

August 22, 2024  
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## EXTERNAL COMMUNICATION

Listed B3 Participants

Re.: **EntryPoint – Order Entry Interface and B3 Market Data: Technical Specification Update for the New Functionality “Implied”**

B3 hereby informs you of the availability of new versions of the FIX and Binary EntryPoint, FIX/FAST UMDf protocols, UMDf Conflated and Binary UMDf technical specifications and their dictionary/templates files.

This action is part of our continuous enhancement of trading systems and aims to facilitate market participants’ planning of the launch of new products and functionalities.

The new functionality named Implied will enable orders from the individual books of a product (outrights) to interact with orders from exchange defined strategy (EDS) books in this same product. This aims to eliminate the segregation of liquidity, thus generating greater order book depth and enabling trades that would not occur without the interaction between these books.

Initially, we will provide the Implied In functionality, which consists of the generation of Implied orders in EDS order books, though two real orders in outright books.

In the future we will provide the Implied Out functionality, which consists of the generation of Implied orders in order books for outright, based on real orders from the books of one of the outright and from the strategy book.

The Implied functionality is subject to regulatory approval and the effective launch date will be announced in due course.

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The first phase of the project will encompass the Implied In functionality in Structured DV01 Neutral Transactions on DI Futures (DII) and DAP (DAI). The updates are described below.

## 1. FIX EntryPoint

### 1.1. Changes to the Execution Report message (35=8)

Inclusion of the domain in the 1115-OrderCategory tag to designate a transaction involving Implied.

Domain	Description
7	Implied Order

Inclusion of an optional tag that lists all the Execution Reports involved in an event with Implied.

Tag	Name	Description
35540	ImpliedEventID	Unique ID for all matches that occur as a result of an implied event - string(14)

## 2. Binary EntryPoint

### 2.1. Changes to the ExecutionReport\_Trade (template id=203) messages

Inclusion of the domain in the 1115-orderCategory tag to designate a transaction involving Implied.

Domain	Description
7	Implied Order

Inclusion of an optional tag that lists every ExecutionReport\_Trade involved in an event with Implied.

Tag	Name	Description
35540	ImpliedEventID	Unique ID for all matches that occur as a result of an implied event.

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## Format of the ImpliedEventID type

Name	Type	Size	Offset	Description
eventID	uint32	4	0	Unique ID for all matches that occur as a result of an implied event.
messageCount	uint16	2	4	Number of messages related to the same implied event.

In a production environment, the exchange of messages with the binary gateways will be based on "Schema version" 4.

The EntryPoint technical specifications will be available at [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), at Solutions, Platforms, PUMA Trading System, Fix Order Entry and Binary Order Entry.

### 3. FIX/FAST UMDF and UMDF Conflated

#### 3.1. Change to the SecurityList (35=y)

Domain included in tag 1144 (ImpliedMarketIndicator) to designate whether the instrument is eligible for Implied order generation.

Domain	Description
1	Implied

#### 3.2. Change to the Incremental (35=X) and Snapshot (35=W) messages

Inclusion of the new Domain in tag 277 – TradeCondition to designate a transaction involving Implied.

Domain	Description
IM	Designation of Implied transaction

The UMDF / UMDF Conflated technical specifications are available at [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), Solutions, Platforms, PUMA Trading System, UMDF and UMDF Conflated.

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## 4. Binary UMDF

### 4.1. Change to the SecurityDefinition (35=d) message

Tag included to designate whether the instrument is eligible for Implied order generation.

Tag	Name	Description
1144	ImpliedMarketIndicator	Designates that an Implied order may be created for the instrument

### 4.2. Change to the Order\_MBO [35=X, 269=0(Bid) or 1(offer), 279=0(New) or 1(Change), 290=(Position)] Message

Implied signaling defined in the matchEventIndicator field, in the Order\_MBO message, to show if the order book entry is generated synthetically by the Implied mechanism.

### 4.3. Change to the Trade message (35=X, 269=2, 167!=FORWARD)

Implied designation defined in the matchEventIndicator field, in the Trade message, to state whether the transaction results from a match that involves an Implied order.

### 4.4. Change to the SnapshotFullRefresh\_Orders\_MBO (35=W, 268=N, 269=0 or 1, 290=position) message

Inclusion of the matchEventIndicator field to state whether the entry to the order book in snapshot was generated synthetically by the Implied mechanism.

### 4.5. Templates file

Updates to the Binary UMDF – Message Reference v1.9.0, Binary UMDF – Messaging Specification Guidelines v1.9.0 and b3-market-data-messages v1.9.0 documents are available for consultation at [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), Solutions, Platforms, PUMA Trading System, Binary UMDF. The update to the new templates

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file version will not be mandatory, as it is retroactively compatible with the previous version, but **will be mandatory for use** of the new functionality.

In a production environment, Binary Market Data publications will occur based on "Schema version" 10.

The Binary UMDf technical specifications are available at [www.b3.com.br/en\\_us](http://www.b3.com.br/en_us), Solutions, Platforms, PUMA Trading System, Binary UMDf.

## 5. Update schedule

The implementation dates for Implied in the certification and production environments will be given in detail at [clientes.b3.com.br/en\\_us/en](http://clientes.b3.com.br/en_us/en), Roadmap, Projects, All Projects, Implied (<https://clientes.b3.com.br/w/implied>).

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