



Tips for Traders

CSTA Conference
August 19, 2022

Agenda



- Complex Order Types
- Odd Lot Trading – observations
- Trade Halts in Canada
- Messaging Rates
- ETF NAV Trades – refresher
- Cross Asset Surveillance
- Seeking Exemptions from UMIR – rules proposal
- Short Selling
- Questions

Marketplace Innovation

Complex Order Types



- Increasing complexity
- Supervision and control
- Understand how they work
 - Trade Desk
 - Compliance
 - Risk Management
 - Clients - DEA

Odd Lots



- Increasing
- DEA clients
 - Controls
 - Monitoring
 - Compliance

Question 1



- During a regulatory halt, Participants are prohibited from trading on a marketplace or OTC including on a marketplace outside of Canada.

True

False

Regulatory Halts

UMIR 9.1



- Regulatory Halt
 - No trading may occur on a marketplace or OTC when the trading halt is in effect
 - Timely Disclosure
 - Cease Trade Order
 - SSCB
 - Trading outside of Canada – considerations
 - Trade Rulings

Messaging Rates



- What we see
- Impacts
- Efficiencies?

Question 2



It is permitted to print a trade at the NAV at any price because NAV trades are exempted from OPR?

True

False

ETFs

Trading at the NAV



- UMIR 6.4 – Trades to be on a marketplace
- ETFs are listed securities
- Context of the market
- Price to client = traded price
- Primary vs Secondary Market

Cross Asset Surveillance



- MOU signed in January 2022
- The MOU broadens the cooperation between the two SROs:
 - cross-asset trading surveillance
 - the transmission of relevant data
 - the sharing of information relating to market surveillance
 - the coordination of inspections

Question 3



- IIROC staff may in certain circumstances provide exemptive relief from a provision of UMIR?

True

False

Seeking Exemptions from UMIR



- Exemptive relief for a specific transaction:
 - Not contrary to securities legislations, regulations and rules
 - Not prejudicial to the public interest or to the maintenance of a fair and orderly market
 - Is warranted based on the circumstances of the particular transaction
- Rules proposal
 - Codification of certain types of frequently requested exemptions
 - Compliance considerations

Short Selling



- Guidance Note
- Failed Trade Study
 - 2 phases
- Collaboration with the CSA
 - consultation

