



Swiss Exchange

SIX Swiss Exchange

SWXess Maintenance Release 6.1 (SMR6.1)

Participant Readiness

Table of Content

1	Introduction	3
1.1	Purpose and Scope	3
1.2	Changes Since Last Version	3
1.3	Definitions and Abbreviations	3
1.5	References	4
1.6	Contacts	5
1.6.1	Market Operations	5
1.6.2	Local Support Centers	5
1.6.3	Account Management	5
2	Summary and Overview	6
3	Functional Changes of SMR6.1	7
3.1	On Order Book Trading	7
3.1.1	UK Gilts	7
3.2	Trade Reporting and Post-Processing	8
3.2.1	Adjustment to the processing clearing for Off Exchange trades	8
3.3	Other Service Offerings	9
3.3.1	Sponsored Access (SA)	9
3.3.2	SIX Structured Products Exchange AG (XQMH)	9
3.3.3	Bilateral Trading Platform for Structured Products (XBTR)	9
3.3.4	SIX Corporate Bonds (XICB)	9
4	Technical Changes	10
4.1	Manuals and Specifications	10
5	Regulatory Changes	11
6	Migration	12
6.1	Business Migration	12
6.1.1	Transactional Data	12
6.1.2	Security and Segment Reference Data	12
6.1.3	Participant Reference Data	13
6.2	Technical Migration	13
7	Key Dates	14
8	Testing	15

1 Introduction

1.1 Purpose and Scope

This document provides all business related information for the SWXess Maintenance Release 6.1 (SMR6.1), including optional functional changes, the rollout plan as well as testing activities.

1.2 Changes Since Last Version

This is the first version of the document.

1.3 Definitions and Abbreviations

Term/Abbreviation	Explanation
CLOB	Central Limit Order Book – Market Model
FIX	Financial Information eXchange Protocol
IMI	ITCH Market Data Interface
MDI	Market Data Interface
MPOB	Mid-Point Order Book of SIX Swiss Exchange at Midpoint (SwissAtMid)
OBM	On Book Matcher
OTI	OUCH Trading Interface
QTI	Quote Trading Interface
RDI	Reference Data Interface
SCAP	SIX Swiss Exchange Common Access Portal
SCB	SIX Corporate Bonds AG
SLS	SIX Swiss Exchange Liquidnet service for trading without pre-trade transparency
SMR6.1	SWXess Maintenance Release 6.1
SSP-X	SIX Structured Products Exchange AG
SSX	SIX Swiss Exchange AG
STI	Standard Trading Interface
SwissAtMid	SIX Swiss Exchange at Midpoint service for trading without pre-trade transparency
SWXess	Name of the SIX Swiss Exchange trading platform
TRR	Participant Trade Reconciliation Report
XBTR	Market Identifier Code (MIC) for Bilateral Trading Platform for Structured Products
XICB	Market Identifier Code (MIC) for SIX Corporate Bonds
XQMH	Market Identifier Code (MIC) for SIX Structured Products Exchange AG
XSWX	Market Identifier Code (MIC) for SIX Swiss Exchange
XVTX	Market Identifier Code (MIC) for Blue Chip Shares Trading Segment of SIX Swiss Exchange

1.5 References

Document	Link
SIX Swiss Exchange Messages	http://www.six-swiss-exchange.com/news/sse_messages/2016_en.html
Rules	http://www.six-swiss-exchange.com/participants/regulation/rules_regs_en.html
Directives	http://www.six-swiss-exchange.com/participants/regulation/directives_en.html
Trading Guides	http://www.six-swiss-exchange.com/participants/trading/trading_guides_en.html
Forms	http://www.six-swiss-exchange.com/participants/participation/forms_en.html
SMR Releases	http://www.six-swiss-exchange.com/participants/participation/smr_en.html
MSC Messages	https://secure.six-swiss-exchange.com/member_section/it/messages.html
Interface Specifications, Manuals and Guides	https://secure.six-swiss-exchange.com/member_section/it/manuals.html
Release Documents	https://secure.six-swiss-exchange.com/member_section/it/release_docs.html
IT FAQ	https://secure.six-swiss-exchange.com/member_section/it/faq.html

1.6 Contacts

1.6.1 Market Operations

For business related questions, please contact Market Operations:

Topic	Team	Phone	E-Mail
Participant Configuration Reporting Clearing & Settlement Billing	Member Services	+41 58 399 2473	member.services@six-group.com
Mistrades and Cancellations Emergency Deletions Suspensions	Exchange Operations	+41 58 399 2475	helpdesk.exc@six-group.com
Instrument Reference Data	Static Data Operations	+41 58 399 2490	zulassung@six-group.com

1.6.2 Local Support Centers

If you have technical questions, please contact your Local Support Center:

Location	Phone	Fax	E-Mail
Geneva	+41 58 399 5642	+41 58 499 5643	lsg@six-group.com
London	+44 20 7864 4364	+44 20 7864 4333	lsl@six-group.com
Zürich	+41 58 399 2400	+41 58 499 2400	lsz@six-group.com

1.6.3 Account Management

Please do not hesitate to contact your Account Manager for specific concern and interest:

Location	Phone	Fax	E-Mail
Continental Europe & Scandinavia	Martin Schönenberger	+41 58 399 2591	martin.schoenenberger@six-group.com
	Paul Tschirky	+41 58 399 4195	paul.tschirky@six-group.com
UK & Ireland	Tony Shaw	+44 207 864 4335	tony.shaw@six-group.com
	Jennifer Hlad	+44 207 864 4338	jennifer.hlad@six-group.com

Find further contact information on the [Contact & Support](#) page of the SIX Swiss Exchange website.

2 Summary and Overview

SIX Swiss Exchange is introducing a SWXess Maintenance Release 6.1 as part of its ongoing improvement efforts. SMR6.1 is an **optional upgrade** which will mainly introduce on order book trading of UK Gilts as well as changes in the post-processing of Off Exchange trades.

SMR6.1 will be introduced in the Membertest environment on **6 March 2017** and is scheduled to go live on **2 May 2017** in the Production environment.

This table gives an overview of the functional change with SMR6.1:

Area	Change	Reference in this document	Type of change
On Order Book Trading	UK Gilts	Section 3.1.1	optional
Trade Reporting and Post-Processing	Adjustment to the processing of clearing for Off Exchange trades	Section 3.2.1	Transparent

Further details about changes to SWXess with SMR6.1 are included in the [MSC Message 05/2017](#) published in the [Member Section](#) of SIX Swiss Exchange.

3 Functional Changes of SMR6.1

3.1 On Order Book Trading

3.1.1 UK Gilts

SIX Swiss Exchange will make its SWXess trading platform **technically ready** for on order book trading and trade reporting of "UK Gilts" instruments. With SMR6.1, SIX Swiss Exchange will support the admission to trading of UK Gilts to be traded via the **On Book Matcher – Partition 2 "Non-Equities"** in the Market Model "Market Maker Book" (MMB).

UK Gilts have the special characteristic of fixing the recipient of the dividend payment seven days prior to the official coupon payment date. The period between the date of the fixing (ex-coupon date) and the payment date is called "ex-dividend period". This means that for trades in UK Gilts settling before the gilt's ex-coupon date, the buyer is entitled to the next coupon payment and the accrued interest is positive. Trades conducted in the "ex-dividend period" are said to be "ex-dividend". For trades settling on- or after the "ex-coupon date", the seller receives the next coupon payment and the accrued interest on the gilt is negative, reflecting the fact that the buyer of the gilt is entitled to a rebate from the seller.

3.1.1.1 Trading UK Gilts

UK Gilts will be tradable on order book in GBP (Great Britain Pounds) in the Trading Segment "Bonds – Non CHF". UK Gilts will be configured and identifiable in the Reference Data with a dedicated **Security Type "UG"** (UK Gilt).

Find below an overview of the most important trading parameters for UK Gilts:

Parameter	Description	Reference
Market Model	Market Maker Book (MMB)	Clause 12 ff. of Directive 3: Trading
Order Types	Normal Orders and Quotes	
Trading Hours	08:30 CET until 17:00 CET (without Closing Auction)	
Price Step	0.01% independently from the market price	Annex M: Bonds – Non CHF of Directive 3: Trading
Stop Trading	Interruption for a 5 minutes period if a trade between two orders can be executed but no quote is in the order book . The stop trading duration can be interrupted as soon as quotes are posted.	

Please find further details in Annex M of [Directive 3: Trading](#) as well as in the [Product Guide – Bond Market](#).

3.1.1.2 Clearing and Settlement of UK Gilts

SIX Swiss Exchange does not support Clearing of on- and off-order book trades in UK Gilts instruments. The instruction of settlement is supported by SIX Swiss Exchange with a standard settlement cycle of one business day (T+1).

Find below an overview of the most important clearing and settlement parameters for UK Gilts:

Parameter	Description	Reference
Clearing	No	
Settlement	Yes	Annex M: Bonds – Non CHF of Directive 3: Trading
Settlement Cycle	T+1	

Please note that for trades settling on or after the "ex-coupon date", the seller receives the next coupon payment and therefore the "AccruedInterestAmt" (FIX-Tag 159) on the Standard Trading Interface (STI) – Confirmation message for UK Gilts may be negative. The validation in the [Standard Trading Interface \(STI\) Specification – Confirmation](#) has been changed accordingly.

Participants can settle trades in UK Gilts automatically. As a result, no urgent changes are required to the "Clearing & Settlement Standing Instructions (CSSI)" for these instruments. Participants wishing to have specific settlement instructions for these instruments are requested to complete and sign the [Clearing and Settlement Standing Instructions Notification Form](#) and submit the form five days before the change takes effect to Member Services (member.services@six-group.com).

Please find further details in Annex M of [Directive 3: Trading](#) as well as in the [Product Guide – Bond Market](#).

3.1.1.3 Billing for UK Gilts

The pricing of on order book and off order book trades on SIX Swiss Exchange for UK Gilts is according to the **Bonds – Non CHF**.

Please find further information in [Annex I of Directive 7: Fees and Costs](#).

Participants will have the possibility of testing the negative accrued interest amount during the Member Test phase of SWXess Maintenance Release 6.1 (SMR6.1). Find further details about the Member Test phase and the available testing-only securities in [section 6.1.2.3](#) of this document.



Further Reading

- [Product Guide – Bond Market](#)
- [Directive 3: Trading](#)
- [Directive 7: Fees and Costs](#)
- [Standard Trading Interface \(STI\) Specification – Confirmations](#)

3.2 Trade Reporting and Post-Processing

3.2.1 Adjustment to the processing clearing for Off Exchange trades

SIX Swiss Exchange has introduced further controls to the SWXess platform in the area of clearing and settlement of Off Exchange trades. Currently trades reported by Trading Participants of SIX Swiss Exchange to the Reporting Office under the [Reporting Office Rules for the Fulfilment of the Legal Reporting Requirements for Securities Dealers](#) according to [Clause 9.2 Rule Book](#) are not necessarily being processed in accordance with the Rules.

With SMR6.1, SIX Swiss Exchange will enhance the controls for processing Off Exchange trades. As a consequence, any trades submitted by Participants to the Reporting Office and thus flagged as Off Exchange will automatically be processed as "Exclude from CCP" by SIX Swiss Exchange independently of the requested Clearing Instruction flag (FIX-Tag 577) set by the participant on the trade report.

Participants should additionally ensure that any Off Exchange trades are set to "8 = Manual mode" (no settlement is instructed by SSX).

This new post-processing behaviour will apply to all trade reports submitted via Standard Trading Interface (STI) – **Trade Capture Reports** as well as the Reporting GUI flagged as follows:

FIX-Tag	Field	Value
856	TradeReportType	1 = Alleged
829	TradeSubType	9001 = Off Exchange
448	PartyID	Participant must belong to a legal entity of type "Trading Organisation" in RDI
577	Clearing Instruction	0 = Process normally

On the Standard Trading Interface (STI) – **Confirmation** messages the Off Exchange trades affected by this change will be flagged as follows:

FIX-Tag	Field	Value
26556	SettlementType	2 = Bilateral

Please note that this change does not affect On Exchange – Off Order Book trades submitted by participants to the Exchange in accordance with [Clause 9.1 lit. a\)](#) and [Clause 11 Rule Book](#).



Further Reading

- [Reporting Office Rules for the Fulfilment of the Legal Reporting Requirements for Securities Dealers](#)
- [Reporting Guide](#)
- [Standard Trading Interface \(STI\) Specification - Trade Reporting](#)
- [Standard Trading Interface \(STI\) Specification - Confirmations](#)

3.3 Other Service Offerings

3.3.1 Sponsored Access (SA)

The Sponsored Access service offering of SIX Swiss Exchange is not affected by SMR6.1.

3.3.2 SIX Structured Products Exchange AG (XQMH)

In [SIX Swiss Exchange message no. 27/2016](#), SIX Swiss Exchange announced the concentration on a single stock exchange license, which leads to the merger of the two legal entities SIX Swiss Exchange Ltd and SIX Structured Products Ltd.

The merger of the two companies is planned to become **effective on 2 May 2017** and is pending FINMA approval.

SIX Swiss Exchange will inform in more detail about the impact of the merger on participants in a [SIX Swiss Exchange message](#) by end of March 2017 at the latest.

3.3.3 Bilateral Trading Platform for Structured Products (XBTR)

No functional changes apply to the Bilateral Trading Platform for Structured Products with SMR6.1.

3.3.4 SIX Corporate Bonds (XICB)

In addition to price spotting for spread traded bonds, it is now possible on SIX Corporate Bonds AG to include an opposite trade in the underlying benchmark in order to hedge interest risk exposure. This enhancement for corporate bond trading is scheduled to go-live in the Production environment on 2 May 2017.

Please find further details in [SIX Corporate Bonds notice 01/2017](#).

4 Technical Changes

The functional changes introduced with SMR6.1 are transparent for the SWXess interfaces and do not require any mandatory changes to Participants' own applications, interfaces and processes.

Find below an overview of the affected SWXess interfaces:

- **Standard Trading Interface (STI) – Confirmations**
 - Negative accrued interest possible for AccruedInterestAmt (FIX-Tag 159)
 - Optional changes are only relevant for SIX Corporate Bonds AG
- **Participant Trade Reconciliation Report (TRR)**
 - Optional changes are only relevant for SIX Corporate Bonds AG



Further Reading

- [MSC Message No. 05/2017](#)
- [Standard Trading Interface \(STI\) – Specification – Confirmation](#) (Version 2.14.0)
- [Participant Trade Reconciliation Report \(TRR\) – Specification](#) (Version 1.25.0)

4.1 Manuals and Specifications

All relevant SWXess Specifications, Manuals and other artefacts can be downloaded from the [Member Section](#) of SIX Swiss Exchange:

Document	Link
MSC Messages	https://secure.six-swiss-exchange.com/member_section/it/messages.html
Specifications and Manuals	https://secure.six-swiss-exchange.com/member_section/it/manuals.html

5 Regulatory Changes

The functional changes introduced with SMR6.1 do not necessitate any changes to the rules and directives of SIX Swiss Exchange.

Please find the applicable regulations under the following links:

Document	Link
Rules	http://www.six-swiss-exchange.com/participants/regulation/rules_regs_en.html
Directives	http://www.six-swiss-exchange.com/participants/regulation/directives_en.html
Guides	http://www.six-swiss-exchange.com/participants/regulation/trading_guides_en.html

6 Migration

The upgrade to the SMR6.1 requires the migration of reference data as well as various configuration changes. SIX Swiss Exchange will ensure that the migration footprint on Participants is as minimal as possible.

6.1 Business Migration

6.1.1 Transactional Data

- All order books will be migrated to SMR6.1 by SIX Swiss Exchange. No active orders will be deleted from the order books as a result of the migration and Participants do not have to take any actions in this regard.
- The On Order Book and Off Order Book trades will be migrated to SMR6.1 and therefore no post-trade processing restrictions apply. On Monday after the migration it is possible to correct and cancel On Order Book and Off Order Book trades which were executed or reported on Friday before the migration.
- Off Order Book trades (On- and Off-Exchange) which have been reported before the migration and are subject to delayed publication according to Annex: Delayed Publication of [Directive 3: Trading](#) will be published via Market Data Interface (MDI) as normal after the migration to SMR6.1 if applicable.
- Trade and Transaction Reporting are not affected by this migration and therefore no post-trade processing restrictions apply.

6.1.2 Security and Segment Reference Data

Any configuration changes in the security and segment reference data will be transparent to the Participants and will be transmitted via Reference Data Interface (RDI).

6.1.2.1 Security Type

In order for the participants to identify UK Gilts and Money Market Papers clearly, SIX Swiss Exchange will introduce the following new Security Types:

Code	Description
MP	Money Market Papers
UG	UK Gilts

All Money Market Papers will be modified to have the new Security Type in the Production- and Membertest Environments starting 6 March 2017.

The UK Gilts testing-only securities will be setup to have the new Security Type in the Membertest environment.

6.1.2.2 Clearing Settlement Segment

In order to facilitate a special settlement cycle for UK Gilts, SIX Swiss Exchange will introduce the following new Clearing Settlement Segment:

Code	Description	Clearing eligible	Settlement eligible	Settlement Cycle
BUNC	Bonds – UK Gilts (not cleared)	No	Yes	T+1

The UK Gilts testing-only securities will be setup to have the new Clearing Settlement Segment in the Membertest environment.

6.1.2.3 UK Gilts testing-only securities

SIX Swiss Exchange will setup UK Gilts in the Membertest environment for the entire testing phase in order that Participants can test the new functionality.

Please find below the list and details of the UK Gilts testing-only securities which will be available in the Membertest environment starting from 6 March 2017:

ISIN	Currency	Trading Segment	Clearing Settlement Segment	Security Type
GB0008931148	GBP	581 Bonds – Non CHF	BUNC	UG
GB00B8KP6M44	GBP	581 Bonds – Non CHF	BUNC	UG
GB00B4YRFP41	GBP	581 Bonds – Non CHF	BUNC	UG
GB00BN65R198	GBP	581 Bonds – Non CHF	BUNC	UG
GB0009997999	GBP	581 Bonds – Non CHF	BUNC	UG

The security GB0008931148 will be setup with “ex-dividend” periods during the Membertest phase in order that participants can test the negative interest payments.

Note that these testing-only UK Gilts will be delisted at the end of the Membertest Phase of SMR6.1.

6.1.3 Participant Reference Data

No configuration changes required for migration to SMR6.1. All participants which have trading authorisation for Bonds – Non CHF set, are automatically also set up for on order book trading of UK Gilts.

6.2 Technical Migration

Please find further details about the technical migration, schedule and activities of SMR6.1 in the [MSC Message 08/2017](#) published in the [Member Section](#) of SIX Swiss Exchange.

7 Key Dates

The following table shows the key dates for SMR6.1:

Date	Mbtst	Prod	Activity
03.02.2017	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Publication of updated STI and TRR specification documents
27.02.2017	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Announcement of SMR6.1 and publication of Participant Readiness brochure
03.-04.03.2017	<input checked="" type="checkbox"/>		Membertest environment migrated to SMR6.1
06.03.2017	<input checked="" type="checkbox"/>		First business day in Membertest environment with SMR6.1
29-30.04.2017		<input checked="" type="checkbox"/>	Production environment migrated to SMR6.1
02.05.2017		<input checked="" type="checkbox"/>	First business day in Production environment with SMR6.1

Further relevant key dates for the rollout of SMR6.1 are available in the [MSC Message 05/2017](#) published in the [Member Section](#) of SIX Swiss Exchange

8 Testing

Before the introduction of SMR6.1 in the Production environment, Participants and third parties will have the possibility to test the new and changed functionality in the Membertest environment for approximately 8 weeks.

SIX Swiss Exchange recommends that all Trading Participants and Independent Software Vendors (ISVs) test their own applications and interfaces during the Membertest phase.

Suggested test:

- Trade in UK Gilts with negative Accrued Interest Amount in Standard Trading Interface – Confirmation
- Two-sided trade report flagged as Off Exchange trade with Clearing instruction “Process normally” (Automatic Clearing and Settlement) which is to “Exclude from CCP” by SIX Swiss Exchange.

You are kindly invited to contact Member Services (member.services@six-group.com) if you require assistance with testing in the Membertest environment.

Information about automated testing services provided by SIX Swiss Exchange in the Membertest environment is available on the [SWXess Testing Services](#) page in the [Member Section](#).

Please refer to the following links for further information about the Membertest environment availability and trading hours:

Document	Link
Environment Calendar	http://www.six-swiss-exchange.com/participants/participation/environment_calendar_en.html
Trading Hours	http://www.six-swiss-exchange.com/download/participants/participation/calendar/Trading_Hours_Membertest.pdf

SIX Swiss Exchange Ltd

Selnastrasse 30

P.O. Box

CH-8021 Zurich

T +41 58 399 5454

F +41 58 499 5455