



# Global Technical Committee and CME Group Trade Capture Extensions

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|                        |  |                    |                              |
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## Document History

| Revision | Date                      | Author                      | Revision Comments  |
|----------|---------------------------|-----------------------------|--|
| r0.1     | 4/18/2016                 | Dean Kauffman for CME Group | Initial draft based on internal gap analysis.  |
| r0.2     | 4/19/2016                 | Dean Kauffman for CME Group | Moved @CmprsnGrpID from TCR to RptSide.  |
| r0.3     | 4/19/2016                 | Dean Kauffman for CME Group | Removed references to vendors. Reworded description of Swaptions in 2.1.2. Fixed original Data Dictionary descriptions to coincide with current EP208. |
| r0.4     | 4/22/2016                 | Dean Kauffman for CME Group | Updated based on feedback from the presentation. Resolved issue with Staddle.  |
|          | <a href="#">5/10/2016</a> | <a href="#">R. Shriver</a>  | <a href="#">Generated the ASBUILT and pre-assigned values.</a>   |
|          |                           |                             |  |

## 1 Introduction

In CME Group's implementation to meet various reporting requirements, it has identified a further group of gaps needed to the FIX standard in order to complete its work. This proposal attempts to close those gaps.

## 2 Business Requirements

### 2.1 Trade Reporting

#### 2.1.1 Compression Group Identifier

With partial netting, e.g. reducing 2 or more trades into 1, all trades to be netted are terminated and can link to the new netting remnant through a <ReltrdTrd> component. Similarly, compression of potentially many trades often nets down to two new trades and each terminated trade can link to the compressed trades through <ReltedTrd> components.

A problem arises with full netting. If the trades to be netted net perfectly such that there is no remnant, the trades being terminated have nothing to link forward to. We considered linking all the siblings with each other in this case but decided it would be impractical and not very useful since there could potentially be a large number of such trades.

The requirement comes from CME partners requiring visibility into CME's compression process. We have already added a corresponding field to our FpML extension schema.

We propose creating a new identifier for linking netted trades, similar to StrategyLinkID – CompressionGroupID(2361tbd). The idea is that all trades that make up the netting or compression group (both terminated and new remnant trades, if any) will share the same ID. This is a general solution that works whether or not there are remnants as a result of netting or compression.

#### 2.1.2 Option Straddle

Swaptions provide the buyer of the swaption the option either to enter into the underlying contract when exercised or to choose which streams of the contract the buyer will pay or receive when exercised. The concepts of "put" and "call" do not apply in this market but the concept of choosing whether to pay or receive is standard practice and is termed either "straddle" or "chooser".

The way to model straddles currently supported in FIX is to have a put option and a call option with identical strike values in separate Legs and for there to be a single common Underlying. After much debate it was determined that this approach does not align with the market. We propose using SecuritySubType(762) with a value of "Straddle" when SecurityType(167)=SWAPTION.

#### 2.1.3 Self-Match Prevention ID

CME Globex supports a function that allows a firm to prevent matching of orders for accounts with common ownership if buy and sell orders for the same asset contain the same Self Match Prevention Identifier and Executing Firm ID. The Self Match Prevention Identifier is an attribute CME wishes to standardize and to send to CFTC. We propose a new FIX field – SelfMatchPreventionID(2362tbd) – to be added to the TradeReportOrderDetail component.

### 2.1.4 Option Exercise versus Option Exercise Expiration

The OTC Derivative Options extensions in EP169 have proved confusing for firms implementing the new components and fields. We propose changing the component descriptions in order to clarify the purpose of these components and fields.

## 3 Issues and Discussion Points

|   | Issue                 | Date                   | Status | Discussion  |
|---|-----------------------|------------------------|--------|---|
| 1 | SelfMatchPreventionID | 4/21/2016              | Closed | On presentation to the FIX Global Technical Committee the <MatchingInstructions> component was proposed as a possible alternative to creating a new field. Since the component as it stands does not quite satisfy the requirement the new field will be allowed but it should be positioned nearby <MatchingInstrucitons> in the <TradeReportOrderDetail> component. We have further clarified the intent through a Usage Comment for the new field. |
| 2 | Swaption Straddle     | 4/21/2016<br>4/28/2016 | Closed | The initial proposal for identifying a Straddle was to add a new enumeration value to PutOrCall(201). Presentation participants suggested that either SecuritySubType(762)=Straddle or a new Boolean field in the <Instrument> component would be a better solution. The former is put forward in this follow-up version of the Gap Analysis but the issue is not closed. Resolved in favor of SecuritySubType(762)=Straddle.                         |

## 4 Proposed Message Flow

*There are no changes to existing message flows.*

## 5 FIX Message Tables

*None.*

## 6 FIX Component Blocks

### 6.1 Component LegOptionExercise

|   |  |
|---|--|
| To be completed at the time of the proposal – all information provided will be included in the repository |  |
| Component Name  | LegOptionExercise  |
| Component Abbreviated Name (for FIXML)  | OptExr   |
| Component Type  | Block  |
| Category  | Common   |
| Action  | __New <b>X_Change</b>  |
| Component Synopsis  | The LegOptionExercise component is a subcomponent of the InstrumentLeg component used to specify option exercise provisions. <b>Its purpose is to identify the opportunities and conditions for exercise, e.g. the schedule of dates on which exercise is allowed. The embedded LegOptionExerciseExpiration component is used to terminate the opportunity for exercise.</b> |
| Component Elaboration   |  |
| To be finalized by FPL Technical Office   |  |
| Repository Component ID   | [4214id]   |

### 6.2 Component LegOptionExerciseExpiration

|   |   |
|---|---|
| To be completed at the time of the proposal – all information provided will be included in the repository |   |
| Component Name  | LegOptionExerciseExpiration   |
| Component Abbreviated Name (for FIXML)  | Exp   |
| Component Type  | Block   |
| Category  | Common  |
| Action  | __New <b>X_Change</b>   |
| Component Synopsis  | The LegOptionExerciseExpiration component is a subcomponent of the LegOptionExercise component used to specify option exercise expiration dates and times. <b>The purpose of LegOptionExercise is to identify the scheduled opportunities for exercise. LegOptionExerciseExpiration identifies the end of the schedule.</b> |
| Component Elaboration   |   |



|   |          |
|---|----------|
| To be finalized by FPL Technical Office |          |
| Repository Component ID                 | [4219;#] |

### 6.3 Component OptionExercise

|   |   |
|---|---|
| To be completed at the time of the proposal – all information provided will be included in the repository |   |
| Component Name  | OptionExercise  |
| Component Abbreviated Name (for FIXML)  | OptExr  |
| Component Type  | Block   |
| Category  | Common  |
| Action  | __New <u>X_Change</u>   |
| Component Synopsis  | The OptionExercise component is a subcomponent of the Instrument component used to specify option exercise provisions. <u>Its purpose is to identify the opportunities and conditions for exercise, e.g. the schedule of dates on which exercise is allowed. The embedded OptionExerciseExpiration component is used to terminate the opportunity for exercise.</u> |
| Component Elaboration   |   |
| To be finalized by FPL Technical Office   |   |
| Repository Component ID   | [4162;#]  |

## 6.4 Component OptionExerciseExpiration

|   |   |
|---|---|
| To be completed at the time of the proposal – all information provided will be included in the repository |   |
| Component Name  | OptionExerciseExpiration  |
| Component Abbreviated Name (for FIXML)  | Exp   |
| Component Type  | Block   |
| Category  | Common  |
| Action  | __New <b>X_Change</b>   |
| Component Synopsis  | The OptionExerciseExpiration component is a subcomponent of the OptionExercise component used to specify option exercise expiration dates and times. <b>The purpose of OptionExercise is to identify the scheduled opportunities for exercise. OptionExerciseExpiration identifies the end of the schedule.</b> |
| Component Elaboration   |   |
| To be finalized by FPL Technical Office   |   |
| Repository Component ID   | [4167;#]  |

## 6.5 Component TradeReportOrderDetail

|   |                        |
|---|------------------------|
| To be completed at the time of the proposal – all information provided will be included in the repository |                        |
| Component Name  | TradeReportOrderDetail |
| Component Abbreviated Name (for FIXML)  | TrdRptOrdDetl          |
| Component Type  | Block                  |
| Category  | <i>No change.</i>      |
| Action  | __New <b>X_Change</b>  |
| Component Synopsis  | <i>No change.</i>      |
| Component Elaboration   |                        |
| To be finalized by FPL Technical Office   |                        |
| Repository Component ID   | [2143;#]               |

| Component FIXML Abbreviation: <TrdRptOrdDet/> |                       |       |     |        |                             |   |
|---|-----------------------|-------|-----|--------|-----------------------------|---|
| Tag   | Field Name            | Req'd | ICR | Action | Mappings and Usage Comments | FIX Spec Comments   |
| 37  | OrderUD               | N     |     |        |                             |   |
| 198   | SecondaryOrderID      | N     |     |        |                             |   |
| 11  | ClOrdID               | N     |     |        |                             |   |
| <i>(...truncated...)</i>                      |                       |       |     |        |                             |   |
| 126   | ExpireTime            | N     |     |        |                             |   |
| Component Block <MatchingInstructions>        |                       | N     |     |        |                             |   |
| <a href="#">2362</a><br><del>126</del>        | SelfMatchPreventionID | N     |     | ADD    |                             | May be used as an alternative to MatchingInstructions when the identifier does not appear in another field. |
| 1629  | ExposureDuration      |       |     |        |                             |   |
| 1916  | ExposureDurationUnit  |       |     |        |                             |   |
| <i>(...truncated...)</i>                      |                       |       |     |        |                             |   |
| <TrdRptOrdDet/>                               |                       |       |     |        |                             |   |

## 6.6 Component TrdCapRptSideGrp

|   |                                |
|---|--------------------------------|
| To be completed at the time of the proposal – all information provided will be included in the repository |                                |
| Component Name  | TrdCapRptSideGrp               |
| Component Abbreviated Name (for FIXML)  | RptSide                        |
| Component Type  | _X_ Block Repeating ___ Block  |
| Category  | [enter the category name here] |
| Action  | __New <b>X_Change</b>          |
| Component Synopsis  | <i>(no change)</i>             |
| Component Elaboration   | <i>(no change)</i>             |
| To be finalized by FPL Technical Office   |                                |
| Repository Component ID   | <a href="#">[2061]</a>         |

|  |
|--|
| Component FIXML Abbreviation: <RptSide/> |
|--|

| Tag                                  | Field Name                              | Req'd    | ICR | Action     | Mappings and Usage Comments | FIX Spec Comments               |
|--------------------------------------|---|----------|-----|------------|-----------------------------|---------------------------------|
| 552                                  | NoSides                                 | Y        |     |            |                             |                                 |
| →                                    | <b>54</b> Side                          | Y        |     |            |                             | Required when NoSides(552) > 0. |
| →                                    | <b>2102</b> ShortMarkingExemptIndicator | Ne       |     |            |                             |                                 |
| →                                    | <b>1427</b> SideExecID                  | N        |     |            |                             |                                 |
| →                                    | <b>1428</b> OrderDelay                  | N        |     |            |                             |                                 |
| (...truncated....)                   |   |          |     |            |                             |                                 |
| Component Block <RelatedTradeGrp>    |   | N        |     |            |                             |                                 |
| Component Block <RelatedPositionGrp> |   | N        |     |            |                             |                                 |
| →                                    | <b>1980</b> BlockTrdAllocIndicator      | N        |     |            |                             |                                 |
| →                                    | <b>29</b> LastCapacity                  | N        |     |            |                             |                                 |
| →                                    | <b>2334</b> RefRiskLimitCheckID         | N        |     |            |                             |                                 |
| →                                    | <b>2335</b> RefRiskLimitCheckIDType     | N        |     |            |                             |                                 |
| →                                    | <b>2361</b> CompressionGroupID<br><td>  | <b>N</b> |     | <b>ADD</b> |                             |                                 |
| <RptSide>                            |   |          |     |            |                             |                                 |

## 6.7 Component UnderlyingOptionExercise

|   |   |
|---|---|
| To be completed at the time of the proposal – all information provided will be included in the repository |   |
| Component Name  | UnderlyingOptionExercise  |
| Component Abbreviated Name (for FIXML)  | OptExr  |
| Component Type  | Block   |
| Category  | Common  |
| Action  | __New <b>X_Change</b>   |
| Component Synopsis  | The UnderlyingOptionExercise component is a subcomponent of the UnderlyingInstrument component used to specify option exercise provisions. <b>Its purpose is to identify the opportunities and conditions for exercise, e.g. the schedule of dates on which exercise is allowed. The embedded UnderlyingOptionExerciseExpiration component is used to terminate the opportunity for exercise.</b> |
| Component Elaboration   |   |
| To be finalized by FPL Technical Office   |   |
| Repository Component ID   | [4261#]   |

## 6.8 Component UnderlyingOptionExerciseExpiration

|   |   |
|---|---|
| To be completed at the time of the proposal – all information provided will be included in the repository |   |
| Component Name  | UnderlyingOptionExerciseExpiration  |
| Component Abbreviated Name (for FIXML)  | Exp   |
| Component Type  | Block   |
| Category  | Common  |
| Action  | __New <b>X_Change</b>   |
| Component Synopsis  | The UnderlyingOptionExerciseExpiration component is a subcomponent of the UnderlyingOptionExercise component used to specify option exercise expiration dates and times. <b>The purpose of UnderlyingOptionExercise is to identify the scheduled opportunities for exercise. UnderlyingOptionExerciseExpiration identifies the end of the schedule.</b> |
| Component Elaboration   |   |
| To be finalized by FPL Technical Office   |   |
| Repository Component ID   | [4266+e]  |

## 7 Category Changes

None.

## Appendix A - Data Dictionary

| Tag                     | FieldName             | Action | Datatype | Description  | FIXML Abbreviation | Add to / Deprecate from Message type or Component block |
|-------------------------|-----------------------|--------|----------|--|--------------------|---|
| <del>2361</del><br>2361 | CompressionGroupID    | NEW    | String   | Use to identify a netting or compression group where trades in the group were netted or compressed. This includes both terminating trades and any remnant trades that result from the operation.   | @CmprsnGrpID       | Add to TrdCapRptSideGrp component                       |
| <del>2362</del><br>2362 | SelfMatchPreventionID | NEW    | String   | Identifies an order or trade that should not be matched to an opposite order or trade if both buy and sell orders for the same asset contain the same SelfMatchPreventionID( <del>2362</del> ) and submitted by the same firm.   | @SlfMtchPrvntnID   | Add to TradeReportOrderDetail component                 |
| 762                     | SecuritySubType       | CHANGE | String   | Sub-type qualification/identification of the SecurityType. As an example for SecurityType(167)="REPO", the SecuritySubType="General Collateral" can be used to further specify the type of REPO.<br>If SecuritySubType is used, then SecurityType is required.<br>For SecurityType="MLEG" a name of the option or futures strategy name can be specified, such as "Calendar", "Vertical", "Butterfly".<br>For SecurityType(167)="OPT" the subclassification can be specified, such as "Asian".<br>For SecurityType(167)="SWAPTION" a |                    |   |

---

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  | value of "Straddle" is used to identify a straddle swaption. |  |  |
|--|--|--|--|--|--|--|

## Appendix B - Glossary Entries

None.

## Appendix C - Abbreviations

| Term        | Proposed Abbreviation | Proposed Messages, Components, Fields where used |
|-------------|-----------------------|--|
| Compression | Cmprsn                | CompressionGroupID                               |
| Self        | Slf                   | SelfMatchPreventionID                            |
| Prevention  | Prvntn                | SelfMatchPreventionID                            |

## Appendix D - Usage Examples

None.