



Global Technical Committee and Deutsche Börse Group

Market Maker Qualifier Extension

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Document History

Revision	Date	Author/Editor	Revision Comments
0.1	June 21, 2016	Hanno Klein Deutsche Börse Group	Initial Draft
0.2	September 20, 2016	GTC Technical Support	Minor revisions to GA following GTC presentation.
	October 9, 2016	GTC Technical Support	ASBUILT created and IDs assigned.

1 Introduction

Deutsche Börse Group offers various cash market trading services supported by liquidity providers. The market making activities differ by asset class and market model. Designated Sponsors support continuous trading with auctions for instruments such as equities and ETFs and there can be multiple sponsors per instrument. Specialists support continuous auctions with a focus on small and mid-cap instruments but there can only be a single Specialist per instrument.

2 Business Requirements

The business requirement is to distinguish different types of market makers. The proposal is to use the existing role qualifier fields in conjunction with valid value 66 (Market Maker) of the various existing and corresponding party role fields. Valid values of party roles are based on PartyRole(452) and role qualifiers fields are based on PartyDetailRoleQualifier(1674) which is suggested to have the following additional valid values

- ~~20TBD~~ = Designated ~~s~~Sponsor (One or more market makers for each security)
- ~~21TBD~~ = Specialist (Exactly one market maker for each security)

2.1 Designated Sponsor

Designated Sponsors are market participants whereby there can be one or multiple Designated Sponsors per security. The following list only applies to Deutsche Börse Group, i.e. may or may not be identical to other markets with multiple market makers per security.

- Posts binding buy and sell offers for the trading of illiquid securities.
- When quoting, must observe a maximum spread (between the buy and sell price) and a minimum quote volume (minimum lot size which must be posted on both sides of the order book).
- Obligated to adhere to a minimum quotation duration.

2.2 Specialist

Specialists have multiple obligations, whereby there is exactly one specialist for each security. The following list only applies to Deutsche Börse Group, i.e. may or may not be identical to other markets with a single market maker per security.

- Ensures continuous market information by entering standard quotes during the entire trading period, taking the order book and any possible reference market into account.
- Initiates price determination in the case of executable order book situations by entering a matching quote.
- Provides additional liquidity to bridge a lack of offer or demand for the execution of an order.
- Avoids partial order execution

3 Issues and Discussion Points

NONE

4 Proposed Message Flow

NONE

5 FIX Message Tables

NONE

6 FIX Component Blocks

NONE

7 Category Changes

NONE

Appendix A - Data Dictionary

Tag	Field Name	Action	Datatype	Description	FIXML Abbreviation	Add to / Deprecate from Message type or Component block
1674	PartyDetailRoleQualifier	CHANGE	int	<p>Qualifies the value of PartyRole(452)</p> <p>– For Party Role = 66 (Market Maker) –</p> <p><i>Existing values:</i></p> <p>5 = Preferred market maker [Elaboration: Market maker getting a part of the matched quantity before primary or default market maker.]</p> <p>6 = Directed market maker [Elaboration: Single market maker to handle an the order which will be provided to him.]</p> <p><i>Additional values:</i></p> <p>20TBD = Designated sSponsor [Elaboration: Market maker jointly providing liquidity for the same security with other market makers.]</p> <p>21TBD = Specialist. [Elaboration: Market maker being the only one providing liquidity for a security.]</p>	Qual	

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