

MiFID II

Overview: Data Publication

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Workstream 8 – data publication

OVERVIEW

Due to the lack of availability and consistency of trading data made available to the public, MiFID II sets a standard format for [publishing trading data](#) and allows both CCPs and trading venues to have non-discriminatory access to price and data feeds, product composition and methodology.

A firm trading OTC products must use either a third party or proprietary arrangement to publish post-trade data. Delegated reporting for this purpose is via an '[Approved Publication Arrangement](#)' (APA):

- a minimum level of information must be provided (identifier, price, volume and time of the transaction).
- APA system architecture should review reports and generate reliable, error free and secure data.

Once published in real-time, post-trade data will be made publicly available, free of charge, after 15 minutes.

CHALLENGES

- For those firms that will subscribe to an APA for OTC data publication, the challenges lie in choosing an appropriate service vendor that is compatible with their OTC businesses and ensuring that publication costs are minimised to ensure competitive operating costs.
- We offer proven [comparative analysis](#) across such vendors and technology solutions. See our services ('future state design') for more details.
- A [technology investment](#) may be required to ensure that trade data:
 - is consistent and adheres to the formatting requirements specified in MiFID II.
 - is available as close to real time as technically possible.
 - is provided in a non-discriminatory fashion while remaining secure.

APPROVED PUBLICATION ARRANGEMENT (APA)

- An APA is effectively an "exchange-independent trade data monitor" for non-exchange traded instruments.
- They offer investment firms the service of publishing their trade reports, by validating the reports prior to publishing post-trade data, as close to real time as is "technically possible" on a "reasonable commercial basis".
- There are currently no approved APAs, but many firms, such as TRAX, are preparing their capabilities in anticipation of MiFID II.
- ESMA's aim is to increase transparency in OTC markets.

The key differences between ARMs and APAs:

1. APAs assume full responsibility to the regulator, ARMs do not.
2. APAs publish limited post-trade data for OTC trades in real-time, where as ARMs provide a reporting service to trade repositories by t+1.

TECHNOLOGY CONSIDERATIONS

For the scenario where an investment firm itself is required to publish OTC data which should be:

- captured from various upstream sources and standardised in the prescribed MiFID II format using an automated process.
- publicly accessible via a secure server.
- available on the server within 15 minutes of execution using high performance technology.