

## IT – INET Nordic – Update - Improvements to Pegging of Large In Scale (LIS) Orders (8/16)

As previously communicated in [IT-Notice 69/15](#) and [4/16](#), Nasdaq Nordic and Nasdaq Baltic have decided to further enhance the possibilities to trade Pegged Non-displayed Orders in the Lit Order books. With this enhancement “stubs” falling below the LIS threshold will be allowed to be re-priced due to change of BBO without being rejected by the system under the condition the Order is submitted with a Limit price.

Note that a Non-displayed Order has to be large in scale (LIS) at the time of entry. If the volume is reduced due to a partial execution, the Order remains non-displayed even when smaller than large in scale (LIS).

Large in scale (LIS) is defined as specified in the table below:

Class in terms of average daily turnover (ADT)	ADT < €500,000	€500,000 ≤ ADT < €1,000,000	€1,000,000 ≤ ADT < €25,000,000	€25,000,000 ≤ ADT < €50,000,000	ADT ≥ €50,000,000
Minimum size of Order qualifying as large in scale compared with normal market size	€ 50 000	€ 100 000	€ 250 000	€ 400 000	€ 500 000

Example:

A Pegged Non-displayed Order with a value of € 55 000 is partially traded below the LIS threshold of € 50 000. The leaves value or “stub” is after the trade € 45 000 and the Order remains Non-displayed. In event the Order gets re-priced due to a change of BBO, the Order is replaced at the new price level, still as a Non-Displayed Order after the introduction of this enhancement. Note that the Order needs to have a Limit price, otherwise the Order will be cancelled when re-priced by the trading system.

### Protocol specifications

There will be no updates to the FIX protocol due to this change. Nasdaq Nordic protocol specifications are always available at [Nasdaq Nordic Technical Information](#) web site.

### Market Model

The Nasdaq Nordic Market Model will be updated and will be effective as of February 22, 2016.

### Time Schedule

- INET Test (OTF) – December 14, 2015
- INET Production – February 22, 2016 (postponed from January 18, 2016)

## **Testing access and support**

Members can test out the new functionality in the INET OTF test environment.

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## **Questions and feedback**

For further information and feedback concerning this information, please contact Ronny Thellman, +46 8 405 6313, [ronny.thellman@nasdaq.com](mailto:ronny.thellman@nasdaq.com).

Best regards,  
Nasdaq Nordic and Nasdaq Baltic

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