

Future Capabilities of FIX

FIXPROTOCOL
INDUSTRY-DRIVEN MESSAGING STANDARD™

Martin Koopman
Former Chair FIX Protocol Ltd Americas Committee
martinkoopman@gmail.com



The FIX Algorithmic Trading Definition Language (FIX_{ATDL})

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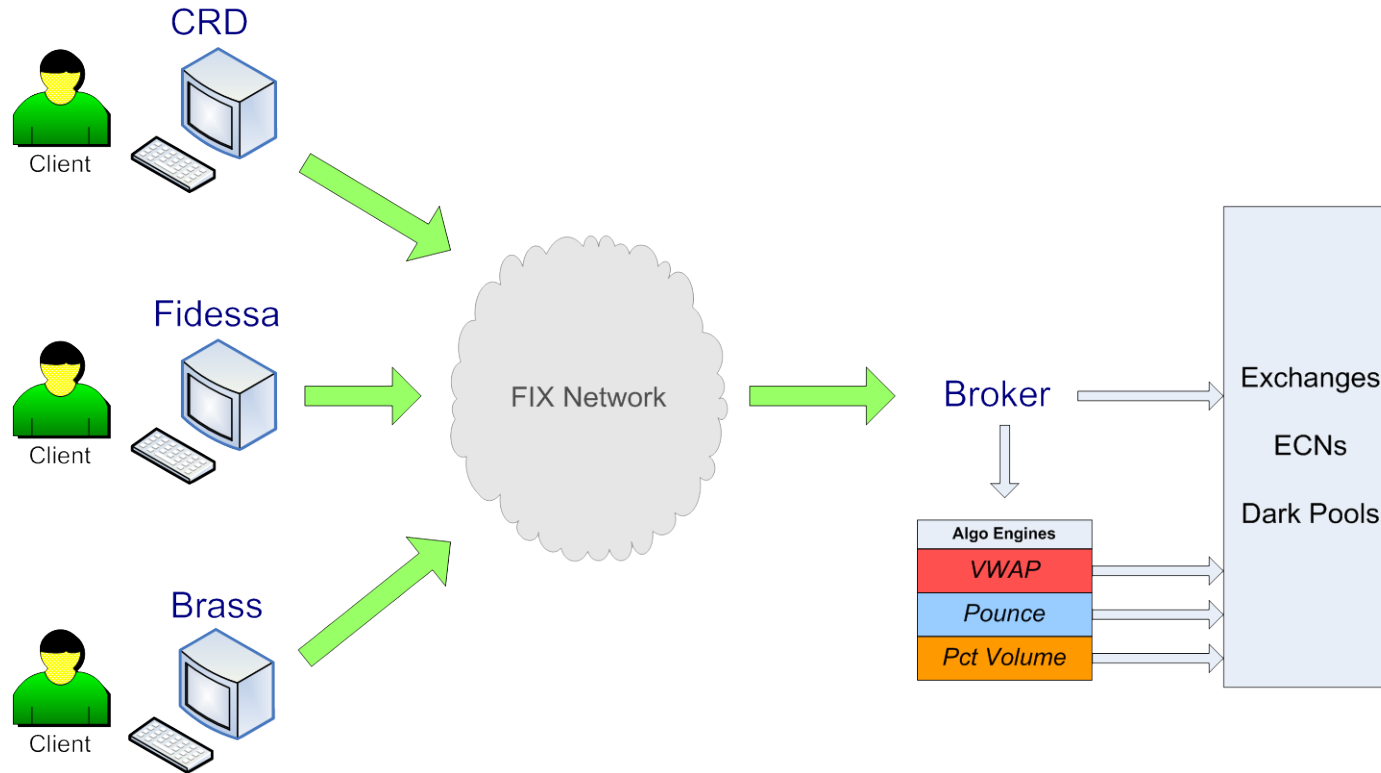
FIX Algorithmic Trading Definition Gives The Buy Side Access to New Broker Algorithms Quicker

- Enables new broker algorithms to be used quicker by the buy side
- Reduces the cost for order management system (OMS) vendors to include new algorithms in their systems
- Will give the buy side a larger choice of algorithms from a wider set of brokers



Algorithmic Order Flow

Clients send algorithmic orders to their brokers via an OMS



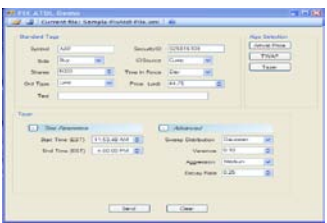


To Deploy a New Algorithm Today, Brokers Depend on OMS Vendors to Build New Screens

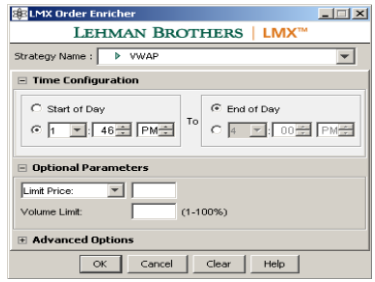
OMS/EMS 1



OMS/EMS 2

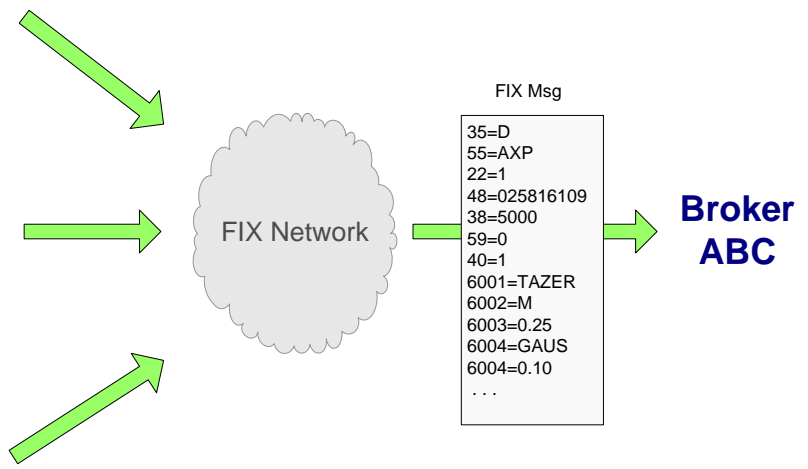


OMS/EMS 3



In this example 3 clients using 3 different vendor products, place an order to buy 5,000 AXP using broker ABC's TAZER algorithm.

All 3 systems produce the same FIX message.

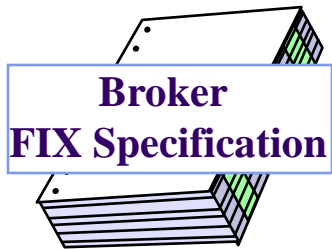


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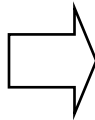
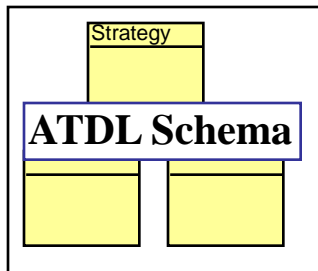
35=D
55=AXP
22=1
48=025816109
38=5000
59=0
40=1
6001=TAZER
6002=M
6003=0.25
6004=GAUS
6004=0.10
...
  
```



FIX_{ATDL} Is A New Protocol Used to Define the Inputs & Screen for an Algorithmic Order



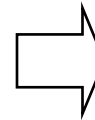
+



```

<algorithm name="vwap" displayName="VWAP" algorithm_fi
<parameter parameter_name="StartTime" parameter_ty
<parameter parameter_name="EndTime" parameter_type
<parameter parameter_name="MaxPctVolume" parameter
<xul>
  <?xml-stylesheet href="chrome://global/skin/"
  <window id="jpmorgan-volprofile-window" title=
  <box id="thebox" orient="horizontal" flex=
  <vbox>
    <label value="Start Time"/>
    <textbox id="StartTime" value="08:
    <label value="End Time"/>
    <textbox id="EndTime" value="16:30
  </vbox>
</xul>
<xaml>
  <?Mapping xmlns:wf="wf" clrNamespace="syst
  <wf:Panel xmlns:wf="wf" xmlns:def="Definition"
  <wf:Panel.Controls>
    <wf:Label Location="10, 0" Height="12"
    <wf:TextBox Location="10, 15" Height="10"
    <wf:Label Location="10, 40" Height="12"
    <wf:TextBox Location="10, 55" Height="10"
    <wf:Label Location="10, 80" Height="12"
    <wf:TextBox Location="10, 95" Height="10"
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  </wf:Panel>
</xaml>
</algorithm>
  
```

ATDL File



Sample Order Ticket

BUY 5000 AXP @ Tazer

Symbol	Side	Shares	Broker	Desk	Account
AXP	BUY	5,000	ABC	Namer	ABC-001

Ord Type: Limit Limit Price: 44.75 Stop Price: 0

Time in Force: Day Exp Date: Jun 2

Buttons: Arrival Price, TWAP, Tazer

Start Time: 11:39 AM End Time: 04:00 PM

Sweep Distribution: Gaussian Varaince: 0.1 Aggression: Medium Decay Rate: 0.25

Buttons: SEND, Refresh

Broker creates an XML file describing its algorithms, parameters, FIX tag mappings, validation rules, and how the algorithms should be rendered in any 3rd party application

OMS vendors parse these XML files & render them in their application eliminating the need for custom programming



Sample Order Screen

BUY 5000 AXP @ Tazer

Symbol	Side	Shares	Broker	Desk	Account
AXP	BUY	5,000	ABC	NAmer	ABC-001

Ord Type	Limit Price	Stop Price	
Limit	44.75	0	

Time in Force	Exp Date
Day	Jun 2

Arrival Price

TWAP

Tazer

Start Time	End Time
11:39 AM	04:00 PM

Sweep Distribution	Varaince	Aggression	Decay Rate
Gaussian	0.1	Medium	0.25

SEND

Refresh