

The Periodic Auctions book was built to provide a reliable place to execute orders within the Cboe EBBO. This lit order book is characterised by a true price formation mechanism and execution allocation that rewards larger orders.

Cboe's Periodic Auctions book is a MiFID II compliant lit order book providing pre-trade transparency, as stipulated by MiFID II in accordance with RTS 1, by publishing price and indicative execution quantity prior to executing orders.

The Cboe Periodic Auctions book is comprised of and based on long-standing market constructs and guiding principles. It is accessible simply via order entry using FIX tag 9303=BP.

How It Works

The Cboe Periodic Auctions book follows a true price formation process and operates randomised intra-day auctions that take into account all orders in the order book.

- Orders are accepted from 08:00-16:30
- Auction call phases and auction match instances occur randomly throughout the day
- Auction call phases are triggered by order entry
- The start of an auction is indicated by the first Auction Update message after an Auction Summary message or the first Auction Update message of the day. This offers greater transparency on auction start and end times.
- True price formation process follows industry standard four step tie-breaker method
- All orders from the call phase are included in the price formation process.
- Brokers can optionally choose the broker preferencing attribute, which provides priority in the execution allocation phase. All orders, including broker preferred orders, contribute equally to price formation.
- Orders are only executed at or within the Cboe EBBO collar to ensure orderly markets on BXE and within the Cboe EBBO +1 tick on DXE

True Price Formation

To determine a single match price, the following criteria will be assessed in sequence. For more details on each step, please read our [Guidance Note](#).

- 1 Maximum executable volume
- 2 Minimum surplus
- 3 Market pressure
- 4 Reference price

It's as Easy as a FIX Tag to Participate

Existing Participants connected to BXE and DXE can enter orders into the book by simply using FIX tag 9303=BP. Participants can leverage the same clearing arrangements, connectivity and FIX or BOE ports for order entry for the Periodic Auctions book.

Market Data Messages Provide Transparency

Market data messages including price and size are published in the Call Period and post-auction match. On BXE, during the call period upon a potential match, a market data message is published containing the indicative executable price and only the executable volume. On DXE, a market data message is published at the start of the Call Period and post-auction match.

The trades are published immediately post-auction match.

❖ Please visit Markets.Cboe.com/Europe/Equities for more details.

Sales

+44 20 7012 8906

saleseurope@Cboe.com

Trade Desk

+44 20 7012 8901

tradedeskeurope@Cboe.com