

Turquoise Equities

Turquoise Plato Block Discovery™ - Changes to Matching Logic to Introduce Continuous Matching of BIs and Eligible BDNs

Effective Monday 22 May 2017, **Turquoise Plato Block Discovery™** matching logic is to be enhanced to facilitate real-time / continuous matching of Block Indications (BIs) and eligible Block Discovery Notifications (BDNs)¹. The new model retains execution timing randomness of **Turquoise Plato Uncross™**, a key feature that underpins the high quality executions observed.

Whilst this functional enhancement introduces no interface changes for participants, participants should be aware of two system behaviour changes of relevance:

1. When sending a BI to **Turquoise Plato Block Discovery™**, participants may receive an immediate Order Submission Request (OSR) to respond with a firm order, known as a Qualifying Block Order (QBO)
2. On receipt of an OSR, participants will have 500ms to respond with a QBO, compared to the previous confirmation interval of 450ms.

Further background

Ahead of the new functional enhancement, **Turquoise Plato Uncross™** events occur at a random point between every 5 and 10 seconds, with **Turquoise Plato Block Discovery™** prompted to check for BI vs. BI and BI vs. eligible BDN matches just ahead of each periodic event. If a BI is matched then OSRs are sent to the relevant BI user(s) who have 450ms to respond with a firm order, which is then followed by a 1.5 second period in which the firm order matching event (**Turquoise Plato Uncross™**) will randomly take place.

With the enhancement, whenever any new BI or eligible BDN is entered, **Turquoise Plato Block Discovery™** is prompted to immediately check² for a match against existing contra BIs and eligible BDNs. If a match occurs, then any participants with BIs involved will be sent an OSR immediately and those participants will have 500ms (up from 450ms) to respond with a firm order. This confirmation window is then followed by a 1.5 second period in which the firm order matching event

¹ An eligible BDN has a remaining value equal to or greater than 25% of LIS.

² If a new BI or eligible BDN is entered between the start of an Order Submission Interval and the relevant **Turquoise Plato Uncross™** event, **Turquoise Plato Block Discovery™** will wait until the event is completed before checking for a match.

Market Notice

8 May 2017

(**Turquoise Plato Uncross™**) will randomly take place. **Turquoise Plato Uncross™** events will continue to occur at a random point between 5 and 10 seconds if a continuous match of BIs and eligible BDNs has not occurred in the 5 to 10 second random period since the last event.

Turquoise product documentation will be updated to reflect this change, and can be found in the Turquoise Document Library: <http://www.lseg.com/markets-products-and-services/our-markets/turquoise/information-centre/document-library>.

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