



**Americas Regional Committee:
Buy-Side Working Group
[Equity Post-trade Allocations Enhancements]**

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Document History

Revision	Date	Author	Revision Comments
0.1	23 January, 2013	D. Tolman, FPL, Buy-Side Working Group representative, Greenline Financial Technologies	draft
0.2	5 February 2013	D.Tolman	- changed “missing charges” to “missing fees” - expanded explanation of OrderCapacityQty.
0.3	10 February 2013	D. Tolman	
ASBUILT	March 17, 2013	Lisa T.	Edited with pre-assigned values

1 Introduction

[Introduction text below this line]

The FPL Buy-side Working Group (BSWG) identified equity post-trade processing via FIX as a high priority and, as a result, formed the Equity Post-trade Initiative. This initiative has worked for over two years, with a group of major buy-sides, sell-sides and vendors, to develop a set of detailed guidelines to facilitate industry-wide implementation of post-trade processing via FIX between buy-side and sell-side firms. Version 1.2 of the Equity Post-trade Processing via FIX, FPL Guidelines, FIX 4.2, 4.4 (<http://fixprotocol.org/documents/7303/EquityAllocationsViaFIX-RecommendedGuidelines-FIX%2042-44-V1.2.pdf>) is currently in the FPL review cycle. The BSWG initiative made every effort to utilize the FPL FIX standard without changes, but the following few ended up being needed.

1.1 Summary of Changes

1. Additional valid values for AllocRejCode(88) and ConfirmRejReason(774).
2. Additional tag – AllocGrossTradeAmt.
3. “mixed” valid value for OrderCapacity(528) for use in the Confirmation(AK) message.
4. OrderCapacityQty(863) not be a required tag in the CpctyConfGrp.

2 Business Requirements

2.1.1 Additional valid values for AllocRejCode and ConfirmRejReason

The group felt that additional codes were needed to more accurately capture the type of issue. Note that these codes are generally going to be used for analysis rather than process automation.

The proposal requests that reject reason codes for the following be added or rationalized with both AllocRejCode(88) and ConfirmRejReason(774) (see Data Dictionary section):

- Duplicate or missing IndividualAllocID
- Trade not recognized
- Duplicate trade
- Incorrect or missing instrument
- Incorrect or missing price
- Incorrect or missing commission
- Incorrect or missing settlement Date
- Incorrect or missing fund Id or Fund Name
- Incorrect or missing quantity

- Incorrect or missing settlement instructions
- Incorrect or missing fee
- Incorrect or missing tax
- Unknown or missing party
- Incorrect or missing side
- Incorrect or missing net-money
- Incorrect or missing trade date
- Incorrect or missing settlement currency instructions
- Incorrect or missing ProcessCode
- Incorrect or missing capacity

2.1.2 AllocGrossTradeAmt – New Field

GrossTradeAmt(381) is provided in AllocationIntruction(35=J) messages at the block-level but not at the account-level in the current version of the FIX specification. An analogous field exists in some of the current post-trade intermediary systems so the group wanted to include it in the FIX Post-trade Guidelines.

The proposal requests that a AllocGrossTradeAmt(~~tbd~~2300) field be added to the AllocGrp component in order to provide the ability to specify a gross trade amount associated with each allocated account.

2.1.3 New “mixed” OrderCapacity(528) Valid Value

In the Confirmation(35=AK) message the required CpctyConfGrp component contains the OrderCapacity(528) field which requires the sell-side to provide a breakdown of the quantity and the capacity in which they were executed under. From the discussions within the BSWG initiative, the sell-side has indicated that they are generally unable to determine an accurate breakdown of quantity when there are multiple order capacities. The buy-side agreed that it is not a requirement that specific quantities be provided but they do want to know if it is mixed capacity vs. all principal or all agency. In addition the DTC uses a mixed type for capacity rather than trying to breakdown specifically so this will map easily to that.

The proposal requests an enumeration to specify "mixed capacity". The BSWG is requesting the value "M", be added to OrderCapacity(528).

2.1.4 Change OrderCapacityQty(863) to "not required"

The BSWG, after extensive discussions with sell-sides, further requests that OrderCapacityQty(863) be made an optional tag in the CpctyConfGrp component since the quantity breakdown is generally not identifiable.

3 Issues and Discussion Points

4 Proposed Message Flow

No changes to existing FIX message flows.

5 FIX Message Tables

No new messages or changes to existing messages proposed.

6 FIX Component Blocks

6.1 Component AllocGrp

To be completed at the time of the proposal – all information provided will be included in the repository	
Component Name	AllocGrp
Component Abbreviated Name (for FIXML)	Alloc
Component Type	_X_ Block Repeating__ Block
Category	(No changes)
Action	__New _X_Change
Component Synopsis	(No changes)
Component Elaboration	(No changes)
To be finalized by FPL Technical Office	
Repository Component ID	2003

Component FIXML Abbreviation: <AllocGrp>

Tag	Field Name	Req'd	ICR	Action	Mappings and Usage Comments	Comments
78	NoAllocs	***				
→	79 AllocAccount					
→	<...truncated...>					
→	154 AllocNetMoney					
→	154 230 AllocGrossTradeAmt			NEW		
→	737 AllocSettlCurrAmt					
→	<...truncated...>					
</AllocGrp>						

6.2 Component CpcyConfGrp

To be completed at the time of the proposal – all information provided will be included in the repository	
Component Name	CpcyConfGrp
Component Abbreviated Name (for FIXML)	Cpcy
Component Type	<input checked="" type="checkbox"/> _X_ Block Repeating <input type="checkbox"/> _ Block
Category	(No changes)
Action	<input type="checkbox"/> _New <input checked="" type="checkbox"/> _X_Change
Component Synopsis	(No changes)
Component Elaboration	(No changes)
To be finalized by FPL Technical Office	
Repository Component ID	2013

Component FIXML Abbreviation: <CpcyConfGrp>						
Tag	Field Name	Req'd	ICR	Action	Mappings and Usage Comments	Comments
862	NoCapacities	Y				
→	528 OrderCapacity	Y				Specifies the capacity of the firm executing the order(s).

→	529	OrderRestrictions	N				
→	863	OrderCapacityQty	N		CHANGE	Change from "required" to "not required".	The quantity that was executed under this capacity (e.g. quantity executed as agent, as principal etc.). If any are specified, all entries in the component must have OrderCapacityQty specified and the sum of OrderCapacityQty values must equal this message's AllocQty.
</AllocGrp>							

7 Category Changes

No changes or additions.

Appendix A - Data Dictionary

Tag	FieldName	Action	Datatype	Description	FIXML Abbreviation	Add to / Deprecate from Message type or Component block
23 00	AllocGrossTradeAmt	New	Amt	Total amount traded for this account (i.e. quantity * price) expressed in units of currency.	GrossTrd Amt	Add to: AllocGrp
88	AllocRejCode	Change	int	Identifies reason for rejection. 0 = Unknown or missing account(s) [UnknownAccount] 1 = Incorrect or missing block quantity [IncorrectQuantity] 2 = Incorrect or missing average price [IncorrectAveragegPrice] 3 = Unknown executing broker mnemonic [UnknownExecutingBrokerMnemonic] 4 = Incorrect or missing commission [CommissionDifference] 5 = Unknown OrderID (37) [UnknownOrderID] 6 = Unknown ListID (66) [UnknownListID] 7 = Other (further in Text (58)) [OtherSeeText] 8 = Incorrect or missing allocated quantity [IncorrectAllocatedQuantity] 9 = Calculation difference [CalculationDifference] 10 = Unknown or stale ExecID [UnknownOrStaleExecID] 11 = Mismatched data [MismatchedData] 12 = Unknown ClOrdID [UnknownClOrdID] 13 = Warehouse request rejected [WarehouseRequestRejected]		

				<p>14TBD - Duplicate or missing IndividualAllocId(467)</p> <p>15TBD - Trade not recognized</p> <p>16TBD - Trade previously allocated [DuplicateTrade]</p> <p>17TBD - Incorrect or missing instrument</p> <p>18TBD - Incorrect or missing settlement date</p> <p>19TBD - Incorrect or missing fund ID or fund name</p> <p>20TBD - Incorrect or missing settlement instructions</p> <p>21TBD - Incorrect or missing fees</p> <p>22TBD - Incorrect or missing tax</p> <p>23TBD - Unknown or missing party</p> <p>24TBD - Incorrect or missing side</p> <p>25TBD - Incorrect or missing net-money</p> <p>26TBD - Incorrect or missing trade date</p> <p>27TBD - Incorrect or missing settlement currency instructions</p> <p>28TBD - Incorrect or missing ProcessCode 99 = Other [Other] (see Text(58))</p>		
528	OrderCapacity	Change	char	<p>Designates the capacity of the firm placing the order. (as of FIX 4.3, this field replaced Rule80A (tag 47) --used in conjunction with OrderRestrictions (529) field) (see Volume : "Glossary" for value definitions)</p> <p>A=Agency G=Proprietary I=Individual</p> <p>MTBD = Mixed capacity (request value "M")</p>		
774	ConfirmRejReason	Change	int	Identifies the reason for rejecting a Confirmation.		

				<p>1 = Incorrect or missing account [MismatchedAccount]</p> <p>2 = Incorrect or missing settlement instructions [MissingSettlementInstructions]</p> <p>3TBD Unknown or missing IndividualAllocId(467)</p> <p>4TBD - Transaction not recognized</p> <p>5TBD - Duplicate transaction</p> <p>6TBD - Incorrect or missing instrument</p> <p>7TBD - incorrect or missing price</p> <p>8TBD - Incorrect or missing commission</p> <p>9TBD - Incorrect or missing settlement date</p> <p>10TBD - Incorrect or missing fund ID or fund name</p> <p>11TBD - Incorrect or missing quantity</p> <p>12TBD - Incorrect or missing fees</p> <p>13TBD - Incorrect or missing tax</p> <p>14TBD - Incorrect or missing party</p> <p>15TBD - Incorrect or missing side</p> <p>16TBD - Incorrect or missing net-money</p> <p>17TBD - Incorrect or missing trade date</p> <p>18TBD - Incorrect or missing settlement currency instructions</p> <p>19TBD - Incorrect or missing capacity</p> <p>99 = Other [Other] (see Text(58))</p>		

Appendix B - Glossary Entries

Term	Definition	Field where used

Appendix C - Abbreviations

Term	Proposed Abbreviation	Proposed Messages, Components, Fields where used

Appendix D - Usage Examples

[Examples may be entered below this line]