



JS

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ITaC Client Forum

9 May 2018

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Agenda



- Trading and Information dress rehearsal functional test worksheet
- Post-trade dress rehearsal functional test worksheet
- JSE known issue list
- Market wide End to End testing
- Questions?

Dress Rehearsal Checklists



- Trading and Information dress rehearsal functional test worksheet

Connectivity							
Native Trading		Post Trade - Own		Post Trade - OBO		Drop Copy	
Login All 3 GWs	Login	Login both GWs	Login	Login both GWs	Login	Login both GWs	Login
Tech	Tech	Tech	Tech	Tech	Tech	Tech	Tech

ORDER MANAGEMENT																
Submit New Order - TIF								Submit New Order - Type					Order Amend	Order Cancel	OOBD	Quotes
OPG	DAY	FOK	GFA	GTC	GTD	GTT	IOC	MARKET	MIT	MTL	STOP	STOP LIMIT	Amended	Cancelled	Recovery	Added
Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Busi.	Tech	Busi.

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

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

Dress Rehearsal Checklists



- Post-trade dress rehearsal functional test worksheet

#	Test Category	Test Activity	Business or Technical	Part of MMDR success criteria
1	Set-up and Connectivity	Successful connection and login (by at least 1 interface user ID) to the RTC gateway	Technical	Yes
		Successful connection and login (by at least 1 interface user ID) to IDP (for reference date files)	Technical	Yes
		Successful connection and login (for all Trading Members that you clear for) to the Trading Post-Trade gateway (for on-behalf-of Off Book Trade reporting)	Technical	Yes
		Successful JSE RTC Login and set-up for all clearing member users	Technical	Yes
		Successful Reference data subscriptions – verify set-up of all required members / branches / clients / accounts	Technical	Yes
2	Trade Feed into RTC	Verify Off Book trade reports are received from RTC and viewable on your front-end	Technical	No
		Verify On Book trades are received from RTC and viewable on your front-end	Technical	No
		Verify any trade cancelations are received from RTC and viewable on your front-end	Technical	No
		Verify user-created instruments are received from RTC and viewable on your front-end	Technical	No
		Verify trades executed on user-created instruments are received from RTC and viewable on your front-end	Technical	No
3	Off Book Trade Reporting by Clearing Members on-behalf-of Trading Members <i>Note: Trading Members to complete the Off Book trading functions on the Trading checklist</i>	Submit Off Book trade report(s) (on behalf of trading member) via the trading system Post-trade Gateway	Business	Yes
		Accept an Off Book trade report(s) (on behalf of trading member) via the trading system Post-trade Gateway	Business	Yes
		Cancel an Off Book trade report(s) (on behalf of trading member) via the trading system Post-trade Gateway	Business	Yes
		Reject an Off Book trade report(s) (on behalf of trading member) via the trading system Post-trade Gateway	Business	Yes
		Submit Off Book trade report(s) (on behalf of trading member branch) via the trading system Post-trade Gateway	Business	Yes
		Accept an Off Book trade report(s) (on behalf of trading member branch) via the trading system Post-trade Gateway	Business	Yes
		Cancel an Off Book trade report(s) (on behalf of trading member branch) via the trading system Post-trade Gateway	Business	Yes
		Reject an Off Book trade report(s) (on behalf of trading member branch) via the trading system Post-trade Gateway	Business	Yes

Dress Rehearsal Checklists



- Post-trade dress rehearsal functional test worksheet

#	Test Category	Test Activity	Business or Technical	Part of MMDR success criteria
4	Deal Management	Perform an Allocation to a Trading Member Client Main Account	Business	Yes
		Perform an Allocation to a Branch Member Client Main Account	Business	Yes
		Initiate an Assign to a Trading Member	Business	Yes
		Accept an Assign from a Trading Member	Business	Yes
		Cancel an Assign to a Trading Member	Business	Yes
		Reject an Assign from a Trading Member	Business	Yes
		Initiate an Assign to a Trading Member Branch	Business	Yes
		Accept an Assign from a Trading Member Branch	Business	Yes
		Cancel an Assign to a Trading Member Branch	Business	Yes
		Reject an Assign from a Trading Member Branch	Business	Yes
		Perform a Tripartite allocation to a TM Client	Business	Yes
		Perform a Tripartite allocation to a Branch Client	Business	Yes
		Perform an Accumulation on a Trading Member House Account	Business	Yes
		Perform an Accumulation then Allocate accumulated trade to Client Main Account	Business	Yes
		Perform an Accumulation then Assign accumulated trade to a Trading Member	Business	Yes
		Perform an Accumulation then Assign accumulated trade to a Trading Member Branch	Business	Yes
		Perform an Accumulation then Tripartite accumulated trade to a Trading Member Client Main Account	Business	Yes
		Perform an Accumulation then Tripartite accumulated trade to a Trading Member Branch Client Main Account	Business	Yes
		Perform an Allocation Correction from a Client Main Account to another Client Main Account	Business	Yes
		Perform an Allocation Correction from a Branch Client Main Account to another Branch Client Main Account	Business	Yes
		Perform a deal sub-account modification from a Trading Member House Sub Account to another House Sub Account	Business	Yes
		Perform a deal sub-account modification from a Trading Member House Main Account to a House Sub Account	Business	Yes
		Perform a deal sub-account modification from a Trading Member House Sub Account to a Client Suspense Account	Business	Yes
		Perform a deal sub-account modification from a Trading Member Branch House Sub Account to another Branch House Sub Account	Business	Yes
		Perform a deal sub-account modification from a Trading Member Branch House Main Account to a Branch House Sub Account	Business	Yes
		Perform a deal sub-account modification from a Trading Member Branch House Sub Account to a Branch Client Suspense Account	Business	Yes
Perform a principal correction from a Client Main Account to a Trading Member House Account	Business	Yes		
Perform a principal correction from a Branch Client Main Account to a Trading Member Branch House Account	Business	Yes		

Dress Rehearsal Checklists



- Post-trade dress rehearsal functional test worksheet

#	Test Category	Test Activity	Business or Technical	Part of MMDR success criteria
5	Position Management	Perform a position sub-account modification from a Trading Member House Main Account to a House Sub Account	Business	Yes
		Perform a position sub-account modification from a Trading Member House Sub Account to a House Sub Account	Business	Yes
		Perform a position sub-account modification from a Trading Member Client Suspense Account to a House Main Account	Business	Yes
		Perform a position sub-account modification from a Trading Member Branch House Main Account to a Branch House Sub Acc	Business	Yes
		Perform a position sub-account modification from a Trading Member Branch House Sub Account to a Branch House Sub Account	Business	Yes
		Perform a position sub-account modification from a Trading Member Branch Client Suspense Account to a Branch House Main Account	Business	Yes
		Perform an option exercise	Business	Yes
		Perform an option abandon	Business	Yes
		View position updates from RTC on your front-end	Business	No
6	Risk Monitoring	Verify risk monitoring updates are received from RTC and viewable on your front-end	Technical	No
7	Commission Management	Submit a commission for an agency trade as initiator of an Assign	Business	Yes
		Submit a commission for an agency trade as initiator of a Tripartite	Business	Yes
		Submit a commission for an agency trade when doing an Allocation	Business	Yes
		Submit a commission for an agency trade when doing direct Off Book Trade to a Client Account	Business	Yes
		Submit a commission for an agency trade when doing direct On Book Trade to a Client Account	Business	Yes
		Submit an ad-hoc commission (e.g. to correct/adjust a previous day's erroneous commission or to do a bulk commission)	Business	No
		Cancel a commission for an agency trade as initiator of an Assign	Business	Yes
		Cancel a commission for an agency trade as initiator of a Tripartite	Business	Yes
		Cancel a commission for an agency trade when doing an Allocation (Example scenario: if commission was incorrect)	Business	Yes
		Cancel a commission for an agency trade when doing direct Off Book Trade to a Client Account (Example scenario: if commission was incorrect)	Business	Yes
		Cancel a commission for an agency trade when doing direct On Book Trade to a Client Account (Example scenario: if commission was incorrect)	Business	Yes
		Reject a commission for an agency trade as recipient of an Assigned trade	Business	Yes
		Reject a commission for an agency trade as recipient of a Tripartite trade	Business	Yes
		Cancel the original commission and submit a new commission for an agency trade when doing an Allocation Correction	Business	No
		Cancel a commission for an agency trade when doing a Principle Correction	Business	No
		Cancel a commission for an agency trade when doing a Trade Cancellation	Business	No
Cancel a commission for an agency trade when doing a Price Adjust	Business	No		

Dress Rehearsal Checklists



- Post-trade dress rehearsal functional test worksheet

#	Test Category	Test Activity	Business or Technical	Part of MMDR success criteria
8	Trading Member Client maintenance	Add a new Resident Client into RTC (note: this can only be done as a Trading Member)	Business	Yes
		Add a new Non-Resident Client into RTC (note: this can only be done as a Trading Member)	Business	Yes
		Edit an existing client in RTC (note: this can only be done as a Trading Member)	Business	Yes
9	During EOD Deal & Position Management period	During this period clients can perform deal, position and commission management as per steps 23-77 above	Business	No
10	CM Balancing 1 (applicable to Clearing Members only)	Receive margin, dividend and CFD funding results from JSE	Business	No
		Receive initial daily account summary report from JSE	Business	No
		Calculate and verify margin, dividend and CFD funding calculations	Business	No
		Submit auto-balance to JSE (confirming recon Y/N)	Business	Yes
11	CM Balancing 2 (applicable to Clearing Members only)	Receive fees and commissions calculations from JSE	Business	No
		Receive final daily account summary report from JSE	Business	No
		Calculate and verify fees and commissions calculations	Business	No
		Submit auto-balance to JSE (confirming recon Y/N)	Business	Yes

Dress Rehearsal Known Issue Lists



Known Trading Issues:

Category	Issue
API/Functional	Options trading at the money, where the future and strike price are the same, do not get a delta published at the moment.

Known Post-trade Real Time Clearing (RTC) Issues:

Category	Issue
None	None - There are currently no known Post-trade Real Time Clearing (RTC) issues

Dress Rehearsal



Items to note:

API/Functional	Opening Auctions will occur for all Strategy Instruments on the Equity Derivative Market
Production data cut	The data for the dress rehearsal is at EOD, 03 May 2018
Spot instruments IDP File	By design, the JSE trading system only receives spot instruments that have derivative instruments listed on them while the JSE RTC system may have additional spot instruments that are not underlyings of any derivative instruments. The Trading Reference data CSV files available via IDP includes the spot instruments on the trading system and will therefore does not contain the additional spot instruments that JSE RTC has.
Positions	All positions from the production cut will be in the dress rehearsal environment.
Member clients and tripartite agreements	Only member clients that have been active over the past 2 years will be migrated to RTC for the dress rehearsal. All active tripartite agreements of these active member clients will be available.
Dividend neutral positions	All dividend neutral positions have been migrated.
Volatility skews	Skew adjustments during the dress rehearsal testing may be unrealistic due to unrealistic prices being used
MTM Prices	The first set of MTM prices (being the previous day's closing prices) will be available in RTC at start of day at approx. 7:00am. <i>Note: This is the timing that will be applicable in production</i>
Initial Margin ZAR Collateral	Initial margin cash balances will be migrated for the 12 May MDR.
Margin parameters	Additional Margin percentages will be migrated from production for the dress rehearsal. These can be set via the RTC API if required.

Questions?



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



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