



A#: 8270
P&S#: 7845
DATE: OCTOBER 18, 2016
TO: ALL PARTICIPANTS
ATTENTION: MANAGING PARTNER/OFFICER, OPERATIONS PARTNER/OFFICER, COMPLIANCE OFFICER
FROM: PRODUCT MANAGEMENT
SUBJECT: REMINDER – OCTOBER 28, 2016 PRODUCTION DATE TO MATCH NSCC REAL TIME TRADE MATCHING (RTTM) MUNICIPAL BOND TRADES BASED ON INTERDEALER TRADE VS. STEP OUT DESIGNATION

As stated in NSCC Important Notice A#8218, dated June 23, 2016,ⁱ the NSCC CMU RTTM system will match municipal bond transactions based on submissions coded as Stepout allocations vs. submissions coded as Interdealer trades. Corporate bond and UIT trades will not be subject to this matching logic.

CMU RTTM Processing

CMU RTTM will use the Destination Indicator that Members submit on each Trade Instruct to assign a Stepout or Interdealer trade (non Stepout) designation.

As shown below, a trade designated with /DEST01 will be coded as a Stepout. A trade designated as /DEST01/DEST02 will be coded as an Interdealer trade. If the buyer and seller submit different Destinations, the trade will not match.

CMU RTTM/Regulator	Destination (:70E::TPRO//)	Header-Receiver	Stepout
CMU RTTM only	/DEST01	NSCCTRRS	Yes
CMU RTTM and MSRB	/DEST01/DEST02	NSCCTRRS	No

Transaction Input to CMU RTTM

- **No change on Trade Instructs submitted to CMU RTTM**
 - Firms can continue, but will not be required, to submit STEP in the Contra Trader ID field. STEP in the Contra Trader ID field will continue to act as Information Only.

- Trade Modifies of the Destination Indicator will not be accepted. CMU RTTM currently receives five of these daily. Firms submitting Modifies of DEST ID are being notified to discontinue doing so.

Transaction Output from CMU RTTM

- The Destination Indicator (/DEST01 or /DEST 01/DEST02) will be added to all Municipal Bond MT 518 RTTM trade output (see Addendum I below).
 - /DEST – Is used to specify the destination of the message as CMU RTTM (01), MSRB (02). This is a repeating field allowing multiple entries. For Municipal bond trades, the DEST field is reflected on all MT518 records, based on what was provided by the Member.
 - The Destination Indicator is currently provided on Web Screen Input Trade Replay and Locked in QSR trades in Block/Tag 70E Trade Instruction Processing Narrative (TPRO).
 - The Destination Indicator will be included on all MT 518 Municipal bond trade output. /DEST (01) designates RTTM and /DEST (01/02) designates RTTM & MSRB (see Addendum I below).
 - *The Destination Indicator will NOT be added to MT 518 Corporate Bond and UIT output. It will continue to be /DEST01 for Corporate Bond and UIT trades.*
- Field 28 on the end of day Fixed Income Municipal Bond Contracts file (AutoRoute # 02032237) will be populated with a ‘Y’ (Stepout) for /DEST 01 Compared, Uncompared and Advisory trades and an ‘N’ (Not Stepout) for /DEST 01/DEST02 trades (see Addendum II below). This field is currently blank.
- A new column will be created for Stepout processing on the CMU RTTM Web default search screens.
 - It will be populated with a ‘Y’ to indicate Stepout on Matched, Unmatched and Advisories and an ‘N’ for Non Stepout trades.
 - The Corporate bond /UIT default screen results will continue to be blank for this new column.

Redefined CMU RTTM DK Reason Code

CMU RTTM DK Reason Code E015 will be repurposed to indicate “Stepout Error” instead of “Commission Error”.

If you have any questions regarding this or other CMU RTTM services, please enter your question into the PBS WINS function, contact your Relationship Manager, email RMsupport@dtcc.com or contact the undersigned at 212-855-7623 (efanning@dtcc.com).

Ed Fanning
Director, Product Management

ADDENDUM I

Destination ID (:70E::TPRO//GSCC/DEST) will be included on all the following MT 518 messages:

- **PROC/GSCC/CMPR** - This qualifier/option indicates that the MT518 record is a Match Request.
- **PROC/GSCC/CRQM** - This qualifier/option indicates that the MT518 record is a Match Request Modify.
- **PROC/GSCC/CADV** - This qualifier/option indicates that the MT518 record is a Match Request Cancel Advice.
- **PROC/GSCC/CMDA** - This qualifier/option indicates that the MT518 record is a Post Match Contra Trade Modification.
- **PROC/GSCC/LCTA** - This qualifier/option indicates that the MT518 record is a Locked-in Trade Advice.
- **PROC/GSCC/CMPM** - This qualifier/option indicates that the MT518 record is a Matched with Modifications.
- **PROC/GSCC/DFVA** - This qualifier/option indicates that the MT518 record is a Notification of Default Values Applied.
- **PROC/GSCC/SITR** - This qualifier/option indicates that the MT518 record is a Screen Input Trade Replay.
- **PROC/GSCC/NAFI** - This qualifier/option indicates that the MT518 record is a DK Advice (DK of the recipient's previously submitted trade).
- **PROC/GSCC/DCCX** - This qualifier/option indicates that the MT518 record is a DK Remove Advice (removing the DK status from the recipient's trade).
- **PROC/GSCC/YTPR** - This qualifier/option indicates that the MT518 record is a Yield to Price recalculation (Repricing).
- **PROC/GSCC/STLD** - This qualifier/option indicates that the MT518 record is a notification of Settlement Disposition. This message indicates that a trade has been sent to settlement. E.g., :22F::PROC/GSCC/YTPR

ADDENDUM II

Effective October 28, 2016

FIXED INCOME MUNI CONTRACTS MRO					Detail
AUTOROUTE ID 02032237					Record Length 120
Description	Length	Start	End	Type	Comments
Buy/Sell Code	1	1	1	A/N	2 = Buy 4 = Sell
Match Code	1	2	2	A/N	1 = Compared Trade 2 = Uncompared Trade 3 = Advisory
Settlement Date	8	3	10	A/N	MMDDCCYY
Major Clearing Participant	4	11	14	A/N	(MAJOR)
Major Executing Participant	4	15	18	A/N	(MAJOR)
Contra Clearing Participant	4	19	22	A/N	(MINOR)
Contra Executing Participant	4	23	26	A/N	(MINOR)
Syndicate Indicator	1	27	27	A/N	0 = Not Syndicate 1 = Syndicate
Stepout Indicator	1	28	28	A/N	N = Non Stepout Y = Stepout (Blank for As Of trades before the first T/D of the Stepout match)
Price Indicator	1	29	29	A/N	0 = Dollar Price 1 = Contract Amount 2 = Yield and concession 4 = Calculated Contract Amount - Submitted Dollar Price 5 = Calculated Contract Amount Submitted Yield And Concession
Extended Settlement Days	2	30	31	A/N	Space = Regular Settlement 01 Thru '15' = Non-Standard Settlement
Trade Date	8	32	39	A/N	MMDDCCYY
CUSIP	9	40	48	A/N	40-45 Issuer, 46-47 Issue, 48 Check Digit
Bond Trade Indicator	1	49	49	A/N	0 = Regular Way 1 = New Issue
Bond Form	1	50	50	A/N	0 = Registered
Market of Execution	1	51	51	A/N	3 = Municipal
Quantity	9	52	60	N	999,999,999
Future Use	7	61	67	A/N	RESERVED
Currency Indicator	3	68	70	A/N	USD = US Dollars
Contract Amount	12	71	82	N	9,999,999,999.99
Dollar Price	12	71	82	N	9,999.99999999
Yield	7	71	77	N	(71 – 73 Yield Whole Percent) (74 – 77 Yield Fractional Percent Left Justified)
Concession Sign	1	78	78	A/N	(78-78 Sign A = Add, S = Subtract

Concession Percentage	4	79	82	N	(79 - 79 Whole Number) (80 – 82 Fraction)
Special Trade Indicator	1	83	83	A/N	C = CNS Trade F = Comparison only. No Settlement T = Trade-For-Trade
Future Use	1	84	84	A/N	RESERVED
Adjustment Code	3	85	87	A/N	Spaces = Regular Trade AO = As Of CBT = Compared on Buyer's Trade Date CST = Compared on Seller's Trade Date M = Memo Item MC = Compared Former Memo Item (No Participant Action) MR = Repeat Of Memo Uncompared OSD = One Sided Delete RR = Repeat of an Uncompared Or Advisory SV = Compared On Seller's Total Value Buyer Has Different Total Value Not More Than Plus Or Minus \$0.04 Cents/ Bond WH = Withhold
Control Number	10	88	97	N	
Accrued Interest	9	98	106	N	9,999,999.99
Future Use	1	107	107	A/N	RESERVED
QSR Indicator	2	108	109	A/N	QS = QSR Submitter QC = QSR Contra RS = QSR Reversal Submitter RC = QSR Reversal Contra
Original Control Number	10	110	119	N	Original Control Number – If Different from Prior Day
Future Use	1	120	120	A/N	RESERVED
					END OF RECORD

ⁱ <http://www.dtcc.com/~media/Files/pdf/2016/6/23/a8218.pdf>