



## Member Notice – 2023\_0011

**Date:** 12<sup>th</sup> September 2023

**Priority:** High

**Venue(s):** Aquis Exchange UK (AQXE) & Aquis Exchange Europe (AQEU)

**Subject:** [Action Required – All Customers] Lit Functionality, Market Data & Drop Copy Upgrades

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### Overview

Aquis Exchange will be introducing enhancements to our Lit functionality, a new Market Data flag, and a new field on Drop Copy.

These changes, subject to regulatory non-objection, will apply to both Aquis UK (AQXE) and Aquis EU (AQEU) platforms, from start of day on the following dates:

*Test Environment:* Monday 25<sup>th</sup> September 2023

*Production Environment:* Monday 30<sup>th</sup> October 2023

Members, software providers and market data recipients are advised to review this notice and the attached draft FIX/ATP, Market data, and Drop Copy specifications (subject to change) to determine if or how their systems will be impacted, whether or not you intend to use the new functionality.

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### What's changing?

Aquis is changing the non-client facilitating proprietary trading rule that currently applies on the Lit books.

Following the change, non-client facilitating proprietary flow will be able to trade aggressively.

Liquidity Providers will have the option to restrict their Lit passive liquidity to trade against client facilitating aggressive flow only, or to make it open to any flow.

The following enhancements will be made to the lit trading service on Aquis UK and Aquis EU (MICs: AQXE and AQEU respectively):

1. new 'Restricted order' types on FIX and ATP.
2. new 'Restricted' Sweep order types on FIX and ATP.
3. new field 'Flags' on market data.
4. an unrelated update will be made to the drop copy specifications: Currency (tag15) to be returned if using RIC.



**Points 1, 2 & 3: Restricted orders, Restricted Sweep orders, and new market data field.**

***Summary of Changes***

Liquidity Providers will have the option to send 'Restricted' passive orders to Aquis' lit books AQXE and AQEU. Only client facilitating contra liquidity will be able to trade against these orders.

Non client facilitating proprietary aggressive flow cannot interact with 'Restricted' orders. To trade aggressively, this type of flow will need to use the new 'Restricted' order types via their dedicated non-client facilitating sessions.

Liquidity Providers will also be able to send 'Restricted' sweep orders targeting Aquis' lit books. These orders will sweep the AMP dark book before resting on the lit book as Restricted passive orders.

***Impacts for FIX users:***

New order attributes have been introduced in AquisOrderAttribute.

- When OrdType=2 (Limit), new values 5 and 6 are required in AquisOrderAttribute to use the new 'Restricted' order functionality. The existing Post-Only and POCR AquisOrderAttribute values (1 and 2), when used for passive orders, will be 'Unrestricted'.
  - TimeInForce=0, Day should be used by Liquidity providers to send passive orders to rest on the book.
  - TimeInForce=3, or TimeInForce=4, IOC or FOK should be used by non-client facilitating trading sessions to remove liquidity from the book.
  
- When OrdType=P (Pegged, for AMP and Dark-to-Lit Sweep), new values 5 and 6 are required to use the new 'Restricted' sweep order functionality. The existing 'Route to Lit Post-Only' and 'Route to Lit POCR' AquisOrderAttribute values (1 and 2) will be 'Unrestricted'.
  - TimeInForce=3, IOC should be used by non-client facilitating trading sessions to remove liquidity from the book.



Tag	Field Name	Comments
27010	AquisOrderAttribute	<p>Values supported when <i>OrdType</i> (40) = 2:</p> <p>0 = Continuous Limit Order Book Regular Order (default)            1 = Continuous Limit Order Book Post-Only Order            2 = Continuous Limit Order Book POCR Order            3 = Auction on Demand Limit Order            4 = Auction on Demand Limit (Pegged/Limit Order)            5 = Continuous Limit Order Book 'Restricted Post Only Order'*            6 = Continuous Limit Order Book 'Restricted POCR Order'*</p> <p>Order Sweep Values supported when <i>OrdType</i> (40) = P.</p> <p>0 = Route to lit (Sweep order DLO or DLOD)            1 = Route to lit and Post Only (Sweep order DLPO)            2 = Route to Lit and POCR            5 = Route to Lit and 'Restricted Post Only Order'*            6 = Route to Lit and 'Restricted POCR Order'*</p> <p>*with optional IOC/FOK. FOK not supported on order Sweeps.</p>

**Impacts for ATP users:**

New order type values introduced in orderType.

- New values 10 and 11 are required to use the new 'Restricted order' functionality.
  - *timInForce*=1, Day order should be used by Liquidity providers to send passive orders to rest on the book.
  - *timInForce*=2, or *timInForce*=3, Fill or Kill (FOK) or Immediate or Cancel (IOC) should be used by non-client facilitating trading sessions to remove liquidity from the book.

The existing POCR and Post-Only orderTypes (8 and 9), when used for passive orders, will be 'Unrestricted'.

Field Name	Type	Width	Comments
orderType	u8	1	<p>1 = Limit Order            2 = Auction on Demand Limit Order            3 = Auction on Demand Pegged/Limit Order            6 = Market at Close            8 = Post-Only Cancel Replace (POCR)            9 = Post-Only (PO)            10 = 'Restricted POCR Order'*            11 = 'Restricted Post Only Order'*            12 = Non-display Aquis Matching Pool (AMP) order</p> <p>*with optional IOC/FOK</p>



Addition of 'Bit 3-5 Routing' in Flags for the 'Restricted order sweep'. Previously only Bit 3 was used.

Field Name	Type	Width	Comments
Flags	u8	1	Bit 0 – stpEnable 0 – No restriction 1 – Self-trade prevention enabled Only valid when <i>OrderType</i> =12.
			Bit 1 – lisOnly 0 – No restriction 1 – LIS executions only Only valid when <i>OrderType</i> =12.
			Bit 2 – Routetolit 0 – Order is not routed 1 – Route to Lit
			Bit 3 – 5 Routing Attributes the behaviour of the Lit portion of a Dark-to-Lit sweep order. 0 – Limit 1 – Post Only 2 – POCR 3 – 'Restricted Post Only Order'* 4 – 'Restricted POCR Order'  *with optional IOC/FOK  This flag is ignored when Bit2 (Routetolit) = 0.
			Bit 6-7 Reserved – not in use

**Impacts for Market Data subscribers:**

Addition of new flags *mdFlags* appended to the following messages:

- Order Add
- Order Modify
- Order Cancel
- Trade

Field Name	Type	Width	Description
mdFlags	u8	1	<i>Bit 0</i> Flag to indicated whether there is unrestricted liquidity available at the top of the book. 0 = Restricted liquidity only 1 = Unrestricted liquidity available



				Please note: For order messages: Refers to the side indicated in the order. For trade messages: Refers to the passive side of the trade.
			Bit 1- 7	Reserved

#### 4. Drop Copy updates

##### **Summary of Changes**

Tag 15 is currently only returned when tag 22 (IDSource) = 4 (ISIN).

It will now also be returned on orders and trades when tag 22 = 5 (RIC).

Tag	Field Name	Applies to	Comments
15	Currency	Orders and trades	If Member is using ISIN or RIC for the security ID, currency in which the security is traded

If you have any questions, please contact your account manager or the Aquis Exchange Support team on support@aquis.eu / +44 (0)20 3597 6333.

Previous notices sent by Aquis Exchange can be viewed on our [website](#)