



Integrated Trading and Clearing (ITaC)

Project Forum

8 August 2018

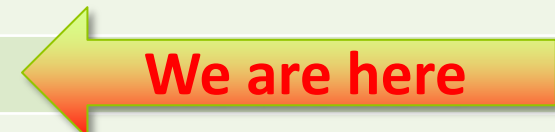
Agenda

- ITaC Key Dates
- ITaC End-To-End Testing
- ITaC Market Dress Rehearsal 18 August 2018
 - High level objectives and approach
 - Participation requirements
 - Trading and Post-Trade Business functional test guides
 - Trading Member and Clearing Member trade reporting counterparty allocation
 - JSE measurement criteria
- General
 - Monthly User Readiness report timeline for August
- Questions?

ITaC Key Dates



Date	Milestone
11 Jun – 22 Jun 2018	Clearing Member & Software Provider Testing in ETE environment
26 Jun 2018	Start of End to End Testing in ETE environment
26 Jun – 5 Jul 2018	ETE Testing – Cycle 1 Structured
9 Jul – 13 Jul 2018	Prep for MMDR; data clean up and full position take on
14 Jul 2018	Mandatory Market Dress Rehearsal (MMDR)
16 Jul – 26 Jul 2018	ETE Testing – Cycle 2 Structured
30 Jul – 10 Aug 2018	ETE Testing – Cycle 3 Scripted
13 Aug – 17 Aug 2018	Prep for Dress Rehearsal; data clean up and full position take on
18 Aug 2018	ETE Dress Rehearsal – mandatory for all clients
20 Aug – 4 Sep 2018	ETE Testing – Cycle 4 Scripted
8 Sep 2018 (TBC)	JSE deploys RTC/VIS/CIS into production
15 Sep 2018	Go-Live Ready Dress Rehearsal – mandatory for all clients
17 Sep – 1 Oct 2018	ETE Testing – Cycle 5 Scripted
8 Oct 2018	Targeted Go-Live Date
12 Nov 2018	Contingency Go-Live Date



PLEASE NOTE:
Mandatory for all clients



PLEASE NOTE:
Mandatory for all clients for
ALL MARKETS

ITaC Agreements – Now DUE!



- **JSE Services Agreement (JSA)**
 - Signed JSA is required to access ***all production and test services*** including the End-To-End environment
 - **JSA should have been signed by Friday, 27 July 2018** which was prior to the start of Scripted End-To-End testing on Monday, 30 July 2018 whether participating in ETE or not. JSE in the process of engaging clients as service access is problematic if JSA is not signed.
- **JSE Data Agreement (JDA)**
 - Signed JDA is required to access all market data (live, intra day or EOD)
 - **JDA should have been signed by Friday, 27 July 2018 for clients wishing to participate in Scripted End-To-End** testing which started on Monday, 30 July 2018
 - JDA must be signed by 31 August 2018 for all other clients not participating in ETE testing



JSA and JDA are now due.

Your prompt attention is kindly requested.

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End-To-End Testing update



- ETE Cycle 3 ends on 10 August 2018
- Testing is progressing – **more active participation required from trading members**
- Has assisted in identifying key issues
- ETE Cycle 4 commences 20 August 2018 immediately following the dress rehearsal
- Specific business events testing
 - Clients to test what they would usually do during a specific business event to ensure it works e.g. for FCO event, ensure you trade in the auction (**note: you require Equity Market access in ETE Testing environment**)
 - JSE is looking to further improve communication by providing more guidance of what to test for each specific business event

End-To-End (ETE) Testing - Cycle 4



Start Date: 20 August 2018

End Date: 4 September 2018

Basic Events Scope	Specific Events Scope
Order Management	Users to create intra day instruments
Trade Execution - On Book & Off Book	Month End – 31 August 2018
Options Exercised & Abandoned	EDM Multiple FCOs – 22 Aug 2018, 27 Aug 2018
Deal Management	FXM Multiple Expiries – 23 Aug 2018, 30 Aug 2018
	Corporate Actions <ul style="list-style-type: none"> - Basic - Complex
	Market Operations
	FXM market making obligations (daily)
	Decommissioning impact on remaining markets (daily)
	Member and client transfers (on request to JSE ClearOps team)
	Clearing EOD re run at CM1 balancing and at CM2 balancing
	Clearing EOD re run on FCO
	Clearing EOD re run on T+1

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End-To-End (ETE) Testing - Cycle 5



Start Date: 17 September 2018

End Date: 1 October 2018

Basic Events Scope	Specific Events Scope
Order Management	Users to create intra day instruments
Trade Execution - On Book & Off Book	Month End – 30 September 2018
Options Exercised & Abandoned	EDM Multiple FCOs
Deal Management	FXM Multiple Expiries
	Corporate Actions <ul style="list-style-type: none"> - Basic - Complex
	Public Holiday 24 September 2018
	FXM market making obligations (daily)
	Decommissioning impact on remaining markets (daily)
	Member and client transfers (on request to JSE ClearOps team)
	Clearing EOD re run at CM1 balancing and at CM2 balancing
	Clearing EOD re run on FCO
	Clearing EOD re run on T+1

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- ITaC End-To-End Testing
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High Level Dress Rehearsals Objectives



- **Key objectives** of the end to end dress rehearsal is to:-
 - Test the flow of solutions to verify they perform as designed from start to finish
 - Test and confirm that your chosen front end meets your business requirements
 - Identify all system dependencies and ensure that the right information is passed between various systems
 - Verify business integration between Trading Members and their Clearing Members
 - Verify your business can continue to operate and is not **adversely impacted by systems not functioning** on ITaC go live
- **Achieve the remaining dress rehearsal pass criteria required**
- **Prove all access credentials** – CompIDs, Trader Groups, Trader IDs (including back office users), etc.
- **Practice deployment** and cut over activities of your solutions
- **Prove your Firm's readiness for go-live** to ensure you continue to operate successfully

Participation in Dress Rehearsal – 18 Aug 2018



- This dress rehearsal is **Mandatory** for all clients:
 - All Clearing Members
 - All Equity Derivatives and Currency Derivatives Trading Members
 - All Live Information subscribers with direct connectivity to the JSE (for ITaC EDM and FXM services)
 - All software providers (trading, deal management and clearing)
 - All Shared Infrastructure Providers (SIPs)
- **Prove all access credentials – Every Trader ID must be tested**, including TraderIDs assigned to back office staff to perform deal management activities
 - Trading Members test:
 - **All** Trader IDs for Trading activities;
 - **All** Trader IDs that will be used for Deal Management activities – the relevant Trader ID must test at least one deal management activity that is a pass criteria and requires a Trader ID to be included;
 - **All** User IDs in RTC that you intend to go-live with.
 - Clearing Members test:
 - **All** Trader IDs permissioned by their trading members for On Behalf Of Trade Reporting – Each Trader ID must submit at least one Off Book Trade Report;
 - **All** User IDs in RTC that you intend to go-live with.

Dress Rehearsals Scope 18 Aug 2018



- **Simulate a normal production business day**
- **Live Information Subscribers**
 - Subscriber to real-time multicast data
 - Login to perform recovery via the Replay and Recovery Gateways
 - Verify the new Symbol Directory message for the user created instruments change
 - International Access Point subscribers **MUST ALSO** test
- **Non Live Market Data subscribers**
 - **Do Not** participate in the dress rehearsal – they can participate in End-To-End Testing

**This dress rehearsal will be conducted in the
PRODUCTION environment
and not End-To-End (ETE)!**

**Please ensure you use the correct configurations
and IP addresses.**

Dress Rehearsals Scope



- Trading and Post-trade checklists are now far more meaningful
- Minor revisions applied
- Use to guide your testing

Trading Business Functional Test Guide	Post-trade Checklist
DO NOT need to be completed & returned to the JSE	Must be completed and returned to the JSE by Trading and Clearing Members
All functionality highlighted in Yellow is mandatory	Mandatory functionality identified by column "Part of MMDR Success criteria"
Minor changes/corrections made <ul style="list-style-type: none"> • Pass mark is 85% for FXM and EDM • Changed Guidance comment on "Amend an Order" and "Cancel an Order" to "Choose any active order(s)" • Under Manual Quote, split Submit a Quote and Hit an Onscreen Price – created the scenario called Onscreen Price Taking for FXM only • Removed Single-Sided Off Book Trade scenario from FXM (this was excluded in Pass/Fail calculation for Jul) • Removed Single-Sided Off Book cancellations for FXM • Added further detail in the test guide for Dual sided Off Book Reported trades • Market times: <ul style="list-style-type: none"> • EDM Opening Auction: 08:20 – 08:30 • EDM Continuous Trading: 08:30 – 12:00 	Minor changes/corrections made <ul style="list-style-type: none"> • Added firm name field • Revised pass mark is now 80% • Trade Reporting note added: <ul style="list-style-type: none"> • It is Mandatory for Clearing Members to perform Off Book Trade Reports for each of their clients where this is expected as BAU post go-live. • Trading Members to ensure that their Clearing Member performs the Off Book Trade Reporting where this is expected as BAU post go-live.

Confirm what business functionality is not applicable to your firm

Dress Rehearsals Scope



- Remember to **confirm what business functionality is not applicable** to your firm
 - Dress rehearsal results are generated by the JSE based on transaction data in JSE systems
 - Business functionality **not applicable to your business** and as provided to the JSE for the May/July dress rehearsals will be used by the JSE for August test results
 - If you did not previously provide these business exclusions - kindly send an email to your JSE buddy indicating the scenario(s) not applicable to your Firm
 - Your JSE buddy will update the recent Dress Rehearsal Test Worksheet with functional exclusions

Measuring Success of Dress Rehearsals



- What the JSE measures – input/suggestions welcome

Trading

Connectivity and authentication
Order management & On Book trading
Off Book Trade Reports (incl OBO)
Trade Cancellations (incl OBO)
Trading Session changes
JSE created instruments intra-day

Market Data

Connectivity and authentication
Successfully receive and process real-time multicast data and replay/recovery
Process trading session changes published e.g. auction, uncrossing etc.

Deal Management

Connectivity and authentication
Perform deal management activities e.g. Assign, allocate, tripartite etc.
Capture service fees (commissions)
View positions

Clearing

Receive and process trades
Perform deal management activities e.g. assign, allocate, tripartite
Capture service fees (commissions)
View positions
Verify booking fees
Verify margins

Measuring Success of Dress Rehearsals



- **Technical Pass / Fail criteria** will be the same as for 14 July 2018:
 - **Trading Members:**
 - Login to all Native Trading, Post-Trade and Drop Copy GWs
 - Own Order Book Download (OOBD)
 - Own Trade Book Download (OTBD)
 - **Live Market Data subscribers**
 - Receive multicast data and Login and recover missed messages via the Replay/Recovery Gateways
- **Business Pass / Fail criteria** will be the same as for 14 July 2018 except we added criteria for ensuring normal market behaviour e.g. volatility auctions and price band breaches and every Trader ID needs to be tested
 - **Less than 5 volatility auctions/price band breaches invoked by the member firm overall**

Dress Rehearsal Testing



- Please ensure you **have appropriate business representatives on site** to **test all TRADER IDs** and signoff functionality and verify correct authorisation in JSE systems and your software Front -ends
- JSE production and pre-production environments will be available **2 days prior** to the dress rehearsal to assist TECHNICAL teams, software providers and Shared Infrastructure Providers (SIPs) as follows:
 - **16 & 17 August** – prove technical login connectivity as well as configuration setup to Trading and Clearing
 - **18 August 2018** – functional and technical dress rehearsal testing – with a full Clearing end of day run

**This Dress rehearsal will be conducted in the
PRODUCTION environment
and not End-To-End (ETE)!**

**Please ensure you use the correct configurations
and IP addresses.**

Dress Rehearsal 18 August - Preparations



TAKE NOTE!

- **Reference Data**
 - For all **Trading, Market Data and RTC enablements** as at **COB 10 August 2018**
 - For **production instrument reference data** as at **10 August 2018** with changes applied from production for 13-15 August 2018
 - For full **position take-on** as at **15 August 2018** for the dress rehearsal - Members to verify positions against own systems. Only **EDM and FXM member clients** that have been **active over the past 2 years** will be migrated to new real-time clearing for the dress rehearsal
 - **IMPORTANT: Client CSV files as at COB 15 August 2018 will be in the ETE folder on IDP on Thursday (16 Aug) and in the Production folder on Friday evening (17 Aug)**
- **16-17 August 2018**
 - Test logins and setup for trading, market data and real-time clearing
 - TRADERS should test their connectivity to their SIP i.e. logon to your front-end before Saturday test
 - **Passwords will be as at COB Friday, 10 August 2018** – therefore any password changes required should be done before COB 10 August 2018
 - Password resets applied after 10 August 2018 will need to be re-done on Saturday, 18 August 2018

Dress Rehearsal Testing



- Ensure clear issue logging procedure for your team
 - Ensure you have the support helpdesk contact details of your software provider for support during the dress rehearsals and log all software issues with them
 - First line JSE support is the Client Service Centre (CSC) - log all queries via email to CustomerSupport@jse.co.za or call us on +27 (11) 520 7777
 - Keep track of all actions in the event of a problem to assist with troubleshooting and to recreate the issue
- Verify all software bugs, configuration and setup issues reported during the last dress rehearsal(s) with your software provider have been resolved and are tested in CTS environment prior to the 18 August dress rehearsal if not already tested in ETE since last dress rehearsal

Dress Rehearsal Schedule – 18 August 2018



- **Technical Teams**
 - **6h30 – 13h00** - technical teams be on site 6h30 – 7h00
 - **12h00 – 13h00** – Technical Gateway failover testing for trading and post-trade with software providers and own solution developers
- **Business Users**
 - **08h30 – 12h00** – Business users on site from 8h30 for start of trade reporting
 - **Note:** Should you require more time for testing, please notify CSC or your buddy on the day
 - **Attention Traders:** If you are not currently enabled to trade in a specific market YOU WILL NOT be able to access it during dress rehearsals. E.g. if you are not currently a Currency Derivatives dealer you cannot trade currency derivatives
 - **Ensure realistic prices are used**
 - Clearing back office staff will have a TraderID for every trading member that they clear for and it should be tested
- Monitor online status via this link: <https://www.jse.co.za/services/technologies/market-communications>
- **Enablement requests/amendments cut-off date** is **TODAY** Wednesday, 8 August 2018
- Be aware of the JSE published known issue list as well as that of your software provider

Dress Rehearsal Tracking



- Each JSE client has a dedicated JSE user readiness contact (“buddy”) – don’t know who your buddy is? Send an email to ITaC@jse.co.za
- Your JSE “buddy” will contact your nominated key ITaC contact person (primary/responsible officers) to exchange contact details (by Friday, 10 August)
 - this person is your **escalation contact** (if required) during the dress rehearsals
 - If a **more senior escalation** contact is required, please contact Leanne Parsons, the JSE Executive Sponsor for ITaC via LeanneP@jse.co.za or via Client Service Centre (CSC) +27 11 520 7777
- We will **reuse the SMS groups from the May** dress rehearsals – **IF YOU WISH TO AMEND CONTACTS** for your Firm, send an email to ITaC@jse.co.za by Friday, 10 August 2018 with:
 - Firm Name
 - Name & Surname
 - Cell phone Number
 - Email Address

Trade Reporting counterparty allocation



- As indicated in the Trading test guide each Trading Member and each Clearing Member will be allocated two trade reporting counterparties for the 18 August dress rehearsal – minor revisions in progress at the request of clients
- The intention is that clients are paired with counterparties that they deal with in a normal business day – should you have a preference please notify your buddy
- Counterparties will be allocated in any of these categories: Client, Broker or Bank
- The JSE will have these finalised by 10 August 2019 and your JSE “buddy” will contact you during the week of 13 Aug 2018 to confirm who your counterparties are for the 18 August dress rehearsal

Dress Rehearsal Results Criteria – 18 Aug 2018



Connectivity

PASS RATE	Market	Connectivity							
		Native Trading		Post Trade - Own		Post Trade - OBO		Drop Copy	
%	EDM/FXM	Login All 3 GWs	Login	Login both GWs	Login	Login both GWs	Login	Login both GWs	Login

Trading – Order Management

Submit New Order - TIF								Submit New Order - Type					Order Amend	Order Cancel	OBD
OPG	DAY	FOK	GFA	GTC	GTD	GTT	IOC	MARKET	MIT	MTL	STOP	STOP LIMIT	Amended	Cancelled	Recovery

Trading – On Book and Off Book Trades

On Book Trades		Off Book Trades - Dual-Sided					Off Book Trades - Single-Sided					OBO	Cancellation		Strategy Trade		OTBD
UT	AT	CD	NT	PA	RT	SR	CD	NT*	PA	RT	SR	NT	On Book	Off Book	ICS	Delta Option	Recovery

Trading – Reference Data

Permissions		Sessions/Status		Instrument Creation	
Correct Market	Correct Instrument Type	Suspend/Halt	No trading session	Future	Option

* Single Sided NT not applicable for FXM

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- **General**
 - **Monthly User Readiness report timeline**
- Questions?

Remember that your August User readiness reports are due on Friday, **10 August 2018**

- 21 Questions
- Complete “Yes” or “No” responses in the spreadsheet for every question and return to your JSE buddy
- Should you not complete and submit these reports, we will annotate your firm as having completed all activities and are ready for go live

Questions?

JSE



Please refer all queries to the
JSE Client Service Centre (CSC)



CustomerSupport@jse.co.za



+27 11 520 7777

ITaC INTEGRATE
ACCELERATE
GROW