



## Technical Notice

09-014

**TO:** BOX Participants

**FROM:** Participant Connectivity Coordinator

**SUBJECT:** Market Maker Invalid Quoting and Opening Quoting Reports

**DATE:** October 9, 2009

Starting October 12, 2009 BOX will provide two new reports to all BOX Market Makers. The reports will compliment the existing MM Quoting Compliance Report and will provide Market Makers with additional details about their invalid quoting and opening quoting activities. The reports will be made available on a daily basis and should be used as a reference checkpoint and should not be used as a definitive regulatory assessment of compliance with, or violation of, the BOX Trading Rules or any regulatory requirements.

### 1. Market Marker Invalid Quoting Report

#### (a) Detailed View

Tag Name	Value	Description
MessageType	<ul style="list-style-type: none"> <li>• H</li> <li>• D</li> <li>• S</li> <li>• C</li> </ul>	Header / Detail / Summary / Disclaimer
Date		Date at which the quoting statistics were calculated
FirmId		The firm number of the market maker under review
MarketFlowIdentifier	<ul style="list-style-type: none"> <li>• OE: Equity</li> <li>• OL: Leaps</li> </ul>	
SailTraderId		Identifies the trader in a SAIL message: 4 first characters: Firm Identifier. 4 Last characters: Trader Identifier
StartTime		Start time of the invalid period
EndTime		End time of the invalid period
Duration		Duration of the invalid period
UnderlyingSymbol		Underlying Symbol
InstrumentGroup		The Identification for the Group.
ExternalSymbol		The identification for the instrument
GroupStatus	<ul style="list-style-type: none"> <li>• Pre-Opening</li> <li>• Continuous Trading</li> </ul>	Status of the group at the start of the invalid period
BidSizeAtStart		Bid size at the start of the invalid period
BidAtStart		Bid price at the start of the invalid period
AskSizeAtStart		Ask size at the start of the invalid period
AskAtStart		Ask price at the start of the invalid period
Spread		(Ask price - Bid price) at the start of the invalid period
QuoteValidityState	InvalidSpread InvalidBidSize InvalidAskSize InvalidBidAskSize	Reason why the quote is invalid

	InvalidBidSizeAndSpread InvalidAskSizeAndSpread InvalidBidAskSizeAndSpread	
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**(b) Summary View**

Tag Name	Value	Description
MessageType	<ul style="list-style-type: none"> <li>• H</li> <li>• D</li> <li>• S</li> <li>• C</li> </ul>	Header / Detail / Summary / Disclaimer
Date		Date at which the quoting statistics were calculated
FirmId		The firm number of the market maker under review
MarketFlowIdentificator	<ul style="list-style-type: none"> <li>• OE: Equity</li> <li>• OL: Leaps</li> </ul>	
TotalNumberOfExceptions		Number of instances where quotes are invalid for more than n seconds
AverageDuration		Duration over TotalNumberOfException
NbOfExceptionDueToQty		Number of instances where quote is invalid because of size
NbOfExceptionDueToQtyPct		Number of instances where quote is invalid because of size / Total number of exception
NbOfExceptionDueToSpread		Number of instances where quote is invalid because of spread
NbOfExceptionDueToSpreadPct		Number of instances where quote is invalid because of spread / Total number of exception
NbOfExceptionDueToQtyAndSpread		Number of instances where quote is invalid because of size and spread
NbOfExceptionDueToQtyAndSpreadPct		Number of instances where quote is invalid because of size and spread / Total number of exception

**Note:**

- *Opening quote relief is not taken into account while generating the reports.*

**2. Market Maker Opening Quoting Report**

**(a) Detailed View**

Tag Name	Value	Description
MessageType	<ul style="list-style-type: none"> <li>• H</li> <li>• D</li> <li>• S</li> <li>• C</li> </ul>	Header / Detail / Summary / Disclaimer
Date		Date at which the quoting statistics were calculated
FirmId		The firm number of the market maker under review
MarketFlowIdentificator	<ul style="list-style-type: none"> <li>• OE: Equity</li> <li>• OL: Leaps</li> </ul>	
SailTraderId		Identifies the trader in a SAIL message: 4 first characters: Firm Identifier. 4 Last characters: Trader Identifier
Time		
UnderlyingSymbol		Underlying Symbol
InstrumentGroup		The Identification for the Group.
ExternalSymbol		The identification for the instrument
BidSize		Bid size at the Opening
BidPrice		Bid price at the Opening
AskSize		Ask size at the Opening
AskPrice		Ask price at the Opening
Spread		(Ask price - Bid price) at the Opening
QuoteValidityState	InvalidSpread InvalidBidSize	Reason why the quote is invalid

	InvalidAskSize InvalidBidAskSize InvalidBidSizeAndSpread InvalidAskSizeAndSpread InvalidBidAskSizeAndSpread	
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**(b) Summary View**

Tag Name	Value	Description
MessageType	<ul style="list-style-type: none"> <li>• H</li> <li>• D</li> <li>• S</li> <li>• C</li> </ul>	Header / Detail / Summary / Disclaimer
Date		Date at which the quoting statistics were calculated
FirmId		The firm number of the market maker under review
MarketFlowIdentificator	<ul style="list-style-type: none"> <li>• OE: Equity</li> <li>• OL: Leaps</li> </ul>	
TotalNumberOfExceptions		Number of instances where quotes are invalid at the Opening
NbOfExceptionDueToNoQuote		Number of instance where quote is not present
NbOfExceptionDueToNoQuotePct		Number of instance where quote is not present / Total number of exception
NbOfExceptionDueToQty		Number of instance where quote is invalid because of size
NbOfExceptionDueToQtyPct		Number of instance where quote is invalid because of size / Total number of exception
NbOfExceptionDueToSpread		Number of instance where quote is invalid because of spread
NbOfExceptionDueToSpreadPct		Number of instance where quote is invalid because of spread / Total number of exception
NbOfExceptionDueToQtyAndSpread		Number of instance where quote is invalid because of size and spread
NbOfExceptionDueToQtyAndSpreadPct		Number of instance where quote is invalid because of size and spread / Total number of exception

**Note:**

- *Opening quote relief is not taken into account while generating the report.*

**Additional Details**

- The reports will be generated as a CSV file, using the comma (',') character as a separator, and contains 4 records types: Header(H), Detail(D), Summary(S) and Disclaimer(C).
- The summary record will show statistical information summarizing the Invalid and Opening quoting statistics.
- A disclaimer notice will also be included at the bottom of the file and will start with the letter 'C' as the Record Type.

## **Technical Details**

Item	Details
Report Naming convention:	<ul style="list-style-type: none"><li>• MMInvQuoting_BOX_999_YYYYMMDD.csv</li><li>• MMInvQuoting_Leaps_BOX_999_YYYYMMDD.csv</li><li>• MMInvQuoting_Opening_BOX_999_YYYYMMDD.csv</li><li>• MMInvQuoting_Leaps_Opening_BOX_999_YYYYMMDD.csv</li></ul> <i>(999 represents the Participant ID of the Market Maker)</i>
Format:	CSV file, comma character as a separator.
Frequency:	Daily, no report is produced on holidays.
Availability Time:	8:30 AM EST each trading day, for statistics generated for the previous trading day.
Retention Period:	Reports are available on the server for a period of 2 weeks.
FTP server:	IP Address: 198.235.27.150 Secure FTP site (not accessible through an Internet connection)

## **Contacts**

Please contact the Market Operations Center at (866) 768-8845 or by e-mail at [BOXMOC@bostonoptions.com](mailto:BOXMOC@bostonoptions.com) if you require additional information regarding this Technical Notice.

Thank you,

BOX Participant Connectivity Coordinator