Briefing note

ESMA publication of data for the systematic internaliser calculations for bonds – 1 and 2 August 2018

ESMA has published on 1 August 2018 data for the systemic internaliser calculations for bonds, equity, and equity-like instruments under MiFID II/R. Due to data quality issues, a revised dataset for bonds has been published by ESMA on 2 August 2018. Below is a brief summary:

(i) **Scope:** 73,632 bonds [instead of 73,828 bonds in the initial version of 1 August 2018] and 9,173 equity and equity-like instruments. For all other asset classes the mandatory SI-assessment will only apply after the first publication of the data for those asset classes on 1 February 2019.

(ii) **Data:** Total number of trades and total volume executed in the EU

(iii) **Observation period:** 1 January 2018 – 30 June 2018

(iv) **Source:** Data submitted by trading venues and Approved Publication Arrangements (APAs) to the Financial Instruments Reference Database (FIRDS) and the Financial Instruments Transparency System (FITRS).

(v) **Limitations:**

   a. Only instruments that were admitted to trading/started trading before 20 May 2018 for which trading venues submitted data for at least 95% of all trading days.

   Note: As a result, no transactions have been reported for 67,878 bonds [previous version: 68,071], reducing the number of instruments for which transaction and volume data have been provided to 5,754 bonds [previous version: 5,757].

   b. ESMA pointed out that the data have been computed “on a voluntary and best effort basis”. It is stated that “for equity and equity-like instruments and bonds not included in this publication, investment firms which based on data from other sources indicating that they pass the relevant threshold for an instrument should register as an SI.”

(vi) **Summary of most actively traded bonds in terms of trade count and volume:**

   o See Annex 1 below. The revised file including the data on an ISIN-level can be downloaded here.

(vii) **Next steps:**

   o Investment firms are required to perform an internal assessment against the data provided by ESMA, and if in scope of the SI regime, comply with relevant SI obligations from 1 September 2018. Further information on the SI regime and calculations are available on ESMA’s website.
Annex 1: Summary of most actively traded bonds in terms of trade count and volume

a. Table 1: Top 10 bonds in terms of number of transactions

<table>
<thead>
<tr>
<th>Rank</th>
<th>ISIN</th>
<th>Total number of transactions executed in the EU</th>
<th>Total turnover executed in the EU (€)</th>
<th>Issuer</th>
<th>Coupon</th>
<th>Maturity</th>
<th>Currency</th>
<th>Country</th>
<th>Amount outstanding</th>
<th>Issue Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IT0005137614</td>
<td>9,895</td>
<td>140,000,000,000</td>
<td>CCTS EU</td>
<td>0.43</td>
<td>15/12/2022</td>
<td>EUR</td>
<td>IT</td>
<td>15,545,977,000</td>
<td>01/10/2015</td>
</tr>
<tr>
<td>2</td>
<td>IT0005009839</td>
<td>7,205</td>
<td>62,000,000,000</td>
<td>CCTS EU</td>
<td>0.93</td>
<td>15/11/2019</td>
<td>EUR</td>
<td>IT</td>
<td>12,529,855,000</td>
<td>01/04/2014</td>
</tr>
<tr>
<td>3</td>
<td>XS1800025022</td>
<td>4,225</td>
<td>300,000,000</td>
<td>MAIRE TECNIMONT SPA</td>
<td>2.63</td>
<td>30/04/2024</td>
<td>EUR</td>
<td>IT</td>
<td>165,000,000</td>
<td>03/05/2018</td>
</tr>
<tr>
<td>4</td>
<td>XS1782625641</td>
<td>2,794</td>
<td>25,000,000</td>
<td>MEDIOBANCA INTL LUX SA</td>
<td>2</td>
<td>29/03/2024</td>
<td>USD</td>
<td>LU</td>
<td>424,624,000</td>
<td>29/03/2018</td>
</tr>
<tr>
<td>5</td>
<td>IT0005026759</td>
<td>2,427</td>
<td>42,000,000</td>
<td>MEDIOBANCA DI CRED FIN</td>
<td>N/A</td>
<td>30/06/2021</td>
<td>EUR</td>
<td>IT</td>
<td>214,886,000</td>
<td>30/06/2014</td>
</tr>
<tr>
<td>6</td>
<td>XS1410333527</td>
<td>2,391</td>
<td>3,200,000,000</td>
<td>INTL BK RECON &amp; DEVELOP</td>
<td>2.3</td>
<td>31/05/2026</td>
<td>USD</td>
<td>SNAT</td>
<td>644,316,000</td>
<td>31/05/2016</td>
</tr>
<tr>
<td>7</td>
<td>IT0005139958</td>
<td>1,627</td>
<td>18,000,000</td>
<td>BANCA IMI SPA</td>
<td>2.5</td>
<td>20/01/2023</td>
<td>USD</td>
<td>IT</td>
<td>234,932,000</td>
<td>20/01/2016</td>
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<td>8</td>
<td>XS1026366861</td>
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<td>22,000,000</td>
<td>GOLDMAN SACHS GROUP INC</td>
<td>N/A</td>
<td>31/03/2020</td>
<td>EUR</td>
<td>US</td>
<td>213,413,000</td>
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<td>9</td>
<td>XS1040303197</td>
<td>1,470</td>
<td>26,000,000</td>
<td>CREDIT SUISSE AG LONDON</td>
<td>N/A</td>
<td>24/09/2021</td>
<td>EUR</td>
<td>CH</td>
<td>124,905,000</td>
<td>24/09/2014</td>
</tr>
<tr>
<td>10</td>
<td>DE000A19MFH4</td>
<td>1,454</td>
<td>27,000,000</td>
<td>PHOTON ENERGY NV</td>
<td>7.75</td>
<td>27/10/2022</td>
<td>EUR</td>
<td>NL</td>
<td>-</td>
<td>27/10/2017</td>
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Source: ESMA (columns 1-4); Bloomberg (columns 5-11)

b. Table 2: Top 10 bonds in terms of volume of transactions

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Source: ESMA (columns 1-4); Bloomberg (columns 5-11)
Note: Two of the bonds included in tables 1 and 2 no longer exist (DE000A19MFH4 ranked 10\textsuperscript{th} in table 1; and XS0243771218 ranked 7\textsuperscript{th} in table 2), while the number of transactions of other instruments seems surprisingly low in relation to the total turnover (eg RU000A0ZYWY5, ranked 3\textsuperscript{rd} in table 2).

Prepared by:
Gabriel Callsen and Andy Hill,
ICMA, August 2018