

IT – INET Nordic – Additional INET Order Entry changes in preparation for MiFID II (42/17)

As previously communicated in IT-Notices [38/17](#), [30/17](#), [22/17](#) and [52/16](#), Nasdaq Nordic and Nasdaq Baltic will make changes to the INET Nordic Order Entry protocols in order to prepare for MiFID II order record keeping requirements for trading venues. MiFID II requires venues to store data on the parties involved in the order and, upon request, report those to relevant supervisory authorities.

Nasdaq will enhance the INET Order Entry and drop protocols by introducing a new FIX Tag [2376] – PartyRoleQualifier (included in FIX EP222) to the FIX protocols and a similar field will be added to the OUCH protocol, to further identify which type of short code that is used upon order entry. With this change Nasdaq will also extend the number of supported short code series, from previously announced two groups to six groups for Order Record Keeping short code to long code mapping, see IT-Notice [41/17](#) “Important Order Record Keeping updates”.

Nasdaq has previously introduced a DEA indicator field on outbound messages, FIX Tag [1724] – OrderOriginator (value 5 = Order Received from a direct access or sponsored access customer) to indicate when a default configured DEA account is used on orders entered by a DMA or Sponsored Access client. In certain situations, where an order sent from DMA or SA Trader IDs and the Order Capacity is set to DEAL, there is a need to override the default configured DEA field. Nasdaq will add the DEA field to FIX and OUCH inbound messages to accomplish this, following the FIX EP222 standard. Value 1-4 can be used to override DEA. If the field is left blank, Nasdaq’s default population based on Trader ID Type applies.

FIX have communicated the correct FIX Tag for indication of an algo order (FIX 5.0 SP2 EP222). Nasdaq will therefore change INET FIX Order Entry (and drop) protocols by adding a new value 4 = ‘Algorithmic order’ to the existing FIX Tag [2594] – OrderAttributeType and remove FIX Tag [2667] – AlgoIndicator on inbound messages. The AlgoIndicator [2667] remains on FIX Order Entry (and drop) outbound messages, indicating if an execution was a result of a firm engaged in algorithmic trading (only populated on Fills and Partial Fills).

Additional updates to protocol specifications are:

- Mapping of current Order Capacity values to MiFID II Trading Capacity values AOTC, MTCH and DEAL added.
- New reject codes added.
- Existing FIX Tag [145] – DeliverToLocationID will be populated on FIX Order Entry DROP session level standard header messages, see IT-Notice [40/17](#).

Nordic Workstation support of the new fields will be communicated separately.

Production rollout

- The new fields will initially be optional (no validation) from production launch August 28, 2017.
- Party Role Qualifier will become mandatory from a technical perspective, needs to be populated as any other short code related field, from November 20, 2017.
- FIX Tag [2667] – AlgoIndicator will be removed from FIX inbound messages as of August 28, 2017.

Time schedule

- INET Test (NTF) – July 3, 2017
- INET MiFID II (M2) Test – July 3, 2017
- INET Production – August 28, 2017

Protocol specifications

Latest INET Nordic protocol specifications are available at the Nasdaq Nordic Technical Information website, under [INET Nordic Protocol Specifications](#). The protocols are subject to further changes throughout the MiFID II implementation project.

Mandatory Certification

Trading applications will need to be conformance tested prior to the use of the new fields in INET Production (from when MiFID II fields are mandatory November 20, 2017). Conformance testing for the MiFID II functionality is scheduled for September-October 2017. MiFID II conformance testing has to be done in INET Test M2 where MiFID II functionality is activated. More information on MiFID II trading application conformance testing is available under Nasdaq [Technical Information, Conformance](#) and [Nasdaq Technical Information, INET Nordic, Certification](#).

Questions and feedback

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

Ronny Thellman
Tel: +46 8 405 6313
E-mail: ronny.thellman@nasdaq.com

Support

For technical questions, please contact:

Nasdaq Cash Equity Operations:
Tel: +46 8 405 6410
E-mail: operator@nasdaq.com

Best regards,

Nasdaq Nordic and Nasdaq Baltic

Nasdaq Copenhagen, Nasdaq Helsinki, Nasdaq Iceland, Nasdaq Riga, Nasdaq Stockholm, Nasdaq Tallinn and Nasdaq Vilnius are respectively brand names for Nasdaq Copenhagen A/S, Nasdaq Helsinki Ltd, Nasdaq Iceland hf., Nasdaq Riga AS, Nasdaq Stockholm AB, Nasdaq Tallinn AS and AB Nasdaq Vilnius. Nasdaq Nordic represents the common offering by Nasdaq Copenhagen, Nasdaq Helsinki, Nasdaq Iceland and Nasdaq Stockholm. Nasdaq Baltic represents the common offering by Nasdaq Tallinn, Nasdaq Riga and Nasdaq Vilnius.