



1 July to 30 September 2020

# Quarterly report from Market Surveillance

This report includes the period from 1 July to 30 September 2020

## Updates from Market Surveillance

Market Surveillance continues to focus on the monitoring of the market information disclosure from various TSOs and the effect of such disclosures on trading activity in the subjected financial contracts. In Q3 Market Surveillance has also focused on analysis of potential trade based manipulation strategies with intent to steer the market in a specific direction over time.

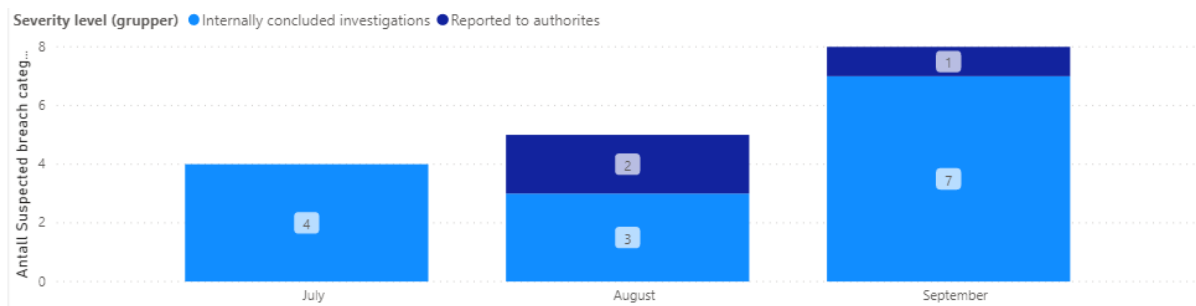
## General information on investigations

For all incidents and relevant events Market Surveillance investigate we look at the incident both in isolation and in a greater perspective. In general we assess the following components:

- Activity of relevant market participant(s) before and after incident
- Activity of relevant market participant(s) in other correlated products before and after incident
- Changes in price formation before and after incident
- Activity of other market participants
- Market participant(s) position in relevant contracts
- Previous activity and knowledge about market participant(s)

## Investigation summary

Through analysis, automated alerts and tips from exchange traders Market Surveillance has investigated and reported relevant cases to authorities as presented in the figure below



## Selection of concluded investigations

- On 8 July Market Surveillance received a phone call from an exchange trader claiming that the price in ENOFUTBLYR-21 had been pushed down from 23.25 to 23.10 EUR whilst other relevant contracts were moving in the opposite direction. Market Surveillance has investigated the relevant order and trading activity but did not find any breach of the Market Conduct Rules (MCR).
- On 16 September Market Surveillance received a phone call from an exchange trader having observed unusual trading activity in ENOFUTBLQ1-21. The trade in question was, in the trader's view, pushing the price down and crossing the best bid on broker screens. Market Surveillance has investigated the trading activity but could not find any breach of the MCR.

## Cases reported to authorities

- Market Surveillance noticed that one market message related to the reduced transmission capacity on a cross border interconnector was vaguely formulated and lacked important information. The missing content was important to understand the rationale for determination of flow direction and also to provide a more transparent schedule of the event. The case was reported to the relevant energy regulator.
- For market messages relating to a cross border interconnector Market Surveillance has observed discrepancies between published transmission capacity in market messages and trading capacity offered to the market. The case was reported to the relevant energy regulator.

## Reporting of block trades

The percentage of delays in reporting of block trades was 1.54% in the third quarter of 2020, this is up from 0.9 % in the second quarter of 2020.

The percentage of erroneous reported block trades was 0.77 % in the third quarter of 2020, this is slightly down from 0.8 % in the second quarter of 2020.

# Block transactions

