



FXCG

MiFID II: Top considerations and challenges

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MiFID II: Top considerations and challenges



KEY CONSIDERATIONS

Trading Obligation

- Implementing eligible platforms (technology, connectivity, straight through processing protocols)

Best Execution

- Focus on relevant market data (e.g. benchmarks, TCA)
- Focus on process and governance....."sufficient steps"
- Monitor and evidence (internal governance & publication of RTS 28)
- Ingestion of RTS 27

Post Trade Transparency

- Via MTF or via APA
- Challenge for non-electronic in 15m window
- Time stamps on voice trades

Transaction Reporting

- LEIs + 65 fields, including sensitive data and privacy/storage issues

Research

- Cost to investors and/or asset management firms. Added issues for global firms. Loss of competitiveness of EU capital markets.



KEY CHALLENGES

- Explicit definitions vs Implementation Timelines Single
- EEA venue vs liquidity/best execution requirement
- Equivalence of third country venues
- Impact of Post Trade Transparency on liquidity
- Fragmentation of liquidity pools
- Collateral challenge -> availability and cost
- SI Regime -> clarity/transparency with delayed implementation
- Industry bottlenecks -> Onboarding and legal resources
 - At counterparties
 - Platforms/Venues
 - Collateral Agents

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