

Briefing note

ESMA liquidity assessments of individual bonds for MiFID II/R implementation (6 December 2017)

The European Securities and Markets Authority (ESMA) has published on 6 December 2017 the MiFID II/R [transitional transparency calculations](#) for equity and bond instruments (excluding Exchange Traded Commodities and Exchange Traded Notes).

Below is a brief summary of the liquidity assessments for [bonds](#) on an ISIN-level for each bond category.

- In total, 566 instruments or 0.9% out of 61,761 bonds have been classed as liquid according to the MiFIR criteria.
- The calculations were performed by ESMA, using data provided by 116 trading venues and the transitional calculations have also incorporated information on OTC markets using information from TRAX.
- The TTC for bonds will be applicable from 3 January 2018 until 15 May 2018. The next version of the liquidity assessment for bonds will be published on 1 May 2018, applicable from 16 May 2018 to 15 August 2018. The liquidity assessments will be updated on a quarterly basis.
- Breakdown by bond type:

Bond Type	Liquid instruments		Illiquid instruments		Total
	#	%	#	%	#
Corporate Bond	157	0.4%	38,864	99.6%	39,021
Convertible Bond	3	0.3%	1074	99.7%	1077
Other Public Bond	37	1.2%	2965	98.8%	3002
Covered Bond	22	0.5%	4183	99.5%	4205
Sovereign Bond	328	5.3%	5864	94.7%	6192
Other Bond	19	0.2%	8245	99.8%	8264
Grand Total	566	0.9%	61,195	99.1%	61,761

Source: ESMA

- Please note that the calculations are subject to future amendments by ESMA if deemed necessary.
- Latest updates of the FAQ document issued by ESMA in relation to the TTCs can be found [here](#).

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