

FIX TRADING COMMUNITY

Market Model Typology (MMT) Workshop

Revised Data Standard FIX MMT v4.1
FIX France Trading Conference, November 14 2023

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FIX MMT Technical Committee Co-Chairs

WHAT IS THE RATIONALE FOR USING FIX MMT?

Improving post-trade transparency



Source: Refinitiv

Why do we have FIX MMT?

- **Purpose:** MMT is an efficient operational solution for fulfilling trade flagging, incl. respective regulatory requirements.

It became a de facto standard for trade reporting across all equity and part of non-equity markets, predominantly in Europe.

- **Benefits:** MMT delivers unambiguous post trade transparency information, that is created at the source, and which may flow (e.g. STP) along the full market data value chain.

MMT supports fully electronic processing of consistently flagged data points without the need for local reinterpretation/mapping of the same events across different sources. It improves data quality and reduces cost.

- It is protocol agnostic.

Post-trade transparency typically informs about ...

- the **validity of the transaction information** (e.g. a cancellation).
- the **trading venue** the execution took place on.
- the type of **market mechanism** used to perform liquidity pooling.
- the type of interaction between the buyer(s) and seller(s), and if it was of a **bilateral or multilateral** nature.
- the level of **pre-trade transparency** which was available before the execution.
- the level of **timestamping** accuracy is available for determining the exact sequence of executions.
- the **immediacy or deferral of the trade publication**.

Components of post-trade transparency

```
MessageName = Trade Type = TR  
Version = 100  
Subtopic = PostTrade,Auction Topic=768  
Package = 5  
Flags = Delta,Single  
SendTime = 20171026-07:00:38.034374
```

```
Isin = CH0005795668  
Currency = CHF  
Exchange = XSWX
```

security

```
ExecutionTime = 20171026-  
07:00:38.000015
```

```
TradeId = 00031D6UH1P0001T
```

transaction identification code

```
PublishTime = 20171026-07:00:38.000015
```

```
PublicationVenue = XSWX
```

```
Price = 0.920000  
PriceNotation = M  
Size = 614
```

price & size

```
NotionalAmount = 0.000000  
NostroCross = 0  
TradeToBeCleared =  
SpecialPrice = 0
```

```
MMT flags = 10-----PH---  
MarketMechanism = 1 LB  
TradingMode = 0 OA  
TransactionCategory = -  
NegotiationIndicatorOrWaiver = -  
AgencyCrossTradeIndicator = -  
ModificationIndicator = -  
BenchmarkOrReferencePriceIndicator = -  
SpecialDividendIndicator = -  
OffBookAutomatedIndicator = -  
OrdinaryOrOutsidePriceFormation = P P  
AlgorithmicIndicator = H ALGO  
PublicationMode = -  
PostTradeDeferralType = -  
DuplicativeIndicator = -
```

MMT information block

publication & execution time

Source: SIX Swiss Exchange (MDDX)

MMT Components

```
MMT flags = 10-----PH---  
MarketMechanism = 1 LB  
TradingMode = 0 OA  
TransactionCategory = -  
NegotiationIndicatorOrWaiver = -  
AgencyCrossTradeIndicator = -  
ModificationIndicator = -  
BenchmarkOrReferencePriceIndicator = -  
SpecialDividendIndicator = -  
OffBookAutomatedIndicator = -  
OrdinaryOrOutsidePriceFormation = P P  
AlgorithmicIndicator = H ALGO  
PublicationMode = -  
PostTradeDeferralType = -  
DuplicativeIndicator = -
```



* for the defined market mechanism and trading mode

Source: SIX Swiss Exchange (MDDX)

WHO HAS ADOPTED MMT?

Stakeholders that have adopted MMT

AQUIS
EXCHANGE

Bloomberg

Cboe

 **DEUTSCHE BÖRSE**
GROUP

 **EURONEXT**


MARKETS

 **London**
Stock Exchange

 **Nasdaq**

REFINITIV[™]


SIX

BME 
BOLSAS Y MERCADOS ESPAÑOLES
a SIX company

 **Turquoise**

 **UBS**

wiener
boerse


FIX TRADING
COMMUNITY[™]
INDUSTRY-DRIVEN • INDEPENDENT • NEUTRAL

Bloomberg Desktop Terminal

BP PLC Equity | QR | Related Functions Menu | Message

BPL TQ GBp ↑ 489.20 +2.15 T489.20 / 489.45T 896x382

At 8:27 d Vol 262,664 0 489.25T H 491.05T L 487.90T Val 128.611M

BPL TQ Equity EU 1) Actions 97) Settings Page 1 Trade/Quote Recap

Range 05/10/23 08:00:00 - 05/10/23 16:30:00

2) Trade Recap 3) Quote Recap

Show Ticks All Cond Code Definitions

High 491.05 Low 487.90

Time	Size	Price	E	MIC	Cond	Trd Date	Trd Time	BSCC	MMT	ESMA	Trd Ag
	<min size>										
08:05:17	10.72k	↑489.75	TQ	TRQA	LU	5/10/23	08:05:17	OD	PA,UA,P		
08:05:14	229	↑489.60	TQ	TRQX		5/10/23	08:05:14	AE	LB,CT,P		
08:05:04	238	↓489.30	TQ	TRQX		5/10/23	08:05:04	AE	LB,CT,P		
08:04:57	273	489.40	TQ	TRQM	DD	5/10/23	08:04:57	DT	DB,CT,D,P		
08:04:47	258	↑489.40	TQ	TRQX		5/10/23	08:04:47	AE	LB,CT,P		
08:04:46	499	489.35	TQ	TRQX		5/10/23	08:04:46	AE	LE		
08:04:46	274	489.35	TQ	TRQX		5/10/23	08:04:46	AE	LE		
08:04:46	224	↑489.35	TQ	TRQX		5/10/23	08:04:46	AE	LE		
08:04:20	374	488.65	TQ	TRQX		5/10/23	08:04:20	AE	LB,CT,P		
08:04:20	240	↑488.65	TQ	TRQX		5/10/23	08:04:20	AE	LB,CT,P		
08:04:16	174	488.35	TQ	TRQM	DD	5/10/23	08:04:16	DT	DB,CT,D,P		
08:04:16	235	↑488.40	TQ	TRQX		5/10/23	08:04:16	AE	LB,CT,P		
08:04:14	234	488.30	TQ	TRQX		5/10/23	08:04:14	AE	LB,CT,P		
08:04:14	1.82k	488.25	TQ	TRQM	DD	5/10/23	08:04:14	DT	DB,CT,D,P		
08:04:14	387	488.30	TQ	TRQX		5/10/23	08:04:14	AE	LB,CT,P		
08:04:11	229	488.30	TQ	TRQX		5/10/23	08:04:11	AE	LB,CT,P		
08:04:11	93	↑488.30	TQ	TRQX		5/10/23	08:04:11	AE	LB,CT,P		
08:04:10	374	488.15	TQ	TRQX		5/10/23	08:04:10	AE	LB,CT,P		
08:04:10	417	↓488.15	TQ	TRQX		5/10/23	08:04:10	AE	LB,CT,P		

Currency GBp

Condition Code: Dark Order Book (DB)
 Condition Code: Continuous Trading (CT)
 Condition Code: Dark Trade (D)
 Condition Code: Plain-Vanilla Trade (P)

Click to display condition code definitions.
 Right-click for more options.

Source: Bloomberg

Bloomberg's Market Data Feed (B-PIPE)

```
MarketDataEvents = {  
  MKTDATA_EVENT_TYPE      = TRADE  
  MKTDATA_EVENT_SUBTYPE  = NEW  
  EVT_TRADE_PRICE        = 18.318  
  EVT_TRADE_SIZE_RT      = 1046  
  ...  
  EVT_TRD_MMT_LVL_1_TRD_TYP_CD_RT = "DB"  
  EVT_TRD_MMT_LVL_2_TRD_TYP_CD_RT = "CT"  
  EVT_TRD_MMT_LVL_3.1_TRD_T_CD_RT = "D"  
  EVT_TRD_MMT_LVL_3.2_TRD_T_CD_RT = ""  
  EVT_TRD_MMT_LVL_3.3_TRD_T_CD_RT = ""  
  EVT_TRD_MMT_LVL_3.4_TRD_T_CD_RT = ""  
  EVT_TRD_MMT_LVL_3.5_TRD_T_CD_RT = "RFPT"  
  EVT_TRD_MMT_LVL_3.6_TRD_T_CD_RT = ""  
  EVT_TRD_MMT_LVL_3.7_TRD_T_CD_RT = ""  
  EVT_TRD_MMT_LVL_3.8_TRD_T_CD_RT = "P"  
  EVT_TRD_MMT_LVL_3.9_TRD_T_CD_RT = "ALGO"  
  EVT_TRD_MMT_LVL_4.1_TRD_T_CD_RT = ""  
  EVT_TRD_MMT_LVL_4.2_TRD_T_CD_RT = ""  
  EVT_TRD_MMT_LVL_5_TRD_TYP_CD_RT = ""  
}
```

Dark Order Book

Continuous Trading

Dark Trade

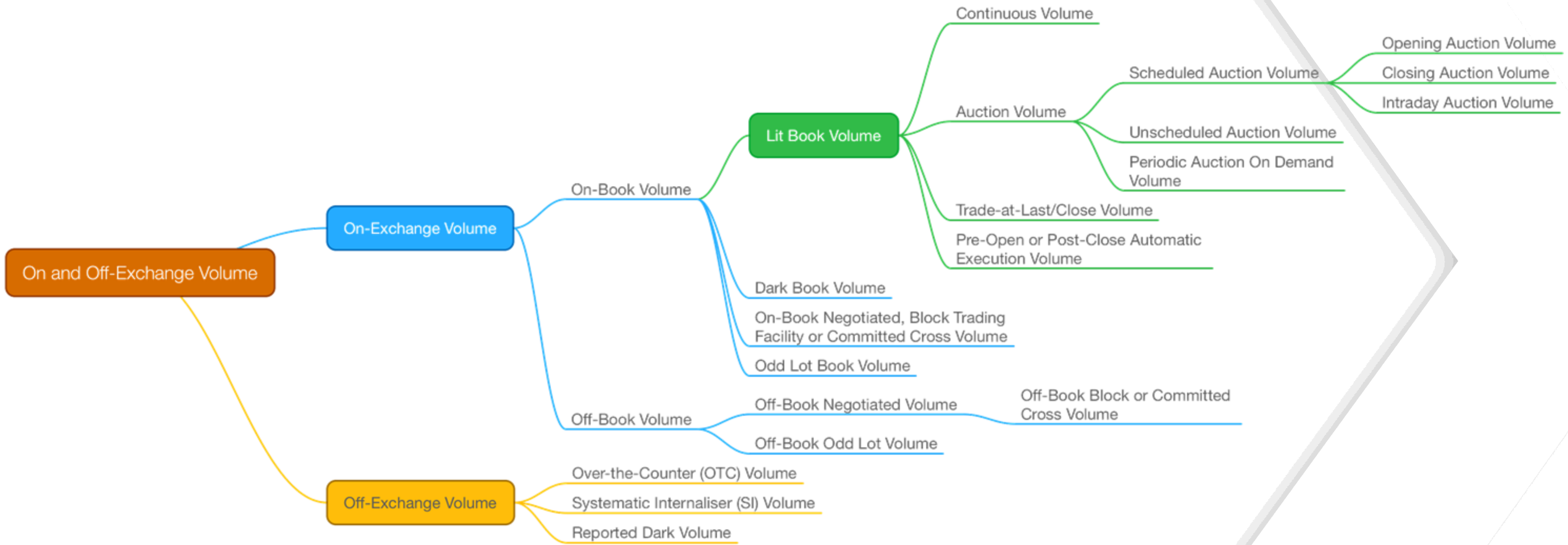
Reference Price Trade

Plain-Vanilla Trade

Algorithmic Trade

Source: Bloomberg

Bloomberg Executed Volume Statistics (BEVS)



Source: Bloomberg

ION Fidessa

Time and Sales [ERIC-B.ST]

Instrument	ReceivedTime	TrdTm	Size	Price	Tt	VWAP	Fla	VWVol	Bid	Ask	MMT Codes
ERIC-B.ST	02 Mar 12:59	12:59:41	507	57.89	AT	57.628		2.7056m	57.89	57.91	LB,CT,P
ERIC-B.ST	02 Mar 12:59	12:59:29	224	57.9	AT	57.628		2.7051m	57.88	57.9	LB,CT,P,ALGO
ERIC-B.ST	02 Mar 12:59	12:59:10	250	57.89	MT				57.88	57.9	DB,CT,D,RFPT,P,ALGO
ERIC-B.ST	02 Mar 12:59	12:59:00	366	57.89	AD				57.89	57.9	PA,UA,P,ALGO
ERIC-B.ST	02 Mar 12:59	12:59:00	1,645	57.89	AT	57.628		2.7048m	57.89	57.9	LB,CT,P,ALGO
ERIC-B.ST	02 Mar 12:59	12:59:00	570	57.89	AT	57.628		2.7032m	57.89	57.9	LB,CT,P
ERIC-B.ST	02 Mar 12:58	12:58:53	44	57.9	AT	57.628		2.7026m	57.9	57.91	LB,CT,P,ALGO
ERIC-B.ST	02 Mar 12:58	12:58:53	488	57.9	AT	57.628		2.7026m	57.9	57.91	LB,CT,P,ALGO
ERIC-B.ST	02 Mar 12:57	12:57:58	519	57.9	AT	57.628		2.7021m	57.9	57.92	LB,CT,P
ERIC-B.ST	02 Mar 12:57	12:57:49	1,651	57.9	AT	57.628		2.7016m	57.89	57.9	LB,CT,P,ALGO
ERIC-B.ST	02 Mar 12:57	12:57:42	172	57.895	MT				57.89	57.9	DB,CT,D,RFPT,P,ALGO
ERIC-B.ST	02 Mar 12:57	12:57:21	337	57.89	AT	57.627		2.6999m	57.89	57.9	LB,CT,P,ALGO
ERIC-B.ST	02 Mar 12:57	12:57:12	32	57.89	AT	57.627		2.6996m	57.88	57.89	LB,CT,P,ALGO
ERIC-B.ST	02 Mar 12:56	12:56:50	472	57.88	AD				57.87	57.89	PA,UA,P,ALGO
ERIC-B.ST	02 Mar 12:56	12:56:32	72	57.89	AT	57.627		2.6995m	57.88	57.9	LB,CT,P,ALGO
ERIC-B.ST	02 Mar 12:55	12:55:41	555	57.86	AT	57.627		2.6995m	57.86	57.87	LB,CT,P,ALGO

Instrument
 Portfolio
 Custom

Instrument: ERIC-B.ST | Filter: Instrument Only

Price: Min: Max:

Volume: Min: Max:

Start: Today | End: Today+1

Source: ION Fidessa

SIX Financial Information – Market Data Feed (MDF)

BOURSE_CODE	ISIN	VALOREN	ISSUER	TPCURR	REPTTPRI	REPTRADE	REPTBATE	TRTIME	REPTTIMEMICROSEC	REPTRADEMMT
SWX	US0231351067	645156	AMAZON.COM RG	CHF	1430	1430	TRA	9:04:21	908154	20-----P----
SWX	FI0009000681	472672	NOKIA RG	CHF	5.562	5.562	TRA	9:02:57	251950	20-----P----
SWX	LU0838782315	20028815	XTR DAX IN U 1D	CHF	126.08	126.08	TRA	9:55:20	248608	22-----PH--
SWX	CH0200252812	20025281	1.125 AUSNET 19	CHF	101.69	101.69	TRA	9:33:29	877116	22-----PH--
SWX	CH0197841551	19784155	4 EDP FINANCE 18	CHF	103.15	103.15	TRA	10:18:58	392087	22-----PH--
SWX	CH0194958986	19495898	1.375 SVENSKA 22	CHF	106.25	106.25	TRA	10:22:02	463622	22-----PH--
SWX	CH0194836364	19483636	SCOR OPEN	CHF	101.35	101.35	TRA	9:36:20	945431	22-----PH--
SWX	CH0194695190	19469519	SWISS LIFE -S FRN	CHF	102.4	102.4	TRA	10:08:56	771250	22-----PH--
SWX	IE00888DZ566	19328353	ISHS S&P 500 CHF-AC	CHF	48.62	48.62	TRA	9:37:24	514382	22-----PH--
SWX	IE00888BVCK12	19328350	ISHS WORLD CHF-ACC	CHF	44.79	44.79	TRA	9:11:13	921785	22-----PH--
SWX	LU0641007421	19204552	XTR2 GI-LBD 4DHD	CHF	107.32	107.32	TRA	10:40:23	55060	22-----PH--
SWX	CH0187695553	18769555	2 LGT BANK 19	CHF	103.39	103.39	TRA	9:52:49	457909	22-----PH--
SWX	IE0083XXRP09	18575508	VAN S&P 500 ETF USD	CHF	49.355	49.355	TRA	9:48:35	365637	22-----PH--
SWX	CH0184305016	18430501	S8IDSPF1-5-CHF ADIS	CHF	26.73	26.73	TRA	10:00:20	298157	22-----PH--
SWX	IE0086TLBW47	18425202	ISHS JPM EM BD USD	CHF	94.36	94.36	TRA	9:39:21	462216	22-----PH--
SWX	CH0183136057	18313605	ZKBPLATETF -AA CHF-	CHF	281.45	281.45	TRA	10:54:39	743508	22-----PH--
SWX	CH0183136024	18313602	ZKBSILVERETF-AAHCHF	CHF	40.445	40.445	TRA	10:40:29	720312	22-----PH--
SWX	IE0087452L46	14969108	SPDR UK ALL GBP-ACC	CHF	63.44	63.44	TRA	10:47:33	575424	22-----PH--
SWX	CH0146698425	14669842	1.25 EIB 19	CHF	102.95	102.95	TRA	10:28:41	158033	22-----PH--
SWX	IE0086R52036	13937387	ISHS GLD PRD USD-AC	CHF	8.486	8.486	TRA	10:48:13	323796	22-----PH--
SWX	CH0139101601	13910160	ZKB GOLDETF-AAH CHF	CHF	368.3	368.3	TRA	10:46:50	77625	22-----PH--
SWX	CH0139101593	13910159	ZKB GOLD ETF-AA CHF	CHF	380.2	380.2	TRA	10:25:30	82817	22-----PH--
SWX	IE0084613386	12931546	SSGA SPDR BL BD USD	CHF	72.43	72.43	TRA	10:47:30	464005	22-----PH--
SWX	NL0009739416	12871311	POSTNL BR	CHF	3.767	3.767	TRA	9:02:57	243776	22-----PH--
SWX	CH0122526608	12252660	2.625 ENAG 23	CHF	104	104	TRA	9:44:35	385007	22-----PH--
SWX	CH0120743346	12074334	2 HSBC SFH 19	CHF	102.91	102.91	TRA	9:30:52	92445	22-----PH--
SWX	CH0118923918	11892391	UBSETF S8ID715CHFAD	CHF	146.94	146.94	TRA	9:45:22	474127	22-----PH--
SWX	CH0118923876	11892387	UBSETF S8ID13CHF AD	CHF	82.9	82.9	TRA	9:58:55	656608	22-----PH--
SWX	DK0060252690	11784376	PANDORA RG	CHF	95.66	95.66	TRA	9:04:28	274810	22-----PH--
SWX	CH0116015352	11601535	CMCIOILSFCHADIS	CHF	27.285	27.285	TRA	10:10:51	951472	22-----PH--
SWX	CH0116014934	11601493	UBSETFPLTN-USD ADIS	CHF	89.23	89.23	TRA	9:45:37	142768	22-----PH--
SWX	FR0010869438	11202645	LY SMI D2I ETF A	CHF	9.428	9.428	TRA	10:29:51	218117	22-----PH--
SWX	FR0010871145	11145933	AM SWITZ UC ETF CHF	CHF	288.85	288.85	TRA	9:12:56	22781	22-----PH--
SWX	LU0488317701	11058258	COMS NY A GOLD ID	CHF	16.25	16.25	TRA	9:56:22	323735	22-----PH--
SWX	LU0480132876	10920548	UBSETF MSCIEM USDAD	CHF	110.6	110.6	TRA	9:31:25	308734	22-----PH--
SWX	LU0411075376	10804968	XTR LEVDAX DS 1CC	CHF	133.2	133.2	TRA	9:36:36	608267	22-----PH--
SWX	IE0084L5ZG21	10608422	ISH EUR CO EX-F EUR	CHF	134.08	134.08	TRA	9:28:15	554881	22-----PH--
SWX	CH0106027128	10602712	UBSETF GLD HCHF A D	CHF	116.56	116.56	TRA	9:54:10	909437	22-----PH--
SWX	CH0104136285	10413628	ISHSGOCHFHFETFCH -A-	CHF	113.5	113.5	TRA	10:54:38	169723	22-----PH--
SWX	LU0392496690	4878674	COMS ATX ID	CHF	47.01	47.01	TRA	10:20:09	651976	22-----PH--
SWX	CH0048265513	4826551	TRANSOCEAN RG	CHF	9.05	9.05	TRA	9:34:39	782141	22-----PH--

Source: SIX Financial Information (visualisation of the Market Data Feed)

LSEG Refinitiv – Desktop

LSEG.L LONDON STOCK EXCHANGE GROUP PLC
United Kingdom | London Stock Exchange | Financial & Commodity Market Operators & Service Providers

Overview | News & Research | **Price & Charts** | Estimates | Financials | ESG | Event | Ownership | Debt & Credit | Peers & Valuation | Derivatives | Filings

INSTRUMENTS 1/5
LSEG.L
Add Instrument

TIME RANGE
Display: Time and Sales
Day/Time Filters: Trading Day
of Days: 1 | Days Back: 5
Time Zone Selection: Exchange Time (LON)

FILTERS
Last Trade: [] - []
Volume: [] - []
Conditions to exclude: []
MMT Trade Conditions to exclude: []

Timestamp	Venue	Last Trade	Volume	MMT Trade Conditions
14-Mar-2022 14:01:29.073	XLON	7,652.0000	13	LB, CT, P, ALGO
14-Mar-2022 14:01:29.073	XLON	7,652.0000	63	LB, CT, P, ALGO
14-Mar-2022 14:01:29.072	XLON	7,652.0000	21	LB, CT, P, ALGO
14-Mar-2022 14:01:29.072	XLON	7,650.0000	24	LB, CT, D, P, ALGO
14-Mar-2022 14:01:29.072	XLON	7,650.0000	20	LB, CT, P, ALGO
14-Mar-2022 14:01:29.072	XLON	7,650.0000	60	LB, CT, P, ALGO
14-Mar-2022 14:01:29.071	XLON	7,650.0000	26	LB, CT, D, P, ALGO
14-Mar-2022 14:01:29.071	XLON	7,650.0000	34	LB, CT, P, ALGO
14-Mar-2022 14:01:29.071	XLON	7,650.0000	37	LB, CT, P, ALGO
14-Mar-2022 14:01:29.071	XLON	7,650.0000	9	LB, CT, P, ALGO
14-Mar-2022 14:01:29.071	XLON	7,650.0000	34	LB, CT, D, P, ALGO
14-Mar-2022 14:01:29.070			46	LB, CT, P, ALGO
14-Mar-2022 14:01:29.070			34	LB, CT, P, ALGO
14-Mar-2022 14:01:05.837			47	LB, CT, P, ALGO
14-Mar-2022 14:01:05.837			11	LB, CT, P, ALGO
14-Mar-2022 14:01:05.836			8	LB, CT, D, P, ALGO
14-Mar-2022 14:01:05.836			80	LB, CT, P, ALGO
14-Mar-2022 14:01:04.876			14	LB, CT, D, P, ALGO
14-Mar-2022 14:01:04.876			80	LB, CT, P, ALGO
14-Mar-2022 14:00:58.011			1	LB, CT, P, ALGO
14-Mar-2022 14:00:55.034			4	LB, CT, P, ALGO
14-Mar-2022 14:00:50.261			21	LB, CT, P, ALGO
14-Mar-2022 14:00:32.867			21	LB, CT, P, ALGO
14-Mar-2022 14:00:25.567			10	LB, CT, P, ALGO
14-Mar-2022 14:00:24.980	XLON	7,654.0000	21	LB, CT, P, ALGO

MMT Display Code in the time and sales (TAS) app, on Refinitiv Workspace Desktop. You can also view the MMT Efficient Code string within the desktop via the quote app.

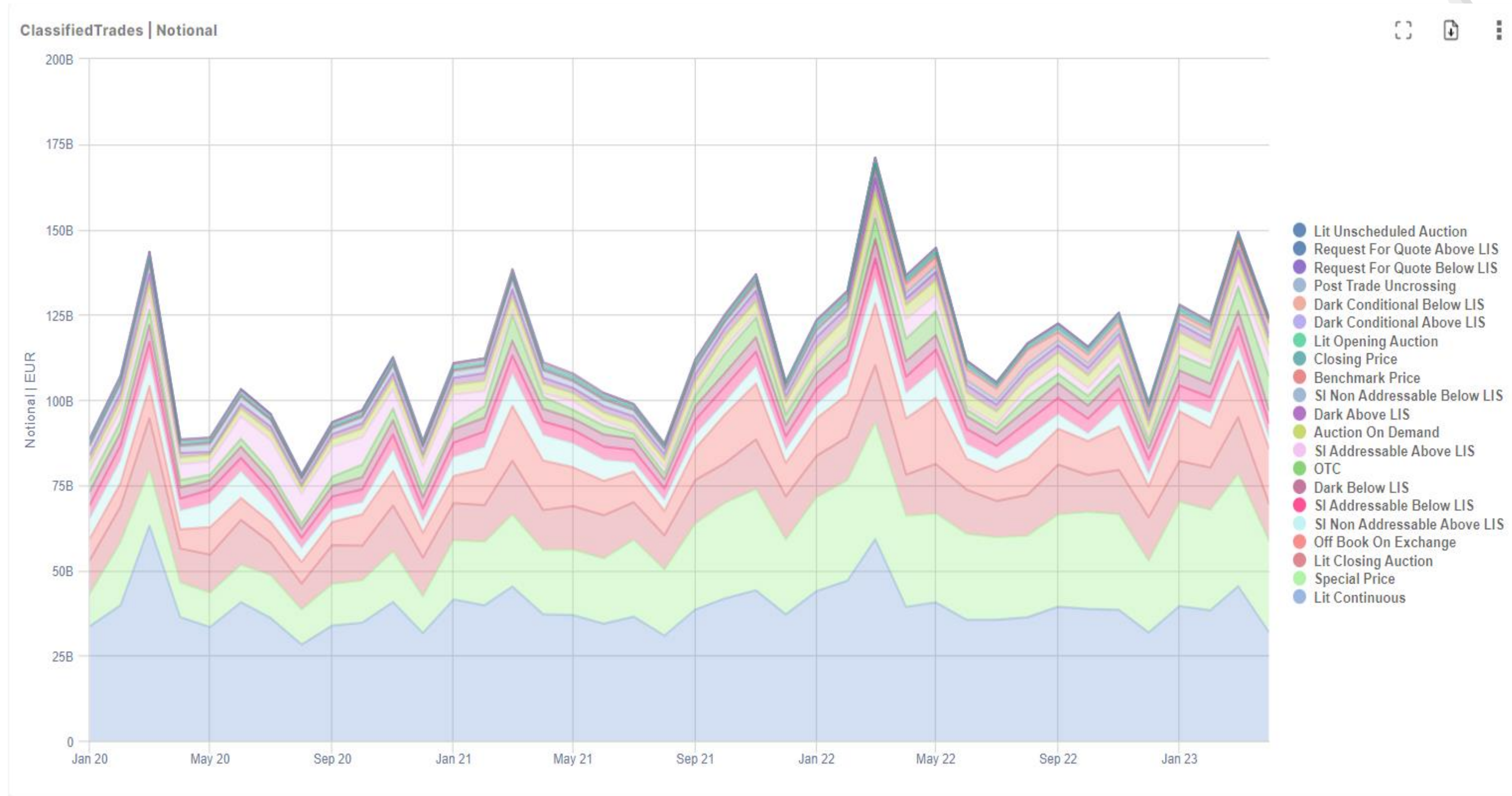
LSEG Refinitiv – Realtime Feed

LSEG.L	Market Price	2022-03-14T14:00:08.058601045Z	0 Raw	UPDATE	TRADE		
			FID	178		TRDVOL_1	105
			FID	13432		TR_TRD_FLG	1 OB
			FID	3859		SEQ_NO	361251
			FID	3885		ORDBK_TRD	7658
			FID	8582		MMT_CLASS	12-----PH---
			FID	6581		TRVOL_ONBK	105
			FID	3900		TRADE_ID	5.03534E+14
			FID	4465		TRD_IND_1	A
			FID	8519		TRD_P_XID	XLON
			FID	11		NETCHNG_1	218
			FID	32694		LTNOV_UN	804090
			FID	14		PRCTCK_1	2 #FE#
			FID	14266		SALTIM_NS	14:00:08.011
			FID	14312		SRC_ES_NS	14:00:08.011
			FID	6		TRDPRC_1	7658
			FID	12840		ELIGBL_TRD	1 Y
			FID	4756		LSTSALCOND	0
			FID	56		PCTCHNG	2.93
			FID	1021		SEQNUM	361251

Efficient MMT string in Refinitiv Realtime feed using MMT_CLASS field (available in desktop too).

Refinitiv uses “?” in a position of the string where the value is not known from the venue.

Using MMT for analytics: European classified trades



WHAT HAS CHANGED WITH THE LATEST RTS 1 / RTS 2 REVIEW?

Trade Flagging modifications driven by regulation



Amended EU RTS 1 and RTS 2 provisions for MMT v4.0

- New Market Mechanism “Hybrid System” (RTS 1 and RTS 2)
- ‘CONT’ flag to be added (RTS 1)
- ‘PORT’ flag to be added (RTS 1 and RTS 2)
- Combinations of ‘PRIC’, ‘CONT’, ‘PORT’ permitted
- Combination with ‘NPFT’ is excluded
- Amended “NPFT” definition (RTS 1 and RTS 2)
- ‘TNCP” flag to be deprecated (RTS 1)

→ **Application date: Jan. 1st 2024**

See ESMA70-156-4944

Amended FIX Recommended practices

- 'NTLS', OTC Trade Larger than LIS brought onto a venue
- 'IGRP' new flag for Intra-Group transactions executed for administrative or position management purposes
- 'GIVE' new flag for RFMD give-ups transactions
- 'XBDT' new flag for trades reported more than once due to overlapping regulatory reporting rules in different jurisdictions

New separate Market Mechanism “Hybrid System”

5	Hybrid system	A system falling into two or more of the types of trading systems referred to in rows 1 to 4 of this table.	<p>For hybrid systems that combine different trading systems at the same time, the requirements correspond to the pre-trade trade transparency requirements applicable to each type of trading system that forms the hybrid system.</p> <p>For hybrid systems that combine two or more trading systems subsequently, the requirements correspond to the pre-trade transparency requirements applicable to the respective trading system operated at a particular point in time</p>
6	Any other trading system	Any other type of trading system not covered by rows 1 to 5.	Adequate information as to the level of orders or quotes and of trading interest in respect of shares, depositary receipts, ETFs, certificates and other similar financial instruments traded on the trading system; in particular, the five best bid and offer price levels and/or two-way quotes of each market maker in that instrument, if the characteristics of the price discovery mechanism so permit.

RTS 1 & RTS 2 (versus a display-only)

Level	Full Name	Options		MiFID II Equivalencies or Util		
		ESMA Stipula	Display Code	Trade Flag	RTS 1 (equity)	(not equ)
1	MARKET MECHANISM					
	Central Limit Order Book	"1"	"LB"	n/a	*	*
	Quote Driven Market	"2"	"QB"	n/a	*	*
	Dark Order Book	"3"	"DB"	n/a	*	*
	Off Book (including Voice or Messaging Trading)	"4"	"OB"	n/a	*	*
	Periodic Auction	"5"	"PA"	n/a	*	*
	Request for Quotes	"6"	"RQ"	n/a	*	*
	Any Other, Including Hybrid	"7"	"AH"	n/a	*	*

New flags: Portfolio (PORT) and Contingent Transaction (CONT)

Table 2 SUMMARY OF ESMA'S PROPOSALS REGARDING THE VARIOUS LISTS OF NON-PRICE FORMING TRANSACTIONS

Short name	Types of transactions	Art 2 of RTS 1 (STO)	Art 6 of RTS 1 (NT3)	Art 13 of RTS 1 / Art 12 of RTS 2
Benchmark transactions	the transaction is executed by reference to a price that is calculated over multiple time instances according to a given benchmark, including transactions executed by reference to a volume-weighted average price or a time-weighted average price:	Exempted from STO (no change proposed)	Eligible for NT3 transactions (no change proposed)	Not exempted from OTC post-trade transparency (no change proposed)
Portfolio trade	the transaction is part of a portfolio trade	Exempted from STO (no change proposed)	Eligible for NT3 transactions (no change proposed)	Not exempted from OTC post-trade transparency (no change proposed)
Contingent trade (1)	the transaction is contingent on the purchase, sale, creation or redemption of a derivative contract or other financial instrument where all the components of the trade are to be executed only as a single lot	Exempted from STO (no change proposed)	Eligible for NT3 transactions (no change proposed)	Not exempted from OTC post-trade transparency (no change proposed)

Removal of Flag: Trade Not Contributing to Price Discovery (TNCP)

CONTEXT	ESMA/MMT FLAG	BACKGROUND
Price Discovery Process	<p>Remove existing flag [TCNP]</p> <p>MMT Level 3.8 Will be deprecated, but will remain in the model for backward compatibility purposes</p>	Overlap and confusion with the existing flag NPFT (Non-Price Forming Trade)

Main features of FIX MMT v4.0 data model

- Enlargement of data model beyond v3.04 data structure
- Decoupling of display and efficient encoding data structures
- Efficient Encoding data structure keeps the existing 14 positions of the MMT string

New Matrix for v4.0 Efficient encoding

(see excel file, [Tab «Efficient encoding» on FIX website](#))

- The efficient encoding for MMT v4.0 is backwards compatible with the efficient encoding for the preceeding version, MMT v3.04.

Position	Value	Applicable to MMT v3.04	Applicable to MMT v4.0	total number of display codes	Level 1	Level 2	Level 3.1	Level 3.2	Level 3.3	Level 3.4	Level 3.5	Level 3.6	Level 3.7	Level 3.8	Level 3.9	Level 3.10	Level 3.11	Level 3.12	Level 3.13	Level 4.1	Level 4.2	Level 4.3	Level 4.4	Level 5.1	Level 5.2	Level 5.3	
4	7	Y	Y	1				NTLS																			
5	X	Y	Y	1				ACTX																			
5	-	Y	Y	0																							
6	C	Y	Y	1					CANC																		
6	A	Y	Y	1					AMND																		
6	-	Y	Y	0																							
7	B	Y	Y	1						BENC																	
7	S	Y	Y	1						RFPT																	
7	-	Y	Y	0																							
7	P	N	Y	1													PORT										
7	C	N	Y	1														CONT									
7	Y	N	Y	2						BENC							PORT										
7	M	N	Y	2						BENC									CONT								
7	N	N	Y	2													PORT		CONT								
7	O	N	Y	3						BENC							PORT		CONT								

Trade Flagging modifications driven by regulation [FCA PS23/4](#)



Policy Statement
PS23/4

Improving Equity Secondary Markets

Amended FCA provisions for MMT v4.1

1) Deletion of SI related flags → see PS 23/4 § 3.48

- 'RPRI' flag to be deprecated [L 3.1]
- 'ILQD' flag to be deprecated [L 3.2]
- 'SIZE' flag to be deprecated [L 3.10]

2) Deletion of misc. flags → see PS 23/4 § 3.57

- 'ACTX', agency cross flag, to be deprecated [L 3.3]
- 'DUPL', duplicate trade flag, to be deprecated [L 5.1]

3) Deletion of flags related to pre-trade transparency waiver → see PS 23/4 § 3.68

- 'NLIQ', negotiated trade in liquid instrument flag, to be deprecated [L 3.2]
- 'OILQ', negotiated trade in illiquid instrument flag, to be deprecated [L 3.2]
- 'PRIC', negotiated trade subject to other conditions, to be deprecated [L 3.2]

Amended FCA provisions for MMT v4.1

4) New flags for simplified pre trade transparency waiver representation

→ see PS 23/4 § 3.45 + 3.68 + § 3.73

- 'CLSE', Benchmark transactions executed at the market closing price to be added [L 3.5]
 - There is mutual exclusivity between the new 'CLSE' and the existing 'BENC' flag
- 'NETW', the negotiated trade waiver flag, to be added [L3.2]
- 'NTLS', flag for large in scale trade that are bilaterally negotiated off-book, to be added [L 3.2]
- 'TNCP', Transaction not contributing to price discovery, to be re-activated [L 3.8] (was deprecated du to EU regulation in v4.0)

→ Application Date on April 29 2024

Main features of FIX MMT v4.1 data model

- Stick to existing Display Encoding Structure used for v4.0
- Efficient Encoding data structure keeps the existing 14 positions of the MMT string

WHAT YOU SHOULD REMEMBER ABOUT FIX MMT

What you should remember about FIX MMT

- FIX MMT delivers an operational solution for fulfilling trade flagging regulatory requirements raised by ESMA. Have a look!
- FIX MMT is suitable for all asset classes subject to MiFID/MiFIR.
- FIX MMT is an off-the-shelf industry solution and can be freely used without any licensing constraint.
- FIX MMT is protocol agnostic. It is supported in the FIX Protocol.
- FIX MMT has been adapted to the latest trade flagging requirements from ESMA and FCA.
- FIX MMT is a collaborative initiative; additional expertise is always welcome.
- Please submit your questions/comments to:

fix@fixtrading.org

Q&A

