



Optiq



UPDATE | 15 | DECEMBER 2017

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.

Phase 1 of the Optiq Migration was successfully implemented in the production environment on 10 July 2017 and 28 August 2017 for the Cash and Derivatives markets respectively, and the legacy XDP Market Data feed has been completely decommissioned.

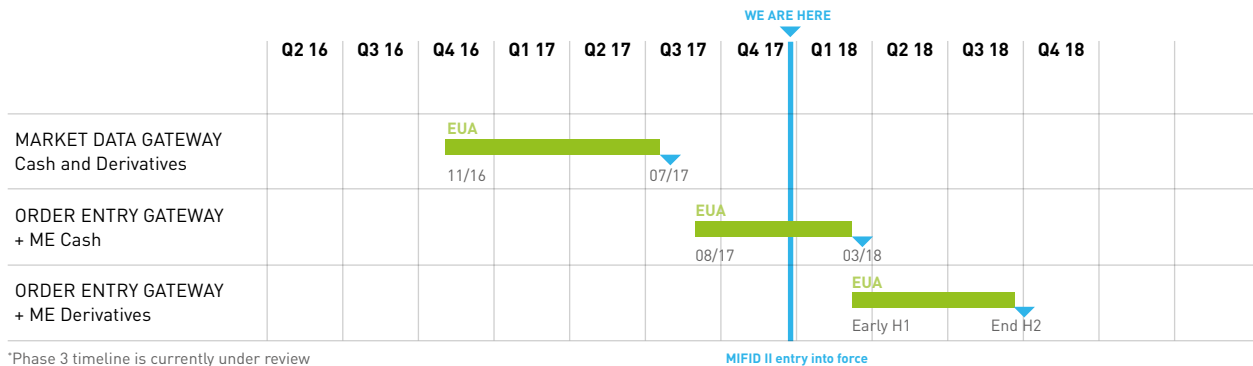
Phase 2 of the Optiq programme which includes the Order Entry Gateway (OEG) and Matching Engine (ME) upgrades for Cash markets began in August 2017 with the opening of the test platform, and will be delivered in production starting **12 March 2018**.

As 2017 draws to a close, we have made significant progress with the Optiq Migration Programme, which wouldn't have been possible without the active engagement and hard work from our members and technology partners. This year has been challenging, deadlines have been tight, test schedules have been demanding, and resources were stretched. We made it though, and already have our sights set on making 2018 as productive as the past twelve months have been, and are counting on your continued support for the challenges that await us next year.

This month's New Features Spotlight will focus on the improved Self Trade Prevention (STP) Mechanism to be delivered with Optiq OEG and ME for Cash markets, which allows member firms acting as Liquidity Providers to avoid trading with themselves. The enhanced STP mechanism brings additional flexibility: members can now choose to cancel either the **resting** or the **incoming** order, whereas under the current trading system, only the resting order cancellation was possible when STP was triggered.

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. Continue Phase 2 testing (connectivity and functional) for Cash Order Entry Gateway and Matching Engine on V-EUA, including the second major software release which is now available for testing.
2. Read Phase 2 [Migration Guidelines](#) which will be updated in January with more details regarding the migration strategy.
3. Conclude Optiq OEG session consultations to request access to the Production environment with your [client readiness representative](#)
4. [Order Optiq Cash OEG Sessions](#) for Production by 15 December 2017. Please contact your [client readiness representative](#) if you have not met this deadline.



Milestones: (recent past + next 30 days)

November 2017:	Phase 1: XDP Derivatives decommissioning
	Phase 2: OEG Production Order Entry Session order forms available
	Phase 2: Technical note 'Timestamps'
December 2017	Phase 2: Second software release in V-EUA
	Phase 2: New OEG documentation available for the FIX 5.0 protocol
	Phase 2: Preview version of conformance test scripts available
	Phase 2: Deadline to order Optiq Cash OE sessions for Production (15 December 2017)
January 2018	Phase 2: Third software release to be delivered in V-EUA
	Phase 2: Drop copy and End of Day (EOD) documentation to be published
	Phase 2: OEG Cash Migration Guidelines updated
	Phase 2: Technical note 'Throttling'
	Phase 2: Optiq Cash OE session consultation & provisioning

Migration Strategy

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

Overview

Phase 1 of the Optiq Migration was successfully implemented in the production environment on 10 July 2017 and 28 August 2017 for the Cash and Derivatives markets respectively, and the legacy XDP Market Data feed has been completely decommissioned.

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

Phase 2: Order Entry Gateway (Cash)

The second major software release of Optiq Phase 2 is now available in the V-EUA environment, and contains new functionalities that will continue to facilitate customer testing in view of the Optiq Migration. For more details on the newly available functionalities an updated release note is now available [here](#).

Please be advised that all conformance validation and testing will take place in the V-EUA environment. Customers are encouraged to carefully review all [documentation](#) and verify that all relevant access details have been received and configured. All clients should have received V-EUA session logins, and if not, should contact cas@euronext.com.

Additional software releases will also be made available in the coming weeks, increasing the number of Optiq Segments, instruments, as well as functional and technical features and services. These changes will be made available in a two-week release cycle, and will be confirmed via Optiq Notice emails. Conformance tests will start after the second release. The different releases have been organized as follows:

RELEASE 3	RELEASE 4	RELEASE 5	RELEASE 6
Trading Chain Services <ul style="list-style-type: none">Client order ID management (Prefix definition for service bureau)Member recovery Messages through OEG dedicated Ownership Request and Order Status Request messages and associated mechanismsInternal Matching Services Market Data Services <ul style="list-style-type: none">Enrichment of Market Data MiFID II new fieldsFull Trade Info FileIndices ReferentialPrevDayCap&Vol file	Trading Chain Services <ul style="list-style-type: none">Cancel on disconnect (multi partitions)ThrottlingSelf-trade preventionTCS messaging through OEG High availability and DR <ul style="list-style-type: none">High availability (for conformance)Cancel on Disconnect Mechanism available in case of failure	Trading Chain Services <ul style="list-style-type: none">Waiver in TCS OEG messagesPrice controls for off-book declarations for MiFID II compliance (TCS) Market Data Services <ul style="list-style-type: none">Differed Trade Publication (TCS)	Trading Chain Services <ul style="list-style-type: none">Valuation Price management (automatic & via messages)Non Clearable (or alike) instruments (e.g. Euronext Expert Market)Kill switch and related messages (COB & TCS)Double Cap Management (COB & TCS)Validity Type: GTTEnd Of Day application - Order files for Optiq Drop Copy <ul style="list-style-type: none">Drop Copy, including orders & trades, for COB, TCS, and CPP User Choice model High availability and DR <ul style="list-style-type: none">Disaster Recovery

MIGRATION APPROACH UPDATE

To secure the production go-live and following customer feedback, Euronext is considering a migration phased by segments. More details on the phased go-live will be provided in due course in an updated version of the Migration Guidelines document.

MILESTONE	DATE
Start of connectivity testing	08 August 2017
First software release	05 September 2017
Second software release	12 December 2017
Start of conformance testing	January 2018
End of conformance testing	March 2018
Dress Rehearsals	March 2018
Second Saturday dress rehearsal	March 2018
Production go-live	Starting 12 March 2018

Dates will be confirmed with the updated migration guidelines to be released mid-January.

Frequently asked questions: Optiq order entry session provisioning

Reminder: All members using the new Optiq OEG ME Cash trading system were required to order their Optiq Cash OE Sessions for Production prior to 15 December 2017 using the relevant webform, available [here](#). Any clients unable to meet the aforementioned deadline should contact their [client readiness representative](#).

After submitting an order form, logins will be communicated to customers prior to the opening of the Production environment to allow connectivity testing. Please note that:

- Vendors cannot order Production sessions as this can only be done by trading members
- Sessions can only be ordered by a nominated Member Connectivity Administrator (MCA). Any customer without an MCA account should contact the Customer Access Services (CAS) team for more information (see contact details below): cas@euronext.com.
- Moving from the current order entry session model on the Universal Trading Platform (UTP) to the Optiq model will represent significant changes for members. In order to facilitate the process, all members received a “session mapping” via email, which includes a projected list of sessions based on current message throughput and market access. If you have **not received** this session mapping information, please contact your [client readiness representative](#).

We have compiled a list of common questions with regards to the new session architecture, the new fee scheme, and how to order sessions. For any additional questions, please don't hesitate to reach out to your regular client readiness contact!

What will happen if I missed the 15 December 2017 deadline to order sessions?

We understand that our clients are actively working on many other projects during this busy time period, especially in the lead up to the MiFID II implementation on 3 January 2018. Any members that have not yet ordered their production sessions should plan to finalize this by mid-January 2018. Consultations are still on-going with members to facilitate the process, and will continue throughout the next several weeks.

Do 'free packages' still exist under Optiq?

Yes. If you are eligible to have a free package under the current UTP fee scheme, then you are likely to be eligible under Optiq as well. The free package scheme has been adjusted to align with the Optiq architecture, but most 'free package' clients should be able to fine-tune their session mapping to fit within the new Optiq session fee scheme.

Is it mandatory to have access to all market segments, and all partitions?

No. The Optiq architecture is designed with flexibility in mind, and members will only need to access the market segments on which they are trading. Clients can therefore access all four market segments (Equities, ETFs, Warrants & Certificates, and Bonds) or only a subset of the market segments. Clients will automatically receive logins for each segment to which they have requested access. Equities is expected to be the only multi-partition segment when Optiq OEG & ME is launched in production.

Could members have two or more Logical Accesses for the same Segment?

Yes. Member can order as many logical accesses to the same segment as they need, and should carefully review their capacity and throughput requirements during the session ordering process.

Is the proposed 'session mapping' the final session list, or can members request changes to this?

No. The mapping file to members is an indicative mapping of the estimated capacities, based on current session usage. Members are responsible for ordering the appropriate access and number of sessions, and should decide on the most optimized connection model for their needs.

Will there be a fee cap available, to allow for session fine tuning?

Yes. To recognize the effort and adjustments that trading members will need to undertake, Euronext will apply a fee cap on connection fees during the first 6 months following the implementation of Optiq. Details on eligibility and other details will be communicated in due course.



New features spotlight

December 2017: Enhanced Self Trade Prevention (STP) Mechanism

The improved Self Trade Prevention (STP) Mechanism to be delivered with Optiq OEG and ME for Cash markets allows member firms acting as Liquidity Providers to avoid trading with themselves. The enhanced STP mechanism brings additional flexibility: members can now choose to cancel either the **resting** or the **incoming** order, whereas under the current trading system, only the resting order cancellation was possible when STP was triggered.

The parts of functionality that remain the same as in UTP are (1) functionality is optional, (2) available only to the Liquidity Providers, (3) applies to orders only, (4) applies during Continuous phases, (5) with exception of Cross orders and Market To Limit orders is applicable to all order types, and (6) allows for partial execution.

Cancelling the resting order **remains**, and the ability to choose to cancel the new order is **added**, and is referred to as STP Type.

To facilitate selection of which STP type (i.e. cancel resting or cancel incoming order) is to be applied two values have been added to the field Execution Instruction.

STP will be triggered only when order and account type are eligible, and all associated fields in two opposing orders have the same values:

- **Firm ID (or member code) are the same**
- **STP Type**

STP is expected to be enabled per Optiq segment. To ensure fairness in performance within a single segment, STP check will be done on all orders, for all market participants, as it is today.

Clients are strongly encouraged to review the Optiq OEG Self-trade prevention [functional overview](#), which includes several examples, as well as the Optiq OEG [Client Specifications](#).

More details can be found in the [documentation](#) section of the Optiq website.



Client readiness team

A multi-lingual team across three locations (Amsterdam, London and Paris) was implemented to support our clients during the Optiq migration programme.

Optiq Support Desk

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NEWS

1. The second software release delivered in V-EUA for Phase 2, all clients should begin testing as soon as possible.
2. The preview version of Phase 2 conformance scripts is now [available](#).
3. A migration approach phased by segments is currently under review – more details to be provided in January 2018.
4. 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.
5. The Phase 2 OEG order forms are now [available](#).

CONTACT DETAILS

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

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