



FIX Trading Community

Quarterly Newsletter - Q1 2017

Welcome to the Q1 2017 edition of the FIX quarterly newsletter.

Well that was a year few will forget!

Across the globe, there has been momentous change in the political landscape that caused financial markets to react significantly. Volumes and volatility were markedly higher at various points during the year and all asset classes suffered sharp price movements as a result.

Considering this, it is with great pleasure that we can announce continued high levels of engagement within the community with new and existing members. FIX prides itself on being at the heart of global trading and will continue to make sure that is the case in 2017.

No political, sports or economic predictions here. We do, however, predict 2017 to be one of the busiest years for both our business and technical members as the countdown to MiFID II go-live goes into full swing. Busy days (and nights) lay ahead for our members as infrastructure changes take place to meet regulatory requirements.

We will keep members updated on all of our initiatives as the year progresses.

Thank you for your continued support during the year and if you have any questions, please contact us - fix@fixtrading.org

Thank you

The FIX Trading Community Program Office



A big thank you to all our Premier Global members for your continued support. If any of our regular members are interested in learning more about the benefits of upgrading, please contact the Program Office - fix@fixtrading.org.

**FIX Trading Community would like to welcome the following
new members during Q4 2016:**

- [Devexperts](#)
- [Emagine](#)
- [Exane BNP Paribas](#)
- [LMAX Exchange](#)
- [RSRCHXchange](#)
- [Swedbank Robur](#)
- [Unicredit](#)
- [Verne Global](#)

For the full list of members, please click [here](#).

New / Re-elected FIX Leadership in Q4 2016

- GSC Co-Chair – Jim Kaye (Bank of America Merrill Lynch)

- EMEA Regional Committee Co-Chair – Matthew Coupe (Barclays)
 - Asia Pacific Regional Committee Co-Chair -Francis So (BNP Paribas Dealing Services Asia Ltd.)
 - Americas Regional Committee Co-Chairs – Amy May (Morgan Stanley) and Lou Rosato (Blackrock)
 - Nordics Subcommittee Co-Chair – Peter Fredricksson (Baymarkets Technology)
 - Latin America Subcommittee Co-Chair – Marcio Castro (Cetip)
 - FICC (Fixed Income, Currencies, Commodities) Committee Co-Chair – previously OTC Products (EMEA Chair) - Sassan Danesh (Etrading Software)
 - Global Technical Committee Co-Chair (EMEA Chair) - Hanno Klein (Deutsche Boerse)
 - Global Member Services Committee Co-Chair (EMEA Chair) - Scott Bradley (Instinet)
 - FICC (Fixed Income, Currencies, Commodities) Committee Co-Chair – previously OTC Products (Americas) – Erik Tumasz (Wellington)
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FIX in the Media in Q4 2016

[The German Connection - Global Trading article](#)

[History made: first electronic IOI in the primary Capital Markets - PRNewswire](#)

[Buyside Worried About MiFID II Transparency - MarketMedia article](#)

[FCA Looks to Improve IPO Transparency - MarketsMedia article](#)

[Let's be 'aving you - bobsquide article](#)

[MMT – The Journey So Far - Global Trading article](#)

[Nordics Briefing Review 2016 - Global Trading article](#)

FIX Events in Q1

[EMEA Trading Conference 2017 - 2 March 2017](#)

Melbourne Regional Meeting - March 2017 (date tbc)

FIX Working Group Summary

As always a big thank you to all our members for their hard work during the course of the year. 2017 will no doubt be just as busy, if not even busier. Below are some of the highlights of the various working groups during 2016.

2016 has been extremely active for all the MiFID Working Groups. The aim of FIX is to provide regular updates to their activities through a MiFID Newsletter, the first of which is scheduled for release later this month. It is almost impossible to summarise the work being done across the different groups in a few sentences. What can be said, is that there are changes to the FIX Protocol being proposed and are currently under public review for the transparency and order data/record keeping work. The Best Execution guidelines are taking shape, thanks to the hard work of the chair and several others in the working group. Commission Unbundling is now becoming more of a focus for the members and the hope is that a number of different use cases can provide the basis for further documentation to be produced by the working group.

In August, new guidelines were released for the use of FIX in post-trade processing for multi asset classes. The Global Post Trade Working Group believe that with these guidelines, market participants will be able to reduce risk and have the ability to leverage off their current FIX infrastructure in place for trading and, by doing so, minimise implementation time and costs.

The Cybersecurity Working Group has been extremely active in 2016. Having updated the FIX Security White Paper earlier in 2016, the working group has been drafting guidelines for the use of Transport Layer System (TLS) protocol with FIX. TLS is a rich protocol with many features and options and allows for new security functions to be added and vulnerable functions to be dropped.

The FIX Orchestra Working Group has just recently produced a technical standard proposal that will be reviewed and released in 2017 with the aim of providing machine readable rules of engagement between counterparties.

The Blockchain and Digital Currency Working Group have been working on a number of different initiatives relating to post trade and symbology for digital currencies. Additionally, discussions are underway with another trade association to create a governance structure for maintenance and assigning values and to create symbology which would be used for digital currencies.

The Trade Cost Analysis (TCA) Working Group has been working with a buy-side trade association on the original TCA for Equities Best Practices document that was released a few years ago. This new input will serve to enhance the already detailed document and the working group are now keen to move forward to relook at TCA for other asset classes.

If you would like to find out more about the current initiatives being worked on by members, please visit [here](#).

If you would like to join any of the working groups, please contact us - fix@fixtrading.org.

Member News in Q4 2016

[ANNA Derivatives Service Bureau releases FIX Specifications for connectivity for obtaining ISINs for OTC Derivatives](#)

[Connamara Helps Environmental Financial Products and CBOE Launch New Market Place](#)

[New high bandwidth US Data Net](#)

Welcome to FIX - new member introduction:

LMAX Exchange

What are your company's main business lines?

One of the UK's fastest growing technology firms, LMAX Exchange is the leading MTF (Multilateral Trading Facility) for FX trading, authorised and regulated by the FCA. As an execution venue for electronic FX trading, LMAX Exchange services mainly the institutional client segment, including banks, funds and asset managers. First in the industry to introduce exchange style execution for spot FX, LMAX Exchange has been leading change towards complete transparency and level playing field to all market participants.

What are you currently focused on?

As a technology company, LMAX Exchange is focused on delivering technology excellence through continuous improvement and investment in technology infrastructure. On the business side, LMAX Exchange focuses on becoming one of the leading institutional FX execution venues globally and growing the distribution of its market data offering. In the last 5 years, LMAX Exchange has become a global business with clients in over 90 countries and exchange infrastructure in all major FX centres, including London, New York and Tokyo.

Why did you join the FIX Trading Community?

As a recognised leader in the FX technology and an active participant in the broad technology community (incl. Open Source), LMAX Exchange sees significant opportunity to contribute to the working groups of the FIX Trading Community; among many others, these may include Best Execution and Clock Synchronisation, as they directly relate to the latest thought leadership already developed by the LMAX Exchange technology team.

In addition, the FIX Trading Community provides a unique environment for LMAX Exchange to interact, learn and work together with other leading technology companies.

Review of Q4 Events

Q4 saw a busy end to the year for the events for the FIX Trading Community. Please see below some highlights from the events in EMEA, US and Asia Pac.

Germany

The 2016 briefing attracted 141 delegates from across the industry with a strong agenda and speaker line-up looking at how the continuing global changes are affecting the German market place and local participants. Regulation, not surprisingly, was a strong area of focus looking at how MiFID II will impact all asset classes and workflows. Additionally, the technical stream gave an update on the mapping support for MiFID II as the market looks to FIX for implementation solutions.

Boston

The success of the half-day format continued for the second Americas Trading Briefing in 2016, kindly hosted by State Street Global markets. Regulation and market structure were very much in focus as panellists as a review of Reg NMS and the SEC's tick-size pilot were discussed. MiFID II proved a popular topic as participants continue to grapple with the topic of Best Execution as laid down by the regulators.

Australia

Over 400 industry professionals attended this year's Australia FIX Conference. With the theme "New Frontiers", the conference covered a numbers of new areas such as Quantum Computing, FinTech Developments, Insourcing of Super Funds and Blockchain. The event also featured a buy-side closed door roundtable which was attended by over 20 onshore and offshore senior traders. In addition to the trading and regulatory topics in the main plenary, a technical breakout session around the impacts of MiFid II and FIX Orchestra was included.

Singapore

The Singapore FIX Conference was hosted during a very busy week in the city with a lot of buzz around Fintech (as it was the Singapore Fintech Festival). The FIX Conference also embedded a few Fintech related themes such as Robo-Advisory, New Research Distribution Model, Customer Behaviours and Blockchain. The TED talk style speeches were very well received. With the theme "Embracing the Future", the event also touched on the use of Artificial Intelligence and Machine Learning in trading. On the trading front, the panels around Fixed Income trading and Market Making were very lively and sparked many questions from the audience. The event ended on a high note with the buy-side and sell-side outlining their priorities and some key takeaways from the buy-side closed door roundtable hosted earlier in the day.

Tokyo

The conference welcomed over 700 attendees, one of the highest turnout figures since its commencement in 2006. The agenda kicked off with keynote presentations by senior officers from the Japanese FSA and Japan Exchange Group (JPX) and explored recent developments in electronic trading, market structure and regulation. This year there was also a focus on the potential impact on trading from the latest developments in FinTech such as virtual money, block chain, robo-advisors and AI (Artificial Intelligence). The day concluded with a panel session called "AI Usage on Algorithmic Trading - How can AI change Institutional Trading?", which explored the status of AI usage in agency algo trading and associated issues around its future development.

Please see below some images from all four events.





Global Trading is FIX Trading Community's media partner. For the latest Q4 2016 edition, please click [here](#).

