FIX TRADING COMMUNITY

RESPONSE TO CONSULTATION PAPER: MANUAL ON POST-TRADE TRANSPARENCY

Q2: Do you agree with ESMA's proposed amendments to the CFI code – MiFIR identifier mapping?	There are issues with CFI-MIFIR ID mapping in respect of Money Market Instruments, as the current mapping which is restricted to DY CFIs does not include all the CFI codes which are being assigned for these instruments. We would recommend revising the CFI-MIFIR ID mapping to allow other CFI prefixes to be considered money market instruments, provided they are compatible with the definition.
	Relating to ETCs and ETNs, according to the current CFI-MiFIR ID mapping, ETFs should be identified with a CFI code starting with 'CE' and ETCs and ETNs with a CFI code starting with 'EY'. However, ETCs, ETNs and ETFs are often assigned a CFI code starting with 'D', which would result in the instruments being classified as 'BOND' or 'SFPS'. We therefore agree with ESMA's proposal to expand the scope of instruments that can be reported with a CFI code starting with 'DA' to include 'ETCS' and 'ETNS'. However, as 'ETCS' and 'ETNS' have different characteristics from 'SFPS', we recommend that the existing FIRDS-CFI validation rules for 'DA' instruments are relaxed accordingly. The current FIRDS CFI validation rules mandate the population of fields 14 to 17 when reporting 'DA' instruments. However, this information would not be available in the case of ETNs and ETCs.
	On mortgage bonds, further guidance could be beneficial to clarify that instruments that are assigned a 'DA' or 'DG' CFI code, and are clearly covered bonds, should be classified as 'BOND', and not as 'SFPS'.
	The allocation of 'DM' CFI codes to instruments other than bonds (e.g., to structured finance products and securitised derivatives) is fairly commonplace. On that basis, ESMA's suggestion of opening the mapping to include SFPs as well as bonds makes sense. However, given that securitised derivatives can also be assigned 'DM' CFI codes, and the fact that the 'DM' code is defined in the ISO CFI standard as corresponding to 'debt instruments that do not fit into any of the groups of debt instruments', ESMA could consider extending the mapping to include both SFPs and SDRVs.
	ESMA could consider broadening the CFI-MiFIR ID mapping to allow the 'DT' code to be mapped to MiFIR identifiers other than 'BOND.'
Q3: Referring to the section "Distinction among the different bond types", do you see the need for further clarification to be included, or further	It would be beneficial if ESMA could provide further details in the Q&A on bond type, to:

refinements to the existing CFI-MiFIR Identifier mapping?	a) Reconcile the Q&A with the amended definitions in Table 2.2, Annex 3 of the reviewed RTS 2; b) Clarify how market participants should proceed in cases where there are overlaps between categories. Whilst overlap is clearly not expected between categories such as 'sovereign bond' and 'convertible bond', there are cases of covered bonds issued by entities which would usually be classified under the 'sovereign' or 'other public' categories.
Q6: Do you agree with ESMA's proposal to include the "Number of transactions" field in table 2 of Annex II of RTS 2?	Yes, unless deferrals no longer require aggregation of trades and publication of aggregated values.
Q7: Do you agree with the guidance provided for bonds? Do you think that it is sufficient? If not, in respect of which field(s) should be required? Please provide details.	No. **Price** – With regards to Price (#3), the FIX Trading community believe that, where possible, this field should **always** be populated with a price expressed as a percentage unless it is not possible to calculate the percentage. If it is not possible to calculate the percentage, then market convention should be used. **Quantity** – With regards to Quantity (#7), this field should never be populated. The point of the recommendations above are to help the market standardise on common formats where possible.
Q26: Would you agree with ESMA's proposal to further specify the differences between portfolio transactions and portfolio trades? What are the main differences between a package transaction and a portfolio transaction involving? Please provide details.	The FIX Trading Community agrees that a Portfolio Transaction is a "Transaction in five or more different financial instruments where those transactions are traded at the same time by the same client and against a single lot price and that is not a 'package transaction' as referred to in Article 1(1)." A package transaction has an additional criterion, where the financial instruments in the transaction have "meaningful economic and financial risk related to all the other components." Providing examples of where mefrroc applies (e.g. a transaction where all the constituent trades are in bonds from the same issuer) would be helpful in the manual. The FIX Trading Community disagrees that the Portfolio Transaction flag should have preference over the Package Transaction Flag where both applies. It believes Package Transaction flag should take preference as a Package Transaction also has specific deferral rules that apply to all constituent trades. An example might be a Package Transaction which has a mixture of Liquid and Illiquid bonds: It may be useful for consumers to know why a trade in a liquid bond below the SSTI threshold was not published in real-time, if it was part of a package transaction that also included bonds that qualified for deferred publication.

	Finally, the FIX Trading Community believe that the Portfolio Transaction should not be further restricted to just corporate bonds – this should apply to any bond to simplify the implementation.