



Unravelling Ariadne's MiFID II Thread: Pre- and post-trade transparency for non-equity markets

6 April, 13:00-15:45 | Place du Congres 1, 1000-Brussels

AGENDA

Under MiFID I transparency requirements were limited to equity instruments. MiFID II substantially expanded the scope of this transparency to cover also non-equity instruments. The full list includes shares; depositary receipts; exchange traded funds; certificates and similar instruments (equity-like instruments); bonds; structured finance products; emission allowances and traded derivatives (non-equity instruments). Such instruments can be traded not only on regulated markets (RMs), but also to multilateral trading facilities (MTFs), organised trading facilities (OTFs), and Systemic Internalisers (SIs). It remains to be seen how and to what extent the new transparency requirements will affect the current market structure.

12:15 Registration and buffet sandwich lunch

13:00 MiFID II and transparency – Impact on bond markets

While both trading venues and systematic internalisers need to publish quotes and trades, thought also needs to be given to how this new transparency will change market behaviours and how the new data can be used. Bond trading is mostly conducted over the counter and so far has relied on banks acting as dealers, maintaining an inventory of bonds to trade bilaterally with investors. Investors have therefore come to rely on dealers for immediacy. But the market structure is also partly a function of the lack of information about prices and market conditions faced by investors. This is a key issue that MiFID II seeks to address via a pre- and post-trade transparency framework for all non-equity financial instruments.

- How will the new rules be implemented, and how will they impact market structure? Will greater transparency undermine liquidity?
- How will the calibration of transparency requirements for different types of trading systems work?
- Can we achieve operational simplicity and accuracy at the same time? How can consistent applications across all jurisdictions be ensured?
- Will the buy-side enjoy the same support and liquidity under the SI regime as they do with BCNs?

Speakers:

Jorge Yzaguirre Scharfhausen, Director of Markets, Bolsas y Mercados Españoles

Bas Dommerholt, Supervision Officer, Capital Markets, Netherlands Authority for the Financial Markets

Julian Allen-Ellis, Director MiFID, Association for Financial Markets in Europe

Per Loven, Commercial Director, Boat Services, TRADEcho

Moderator **Karel Lannoo**, CEO, CEPS and General Manager, ECMI



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14:15 Coffee break

14:30 MiFID II and transparency – Impact on derivatives markets

MiFID II requires certain standardized derivative contracts to be traded through a trading venue. However, this obligation only applies to those classes of derivatives that are cleared through a central counterparty (CCP) and that also are sufficiently liquid. ESMA will be responsible for assessing whether classes of derivatives should be subject to the trading obligation. However, the trading obligation gives rise to several major cross-border issues, including a requirement for some derivatives with non-EU elements to be trading on EU trading venues.

- How transparency reporting is going to work under MiFID II? What will be the impact on listed and cleared derivatives?
- Will OTC derivatives market, as a result of OTF's reporting requirements, be disrupted?
- How the new clearing rules will impact small and large buy side houses? What are the recovery rules for CCPs and what are the potential consequences for the buy side?
- Will additional collateral costs make the OTC derivatives business model significantly less attractive and less-well used by the buy side? Could the increased costs from the new transparency requirements prompt a move towards exchange-traded derivatives?

Speakers:

James Roberts, Director, European Public Policy, International Swaps and Derivatives Association

Alex McDonald, CEO, Wholesale Markets Brokers' Association

Tom Springbett, Manager, Trading and Post-Trade Policy, Financial Conduct Authority

Uwe Hillnhütter, Director, MiFID II Implementation, Tradeweb

Moderator **Karel Lannoo**, CEO, CEPS and General Manager, ECMI

15:45 End of conference

This event is part of a series of special events that ECMI organises on the topic of **Getting ready for the implementation of MiFID II/MiFIR** to discuss the readiness of market players and the supervisory community to comply with the provisions set out in new legislative framework. Two further panel debates will be held on "*Data publication arrangements, consolidation and reporting*" (**June**) and "*Investor protection provisions*" (**September**).

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