IT – INET Production – APA Enhancements: revised handling of Volume Omission deferral type (VOLO) for non-Equities in Nordic Instruments and validation of the use of Systematic Internalizer related trade types (22/18)

Revised handling of Volume Omission deferral type (VOLO) for non-Equities in Nordic Instruments

Nasdaq Nordic will change the handling of trade reports in non-Equity related instruments reported with Volume Omission deferral type (VOLO) when reporting off-exchange trades through Nasdaq APA. Additionally, a corrected handling in the aggregation of trades with Volume Omission (VOLO) deferral granted in Sweden will be introduced.

Please note that the changes communicated in this IT notice do not impact the on-exchange manual trade reporting through INET.

Deferral regimes for non-equity instruments have been granted by the local competent authorities and Nasdaq Nordic will support the deferral regimes set by the Danish, Finnish and Swedish competent authorities. The reporting party will be able to choose the applicable deferral regime for the trade report in field "InvestorCountryOfResidence" (FIX tag 475). Nasdaq Nordic will apply the maximum deferral period granted by the local Nordic competent authority in question.

In the first phase, Nasdaq Nordic will introduce the hard coded deferral regimes for Volume Omission (VOLO) deferral type. In order to apply Volume Omission deferral, the reporting party shall indicate the VOLO deferral by setting a value 13 (=VOLO) in the FIX tag "RegulatoryReportType" (1934).

The change of the Volume Omission (VOLO) handling is currently in the NTF test system and will be active in production as of April 23, 2018.

The rest of the deferral types for non-equities will follow and will be communicated separately.

Important information on the use of InvestorCountryOfResidence (tag 475), RptTime (tag 7570) and RegulatoryReportType (tag 1934)

The reporting party will still be able to use field RptTime (tag 7570) to apply "self deferral" by setting the publication date. In case the InvestorCountryOfResidence (tag 475) and RptTime (tag 7570) are used simultaneously, INET will not validate that the publication date is compliant with the National regulation. In order to apply the Volume Omission (VOLO) deferral, the reporting party shall indicate the VOLO deferral by setting a value 13 (=VOLO) in the FIX tag 1934 (RegulatoryReportType) and Nasdaq APA will publish the trade according to the publication rules for Volume Omission deferral type.

Corrected handling of the Volume Omission (VOLO) Deferral type granted in Sweden

The behaviour of the VOLO deferral type according to Swedish regulation will be corrected. This means that as of April 23, 2018, trade reports with VOLO deferral will be added to the aggregated reports published t+1, in case a minimum of five transactions have been executed on the same day in a given instrument.

Validation of the use of Systematic Internalizer related trade types

Nasdaq Nordic will introduce a validation for the use of trade types "SI Standard Trade" and "SI Non-Standard Trade" reported through Nasdaq APA. This change is related to handling of the regulatory reporting towards ESMA where all the trades reported by the Systematic Internalizer have to be regulatory reported by using the MIC code of the Systematic Internalizer. Nasdaq Nordic will gather and configure the MIC codes of the current Systematic Internalizers from the ESMA register and enable the Systematic Internalizer trade types accordingly. Please note that this change does not impact the on-exchange manual trade reporting through INET.

Trade reports reported as Systematic Internalizer trades will be rejected in case the reporting party is not set up as a Systematic Internalizer. Nasdaq Nordic kindly recommends the Systematic Internalizers who are unsure whether they have been registered in the ESMA register to contact Cash Equity Operations in order to enable the Systematic Internalizer trade types.

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Time schedule

INET Test (NTF) – Available in test

INET Production – April 23, 2018

Support

For technical questions, please contact Nasdaq Cash Equity Operations:

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Best regards,

Nasdaq Nordic

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