

# Reply form

**on the Consultation Paper on the Manual on post-trade transparency**



## Responding to this paper

ESMA invites comments on all matters in the Consultation Paper and in particular on the specific questions in this reply form. Comments are most helpful if they:

- respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **31 March 2023**.

## Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

- Insert your responses to the questions in the Consultation Paper in this reply form.
- Please do not remove tags of the type <ESMA\_QUESTION\_MPTT\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
- If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
- When you have drafted your responses, save the reply form according to the following convention: ESMA\_CP MANUAL post-trade transparency\_nameofrespondent.

For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA\_CP MANUAL post-trade transparency\_ABCD.

- Upload the Word reply form containing your responses to ESMA’s website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

## Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. 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 not to disclose the response 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](http://www.esma.europa.eu) under the headings 'Legal notice' and heading '[Data protection](#)'..

## 1. General information about respondent

Name of the company / organisation	Deutsche Börse Group (DBG)
Activity	Regulated markets/Exchanges/Trading Systems
Are you representing an association?	<input type="checkbox"/>
Country/Region	Germany

## 2. Questions

### Published Q&As moved to the Manual

**Q1 Please share any feedback you may have on the additional topics highlighted in section 3.1. Do you believe that other specific technical topics shall be addressed on top of those described in Sections 3.1 and 3.2 above and presented in the rest of this CP.**

<ESMA\_QUESTION\_MPTT\_1>

Deutsche Börse Group appreciates ESMA's intention to support the practical implementation of the applicable post-trade transparency requirements and to foster convergence in supervisory approaches by providing a comprehensive Manual. We also take note of ESMA's intention to adjust the Manual to reflect the outcomes of the legislative process if and as needed. However, the reviewed RTS regarding equity transparency (RTS 1) and non-equity transparency (RTS 2) have still not been endorsed by co-legislators yet which introduces uncertainties as regards timelines and content of the to be implemented provisions.

Against this background we remind ESMA of the significant technical impact of its Manual. Several fields would need to be newly coded and new logics would need to be implemented according to the guided definitions, and be integrated in reporting systems of a multitude of stakeholders. In order to plan, test and implement these technical changes appropriately and securely, we believe that an implementation period of at least 12 months is necessary. DBG asks ESMA to take these considerations into account when determining the timeline.

<ESMA\_QUESTION\_MPTT\_1>

### CFI code – MiFIR identifier mapping analysis

**Q2 Do you agree with ESMA's proposed amendments to the CFI code – MiFIR identifier mapping?**

<ESMA\_QUESTION\_MPTT\_2>

Deutsche Börse Group appreciates that ESMA has started to revise the classification of the CFI code. We do encounter a few issues regarding the wrong classification, especially in the case of ETCs and ETNs for transaction reporting (Commission Delegated Regulation (EU) 2017/590 of 28 July 2016). We have a few cases, where these instruments being qualified as non-equity instruments (bonds with CFI code DB\*\*\*), have an impact on accurate reporting. This incorrect assignment leads not only to the issue with MiFIR identifier for transparency reporting and publication, but the misallocation of CFI also leads to errors and rejections in transaction reporting, where the net amount is not populated (error code CON-351). Therefore, we encourage ESMA to provide the precise and detailed CFI classification in this case.

The new mapping proposed by ESMA will still leave some definitorial uncertainties unresolved for certain CFI codes. For instance, we currently classify CFI code DA\*\*\*\* as MiFIR Identifier SFPS. However, according to the proposed mappings, ETCs and ETNs would also be possible MiFIR Identifiers for this CFI Code. Another example in this regard is CFI Code DM\*\*\*\* with MiFIR Identifier BOND/SFPS. The proposed logic still causes confusion. A precise and detailed CFI classification by ESMA is appreciated.

<ESMA\_QUESTION\_MPTT\_2>

**Q3 Referring to the section “Distinction among the different bond types”, do you see the need for further clarification to be included, or further refinements to the existing CFI-MiFIR Identifier mapping?**

<ESMA\_QUESTION\_MPTT\_3>

Yes, we see the need for further clarification and would deem a precise distinction among the different bond types helpful.

<ESMA\_QUESTION\_MPTT\_3>

**Q4 Do you see the need for further clarification to be included, or further refinements to the existing CFI-MiFIR Identifier mapping not presented in the previous answer?**

<ESMA\_QUESTION\_MPTT\_4>

Yes. Further refinements to the existing CFI-MiFIR Identifier are needed, especially for CFI Codes DE\*\*, DS\*\*, EY\*\*B and the logic for field 4 "Asset Class of Underlying" (for reference data to be provided for the purpose of transparency calculations) derived from this annex (2016-1523annex9.11\_cfi-rts2\_field\_mapping.xlsx). In this annex, asset class of the underlying is mapped to each CFI Code when needed. However, some of the CFI Codes are not mapped to the underlying asset class even though they are classified as either 'SDRV' or 'DERV' by definition.<ESMA\_QUESTION\_MPTT\_4>

### **Equity - Reporting fields: table 3 of Annex I, RTS 1**

**Q5 Do you agree with ESMA's Level 3 guidance for table 3 of Annex I of RTS 1?**

<ESMA\_QUESTION\_MPTT\_5>

Yes, we agree with ESMA's Level 3 guidance for table 3 of Annex I of RTS 1.

<ESMA\_QUESTION\_MPTT\_5>

### **Non-equity - Reporting fields: table 2 of Annex II, RTS 2**

**Q6 Do you agree with the guidance provided for bonds? Do you think that it is sufficient?  
If not, in respect of which field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_6>

This question does not fit the initial one in ESMA's Consultation Paper according to its Annex. It should read "Q6: Do you agree with ESMA's proposal to include the "Number of transactions" field in table 2 of Annex II of RTS 2?"<ESMA\_QUESTION\_MPTT\_6>

### **Bonds**

**Q7 Do you agree with the guidance provided for bonds? Do you think that it is sufficient?  
If not, in respect of which field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_7>

Yes, Deutsche Börse Group agrees with the guidance provided for bonds and thinks that it is sufficient.

<ESMA\_QUESTION\_MPTT\_7>

## SFPs

**Q8 Do you agree with the guidance provided for SFPs? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_8>

Yes, we agree with the guidance provided for SFPs and think that it is sufficient.

<ESMA\_QUESTION\_MPTT\_8>

## ETCs and ETNs

**Q9 Do you agree with the guidance provided for ETCs and ETNs? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_9>

Yes, we agree with the guidance provided for ETCs and ETNs and think that it is sufficient.

<ESMA\_QUESTION\_MPTT\_9>

## Interest rate derivatives

**Q10 Do you agree with the guidance provided for bond futures, bond forwards and bond options? Do you think that it is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_10>

We agree with the guidance provided for bond futures as well as bond options. However, as a general comment, we would like to encourage ESMA to make sure all the same derivatives products are treated equally on all exchanges and calculation of a notional amount is harmonized. According to Commission Delegated Regulation (EU) 2017/585 field 25, i.e., price multiplier, is a number of units of the underlying instrument represented by a single derivative contract, thus, as per example 6.5.1.1.1, for the bond future the price multiplier will be always 1,000.

<ESMA\_QUESTION\_MPTT\_10>

**Q11 Do you agree with the guidance provided for IR futures, FRAs and IR options? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_11>

Yes, we agree with the provided guidance for IR futures and options and think that it is sufficient.

<ESMA\_QUESTION\_MPTT\_11>

**Q12 Do you agree with the guidance provided for interest rate swaps (IRS), IR, futures and IR swaptions? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_12>

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<ESMA\_QUESTION\_MPTT\_12>

**Q13 Concerning IRS (section 6.5.1.5), do you consider that a second “spread” field for the spread on the second floating leg would be necessary or in the case of swaps with two floating rates there is always one leg with the spread, if any**

<ESMA\_QUESTION\_MPTT\_13>

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<ESMA\_QUESTION\_MPTT\_13>

**Q14 Concerning IRS (section 6.5.1.5), do you consider that a second “price” field for the fixed rate of the second leg in the case of fixed-to-fixed swaps even if such contracts have not been identified to be TOTV at this stage?**

<ESMA\_QUESTION\_MPTT\_14>

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<ESMA\_QUESTION\_MPTT\_14>

**Q15 Concerning Bond forwards (section 6.5.1.1), do you consider that further guidance is needed? If, so please provide concrete examples and proposals.**

<ESMA\_QUESTION\_MPTT\_15>

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<ESMA\_QUESTION\_MPTT\_15>



## Equity derivatives

**Q16 Do you agree with the guidance provided for equity derivatives? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_16>

Yes, we agree with the guidance provided for equity derivatives and think that it is sufficient.

<ESMA\_QUESTION\_MPTT\_16>

**Q17 For equity derivatives with an index as underlying (sections 6.5.2.3 and 6.5.2.4) how would you populate the price notation filed until the second RTS 2 review? After the second RTS 2 review, would you agree with ESMA's proposal to define an appropriate code for this field?**

<ESMA\_QUESTION\_MPTT\_17>

For equity derivatives with an index as underlying the price notation is defined in monetary terms, i.e. "MONE". We would not recommend ESMA to come up with any other price notation for equity index derivatives.

<ESMA\_QUESTION\_MPTT\_17>

## Credit derivatives

**Q18 Do you agree with the guidance provided for credit derivatives (CDS and options on CDSs)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_18>

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<ESMA\_QUESTION\_MPTT\_18>

**Q19 Concerning options on Index CDSs and single-name CDSs (section 6.5.3.2), do you consider that further guidance is needed? If, so please provide concrete examples and proposals.**

<ESMA\_QUESTION\_MPTT\_19>

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<ESMA\_QUESTION\_MPTT\_19>

## FX derivatives

**Q20 Do you agree with the guidance provided for FX derivatives (forwards, options and swaps)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_20>

We believe that different terminology across Level 1, 2 and 3 text for FX derivatives' currencies may lead to inconsistencies in reporting and publication of information across the industry. Therefore, as already mentioned in ESMA's proposal, we would recommend to use the term "Base Currency" for the field 30 "Notional Currency 1" and "Quote Currency" for the field 31 "Notional Currency 2" in RTS 2 as well as in the currently proposed guideline.

Same holds true for the RTS 23 requirements, i.e. to use the industry wide terminology "Base Currency" and "Quote Currency" for the fields 13 and 42 respectively, "Notional Currency 1" and "Notional Currency 2".

<ESMA\_QUESTION\_MPTT\_20>

## Commodity derivatives

**Q21 Do you agree with the guidance provided for commodity derivatives (futures, options and swaps)? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_21>

Yes, we agree with the guidance provided for commodity derivatives (futures, options and swaps) and think that it is sufficient.

<ESMA\_QUESTION\_MPTT\_21>

## Emission allowances and derivatives thereof

**Q22 Do you agree with the guidance provided for emission allowances and derivatives thereof? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_22>

Yes, we agree with the guidance provided for emission allowances and derivatives thereof and think that it is sufficient.

<ESMA\_QUESTION\_MPTT\_22>

### Securitised derivatives

**Q23 Do you agree with the guidance provided for securitised derivatives? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_23>  
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<ESMA\_QUESTION\_MPTT\_23>

### Contract for difference (CFDs) and spread bets

**Q24 Do you agree with the guidance provided for CFDs and spread bets? Do you think that the guidance is sufficient? If not, in respect of which contracts and field(s) should be required? Please provide details.**

<ESMA\_QUESTION\_MPTT\_24>  
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<ESMA\_QUESTION\_MPTT\_24>

### Flags

**Q25 Do you believe that further guidance is needed? Is there any specific use case for which you deem it necessary to provide further guidance?**

<ESMA\_QUESTION\_MPTT\_25>

Yes, Deutsche Börse Group believes that further guidance is needed and wants to raise awareness for the following cases:

1) In our derivation logic, DA\*\*\*\* is classified as 'SFPS'. Relaxing the rules by potentially expanding the grid to ETCs and ETNs, would render it impossible to distinguish whether instruments with CFI code 'DA\*\*\*\*' are SFPs, ETCs or ETNs due to missing criteria.

2) A similar issue will arise for the CFI code 'DM\*\*\*\*', becoming impossible to identify if an instrument should be classified as BOND or SFP. In the current derivation logic 'DM\*\*\*\*' is defined as 'BOND'.

3) Asset class of the underlying is yet a mandatory field – applying, inter alia, if the MiFIR Identifier is SDRV or DERV. However, it is not required if the MiFIR identifier is a BOND. Having said this,

and for the CFI codes DE\*\*\*\* and DS\*\*\*\*, it is not clear if the MiFIR Identifier is BOND or SDRV. Moreover, if the latter applies, it is not clear what is to be populated in the Asset Class of the Underlying. Therefore, we encourage ESMA to consider the aforementioned cases in its further guidance.

<ESMA\_QUESTION\_MPTT\_25>

**Q26 Would you agree with ESMA's proposal to further specify the differences between portfolio transactions and portfolio trades? What are the main differences between a package transaction and a portfolio transaction involving? Please provide details.**

<ESMA\_QUESTION\_MPTT\_26>

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<ESMA\_QUESTION\_MPTT\_26>