



BATS Exchange (BZX) Introduces Parallel Smart Order Routing Strategies

New Parallel Smart Order Routing Strategies

Parallel D (Depth) – Best Price (available effective immediately)

This new Regulation NMS compliant smart routing strategy will route to all protected market centers with a quote at **each** price level in parallel. Each price level will be exhausted before moving onto the next price level, even if multiple passes must be made at a price level. If the order size is larger than the sum of displayed quotes at a price level then the remaining quantity will be split among the market centers using a BATS over-allocation method. The price for Parallel D will be \$.0028/share for executions above \$1.

Parallel 2D – Fastest Execution (Coming soon!)

This new Regulation NMS compliant smart routing strategy will route to **all** price levels at all protected market centers in parallel. This strategy will route enough size to each protected market center to fulfill the displayed quotes until the order size is exhausted to the limit price of the order. If the entire order cannot be fulfilled with the displayed quotes the remaining quantity will be split among the market centers using a BATS over-allocation method. The price for Parallel 2D will be \$.0028/share for executions above \$1.

Parallel T – Top Only (Coming soon!)

This new Regulation NMS compliant smart routing strategy will route the order in parallel to protected markets sending the exact quantity of only the protected (**top**) quote to each market center. Unlike Parallel D and 2D, Parallel T will not use depth of book quotes to build the routing plan. Once the protected (top) quotes have been accessed, any unfilled shares will be posted to the BATS book (assuming the order is not an IOC order). The price for Parallel T will be \$.0033/share for executions above \$1.

Standard Parallel Routing Behavior

IOC orders using any of the new parallel routing strategies will cancel after routing to protected markets. Day orders will post on the BATS Exchange (BZX) order book at their limit price after routing to protected markets.

All new Parallel Smart Order Routing Strategies may be combined with BATS' DRT Strategy to access pools of hidden liquidity in addition to protected market centers. The details of DRT can be at http://www.batstrading.com/resources/features/bats_exchange_drt.pdf.

Specifying a Routing Strategy

A character has been added to the 3rd position of FIX Tag 9303 to allow Member's to specify their preferred routing strategy.

3rd Character	Routing Strategy
C (default)	CYCLE
D	Parallel-D
T	Parallel-T
2	Parallel-2D

For more information, please refer to the BATS FIX specification:

- [BATS US Equities \(BZX\) FIX Specification](#)

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