

## NEW LOGIC FOR TRADE AND POSITION UTI

Nasdaq Clearing is introducing new logic for generation of Unique Trade Identifiers (UTI). With the new logic UTIs will be made available at the point of clearing both in the clearing system API and in the clearing system user interfaces as well as in end-of-day reporting.

Unique Trade Identifiers (UTI) are used to identify transactions related to trades (Trade UTI) as well as transactions related to positions (Position UTI).

The new logic, as further detailed below, will be introduced in two phases. The first phase in connection with the implementation of revised technical standards for reporting under Article 9 of EMIR on November 1st, 2017 and the second phase in the Genium INET 5.0.0210 release on November 18th, 2017.

### Trade UTI generation

A Trade UTI will be generated and assigned at the moment a trade is novated by the CCP according to applicable rules and regulations.

ETD and standardised OTC contracts are novated at the moment the trade is registered on an account in the clearing system.

OTC Rates contracts such as Interest Rate Swaps are novated at the moment the trade has passed the clearing house's pre-novation collateral controls.

A trade will retain its UTI throughout its lifetime. The trade transaction resulting from an allocation or an amendment will retain the UTI of the original trade unless the trade is amended in a way that requires the assignment of a new UTI. Events leading to the assignment of a new UTI are specified below.

#### Events leading to assignment of a new Trade UTI(s)

##### *Split trade*

The trade transactions resulting of an allocation or amendment causing a single trade to be split into two or more trades will each be assigned a new UTI.

##### *Average Price Trades*

The trade transaction resulting (the average trade) of an Average Price Trade (APT) operation is registered as a new trade and will be assigned a new UTI.

##### *Give-up/Take-up*

The trade transaction resulting (the take-up trade) of a give-up/take-up operation is registered as a new trade and will be assigned a new UTI.

##### *Cascading*

The trade transactions resulting of a Cascading operation are registered as new trades and will each be assigned a new UTI.

##### *Trade modification T+1*

The trade transaction resulting of any amendment being performed T+1 or later will be assigned a new UTI. Any subsequent amendments made to the same trade transaction on following business dates will likewise lead to the assignment of a new UTI. If a trade is amended twice on T+n, the original UTI of that business day 'n' will be used.

## Position UTI generation

A Position UTI will be generated and assigned at the moment a position is first created, i.e. the first time a certain contract is registered on a position account.

A position will retain its UTI throughout its lifetime. Should a position be reinstated (i.e. a position that is reopened after having been netted down to zero) it will retain the UTI from the original position. Corporate Action events will lead to the assignment of a new position UTI as specified below.

### Events leading to assignment of a new Position UTI

#### Corporate Actions

The position resulting of a Corporate Action operation causing a change of ISIN for the contract will be assigned a new UTI based on the contract's new ISIN.

## API and report specifications

This is an overview of the API specifications for UTIs, for more information and any updates see the [release page for Genium INET 5.0.0210](#).

### Trade UTI for ETD and standardised OTC

#### OMnet

A new field will be added to the Dedicated Trade Information.

A new struct TRADE\_UTI added to BD6, CA10 - CQ10 answer and CA11 - CQ11 answer, will contain the Trade UTI and Action Type (however Action Type will be '' in BD6, CA10 and CA11 since it is only applicable for OTC Rates contracts).

Struct definition:

```
struct trade_uti {
    char[38] trade_uti_s // Unique Trade Identifier.
    CHAR action_type_c // MIFID trade action types ; Of type: EMIR_ACTION_TYPE_C
    CHAR filler_1_s // Filler
}
```

#### FIX

The RegulatoryTradeID (1903) will be used to send the Trade UTI on Trade Capture Report confirmations (MsgType=AE).

Tag RegulatoryTradeIDType (1906) will have value 0=Current.

Message specification:

TAG	FIX TAG NAME	REQUIRED	COMMENT	
	Standard Header	Y	MsgType=AE	
[...]	Truncated..			
1907	NoRegulatoryTradeIDs	Q		
->	1903	RegulatoryTradeID	Q	Trade UTI
->	1906	RegulatoryTradeIDType	Q	Valid value: 0 = Current

### Trade UTI for OTC Rates

#### OMnet

A new field will be added to the Directed OTC Trade Report.

A new struct TRADE\_UTI added to KB1, KA1 - KQ1 answer, KA2 - KQ2 answer and KA3 - KQ3 answer, will contain the Trade UTI and Action Type.



## Implementation and transition period

On account of the new reporting requirements under EMIR coming into force before the Genium INET 5.0.0210 release the changes described in this notice will be rolled out in two phases with a transition period between the two dates.

Nasdaq Clearing will liaise with counterparts to discuss what support might be needed to support the reporting during the transition period.

### **Phase 1, implementation November 1st, 2017**

- New format for Position UTIs to align with new reporting requirements
- Trade UTIs will continue to be reported for trades' end-of-day state

### **Phase 2, implementation November 18th, 2017**

- Trade UTIs will be generated at point of clearing and processed according to the specifications in this notice
- Trade and Position UTIs available in the Genium INET OMnet and FIX APIs
- Trade and Position UTIs available in the Clearing Workstation 1 and Q-Port user interfaces