FXCG
MiFID II: Top considerations and challenges

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**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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