

2017-05-11

## **IT – INET Nordic – Nasdaq Nordic and Nasdaq Baltic introduce a new FIX 5.0 protocol for Off-Exchange trade reporting in preparation for MIFID II and launch of an Approved Publication Arrangement (APA) (33/17)**

This change impacts Nasdaq Nordic and Nasdaq Baltic members who wish to report manual off-exchange trades from November 20, 2017.

Currently, Nasdaq Nordic and Nasdaq Baltic offer members a possibility to report manual off-exchange (OTC) trades i.e. trades that members execute outside the exchange rules and outside the order book. OTC trades are registered using a dedicated FIX 4.2 Trade Reporting protocol for INET Nordic trading system.

On October 23, Nasdaq Nordic and Nasdaq Baltic will introduce a new FIX 5.0 Trade Reporting Approved Publication Arrangement (APA) protocol for off-exchange trade reporting. The new FIX 5.0 Trade Reporting APA protocol will co-exist with the old FIX 4.2 Trade Reporting protocol until November 17, when the FIX 4.2 Trade Reporting protocol will be retired.

FIX 5.0 Trade Reporting APA protocol is an extended version from the FIX 5.0 Trade Reporting for On-Exchange manual trades protocol (already available in INET Production). The protocol revision is done in order to align it with the FIX standard and Market Model Typology (MMT) standard.

Authorization to act as an APA is given by the local competent authority. Nasdaq Nordic will apply to become an authorized APA in Sweden. Due to the ongoing process this change is pending regulatory approval.

Nasdaq Nordic and Baltic APA service will cover all EU securities subject to the OTC publication requirement. Customers will therefore be able to use the Nasdaq APA for all their OTC trades to be published. Detailed information on the scope of services will be published in a separate APA Service Description document during Q3, 2017.

Off-exchange trade reports reported through APA will be published both in Nordic Last Sale (NLS) and GCF/TIP feeds.

Nordic Workstation will be adapted to the new APA Trade Reporting protocol.

**Migration plan for Members wanting to report OTC trades during November 20, 2017 – January 2, 2018 and APA OTC trades from January 3, 2018**

FIX 5.0 Trade Reporting Approved Publication Arrangement (APA) protocol will become available in INET Test and MiFID II (M2) Test environments as of August 21, 2017.

The production migration period to use the new FIX 5.0 protocol for OTC Trade Reporting (and later APA Trade Reporting) will commence on October 23, 2017, and will become mandatory on November 20, 2017. During the migration period, members have a choice to use either the current FIX 4.2 or the new 5.0 Trade Reporting protocol. The last day for the current FIX 4.2 protocol for Trade Reporting will be on November 17, 2017. The new FIX 5.0 protocol will support the OTC Trade Reporting until January 2, 2018 following current service level for OTC trade reporting. From January 3, 2018 the OTC Trade Reporting will become an APA, and the service will be open for publication of OTC trades between 08:00 CET and 22:00 CET.

Existing FIX 4.2 Trade Report ports and drops can be reconfigured to FIX 5.0 ports and drops on an individual port basis by contacting Nasdaq Cash Equity Operations, [operator@nasdaq.com](mailto:operator@nasdaq.com), or via Nasdaq Member Portal.

**Summary of availability for On-Exchange, OTC and APA trade reporting:**

	<b>On-Exchange trade reports</b>	<b>OTC trade reports</b>	<b>APA trade reports</b>
<b>FIX 4.2 Trade Reporting and FIX 4.2 Trade Reporting DROP (Current)</b>	Available until 2017-11-17	Available until 2017-11-17	N/A
<b>FIX 5.0 Trade Reporting and FIX 5.0 Trade Reporting DROP (New)</b>	Available*	Available during 2017-10-23 – 2018-01-02	Available from 2018-01-03
<b>ITCH for Reported Trades</b>	Available until 2017-10-20 (FIX 4.2 trade report information only)	Available until 2017-10-20 (FIX 4.2 trade report information only)	N/A
<b>Nordic Last Sale (NLS)</b>	Available	Available from 2017-09-18 – 2018-01-02.  During 2017-09-18 - 2017-11-17 (FIX 4.2 OTC trade reports)  During 2017-10-23 – 2018-01-02 (FIX 5.0 OTC trade reports)	Available from 2018-01-03

\* Besides reported FIX 5.0 On-Exchange trades, FIX 5.0 Trade reporting Drop will also contain reported FIX 4.2 On-Exchange trades until 2017-11-17.

## **Certification**

Trade reporting applications will need to be conformance tested prior to the use of the FIX 5.0 protocol in INET Production. Updated certification test cases will be published before September 2017 under [Nasdaq Technical Information, INET Nordic, Certification](#). Testing is to be commenced in the INET Test (M2) Test environment.

Certification time schedule:

- FIX 5.0 OTC/APA Trade Reporting: From September, 2017

## **Protocol Specifications**

The new protocol utilizes FIX 5.0 SP2 and FIXT1.1 transport layer standards. The FIX 5.0 Trade Reporting APA protocol will be used for both Trade Reporting ports and for Trade Reporting Drop ports, and will be available according to the time schedule below. Off-exchange trade reporting via APA will be available through the same Trade Reporting ports and Trade Reporting Drop ports as on-exchange manual trade reporting.

INET protocol specifications are available at the Nasdaq Nordic Technical Information website, under [INET Nordic Protocol Specifications](#).

## **Time schedule**

- INET MiFID II (M2) Test – August 21, 2017
- INET Test (NTF) – August 21, 2017
- INET Production – From October 23, 2017, mandatory from November 20, 2017. APA trade reporting as of January 3, 2018

## **Documentation**

Possible changes will be reflected in the respective rules of Nasdaq Nordic and Nasdaq Baltic and the rule related documentation, which will be published on [Rules and Regulations for the Nordic Markets](#) and [Rules and Regulations for the Baltic Markets](#).

An APA Service Description will also be published during Q3, 2017.

Information regarding Nasdaq Nordic APA can be found on our [MiFID II website](#).

## **Questions and feedback**

For further information and feedback concerning this information, please contact:

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## **Support**

For technical questions, please contact:

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Best regards,

Nasdaq Nordic and Nasdaq Baltic

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