

Group Number	Group Description	MiFID II Column Header	MiFID II Column Header Description
1	Aggregation ¹	1. MiFID II Aggregate Code	<p>All contracts subject to MiFID II position limits will have a code populating in this field to indicate contracts that need to be aggregated together for limits purposes. This code will be a concatenation of the National Competent Authority (NCA) and Venue Product Code (VPC) for the “lead” contract both intra exchange and across exchanges if applicable.</p> <p>EXAMPLE: On ICE Futures Europe, all contracts that aggregate into the Dubai 1st Line Futures will display with aggregate code FCA-DBI, which is a concatenation of the UK’s NCA FCA and the venue product code for the lead contract which is DBI.</p> <p>If contracts on other markets are considered the same as DBI and thus need to be aggregated together, assuming DBI is the “lead contract” those contracts will also display FCA-DBI in this field.</p>
2	NCA ²	2. MiFID II NCA	Indicates the National Competent Authority (NCA) for the contract in question
3	Spot Ratio	3. MiFID II Spot Aggregate Ratio Numerator	If any ratios are applied at the MiFID II spot aggregate level, the numerator value will be entered here. If not, this field will default to 1
		3.1. MiFID II Spot Aggregate Ratio Denominator	If any ratios are applied at the MiFID II spot aggregate level, the denominator value will be entered here. If not, this field will default to 1
4	Spot Limit Values and Logic ³	4. MiFID II Spot Limit	The limit value for the spot position limit
		4. MiFID II Spot Limit Logic	The logic as to when the spot period begins
		4.1 MiFID II Spot Limit	The limit value for the secondary spot position limit if applicable. In any case where multiple spot limits are in effect, the limit value and logic will populate with an increasing numerical value group (4.1, 4.2, 4.3, etc.)
		4.1 MiFID II Spot Limit Logic	The effective logic as to when the secondary spot period begins
5	Other Months Ratio	5. MiFID II Other Month Aggregate Ratio Numerator	If any ratios are applied at the MiFID II other months aggregate level, the numerator value will be entered here. If not, this field will default to 1

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		5.1 MIFID II Other Month Aggregate Ratio Denominator	If any ratios are applied at the MiFID II other months aggregate level, the denominator value will be entered here. If not, this field will default to 1
6	Other Months Limit Values and Logic	6. MIFID II Other Months Limit	The limit value for the other months (i.e. all positions outside of the spot month) position limit Please note that the MiFID II Other Months Limit has no associated “logic” column populating like the spot limit. This is due to the fact that in most cases, other months limits apply to all positions outside of the spot month and thus would not require its own distinct logic. Should there be multiple other months limits, the logic pertaining to these limits will populate in supplementary columns as needed.
		6.1 MIFID II Other Months Limit	The limit value for the secondary other months position limit if applicable. In any case where multiple other months limits are in effect, the limit value and logic will populate with an increasing numerical value group (6.1, 6.2, 6.3, etc.)
		6.1 MIFID II Other Months Limit Logic	The effective logic as to when the secondary other months limit becomes effective.

¹Article 3 of RS 21 states that “*The net position of a person in a commodity derivative shall be the aggregation of its positions held in that commodity derivative traded on a trading venue, **in commodity derivatives considered the same commodity derivative to that commodity derivative in accordance with paragraph 1 of Article 5, and in economically equivalent OTC contracts pursuant to Article 6.***”

In addition, Article 5 outlines the criteria which needs to be met for contracts to be considered “same”:

http://ec.europa.eu/finance/docs/level-2-measures/mifid-rts-21_en.pdf (pg.11)

The Cross-Exchange Aggregate column accounts for any aggregation logic that may need to be taken into account for products that are subject to aggregation across exchanges. Please note that, at this time, FIA Tech is not aware of any products currently subject to this aggregation rule. In addition, FIA Tech is also not aware of any Economically Equivalent OTC (EEOTC) products at this time as well. Should anything change in this regard, Databank staff will look into and update accordingly.

²List of NCAs: https://www.esma.europa.eu/sites/default/files/library/ncas_under_article_561_mifid.pdf

³The methodology for how competent authorities are to calculate spot limits and other months limits (i.e. all positions outside of the spot period) are outlined in Chapter III of RTS 21.

Paragraph 11 of RTS 21 states the following:

*“The spot-month period, which is the time period immediately before delivery at expiry, is specific to each commodity derivative and may not correspond to exactly one month. **Spot month contracts should therefore refer to the contract that is the next contract in that commodity derivative to mature.**”*

Per the bolded language, the spot effective period for any contract comes into effect once the previous contract month expires and lasts until the contract month in question matures. Due to this logic, the “MiFID II Spot Logic” field will in most cases populate with the language “**COB LTD prior contract**” where COB stands for Close of Business and LTD stands for Last Trade Date.

Please also note that for Spot and Other Months limits, positions are **netted**, so there is no language in the logic field to indicate calculation methodology (i.e. net or gross) as is currently the convention in the PLD. Should there be any modification to this logic the limit definition would be updated accordingly.

ADDITIONAL RESOURCES

ESMA Q&A on MiFID II and MiFIR commodity derivatives topics

https://www.esma.europa.eu/sites/default/files/library/esma70-872942901-28_cdtf_gas.pdf

ESMA List of Liquid Contracts

https://www.esma.europa.eu/sites/default/files/library/position_limits_publication_0.xlsx

FCA Position limits for commodity derivative contracts

<https://www.fca.org.uk/markets/mifid-ii/commodity-derivatives/position-limits>