that is at focus with such transactions and not size. The complexity is not fully addressed, while the size element seems adequately addressed in parts. **We would recommend to at least include a factor in which complexity, and not size, is the key element of a package transaction.** Complex packages usually rely on the interdependence of risk exposures and the pricing of such risks. As a consequence, **the more parts to the combination, the less liquid a package would be. Usually, the package becomes more complex, when more than two components are involved, as Level 1 acknowledges. Hence, the differentiating line should thus be set at 2**, and not 3 or 4 components, as proposed in the draft RTS Article 3 per asset class specific description for liquid packages.

While we appreciate the distinction between general criteria and an asset class specific component, the majority of packages would fulfil the proposed criteria and might end up being deemed as having a liquid market as a whole, which would be a very critical outcome for cross asset and cross venue packages, which some refer to as 'Type 2 Packages'. To explain, for many types of packages that are cross asset and/or cross venue liquidity is hardly the case, given their trading

patterns and product specifics. Thus, their eligibility to be waived from pre-trade transparency requirements due to their size (large in scale, LIS) or lack of liquidity – as explicitly provided for by Level 1 – would be impaired by the very design of the liquidity assessment regime on Level 2. This already signals that the approach taken does not fully reflect the nature and structure of such packages and does not fully implement the provisions of the revised Regulation adequately.

Against the background of Level 1, the regime proposed for packages is inconsistent with the regime of its individual components because for packages a qualitative methodology would be applied whereas for individual components a quantitative approach would be used. This fact is being taken care of also in the recital 2 of the draft RTS, where a reference is made to standardization and frequency of trading according to the newly added Art. 9.6 MiFIR. This is a clear indicator, that the methodology to be developed should follow the same quantitative aspects like for the individual components. This target is not met by the actual wording of the CP's methodology.

Especially the frequently traded factor could be addressed using the historical data to be gathered by ESMA for the transparency calculation for individual components. This data-based approach would reflect more adequately which package orders should be included into a more detailed assessment of their liquidity subsequently and leave out these package orders which are not eligible due to the nature of their trading activities. Taking this data into account ESMA will realize that compared with the criteria for its components the majority of packages will lack the "liquidity" that would be used under the proposal at hand. While standardization might look like a low hanging fruit, also the magnitude of different possible packages is key and will complicate setting functional meaningful parameters.

However, although the 'consistent' approach could be managed if time and data availability were not an issue, we would like to support ESMA in finding alternatives. We are however, not in support of particularly the option proposed in this CP.

We think it is more important to apply criteria that reflect the nature of package transactions while leaving eligible at least the same waivers from transparency requirements when compared to the individual components. **Using Level 1 text it should be set that as soon as one component of a package is above LIS thresholds the whole package can be waived from pre-trade transparency. On top the complexity of a package should be used to determine if there could be at all a liquid market for a package as a whole, as mentioned above.** While for packages with 2 legs (e.g. calendar spreads for futures) it is relatively easy to have a liquid order book for the package as a whole, starting at 3 components the complexity drastically increases and the most dominant factor is the simultaneous execution of the transactions but not the liquidity of the order book anymore.

Having said this, the CP mentions different numbers of components for different asset classes to judge if there could be a liquid market for the package as a whole. This confuses and ignores the nature of the products completely. Instead, this reduces the "entry"-level for pre-trade transparency for packages below levels of the simple instruments. **This could easily cause liquidity to evade the order book and boost OTC which would reduce overall transparency and venue-based trading as an unintended consequence.** It would be hazardous for venues with integrated order books if they would have to make public information of orders from packages with sizes above the components. The effect would be an immediate reflection of the interest in the package transported into the simple individual components with unforeseeable price impacts. Those impacts were the reason to grant LIS waivers for the components themselves.

Therefore, we propose to amend ESMA's approach as follows:

- To set criteria consistently for all asset classes and to **make use of the thresholds for the components of package orders** when determining their eligibility to be waived from pre-trade transparency requirements according to their size.
- To consider package orders with more than two components as not being liquid as a whole which would adequately reflect the criterion of complexity of package orders to be considered. As a consequence, **package orders with more than 2 individual components would be determined as**

illiquid and thus may be waived from transparency requirements, in order to mitigate the unintended consequences.

- To **differentiate between 2 different types of packages**, independent from the asset classes being used within the package, could be also an additional criterion. A **type 1 package would just combine components that are all traded at the very same venue** (same asset, within futures or options) and would have the benefit that the components already fulfil the requirements individually in their own order books, a LIS is clearly defined for each component and thereby allows firms easily to determine transparency criteria for the package. A **type 2 package would incorporate at least one component that is traded not at the venue itself**. As this could also be OTC and the venue not having control over the respective leg the **only way to reliably set pre-trade transparency threshold is to use the venue's components and assume that one component is the key to allow for the waiver**.
- Define 'physical underlying asset', to include physically booked securities, such as bonds or stocks, or even derivatives positions

We will further elaborate on the various proposals when responding to the individual questions below.
< ESMA_COMMENT_MIFID_PO_0>

Q1. Do you agree with ESMA’s proposal to apply the SI obligations at the package order level where the investment firm is an SI in at least one component instrument of the package order? If not, please explain why and propose an alternative.

<ESMA_QUESTION_MIFID_PO_1>

DBG agrees with the ESMA proposal. SIs should be subject to the same criteria and equivalent rules to determine thresholds in order to ensure equivalence.

<ESMA_QUESTION_MIFID_PO_1>

Q2. Do you agree with the proposed methodology based on qualitative criteria? Do you consider an alternative methodology as better suited for identifying liquid package orders as a whole?

<ESMA_QUESTION_MIFID_PO_2>

DBG agrees that the quantitative approach is not the easy approach to determine if there is a liquid market for packages as a whole. As mentioned in points 40, 41, 43 and 44 the nearly unlimited number of combinations for packages would pose extreme problems to determine thresholds individually. However, the conclusion to set “frequently traded” into a wider scope, because of this inability and use qualitative components instead, is wrong. It would be beneficial for the markets as a whole to set criteria consistently for all asset classes and use thresholds from the components thereby omitting the necessity to calculate own thresholds for packages. Neglecting the risk nature of the package might easily lead to the fact that the products cease of being traded on venues and foster OTC structures while reducing levels of transparency already in place.

<ESMA_QUESTION_MIFID_PO_2>

Q3. Do you agree with the general criteria for identifying package orders that may be eligible for being liquid as a whole? Do you consider necessary to add further criteria or to remove any of the criteria proposed? Please explain.

<ESMA_QUESTION_MIFID_PO_3>

DBG would prefer a different approach. The criteria chosen should assess the liquidity of the package using the constituent components instead of a qualitative criterion that focuses on aspects that are not crucial to the nature of the package as a transaction.

Possible criteria to be used:

- 1) Number of market participants active in the last 180/360 days as market makers in the package;
- 2) Threshold in volume-terms compared to the “leading” component in the package;
- 3) Threshold for the number of transactions in % of the number of trades of the “leading” component of the package.

<ESMA_QUESTION_MIFID_PO_3>

Q4. Do you consider it necessary to further specify the first criterion on the standardisation of components? If yes, which characteristics should be considered to specify the standardised components of packages?

<ESMA_QUESTION_MIFID_PO_4>

The “high level of standardization” is not defined by any means, hence just poses again the problem to define the meaning for packages in detail. As this is a crucial aspect the definition needs to be as granular as possible but more detailed than what is in the CP at the moment. We acknowledge though that this would be an enormous task at this stage..

<ESMA_QUESTION_MIFID_PO_4>

Q5. Do you agree with the proposed interest rate derivatives specific criteria? If not, please explain why and present your preferred approach. Do you consider it necessary to add further criteria? If yes, please explain.

<ESMA_QUESTION_MIFID_PO_5>

DBG is of the view that if ESMA wants to proceed with the asset class specific approach, the number to identify standardized strategies for interest rate derivatives should have a limit of 2 instead of 4 would be imperative. Reasons being: a) for consistency compared to other asset classes and b) to reflect the nature of the package as mentioned earlier. The more components a package consists of, the less liquid it will be, the more complex the pricing and the less interest within the market to contribute liquidity.

Packages with different ratios between the different components should be deemed illiquid per se.

<ESMA_QUESTION_MIFID_PO_5>

Q6. Do you consider that derivative components in other currencies (e.g. other EEA currencies, JPY) should be included? If yes, which ones?

<ESMA_QUESTION_MIFID_PO_6>

DBG is of the view that if ESMA wants to proceed with the proposed methodology, neglecting currencies other than the 3 mentioned would foster liquidity in those “illiquid” currency products. Hence, we would not recommend to exclude currencies.

<ESMA_QUESTION_MIFID_PO_6>

Q7. Do you agree that only packages with derivative components with the above mentioned benchmark dates should be considered liquid? If not, please explain. Which other or additional benchmark dates do you suggest?

<ESMA_QUESTION_MIFID_PO_7>

In general, DBG agrees, but would like to raise attention that the parameter only takes the standardization aspect into consideration and neglects the “frequently traded” parameter completely.

<ESMA_QUESTION_MIFID_PO_7>

Q8. Do you consider that for certain types of packages derivative components that have broken dates (e.g. invoice spreads) or which are traded on IMM and MAC dates (e.g. rolls) have a liquid market?

<ESMA_QUESTION_MIFID_PO_8>

DBG is of the view that “broken” dates are typically signs for non-standards and hence will most probably attract less liquidity compared to standardized ones. As a consequence, these would not qualify as liquid.

<ESMA_QUESTION_MIFID_PO_8>

Q9. Do you consider it necessary to specify criteria for non-derivative components of packages? If yes, which criteria would you suggest and why?

<ESMA_QUESTION_MIFID_PO_9>

DBG would like to stress again that the complexity of a package is the key aspect to be considered and that single components’ characteristics, derivative or non-derivative, are only circumstantial but not key.

This is a consequence of the fact that the more parts to the combination, the less liquid and less standardized a package would be.

Usually, the package becomes more complex, when more than two components are involved, as Level 1 acknowledges. Hence, as mentioned already earlier the differentiating line should thus be set at 2, and not 3 components.

<ESMA_QUESTION_MIFID_PO_9>

Q10. Do you agree with the proposed equity derivatives specific criteria? If not, please explain why and present your preferred approach. Do you consider it necessary to add further criteria? If yes, please explain.

<ESMA_QUESTION_MIFID_PO_10>

In order to have a harmonized approach and to account for the level 1 text, DBG recommends to set the limit at 2 components in order to identify the most standardized strategies. This is a consequence of the fact that the more parts to the combination, the less liquid and less standardized a package would be. Usually, the package becomes more complex, when more than two components are involved, as Level 1 acknowledges. Hence, the differentiating line should be set at 2, and not 4 components – as we would like to emphasize repeatedly.

Strategies with different ratios among components should not be considered standardized.

Strategies with cross-asset equity instruments (e.g. derivatives versus the underlying shares) should not be considered standardized as the individual components are usually traded on different trading venues (i.e. limited possibility to trade electronically such a strategy in a single order book).

Similarly, volatility trades i.e. options versus futures in a package should not be considered standardized or liquid.

<ESMA_QUESTION_MIFID_PO_10>

Q11. Do you consider that derivative components in other currencies (e.g. other EEA currencies, JPY) should be included? If yes, which ones?

<ESMA_QUESTION_MIFID_PO_11>

Please refer to our answer for Q6. DBG would not recommend to omit currencies.

<ESMA_QUESTION_MIFID_PO_11>

Q12. Do you consider it necessary to specify that all components of the package order should have the same underlying? If yes, please explain.

<ESMA_QUESTION_MIFID_PO_12>

DBG considers that package orders on different underlyings should not be exempted from the regulation automatically, we believe that the majority of packages, at least in the equity/ equity-index derivatives do have the same underlying but this should not constitute an exemption.

<ESMA_QUESTION_MIFID_PO_12>

Q13. Do you agree with the proposed credit derivatives specific criteria? If not, please explain why and present your preferred approach. Do you consider it necessary to add further criteria? If yes, please explain.



<ESMA_QUESTION_MIFID_PO_13>
TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIFID_PO_13>

Q14. Do you agree that derivative components in USD, EUR or GBP should be considered sufficiently liquid for the purpose of this RTS? Do you consider that derivative components in other currencies (e.g. other EEA currencies, JPY) should be included? If yes, which ones?

<ESMA_QUESTION_MIFID_PO_14>
Please refer to our answer on Q6. DBG would not recommend to omit currencies.
<ESMA_QUESTION_MIFID_PO_14>

Q15. Do you consider it necessary to further specify the indices that are eligible? If yes, please specify which specific indices should be included. Do you consider it necessary to specify the maturity dates of the underlying indices?

<ESMA_QUESTION_MIFID_PO_15>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_15>

Q16. Do you agree with the proposed commodity derivatives specific criteria? If not, please explain why and present your preferred approach. Do you consider it necessary to add further criteria? If yes, please explain.

<ESMA_QUESTION_MIFID_PO_16>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_16>

Q17. Do you consider that derivative components in other currencies (e.g. other EEA currencies, JPY) should be included? If yes, which ones.

<ESMA_QUESTION_MIFID_PO_17>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_17>

Q18. In which types of contracts do package orders in commodity derivatives mostly occur? Do you consider it necessary to provide for asset class specific criteria that take option and future/forward contracts into account? If yes, please explain.

<ESMA_QUESTION_MIFID_PO_18>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_18>



Q19. Do you consider it necessary to develop criteria at a more granular level (e.g. energy derivatives, agricultural derivatives) to better reflect the particularities of package orders in the different sub-asset classes? If yes, please explain.

<ESMA_QUESTION_MIFID_PO_19>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_19>

Q20. Do you consider it necessary to specify that all components of the package order should have the same underlying? If yes, please explain at which level this concept of “same underlying” should apply (e.g. same asset class, same sub-asset class, same sub-class – as per Annex III of RTS 2 – or at or more granular level).

<ESMA_QUESTION_MIFID_PO_20>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_20>

Q21. Are there package orders in other derivative asset classes that are in your view standardised and frequently traded and which should be eligible for having a liquid market as a whole? If yes, what asset class specific criteria do you suggest for those?

<ESMA_QUESTION_MIFID_PO_21>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_21>

Q22. Do you agree with the approach proposed for FX derivatives or do you consider it necessary to include an asset-class specific approach for FX derivatives?

<ESMA_QUESTION_MIFID_PO_22>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_22>

Q23. How should ESMA deal with cross-asset class package orders? Should ESMA develop cross-asset class specific criteria? If yes, please specify those. Alternatively, should cross-asset class package orders be allocated to only one asset class? If yes, how?

<ESMA_QUESTION_MIFID_PO_23>

If ESMA chooses to follow our proposed methodology to use the components of a package, there is no need to differentiate if different asset classes are within one package. If ESMA does not follow our recommendation and keeps upright the different legs numbers that qualify as illiquid, for example, then there is a need for specific and detailed handling of information on cross-asset class packages. In this case ESMA needs to determine upfront the crucial and leading asset class dependant on the different possible combinations of the classes within one package. As the number of combination is close to infinite this would prove hardly possible for anyone; and this is the reason we put forward our proposal in such an adamant fashion.



<ESMA_QUESTION_MIFID_PO_23>

Q24. Do you agree that package orders where all components are subject to the trading obligation for derivatives should be considered to have a liquid market as a whole? If not, please explain.

<ESMA_QUESTION_MIFID_PO_24>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_24>

Q25. Do you consider that package orders where at least one component is subject to the trading obligation and all other components are subject to the clearing obligation should be considered to have a liquid market as a whole? If not, please explain.

<ESMA_QUESTION_MIFID_PO_25>
DBG disagrees with the proposal in the CP. We fear the nature of packages is completely ignored and this introduces additional frictions to the markets. Please refer to our comments in the introductory part.
<ESMA_QUESTION_MIFID_PO_25>

Q26. Do you agree that the categories of packages above should be considered as standardised and frequently traded for the purpose of this RTS empowerment? If not, please explain.

<ESMA_QUESTION_MIFID_PO_26>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_26>

Q27. Are there any categories of packages missing in the above asset classes that should be considered for the purpose of this RTS empowerment? Are there in your view categories of packages in other asset classes that ESMA should consider?

<ESMA_QUESTION_MIFID_PO_27>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_27>

Q28. Do you agree with the draft RTS in annex IV? If not, please explain.

<ESMA_QUESTION_MIFID_PO_28>
Please refer to our comments in the introduction.
<ESMA_QUESTION_MIFID_PO_28>

Q29. CBAQ1: Please identify, per asset class and per currency, the total nominal amount traded (including packages). Please also identify what % of this total trading is executed i) through packages (incl. EFPs) and ii) through packages (with only financial instruments as components), on trading venues and OTC. Reference period: September 2015–September 2016. If you are a trading venue, please fill in the trading venue columns only. If you are an investment firm, please fill in the trading venue and OTC columns as appropriate.

<ESMA_QUESTION_MIFID_PO_29>

	Total Nominal amount traded, including packages (in euros) Sept 2015-Sept 2016		% of packages (including EFPs)		% of packages (with only financial instruments as components)	
	Trading venues	OTC	Trading venues	OTC	Trading venues	OTC
Interest rate derivatives						
Euro						
USD						
GBP						
Other currencies (please specify)						
Equity derivatives						
Euro						
USD						
GBP						
Other currencies (please specify)						
Credit derivatives						
Euro						
USD						
GBP						
Other currencies (please specify)						
Commodity derivatives						
Euro						
USD						
GBP						



Other currencies (please specify)						
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<ESMA_QUESTION_MIFID_PO_29>

Q30. CBAQ2: Based on ESMA draft RTS, out of the package orders (comprised only of financial instruments) that you trade, which percentage of the volume traded do you expect to be considered as having a liquid market as a whole? Please confirm which category the package orders you trade fall under:

1= less than 10% of the volume of package orders traded;

2= from 10% to 25% of the volume of package orders traded;

3= from 25% to 50% of the volume of package orders traded;

4= from 50% to 75% of the volume of package orders traded; or,

5= more than 75% of the of the volume of package orders traded.

<ESMA_QUESTION_MIFID_PO_30>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIFID_PO_30>

Q31. CBAQ3: In which area do you anticipate the costs of complying with ESMA' draft RTS to stem from (e.g. IT, training)?

<ESMA_QUESTION_MIFID_PO_31>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIFID_PO_31>

Q32. CBAQ4: Could you provide an indication of the expected implementation costs of ESMA' draft RTS (in euros) differentiating between (i) one-off costs and (ii) recurring costs (on an annual basis)?

<ESMA_QUESTION_MIFID_PO_32>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIFID_PO_32>

Q33. CBAQ5: In relation to the size of your business, do you expect those costs to be:

very low;

low;

medium; or,



high.

<ESMA_QUESTION_MIFID_PO_33>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_33>

Q34. CBAQ6: Do you expect any impact from ESMA’s draft RTS on your business model/activity? If so, please explain the drivers and the expected changes to your business model/activity.

<ESMA_QUESTION_MIFID_PO_34>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_34>

Q35. CBAQ7: Do you expect you expect broader market changes from the draft RTS in the short or medium term TO?

<ESMA_QUESTION_MIFID_PO_35>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIFID_PO_35>

Q36. CBAQ8: If so, please explain

<ESMA_QUESTION_MIFID_PO_36>

Expected Impact on	Yes/No/NA	Positive Impact	Negative impact
Market structure (changes in trading models, in trading strategies...)			
Liquidity (please explain how you measure liquidity)			
End users			
Other (specify)			

<ESMA_QUESTION_MIFID_PO_36>

Q37. CBAQ9: Are their specific concerns regarding ESMA’s draft RTS you would wish to highlight? Please be as specific as possible in your answer.

<ESMA_QUESTION_MIFID_PO_37>
Please refer to our comments in the introductory part
<ESMA_QUESTION_MIFID_PO_37>



Q38. CBAQ10; Are there specific benefits arising from ESMA’s draft RTS you would wish to mention?

<ESMA_QUESTION_MIFID_PO_38>
 TYPE YOUR TEXT HERE
 <ESMA_QUESTION_MIFID_PO_38>

For trading venues only

Q39. CBAQ11: Do you offer trading in packages?

<ESMA_QUESTION_MIFID_PO_39>
 TYPE YOUR TEXT HERE
 <ESMA_QUESTION_MIFID_PO_39>

Q40. CBAQ12: If so, please describe, per asset class, the categories of packages for which pre-trade transparency is currently provided. Please also state whether you consider those packages as liquid and the criteria taken into consideration (e.g. spreads, volume traded, number of transactions, number of market participants). If no sufficient space is available to respond, please provide the information in an annex.

<ESMA_QUESTION_MIFID_PO_40>

Package Categories with pre-trade transparency	Currency	Tenor	Reference index	Other characteristics (please identify)	Liquidity assessment (Y/N) and underlying criteria
Interest rate derivatives					
Equity derivatives					
Credit derivatives					
Commodity derivatives					
Others (please specify)					



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<ESMA_QUESTION_MIFID_PO_40>