

Regulatory Reporting Solution (RRS) for non-MiFIR firms

Q&A

Created

11-Feb-2022

1 FUNCTIONAL QUESTIONS

1.1. Reporting obligation

Q.1.: “no upload needed”

If a prop trading firm uploads the transaction file for the first time and sees the UPLOAD_STATUS as “no upload needed”, does it mean that if the prop trading firm will continue to trade without short selling or commodity derivative, the firm does not need to perform the daily upload anymore?

A: The prop firm does not have to do the upload to understand that it is not necessary to upload anything. Instead, they can just check that all the MISSING_... flags in the extract file are empty.

Q.2.: DEAL capacity

Members trading in a DEAL capacity exclusively do not have to upload any reporting since the venue has all data - correct ?

A: In the following cases, an enrichment by the member would still be necessary: If the member uses Short Codes to identify the investment or Execution decision maker and they produce errors which need to be corrected. Other frontend coding errors could also require correction in the daily transaction file. Furthermore, in the backup enrichment RRS will set the short selling indicator to indicate no short sale for cash market sell transactions in stocks or sovereign bonds and for Eurex commodity derivative transactions the Commodity hedging indicator will be defaulted to FALSE. So if the member is doing short sales in stocks or sovereign bonds or using commodity derivatives for hedging, they will have to add this information in the upload.

Q.3.: MiFIR members

We are a MiFiR member we submit data to our regulator so I wonder if what obliges us to do all this?

A: This applies to non-mifir members only.

Q.4.: Migration from RRH to RRS

How does this impact the Eurex MiFID reporting which began at the start of 2018? Is that requirement going to be deprecated and replaced with RRH/RRS?

A: For Non-Mifir members we will stop the RRH service that was available since 2018 and migrate to the new reporting tool RRS. Immediately with the start of RRS, RRH will no longer be available. For Mifir clients nothing changes. They will still report to

their NCA on their own.

1.2. T7 functionality

Q.5.: Aggregated trades

Is an aggregated trade a group of futures trades that have been average priced?

A: In general, the short code 1 for long code 'AGGR' should be used where several client orders had been consolidated into one market order. This can also apply to average priced orders. E.g., a fund manager trades throughout the day and flags the orders as AGGR, then at the end of day groups the trades for average pricing and allocates different legs to different funds. These allocations will need to be added as INTC client side transaction reports in the upload file.

Q.6.: T7 Client ID

Is there any plan to change the client id in T7 from free text field to dropdown of registered codes? A free text field leaves more room for error and increases the administrative burden to correct it.

A: We are looking into this, but have not yet decided on the next system upgrade features.

1.3. Short code upload

Q.7.: Unresolved short code

If, for example, there was an Error 1 in TR160, then EUREX would not have a long code in Venue Extract that EUREX could prefill. Is my understanding correct?

A: Yes, that is correct. If a SC cannot be resolved, then the Trading Venue Extract will also be incomplete. You will find the error "ID ## not found" in the respective field (e.g. BUYER_ID or SELLER_ID) with ## representing the short code, which could not be found. The MISSING_ flag will be Y and you will have to add the missing information in the upload.

Q.8.: Orders without Short Codes

Orders without Short Codes in Member Section are not processed by Eurex and so there wouldn't be a case where we need to enrich an LEI the next day in the RRS report?

A: Yes, an order without short code will not lead to an execution. There is only one unlikely case where you need to enrich an LEI. That is if the LEI was valid at the time when the short and long codes were uploaded but was no longer valid at the time of the

trade. In that case the BUYER_ID or SELLER_ID will contain "invalid LEI" and you must update it with the current LEI of the buyer or seller.

1.4. RRS Extract

Q.9.: Extract availability in simulation

Is the daily extract file already available in the mifid folder of the CRE now or is there a go live date?

A: The current extract files are in pre-simulation. After the Simulation Batch of 2 February, extract files will be available which reflect all changes mentioned in the latest file specification with known limitations documented on the website.

Q.10.: What does TVTIC stand for?

A: TVTIC stands for "Trading Venue Transaction Identification Code". That is a unique code per match on the venue which is provided on the trade notifications. Since one match can have several executions, the combination of TVTIC and SIDE_TRADE_ID (and for Frankfurt stock exchange furthermore with TRADE_ID) uniquely identifies a reportable venue execution.

Q.11.: Excel tends to mess with big numbers such as the one in the TVTIC column.

Wouldn't it be a better solution to avoid opening the file with Excel at all or does the system not care about a modification of this field?

A: Problems with Excel usually arise when the data type is automatically transformed to number during import. This can be avoided by using the Import function in the "Data" menu in Excel instead of opening the CSV file directly. In the Excel Import function you must choose to not deduct the field format from the file. This will keep the text format for the TVTIC column so that all characters are shown.

1.5. RRS Upload/Validations/Feedback

Q.12.: Upload file date

Which date do I have to use in the upload file name?

A: The date contained in upload file name should be the current day if it is a trade date, otherwise the next trade date.

Q.12a.: COMPLEX_TRADE_COMPONENT_ID

In the last version of the spec, this field is now yellow and no longer gray. We don't do any specialties on the customer side: if the customer enters a spread, we place it accordingly. Is it ok if we copy the Complex Trade Component ID on INTC customer transactions (corresponds to today's setup)? The Upload Validation Rule says "If INTC_NUM<> (empty or 0) THEN Format: ERR-40.0": Is this rule correct? I read them like this: If it's an INTC customer transaction, then format error?

A: The rule only means that the format is only checked for INTC_NUM<>(empty or 0) and that ERR-40.0 is returned in the event of an error. For INTC_NUM=0, a comparison is made against the extract, so that the format check is not necessary. So you are free to copy the Complex Trade Component ID to INTC customer transactions.

Q.13.: Empty files

Upload records without error or warning do not get a feedback – If a trading member uploads the file for the first time and all records are correct, the trading member will not receive any feedback file after 15mins? Not even something like UPLOAD_SUCCESSFUL?

A: There will always be a response to an upload file. But it may be empty (except for the header row). If the upload records are all correct the response file will not contain any records with FEEDBACK_NUM>0. However, it will contain trade status records (with FEEDBACK_NUM=0) for every trade from the most recent trading day. So only, if there had been no trades on the most recent trading day and if the upload file contained correct records, the response file would be empty. This can only happen if the upload would be for records from previous trading days. As presented the functionality to upload records for previous trading days (historical corrections) will only be available shortly after production start.

Q.14.: Historical corrections

No historical data can be corrected with the introduction of RRS meaning that any file that is older than T-1 cannot be corrected until further notice?

A: This historical correction feature will be enabled shortly after go live date. We will publish the exact day in due course.

Q.15.: Multiple names

According to the venue specs several surnames or first names have to be separated by a semicolon. Right?

A: Correct. In case of more than one surname or first name all names shall be included separated by a semicolon. However, components of a single name like "VAN DER

BELL" should be separated by space.

Q.16.: AGGR with only one fill

What happens if our AGGR fill results in only one contract fill? In that case we need to assign a single client id. Will this be rejected under the minimum 2 client side executions?

A: In that case instead of uploading just one INTC client side transaction report in addition to the market side execution you must change the BUYER_ID or SELLER_ID on the market side execution from INTC to the single client on the fill.

1.6. RRS Backup Enrichment

Q.17.: "backup enriched" - For example if an agency broker did not enrich the missing buyer/seller details before the upload, the upload status will show "backup enriched", but the backup file will not be produced and provided in this case. However, if the agency broker did not upload anything on T+1 before 7pm CET, he/she will not receive such an upload status, instead, a backup file with dummy values (Max Mustermann) can be found in the CUE folder?

A: You have to differentiate between the feedback to an upload file which is before backup enrichment at 7 pm on T+1 and the backup enrichment feedback file after 7 pm. If the upload by a member before 7 pm does not include the necessary enrichment of a transaction, that transaction will still have the status "waiting for upload" in the feedback file to that upload file. If no further action is taken by the member for that transaction then after the backup enrichment, the backup enrichment file will show the status "backup enriched" for that transaction.

Q.18.: Where exactly can the trading member find the backup enrichment file, is it in CRE or in CUE mifid folder?

A: The backup enrichment feedback file will be in the CRE folder of the trade date after 7 pm on the next trading day and have the trade date as part of the file name, e.g.

/0001028005/abclo/P/mifid/20220216/89TVBKU001ABCLO20210304XEUR.CSV

Q.19.: Can the trading member use the backup enrichment file (T+1 after 7pm) to perform corrections and upload it afterwards? Or is backup enrichment file considered as historical corrections and not supported till further notice?

A: The backup enrichment feedback file has the same format as any feedback file and therefore does not contain all the columns required for upload. Corrections should be based on the extract file. After the backup enrichment you can only upload corrections as historical upload file with sequence number 500 to 550 in the file name. However, this functionality will only be available shortly after production start.

1.7. Simulation Testing

Q.20.: Trade dates: On each simulation batch day in the evening the venue extracts are produced for all business days since the last batch day. Can we upload enrichment for all these business days?

A: You will see one extract file per venue and trade date. Since 15 March 2022 you can upload enrichments for all these business days in one file or in separate files (with incremented file numbers).

Example: Wednesday and Thursday are simulation batch days. Trades from Friday, Monday, Tuesday and Wednesday are then batch processed on Wednesday evening. This means that the extract files for Friday, Monday, Tuesday and Wednesday are generated on Wednesday evening. When uploading transactions, RRS then searches in the transactions since the last batch day, so you can enrich transactions since last Friday. For enrichments of any transaction reports before Friday you have to use the historical correction function (with file numbers starting from 500) which will only be available ca. end of Q2/2022. In production, the batch always runs directly after each trading day and only the extract for this trading day is generated and can be enriched.

Q.21.: For the simulation test, do you need to test per member id?

A: You will receive your transactions on a legal entity level so it is recommended to set up/test only one member ID. More details on this in Ch. 3.1. in the user manual.

Q.22.: Simulation calendar. Will the simulation be available from monday - friday?

A: The simulation environment will be available as per our T7 simulation calendar. Extract files will always be produced on the day following a "batch day".

2 ADMINISTRATIVE QUESTIONS

Q.23.: Do I need to connect to the RRS even if our non-mifir firm is not active on Eurex?

A: Yes, please make sure the technical setup is completed and the reporting can be started at the same day when you resume trading at Eurex.

Q.24.: If the RRS is included in the connection agreement will we need to re-sign the 'new' connection agreement?

A: For the Connection Agreement you already signed we will update the terms and conditions through a circular. No additional agreement will be needed.

Q.25.: Will there be a communication for each bug when it will be fixed?

A: Yes, we announce the known limitations/bugs and their respective fixes on our Eurex/Xetra page.