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## Canada Making Preparations for Same Day Matching

*Excerpt from Securities Industry News discussing Canada's trade matching ruling, NI 24-101, and quoting Stephen Engdahl, Director, Product Management, Charles River Development.*

As the deadline for Canada's same-day matching mandate draws nearer, front- and back-office systems providers are capitalizing on the opportunity.

CanDeal, a trading platform for Canadian debt securities, and Charles River Development have called attention to integration they say will help mutual clients meet Canada's National Instrument (NI) 24-101. Charles River is a major player in the Canadian OMS market; CanDeal, co-owned by six Canadian broker-dealers and TMX Group, offers a request-for-quote marketplace. Canadian debt transactions generally settle within three days of a trade (T+3).

Though historically it has lagged the U.S. market in straight-through processing (STP) initiatives, Canada is the only country to move to adopt same-day matching between fund managers and broker-dealers for all trades. When it was issued in January 2007, NI 24-101 required that 95 percent of applicable trades be matched on trade date by 2010. In April 2008, the Canadian Securities Administrators (CSA) ruled that firms must match 70 percent of their trades on T+0 by July 2010, 80 percent by January 2011 and 95 percent by the following year.

The link between CanDeal and Charles River, which launched in 2005, allows for notice of execution, location, instruction, matching, affirmation and settlement to occur within seconds of a trade. "Since the introduction of NI 24-101, same-day affirmation of trade results has been more important than ever for our Canadian clients," noted Stephen Engdahl, director of product development for Charles River. "The integration eliminates the need for mutual clients to rekey data from one platform to the other."

About ten of Charles River's 28 customers in Canada are sending orders to CanDeal through its OMS, which Engdahl said has been gaining traction over the past few months as buy-side firms implement more sophisticated systems. Trades initiated at CanDeal can be affirmed via Charles River, according to Phil Wright, managing director of CanDeal. Alternately, OMS users can forward trades to CanDeal for execution, explained Wright, and "CanDeal then provides Charles River with a notice of execution to affirm the trade."