

2014-03-12

IT – Genium INET 4.0220 Project Update for Fixed Income (25/14)

This message contains important information regarding the Genium INET upgrade to 4.0220 which includes the new functionalities and enhancements going live June 9th, 2014.

New roll periods for OTC Trade Reports (Mandatory if used)

New functionality to register the following types of swap trade reports:

- EOM Rolling Swap: an EOM rolling swap is a swap that rolls on the final business day of a particular calendar month. The roll date is on the final business day of the month, not necessarily the last calendar day in the month.
- IMM Rolling Swaps: an IMM rolling swap is a swap that rolls on IMM dates, i.e. the third Wednesday in March, June, September and December.
- Swaps will roll-period t: a t-swap is a swap that doesn't have rolling periods, i.e. it only has one flow. An Overnight Index Swaps (OIS) shorter than one year will for example be a t-swap.

Changes to Clearing Workstation 1:

- The "Rol day" field in the OTC Trade and OTC Rectify and Simulate Swap Trade report windows will include the options "EOM" and "IMM".
- The "Rol per" field in the OTC Trade and OTC Rectify and Simulate Swap Trade report windows will include the option "T"

Please refer to the CW1 user guide for further information.

Changes to SRM reports:

The following columns in the extensive csv-file N_TRADE_DETAIL_OTC will be changed:

- Fixed payment frequency, Float payment frequency and Roll period: T will be displayed for T-swaps.
- Roll day: New valid values are 0 (not set), 32 ("EOM") and 33 ("IMM").

New roll periods for OTC Trade Reports up will be supported in the OMnet API as of June 9th. Please refer to the OMnet Message Reference documentation.

Post-trade Operations for OTC Trade Reports (Mandatory if used)

It will be possible via Clearing Workstation 1 (CW1) to perform post-trade transactions of OTC Trade Reports such as rectify, cancel, terminate, position transfer and give-ups for Generic Rates Instruments.

Post-trade Operation functionality for OTC Trade Reports will be introduced June 9th for the following contract specifications:

3.32

3.33

3.34

3.40

3.42

3.43

3.44

It is mandatory for members using Clearing Workstation 1 (CW1) to upgrade their CW1 server and clients to be able to support Post-trade Operations for OTC Trade Reports due to new OMnet messages which can be found in the Post-trade Operations for OTC Trade Report OMnet API for Fixed Income document attached.

Remove BD1 broadcast from API

Broadcast BD1 [Deals in the Market BROADCAST] was replaced upon Genium INET go live with BD70 [Trade Ticker] and BD71 [Amended Trades VIB].

With the advent of 4.0.0220 release will the BD1 broadcast be removed completely from OMnet API.

All applications currently using BD1 have to implement support for BD70/BD71. This change has no impact on FIX.

New OTC API

Authorities and regulators have defined directives which in essence force the financial actors to minimize bilateral agreements and instead use central clearing houses to clear as many types of trades as possible. The changes below is to enable functionality needed for a clearing house to handle the work flows involved in registering OTC traded deals to be cleared by a CCP Clearing house. OMnet messages will be replaced with the go-live of Genium INET 4.0220.

Some OMnet messages are replaced with new messages. The old messages are deprecated and will be removed from the OMnet API in November. Please see the OMnet message reference to see what messages are replaced with new messages.

It is important for members who send in OTC trades using Clearing Workstation 1 upgrade their CW1 to 4.0220.

Automatic Give Up / Take Up

NASDAQ OMX is introducing Automatic Give up and Take up with the go live of Genium INET 4.0220.

- **Automated give up.**
Add the possibility to specify give up information in the trade report or order transaction
The matched trade report or order will be automatically given up to the correct parties account.
- **Automated take up.**
Allows the clearing member to set an exposure limit for the client account and automatically take up trades within the limit.

Automatic Give up / Take up will be supported in Clearing Workstation 1, OMnet API and FIX. Please refer to the OMnet and FIX specifications for further information.

Give up for OTC trades

NASDAQ OMX will add the functionality to perform give-ups of Generic Rates Instruments so it will be possible to move trades between accounts.

Changes to Clearing Workstation 1

- The OTC FRA and Swap Trade Report window shall be updated with two new fields; Give up account and Give up free text.
- The OTC Holding Give up is a new window in Clearing Workstation 1 that will display information about the give up requests and can be used for confirming or rejecting the selected give up request.
- The filtering possibilities in the OTC Reported Trades window is enhanced by extending the Type filter with a new option called "Non Standard". This filter option will display all trade reports which are not standard trade reports, i.e. currently FRA and Swaps.

Automatic Give up/ Take up will be supported in the OMnet API and FIX as of June 9th. Please refer to the OMnet Message Reference documentation or the FIX Specification.

Changes to BD6

The field ext_status_i will as of June 9th have a value of 0 for Financial Derivatives. This field has been erroneously populated with trade report code which is available in trade_rep_code_n as specified in the OMnet Message reference.

UTI not to be supported in OMnet or NASDAQ OMX Front-end applications

As announced in IT-Notice 18/14 the mandatory changes that was to be supported by OMnet, FIX and Clearing Workstation will not be implemented.

Please see IT-Notice for further information:

<https://newsclient.omxgroup.com/cdsPublic/viewDisclosure.action?disclosureId=596837&lang=sv>

External Test Systems

All changes and enhancements can be tested in External Test System 4. The planned upgrade of the external test systems are as follows. Please note that it is in subject to change:

External Test System 4 – Planned upgrade April 17th.

External Test System 3 – Planned upgrade May 14th.

External Test System 1 – Planned upgrade May 20th.

NASDAQ OMX OMnet and Front-Ends

OMnet header file is available for download on our Genium INET 4.0220 webpage.

The NASDAQ OMX Trading Workstation and Clearing Workstation 1 will be available for download in April.

<http://www.nasdaqomx.com/transactions/technicalinformation/geniuminet/enhancements/genium-inet-4.0220>

For questions or comments, please contact:

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