

# Quarterly report from Market Surveillance

This report includes the period from 1 April to 30 June 2021

## Updates from Market Surveillance

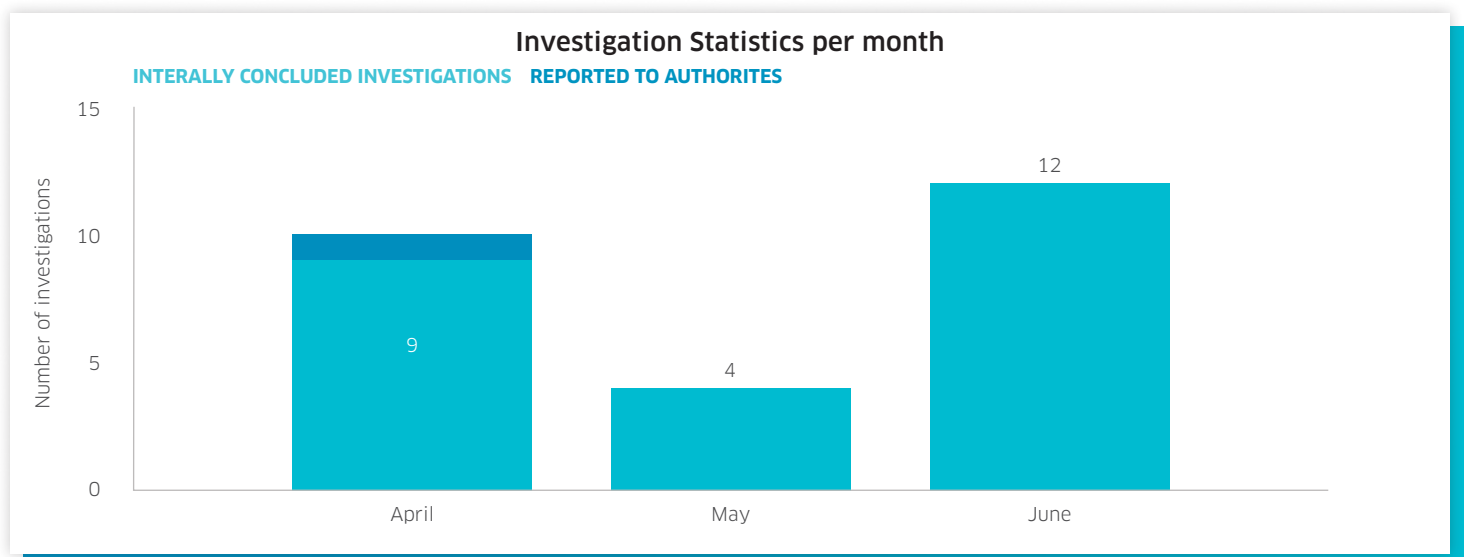
Market Surveillance submitted a response to the ESMA Consultation on Technical standards for commodity derivatives – MiFID II Recovery Package. In this consultation ESMA was seeking input from market participants on the impact of position limits and position management controls and on weekly position reports. [Link to consultation paper](#)

## Investigation summary

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)

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 4 April Market Surveillance received a phone call from the Nasdaq Market Place forwarding a question about an order activity in ENOFUTBLYR-26. An exchange trader entered a buy order in the last seconds of the trading day. According to another exchange trader the registration time was limiting the order execution so that this trader was questioning the motives of the bid entry almost at the market closing time. Market Surveillance addressed the responsible trader with the question to clarify the above order activity. Based on the trader's response and the investigation of the situation Market Surveillance concluded there was no breach of market conduct rules.
- On 30 April Market Surveillance received a phone call the Nasdaq Market Place reporting that an exchange trader reacted to the recurring order activity in the daily futures ENOD0405-21 and ENOD0505-21. The trader questioned the real interest behind the initial bids since it got deleted as soon as a new bid at higher price, appeared in the order book. Market Surveillance investigated the above situation but concluded there was no breach of market conduct rules.
- 7 May Market Surveillance received a mail from an exchange trader about the observed trading activity on the sell side in ENOAFUTBLMJUL-21. The situation took place around the time of his negotiations on broker screens where he was the seller in the contract. Market Surveillance investigated the market situation but did not find any breach of market conduct rules. The trading activity in question was not directly related to the block transaction in terms of involved counterparts.
- On 7 June Market Surveillance received an enquiry regarding a late cancellation of a trade in the Aarhus EPAD SYARHFUTBLYR-24. Market Surveillance investigated the incident yet found no breach of the Market Conduct Rules.

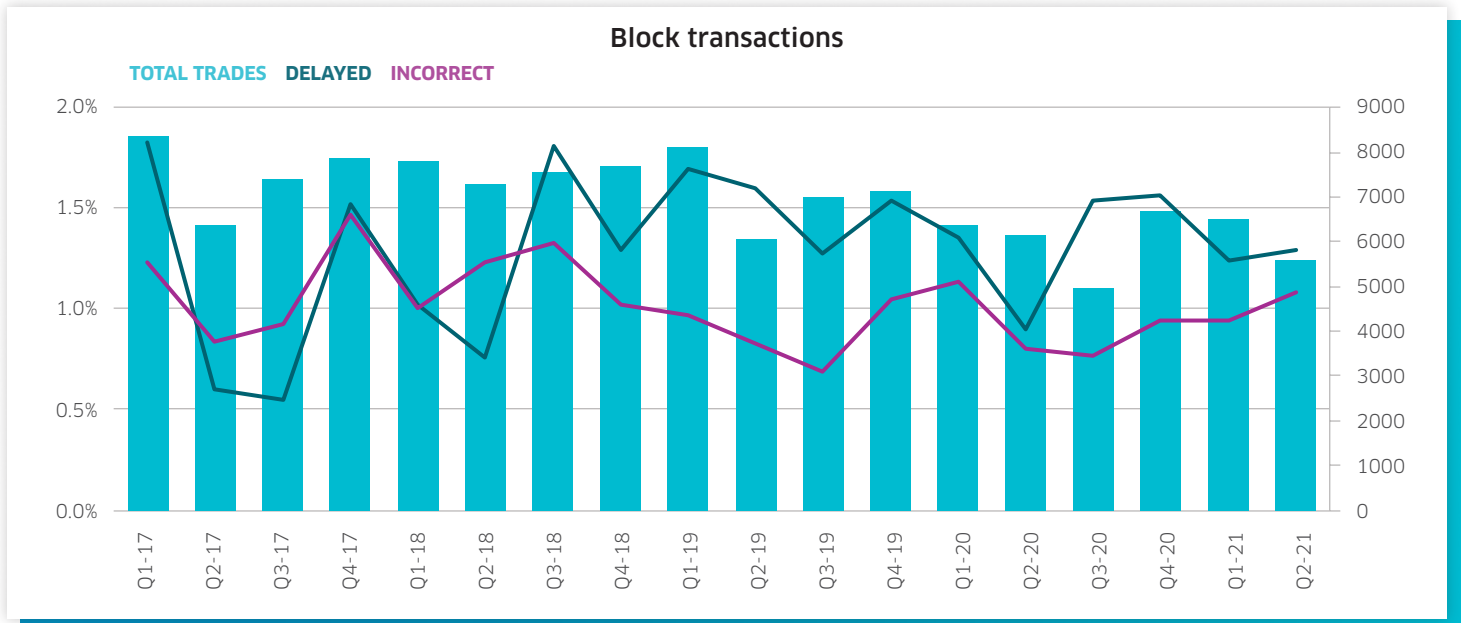
## Cases reported to Authorities

- On 20 April Market Surveillance received a mail from an exchange trader concerning the publication of market information about future reduction in the industrial power consumption. The publication was deemed ineffective and violated REMIT as regards the disclosure of market relevant information on the public platforms. The incident was escalated by sending a notification to ACER.

## Reporting of block trades

The percentage of delays in reporting of block trades was 1.29% in the second quarter of 2021, this is up from 1.24% in the first quarter of 2021.

The percentage of erroneous reported block trades was 1.08 % in the second quarter of 2021, this is slightly up from 0.94 % in first quarter of 2021.



\*Block Trades with Contract Time within Exchange Opening Hours, or 15 minutes or less before the start of Exchange Opening Hours, reported later than 15 minutes after their Contract Time are defined as delayed.