

IT – INET – Execution Algorithms enhancement, Monitoring of Child Orders (06/14)

As previously communicated in [IT-notice 56/13](#), [87/13](#) and [89/13](#) NASDAQ OMX* has implemented a set of Execution Algorithms available via the INET Nordic FIX protocol and Nordic Workstation. The service is available since January 9, 2014.

NASDAQ OMX* has decided to enhance the Execution Algo offering by providing the ability for trading members to monitor and control not only their execution algorithms parent orders but also their active child orders in the market.

Although it has been possible to receive child order information since launch of the Execution Algo service NASDAQ OMX* will add support for linking child orders to their parent order for easier monitoring and control of all active orders. Monitoring of child orders is available via Nordic Workstation and a new "FIX DROP for Execution Algo Child Orders".

To be able to link child orders to the parent order via FIX, a new FIX tag ClOrdLinkID [583] has been added to the FIX DROP for Order Entry messages protocol specification. This field will hold the client order id (ClOrdID [11]) of the parent order in child order messages. (Clients may also use the pass through fields, ClRefID [6209] or BrSeqNbr, [9861]). The separate Child Order FIX DROP is needed for FIX clients to monitor/control their active child orders entered by the Algo Engine.

An updated FIX DROP specification is available under "Future protocol versions" at http://nordic.nasdaqomxtrader.com/memberextranet/inetnordic/Connectivity_and_Protocols.

The FIX Drop will allow three configurations:

- Include normal orders only (as currently, parent orders included)
- Include algo child orders only (recommended)
- A combination of the above

The currently existing filter capabilities apply to any FIX Drop. Standard FIX Drop connections are not automatically converted to include algo child order messages.

Clients that take algo child orders over a Drop must avoid double counting trades and be aware of restrictions for order management on the child orders.

- Although child order updating (cancel/replace) is possible, see below, such updates shall be done on the parent order.
- Updating (cancel/replace of) child orders should be avoided as INET allows only updates that are sent over the FIX connection that originated the order.
- Canceling child orders is allowed if "Cancel over any" is configured. One should however note that child cancels will lead to the algo engine sending new child orders.

The new Execution Algo Child Order FIX DROP is available as a complementary service to FIX users of the Execution Algo service, additional FIX DROP's are charged according to the Technical Price list available at

<http://www.nasdaqomx.com/transactions/technicalinformation/technicalpricelists>

Please contact [Member Services](#) to order a separate Child Order FIX DROP.

* The Execution Algorithms service is offered as a separate technical service by NASDAQ OMX Exchange and Clearing Services AB and requires a separate agreement with NASDAQ OMX Exchange and Clearing Services AB. The execution algorithm engine utilizes the NASDAQ OMX Smart Order Routing service to send orders to away markets and therefore a Smart Order Routing service agreement with NASDAQ OMX Nordic exchanges¹ is required as well.

Application forms for Execution Algorithms and Smart Order Routing together with more detailed information about Nordic Execution Services are available at:

<http://www.nasdaqomx.com/transactions/trading/equities/nordicexecutionservices>

¹ Smart Order Routing Service requires that the member has membership at the NASDAQ OMX Nordic Exchange from which orders may be routed. "NASDAQ OMX Nordic Exchanges" shall mean NASDAQ OMX Stockholm AB, NASDAQ OMX Helsinki Oy and NASDAQ OMX Copenhagen A/S, or the relevant NASDAQ OMX Nordic exchange, as applicable

Test access

Please contact Member Services ms.inet@nasdaqomx.com in order to enable the Execution Algo service in OTF, either via FIX (Order Entry and DROP ports), on Nordic Workstation accounts or a combination of both.

Protocol changes

The latest FIX Order Entry Drop copy protocol specifications is available under the "Future protocol versions" section at the NASDAQ OMX member extranet:

http://nordic.nasdaqomxtrader.com/memberextranet/inetnordic/Connectivity_and_Protocols/

Certification

Applications supporting Execution Algos need to be certified, please contact operator@nasdaqomx.com for more information or visit

<http://nordic.nasdaqomxtrader.com/memberextranet/inetnordic/Certification>

Nordic Workstation

A new column "LinkID" is populated with the parent order ID on child orders in the Order Management and the Find Trade/Order (Find Order) windows.

Time schedule

- INET Test (OTF) – January 27, 2014
- INET Prod – February 6, 2014

Support

For questions and assistance regarding FIX and Nordic Workstation configuration, please contact NASDAQ OMX Member Services at: +46 8 405 6560, ms.inet@nasdaqomx.com

For technical questions, please contact NASDAQ OMX Tech Support at: +46 8 405 6410, operator@nasdaqomx.com

For trading related questions and assistance, please contact NASDAQ OMX Trading Operations at: +46 8 405 6570, tradingoperations@nasdaqomx.com

Questions and feedback

For further information and feedback concerning this information, please contact Ronny Thellman, +46 8 405 6313, ronny.thellman@nasdaqomx.com

Best regards,
NASDAQ OMX Nordic

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