

SELF-MATCH PREVENTION (SMP) FEATURE TECHNICAL FUNCTIONALITY PRINCIPLES

Version: 2

February 2025

Revision History

Version	Date	Summary of Amendments
1	20/01/2025	Published
2	19/02/2025	Changes to be made in the books distributed to members and the new change reason is added.

Self-Match Prevention (SMP) Feature Technical Functionality Principles

The Self-Match Prevention (SMP) feature is planned to be implemented for algorithmic order transmission systems in the Equity Market and the Derivatives Market. This feature has been developed to prevent orders marked with an SMP ID from matching against other orders that have the same ID.

The SMP feature will be available for use optionally upon application by our members.

Within the scope of this feature, “SMP Level”, “SMP Method” and “SMP ID” fields have been added to the FIX API, OUCH API and TW channels. In order to use the feature, all fields must be filled in when submitting orders via FIX and OUCH channels and it is not possible to modify these fields once the order is submitted.

SMP Level:

The “SMP Level” is used to determine the level at which the SMP feature will apply. (Within the same member or across different members)

	Values
SMP Level	1: Within a member
	2: Across members

For the SMP feature to be triggered, the SMP Level **must have the same value (1 or 2)** for the orders on both sides of the potential match. If SMP level 1 is selected, the feature will only be applicable for orders sent by the same member, and if 2 is selected, it will be applicable across the orders of other members, as well as the orders of the member’s own.

SMP Method:

“SMP Method” indicates the action the system will take to prevent a potential match when the SMP feature is triggered.

SMP Method	Values
	1: Cancel Aggressive 2: Cancel Passive 3: Cancel Both

In order to prevent potential matching;

- If the aggressive order (order that was entered later) is preferred to be canceled, value of 1,
- If the passive order (order pending in the order book) is preferred to be canceled, value of 2,
- If both the passive and aggressive orders are preferred to be canceled, value of 3 must be specified.

In the event that orders with different SMP Methods are subject to a potential match, **the SMP Method specified in the aggressive order will prevail.**

SMP ID:

SMP ID is a three-digit, case-sensitive, alphanumeric value. For the feature to be triggered, the SMP ID **must have the same value** for the orders on both sides of the potential match.

If the SMP feature is preferred to be used only among orders belonging to the same member (SMP Level: 1), the SMP ID is determined by the member submitting the order. If the SMP feature is preferred to be used also among orders by different members (SMP Level: 2), the SMP ID is determined by the Exchange.

The feature is applicable only in session states where continuous trading method is applied. Therefore, it is not possible to use the feature in call auctions (the session states where single price method is applied). If an order is submitted during a call auction (single-price method session) with SMP fields filled in, the order will be accepted into the System but the feature will not be applicable. If such order is transferred to the continuous trading session, the feature will become active.

The SMP feature will only be available for Limit Orders, and Day and Fill and Kill order validity types. It cannot be used with Market and Market to Limit Orders, Trade Reports, Intermont Strategy Orders, Stop Orders, Iceberg Orders, Imbalance Orders and Mid-Point Orders.

The SMP feature will be technically included in the 3.12 version, however the date it will be available for use will be announced later. Even if this feature does not begin to be used with the 3.12 go-live, the new fields added to the messages must be integrated into our members' systems. As part of the SMP feature, following changes will be made to FIX API, OUCH API and TW channels and to the books distributed to members. Additionally, a new value will be added to data reporting and acceptance formats. Since these changes will affect all market participants, including those who will not use the feature, they need to be tested in detail by all market participants:

- ‘SMP Level (tag=21114)’, ‘SMP Method, (tag=21115)’ and ‘SMP ID (tag=21116)’ fields will be added to ‘New Order Single (MsgType=D)’ and ‘Execution Report (MsgType=8)’ messages in FIX Order Entry. FIX Drop Copy execution messages will also contain the new fields.
- ‘SMP Level’, ‘SMP Method’ and ‘SMP ID’ fields will be added to ‘Enter Order’ and ‘Order Accepted’ messages in OUCH API.
- ‘SMP Level’, ‘SMP Method’ and ‘SMP ID’ fields will be added in the ‘Order Book’ and ‘Order History’ windows in Trading Workstation.
- Relevant explanations for orders that are canceled or rejected due to the SMP feature will be added to order cancellation and rejection messages.
- For Equity Market 'SMP Level', 'SMP Method' and 'SMP ID' fields will be added to the All Orders Book and the Order Cancellation-Modification Subject to Exchange Fee Books.
- For Derivatives Market 'SMP Level', 'SMP Method' and 'SMP ID' fields will be added to the All Orders Report, After Hours Session All Orders Report, and Unfiltered All Orders Report files.

- A new value will be added to the Change Reason field to reflect order cancellations resulting from Self Match Prevention feature. (**OrderDeletedDueToSMP - ChangeReason: 46**)

Details regarding the updates of relevant messages and new error codes created for orders cancelled or rejected due to SMP can be accessed from the Technical Documents page on the Borsa Istanbul website.

<https://www.borsaistanbul.com/en/sayfa/2530/technical-documents>