

IT – INET Nordic – New algo-strategy for IOC orders (28/20)

Nasdaq Exchange and Clearing Services AB has decided to implement a new algo-strategy that intends to increase the fill rate for Immediate Or Cancel Orders (IOC).

The Algorithmic trading and Smart Order Routing service is supplemented with a new algo-strategy that may be used in connection of IOC (Immediate Or Cancel) orders to the Nasdaq Nordic* order books via the FIX protocol, and Nordic Workstation.

By applying the new algo-strategy (SMRT) on the regular IOC order, the order will try multiple times to fill the order within 300 micro seconds, in case the order gets a partial fill at the first attempt. A regular IOC order only tries one time.

The benefit of the new SMRT strategy is to capture possible refills in the order book, and hence the SMRT IOC is expected to increase the expected fill rate compared to sending a regular non-algo IOC order.

How to indicate a SMRT IOC order?

Clients should indicate a SMRT IOC order by setting the following conditions to the Order:

- TimeInForce [TAG 59] = 3 = IOC
- ExecBroker [TAG 76] = SMRT

How to get access to the new IOC algo-strategy?

Members not already using the Algorithmic trading and Smart Order Routing service offered by Nasdaq Exchange and Clearing Services AB, should contact their Key Account Manager or apply for the service in the [Member portal](#).

Documentation

Changes will be reflected in an updated version of the Execution Algorithms User Guide, which will be published on the [Execution Algorithms](#) web page.

The SMRT algo-strategy comes with no extra charges, just the respective regular exchange trading fees will apply.

This solution is subject for a provisional U.S. patent application 62/883,385 filed on August 6, 2019

Protocol specifications

There are changes in the FIX Order Entry and Drop protocols due to this change. Latest INET protocol specifications are available at the [Nasdaq Nordic Technical Information](#) website, under [INET Nordic Protocol Specifications](#).

Time schedule

- INET Test (NTF) – currently available
- INET Production – **June 8, 2020**

Support

For technical questions, please contact:

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Best regards,

Nasdaq Exchange and Clearing Services AB

*Nasdaq Nordic: Nasdaq Copenhagen, Nasdaq Helsinki, Nasdaq Stockholm are respectively brand names for Nasdaq Copenhagen A/S, Nasdaq Helsinki Ltd and Nasdaq Stockholm AB. Nasdaq Nordic represents the common offering by Nasdaq Copenhagen, Nasdaq Helsinki, and Nasdaq Stockholm.