



MMT Technical Committee Addendum to MMT v4.0 and v4.1

November 106, 2023

V0.3

Proposal Status: ~~Submitted~~Released

For Global Technical Committee Governance Internal Use Only

Submission Date	<u>Nov 28, 2023</u>	Control Number	<u>EP286</u>
Submission Status	Submitted <u>Approved</u>	Ratified Date	<u>Dec 12, 2023</u>
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Document History

Revision	Date	Author	Revision Comments
v0.1	25 October 2023	Marc Berthoud (SIX), Matt Bumstead (Bloomberg)	Initial draft
v0.2	01 November 2023	Marc Berthoud (SIX), Matt Bumstead (Bloomberg)	Second draft
v0.3	03 November 2023	Hanno Klein, GTC	Updated business requirements and data dictionary section.
	<u>28 November 2023</u>	<u>GTC Technical Staff</u>	<u>Assigned TBDs</u>

1 Introduction

ESMA completed MiFIR review in May 2023. Among RTS 1 and RTS 2 amendments, it is worth mentioning various additions and deletions of trade flags, as well as a more granular Market Mechanism typology. The application date for the ESMA changes in the EU area is set on 1.1.2024.

In parallel the FCA introduced changes in the same area, but of partly diverging nature. The application data for changes in the UK is set on 29.04.2024.

In parallel, FIX Trading Community introduced additional changes in MMT V4.0.

FIX Extension Packs [EP277](#) (MMT v4.0) and [EP283](#) (UK Transparency) delivered the appropriate mapping for the changes quoted above applicable to the TradeCaptureReport(35=AE), MarketDataSnapshotFullRefresh(35=W) and MarketDataIncrementalRefresh(35=X) messages, with the following exceptions:

- MMT level 1: More granular Market Mechanisms ('Hybrid System' and 'Any Other excluding Hybrid') for market data messages
- MMT level 2: Trading Mode 'On Demand Auction' (Frequent Batched Auction) for trade reporting and market data messages

2 Business Requirements

2.1 More Granular Market Mechanisms

RTS 1 and RTS 2 require to implement a more granular market mechanism typology. Hybrid Systems must be represented as a distinct category from 1.1.2024.

Market Mechanism Description	Comment	Application Date
Any Other, Including Hybrid (original ESMA definition in RTSs 1 & 2)	Deprecated in the EEA, valid in the UK	1.1.2024
Hybrid System (revised ESMA definition, replacing 'Any Other, Including Hybrid')	Valid in the EEA	1.1.2024
Any Other, Excluding Hybrid (revised ESMA definition, replacing 'Any Other, Including Hybrid')	Valid in the EEA	1.1.2024

EP277 added a new value z="Other market" to the field VenueType(1430) applicable to the TradeCaptureReport(35=AE) message.

It is proposed to add a new value **TBD9**="Other market" to the field MDOriOriginType(1024) for MarketDataIncrementalRefresh(35=X) and MarketDataSnapshotFullRefresh(35=W) to close the gap for market data messages.

2.2 Post-trade flags

This additional flag is part of MMT v4.0 scope.

MMT Flag	Applies to	Description	Working Group Comments
OD	On Demand Auction (Frequent Batched Auction)	It is mutually exclusive with all other Trading Mode Domain Values	

ESMA had issued a call for evidence on period auctions and provided the results together with their assessment.¹ So far, there is no official definition from ESMA, but ESMA uses the term "frequent batched auction" and distinguishes them from conventional periodic auctions based on their very short duration (up to 100 milliseconds) and the fact that they are not scheduled but triggered by an event such as the submission of an order or the identification of a potential match of a resting order.

Such auctions differ from unscheduled auctions triggered by disruptive events such as (automatic) volatility interruptions due to trading outside of a price band. These events are not related to individual orders.

It is proposed to add a new value **TBD14**="Order initiated auction" to the field TradingSessionSubID(625) for the MMT flag 'OD' applicable to the TradeCaptureReport(35=AE), MarketDataIncrementalRefresh(35=X), and MarketDataSnapshotFullRefresh(35=W) messages.

3 Issues and Discussion Points

NONE

4 Proposed Message Flow

NONE

5 FIX Message Tables

NONE

6 FIX Component Blocks

¹ https://www.esma.europa.eu/sites/default/files/library/esma70-156-1035_final_report_call_for_evidence_periodic_auctions.pdf

NONE

7 Category Changes

NONE

Appendix A - Data Dictionary

Tag	FieldName	Action	Datatype	Description	FIXML Abbreviation	Add to / Deprecate from Message type or Component block
625	TradingSessionSubID	CHANGE	String	<p>Optional market assigned sub identifier for a trading phase within a trading session. Usage is determined by market or counterparties. Used by US based futures markets to identify exchange specific execution time bracket codes as required by US market regulations. Bilaterally agreed values of data type String that start with a character can be used for backward compatibility.</p> <p>Valid values: ... TBD_14 = Order initiated auction [Elaboration: Auction automatically triggered by an order, e.g. an incoming order or a resting order that can be matched based on an incoming order. Use 9="Unscheduled intraday auction" for any other auctions that are not scheduled. In the context of Market Model Topology, this can be used for an on demand auction (a.k.a. frequent batched auction).]</p>	@SesSub	
1024	MDOriOriginType	CHANGE	int	Used to describe the origin of the market data entry.	@MDOriTyp	

Tag	FieldName	Action	Datatype	Description	FIXML Abbreviation	Add to / Deprecate from Message type or Component block
				<p>Valid values: ... 8 = Hybrid market [Elaboration: A hybrid system falling into two or more types of trading systems. Can also be used for ESMA RTS 1 other type of trading system. In the context of ESMA reporting, this is for "Hybrid system." In the context of FCA reporting, this is for "Any other, including hybrid."]</p> <p>FBD-9 = Other market [Elaboration: A market that does not fall under any of the market types defined for MDOriOriginType(1024). In the context of ESMA reporting, this is for "Any other, excluding hybrid."]</p>		
1430	VenueType	CHANGE	char	<p>Identifies the type of venue where a trade was executed.</p> <p>Valid values: ... H = Hybrid Market [Elaboration: A hybrid system falling into two or more types of trading systems. Can also be used for ESMA RTS 1 other type of trading system. In the context of ESMA reporting, this is for "Hybrid system." In</p>	@VenuTyp	

Tag	FieldName	Action	Datatype	Description	FIXML Abbreviation	Add to / Deprecate from Message type or Component block
				<p>the context of FCA reporting, this is for "Any other, including hybrid."]</p> <p>z = Other market (lowercase "z") [Elaboration: A market that does not fall under any of the market types defined for VenueType(1430). In the context of ESMA reporting, this is for "Any other, excluding hybrid."]</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]