

Briefing note

ESMA liquidity assessments of individual bonds for MiFID II/R implementation (updated 18 April 2018)

ESMA has [issued](#) on 18 April 2018 another update of the liquidity assessments for bonds (except for ETCs and ETNs) in relation to MiFID II/R transparency requirements. It is stated that “trading venues are expected to apply the new results from 23 April 2018.”

Overall, the total number of instruments considered in the transitional transparency calculations (TTC) has decreased slightly as shown below (-56 in comparison to ESMA’s assessment released on 19 January 2018). Both the number of liquid and illiquid corporate, covered and sovereign bonds is lower, whilst the number of “other public bonds” has increased slightly. It has not been clarified where these individual changes stem from.

The [FAQ document](#) related to the TTCs remains unchanged. Accordingly, the existing liquidity assessments are applicable until 15 May 2018. ESMA’s new liquidity assessments which will apply from 16 May are due to be published on 1 May 2018 [point B.2 (2), p. 3].

Below is a breakdown by bond type including the changes in comparison to the previous transitional transparency calculations (TTCs) published on 19 January 2018.

Bond Type	Liquid (18/04/18)	Liquid (19/01/18)	Change	Not liquid (18/04/18)	Not liquid (19/01/18)	Change	Grand Total (18/04/18)	Grand Total (19/01/18)	Change
Corporate Bond	267	270	-3	44411	44470	-59	44678	44740	-62
Covered Bond	32	36	-4	4534	4539	-5	4566	4575	-9
Convertible Bond	4	4	0	1346	1346	0	1350	1350	0
Sovereign Bond	381	407	-26	5736	5771	-35	6117	6178	-61
Other Public Bond	76	74	2	3265	3191	74	3341	3265	76
Other Bond	12	12	0	8910	8910	0	8922	8922	0
Grand Total	772	803	-31	68202	68227	-25	68974	69030	-56

The list of individual [ISINs](#) is available on ESMA's website. Please note that the calculations are subject to future amendments by ESMA if deemed necessary.

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