



Integrated Trading and Clearing (ITaC)

Client Forum

15 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

We are here

PLEASE NOTE:
Mandatory for all clients

PLEASE NOTE:
Mandatory for all clients for
ALL MARKETS

Including EQM, CDM, IRD
and Bond Market

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.

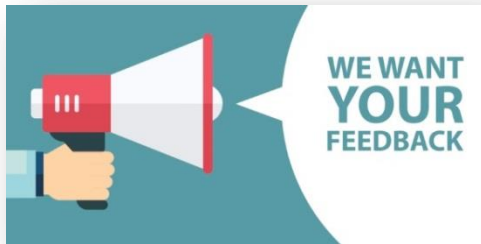
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- **ITaC End-To-End Testing**
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End-To-End Testing update



- **ETE Cycle 3** completed 10 August 2018



- Kindly submit your Cycle 3 testing feedback to the JSE before the end of this week
 - Cycle 3 was effective in identifying issues in front end and clearing software related to specific business events
 - Afforded clients the opportunity to re-test issues identified with their front-ends during dress rehearsals
- **ETE Cycle 4** commences 20 August 2018 immediately following the dress rehearsal
 - JSE strongly encourages **more active participation from trading members**
 - Reference data for Cycle 4 will be as at COB **Friday 17 August 2018** i.e. **as at the start of the dress rehearsal**
 - During specific business events testing - clients should test what they would usually do during such an event e.g. during an FCO event, ensure you trade in the auction (**note: if you require Equity Market access in ETE Testing environment, it is available**)
 - Status checkpoints held via teleconference 3 times per week on a Monday, Wednesday and Friday at 12h30

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 (week 2)
	Clearing EOD re run on T+1 (week 2 - TBC)

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Thank you!



***We would like to thank all
our clients for their continued
support and participation thus far.***

We are nearly there!



High Level Dress Rehearsals Objectives



- **Key objectives** of the end to end dress rehearsal is to:-
 - **Simulate a normal production business day**
 - 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: **whether you have passed 2 dress rehearsals or not**
 - 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.

Key steps to dress rehearsal success!



1

Test is in Production Environment

2

Mandatory participation for all clients

3

All clients MUST PASS all defined minimum criteria as this is an ETE dress rehearsal

4

Trading Members: Must successfully submit at least ONE ORDER OR TRADE PER TRADER ID. For BackOffice Trader IDs at least one deal mgmt activity

5

Trading Members: Must successfully execute all the Deal Management activities that are applicable to them (unless the clearing member does this on their behalf as part of normal BAU)

6

Clearing Members: Must successfully execute all the activities that are conducted On Behalf Of (OBO) trading members that they clear for and where OBO is normal BAU

7

Clearing Members: Must successfully execute all their BAU clearing activities

Participation in Dress Rehearsal – 18 Aug 2018



- **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

Dress Rehearsals Checklist



- 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
 - **Please also ensure that if a Trading Member outsources functions to a Clearing Member that this is clearly indicated in your Post-trade checklist returned to the JSE**
 - 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



- **ALL CLIENTS MUST PASS the minimum criteria in this dress rehearsal**
- **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
- **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)
 - Confirm your Clearing Member will perform all business as usual activities on your behalf where applicable
 - **Clearing Members:**
 - Login all RTC User IDs
 - Execute at least one of every deal management On-Behalf-Of activity per Trading Member they clear for
 - **Live Market Data subscribers**
 - Receive multicast data and Login and recover missed messages via the Replay/Recovery Gateways

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 – Reference Data



Fri 10 Aug 2018

TAKE NOTE!

- Production data cut taken

- All Trading, Market Data and RTC **enablers** as at COB **10 August 2018**
- **Instrument Reference data** as at COB **10 August 2018**
- **Passwords will be as at COB Friday, 10 August 2018** – therefore any password changes required were to be done before COB 10 August 2018

Mon 13 Aug

- Prep Environment
- Instrument reference data changes updated to align to Production

Tues 14 Aug

Wed 15 Aug

- Instrument reference data changes **updated to align to Production**
- Full position take-on as at 15 August 2018
- Only EDM and FXM member clients that have been active over the past 2 years will be migrated to new real-time clearing system

Thurs 16 Aug

- **IMPORTANT: Client CSV files will be available in the END-TO-END (ETE) folder on IDP**

Fri 17 Aug

- **IMPORTANT: Client CSV files will be available in the PRODUCTION folder on IDP**

- Instrument reference data changes **updated to align to Production**
- Members to verify positions against own systems
- Test logins and setup for trading, market data and real-time clearing
- Test connectivity to their SIP i.e. logon to your front-end before Saturday test

Password resets applied after 10 August 2018 will need to be re-done on Saturday, 18 August 2018

Dress Rehearsal Testing – Issue Logging



- 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
 - **Log all queries with first line JSE support Client Service Centre (CSC)** - 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 was Wednesday, 8 August 2018
- Be aware of the JSE published known issue list as well as that of your software provider

Dress Rehearsal Tracking – additional support



- 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
- 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
- Your JSE “buddy” has provided you with your counterparties for the 18 August dress rehearsal

Dress Rehearsal Trading Results Criteria



Pass mark is 85%
for FXM and EDM

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	OOBD
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

Dress Rehearsal Post-trade Results Criteria

ISE

18 August 2018 - Mandatory Market Dress Rehearsal

Firm Name:

Post-trade Business Functional Test Worksheet

Instructions for completion of the Post-trade Business Functional Test Guide:

1. Trading Members and Clearing Members are required to complete **COLUMN D** of this document and indicate whether the function is applicable to the firm or not
2. Kindly submit completed test worksheets to your ITaC Dress Rehearsal Buddy by Monday, **20 August 2018**
3. Please note that the **pass criteria** for Post-trade activities is **80%** for the 18 August 2018 dress rehearsal

TECHNICAL / FUNCTIONAL FEEDBACK

#	Test Category	Test Activity	Is this function applicable to my firm?	Part of CM MMDR success criteria	Part of TM MMDR success criteria	Additional Information
4	Deal Management	Perform an Allocation to a Trading Member Client Main Account		Yes	Yes	Pass mark is 80%
		Perform an Allocation to a Branch Member Client Main Account		Yes	Yes	
		Initiate an Assign to a Trading Member		Yes	Yes	
		Accept an Assign from a Trading Member		Yes	Yes	
		Cancel an Assign to a Trading Member		Yes	Yes	
		Reject an Assign from a Trading Member		Yes	Yes	
		Initiate an Assign to a Trading Member Branch		Yes	Yes	
		Accept an Assign from a Trading Member Branch		Yes	Yes	
		Cancel an Assign to a Trading Member Branch		Yes	Yes	
		Reject an Assign from a Trading Member Branch		Yes	Yes	
		Perform a Tripartite allocation to a TM Client		Yes	Yes	
		Perform a Tripartite allocation to a Branch Client		Yes	Yes	
		Perform an Accumulation on a Trading Member House Account		Yes	Yes	
		Perform an Allocation Correction within a Trading Member		Yes	Yes	This is moving a deal from one client account/sub-account to another client account/sub-account

YES = Min PASS criteria for TMs and CMs

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 - JSE measurement criteria
- **General**
 - **Monthly User Readiness report timeline**
- Questions?

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

- If you have not yet submitted yours – kindly do so urgently

Questions?



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



CustomerSupport@jse.co.za



+27 11 520 7777