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Notice

Invitation to MAG/MiFID Vendor Outreach

1 February 2017

The Global Foreign Exchange Division (GFXD) of the Global Financial Markets Association (GFMA) will be hosting a vendor outreach of its Market Architecture Group and MiFID Working Group to discuss issues related to the implementation of MiFID.

The meeting is open to any interested parties from the vendor community, and will take place on Wednesday 1 February 2017, 08.30-10.30, at the AFME offices, 30th Floor, 25 Canada Square, London, E14 5LQ. Dial in facilities can also be provided. The agenda is below.

If you would like to attend this meeting, please contact Paula Bird using the contact details listed below.

Agenda:

1. Taxonomy and scope
 - a) ISINs – venue requirements and how an ISIN will be communicated?
 - b) How are vendors treating packages and FX swaps?
 - c) Do vendors plan to require use of flags or rep letters to identify trades to which MiFID does not apply?
 - d) Which products will you support on 3rd January 2018? Will it be your full offering or do you plan to expand it in phases through 2018? Will a full products list be issued in advance?
2. Organisational requirements
 - a) SEF and MTF equivalence
 - b) What decisions have been made regarding MTF/OTF registration?
 - c) Do you propose to create one or more legal entities for registration as an MTF/OTF?
 - d) Will all of your existing clients be supported on your authorised venue?
 - e) Will you allow non-EEA entities to price on your venue?
 - f) Do you plan to provide a SI determination service?
 - g) Will market making agreements be required for FX?
 - h) What are your timelines for making available handbook, service description and/or rules of engagement changes, and do you plan to consult users in advance?
 - i) What changes will be made to FIX specifications?
 - j) What testing will take place prior to go-live?
 - k) What information will venues require from members, and in relation to which RTS?
3. Market infrastructure
 - a) What new trade flows do you expect, and will any of those be FX-specific?
 - b) Venues will be required to send trades to CCPs rather than banks – how will this change existing manual/electronic/batch flows?
 - c) Do you propose to connect to all CCPs clearing products traded on your venue from Jan 2018 or only some?

- d) Do the flows change once it is known that a trade will be cleared (execution/post trade/backloading)
 - e) If your current trading model supports prime brokerage give-up trades, are any changes expected to this model/process?
 - f) What additional information you will require from your members on either a static or per transaction basis?
4. Best Execution
- a) Will Best Ex reference prices and/or Best Bid and Offer prices be provided for all products?
5. Transparency and Reporting
- a) What functionality do you plan to provide with regards to pre-trade transparency – ‘make public’ and ‘make available’ under MiFID Art 18, as well as the related liquidity/SSTI flags?
 - b) As an APA, are you able to provide deferral information back for trade and transaction reporting?
 - c) Will venues provide MIC codes?
 - d) How will quote data be captured in trading processes that do not currently have such functionality?
 - e) How do you propose to handle requests for streams?
 - f) How are you planning to meet ESMA’s July 2017 deadline to commence reporting transparency data?
 - g) What do you intend to do when a trade server’s clock drifts beyond specified bounds? Will you re-report impacted trades? Will you send an amendment time stamp to impacted members?
6. Algorithmic trading
- a) What environments / scenario testing will be available for Algo trading and when will these be available?
7. AOB

– Ends –

Contact

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About the GFMA:

The Global Foreign Exchange (FX) Division was formed as part of the Global Financial Markets Association (GFMA) and its members comprise 25 global FX dealers, collectively representing more than 85% of the FX dealer market (Source: Euromoney 2016).

The Global Financial Markets Association (GFMA) brings together three of the world's leading financial trade associations to address the increasingly important global regulatory agenda and to promote coordinated advocacy efforts. The Association for Financial Markets in Europe (AFME) in London and Brussels, the Asia

Securities Industry & Financial Markets Association (ASIFMA) in Hong Kong and the Securities Industry and Financial Markets Association (SIFMA) in New York and Washington are, respectively, the European, Asian, and North American members of GFMA.