

IT – Genium INET 4.1.0225 Project update for Equity Derivatives (13/17)

This message contains additional changes for Genium INET 4.1.0225 to what has been communicated in [IT-Notice 04/17](#). Genium INET will be upgraded May 6th to version 4.1.0225 which includes new functionalities and enhancements going live May 8th 2017.

Tailor-Made Combinations Market Making (Equity & Index Derivatives)

In preparation for the MiFID II transparency regime, market maker obligations for Swedish equity and index derivatives will be extended to cover also quote requests (RFQ) in tailor-made combination (TMC) series. A soft launch is set to 1 June 2017 with a final launch on 1 December 2017.

Please find below a functional summary, for full details see the Equity Derivatives section at the [Genium INET 4.1.0255 web page](#).

Under the updated conditions MM shall in response to an RFQ, provide in the central order book bid and ask prices with a maximum spread for a minimum volume. The prices provided by an MM will be executable by all market participants.

Starting 8 May 2017 an RFQ will automatically be sent to the market whenever a new TMC series is created. Participants will be able to re-request quotes using the inbound RFQ message on OMnet or FIX.

MM receives RFQs on the public market data feeds. With the 4.1.0225 release the RFQ message is added to the ITCH data feed to support this initiative.

Until the mandatory Genium INET upgrade in November (MiFID II compliance), MMs will be able to respond to RFQs using:

- mass quote messages (OMnet MO96, FIX Msg Type = i)
- the two-way price quotation message (OMnet MO37); or
- single order messages (OMnet MO31, FIX MsgType = D).

As of 20 Nov 2017 MM will only be able to use the mass quote messages to fulfil the MM obligations.

Recognised Strategies for TMC (Equity & Index Derivatives)

In connection with the 4.1.0225 release the type of TMCs that can be created will be limited to a list of recognised strategies. The complete list will be an appendix to the Genium INET Market Model document for Equity Derivatives and announced in a market notice closer to go-live.

Automatic Cancellation of Quotes at Trading Halts (Equity & Index Derivatives)

The exchange will from 8 May 2017, automatically cancel all market maker quotes in connection to a circuit breaker or a technical halt state. Market makers will be informed about the cancellations on OMnet and FIX using existing response codes.

Increase of Instruments for margin data information

For financial instruments, the Margin Data Report currently contains one row per combination of instrument and margin class where open interest exists.

For commodity instruments, the Margin Data Report currently contains one row per combination of instrument and margin class. For instruments without open interest, only limited data is displayed (i.e. some columns always equal zero).

From May 8th, the Margin Data Report will instead contain the following:

For commodity instruments, the Margin Data Report will only contain rows for margin class 001. In addition, instruments without open interest will display the same amount of information as instruments with open interest.

For financial instruments, the Margin Data Report will only contain rows for margin class 001. In addition, rows may appear for equity spot series where delivery margin is used.

Interface files and OMnet messages

From May 8th, Interface file ".map" and the reply to OMnet messages RQ3 and RQ35 may contain equity spot series where delivery margin is used. Please note that this change will only impact the content in the above mentioned interfaces, the definition of the interfaces has not changed.

Changes to the Margin Requirement and Margin & Collateral Evaluation Clearing Reports

The "Margin Requirement" and the "Margin and Collateral Evaluation" clearing reports will be modified to show the Margin Calculation Time and Margin Run per account instead of in the clearing report header. This means that there will be two new columns to the far right in the .xls and .csv versions of these reports:

New columns to the far right in the "Margin Requirement" and "Margin and Collateral Evaluation" clearing reports

- Margin Calculation Time
- Margin Run

The .csv versions of these reports will also have two corrections to them:

- Today it shows the member MPID before the company name. This will be replaced with "Member:"
- The "/" will be replaced to ";" between "Valuation Time: <Date> <Time>" and "Request Number: <X>" to align the format of other clearing reports.



Example reports will be available on the Genium INET 4.1.0225 website as of March 30th.
<http://www.nasdaqomx.com/transactions/technicalinformation/geniuminet/enhancements/genium-inet-4.1.0225>

External Test System 1 availability

External test system 1 (EXT1) upgrade previously scheduled for April 13th has been re-scheduled to April 6th.

For further information, please contact:

Technical Support
technicalsupport@nasdaq.com
+46 8 405 6750

Clearing Operations
clearing.test@nasdaq.com
+46 8 405 6880