

Optiq

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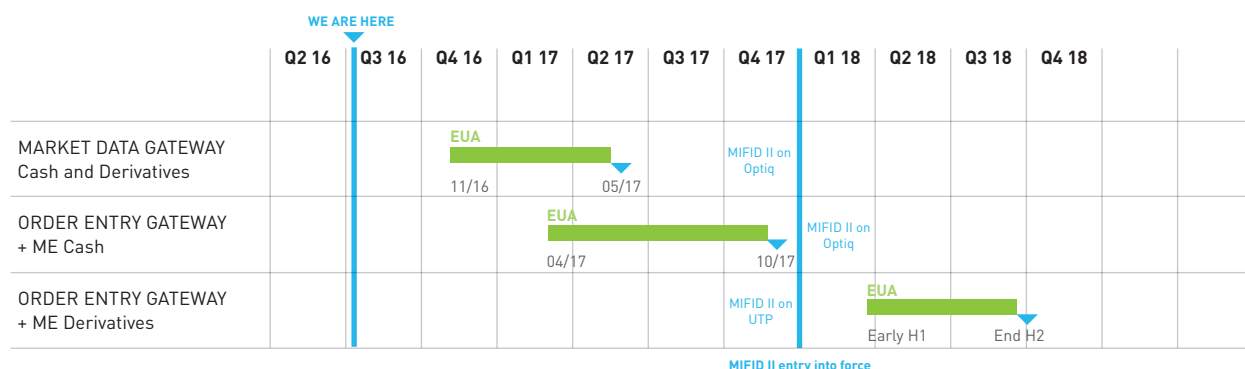
Editorial note

Euronext announced the launch of its new generation technology programme in May 2016, which will deliver improved customer experience through the migration from its current technology platform Euronext UTP to its new leading edge platform: **Optiq®**. The new platform will deliver a simplified harmonised messaging model with maximum flexibility, within a single trading platform for cash and derivatives, providing clients with high performance and stability. The migration will be managed in phases, beginning in 2017 with the migration of our market data infrastructure. This will be followed by the migration of the Cash Markets to the new order entry and matching engine modules, and finally the migration of the Derivatives Markets order entry and matching engine in 2018. The move to Optiq will allow Euronext to deliver an enhanced multi-market trading platform, leveraging the latest technology to ensure high reliability and to significantly enhance throughput and predictable latency. The simplified and flexible system will allow shorter time-to-market to deliver new initiatives and implement customers' requests, while creating an opportunity for customers to reduce their administrative costs. The new platform will be compliant with MiFID II regulation.

This monthly newsletter will be sent to provide key updates and information on the progress of the programme, communicate important programme announcements, showcase new functionalities delivered by the new platform, and provide updates on the migration timeline and key milestone status. This month, the **New Features Spotlight** will focus on Euronext's implementation of the Simple Binary Encoding (SBE) protocol, and will explain how this new functionality will allow for simplicity, flexibility and faster message processing in Optiq. An update of recent announcements will be provided, such as the opening of the dedicated **Optiq Support Desk**, the launch of the **Optiq website**, and the publication of the **Optiq Market Data Gateway (MDG) technical specifications**. Keep reading for details on these important announcements, as well as an updated timeline and an overview of current and future program milestones.

Timeline and milestone status

Migration approach: The market data infrastructure will be migrated first, followed by the migration of cash to the new order entry and matching engine modules, which include all mandatory MiFID II requirements. The first two phases of the migration are planned for 2017 followed by the derivatives order entry and matching engine migration in 2018.



Milestones: (recent past + next 30 days)

11 May 2016	Info Flash: Optiq programme launch
27 June 2016	Optiq Support Desk operational
12 July 2016	Optiq website launch
13 July 2016	Optiq Market Data Gateway technical documentation published
mid-August 2016	SBE file templates made available
September 2016	Market Data Gateway technical configuration (IP addresses) made available

What's next

To remain up-to-date with the migration, customers should:

1. Review all documentation now available
2. Liaise with the Optiq Client Readiness team for any questions
3. Continue the resource allocation and impact analysis process



New features spotlight

One of the major innovations that will be delivered by Optiq is the use of the **Simple Binary Encoding** (SBE) protocol. Leveraging the benefits of SBE, Optiq will provide maximum flexibility and harmonization to both market data and order entry across all Euronext Cash and Derivatives. This will replace the current Euronext UTP Binary protocol, and will offer the possibility of backward and forward compatibility. Thanks to this significant message protocol change, clients will no longer be required to implement the latest message structure version¹, thereby providing clients with a more flexible implementation approach for new releases and functionalities.

What is SBE, and how does it work? SBE originated from the “High Performance Work Group” within the FIX Protocol Limited (FPL) organisation, with the goal of producing a binary encoding solution for low-latency financial trading. Designed with a focus on low-bandwidth utilization, SBE uses fast and compact message encoding, which provides high-performance messaging solutions for market data and order entry. By using the SBE protocol, Optiq will deliver messages in a much more efficient format and will significantly decrease latency. The content of an SBE message type is specified by a schema indicating which fields belong to a message and their location within a message, thereby allowing for seamless processing by trading systems. Indeed, one of the most significant functionalities that will be introduced with the use of SBE will be message templates, allowing customers to quickly and easily interpret messages.

Some of the advantages of SBE are:

- **Faster message processing**, due to its latency-sensitive, optimized and efficient design
- **Simplicity**, as it is open source and quickly becoming an industry standard
- **Flexibility**, since the addition of most new fields to messages becomes transparent for members unless they choose to implement them¹

The use of SBE in Optiq will mean faster and more efficient messaging across Euronext’s systems, and will allow customers to process and act on data with significantly improved efficiency. Read more about the Euronext implementation of Simple Binary Encoding in the documentation: <https://www.euronext.com/en/optiq/documentation>

¹ except for specific mandatory or regulatory required changes

News

We are pleased to announce the first major milestone in the Optiq programme: the publication of the Market Data Gateway (MDG) technical documentation and specifications. These specifications will allow clients to evaluate the new market data functionalities, assess impact and begin review with development teams.

The Optiq website is also now available at **www.euronext.com/optiq**, and will be the one-stop-shop for Optiq-related information, documentation, communications, and contact details.

Customer focus

The migration onto the new Optiq platform has been designed with customers in mind. Technical relationship managers from the Euronext Client Readiness team will be available to meet with clients to review the technical specifications, facilitate impact assessment, hold development workshops, and provide regular updates on the migration timeline and status.

CONTACT DETAILS

For additional information, please reach out to your Optiq Programme client readiness team

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