



# Post-Trade Transparency Interface Specification

Please respond to:

LME IT Solutions Delivery

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## Change History

Revision	Date	Section	Section Name	Change
0.1	12 Sept 17			Initial Draft version
0.2	22 Sept 17			Minor Update (Project feedback)
0.3	29 Sept 17	1	Introduction	Minor change Introduction
		2.1	Folder Structure	Sftp folder structure agreed
		2.2	File Name	File Naming change

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# 1 Introduction

MiFID II will apply from 3 January 2018 and under these new MiFID II regulations. MiFID II/MiFIR expands the pre and post-trade transparency regime for financial instruments traded in the EU.

## 1.1 Post Trade Transparency

For post-trade transparency such venues must make public price, volume and transaction time, plus other additional flags and identifiers, as 'close to real-time' as is technically possible and, at worst, within  $x^1$  minutes of the relevant transaction.

The FCA can authorise deferred publication of post-trade transparency information based on size, such as large scale in transactions, or type of transaction; any such arrangement must be clearly disclosed to both market participants and the public. Deferral can also be authorised for illiquid financial instruments. The FCA can, during the period of deferral, take additional measures such as requesting publication of limited details or details of several transactions in aggregated form.

For "package transactions" consisting of several components; post trade transparency deferral applies if at least 1 component of the package adheres to the deferral criteria.

The FCA may also temporarily suspend post-trade transparency obligations where liquidity falls below pre-defined threshold. It should be noted that such suspensions only suspend the obligation, but venues can chose to continue to report as before; in such a case LME would elect to continue reporting.

In summary, venues must

- make post-trade transparency data publically available on a reasonable commercial basis<sup>2</sup>,
- ensure non-discriminatory access, and
- make the data available free of charge 15 minutes after publication.

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<sup>1</sup> ESMA has proposed a 15 minute limit initially, reducing to a 5 minutes limit by 1 Jan 2020

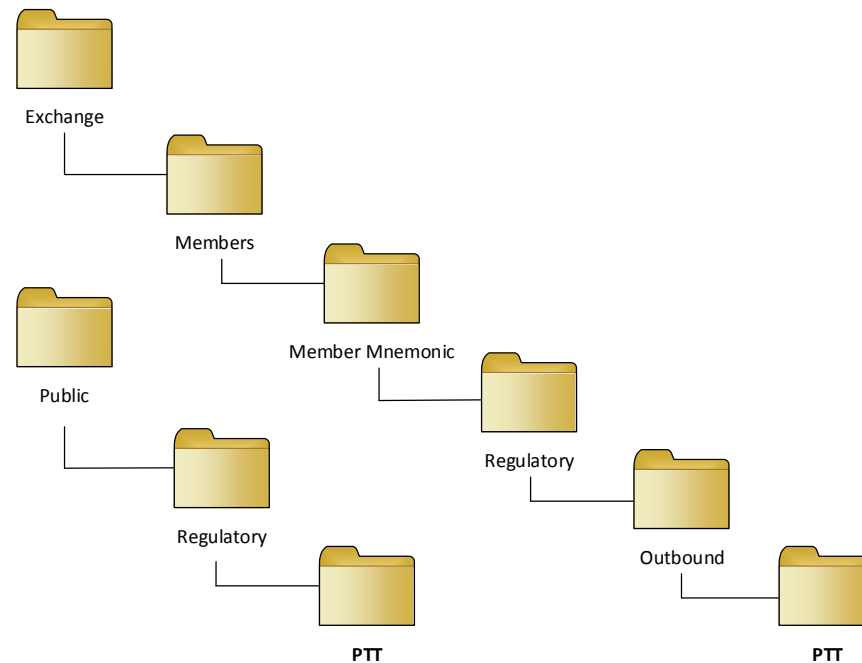
<sup>2</sup> Note that LME has elected to provide this Post Trade file free of charge.

## 2 File structure and Naming Convention

### 2.1 Folder Structure

The Post Trade Transparency files will be made available as follows:

1. For LME Members with access to the sftp folder structure, the files will be made available under their respective Member Mnemonic area
2. For user without access to the sftp folder structure, the files will be made available under the Public MIFID II Reports area



## 2.2 File Naming Convention

The LME will upload xml files into the appropriate folders.

The compressed filename of the XML files uploaded to the folder will have the following naming convention:

*<FileType>\_<DateAndTime>.zip – E.g. POST\_TRADE\_TRANSPARENCY\_FILE\_20170914130652.zip*

Once uncompressed the filename of the XML file will have the following naming convention:

*<FileType>\_<DateAndTime>.xml – E.g. POST\_TRADE\_TRANSPARENCY\_FILE\_20170914130652.xml*

Component	Definition	Value
<FileType>	A 29-character attribute identifying the type of information contained within the file.	POST_TRADE_TRANSPARENCY_FILE
<DateAndTime>	The UTC date and time that the records were created.	20170914130652

The following table describes the structure of the Post Trade Transparency data.

## 2.3 Post Trade Transparency File Specification

Field no	Field name	XML child nodes	Description	Format	Sample data
1	Trading date and time	<TrdgDateTime>	The UTC date and time that the record was submitted for processing.	{DATE_TIME_FORMAT}	2017-01-01T12:30:00.000000Z
2	Instrument identification code type	<IdType>	Code type used to identify the financial instrument.	'ISIN' = ISIN-code	ISIN

Field no	Field name	XML child nodes	Description	Format	Sample data
3	Instrument identification code	<Id>	ISIN code assigned to the instrument.	{ISIN}	GB00Z9YFH190
4	Price	<Price>	Traded price of the transaction excluding, where applicable, commission and accrued interest. For options this is the premium of the derivative contract per underlying or index point. Where price is reported in monetary terms, it should be provided in the major currency unit. Where price is not available but pending, the value should be 'PNDG'. E.g. for 'C', 'S', 'MC', 'M3' The information reported in this field shall be consistent with the value provided in field Quantity.	{DECIMAL-18/13} in case the price is expressed as monetary value 'PNDG' in case the price is not available	6700.00
5	Venue of execution	<TrdgVn>	Identification of the venue where the transaction was executed. Always XLME as Ring / Select / Telephone etc all have same MIC.	{MIC} – for the trading venue	XLME
6	Price notation	<PrNt>	Indication as to whether the price is expressed in monetary value.	'MONE' – Monetary value	MONE
7	Price Currency	<PrCcy>	Currency in which the price is expressed where the price is expressed as monetary value. E.g. GBP, Euro, USD, YEN	{CURRENCYCODE_3}	USD
8	Notation of the quantity in measurement unit	<NtlQty>	Indication of measurement units in which the quantity in measurement unit is expressed . E.g. tonnes, ounces	{ALPHANUM-25}	Tonne
9	Quantity in measurement unit	<QtyMUnit>	The equivalent amount of commodity traded expressed in measurement unit. E.g. no of tonnes/ounces per lot	{DECIMAL-18/17}	25
10	Quantity	<Qty>	The number of units of the financial instrument, or the number of derivative contracts in the transaction. E.g. No of lots traded	{DECIMAL-18/17}	10
11	Notional amount	<NtlAmt>	Nominal amount (qty x lots x price). This field must be consistent with the value provided in field Price.	{DECIMAL-18/5}	1675000
12	Notional currency	<NtlCcy>	Currency in which the notional is denominated - GBP, Euro, USD, YEN.	{CURRENCYCODE_3}	USD

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Classification: Public

Field no	Field name	XML child nodes	Description	Format	Sample data
13	Publication Date and Time	<PubDateTime>	Date and time when the transaction was published on LMEselectMD i.e. MDEntryTime and MDEntryDate.	{DATE_TIME_FORMAT}	2017-01-01T12:30:00.000000Z
14	Venue of publication	<PubVn>	Code used to identify the trading venue and APA publishing the transaction.	Trading venue: {MIC} 'XLME'	XLME
15	Transaction Identification Code	<TrnsId>	Alphanumerical code assigned by LME.	{ALPHANUMERICAL-52}	2017041210001001 Or TN-AA-20170412-01001
16	Transaction to be cleared	<IsTrnsClr>	Code to identify whether the transaction will be cleared.	{ALPHANUMERICAL-4} 'true' - transaction to be cleared	true
17	Flag	<TrnsFlags>	All flags that apply. It is possible to have multiple flags for a single transaction. These will be comma separated. LRGS infers a deferred transaction.	{ALPHANUMERICAL-4} CANC= Cancellation LRGS = large scale deferral TPAC = Package flag  See Guidance Notes	CANC
18	Linked Transaction Identification Code	<TrnsIdLnk>	Alphanumerical code assigned by LME relating to any linked trades (package or cancellation) If field cancel_link_ID is populated that value should be placed in this field. Else If field trade_link_ID is populated that value should be placed in this field. I.e. cancel_link_ID takes precedence	{ALPHANUMERICAL-52}	2017041210001000 Or TN-AA-20170412-01000



### 2.3.1 Post Trade Transparency XML Output Example

```
<?xml version="1.0"?>
<DataPTT xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance"
xmlns:xsd="http://www.w3.org/2001/XMLSchema" xmlns="urn:iso:std:iso:20022:tech:xsd:DRAFT02auth.001.001.01">
  <PostTradeTransparencyDataRpt>
    <PTT>
      <TrdgDateTime>2017-07-14T19:00:010000Z</TrdgDateTime>
      <IdType>ISIN</IdType>
      <Id>GB00Z9YFH190</Id>
      <Price>6700.00000</Price>
      <TrdgVn>XLME</TrdgVn>
      <PrNt>MONE</PrNt>
      <PrCcy>USD</PrCcy>
      <NtlQty>Tonne</NtlQty>
      <QtyMUnit>25</QtyMUnit>
      <Qty>10</Qty>
      <NtlAmt>1675000.00000</NtlAmt>
      <NtlCcy>USD</NtlCcy>
      <PubDateTime>2017-01-15T12:30:00.000000Z</PubDateTime>
      <PubVn>XLME</PubVn>
      <TrnsId>201707170001001</TrnsId>
      <IsTrnsClr>false</IsTrnsClr>
      <TrnsFlags>CANC</TrnsFlags>
      <TrnsIdLnk>201707170001000</TrnsIdLnk>
    </PTT>
    <PTT>
      <TrdgDateTime>2017-07-17T18:37:42.377Z</TrdgDateTime>
      <IdType>ISIN</IdType>
      <Id>GB00B15KXQ89</Id>
      <Price>2820.000000</Price>
      <TrdgVn>XLME</TrdgVn>
      <PrNt>MONE</PrNt>
      <PrCcy>USD</PrCcy>
      <NtlQty>Tonne</NtlQty>
      <QtyMUnit>25</QtyMUnit>
      <Qty>10</Qty>
      <NtlAmt>705000.00000</NtlAmt>
      <NtlCcy>USD</NtlCcy>
```

```
<PubDateTime>2017-07-17T18:38:42.377Z </PubDateTime>
<PubVn>XLME</PubVn>
<TrnsId>2017071710001010</TrnsId>
<IsTrnsClr>>false</IsTrnsClr>
<TrnsFlags> CANC </TrnsFlags>
<TrnsIdLnk>2017071710001009</TrnsIdLnk>
</PTT>
<PTT>
<TrdgDateTime>2017-07-17T18:37:42.378Z</TrdgDateTime>
<IdType>ISIN</IdType>
<Id>GB00B15KXQ89</Id>
<Price>2900.000000</Price>
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<PrNt>MONE</PrNt>
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<NtlQty>25</NtlQty>
<QtyMUnit>725000.00000 </QtyMUnit>
<Qty>10</Qty>
<NtlAmt>Tonne</NtlAmt>
<NtlCcy>USD</NtlCcy>
<PubDateTime>2017-07-18T18:37:42.377Z</PubDateTime>
<PubVn>XLME</PubVn>
<TrnsId>2017071710001030</TrnsId>
<IsTrnsClr>>false</IsTrnsClr>
<TrnsFlags>CANC</TrnsFlags>
<TrnsIdLnk>2017071710001029</TrnsIdLnk>
</PTT>
</PostTradeTransparencyDataRpt>
</DataPTT>
```

### 3 File Validation Rules

N/A – Outbound only.

## 4 Frequency, availability

The LME provide multiple compressed files. Each compressed file will include one incrementally updated xml file. The scheduled are times defined below:

When	Time	Description
Start of Day	07:00	Incremental updates are created every 10 min during continuous trading.

## 5 Guidance Notes

The following tables refer to the definition in association to the Post Trade Transparency file structure.

### 5.1 List of flags for the purpose of post trade transparency

The table below details the transaction Flag used in the reports.

Flag	Name of transaction Flag	Description
'LRGS'	Post-trade LIS flag	Transactions executed under the post-trade large in scale deferral.
'TPAC'	Package flag	See list in next section. There will be a reference id to the original strategy trade in the field trade_link_ID in LMEsmart.
'CANC'	Cancellation flag	When a previously published transaction is cancelled. There are 2 ways of executing a cancellation in LMEsmart: <ul style="list-style-type: none"> <li>- Reversal (changes the original) The original is republished with a status of cancelled.</li> <li>- Contra (booking of an equal and opposite trade) The contra transaction will contain a cancel flag and there the reference id of the original trade will be in the field cancel_link_ID.</li> </ul>

### 5.2 Packages transactions

The following table lists types of the strategies/packages, as defined by MIFID II that are traded on the LME and gives the current LME view in relation to how these should be treated for post-trade reporting.

Strategy/Package (Multi-Instrument Transaction)	Price Type as a Single Price	Instruments	Instrument Price	Possible to identify ISIN for underlying Instrument from Package.
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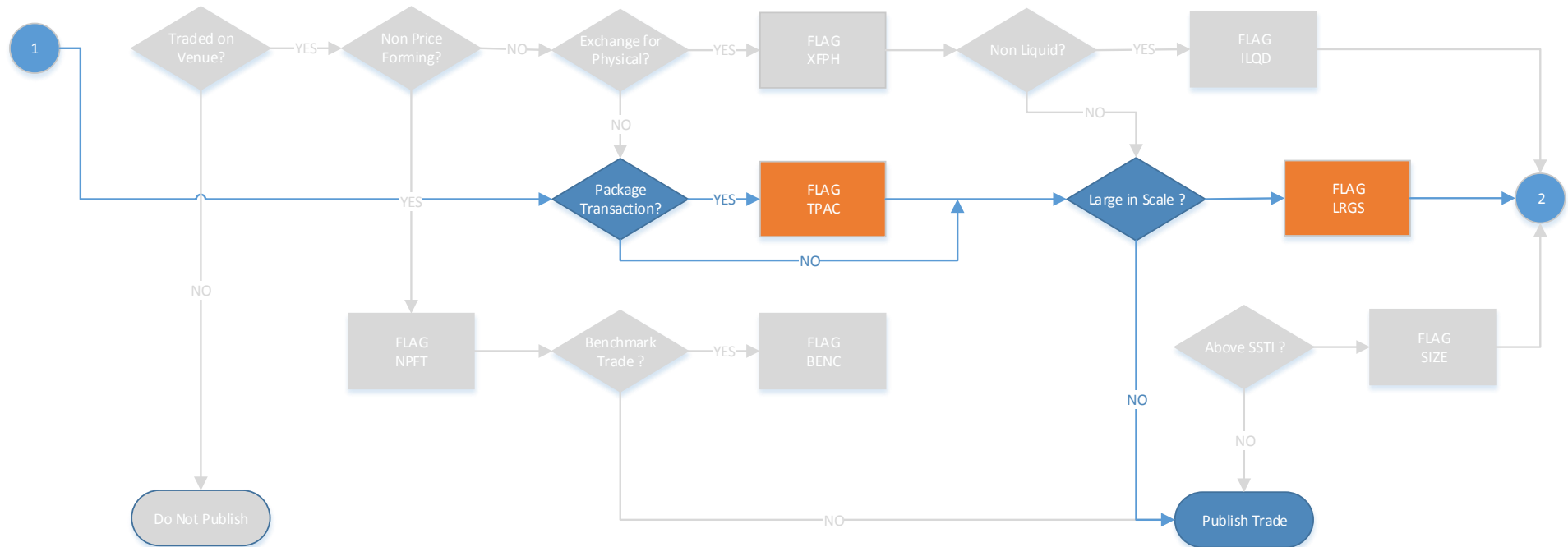
Strategy/Package (Multi-Instrument Transaction)	Price Type as a Single Price	Instruments	Instrument Price	Possible to identify ISIN for underlying Instrument from Package.
Carry	Spread	Multiple Futures	Contract price per Future calculated from the spread.	Futures can be identified.
Option Strip	Vol and Strike Price	Multiple Traded Metal Options	For each option - the price is the premium (calculated from the VOL). The future would be the contract price.	Options in the strip can be identified. The Hedge Future in relation to each option can be identified.
Average Contract (strips of Futures)	Contract Price	Multiple Futures	Same as package price for each monthly contract.	Futures in the strip can be identified.
Traded Metal Option	Vol and Strike Price	Traded Metal Option and a hedge Future	For the option - the price is the premium (calculated from the VOL). The future would be the contract price.	Options in the strip can be identified. The Hedge Future in relation to each option can be identified.

## 6 LME Application logic of post trade deferral and flag attribution

### 6.1 Deferrals

#### 6.1.1 Initial Deferral

The following shows the process applicable to the LME.



Firstly, relevant transactions must be flagged as package transactions (TPAC).

Next there is a determination of whether the transaction is eligible for a Large in Scale deferral; if so it must be flagged (LRGS) on the trade. If it is part of a package all legs of that package must receive this flag (these could span multiple files due to time boundaries).

If the trade is not LIS or is LIS but does not qualify under the agreed deferral, it will be published as normal without an LRGS flag.

NB Only inter-office traded options that are LIS will be deferred and marked as LRGS.

### 6.1.2 Standard Deferral T+2 Days

The LME is seeking to defer large scale inter-office traded options until 7pm on T+1, This deferral obligation will be the same as if the LME were deferring to T+2.

### 6.1.3 Extended Deferral T+4 Weeks

N/A for the LME

## 6.2 LIS thresholds

As the LME only plans to defer large scale inter-office traded options only that band is relevant. A machine-to-machine portal offers services to large scale organisations, and this service will be exposing the data maintained in ESMA Registers repositories. This services will provide the bands required for the perciles defined in section 6.2.2. Euro amounts will be converted to the currency of the transaction in order to compare.

ESMA Registers repositories will be available via - [https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_mifid\\_sha](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_mifid_sha)

### 6.2.1 LIS thresholds or the sub-classes determined not to have a liquid market

#### Asset class - Commodity Derivatives

#### Post-trade LIS Threshold Value for the sub-classes determined not to have a liquid market

Metal commodity options	EUR 1,000,000
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### 6.2.2 LIS thresholds for the sub-classes determined to have a liquid market

Asset class - Commodity Derivatives				
Post-trade LIS Percentiles and threshold floors for the sub-classes determined to have a liquid market				
Calculation of thresholds should be performed for each sub-class of the sub-asset class considering the transactions executed on financial instruments belonging to the sub-class		Trade - percentile	Volume - percentile	Threshold floor
Metal commodity options		90	70	EUR 1,000,000