Global Fixed Income Committee

Parties Reference Data Enhancements

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Document History

Revision	Date	Author	Revision Comments
0.1	25/April/2013	Yuval Cohen	Initial revision
0.2	7/May//2013	Yuval Cohen	Corrections according to Lisa Taikitsadaporn review
0.3	17/May//2013	Yuval Cohen	Followed GTC meeting
0.4	23/May/2013	Yuval Cohen	Placed EntitlementStatus(1883) in PartyEntitlementsReport(35=CV) and PartyEntitlementsUpdateReport(35=CZ) messages Added 'Submitted' enumeration to EntitlementStatus
0.5	20/June/2013	Yuval Cohen	Changed EntitlementStatus 'Submitted' enumeration to 'Requested. Added few diagrams for clarifications of the Entitlement Status enumeration.
ASBUILT	Jul. 31, 2013	Lisa T.	Created ASBUILT
	May 7, 2014	Lisa T	Added errata to correct data type of RelatedPartyDetailRoleQualifier(1675) to change from String to int.

1 Introduction

In 2013, the Global Fixed Income Committee has been creating the *Recommended Practices for Party Entitlement – OTC Markets.* These recommended practices focus on the use of FIX 5.0 SP2 for entitlements activities between the banks (Dealers) and D2C (Dealer to Customers) execution venues. As a result of documenting the recommended practices some gaps have been identified in the FIX 5.0 SP2 Parties Reference Data and these are presented in this gap analysis proposal to the Global Technical Committee.

1.1 Summary of changes

1.1.1 Add two more enumerations to PartyRole(452)

We propose adding party roles for:
- Sales person – the person who is involved in the sales activities for their firm.
- Operator – the person who has the capabilities and authorization to take certain actions such as setting entitlements etc.

Both above roles are very common amongst banks, large broker firms and other type of firms. These two roles are involved during setting entitlement process and usually are communicated during the entitlement process between a sell-side firm to and execution venue.

For each of the above roles we propose to add appropriate enumeration to the PartyRole(452) so the values are inherited by the PartyDetailRole(1693) field.

1.1.2 Extension of Entitlement Status

In the D2C markets it is common for a buy-side to make a request, through the venue, to the sell-side to entitle a particular buy-side trader, for example, to trade with the sell-side in certain securities. Under such a scenario, the venue needs to be able to indicate to the sell-side that there is an outstanding request pending. For this purpose, we propose adding a new enumeration EntitlementStatus(1883)=Pending(3TBD) as well as adding EntitlementStatus(1883) to both PartyEntitlementsReport(35=CV) and PartyEntitlementsUpdateReport(35=CZ).

See Figure 1 in the business workflow for further details.

In addition to the new enumeration EntitlementStatus(1883)=Pending(3TBD), we propose adding the enumeration EntitlementStatus(1883)=Requested(4TBD). This status would allow the execution venue, when responding to an entitlement report request, to respond with the status of the entitlement definition that was requested by the sell-side, which the venue is still processing. Figure 2 illustrates a secenario where this new EntitlementStatus(1883)=Requested(4tbd) would be used.

1.1.3 Add 'Submit Quote Requests' and 'Respond to Quote Requests' as enumerations to EntitlementType(1775)

Some execution venues operate two markets: Central Limit Order book (CLOB) and Quote Negotiation. The entitlements types that are required for such execution venues are:
- Entitlement to trade in the CLOB model (i.e. 0=Trade)
- Entitlement to '*Submit Quote Requests*' i.e. ability to submit quote requests into the market in order to receive quotes
- Entitlement to '*Respond to Quote Requests*' i.e. ability to respond to quote requests

In order to fulfill these requirements we propose to add '*Submit quote requests*' and '*Respond to quote requests*' as new enumerations to EntitlementType(1775) field.

1.1.4 Add Filter Criteria to PartyEntitlementsRequest(35=CU)

Some execution venues maintain 50,000 or more different entitlements defined in their system for a single sell-side firm. In order to reduce the amount of data which is sent by the execution venues to the sell-side parties, it is essential to have the ability to filter based on different filtering criteria. Such filtering criteria are specified in the request for party entitlements report that a sell-side typically sends. The following are the common filtering criteria that are commonly used today in the industry:

1.1.4.1 EntitlementTypeGrp as Filter Criteria to PartyEntitlementsRequest(35=CU)

When a sell-side sends a PartyEntitlementsRequest(35=CU) it may wish to add a criteria to filter the results set by one or more values of EntitlementType(1775) e.g. set criteria to filter the results set to only parties who are entitled to trade or to subscribe to market data.
We propose to add new repeating group:
- define EntitlementTypeGrp as
  - NoEntitlementTypes(2345tbd)
  - EntitlementType(1775) (repeating)
- Add EntitlementTypeGrp to PartyEntitlementsRequest (35=CU)

1.1.4.2 EntitlementStatus(1883)as a Filter Criteria to PartyEntitlementsRequest(35=CU)

Parties who connect to the execution venue and make requests for party entitlements usually wish to filter the results set by the value of EntitlementStatus(1883). For example, a sell-side operation person may wish to retrieve only the pending entitlements.
In order to support this filter criteria, we propose adding EntitlementStatus(1883) field to PartyEntitlementsRequest(35=CU).

1.1.4.3 Add MarketSegmentScopeGrp as a Filters Criteria to PartyEntitlementsRequest(35=CU)

Parties who connect to the execution venue and make requests for party entitlements are typically authorized to view only entitlements that are associated with a specific market segment.
To support such a workflow we propose adding MarketSegmentScopeGrp component as a filtering criteria to PartyEntitlementsRequest(35=CU).

2 Business Workflow

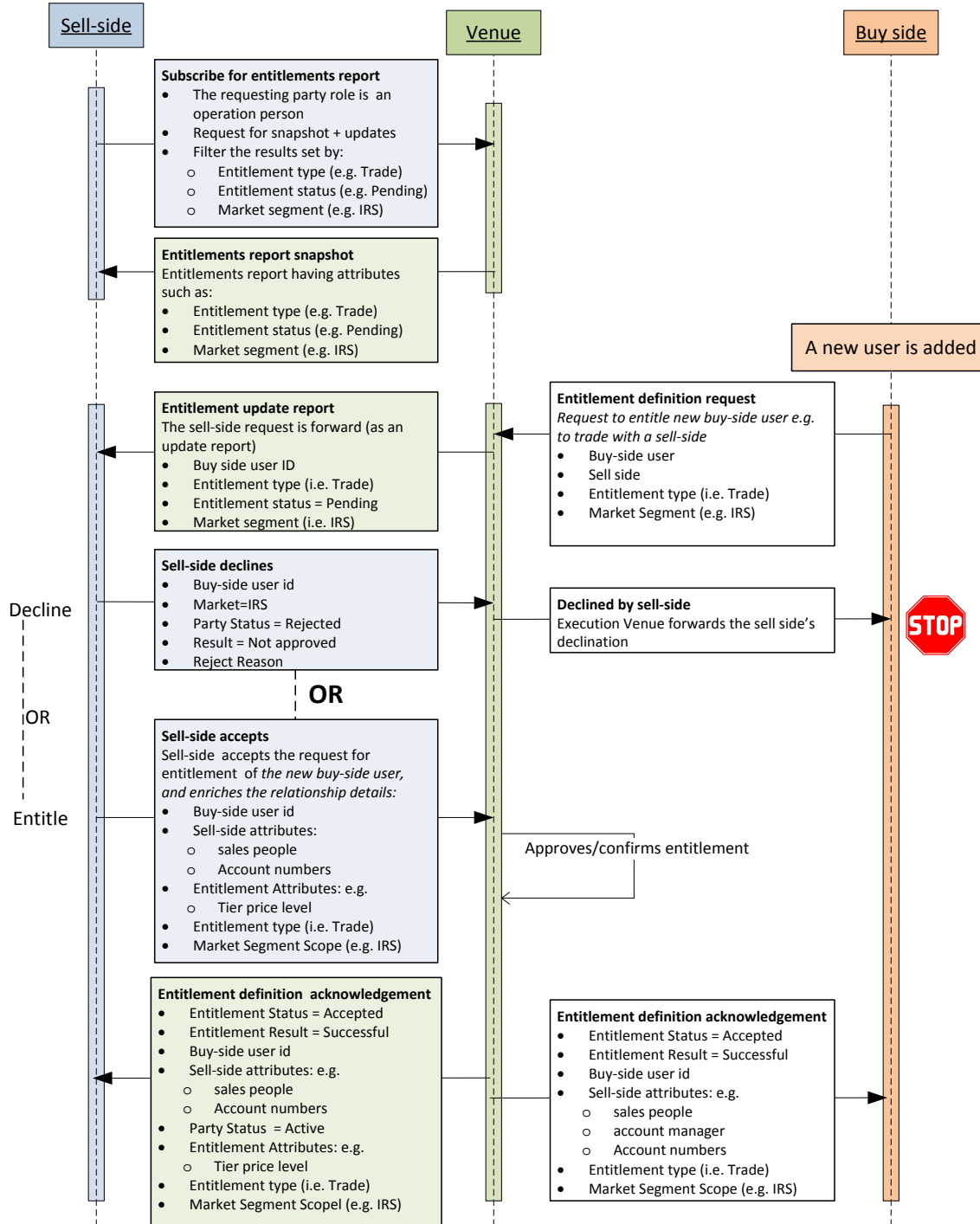The following diagram illustrates the main business workflow:

Figure 1: Business workflow – 1

The following diagram emphasis the requirements to show where execution venue sends entitlements report having entitlement status =of 'Pending' as opposed to entitlement status -of = 'Requested':
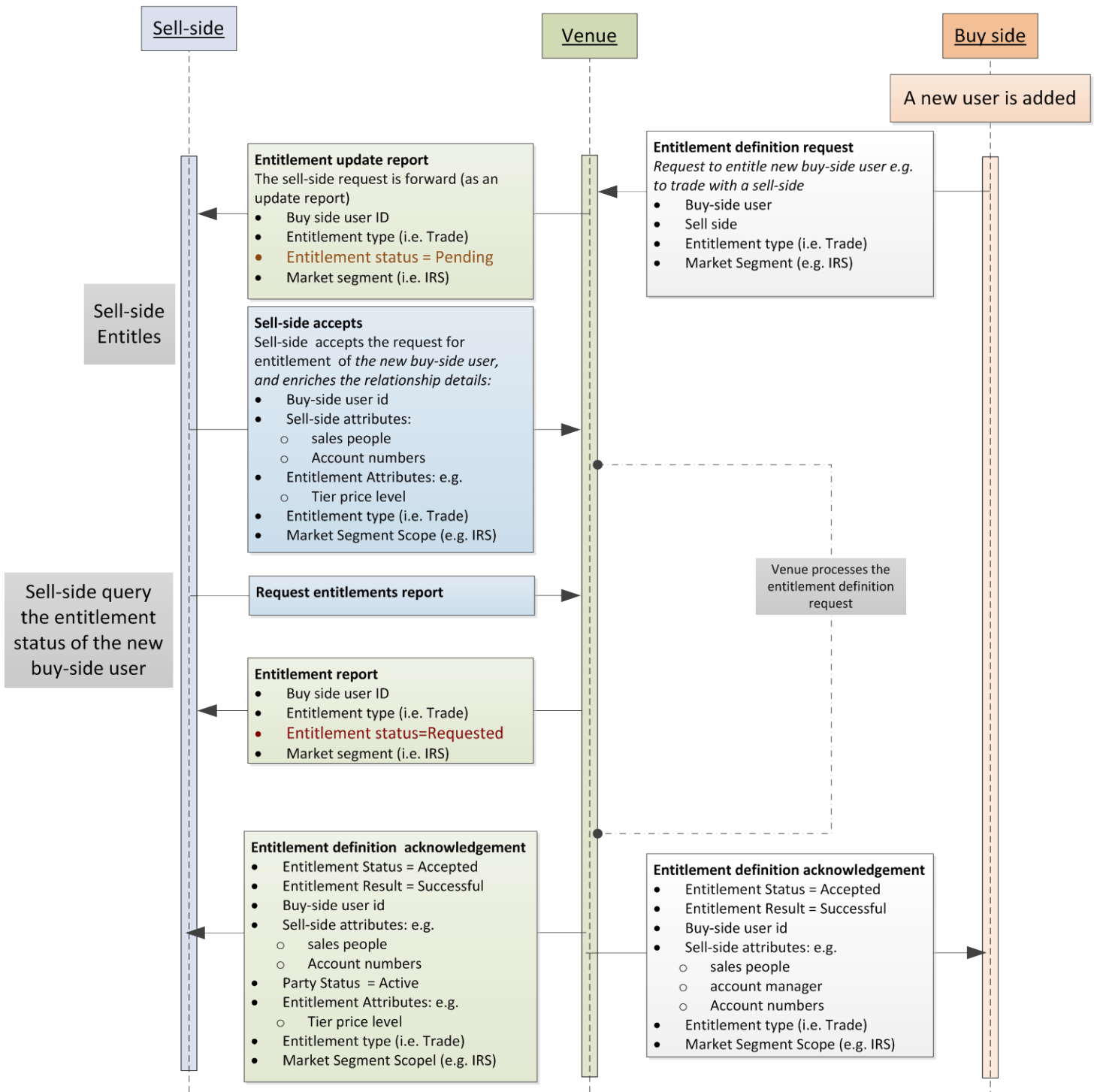

Figure 2: Business workflow – 2

3 Issues and Discussion Points

3.1.1 Add EntitlementStatus(1883) to EntitlementsGrp and add 'Pending' enumeration to EntitlementStatus(1883) field

Following the GTC meeting on 16/May/2013 we have considered different options to communicate an outstanding entitlement request from the buy-side. One of the interesting suggestions was to send this information from the execution venue to the sell side in a PartyEntitlementDefinitionRequest (35=DA) message.

We came to the understanding that adding EntitlementStatus(1883) field to EntitlementsGrp as well as adding a 'Pending' enumeration to the EntitlementStatus(1883) field would reflect the business requirements better.
Note that the EntitlementsGrp is contained within both the PartyEntitlementsReport(35=CV) and PartyEntitlementsUpdateReport(35=CZ) messages.
In addition we proposed to add a new enumeration: 'Requested' to indicate that the sell-side has submitted a PartyEntitlementDefinitionRequest, and this request is currently being process at the venue. This allows the venue to respond with an appropriate status when entitlement information is requested while the definition request is being processed.

Different options like communicating outstanding entitlement requests from the buy-side in the PartyDetailStatus(1672) field or in new fields were also considered, but ruled out.

See further details in figure 4 below.

3.1.2 Add 'Submit Quote Requests' and 'Respond to Quote Requests' as enumeration to EntitlementType(1775)

We have considered to use the existing enumeration 'Make markets' (of EntitlementType(1775)) instead of *'Request for RFQ'*. We have learnt that market makers may operate in CLOB markets rather than the quote-negotiation markets, and such a usage may cause confusion. We therefore decided to add a new entitlement type for this purpose.

3.1.3 Add Filter Criteria to PartyEntitlementsRequest(35=CU) and to PartyRiskLimitsRequest(35=CL)

During the April 16, 2013 GFIC meeting, CME recommended to add the different filter criteria:
- o *EntitlementTypeGrp*
- o *PartyDetailStatus*
- o *MarketSegmentScopeGrp*

to both PartyDetailsListRequest(35=CF) and PartyRiskLimitsRequest(35=CL) messages to be consistent with the changes to the PartyEntitlementsRequest(35=CU).

After discussion it was determined:
- To add PartyDetailStatus(1672) as a filter criteria to PartyRiskLimitsRequest(35=CL)
- There was no concrete use case that can be identified to support the other proposed additions

Hence we decided to leave messages PartyDetailsListRequest(35=CF) without any changes and to add only PartyDetailStatus(1672) as a filter criteria to PartyRiskLimitsRequest(35=CL).

Added notes – as a result of GTC meeting 16/May/2013:

Following the GTC meeting on 16/May/2013, we decided to add EntitlementStatus(1883) instead of PartyDetailStatus(1672) to PartyEntitlementsRequest(35=CU). The EntitlementStatus(1883) will not fit in the PartyRiskLimitRequest(35=CL). Hence we decided not to add any filter criteria fields to PartyRiskLimitRequest(35=CL).

3.1.4 New 'Sales Person' enumeration in PartyRole(452)

Following the GTC meeting on 16/May/2013, we have agreed that the 'Agent' enumeration is too generic to identify a sales person, hence we have agreed to add 'Sales Person' as a new enumeration to PartyRole(452).

4 Proposed Message Flow

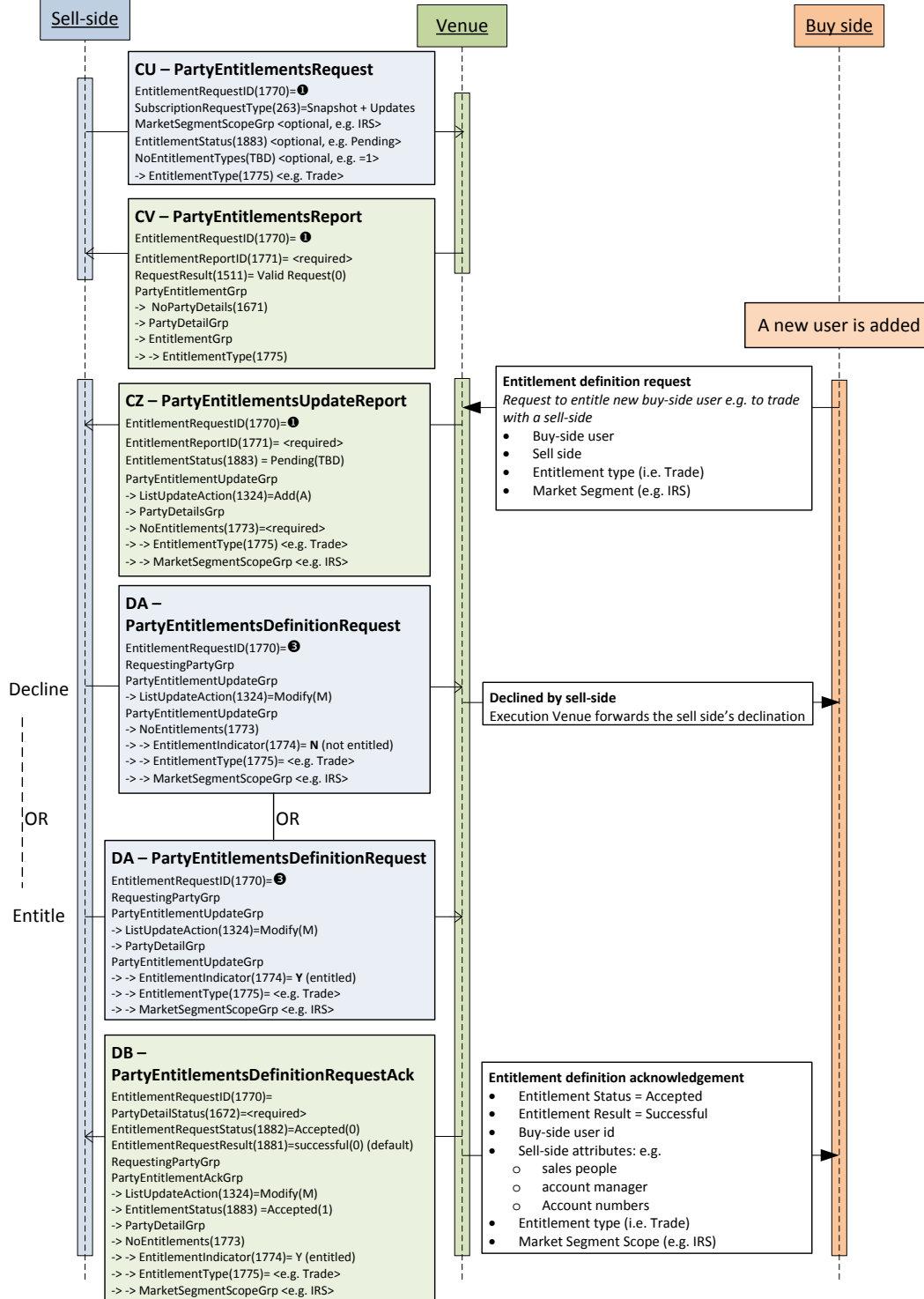The following diagram illustrates the FIX messages workflow:

Figure 3: FIX Message Flow - 1

The following diagram illustrates the FIX message flows and shows the differences between the case where an EntitlementsReport(35=CZ) has an EntitlementStatus(1883)= Pending(3TBD) and where such a message should have EntitlementStatus(1883)= Requested(4TBD):
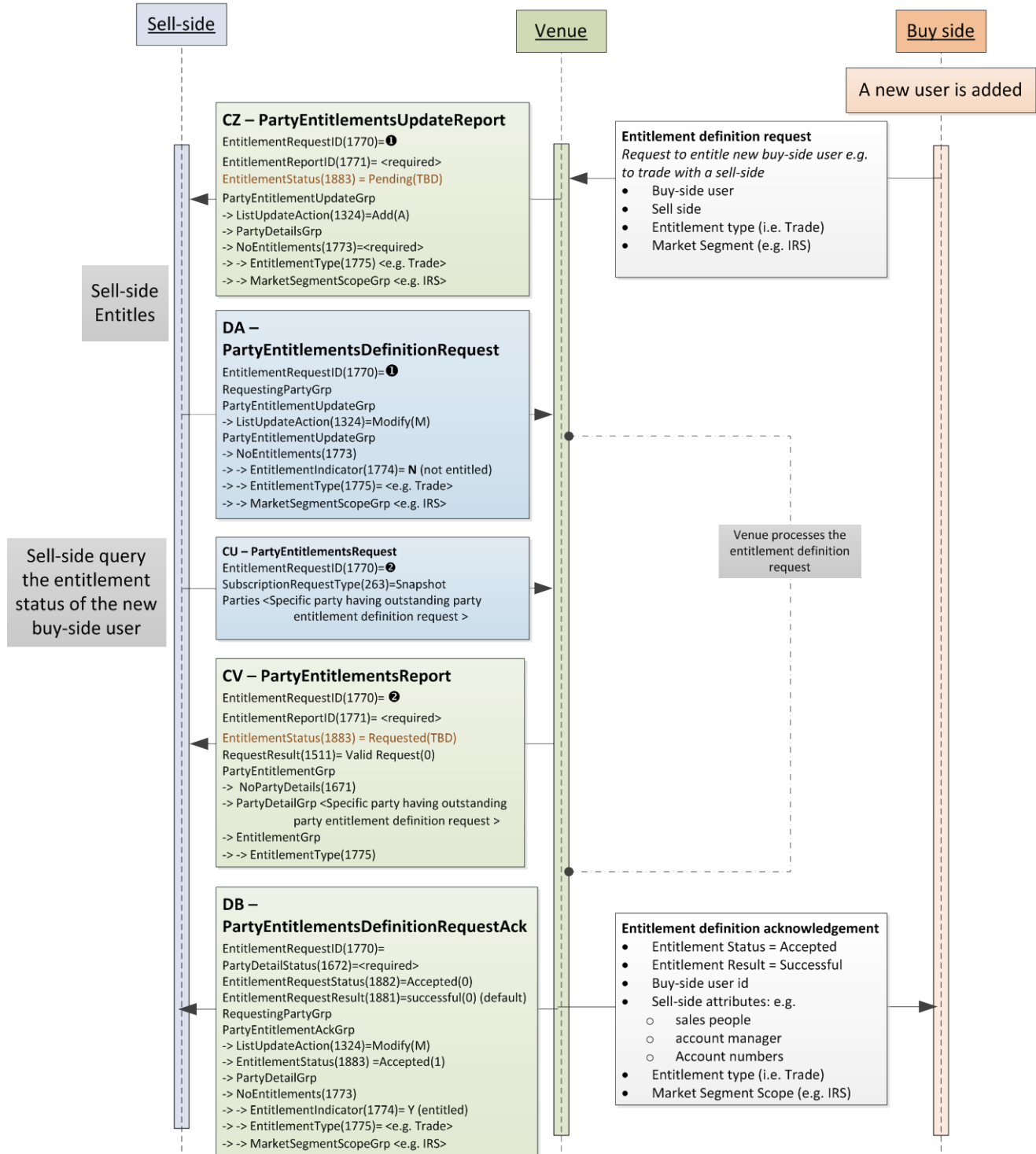

Figure 4: FIX Message Flow - 2

5 FIX Message Tables

5.1 FIX Message PartyEntitlementsRequest

PartyEntitlementsRequest	
Message Name	PartyEntitlementsRequest
Message Abbreviated Name (for FIXML)	PtyEntlmntReq
Category	PtyEntlmntReq
Message Synopsis	*(no change)*
Message Elaboration	*(no change)*~~The PartyEntitlementsRequest message is used to request for entitlement information for one or more party(ies), specific party role(s), or specific instruments(s).~~
To be finalized by FPL Technical Office	
(MsgType(tag 35) Enumeration	CU
Repository Component ID	[131]

Tag	Field Name	Req'd	ICR	Action	*Mappings and Usage Comments*	FIX Spec Comments
Standard Header		Y	■			MsgType =CU
1770	EntitlementRequestID					
263	SubscriptionRequestType					
RequestingPartyGrp						
Parties						
RequestedPartRoleGrp						
1883	EntitlementStatus	N		ADD		
EntitlementTypeGrp		N		NEW		
1784	EntitlementPlatform	N				
InstrumentScopeGrp						
MarketSegmentScopeGrp		N		ADD		
58	Text					
354	EncodedTextLen					
355	EncodedText					
	Standard Trailer	Y	■			

6 FIX Component Blocks

6.1 Component PartyEntitlementGrp

PartyEntitlementGrp	
Component Name	PartyEntitlementGrp
Component Abbreviated Name (for FIXML)	@PtyEntlmnt
Component Type	Block - Repeating
Category	PartiesReferenceData
Component Synopsis	*(no change)*
Component Elaboration	*(no change)*Conveys a list of parties (optionally including related parties) and the entitlements for each.
To be finalized by FPL Technical Office	
Repository Component ID	[2195]

Component FIXML Abbreviation: <PtyEntlmnt>						
Tag	Field Name	Req'd	ICR	Action	*Mappings and Usage Comments*	Comments
1772	NoPartyEntitlements					
→	PartyDetailGrp					Required if NoPartyEntitlements(1772) > 0.
→	1883 EntitlementStatus	N		ADD		
→	EntitlementGrp					Required unless omitted to indicate the removal of entitlements for the party(-ies) specified in the PartyDetailGrp component.
</PtyEntlmnt>						

6.2 Component PartyEntitlementUpdateGrp

PartyEntitlementUpdateGrp	
Component Name	PartyEntitlementUpdateGrp
Component Abbreviated Name (for FIXML)	@PtyEntlmntUpd
Component Type	Block – Repeating
Category	PartiesReferenceData
Component Synopsis	*(no change)*
Component Elaboration	*(no change)*~~The PartyEntitlementUpdateGrp component is used to supply incremental entitlement definitions changes for the party(ies) specified in the PartyDetailGrp component. The update action type is specified using ListUpdateAction(1324).~~
To be finalized by FPL Technical Office	
Repository Component ID	[2215]

Component FIXML Abbreviation: <PtyEntlmntUpd>						
Tag	Field Name	Req'd	ICR	Action	*Mappings and Usage Comments*	Comments
1772	NoPartyEntitlements					
→	1324	ListUpdateAction					Required if NoPartyEntitlements(1772) > 0.
→	PartyDetailGrp					Optional when ListUpdateAction(1324) = M(Modify) or D(Delete) and EntitlementRefID(1885) is provided.
→	1883	EntitlementStatus	N		ADD		
→	EntitlementGrp					Optional when ListUpdateAction(1324) = M(Modify) or D(Delete) and EntitlementRefID(1885) is provided.
→	1885	EntitlementRefID					Optional when PartyDetailGrp is provided or ListUpdateAction(1324) = A(Add).
</PtyEntlmntUpd>						

6.3 Component EntitlementTypeGrp

New Component

EntitlementTypeGrp	
Component Name	EntitlementTypeGrp
Component Abbreviated Name (for FIXML)	@EntlmntTyp
Component Type	Block
Category	PartiesReferenceData
Component Synopsis	The EntitlementTypeGrp conveys a list of entitlement types.when added to PartyEntitlementsRequest serves as filter criteria for the results set.
Component Elaboration	When used in the PartyEntitlementRequest(35=CU) message it serves to provide filtering criteria for the results set.Conveys a list of entitlement types.
To be finalized by FPL Technical Office	
Repository Component ID	[2244]

Add this component to message PartyEntitlementsRequest(35=CU)

Component FIXML Abbreviation: <EntlmntTyp>						
Tag	*Field Name*		*Req'd*	*ICR*	*Action*	*Mappings and Usage Comments*	*Comments*
2345 TBD	NoEntitlementTypes				Add		Number of Entitlement Types.
→	1775	EntitlementType			Add		Required if NoEntitlementTypes(2345) > 0.
</EntlmntTyp>						

7 Category Changes

Appendix A - Data Dictionary

Tag	FieldName	Action	Datatype	Description	FIXML Abbreviation	Add to / Deprecate from Message type or Component block
452	PartyRole	Change *Note: all fields that inherit PartyRole should inherit this change*	int	Add the following roles: 117TBD=Sales person (Elaboration: The person who is involved in the sales activities for their firm.) 118TBD=Operator (Elaboration: The person who has the capabilities and authorization to take certain actions, ~~such as~~for example setting entitlements, etc.)		
1883	EntitlementStatus	Change	int	Status of entitlement definition for one party. 0=Accepted 1=Accepted with changes 2=Rejected 3TBD=Pending [Elaboration: Entitlement definition request submitted that still requires an action to be taken (e.g. approval or setting up).] 4TBD=Requested [Elaboration: Entitlement definition has been requested.]		Add to: PartyEntitlementsRequest(35=CU), PartyEntitlementGrp, PartyEntitlementUpdateGrp

1775	EntitlementType	Change	int	Add the following types: 7TBD=Submit quote requests [Elaboration: Entitled to submit quote requests into the market in order to receive quotes from the market.] 8TBD=Respond to quote requests [Elaboration: Entitled to respond to quote requests from the market.]		Add to EntitlmentTypeGrp
2345 TBD	NoEntitlementTypes	ADD	NumInGroup	Number of entitlement types		Add to EntitlmentTypeGrp
1675	RelatedPartyDetailRoleQualifier	Change	String int	*Errata of data type, change from String to int*		

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