

MiFID II Trade Surveillance

Let us help you keep a clean sheet

With Market Abuse Regulation (MAR) and MiFID II, political institutions and regulators have implemented more stringent rules and requirements around the monitoring of market abuse. This includes the need to monitor and flag trading behaviour/indicators that may constitute market abuse. Financial service companies now face a significant cultural and technical shift to accommodate these new rules and ensure that they are compliant across the organisation.

Risk monitoring and control is being pushed out across businesses in Europe to try to achieve the following high level tasks:

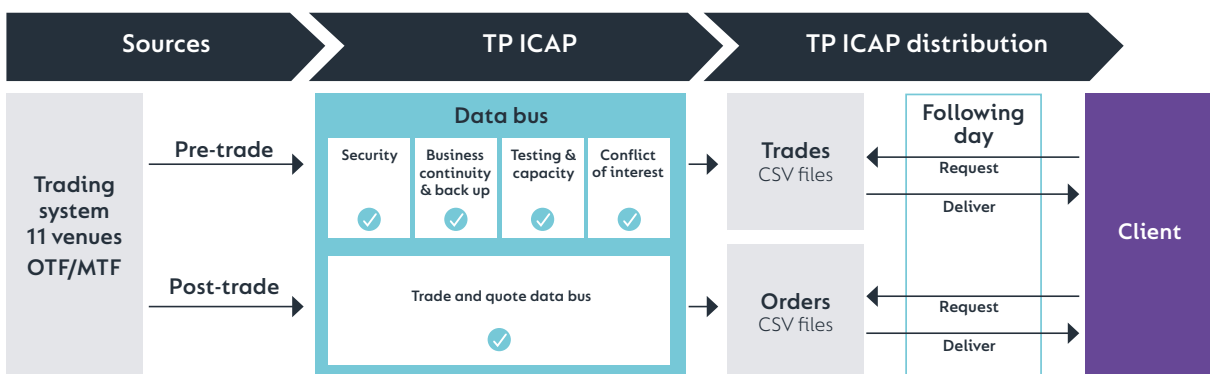
Communication Surveillance

Looking at instant messaging, email and mobile phone conversations.

Trade Surveillance

The ability to map all the components that went into a trading decision or strategy. Companies will now store other sources of market data with time stamps to prove they offered fair value at the point of execution.

Our service description



MTF - Multilateral Trading Facility OTF - Organised Trading Facility

- One off registration to receive data by following day
- Compliant delivery
- Secure distribution of confidential client information



What would trade surveillance look like?

Some of the challenges our clients have raised with their MiFID II trade surveillance programmes fall under the following headings:

Trade reconstruction

With the new regulations, companies are looking at how they can capture the end-to-end lifecycle of a trade. This is a definitive requirement but can be complicated, as sales and trading functions often add elements during the execution process.

Unexecuted orders - capturing them systematically

MiFID II obliges firms to keep records of unexecuted orders. Many firms do not have the technology stack to capture this information and will need to undergo significant operational change to accommodate the new requirements.

Organised and aggregated order/trade data from your venues of choice

Bearing in mind these factors and the feedback we have received directly from our clients, TP ICAP's Data & Analytics division offer the following services:

- We provide end-of-day (EOD) files for trading venue participants for order data across all MiFID II venues operated by our businesses. This new service captures orders across Central Limit Order Book (CLOB), auction, voice and hybrid trading systems.
- We provide EOD files containing clients' trade data across all MiFID II venues operated by our businesses. This covers all trades executed on the venues by the participant.
- Delivery is simple, we generate files onto an SFTP server for a client to collect. This allows an aggregated view of order and trade data.

Get in touch

For further information, please visit our MiFID II pages at: tpicap.com/what-we-do/MiFID-II

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