

Document	Type	Announcement
	No	2020/34
	Subject	Regarding the removal of Two Zeros From the BIST Indexes Rehearsal Environment and Dates
	Approval Date	15/05/2020
	From	Information Technology Directorates, Market Operations Directorates
	To	Members, Data Vendors and Independent Software Vendors

To Whom It May Concern,

Ref: Announcement dated 02/04/2020 and numbered 2020/26.

With our announcement in the Reference, the go-live date of the “Removal of Zeros From BIST Equity Indexes Project” for indexes including BIST 30 and BIST 100 that are calculated by our exchange, has been postponed to **July 27, 2020** due to the extraordinary circumstances and the demand from our members, data vendors, independent software vendors and institutional investors and member rehearsals will be conducted prior to the go-live date.

In this context, new rehearsals with wide participation have been planned to conduct the tests regarding the removal of zeros from the indexes. Rehearsals will continue on the rehearsal environment whose access information was announced on March 5, 2020 on <https://connect.borsaistanbul.com>

As in the previous rehearsals, the user information and passwords that are required to access the rehearsal environment can be found at <https://connectuat.borsaistanbul.com> as announced at <https://connect.borsaistanbul.com> on March 13, 2020. If needed, support for username and passwords can be taken by sending an email to bistechsupport_autoticket@borsaistanbul.com with the member code

The usernames/passwords/ports that are used in the test environment will be used for the rehearsal environment Data Vendors’ connections.

The rehearsal environment which was prepared for the testing of removal of zeros from the indexes will be open between **June 1-3, 2020** to conduct connection tests. All stakeholders are expected to complete their connection tests successfully between **June 1-3, 2020** in order not to have connection problems during the rehearsals that will start on **June 5, 2020**.

Production environment data will be transferred to the rehearsal environment set up for the removal of zeros from indexes on the dates that are indicated in the rehearsal dates table below. As can be seen in the rehearsal dates table, it is aimed to have four go-live rehearsals and in each period there will be at least three days for testing.

In each rehearsal period, production environment data will be transferred to the rehearsal environment on Thursday evenings. Members will be expected to check the transferred data on Friday and perform the pre-transition rehearsal steps. The rehearsal environment will be ready for our members to conduct post-transition rehearsal steps on Mondays that are indicated below

with adjusted indexes and index contracts traded at Derivatives Market (VIOP). It is of utmost importance to show attendance to all of the rehearsals that are indicated in the table.

Rehearsal Dates Table:

Plan	1st REHEARSAL (June 5 - 10)	2nd REHEARSAL (June 12 - 19)	3rd REHEARSAL (June 26– July 3)	4th REHEARSAL (July 10 – 17)
The date of production environment data to be transitioned by end of day	June 4 end of day production environment data	June 11 end of day production environment data	June 25 end of day production environment data	July 9 end of day production environment data
Prod (Live) data control and pre-transition scenario steps	June 5, Friday (13:30-18:15)	June 12, Friday (13:30-18:15)	June 26, Friday (13:30-18:15)	July 10, Friday (13:30-18:15)
1st Rehearsal day	June 8, Monday	June 15, Monday	June 29, Monday	July 13, Monday
2nd Rehearsal day	June 9, Tuesday	June 16, Tuesday	June 30, Tuesday	July 14, Tuesday
3rd Rehearsal day	June 10, Wednesday	June 17, Wednesday	July 1, Wednesday	July 15, Wednesday*
4th Rehearsal day	-	June 18, Thursday	July 2, Thursday	July 16, Thursday
5th Rehearsal day	-	June 19, Friday	July 3, Friday	July 17, Friday

*Public holiday.

The scenario plan that was prepared by Derivatives Market regarding the tests and adjustments regarding the pricing and specifications of VIOP contracts can be found in the attachment. The rehearsal result form which will be issued by VIOP prior to the rehearsal from <https://connect.borsaistanbul.com> should be submitted to provasonuc@borsaistanbul.com after each rehearsal.

For all the questions and issues on the subject please contact bistechsupport_autoticket@borsaistanbul.com

Kindly submitted to your information.

Ali ÖMÜRBEK
Executive Vice President

Attachment: Removal of Zero From Index VIOP Member Rehearsal Test Steps (3 pages).

Attachment : Removal of Two Zeros From Equity Indexes:

Derivatives Market - Member Test Case Scenarios

Test Cases

Date: 1 trading day before transition (current index values)

Recommended Actions

1. At the beginning of the day (VIOP_SEANS_ONCESI), the current collateral and position values are verified for the accounts carrying positions in index futures and option contracts using the loaded production environment data. (verification of production environment data)
2. Along with the opening of the normal session (VIOP_SUREKLI_MZYD), trades will be executed via entering limit and market orders to the BIST 30 / Liquid Bank / Liquid 10 Ex Banks Index futures contracts and BIST 30 Index option contracts for the accounts with positions and for the new accounts.
3. Before the end of the session, the following two steps are to be handled at least for one account:
 - a. There should be orders on Index contracts with the validity of Good-Till-Cancelled and Good-Till-Date that are pending on order book.
 - b. There should be open positions on any index option contracts.
4. Along with the end of the session (VIOP_SEANS_SONU), it is confirmed that the orders pending at the index contracts are canceled by the system and the relevant FIX messages can be received.
5. It is confirmed that order book and trade book are published with no problem.
6. The consistency of collateral / profit and loss amounts of the accounts on which trades are executed is checked.
7. Initial and variation margins are checked for the accounts that have positions on BIST 30 / Liquid Bank / Liquid 10 Ex Banks Index futures contracts and BIST 30 Index option contracts.

Date: The transition day and the days following the transition (new index values)

Recommended Actions

1. Along with the opening of the system, It is checked that statistics such as base price, settlement price, margin price, opening price and calculated lower / upper limit values are sent in accordance with the new price quotation in the index contracts through the reference data (RD) and TW channels.
2. At the beginning of the day (VIOP_SEANS_ONCESI), the consistency of the current collateral and position values (taking into account the costs of the member's own system) is checked for the accounts carrying positions in index futures and option contracts. Risk parameter file is also checked.
3. It is confirmed that like corporate actions case, the positions on the options contracts whose exercise prices are determined with the old index values (i.e., 120-140-160) are automatically transferred to the new contracts whose exercise prices are coherent with the new index values (i.e., 1200-1400-1600) by using reports of List of Newly Listed/Delisted Expired Contracts and

Corporate Action. In this context, similar to corporate actions on the Single Stock Contracts, it is verified that corporate action's message is received for open index option positions.

4. With the opening of the normal session (VIOP_SUREKLI_MZYD) trades will be executed via entering limit and market orders (including after hour's orders) with new price ticks to the BIST 30 / Liquid Bank / Liquid 10 Ex Banks Index futures contracts and BIST 30 Index option contracts for the accounts with positions and for the new accounts.
 5. Flexible Contract on index options is created and trade is executed on this flexible contract. Trade report is executed for any of index contracts.
 6. Orders entered in the normal session with off-hour flag and within the price limits of evening session are moved to evening session (VIOP_AS_SUREKLI_MZYD) and the other passive orders are paused like current procedure is checked. The appropriateness of the related messaging is checked.
 7. For the open positions of accounts that trades are executed, the initial and variation margin , profit and loss amounts and position values are checked during the day and at the of the day depending on the price movements.
 8. Settlement Prices are checked. It is confirmed that order book and trade book are published without any problem.
- ❖ For the market makers,
- The content of Daily Market Making Contracts Report is checked.
 - Order can be entered with new spreads and market makers obligations is checked.
 - It is confirmed that Daily Market Making Performance Report is compatible with the new index values.

Amendments regarding the pricing and specifications of VIOP contracts

VIOP Underlyings

- D_XU030D, D_XLBNKD and D_X10XBD underlyings which are currently priced as 0.001 of spot index values will be equalized with related spot underlying.

Index Futures:

- Contracts size will be decreased to 10 from 100.
- Price tick will be updated as 0.25 from 0.025 and price quotations will be multiplied by 10.
- Contract codes will not be changed.
- Notional TL value of the contract will be same.

BIST 30 Index Options:

- Contracts size will be decreased to 10 from 100.
- Strike prices will be multiplied by 10 and strike price interval will increased to 20 from 2.
- Current price tick 0.01 will be maintained however premium quotations will be multiplied by 10.
- Contract codes will be updated with new strike prices. Ex-ante positions before the cutover date will be transferred to new contracts using corporate action functionality.
- Notional TL value of the contract will be same.

Notes:

- 1-trading day before the cutover date
 - There will not be after-hour session.
 - Long orders (GTC, GTD and inactive stop orders) in the index derivative products will be deleted.
 - New strikes, if any, will not be generated.

Example (BIST 30 Index Contracts):

	Current	After Cutover
Spot Index (XU030)	147,263.00	1,472.63
VIOP Underlying (D_XU030D)	147.263	1,472.63
Futures Contract		
Price Tick	0.025	0.25
Price Quotation	156.025	1,560.25
Contract Size	100	10
Nominal Value (TL)	15,602.50	15,602.50
Contract Name	F_XU0301220	F_XU0301220
Option Contract		
Strike Prices (ATM example)	156	1560
Strike Price Step	2	20
Price Tick	0.01	0.01
Price Quotation (Premium Value)	4.04	40.40
Contract Size	100	10
Nominal Value (TL)	15,600	15,600
Contract Name	O_XU030E1220C156.000	O_XU030E1220C1560.00

* “,” and “.” reprints thousand and decimal separators respectively.