

Advisory Notice

Clearing House

TO: Back Office Managers
Service Bureaus

FROM: Clearing House Department

ADVISORY #: 05-150

DATE: July 20, 2005

SUBJECT: Temporary APS Routing File
UPDATED INFORMATION FROM ADVISORY 05-129 PUBLISHED JUNE 29, 2005

IMPORTANT UPDATES IN THIS ADVISORY:

- The product code now supports up to a five-byte value.
- The quantity field may now contain values up to 99,999.
- Type 7 and 8 "suballocation" records will no longer be provided. Offsets from accepted suballocations will be provided as type 4 and 6 records, exactly like any other offset, and claims will be provided as type 5 and 6 records, exactly like any other claim.

As previously announced, CME plans to launch the updated version of the Front-End Clearing (FEC) application containing average-pricing functionality, on Monday August 8, 2005. On that day, the old ("legacy") APS systems currently used for both CME and CBOT products will be retired, and all average-pricing will be done in FEC.

The new application provides many features long requested by firms, and especially a real-time FIXML-based application programming interface by which firms can automate their processing of average-pricing transactions. Accordingly, we had been planning to eliminate the periodic batch "APS routing files" which the old application provides.

Unfortunately, a few firms will not be ready to process FIXML-based average-price confirmation records by the launch date. So as not to hold up implementation of the new system for all firms, we will **temporarily** make the existing routing file available for firms which need it.

The temporary APS routing files from the new application will be transmitted to firms in exactly the same manner as they are currently – either via MQ messaging or via FTP. It will not be possible to transmit them every fifteen minutes, however. The new FEC application was configured to send real-time FIXML messages and thus the best we can do is generate these files approximately every half-hour.

The temporary APS routing files will be identical to the format produced by the legacy application except:

- Record type 1, providing data for the group, and record types 2 and 3, containing data for the original trades being averaged, will not be provided.

- In the new application, option trades at cabinet prices may be averaged, and hence rounded-average prices may be either fixed-cabinets (for CME products) or variable-cabinet prices (for CBOT products.) Hence a new field, the "Cabinet Price Indicator", has been added to record types "4" and "5" in byte 57 which was previously filler.
- **We will make use of all five bytes in the product code field, and hence the product code may now be larger than two bytes.** Previously, values were never provided larger than two bytes.
- **We will make use of all five bytes in the quantity field, and hence quantities may now be as large as 99,999.** Previously, quantities were never provided larger than 9,999.
- **The new application allows suballocations to other firms. The old type 7 and 8 records for suballocations will not be used, and claims and offsets for suballocations will be treated like any other claim or offset.** In particular:
 - In the old file, a suballocation gave rise to a type "7" (suballocation) record followed by a type "8" (residual for suballocation) record.
 - **In the new file, there are no "7" or "8" records.** Instead, a suballocation within the firm results simply in a "4" (offset) and a "6" (residual), followed by a "5" (claim) and a "6" (residual). The new 4-6 and 5-6 pairs are the offset and the claim **of the suballocation**. In the new file, if you are suballocating to a different firm, you'll see only the new "4" and "6" records – the offset corresponding to the suballocation.

The revised layout document for the APS routing file is now available at:

http://www.cme.com/files/s_apslayout2001.pdf

Firm testing with the temporary APS routing files **is now in progress**. For more information, please contact the CME Clearing House at 312-207-2525.