



Participant Trade Prevention

Avoid Unintentional Trading with Your Own Firm

BATS Europe's Participant Trade Prevention (PTP) functionality helps Participants avoid unintentional trading by preventing orders with the same unique identifier from executing against each other. PTP includes several modifiers, as seen below, to align with your firm's trading strategies.

All PTP functionality is free of charge.

What are the choices for trade match prevention?

Orders with a PTP modifier originating from the same unique identifier will not execute against the opposite side's resting interest marked with any PTP modifier. The modifier selected will govern what happens to the orders.

1. PTP Cancel Newest (PCN): Use this modifier to cancel the incoming order and maintain the resting order on the BATS Europe order books.
2. PTP Cancel Oldest (PCO): This modifier cancels the resting order. The incoming order will continue to be handled within the matching engine as instructed by the user.
3. PTP Decrement and Cancel (PDC): If both orders are equal in size, both orders will be cancelled. For those not equivalent in size, the smaller order will be cancelled and the larger order will be decremented by the size of the smaller order with the balance remaining on the BATS Europe order books. However, both orders will be cancelled if the resting order is marked with any PTP modifier other than PDC and the incoming order is smaller than the resting order.
4. PTP Cancel Both (PCB): The entire size of both orders will be cancelled when using this modifier.

Should unique identifiers be equal for PTP to prevent trading within the same firm?

In order to prevent a trade, two orders must be marked at the same unique identifier level (MPID, BATS Europe Participant, or Sponsored Participant). If the unique identifiers are different, the orders will be allowed to execute against each other.

Which PTP order controls interaction between two executable PTP orders?

The PTP modifier on the incoming order controls the interaction between two orders marked with PTP modifiers with the same unique identifier. See PTP Decrement and Cancel description for more information on the single exception to this rule.

How do I use the enhanced PTP functionality?

Participants may call the BATS Europe Trade Desk to set up a specific PTP modifier at the port level, or can specify which PTP modifier to use at a unique identifier level with FIX Tag 7928 on a single order basis.

What are the optional FIX fields on cancels and restatements with PTP orders?

Participants may opt-in to receive the three additional FIX tags on cancels and restatements triggered by PTP:

- TradeLiquidityIndicator (9730): A=Add / R=Remove
- SecondaryOrderID (198): contra BATS Order ID of prevented trade
- LastShares (32): number of shares that would have matched if not prevented by PTP
- LastPx (31): price the match would have occurred at if not prevented by PTP

See the reverse for examples of PTP orders.

Examples of PTP Orders

Below are examples of how each PTP modifier operates in the BATS Europe system.

Please refer to the BATS Europe FIX Specification, contact your account manager or the BATS Europe Trade Desk for further details on how to use PTP.

Sample Order: PTP Cancel Newest (PCN)

An order to buy 500 shares @ 22.00 is marked with any of the four PTP modifiers and becomes a resting order on the BATS Europe order books. Subsequently, an order to sell 500 shares @ 22.00 is entered with the same unique identifier and marked with the PCN modifier.

Result: The incoming sell order for 500 shares @ 22.00 marked with the PCN modifier is cancelled back to the originating user. The resting buy order for 500 shares at 22.00 marked with one of the four PTP modifiers remains on the BATS Europe order books.

Sample Order: PTP Cancel Oldest (PCO)

An order to buy 500 shares @ 22.00 is marked with any of the four PTP modifiers and becomes a resting order in the BATS Europe order books. Subsequently, an order to sell 400 shares @ 22.00 is entered with the same unique identifier and marked with the PCO modifier.

Result: The resting buy order for 500 shares at 22.00 marked with one of the four PTP modifiers is cancelled back to the originating user. The incoming sell order for 400 shares @ 22.00 marked with the PCO modifier is entered on the BATS Europe order books.

Sample Order: PTP Decrement and Cancel (PDC)

An order to buy 500 shares @ 22.00 is marked with any of the four PTP modifiers and becomes a resting order in the BATS Europe order books. Subsequently, an order to sell 700 shares @ 22.00 is entered with the same unique identifier and marked with the PDC modifier.

Result: The resting buy order for 500 shares at 22.00 marked with one of the four PTP modifiers is cancelled back to the originating user. The equivalent portion, 500 shares, of the incoming sell order marked with the PDC modifier is cancelled back to the originating user. The remaining portion, 200 shares, is entered on the BATS Europe order books.

Sample Order: PTP Cancel Both (PCB)

An order to buy 500 shares @ 22.00 is marked with any of the four PTP modifiers and becomes a resting order in the BATS Europe order books. Subsequently, an order to sell 400 shares @ 22.00 is entered with the same unique identifier and marked with the PCB modifier.

Result: The resting buy order for 500 shares at 22.00 marked with one of the four PTP modifiers is cancelled back to the originating user. The incoming order to sell 400 shares @ 22.00 marked with the PCB modifier is cancelled back to the originating user.

Links

[Pricing Schedule](#) | BATS Europe standard pricing and pricing specials.
[Market Guide](#) | General information including markets traded, symbology and order types.
[FIX Specification](#) | FIX (Financial Information Exchange) protocol information.

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