

## **FIX Trading Community**

### **Quarterly Newsletter - Q3 2017**

Welcome to the Q3 2017 edition of the FIX quarterly newsletter.

The first six months of the year have flown by for the community. There has been no let-up in the activity of the different working groups and committees. Indeed the work that is being done in many of the groups is receiving much interest across the globe. In the media section, you will be able to see articles on Simple Binary Encoding and FIX Orchestra, two of the key initiatives for our members. Additionally, there is an interesting piece updating the community on the Market Model Typology (MMT) initiative - an important piece in the grand jigsaw that is MiFID II.

On that same topic, the work being done by the MiFID working groups is being recognised across the globe as vital to trading firms as they look to implement their solutions. Our Co-chairs are working closely with regulators and trade associations alike to ensure that the work being done is recognised and adopted. The use of standards has never been more important as firms look to become compliant in a cost-effective way. For the latest on the MiFID initiatives, please see [here](#).

Although the summer months approach for some of us, we are expecting the next quarter to be extremely busy. There are four events in different regions during Q3 and planning is in full swing for these and the events in Q4.

Additionally, we are looking forward to unveiling the new FIX website which has been worked on by the Program Office and member volunteers. With so much going on in the community, it is important we offer our members an intuitive and accessible platform. Watch this space!

Finally, just to add that the Program Office has a new MiFID resource. Hugh Cumberland joined us last week and will assist in helping the MiFID Working Groups with their increasing workload as the January 2018 deadline looms large.

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

**FIX Trading Community would like to welcome the following  
new members during Q2 2017:**

[Joh. Berenberg, Gossier & Co.](#)

[Blue Bay Asset Management](#)

[CLSA](#)

[Haitong International Securities](#)

[HCL America](#)

[Hong Kong Investments Funds Association](#)

[Northern Trust Global Investments Ltd](#)

[OTC Exchange Network](#)

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

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## **GSC and Director Positions**

Following a recent call for nominations, we are pleased to announce the following reappointed / new leaders:

### **GSC**

- Global Member Services Americas Co-Chair – Bill Hebert, Managing Director, Financial Information Forum (reappointed)

### **Directors**

- Richard Balarkas, Director, Quendon Consulting (reappointed)
- George Macdonald, CEO, MACD (new)
- Emma Quinn, Global Co-Head of Equity Trading, AB (reappointed)

Thank you to Brian Nathan for standing as a Director the last 3 years - his leadership, guidance and input on various standard practices of the organisation will go a long way to help the success of FIX in the future. We look forward to Brian's continued involvement in the FIX Trading Community.

Finally, Sassan Danesh (Global FICC (EMEA) Committee Co-Chair and MiFID Reference Data Working Group Co-Chair) is sadly stepping down from his roles and we are in the process of appointing individuals for his positions. We also would like to thank Sassan for his unbelievable dedication and being a major factor in the growth of FIX across the asset classes.

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## **Market Model Typology (MMT) - an update**

When the FPL Trust assumed control of the MMT (Market Model Typology) project, it assured the openness of the standard, but it also brought it into the well-oiled mechanism of FIX Trading Community's technical committees.

The MMT was designed to find a practical solution for standards on post-trade equity data that could be adopted industry-wide. Following the implementation of the original MiFID rules in 2007, and the competition that fostered in the trading venue space, market fragmentation became an inevitable by-product. Action was needed to meet the challenges in the area of equity market data, in particular post-trade transparency, in order that the management and development of the relevant standards could be established.

The commercial value for the market is in the expected efficiency gains, which will create cost savings for

all participants. The rollout of this is already on-going, but when it is fully implemented, post-trade costs will be reduced across the street.

The MMT initiative was developed through the collaborative efforts of exchanges, MTFs, market data vendors and trade reporting venues all committed to improving the consistency and comparability of data from multiple sources. The MMT Steering Committee brought the initiative under the jurisdiction of the FIX Protocol Limited Trust in 2014. Participants from exchanges, data vendors and reporting venues have been working hard over two years to translate the original 2010 CESR Technical Working Group recommendations into practical action under the well-established values and governance standards of FPL.

In the two years since, the FIX MMT Technical Committee has achieved much of its to-do list in terms of developing the standard and preparing both the industry and regulators for its full rollout. Today, MMT logic is ready to begin lowering post-trade costs across the buy-side, sell-side and at trading venues.

The makeup of the committee has been one of its strengths all along, as we have involved venues, vendors, sell-side and buy-side to ensure all angles of the implementation are covered. This broad cross-section will certainly aid in speeding adoption and implementation of MMT.

Since the MMT initiative came under the umbrella of the FIX Trading Community, a state-of-the-art and neutral management of the MMT standard has been implemented and the governance structure of MMT has been aligned to FIX guidelines. During 2015, the MMT model entered a mature phase and is currently being actively used and published by exchanges and vendors alike. By the end of 2015, 15 trading venues had implemented the MMT logic into their market data systems.

In the summer of 2016, we officially introduced MMT v 3.01 that accommodates the applicable MiFID II Regulatory Technical Standards (RTSs):

- The trade flags stipulated within RTS 1 for equities and equity-like financial instruments
- The trade flags stipulated within RTS 2 for non-equity financial instruments

For all the latest documentation on MMT, please click [here](#).

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## **FIX in the Media in Q2 2017**

[FIX Orchestra - Best Execution article](#)

[Industry Looks to Formalize FIX Ecosystem - Markets Media article](#)

[Fixed-Income Trading Operations Catch Up - Intelligent Trading Technology article](#)

[Professional Standards Within The Electronic Trading Industry - Global Trading article](#)

[Simple Binary Becomes A FIX Standard - Global Trading article](#)

[Developments In The World Of FIX - Global Trading article](#)

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### **FIX Events in Q3 2017**

[Chicago Regional Meeting - 12th July](#)

[Latin America Regional Meeting - 23rd August](#)

[India FIX Conference - 7th September](#)

[Nordic Trading Briefing - 26th September](#)

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### **Member News in Q2 2017**

[Colt to offer new low-latency network route between stock exchanges in Tokyo and Chicago](#)

[Best Time-stamping and Infrastructure Performance Monitoring Award reinforces Corvil's "gold standard" status in machine-time analytics](#)

[Charles River and Luminex Partner to Improve Liquidity Access and Streamline Trading](#)

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**Welcome to FIX - member introduction**

In April 2017, Thomson Reuters upgraded to become a Premier Global Member. Here, we give them the opportunity to update the Community on their areas of focus.

### **What are your company's main business lines?**

Thomson Reuters enables professionals in the financial and risk, legal, tax and accounting, and media markets to make the decisions that matter most, powered by one of the world's most trusted news organizations. We provide professionals with the intelligence, technology and human expertise they need to find trusted answers and across financial markets and risk serve more than 40,000 customers and 400,000 end users in over 150 countries.

### **What are you currently focused on?**

Within financial markets we are very excited about our recent acquisition of REDI Holdings LLC which brings an award-winning execution management solution for the buy-side trading community, which is already used by over 3,000 traders worldwide, into the Thomson Reuters stable. We are now working towards creating a fully integrated, end-to-end trading workflow solution that brings together REDI and Eikon, Thomson Reuters next-generation financial markets desktop. The first step of this initiative saw the integration of Eikon Messenger into the REDI system, enabling seamless communication with a 300,000-strong community of verified financial professionals. We believe these incremental enhancements will further increase the value of the Thomson Reuters REDI platform for our customers.

### **What do you see as the value of being a member of FIX Trading Community?**

FIX and Thomson Reuters have a shared goal to enable firms to trade more effectively and cost efficiently. Thomson Reuters Autex Trade Route is one of the largest FIX order routing networks, supporting 40 billion shares per day across 600 brokers/venues and 850 buy-side firms. We look forward to attending FIX events and hearing directly from our customers as well as engaging on the many important topics being discussed in the trading community via GlobalTrading magazine.

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## **Review of Q2 Events**

### **Americas Trading Briefing**

Another successful Americas Trading Briefing took place at Goldman Sachs on April 26<sup>th</sup> and had close to 300 individuals in attendance. The event opened with a fireside chat with Caitlin Long, Chairman and President of Symbiont to discuss the current blockchain landscape and what is to come. The keynote session was followed by panel discussions focused on multi-asset coverage with a discussion on how the buy-side and sell-side are evolving and the latest trends, evolution of financial technology and such topics as the cloud, artificial intelligence, managed services and big data, trends and initiatives regarding cybersecurity and what is happening in the FIX world in this space, and finally a discussion on regulation specifically MiFID II which has been a huge focus and will be over the coming months. We thank Goldman

Sachs for hosting at their wonderful venue and all of the sponsors on the day that helped make the event possible. Please see images of the event below.

### **Asia Pac Trading Summit**

The Asia Pacific Trading Summit celebrated its 15th year in May in Hong Kong with over 650 industry professionals attending the event. With the theme "Is Innovation Back in Fashion Again?", the event took a fresh and unique outlook on trends impacting the industry across technology and business. Undoubtedly, "Artificial Intelligence in Trading" was the most frequently mentioned phrase throughout the day with "MiFiD II" and "Trump" not far behind. Whilst the shift in gears toward innovation this year brought a breath of fresh air, we also brought back on stage the "old boys", who started the FIX conference 15 years ago, to discuss the future industry trends in an animated, pub chat format. The event included a technical breakout session and a buy-side only closed door roundtable at which many topical issues were raised with some action items identified. The "FIX Chatbot", the cartoon style photo booth as well as the recap video were highly popular. For those who missed the event, a takeaways sketch for each session was created and you can see them using the link below. Enjoy!

<http://www.fix-events.com/hongkong/takeaways>



Global Trading is FIX Trading Community's media partner. For the latest Q2 2017 edition, please click [here](#).



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