

CNMV, in cooperation with ESMA, agrees to suspend certain waivers on pre-trade transparency requirements in the trading in specific listed shares for six months

8 March 2018

MiFIR (European Regulation 600/2014) establishes certain pre-trading transparency requirements applicable to shares and other financial instruments, in recognition of the possibility of trading venues requesting the competent authority to implement waivers. The waivers granted include those on orders at reference prices ("Reference Price Waivers") and those on negotiated or pre-arranged transactions ("Negotiated Transaction Waivers").

However, MiFIR itself, in order to ensure that the use of Reference Price Waivers and certain Negotiated Transaction Waivers does not unnecessarily hinder price formation, has imposed a double cap on trading carried out under such waivers and, consequently, the competent authority must suspend the use of waivers in both the following scenarios for six months:

- a) The percentage of trading in a financial instrument on a single trading venue under the waivers exceeds 4% of the total trading volume in that financial instrument across all EU trading venues over the previous 12 months.
- b) The total trading in a financial instrument throughout the EU under these waivers exceeds 8% of the total trading volume in that financial instrument across all EU trading venues over the previous 12 months.

In Spain, CNMV has authorised a waiver on transaction matching, on shares or ETFs admitted to trading on the Spanish Stock Exchanges and MAB or LATIBEX, at the average price of the best current buying and selling position in a reference market (transactions at the midpoint of the spread). This waiver is included in the categorisation of Reference Price Waivers and is, therefore, subject to the volume limitation mechanism described.

On 7 March, pursuant to Article 5(4) of MiFIR, ESMA published, for the first time, the data relating to the volume limitation mechanism ("double volume cap"), which show that the aforementioned 8% threshold has been exceeded with respect to certain financial instruments admitted to trading on the Spanish Stock Exchanges.

The information published by ESMA can be consulted at the following link:

<https://www.esma.europa.eu/press-news/esma-news/mifid-ii-esma-publishes-double-volume-cap-data>

In compliance with the provisions of MIFIR and according to the data published by ESMA, the CNMV Board has today decided:

"To suspend, with effect from the start of the trading session on 12 March until the close of the trading session on 12 September, inclusive, pursuant to Article 5(3) of Regulation (EU) No. 600/2014 of the European Parliament and of the Council of 15 May ("MiFIR"), the use of the transparency waivers on trading orders at prices referenced to another market, regulated under Article 4(1)(a) of MiFIR, on the Stock Exchanges, since the 8% threshold referred to in Article 5(1)(b) of MiFIR has been exceeded with respect to the trading in the following financial instruments.

ISIN	Issuer
ES0111845014	ABERTIS INFRAESTRUCTURAS, S.A.
ES0105022000	APPLUS SERVICES, S.A.
ES0105066007	CELLNEX TELECOM, S.A.
ES0105027009	COMPAÑIA DE DISTRIBUCION INTEGRAL LOGISTA HOLDINGS, S.A.
ES0117160111	CORPORACION FINANCIERA ALBA S.A.
ES0105075008	EUSKALTEL, S.A.
ES0137650018	FLUIDRA, S.A.
ES0105019006	HISPANIA ACTIVOS INMOBILIARIOS, SOCIMI S.A.
ES0118594417	INDRA SISTEMAS S.A., SERIE A
ES0161560018	NH HOTEL GROUP, S.A.
ES0105131009	PARQUES REUNIDOS SERVICIOS CENTRALES, S.A.
ES0175438003	PROSEGUR COMPAÑIA DE SEGURIDAD, S.A.
ES0105128005	TELEPIZZA GROUP, S.A.U.

For clarification purposes, it is expressly stated that, by virtue of this decision, the trading of the above-mentioned financial instruments using functionalities other than those associated with the suspended waivers is not suspended."