

Acting Now, Improving Standards

France Trading Conference, November 2023

Le Grand K



Mètre Étalon



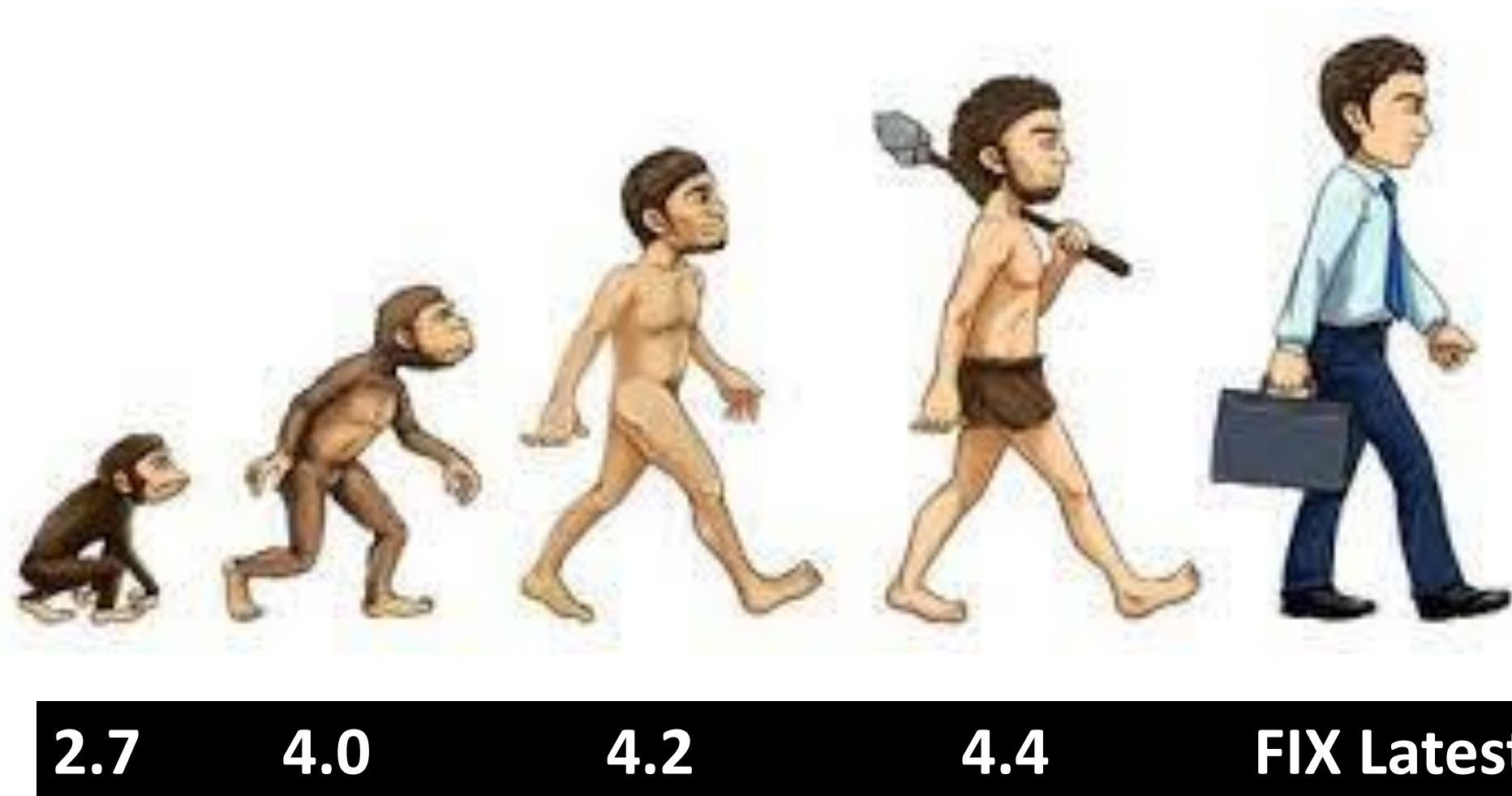
Standards change...

- The standard kilogram is now a formula based on physical constants
- The standard metre is also a formula based on physical constants

- There are no constants in finance
 - Markets change...
 - Regulations change
 - Business models change...
 - ...so standards change

The Evolution of FIX

FIX standards have driven electronic trading for 30 years and are constantly updated to support industry needs



- Over 150 messages, 6000 fields, covering...
 - General communication
 - Market data
 - Order management & trading
 - Static data
 - Counterparty management
 - Reporting
 - Post-trade processing
 - Collateral management
 - Position management
- New protocol features supported in earlier versions
- Separation of business model, encoding and session
- Interoperability with third party standards

FIX is dead?



Multiple updates are made to the FIX Protocol every year, driven by

- Member contributions
- Market structure changes
- Regulation

This year's extension packs

EP277 - UK Post Trade Transparency/MMT v4.0 June 5

EP278 - Liquidity Indicator Extension July 20

EP279 - Eurex Clearing Enhancements July 20

EP280 - HKEX SMP Instruction July 20

EP281 - Settlement Status Management August 31

EP282 - Errors & Omissions 2022 August 31

EP283 - UK Post Trade Transparency/MMT 4.1 September 15

EP284 - EMIR Report Tracking Number September 15

Key priorities for 2024

FIX standards for securities lending

- Relates to T+1 implementations
- Buyside priority

- *Post-trade committee*

FIX standards for communication of outages

- EU/UK regulatory initiative
- Broad member interest
- In progress since Q2

- *Equities committee*

Completing known gaps/development areas in Orchestra

- Initial focus on 'scenarios' and 'workflows'
- Develop 'interfaces' and 'mappings'

- *Global Technical Committee*

FIX specification refactoring

- Update/refresh documentation
- Machine-readable specification

- *Global Technical Committee*

Other initiatives

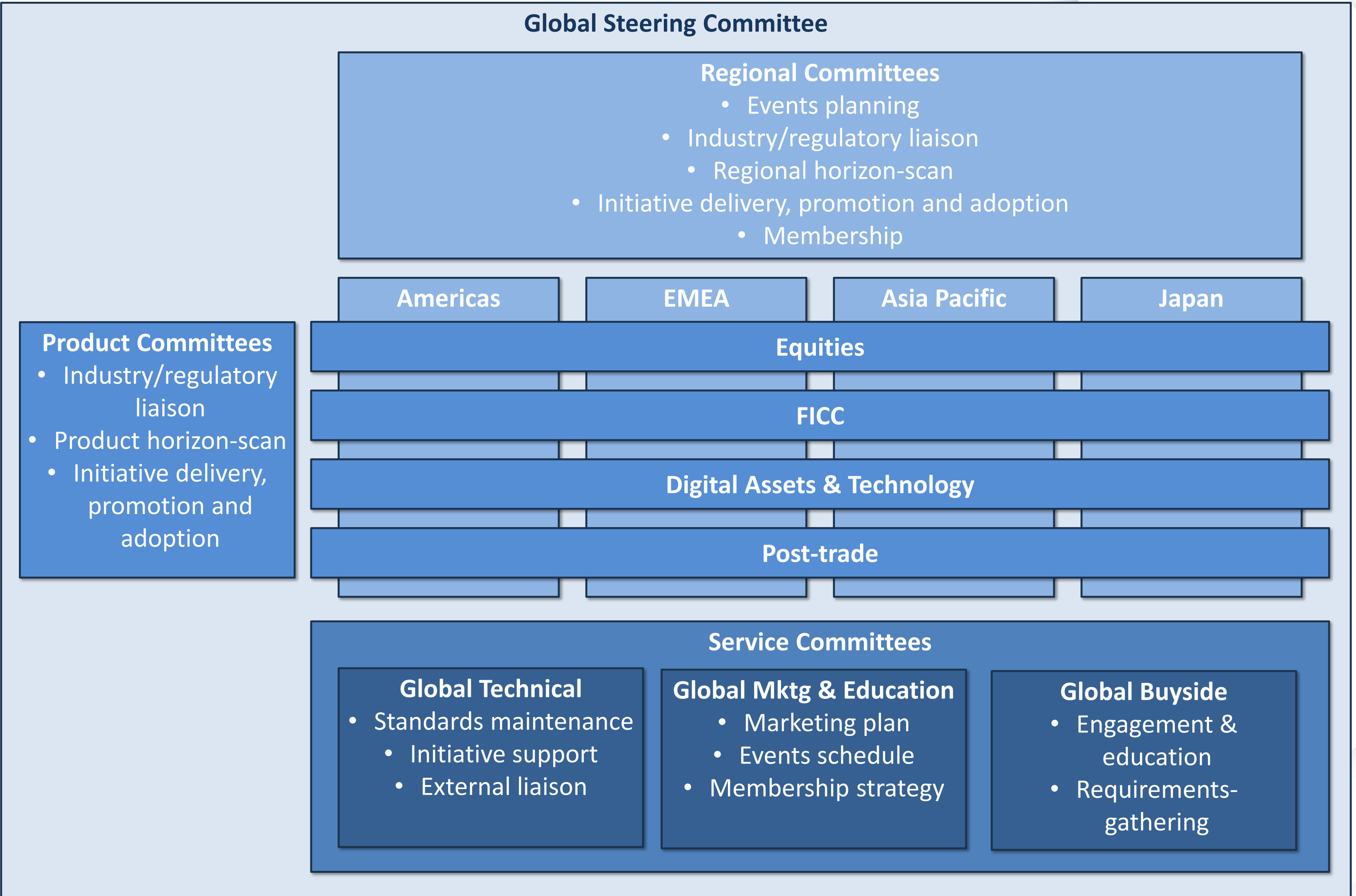
- Consolidated tape and MMT
 - Trade flags and message formats
 - Addressable liquidity definitions
 - Designated reporter and cross-border reporting
- Digital assets
 - Post-trade workflows and interoperability
 - Regulatory implications (MICA etc.)
- Accelerated settlement (T+1)
 - Americas
 - EU/UK
- Execution transparency
- Algorithm testing
- ETF workflows
- FX – standards for reject codes & NDFs

www.fixtrading.org/fix-initiatives

Working with ISO

- FIX already has two ISO standards
 - Tag-value encoding – ISO 3531-1
 - The standard FIX session - ISO 3531-2
- Working on becoming a ‘publicly available standards’ submitter at JTC1
 - Simple binary encoding
 - Orchestra
- Joint expert group with ISO on FIX/ISO 20022 interoperability
 - Initial focus on core trading
- Key roles in ISO 20022 governance

How it all works



What we need...

YOU!



Expertise needed in...

- EMEA regulatory change & market structure
- Securities lending
- FIX onboarding, support, development
- Marketing and events