Briefing note

ESMA liquidity assessment of bonds for Q3-2018 under MiFID II/R & ESMA completeness indicators for trading venues related to bond liquidity data

31 October 2018

(i) ESMA announced on 31 October that the third quarterly liquidity assessment for bonds under MiFID II/R had been made available through the Financial Instruments Transparency System (FITRS) in XML format. The list of ISINs has subsequently been published through the FITRS interface.

According to the data published through the FITRS interface (as of 15 November 2018):

- **466 bonds have been deemed liquid in Q3.** Note: In the announcement of 31 October ESMA referred to 470 bonds that were deemed liquid. Most instruments are government bonds. Two Italian government bonds have matured (IT0005139099 - 15/10/2018; and IT0004922909 - 01/11/2018).

- Additional data and corrections submitted to ESMA may result in further updates within each quarter, published in FITRS (which shall be applicable the day following publication).

- The liquidity assessments will be applicable from tomorrow, 16 November 2018, until 15 February 2019.

The list of ISINs deemed liquid by ESMA, including further details on the issuer, coupon, maturity, amount outstanding (based on data from Bloomberg) is attached to this briefing.

(ii) ESMA also published on 31 October the completeness indicators related to bond liquidity data following the announcement of 27 September 2018.

- ESMA stated that “In order to increase the incentives for trading venues to deliver data for the performance of (the double volume cap [for equities] and) bond liquidity calculations on a timely basis, ESMA will publish two completeness indicators”:
  - **The Completeness Ratio**, an indicator that provides information on the completeness of a particular venue taken in isolation, irrespective of the performance of other venues.
- **The Completeness Shortfall**, a measure that gives an indication of a venue’s performance in terms of completeness compared to other trading venues. It reflects the percentage of missing data for which a particular venue is responsible.

- The completeness indicators were published on ESMA’s website. The file containing bond liquidity completeness indicators including the underlying formulas can be found [here](#).

- The data completeness indicators will be updated on a quarterly basis going forward.

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