



## **ESMA consultation paper on position limits and position management controls on commodity derivatives, and on the Draft Technical Advice on weekly position reports**

**Link to the paper:** [Consultation Paper on MiFID II review report on position limits and position management - Draft Technical Advice on weekly position reports](#)

### **1.- Target audience (potential stakeholders)**

This paper is mainly of interest to trading venues, investment firms and non-financial counterparties trading in commodity derivatives. However, responses are also sought from other market participants, such as relevant trade associations, industry bodies and investors.

### **2.- Information Note**

Under MiFID II, the European Commission shall, after consulting ESMA, present a report on the impact of the application of position limits and position management controls on liquidity, market abuse and orderly pricing and settlement conditions in commodity derivatives markets. This consultation paper provides an initial assessment of such impact and seeks stakeholders' views on the proposed amendments to the existing regime.

It also seeks views on the proposal to review the Technical Advice provided by the European Commission under Article 58(6) of MiFID II, which amends the minimum thresholds under which the trading venues have to publish a weekly report with the positions in commodity derivatives held by the different categories of position holders.

The paper is divided into two parts, and includes most notably the following content:

**PART I** – Section 3 provides a summary of the position limit regime and a preliminary assessment of the impact on market abuse, settlement conditions, orderly pricing and liquidity. Section 4 considers the impact of position management controls on commodity derivatives markets. Section 5 sets out ESMA's proposed amendments to the Level 1 text. However, as this is a long process, some amendments to the Level 2 text are considered appropriate.

**PART II** – Section 6 explains the background to the Technical Advice on the weekly report with the aggregate positions per position holder category and Section 7 sets out ESMA's proposal in this regard.

### **3.- Submission of comments**

The deadline for submitting comments is 8 January 2020.

Respondents may send their comments through ESMA's website: [www.esma.europa.eu](http://www.esma.europa.eu). The paper of this consultation (ESMA70-156-1484) and the response form are available in the section [\*\*\*Consultation\*\*\*](#).

Likewise, please send a copy of your answers to the CNMV to the following email address: [documentosinternacional@cnmv.es](mailto:documentosinternacional@cnmv.es)

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