

Nutron Repo Project Summary

Dec 2024

Let's Connect

let's connect

JSE

Agenda



- Project objective
- Trading process flow change
- Impact to API
- Testing requirements
- Milestones

Project Objective

The purpose of this project is to manage the delivery and deployment of the reformed Repo Reporting requirements which will cater for the globally used **Classic Repurchase Agreements**, on the **Nutron front-end and API**. The new functionality will enable **Repurchase Agreements with deal management** Functionality which will supplement the JSE's existing buy-sell back offering. Introduce **Triparty** (General Collateral) Repos to the SA Repo market.

Trade reporting process flow change



Current Nutron functionality - Buy-sell/backs

- **No changes to current** Cash Bonds & Buy-Sell/back (BSB) functionality
- BSB still follows the same process where both parties submit trades and trades **match** on Nutron

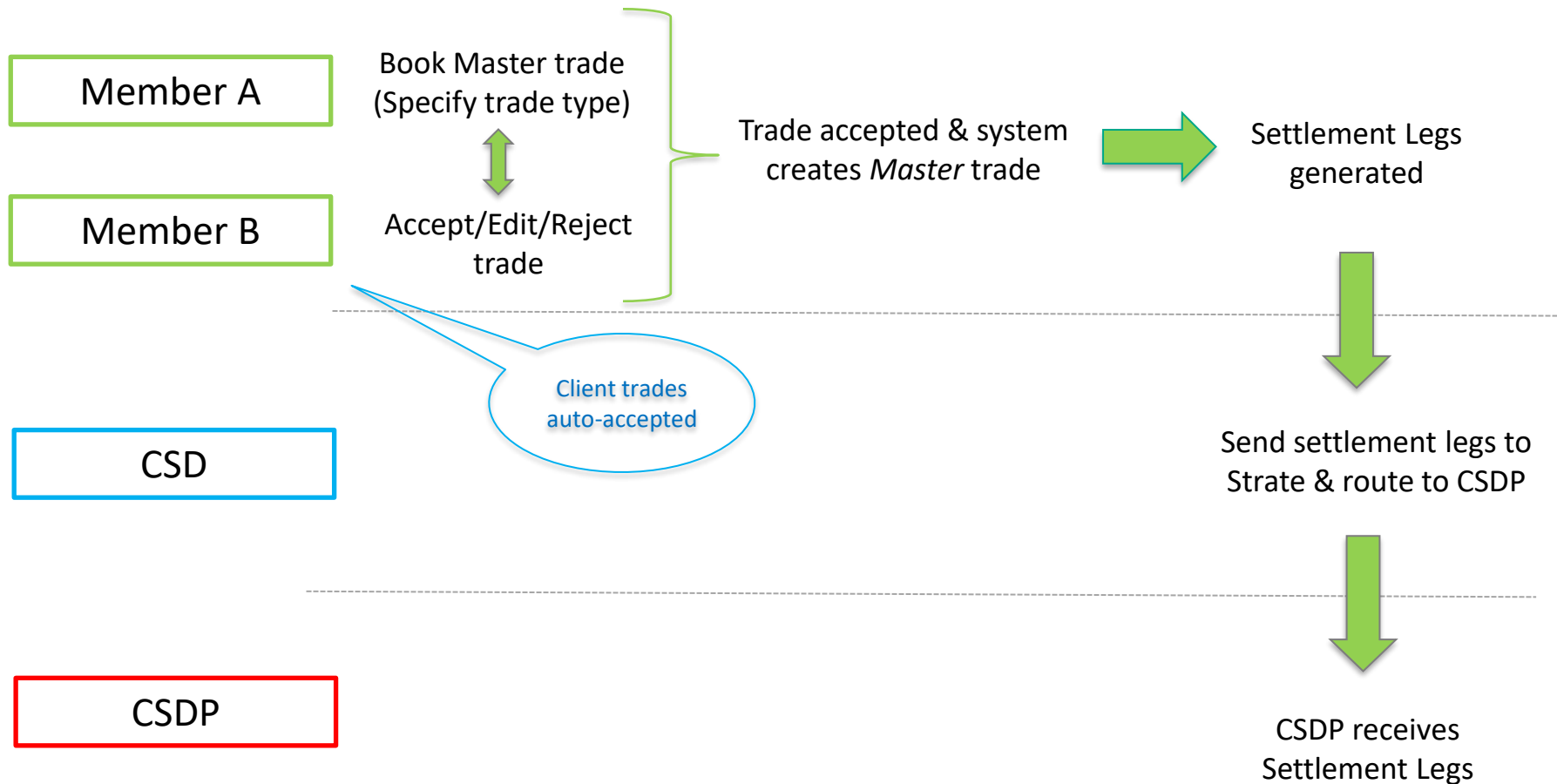
Classics and Triparty - New trade process flow

- Classic and Triparty Repo will follow **Affirmation Process**
- One member submits transaction, other member accepts/edits/rejects;
Automatic accepts for member-client trades

Benefits of Affirmation

- Multiple inputs easier to confirm details between parties
- Easier to manage and agree input differences

Master trade flow member to member



Impacts - API



Updates to be made to Nutron and API

Current Production API will have no changes to existing functionality

- cash bonds and
- buy-sell back (repo) transactions

New API includes the addition of 28 NEW API messages for:

- Classic repo and
- Triparty transactions

API released;

- Software providers (SWPs) and members using the API (own solution developers) need to conform

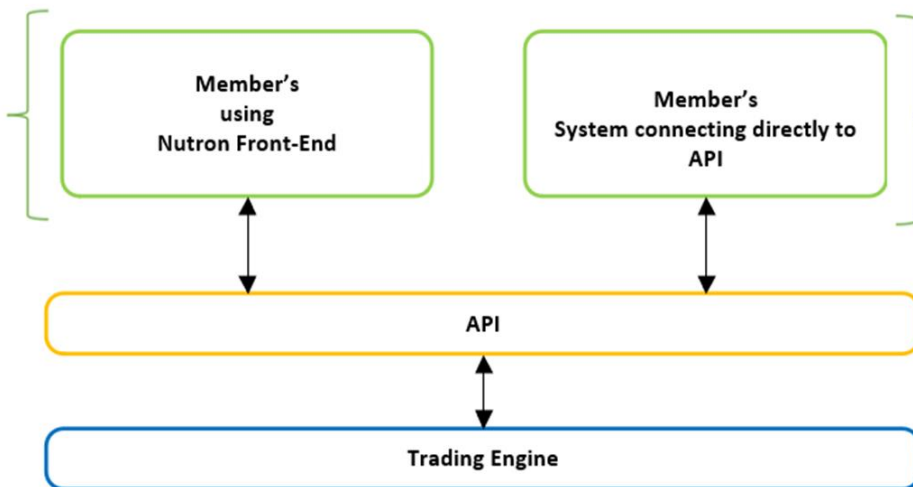
Nutron Front End GUI has full functionality

Nutron and API will be UPDATED



All Nutron Users (Bonds & IRD) are required to download the latest version of Nutron
(A new link will be provided on the JSE website)

This applies to any member who uses the Nutron Front-end as plug in



There will be new Repo messages that will be added to the current API. All Users who subscribe to the Bond and IRD Markets are advised to update to the latest API.

1. Connect to Nutron Front End

- Download new version of Nutron
- Regression testing – current BAU (Bonds, Repos, IRD)

2. Connect via API – using new functionality

- Must development to new API
- Conformance testing
- Functional testing
- Regression testing – current BAU (Bonds, Repos, IRD)

3. Connect via API – not using new functionality

- Preferably develop to new API
- Conformance testing
- Regression testing – current BAU (Bonds, Repos, IRD)

Nutron API – Changes required



API Concern raised :

- Integration/middle software layers who act as booking intermediaries for client frontends have highlighted challenges with the new API messages.
- Intensive Matching logic will need to be built on the middle layer software to facilitate the booking process.

Possible Solutions :

1. Client front-ends to be updated to indicate who is the Initiator vs Acceptor
2. Clients to use Nutron front-end for matching purposes
3. Clients to use a mix of API functionality and Nutron GUI as per requirements (parallel process)

Testing Requirements for Members



Classic Repo and Triparty Repo users

- **Comprehensive** testing of new added functionality as well as regression testing of day-to-day BAU activities

All other Bond and IRD Members

- **Regression testing** of day-to-day BAU activities

Clearing Members

- **Regression testing** of day-to-day BAU activities

Indicative Milestones



| | | |
|---|----------------------------|-----|
| • API specifications to be issued | Mid July 2024 | ✓ |
| • API software providers & developers dev | Mid July - Mid Oct 2024 | ✓ |
| • SYT with Strate | Mid Sept - end Oct 2024 | ✓ |
| • Internal Integration Testing | Mid Nov - early Jan 2025 | WIP |
| • SWP conformance testing | Mid Nov - early Jan 2025 | |
| • Acceptance Testing by all Software contributors | Mid Jan - Mid Feb 2025 | |
| • Conformance testing to be passed | Mid Feb 2025 | |
| • Full Market (Client) Testing | Mid Feb – Mid March 2025 | |
| • Testing with Zaronia | Mid March - early May 2025 | |
| • Mandatory Dress rehearsals | End March & end April 2025 | |
| • Go-live | May | |

Questions

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