

Advisory Notice

Clearing House

TO: Clearing Member Firms
Back Office Managers

FROM: Clearing House Department

DATE: February 22, 2005

ADVISORY #: 05-33

SUBJECT: **Changes to usage of Order Number and Execution ID associated with "APS" release of FEC**

As firms are aware, CME is currently working to roll out a major new release to our Front-End Clearing (FEC) application, with a target date for launch of mid-April. The most important benefit this new release will provide is the incorporation of **Average Pricing** functionality. The old "APS" application will be retired, and firms will use FEC for all aspects of both standard giveups and average-pricing.

This advisory describes two important changes to the usage of the Order Number field and the Execution ID field, associated with this new release.

Usage of the order number field: all eight bytes

Currently, in Front-End Clearing (FEC), the Order Number field is eight bytes long. For electronic trades in either CME or CBOT products, the full eight bytes may be used.

If an electronic trade is marked for give-up, however, only the right-most four bytes of this value are currently used to define the allocation group. Consequently, only the right-most four bytes are provided on the give-up transfer transactions generated when an allocation is accepted.

As part of the APS enhancement to FEC, we will stop truncating the order number field when a trade is marked for either give-up or averaging:

- **All eight bytes of the order number field will be used for grouping.**
- **All eight bytes will be provided to the firm on Give-Up or Averaging API messages, both in TREX and FIXML.**
- **All eight bytes will be provided on the Trade Register Report and Trade Register File for give-up and average-price transfer transactions.**

We believe that this will make it dramatically easier for firms to tie-back allocation messages to the original trades being given-up or averaged.

Note regarding order numbers for CME versus CBOT electronic trades

For electronic trades done on GLOBEX in CME products, the main order number field in bytes 122-129 of the main block of the TREX message contains the left-most eight bytes of the **firm-assigned** order number. This is also known as the "customer" or "client" order ID. In iLink, it is the value provided in the **CIOrdID** field, FIX tag 11.

For electronic trades done on e-cbot in CBOT products, the main order number field does not contain the firm-assigned order number. Rather, it contains a system-assigned number created when the trades matches in e-cbot.

The actual firm-assigned order number for these CBOT electronic trades is provided on the A4 block of the TREX message in bytes 64-77, the "Customer Order Reference."

Inclusion of iLink "Execution ID" field on clearing electronic trade confirmation message

When orders are routed to GLOBEX via iLink, when any of these orders are filled, an iLink "fill" message is sent to the trader. On this message, FIX tag 17, the "Execution ID", contains a unique number identifying the trade.

The clearing system then sends a TREX trade confirmation message" to the firm. On this message, a unique number identifying the trade is provided on the A4 message block, in bytes 11 through 22, in a field which has been called the "ETH Match Token". However, this unique system-assigned number is **not** the same system-assigned unique number which is sent back to the trader on the iLink fill message.

This will be changed so that the application sends the same number as is provided on the iLink fill message, back to the firm on the TREX trade confirm message.

This will allow firms to tie back the fill report, to the trade confirmation message. Firms will know with certainty that a particular TREX trade confirmation message matches a particular iLink fill message.

This change should not have any direct systems implications for firms, since the number provided on the TREX message will continue to be in exactly the same format. The only differences are that (a) instead of being unique across all products and trading days, it will be unique only within a specific contract and trading day and (b) firms will be able to use it to tie back iLink fill messages to clearing TREX trade confirmation messages.

Note that this change only affects CME products. For CBOT products, a numeric value is also provided on the A4 block in bytes 11-22, but this does not match to anything returned to the trader on the "fill" message in the Liffe/Connect API.