

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®**.

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.

Euronext has revised the migration strategy and timelines for the Euronext Optiq and MiFID II programmes. MiFID II requirements will be deployed first on the Universal Trading Platform (UTP) in 2017, for both Euronext Cash and Derivatives markets. As a result, the delivery of Euronext's MiFID II requirements for Cash will no longer be dependent on the release of the new Optiq trading platform. The Optiq migration programme will subsequently be delivered in 2018. Benefits of this revised migration strategy include reducing system complexity in relation to MiFID II enhancements and managing the risk around the number of changes to be made by customers in Q4 2017.

Phase 2 of the Optiq programme which includes the Order Entry Gateway (OEG) and Matching Engine (ME) upgrades for Cash markets will begin in August 2017 with the opening of the test platform, and will be delivered in production on **12 March 2018**.

This month's New Features Spotlight will focus on trading group functionalities in the Optiq environment, with regards to both market data and order entry.

Keep reading for details on these important announcements, as well as an overview of current and future program milestones.



Timeline and milestone status



What's next

To be ready for the migration into Production, customers are required to:

1. Finalize XDP Cash decommissioning and continue preparations for the Optiq MDG Derivatives production implementation
2. Liaise with the Client Readiness team for the Phase 2 order entry and connectivity consultations
3. Contact the Optiq support desk with any questions



Milestones: (recent past + next 30 days)

May 2017:	Phase 1: MDG Cash & Derivatives conformance testing period complete
	New SLE fee scheme published
	Updated EFS guidelines published
	Technical note publication (High Availability)
June 2017:	Phase 1: MDG Cash dress rehearsal testing complete
	EFS production available
	Phase 2: Updated FIX 5.0 specifications published
	Phase 2: SLE sessions fees consultation on-going
July 2017:	Phase 1: MDG Derivatives final dress rehearsal
	Phase 1: Go-Live MDG Cash
	Phase 1: MDG Derivatives pre-production launch
	Phase 2: New migration dates published
	Phase 2: TCS FIX 5.0 specifications published
August 2017:	Phase 1: Go-Live MDG Derivatives
	Updated specifications for MDG for Phase 2
	Phase 2: OEG Cash connectivity details available
	Phase 2: OEG Cash Migration Guidelines published
	Phase 2: OEG Cash connectivity testing available
	Phase 1: XDP Cash and Derivatives decommissioning

Migration Strategy

We are pleased to provide an update of important elements of the Optiq migration strategy, including a revised timeline.

Overview

The Cash MDG pre-production period began on Monday 19 June 2017 as scheduled and without incident. Significant performance and latency improvements have been observed, as well as overall improved feed stability. This represents a major accomplishment in the Optiq migration programme. The market data upgrade for derivatives began with the opening of pre-production on 24 July with go live planned in August 2017. Phase 2 of the programme which includes the Order Entry Gateway (OEG) and Matching Engine (ME) upgrades for Cash markets will begin in August 2017 with the opening of the test platform, and will be delivered in production on 12 March 2018. Additional details will be provided via Info-Flash in due course.

The following table summarizes the aforementioned Phase 1 milestones:

	OPTIQ MIGRATION		
	Specifications: 1st release	EUA platform	Production platform
MDG Cash & Derivatives	13 July 2016	29 November 2016	10 July & August 2017
OEG & ME Cash	31 October 2016	August 2017	12 March 2018

The go-live date for MDG Derivatives will be confirmed in due course. As a reminder, the following table summarizes the Phase 1 (**Market Data Gateway for Cash and Derivatives markets**) migration milestones:

MILESTONE	DATE
Start of conformance testing	mid-April 2017
End of conformance testing	15 May 2017
1st dress rehearsal	03 June 2017
2nd dress rehearsal	10 June 2017
3rd dress rehearsal	17 June 2017
MDG Cash: start of pre-production period	19 June 2017
Go-live of MDG Cash (start of parallel run)	10 July 2017
4th dress rehearsal	21 July 2017
MDG Derivatives: start of pre-production period	24 July 2017
Go-live of MDG Derivatives (start of parallel run)	August 2017
XDP Cash decommissioning: high capacity channels only	04 August 2017
XDP Cash and Derivatives decommissioning	25 August 2017

Important note: it is mandatory that clients maintain connectivity to the XDP market data feed until Optiq MDG becomes the primary Euronext market data feed. Clients with 100Mbps and 1Gbps connections should be mindful that due to line capacity, they could be exposed to packet loss if subscribing simultaneously to both XDP and MDG Cash and Derivatives feeds.

New features spotlight

July 2017: Trading Groups in Optiq

As highlighted in the [February 2017 Optiq Newsletter](#), the concepts of market segments and partitions will be introduced with the implementation of the Optiq Market Data Gateway (MDG), Order Entry Gateway (OEG) and Matching Engine (ME). This will allow for high reliability, significantly increased throughput and latency performance, improved flexibility in delivery of new functionalities, shorter time to market as well as improved resiliency within Optiq.

While Trading Groups or “Classes” as defined in the current Universal Trading Platform (UTP) will no longer be used in some cases, the concept of **Trading Groups will persist**, even after the implementation of Optiq MDG, OEG and ME on **Euronext Cash Markets**.

The Trading Group characteristics will continue to be available in the [Trading Manual Appendix](#), which provides key details such as trading patterns and order thresholds. The process for communicating changes to the Trading Groups and their characteristics (Trading Announcement of the Trading Manual Appendix) remains unchanged. Unless communicated via the Trading Announcements, the identifiers and main characteristics of the existing Trading Groups are also not expected to change.

To ease comparison to the UTP system, the following overview references **XDP, CCG Binary** and FIX 4.2, which in Optiq are replaced by MDG, **OEG SBE** and **FIX 5.0** respectively

Market Data: what is changing?

Protocol: XDP Messages - Class State Change, Mail, TCS State Change, and Session timetable

The Trading Group identifiers will no longer be sent via the Optiq equivalents of the aforementioned messages. These messages will be sent on an **instrument-level** basis in the Optiq Market Data Gateway (MDG).

Market Data: what is staying the same?

Protocol: XDP Messages – Instrument Characteristic (553)

The Trading Group identifiers will continue to be sent via the Optiq equivalent of the Instrument Characteristic messages (Standing Data, 1007).

Order entry: what is changing?

Protocol: FIX 4.2 only - Trading Session Status

In the current FIX 4.2 protocol on Euronext Cash, the Trading Session Status (h) message is sent by the Trading Engine to all market participants whenever the status of an instrument class changes. This message will no longer be sent to clients via their private order entry sessions once Optiq is implemented for OEG and ME. With the implementation of Optiq, the FIX Interface for Cash markets will be upgraded from version 4.2 to version 5.0.

Protocol: FIX 4.2 and CCG Binary - Class Event

This message is used in the context of a UTP failover. For each class hosted by the defective server, a Class Event message is sent with event type ‘F’ (Failover) and the timestamp of the last modified order within the memory of the defective TU. This message will **no longer be sent** to clients via their private order entry sessions once Optiq is implemented for OEG and ME.

Protocol: FIX 4.2 and CCG Binary – Bulk quotes (Warrants only)

In both protocols, the scope of instruments that can be included within a single bulk quote is no longer limited to the population of a single Trading Group. A single bulk quote can only contain the instruments hosted on a single partition, and customers should be mindful of this fact if more than one partition is ever used for the Warrants segment (Day 1 Target is a single partition).

Order entry: what is staying the same?

Protocol: FIX 4.2 and CCG Binary – Mass Cancel functionality

In both protocols, the mass cancel functionality allows for the bulk cancellation of orders based on Trading Group (among other criteria). **This functionality will persist in Optiq in both SBE and FIX 5.0.**

More details can be found in the Optiq MDG and OEG [documentation](#).

NEWS

1. The transition to MDG for Cash markets is now complete, and MDG Derivatives is currently underway.
2. New migration dates for Optiq Phase 2 are now [available](#).
3. New fee scheme for Phase 2 Order Entry Gateway (Cash) has been published, which outlines the new Order Entry Session (OES) fees which will be implemented when Cash markets migrate to Optiq.

Previous editions

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MAY 2017



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