



# **TRACE<sup>SM</sup>**

## **Trade Reporting and Compliance Engine<sup>SM</sup>**

### **User Guide**

**Version 2.0 – July 8, 2008**

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## Changes from Version 1.8

The following is a brief summary of the changes made to the TRACE User Guide since the previous version:

- Inclusion of system changes to support trade reporting of equity-linked notes including:
  - Re-labeling of 'Quantity' field in Trade Entry screens to 'Number of Bonds or Number of Shares'.
  - Modification of TRACE Issue Master to contain new 'Security Type' field.
  - Introduction of 'Issue Par Value' file identifying issues with par values other than 1000.
  - Modification of the Daily List to contain 'Security Type' and 'Par Value' fields.

## Changes from Version 1.7

The following is a brief summary of the changes made to the TRACE User Guide since the previous version:

- Publication of TRACE Interdealer Trade Report Alerts
  - Effective January 2007, NASD will modify the TRACE website to publish mismatched and unmatched interdealer trade reports. This is to alert member firms to potential duplicate trade reports, discrepant trade reports or non-submitted trade reports requiring their investigation
- Indices
  - Provides daily and monthly data of Investment Grade and High Yield bonds.
- Market Data
  - Provides daily aggregates as reported to TRACE of Market Breadth and Most Active information

## Changes from Version 1.6

The following is a brief summary of the changes made to the TRACE User Guide since the previous version:

- Reporting time frame changes
  - Effective July 1, 2005, transaction reports must be submitted within 15 minutes of the time of execution

## Changes from Version 1.5

The following is a brief summary of the changes made to the TRACE User Guide since the previous version:

- Reject Review
  - Effective August 30, 2004, TRACE participants will be able to view review rejected trades and may also reprocess rejected entries

- Reporting time frame changes
  - Effective October 1, 2004, transaction reports must be submitted within 30 minutes of the time of execution

## Changes from Version 1.4

The following is a brief summary of the changes made to the TRACE User Guide since the previous version:

- Reporting time frame changes
  - Effective October 1, 2003, transactions reports must be submitted within 45 minutes of the time of execution.
  - Effective October 20, 2003, “high” vs. “low” priority reports are discontinued, with new time frames set for the resubmission of all rejected reports.
- System changes
  - Two levels of browser service
    - Level I – Reporting and data retrieval
    - Level II – Reporting and data retrieval plus real-time Time & Sales data for disseminated issues
  - Trade Report Data function now retrieves a total of 10 individual days’ activity
  - Yield calculation for continuously callable bonds assumes that the call notice is issued T+1 or later, consistent with MSRB methodology
  - Closing Price Downloads
- How to report bonds with non-standard par values, additional guidance
  - Reporting of quantity for bonds with par values greater than \$1,000
  - Reporting of quantity for pro-rata sinking fund bonds with factors
  - Handling of GMAC 0s due 12/1/2012 and 6/15/2015
- General guidance
  - Clarification of what yield to report
  - WI and Regular Way Status trades: one CUSIP has two reporting symbols
  - What is the Difference Between a Give-Up and a Step-out?

# Chapter 1: Introduction

## Overview

On January 23, 2001, the Securities and Exchange Commission ("SEC") approved proposed rules requiring FINRA<sup>®</sup> members to report over-the-counter ("OTC") secondary market transactions in eligible fixed income securities to FINRA and subject certain transaction reports to dissemination. The Trade Reporting and Compliance Engine ("TRACE<sup>SM</sup>") is the FINRA-developed vehicle that facilitates this mandatory reporting and also provides increased price transparency on an immediate basis to market participants/investors in corporate bonds. The rules, referred to as the "TRACE Rules," are contained in the new Rule 6200 Series.

## Transactions/Securities Subject to Mandatory Trade Reporting

- Fixed income transactions that must be reported under the new TRACE Rules are those OTC secondary market transactions involving a "TRACE-eligible security";
- The term "TRACE-eligible security" means all United States dollar denominated debt securities that are depository-eligible securities; Investment Grade and Non-Investment Grade (as defined in the TRACE Rules); issued by United States and/or foreign private corporations; and: (1) registered with the SEC; or (2) issued pursuant to Section 4(2) of the Securities Act of 1933 (Securities Act) and purchased or sold pursuant to Rule 144A under the Securities Act;
- The term "TRACE-eligible security" specifically excludes debt securities that are not depository-eligible; sovereign debt; development bank debt; mortgage- or asset-backed securities, collateralized mortgage obligations, and money market instruments.

### Eligible Security Types Include:

- Investment-grade debt, including Rule 144A/DTCC eligible.
- High-yield and unrated debt of U.S. companies and foreign private companies, including PORTAL-designated debt.
- Medium-term notes
- Convertible debt and other equity-linked corporate debt not listed on a national securities exchange
- Capital trust securities
- Equipment trust securities
- Floating rate notes
- Global bonds issued by U.S. companies and foreign private companies
- Risk-linked debt securities (e.g. "catastrophe bonds")

## Reporting Party Obligations

FINRA members are obligated to report both sides of every transaction in eligible corporate bonds. TRACE will accept the trade reports of reporting firms or their designated third-party reporting intermediaries. The reporting party is determined as follows:

Transactions Between	Who Reports
Two FINRA members	Both the Buying and Selling FINRA member
A FINRA member and a non-FINRA member	The FINRA member
A FINRA member and a customer	The FINRA member

**NOTE: FINRA member firms cannot qualify each other as “customers.” Only an end customer (a non-FINRA member institution or retail account) can be designated “C” (for Customer) in the trade report.**

For example, firms ABCD and EFGH are both FINRA members. Firm EFGH is a correspondent of firm ABCD, which is a clearing firm and also has execution capability. For complete audit trail purposes, any transactions that occur between these two member firms must be reported by both firms under each firm’s own TRACE Market Participant ID (MPID), or by the clearing firm on the correspondent firm’s behalf, under a pre-signed FINRA/TRACE Give-Up Agreement. Under no circumstances may the clearing firm use the “C” designation for its own correspondent customer base, since each firm’s identity would then be anonymous to regulatory/surveillance personnel and the audit trail would be broken.

### **Website Security and Configuration Requirements**

TRACE uses a combination of Secure Socket Layer (SSL) encryption and X.509 Digital Certificate software to protect the data that is being transferred from the client to FINRA and back. In order to access the TRACE website, the user must have been entitled to use the product and have been assigned a digital certificate to be loaded on the PC. The minimum operating system requirements for web access are:

<b>Windows PC</b>	<b>Sun Solaris</b>
Modem: 56K	Modem: 56K
Operating System: Win 95, 98, Windows NT, Windows 2000	Operating System: Version 2.61
Browsers: Netscape 4.06 and above Internet Explorer 4.01SP1 and above	Browsers: Netscape 4.06 and above

All content on each page should be visible on a screen with a resolution of 800x600.

### **Website Access Levels**

The TRACE website provides two levels of service:

- **Level I Service** includes TRACE reporting and data retrieval capabilities, but does not include TRACE real-time market data. This level is charged at a reduced rate from the Level II service, and suits the needs of a participant that only occasionally trades corporate bonds or who is not interested in seeing market data through the TRACE website.
- **Level II Service** is the full-service Web browser that provides a participant with trade reporting capabilities as well as access to real-time TRACE market data.

FINRA expects that firms will elect to have a combination of Level I and Level II Web browsers based on the needs of their personnel (thereby reducing a firm's overall website service cost).

## Chapter 2: Trade Reporting Requirements

Previously, FINRA members were required to report trades to TRACE within thirty minutes of trade execution. However, effective July 1, 2005, FINRA members are obligated to report trades to TRACE within fifteen minutes of trade execution. Any further possible reductions in the reporting timeframe would be submitted for approval as rule filings with the SEC and announced in FINRA *Trade Reporting Notices* and on the TRACE website.

### **Normal System Hours**

TRACE will operate from 8:00 a.m. to 6:30 p.m., Eastern Time (ET).

Please refer to the TRACE Holiday Calendar for the schedule of holidays and early closings:

<http://www.finra.org/RegulatorySystems/TRACE/TRACEHolidayCalendar/index.htm>

### **Transaction Reporting Based on Execution Time**

<b>If the trade was executed between</b>	<b>Report</b>
12:00 a.m. and 7:59:59 a.m. ET	Report the same day at 8 a.m., ET <sup>1</sup> , in adherence to the fifteen minute reporting structure.
8:00 a.m. to 6:29:59 p.m., ET	Report same day as a regular trade in adherence to the fifteen minute reporting structure. Note: If insufficient time remains at the end of the day to report the trade, it may be submitted as an As-Of trade the morning of the following business day (see below).
6:30 p.m. and 11:59:59 p.m., ET	Report on an As-Of basis <sup>2</sup> the morning of the following business day beginning at 8 a.m. ET in adherence to the fifteen minute reporting structure.

1. Trade executions between 12:00 a.m. and 7:59:59 a.m. will be disseminated upon receipt, and will be included in the calculation of daily high, low, and last sale prices.
2. Trade executions between 6:30 p.m. and 11:59:59 p.m. will be reported on an As-Of basis and will be disseminated upon receipt beginning at 8:00 a.m. the next trading day. These transactions will not affect the high, low, and last sale prices. Trades executed between 6:30 p.m. and 7:59:59 a.m. that are not reported within fifteen minutes of system open will be considered late.

**NOTE:** Executions done on a non-business day have special reporting requirements. See “How to Report Executions Done on a Non-Business Day” in Chapter 4.

**NOTE:** Please refer to “Accepted and Rejected Trade Reports” in Chapter 4 for the timeframes for resubmission of rejected trade reports.

## Chapter 3: Home Page



Welcome to FINRA TRACE

Figure 3.1 – TRACE Home Page and Masthead

### ***Masthead Links***

These links are accessible throughout all TRACE screens.

#### **Home**

Navigates to the Home Page.

#### **FAQs**

Frequently asked questions and answers on system access, trade reporting responsibilities, and technical issues.

#### **Contacts**

Provides a list of TRACE support contacts.

#### **Help**

Access to the TRACE User Guide and rules of the TRACE system.

#### **TRACE News**

Latest news on the TRACE system and related issues.

#### **FINRA Web Sites**

Navigates to the FINRA Web Sites page.

## **Menu Bar**

The Menu Bar is available at the top of every TRACE page. Sub-menu choices are accessible underneath each menu item.

### **Trade Management**

- *Trade Entry* for reporting bond transactions.
- *AGU Trade Entry* for reporting Automatic Give Up transactions.
- *Trade Scan* to scan, view and edit trade reports entered into the system today. TRACE is a one day system, meaning that trade reports entered on previous days are not viewable on this screen.
- *Trade Report Data* to download or print a report of transactions previously submitted into TRACE. This report will allow you to retrieve reports received today and up to 9 days back (10 days total).
- *Reject Scan* allows a Reporting Party to search and view TRACE rejected trades using a number of filtering criteria. Reporting Parties can repair and close rejected trades on the same day of submission regardless of source (CTCI, DTCC/RTTM, and TRACE Web).
- *Trade Report Alerts* allows users to view mismatched and unmatched Interdealer trade reports, where the user's reported trades do not have a corresponding match against the reported contra broker/dealer's trade report or could be possible duplicate submissions, or where trades were reported against the user (alleged) and no matching report was found.

### **Alerts**

- *System Alerts* provides system and trade-related alert messages, such as system open/close and administrative broadcast messages. The System Alerts scroll bar can be viewed at all times below the Menu Bar functions.

### **Time & Sales**

- A *Search* screen to enable the user to view the individual trade history of any disseminated issue for the current day in real time. Individual transaction data and daily aggregate information are also available for at least 90 days, and weekly aggregate information is available for the last 52 weeks.
- A *Closing Price Download* file is generated at the end of each business day that allows Users to see the high, low, and "closing" price (as of 5:15 p.m. ET) for all disseminated TRACE bonds. If there was no activity that day for a particular bond, but there was a closing price disseminated on a previous day, that closing price will be provided along with the associated trade date. The closing price file is available nightly after 9:15 p.m. ET following each business day and throughout the following business day.
- The *Indices* page provides daily (made available after 5:30 p.m. ET) and monthly data of Investment Grade (NBBI) and High Yield Bonds (NBBH). Index-Level Data (Total Return, Price, Yield, and Volume), Supporting Information per Index (Most Active Bonds, Leading and Lagging Movers), and Historical data dating back to 10/01/2002.
- *Market Data* page provides data activity as reported to TRACE. The Market Breadth information represents activity in all TRACE reportable publicly traded securities. The Most Active information represents the most active fixed-coupon bonds (ranked by par value traded). Inclusion in Investment Grade or High Yield tables is based on TRACE dissemination criteria. "C" indicates yield is unavailable because of issue's call criteria.

### **Bond Portfolio Watch**

- *Bond Portfolio Setup* enables the user to create up to eight personal portfolios, each containing a maximum of 50 TRACE symbols or CUSIP numbers.
- *Bond Portfolio Retrieval* allows the User to retrieve disseminated information for their portfolios, such as last sale price, last sale date, etc.

### **Daily List**

- Provides a daily list of bonds that have been added, deleted or modified in the TRACE Bond Master file, as well as tracking name and symbol changes. The TRACE Daily List Index provides a history of these changes for the year to view or download.

### **Directory Services**

- *Bond Scan* searches for bond issues by issuer name, CUSIP, TRACE symbol, coupon, maturity date, rating, and Rule 144A designation. The link to the downloadable Issue Master list of securities as well as the Issue Par Value file, which contains all issues where the par value is other than 1000, is available on this page.
- *Participant Scan* searches for TRACE participants. The downloadable list of participants and their MPIDs is available on this page.

# Chapter 4: Trade Management



**Figure 4.1 – Trade Management Menu**

The Trade Entry page is used to enter original, As-Of, or Reversal transactions. The reporting party should enter all of the required fields from their firm’s point of view of the trade. Many required fields are indicated by an asterisk (\*) next to the field name, however some additional fields may be required as well by TRACE Rules. For example, Yield is typically required, but there are exceptions for certain securities.

There are two Trade Entry screens: Trade Entry and AGU Trade Entry. Select the AGU Trade Entry screen if “Automatic Give Up” transactions are being reported. Otherwise, select the Trade Entry screen. To reach the Trade Entry or AGU Trade Entry screen please follow the steps below:

- Select TRADE MANAGEMENT on the menu bar
- Click on TRADE ENTRY or AGU TRADE ENTRY

## Trade Entry

### Trade Entry

Side *	#Bonds or #Shares *	TRACE Symbol or CUSIP *	Price *	Yield	P/A
<input type="radio"/> Buy <input checked="" type="radio"/> Sell	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input checked="" type="radio"/> Principal <input type="radio"/> Agent
<input type="checkbox"/> Override					
Commission (points)	Contra MPID *	Exec Time (Military ET) *	Branch Seq #	Memo	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Modifier	Your	As Of / Reversal			
<input checked="" type="radio"/> N/A <input type="radio"/> W <input type="radio"/> .ND <input type="radio"/> .C <input type="radio"/> .S	Give Up: <input type="text"/> Clearing #: <input type="text"/>	<input type="radio"/> As Of <input type="radio"/> Reversal <input checked="" type="radio"/> N/A	<input type="text"/> MDDYYYY <input type="text"/>	<input type="button" value="Submit"/> <input type="button" value="Clear"/>	
Special Price / Memo					
<input type="checkbox"/> <input type="text"/>					

**Figure 4.2 – Trade Entry**

## AGU Trade Entry

### Trade Entry

Side *	#Bonds or #Shares *	TRACE Symbol or CUSIP *	Price *	Yield	
<input type="radio"/> Buy <input checked="" type="radio"/> Sell	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
				<input type="checkbox"/> Override	
Buyer Commission (in points)	Seller Commission (in points)	Contra MPID *	Exec Time (Military ET) *	Buyer P/A	Seller P/A
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input checked="" type="radio"/> Principal <input type="radio"/> Agent	<input checked="" type="radio"/> Principal <input type="radio"/> Agent
Modifier	Your	Contra	AGU		
<input checked="" type="radio"/> N/A <input type="radio"/> .W <input type="radio"/> .ND <input type="radio"/> .C <input type="radio"/> .S <input type="text"/>	Give Up: <input type="text"/> Clearing #: <input type="text"/>	Give Up: <input type="text"/> Clearing #: <input type="text"/>	<input type="checkbox"/> Automatic Give Up		
As Of / Reversal	Branch Seq #	Contra Branch Seq #	Memo		
<input type="radio"/> As Of <input type="text"/> MMDDYYYY <input type="radio"/> Reversal <input type="text"/> <input checked="" type="radio"/> N/A	<input type="text"/>	<input type="text"/>	<input type="text"/>		
Special Price / Memo					
<input type="checkbox"/> <input type="text"/>				<input type="button" value="Submit"/> <input type="button" value="Clear"/>	

Figure 4.3 – AGU Trade Entry

### Trade Entry Fields

#### Side (Required)

- *Buy* - Click this radio button to enter a report where the reporting party was the buyer.
- *Sell* - Click this radio button to enter a report where the reporting party was the seller.

#### # Bonds or # Shares {aka Quantity} (Required)

Enter the number of bonds or number of shares (for certain equity-linked notes) traded in this transaction, not the par value of the trade. Valid entry range is 0.00000 to 9,999,999.99999. “Bunching” of multiple executions into a combined report is not permitted. Each execution must be reported separately.

- *For regular trades* - A trade with a par value of 500,000 will be entered as 500.
- *For Mixed-Lot trades* - Report as actual number of bonds traded, e.g., a trade for \$2,756.40 worth of a bond is reported as 2.7564.
- *For Baby-Bond trades* - Report as an actual percentage of \$1000 par value in decimal form, e.g., a trade value of \$512.37 would be reported as .51237.
- *For bonds with par values greater than \$1000* - Translate the quantity into \$1000 equivalent, e.g. if a bond has a par value of \$500,000, and 10 bonds are bought or sold, the total par value is \$5,000,000. Divide by \$1,000 and report a quantity of 5000.
- *For bonds with pro-rata sinking funds with “factors”* - Report as an actual percentage of \$1000 par value in decimal form. Reporting of quantity for bonds involving a factor is the same as reporting quantity for a baby-bond; multiply the number of bonds times the factor to determine the quantity to report.
- *For equity-linked notes that trade in shares as units (par value = 1)* – enter number of shares traded, e.g., a trade of 500 shares is entered as 500.

**NOTE:** The quantity and price for two specific bonds, GMAC 0 12/1/12 (CUSIP 370424CZ4, Symbol GMAC.GC) and GMAC 0 6/15/15 (CUSIP 370424DA8, Symbol GMAC.GD), are handled differently than other non-standard issues that were explained above. These issues trade on the NYSE in units and in prices expressed in hundreds rather than in bond dollars (representing a percentage of par). Firms may hold these differently on their stock records and express the price in multiple ways. Firms typically settle these trades ex-clearing, with settlement necessitating that both parties use the same standards. The details of how to report trades in these two issues are fully described in Appendix A.

### **CUSIP/Symbol (Required)**

Enter either the appropriate 9-digit CUSIP number or the TRACE symbol associated with the trade. If the CUSIP or symbol is not known, you may utilize the Bond Scan under Directory Services, to search for a bond's CUSIP number or TRACE symbol. A downloadable file (Issue Master) containing CUSIP numbers is available from the TRACE web site, subject to a daily CUSIP license being in place.

**TIP:** If reporting by CUSIP, the TRACE system will automatically recognize a bond trading when-issued ("WI") rather than regular way by the settlement date. However, if reporting by TRACE reporting symbol, users should check to see if two symbols have been assigned to one CUSIP number and use the one designated for WI trading. When an issue is trading on a WI basis, the same CUSIP number will be set up with two different reporting symbols, one for the WI status bond, and the other for the regular way bond. For firms reporting by symbol, it is important to make sure that the correct symbol has been selected when submitting a TRACE report. After settlement date, the system will not accept a regular way transaction under the WI symbol, unless it is an As-Of submission.

### **Price (Required)**

Enter the price at which the trade was executed. Valid entry format is 9,999.999999. For example, a bond traded at 98.625 should be reported as "98.625". For principal trades, the price must include any markups or markdowns (note that this is different than FIPS reporting, where markups/markdowns were excluded from the reported price). For agency trades, the price field should NOT include the commission charged, since commission is reported in a separate field. For trades of equity-linked notes that trade in shares as units (par value = 1), the price entered should be the dollar price per share.

TRACE will validate the price that you submit by comparing it to other recent transactions in the same security. If the reported price is substantially different than the price determined by TRACE to be the "current market" for that security, you will receive an error message:

## **025: !REJ - PRICE OUT OF RANGE**

If this occurs, you should go back and check your price to be sure it is accurate, or that you don't have the wrong issue, which could naturally have a completely different price. If after checking your price, you are certain that the price you are submitting is correct, you can click on the Override Flag (see below) to try and force the trade report through. TRACE will widen its tolerance range of acceptable prices somewhat. If the trade report still fails the price validation even with the Override Flag set, you will need to contact FINRA Operations Emergency Trade Reporting at 866-776-0800, and report the trade over the telephone. You will be asked to explain why your price is substantially different than what TRACE considers the price should be.

### **Yield (Required for Trades In Most Securities)**

Yield is required unless the reported bond is traded flat or is a Pay In Kind ("PIK"), Perpetual, Floating Rate Note, Index-Linked bond, or any other security type identified by FINRA that has unknown variables.

The reportable yield would be the lower of Yield To Call (YTC) or Yield To Maturity (YTM), and should be reported to at least three decimal places of accuracy. The call used is the one that produces the worst yield, or Yield To Worst (YTW). For continuously callable bonds (subject to a call notice at any time), YTC is based upon the assumption that the call notice will be issued the day after the trade is executed or on any subsequent date. Do not use the sinking fund call. Reporting of yield is consistent with the methodology used by the MSRB for municipal debt securities.

TRACE will validate the yield that you submit by calculating the yield as well. If the reported yield is substantially different than the yield calculated by TRACE, you will receive an error message:

### **093: !REJ - YIELD DOES NOT MATCH CALC-YLD**

If this occurs, you should go back and check your yield calculation. If after checking your calculations, you are certain that the yield you are submitting is correct, you can click on the Override Flag (see below) to try and force the trade report through. TRACE will widen its tolerance range of acceptable yields somewhat. If the trade report still fails the yield validation even with the Override Flag set, you can then report the trade omitting the yield entirely. Note that since yield is a required field by FINRA Rules under most circumstances, this is a last resort. FINRA Regulation will be monitoring the lack of yield reporting.

**NOTE:** For bonds trading WI where the settlement date is not known, if the WI trade was contracted on a yield basis, enter the yield in the yield field and leave the price field blank. If the trade was contracted on a dollar basis, enter the dollar price in the price field and leave the yield field blank.

#### **Override Flag for Price and Yield**

All transactions entered into TRACE are subject to a price and a yield validation. The Override Flag allows a wider variance for the entered price and yield to be accepted, which may be necessary in a rapidly moving bond. If the entered price and yield is greater than the override variance allows, the transaction will still be rejected. Trades still rejecting on price using the override must be reported telephonically to the FINRA Operations Emergency Trade Reporting at 866-776-0800. You may be asked to explain to FINRA Regulation why your price is so far away from what TRACE considers to be the “current market” for this bond. This flag should only be used after an initial attempt to report the trade resulted in a rejection due to price variance, not on initial input of the trade report. Trades still rejecting on yield using the override should be submitted without yield; do not call Emergency Trade Reporting. It is recommended (although not mandatory) that firms keep a log for compliance purposes of any trade reports legitimately submitted without yield due to the Yield Override not accepting the submitted yield.

#### **Principal/Agent Capacity (Required)**

Click the appropriate radio button to indicate whether the reporting party is acting as Principal or Agent in the transaction. When using the AGU Trade Entry form, the reporting party should select the appropriate Buyer capacity or Seller capacity.

#### **IMPORTANT NOTE Regarding Agency Trades:**

For regulatory audit trail purposes, TRACE requires that all sides of all trades be reported. Because of this, trades where your firm acts as agent should be reported in the same way that a principal trade would be reported. For a complete description of how to properly report agency transactions, see “How To Report Agency Transactions” section below.

#### **Commission (Required if applicable)**

Enter the commission charged in points on a per bond basis. Valid entry format is 99.999999. For example, a sixteenth (1/16) commission on a trade is .0625, an eighth (1/8) is .125, a quarter (1/4) is .25, etc. If, however, the commission is a flat dollar amount, you must calculate the commission per bond: If a firm charges a flat \$100 fee for an odd lot trade of 10 bonds, the commission is \$10/per bond, or 1 point; if the fee is a flat \$50 per ticket, on a 10 bond trade, this would be \$5/per bond, or .50 (half a point). When

using the AGU Trade Entry form, the reporting party should put the commission it charged into the appropriate commission field (Buyer Commission or Seller Commission) corresponding to the reporting party's Side (as Buyer or Seller).

**NOTE:** Customers with fee-based accounts are considered to have separate business arrangements with their Bond Dealer. For purposes of TRACE reporting, transaction fees billed to the Customer by the BD, for example, on the basis of amount of assets in the account, are not reportable as commissions, since in the normal course of business, the Customer would be dealing on a net basis with the BD and paying the BD a separate fee to service its account. Neither is sales credit assigned to a salesperson reportable.

**Contra MPID (Required)**

Enter the Market Participant ID (MPID) of the other party to the trade. If the Contra party is a customer, "C" may be reported as a valid entry. FINRA member firms cannot qualify each other as a customer; all FINRA member firms must be identified by their own MPID, regardless of their business role (introducing broker, executing broker, etc.)

**Execution Time (Required)**

Enter the time at which the trade was executed. All reported times are Eastern Time and must be entered in military time format, HHMMSS (except that seconds may be entered as "00" if your system is not capable of reporting seconds). For example, if a trade was executed at 2:30 p.m., the execution time should be reported as 143000 or 14:30:00. In transactions where the price is determined by a spread off a benchmark, the execution time would be considered the time that the benchmark yield is determined.

**Modifier (Required if applicable)**

This is a qualifying entry field used to indicate the trade was executed under one or more of the following circumstances:

<b>Modifier</b>	<b>Description</b>
N/A	Indicates a regular trade. Use this to clear out another selection you may have inadvertently made.
.C	Click this radio button for cash transactions, (same day delivery/settlement).
.ND	Click this radio button for Next-Day settlement transactions.
.S	Click this radio button for non-regular way (T+3) settlement periods of either 2 or 4 – 60 days. If this modifier is selected, you must enter the number of days for the trade to settle in the accompanying entry box.
.W	Indicates that the price of the trade was based upon a weighted average of some previous transactions. If a particular trade report is both a weighted average and an odd settlement period (.C, .ND, .S), the weighted average modifier takes precedence.

**Your Give Up**

Enter a valid MPID of the firm on whose behalf you are submitting the trade, (i.e., a clearing firm submitting on behalf of a correspondent, would enter the correspondent's MPID in the Your Give Up field.). This MPID is required if the AGU flag is checked (see Automatic Give Up below).

**Your Clearing #**

This is an optional entry field for the reporting party's clearing firm number.

*Note: If a clearing number is not entered, then TRACE will assign the default one that was set up when your firm's MPID was added to the TRACE system, if it was supplied.*

**Contra Give Up (AGU Only)**

For AGU transactions, enter the valid MPID for the contra party of the Give-Up trade, (i.e., the party on the other side of the trade from the one listed in the Your Give Up field (see Automatic Give Up below).

### **Contra Clearing # (AGU Only)**

This is an optional entry field for the contra's clearing firm number.

### **Automatic Give Up (AGU Only)**

The **AGU Trade Entry** screen must be used to report AGU transactions (see Figure 4.2 - AGU Trade Entry on page 12). Click the AGU flag to indicate that a "locked-in", two-sided trade is being reported. In addition to this flag, the Contra ID should contain the MPID of the Reporting Party (which makes it look like the Reporting Party is trading with themselves), and the "Your Give Up" and/or "Contra Give Up" fields should be entered with the parties involved in the trade. See "What is the Difference Between a Give-up and an AGU?" section below for more details.

### **As-Of / Reversal**

Click the As-Of button if the trade was executed before the current day, (i.e., the trade was executed yesterday, but was not reported to TRACE until today). Click the Reversal button to reverse (cancel) a trade originally reported on a previous day. The original trade execution date must be entered in the date field for both As-Of and Reversal reporting. To correct an error made on a trade report submitted on a previous day, a reversal for the original trade must be submitted, followed by an As-Of trade to replace it. Partial reversals are not permitted, i.e., if you reported a trade for 200 bonds yesterday, but should have reported 100 bonds, you cannot just reverse 100 bonds and be done. You must reverse the full 200 and then enter a new As-Of trade for the 100.

### **Branch Sequence #**

This is an optional entry field. The Branch sequence # is an in-house reference number assigned to the trade by the Reporting Party. It is typically used by firms with several branch offices that want to identify which branch input a particular trade. This field will accept from one to eight alphanumeric characters.

### **Contra Branch Sequence # (AGU Only)**

This is an optional entry field. The contra branch sequence # is an in-house reference number assigned to the trade by the Contra side. This field will accept from one to eight alphanumeric characters.

### **Memo**

This is an optional entry field. It is a 10-character alphanumeric field used for the Reporting Party's internal memo purposes. This memo will not be shown to the Contra side.

### **Special Price Flag / Memo (Required if applicable)**

Check the Special Price Flag to indicate the existence of a special trade condition that impacted the execution price, such as trading a bond with interest when it is currently trading flat by market convention. The Special Memo field is a fifty character alphanumeric field used to input the special conditions underlying a specified trade, and will be shown to the Contra side. If the Special Memo field is filled in, the Special Price Flag must be checked.

Click the **Submit** button to submit your trade as entered on the Trade Entry/AGU Trade Entry page, or Click the **Clear** button to clear your selections.

## ***How to Report Executions Done on a Non-Business Day***

Although rare, executions can occur on non-business days. These transactions need to be reported, however TRACE will not accept a trade report with a non-business execution date. In order to report these transactions, do the following:

- Within the first 15 minutes of the first business day after the execution date, report the transaction to TRACE.

- The business date will be used as the execution date. DO NOT report the transaction as an “as-of” trade; the system will reject it.
- In the Execution Time field, enter “00:01” (one minute after midnight) as the execution time. DO NOT enter the actual execution time of the trade in this field.
- Mark the transaction with the Special Price Flag.
- In the Special Memo field, enter the *actual* execution date and time from the non-business date. For example, if an execution occurred on Saturday June 1, 2002 at 3:00 p.m. ET, the Special Memo would contain “06/01/2002 15:00”.

### **How to Report Agency Transactions**

In order to capture a complete audit trail for regulatory use, agency transactions need to be reported in the same way that principal transactions are reported. What this means is that if your firm acts as agent for your customer, the trade reports you must submit will “look” like you stood between your customer and the contra party.

For example, Firm XYZ receives an order from a customer to sell 100 bonds. Acting as the customer’s agent, XYZ sells the bonds to ABC. Although, technically the customer sold the bonds to ABC with XYZ acting as their agent, the reports from XYZ would be made as follows:

*Report #1: XYZ BUY 100 bonds from C as Agent @ 98 and charged .125 commission*  
*Report #2: XYZ SELL 100 bonds to ABC as Agent @98.*

Notice that even though XYZ SOLD the bonds FOR their customer, they actually reported a BUY FROM the customer, followed by a SELL TO ABC. This is how a principal trade would be reported as well. Be aware that the trade tickets your firm generates for agency trades will most likely be different from the report you must submit. In the example above, you would probably have only a single SELL ticket, showing the customer vs. ABC, yet in TRACE you are reporting a BUY FROM the customer, followed by a SELL TO ABC.

Another aspect to be careful of is the calculation of yield for agency transactions. The yield you report must be inclusive of commissions charged, which is in line with what is done for customer confirmations. The yield is a corollary of price, and the inclusion of commissions can be confusing. The general understanding with regard to agency trades is that you “Buy Plus Commission”, and “Sell Less Commission”. However, realize that those axioms are from the customer’s perspective. It is the customer that is buying plus the commission, but the TRACE trade reports are always from the FINRA member’s point of view. What this means is that when you incorporate the commission charged into the price for yield calculation, you must SUBTRACT the commission on BUY trade reports, and ADD the commission on SELL trade reports. This makes sense, because when the customer is Buying, a member firm is Selling, based on the way the reports must be made. In the example above, the price that would be used for yield calculation in Report #1 would be 98 MINUS .125 or 97.875.

### **What is the Difference Between a Give-Up and an AGU?**

A “Give Up” trade report is reported by one FINRA Member on behalf of another FINRA Member who had a reporting responsibility. In order to do this, “Give-Up” agreements are required for every firm for which the reporting firm will submit. A simple example of a Give-Up would be a clearing firm that reports on behalf of its correspondent firms. The clearing firm reports the trade, but “gives up” the name of the correspondent in the Give-Up field. The trade report will be considered to have come from the correspondent for regulatory and billing purposes.

**IMPORTANT NOTE:** Only the firm that submits the trade report into TRACE (the firm whose MPID is in the Reporting Party field of the trade report) can subsequently correct or

cancel that trade report. When a FINRA member firm is logged into the TRACE web application, that firm's MPID is automatically placed in the Reporting Party field. A clearing firm can report for a correspondent firm by putting the correspondent's MPID in the "Give-Up" field. In this case, only the clearing firm has access to the report on TRACE; if the correspondent realizes a mistake was made, the correspondent will have to notify the clearing firm and the clearing firm would be required to correct it on the correspondent's behalf. This is also true when a clearing firm reports via a CTCI line by putting their MPID in the "Reporting Party" field and uses the "Give Up" field to report on behalf of their correspondent; the clearing firm must perform the cancels and corrections for the correspondent.

Conversely, transactions submitted via NSCC do NOT have the ability to use the TRACE "Give-Up" field, even if a clearing firm is submitting on behalf of their correspondent. Instead, the correspondent's MPID is submitted in NSCC's Executing Broker field, which winds up in the "Reporting Party" field in TRACE, and the clearing firm's clearing number is put in the TRACE "Clearing Number" field. Because of this, clearing firms coming through NSCC can NOT correct transactions in TRACE for their correspondents, since the clearing firm's MPID is not in the Reporting Party field; the correspondents MUST do it themselves through the TRACE web application. Only the firm whose MPID is in the "Reporting Party" field of the trade report can subsequently correct or cancel that trade report.

An Automatic Give-Up, or AGU, is a trade report representing both sides of a transaction. Alternative Trading Systems (ATs) and Electronic Communications Networks (ECNs), and even clearing firms have the ability to match buy and sell orders, and create "locked-in" executions ready for settlement that require no further comparison by the involved parties. ATs and ECNs that are FINRA members (as opposed to those registered as an exchange) have the ability to report on behalf of multiple parties using a single trade report to TRACE and indicate that the trade is "locked-in" by using the AGU flag. A clearing firm that executes a trade with one of its correspondents can likewise submit a "locked-in" trade, since the clearing firm clears the trade for the correspondent. In order to do this, "Give-Up" agreements (GUs and AGUs are covered by the same agreement) are required for every firm for which the ATs/ECN or clearing firm will submit trade reports. Depending on the scenario, a "One-sided" or "Two-sided" AGU can be submitted.

**NOTE:** The seller's Customer side and the buyer's Customer side are additional separate reports not covered by the AGU report.

Click the AGU flag to indicate that a "locked-in", two-sided trade is being reported. In addition to this flag, the Contra ID should contain the MPID of the Reporting Party, and the "Your Give Up" and "Contra Give Up" fields should be entered identifying the parties involved in the trade.

**NOTE:** The use of AGU for trade reporting is optional. Instead, two separate reports, one from the Clearing firm's point of view, followed by another report from the Correspondent's point of view (using the Give-Up field) can be used instead.

Scenario	How To Report
<p><b>Simple Give-Up</b> Clearing firm just reporting a trade for one of its correspondents</p>	<ul style="list-style-type: none"> <li>• The clearing firm enters the MPID of the correspondent in the “Your Giveup” field</li> <li>• Marks the trade as a Buy or Sell, based on whether the correspondent firm bought or sold</li> <li>• Marks the P/A indicator as either Principal or Agent, depending on what capacity the correspondent acted.</li> <li>• Enter any modifiers that applied to the correspondent</li> </ul>
<p><b>One-sided AGU</b> A clearing firm executes a trade with one of its correspondents, creating a “locked-in” trade with the correspondent. To report this trade, the clearing firm fills in the following:</p> <p>OR</p> <p>A FINRA member ATS/ECN matches a Buy and a Sell order from FINRA member firms using its system which causes two executions to occur, and creates two “locked-in” trades. Each counterparty knows the ATS/ECN as its contra, i.e., the ATS/ECN provides anonymity through settlement. Two One-sided AGUs would be reported.</p>	<ul style="list-style-type: none"> <li>• The clearing firm enters its own MPID in the Contra MPID field (which makes it look like the clearing firm is trading with itself)</li> <li>• Marks the trade as a Buy or Sell, based on whether the clearing firm bought or sold</li> <li>• Puts the MPID of the correspondent in the Contra Give Up field</li> <li>• Marks the capacity indicators for both itself and the correspondent. If the clearing firm Sold, then the clearing firm marks its capacity in the Seller P/A and the correspondent’s capacity in the Buyer P/A.</li> <li>• Enters any modifiers that applied to the clearing firm</li> <li>• Checks the AGU checkbox.</li> </ul>

Scenario	How To Report
<p><b>Two-sided AGU</b> A clearing firm is reporting on behalf of two fully disclosed correspondent firms that traded with each other. Since the clearing firm processes both sides of the trade, the clearing firm can consider the trade “locked in”, permitting an AGU report.</p> <p>OR</p> <p>A FINRA member ATS/ECN matches a Buy and a Sell order from FINRA member firms using the ATS/ECN system, which causes an execution to occur, and generates a “locked-in” trade in which the two counterparties ARE DISCLOSED TO ONE ANOTHER.</p>	<ul style="list-style-type: none"> <li>• The clearing firm or ATS/ECN enters its own MPID in the Contra MPID field</li> <li>• Marks the trade as Sell. The report is made from the point of view of the correspondent who SOLD.</li> <li>• Puts the MPID of the Selling correspondent in the “Your Give Up” field</li> <li>• Puts the MPID of the Buying correspondent in the “Contra Give Up” field</li> <li>• Marks the capacity indicators for the correspondents in the Seller P/A and Buyer P/A fields.</li> <li>• If either of the correspondents is charging a commission, enter the commissions</li> <li>• Enter any modifiers that applied to the Selling correspondent</li> <li>• Checks the AGU checkbox.</li> </ul>

***What is the Difference Between a Give-Up and a Step-out?***

A Step-out allows Broker/Dealer A (executing broker) to “Step out,” or allocate all or part of a trade to another broker/dealer (Broker/Dealer B). The only reportable event is the transaction between the executing firm (Broker/Dealer A) and its customer. Where Broker/Dealer B performs nothing more than a clearing function in the Step-out, Broker/Dealer B does not have a reporting obligation. This scenario

assumes that the position is held in a non-proprietary account at Broker/Dealer B used for clearing purposes only. Step-outs serve as a position transfer between firms, rather than a trade. They represent a post-trade processing function that occurs outside TRACE. Since the other broker/dealer is neither involved in the execution nor otherwise a party to the transaction, Broker/Dealer A has no reporting responsibility versus Broker/Dealer B, nor vice-versa. Dealings are with the customer and should be reported as such.

## **Accepted and Rejected Trade Reports**

### **Accepted Trade Reports**

When a trade report is submitted, TRACE will validate the transaction and, if accepted, will return a confirmation message in the status line located at the top of the entry page. The confirmation message will return a TRACE Control #, CUSIP, TRACE Symbol, and the description of the issue. You should ensure that the information displayed is correct. If the information is not correct, you may Cancel or Modify (No/Was) the transaction through the Trade Scan screen.

**NOTE:** Cancel and No/Was can only be performed on transactions submitted to TRACE today. Transactions submitted on previous days must be canceled using a Reversal, or modified using a Reversal / Resubmission combination. See the “Cancel, No/Was and Reversal Functions” section below.

<b>Confirmation</b>			
<b>Control#</b>	<b>CUSIP</b>	<b>Symbol</b>	<b>Name</b>
2811000014	413627AD2	HRHO.GA	HET 7.875 12/1 5/05 Sr Sub Note

**Figure 4.4 – Confirmation Message**

**TIP:** It is a good idea to keep a record of the Control Numbers you receive back from TRACE. If you need to quickly find a trade later, you can search by Control Number. Also, since TRACE is a one-day system, all entered trade reports are deleted at the end of the day. If you need to cancel a trade on a subsequent date, you must use a Reversal, and you must supply the Control Number of the trade that you are reversing.

### **Rejected Trade Reports**

If the trade is rejected after submitting the trade entry, TRACE will return up to five different error codes in the status line located at the top of the entry page. All originally entered data will remain on the Trade Entry page for editing. You may re-submit the transaction after making the necessary corrections.

Any trade rejected by TRACE should be corrected and resubmitted to TRACE as soon as possible, by the reporting member. With the implementation of 15-minute reporting, the interpretive guidance previously available regarding the submission of rejected transaction reports has been rescinded

- For trades executed, reported to, and rejected from TRACE during the last 15 minutes before system shutdown, the report must be resubmitted within the first 15 minutes of system open on the next business day in order to not be considered late. (No additional extension applies.)
- For trades executed within the last 15 minutes before system shutdown, submitted for the first time, “As-Of”, the following business day and then rejected, an additional 15-minute extension is granted.

If a member executes a trade when the system is closed—either after system hours, or on a weekend or a holiday—the trade must be submitted the next business day within 15 minutes of system open.

**Note:** As of October 20, 2003, FINRA will no longer distinguish between transaction reports for disseminated securities (“high priority” reports) and non-disseminated securities (“low priority” reports).

The following guidelines apply to the resubmission of rejected transaction reports:

If the trade was executed	Report
Between 5:45:01 p.m. ET and 6:29:59 p.m. ET Not reported on Trade Date	Report on an As-Of basis on the morning of the following business day beginning at 8 a.m. ET within 15 minutes of system open. No extension applies.
Between 6:30:01 p.m. ET and 7:59:59 a.m. ET on a business day (when system is closed)	Report on an As-Of basis on the morning of the following business day, if reporting T+1; or, for pre-system-open trades, report on Trade Date beginning at 8 a.m. ET.
On a weekend or holiday	Report on an As-Of basis on the morning of the following business day beginning at 8 a.m. ET with in 15 minutes of system open.

### Trade Scan

The Trade Scan function enables the reporting party to search and view trades using a number of filtering criteria. Reporting parties can correct or cancel their own same-day entered trades through this screen. To reach the Trade Scan screen please follow the steps below:

- Select TRADE MANAGEMENT on the menu bar
- Click on TRADE SCAN

### Trade Scan

Status	By/Against	Trade Type	T-Date	Reversal
<input type="radio"/> Trade Report <input type="radio"/> Other <input checked="" type="radio"/> All	<input type="radio"/> By <input type="radio"/> Against <input checked="" type="radio"/> Both	<input type="radio"/> Sell <input type="radio"/> Buy <input checked="" type="radio"/> All	<input type="radio"/> T-day <input type="radio"/> T+1 <input type="radio"/> T+2..n <input checked="" type="radio"/> All	<input type="checkbox"/> Reversal
TRACE Symbol or CUSIP	Contra	Exec Time	Control #	
<input type="text"/> <input type="checkbox"/> When Issued	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button" value="Submit"/> <input type="button" value="Clear"/>

Figure 4.5 – Trade Scan

### Trade Scan Fields

#### Status

Click the appropriate radio button to select the following types of trades:

- *Trade Report* - Displays all the trade reports entered today by the reporting party.
- *Other* - Displays the canceled and corrected trades entered today by the reporting party.
- *All* - Displays all transactions, (trade reports, canceled and corrected trades).

### **By/Against**

Click the appropriate radio button to select trades entered by the requesting firm, entered against the requesting firm or both. The Against button allows you to see trade reports being entered by other TRACE participants who are listing your firm as their counterparty.

### **Trade Type**

Click the appropriate radio button to select the following types of trades:

- *Sell* - Displays only trades where your firm was the seller.
- *Buy* - Displays only trades where your firm was the buyer.
- *All* - Displays all trades (buy and sell).

### **T-Date**

Click the appropriate radio button to select one of the following trade dates:

- *T-day* - Displays trades with an execution date of today.
- *T+1* - Displays trades with an execution date of the previous business day (As-Of).
- *T+2..n* - Displays trades with an execution date of two or more business days ago (As-Of).
- *All* - Displays all trades (T-day, T+1, and T+2..n).

### **Reversal**

Click the Reversal checkbox to scan reversed trades entered today.

### **CUSIP/Symbol**

Enter the nine-digit CUSIP or the TRACE Symbol to view trade information for a specific security. If this field is left blank, trades for all securities will be displayed. You may utilize the Bond Scan, under Directory Services, to search for a bond's CUSIP number or TRACE symbol.

### **When-Issued**

Click this check box to view trades on When-Issued bonds. Note that TRACE captures secondary market transactions only and that When-Issued bonds in the system were likely created as a result of a corporate event, such as a reorganization, and are not to be confused with When Issued debt in the primary market.

**NOTE:** Different TRACE symbols or CUSIPs may exist for When Issued trades and Regular Way trades for the same bond. Be sure to enter the correct TRACE symbol or CUSIP when selecting a When Issued trade.

### **Contra**

Enter the Contra ID to display only trades with that Contra party. If this field is left blank, trades with all contras will be displayed based upon the other criteria selected.

### **Execution Time**

Enter the execution time to display trades that were executed at that time or later. If this field is left blank, all trades will be displayed based upon the other criteria selected.

### **Control Number**

Enter the 10-digit control number assigned by TRACE to the trade to display a specific trade. If this field is left blank, all trades will be displayed based upon the other criteria selected.

Click the *Submit* button to begin search, or click the *Clear* button to clear all selections.

## Trade Scan Results

Once you click on the Submit button, TRACE will search for all of the transactions that meet your search criteria, and will return them at the bottom of the Trade Scan page.

### Trade Scan

Status	By/Against	Trade Type	T-Date	Reversal
<input type="radio"/> Trade Report <input type="radio"/> Other <input checked="" type="radio"/> All	<input type="radio"/> By <input type="radio"/> Against <input checked="" type="radio"/> Both	<input type="radio"/> Sell <input type="radio"/> Buy <input checked="" type="radio"/> All	<input type="radio"/> T-day <input type="radio"/> T+1 <input type="radio"/> T+2..n <input checked="" type="radio"/> All	<input type="checkbox"/> Reversal
TRACE Symbol or CUSIP	Contra	Exec Time	Control #	
<input type="text"/> <input type="checkbox"/> When Issued	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button" value="Submit"/> <input type="button" value="Clear"/>

### Results

	Status	Buy	Sell	B/PA	Quantity	Symbol	Price	Exec Date	Control#	BCL#
		G/U	G/U	S/PA		CUSIP	Yield	Exec Time	Br Seq	SCL#
<b>Memo</b>		<b>Special Price Memo</b>								
<input type="radio"/>	No	*NDMO	C	P	1000.00000	GS.RO	98.615000	07/07/2008	1890009321	0352
				P		38141GDQ4	5.555080	14:54:05		
<input type="radio"/>	Was	*NDMO	C	P	100.00000	GS.RO	98.615000	07/07/2008	1890009349	0352
				P		38141GDQ4	5.555080	14:54:05		
<input type="radio"/>	C	NGWB	*NDMO	-	5000.00000	COSA.GA	97.375000	07/02/2008	1891001408	0352
	AsOf			-		22112AAA4	7.401450	12:01:29	E3099352	0060
<input type="radio"/>	C	NGWB	*NDMO	-	2000.00000	COSA.GA	97.375000	07/01/2008	1891000990	0352
	AsOf			-		22112AAA4	7.401070	12:53:20	E3098694	0060
<input type="radio"/>	T	*NDMO	C	P	25.00000	IBM.IJ	101.054000	07/07/2008	1890012131	0352
				P		459200AZ4	3.328609	16:15:16		
<input type="radio"/>	T	*NDMO	NGWB	P	271.00000	POP.GA	2.187500	07/07/2008	1890012086	0352
				P		732827AB6		16:13:50		0052

Figure 4.6 – Trade Scan Results Screen

## Trade Scan Results Fields

### Status

Status	Description
T	A status “T” represents a trade entry.
C	A status “C” represents a Cancelled transaction.
No	A status “No” represents the No portion of a No/Was transaction, or the incorrect trade entry.
Was	A status “Was” represents the Was portion of a No/Was transaction, or the corrected trade entry.

**Buy**

Displays the MPID of the buy side of the trade. An asterisk (\*) positioned in front of the MPID denotes a buy trade entered by the reporting party.

**Buy G/U**

Displays the MPID of the buyer Give-Up firm.

**Sell**

Displays the MPID of the sell side of the trade. An asterisk (\*) positioned in front of the MPID denotes a sell trade entered by the reporting party.

**Sell G/U**

Displays the MPID of the seller Give-Up firm.

**Buyer P/A (B/PA), Seller P/A (S/PA)**

Displays the Buyer's and Seller's capacity in the transaction, "P" for Principal, "A" for Agent.

**Quantity**

Displays the quantity traded. Expressed as number of bonds or number of shares, not par value.

**Symbol**

Displays the TRACE symbol.

**Price**

Displays the price at which the trade was executed.

**Execution Date**

Displays the date the trade was executed.

**Control #**

Displays the unique 10-digit TRACE-assigned control number of the trade. The first three digits of the control number denote the Julian (calendar) date (beginning from 001 each year), followed by a 0 or a 1 for a Buy or a Sell, followed by a six digit sequence number starting from zero each day.

**BCL #**

Displays the buy-side clearing firm number.

**SCL #**

Displays the sell-side clearing firm number.

**CUSIP**

Displays the CUSIP of the bond. For When-Issued CUSIPs, a "WI" will appear after the CUSIP number.

**Yield**

Displays the yield at which the bond was reported or calculated by TRACE (the lower of YTC or YTM).

**Execution Time**

Displays the time at which the trade was executed.

**Br-Seq**

Displays a one to eight character alphanumeric code denoting the branch office and sequence number, if it was entered.

### **Memo**

Displays up to 10 alphanumeric characters. This field is for internal memo purposes only and will not be displayed to the contra side.

### **Special Memo**

Displays 50 characters of alphanumeric text to describe terms of a specified or special trade. This memo will be shown to the Contra side.

To correct or cancel a specific trade report, select it by clicking on the radio button to the left of the appropriate trade report and then clicking on the *No/Was* or *Cancel* button, respectively.

### ***Cancel, No/Was, and Reversal Functions***

Trade reports that were accepted by TRACE that you later discover contain errors (or should not be reported at all), must be corrected or removed. The Cancel, No/Was and Reversal functions are the tools used to do this.

**NOTE:** Because TRACE is a “one day” system, Cancel and No/Was can only be performed on transactions submitted to TRACE earlier the same day. Transactions submitted on previous days must be canceled using a Reversal, or modified using a Reversal / Resubmission combination.

### ***Cancel***

To cancel a trade report completely that was submitted earlier in the day, use the Cancel function on the Trade Scan page by clicking the radio button to the left of the appropriate trade report that you want to cancel and then click the *Cancel* button at the bottom of the page. The status of the trade will change to “C” after you take action.

### ***No/Was***

To correct a trade report submitted earlier in the day, use the No/Was function on the Trade Scan page by clicking the radio button to the left of the appropriate trade report that you want to modify and then click the *No/Was* button at the bottom of the page. You will be taken to the No/Was function page.

The No/Was function page displays all the details of the original trade. TRACE determines whether the modified transaction will be disseminated to the public based on the fields changed within this page.

## No/Was

Side	Control#	Quantity	TRACE Symbol	CUSIP	Price	Yield	Contra	ExecTime
Buy	1890012131	25.00000	IBM.IJ	459200AZ4	101.054000	3.328609	C	16:15:16
<b>Side</b>		<b>Quantity ( 000 )</b>		<b>Price</b>		<b>Yield</b>		
<input checked="" type="radio"/> Buy <input type="radio"/> Sell		<input type="text" value="25.00000"/>		<input type="text" value="101.054000"/>		<input type="text" value="3.328609"/>		
<input type="checkbox"/> Override								
<b>Buyer Commission (in points)</b>			<b>Seller Commission (in points)</b>		<b>Exec Time (Military ET)</b>		<b>Buyer P/A</b>	<b>Seller P/A</b>
<input type="text" value="0.000000"/>			<input type="text" value="0.000000"/>		<input type="text" value="16:15:16"/>		<input checked="" type="radio"/> Principal <input type="radio"/> Agent	<input checked="" type="radio"/> Principal <input type="radio"/> Agent
<b>Modifier</b>	<b>Your</b>		<b>Contra</b>			<b>AGU</b>		
<input checked="" type="radio"/> N/A <input type="radio"/> .W <input type="radio"/> .ND <input type="radio"/> .C <input type="radio"/> .S <input type="text"/>	Give Up: <input type="text"/> Clearing #: <input type="text" value="0352"/>		Give Up: <input type="text"/> Clearing #: <input type="text"/>			<input type="checkbox"/> Automatic Give-up		
<b>As Of/Reversal</b>		<b>Branch Seq #</b>		<b>Contra Branch Seq #</b>		<b>Memo</b>		
<input type="radio"/> As Of <input type="radio"/> Reversal <input checked="" type="radio"/> N/A		<input type="text"/>		<input type="text"/>		<input type="text"/>		
<b>Special Price / Memo</b>								
<input type="checkbox"/> <input type="text"/>						<input type="button" value="Submit"/> <input type="button" value="Clear"/>		

Figure 4.7 – No/Was Page

The following fields may be modified on the No/Was screen:

Side	Buyer Commission	Modifier	Contra Branch Sequence #
Quantity	Seller Commission	Your Give Up/Clearing #	Memo
Price	Execution Time	Automatic Give Up flag	Special Price/Special Memo
Yield	Buyer P/A	As-Of/Reversal Date	
Override flag	Seller P/A	Branch Sequence #	

Changes to other fields must be accomplished by completely canceling the trade report and entering a brand new report to replace it.

After correcting the trade, click the **Submit** button to submit the trade modifications into the TRACE system. If the trade is accepted, a confirmation message will appear. An accepted No/Was transaction will update the original transaction to a status of “No” (incorrect report version) and generate a new transaction with a status of “Was” (corrected report version) in the Trade Scan screen, and a new control number will be assigned to the “Was” version of the report. If the trade is rejected, reason codes will appear and corrections to the trade will need to be entered again.

**TIP:** The “No” version of the report is like a “Cancel”, and the “Was” version is like a new trade report, although it is better in the sense that TRACE internally maintains a linkage between the “No” and the “Was” portions. If an outright Cancel, followed by a new trade report combination is used, no such linkage exists. This is important to FINRA Regulation, and shows that you repaired a mistake, so you should use the No/Was function whenever possible.

**TIP:** Notice that there is no radio button to the left of a “No” trade in the Trade Scan. That is because these trades cannot be altered. Only the “Was” portion of a “No/Was” combination can be edited or canceled. You can “No/Was” a “No/Was” as many times as is necessary to get the final report correct by selecting the “Was” trade report in the Trade Scan and clicking on the No/Was button to modify it.

Click the *Clear* button to remove all the trade entry information in the editable fields of the No/Was page.

### **Reversal**

To cancel a trade report completely that was originally submitted on a previous day, you must submit a **Reversal** transaction, which is accomplished through the Trade Entry page (or AGU Trade Entry page, if the transaction to be reversed is an AGU). Enter the trade report EXACTLY the same way as the original report was submitted, with the following additions:

- Select the “Reversal” radio button in the “As-Of / Reversal” section of the page.
- Fill in the execution date of the original trade report that you are reversing.
- Enter the Control Number of the trade report you are reversing in the “Memo” field (NOT the “Special Memo” field at the bottom of the page).

If the original trade report that is being reversed was disseminated, then this reversal trade report will also be disseminated, notifying the world that the previous trade was posted in error.

To correct an error made on a trade report submitted on a previous day, a reversal for the original trade must be submitted (as described above), followed by an As-Of trade to completely replace it.

**NOTE:** Partial reversals are NOT permitted, i.e., if you reported a trade for 200 bonds yesterday, but should have reported 100 bonds, you cannot just reverse 100 bonds and be done. You must reverse the full 200 and then enter a new As-Of trade for the 100.

### **Trade Report Data**

The Trade Report Data function enables the reporting party or their Give-Up firms to search and view trades that have been previously accepted by TRACE using a number of filtering criteria. TRACE can display data entered either the same day or the previous 9 business days (for a total of 10 business days) through this page. Each business day’s activity must be retrieved individually. Firms are encouraged to save their results every day, since the control numbers needed to do reversals are not readily available going back beyond 10 business days. (For control numbers dating back beyond 10 business days, contact FINRA Operations at 866-776-0800.)

To reach the Trade Report Data Scan screen please follow the steps below:

- Select TRADE MANAGEMENT on the menu bar
- Click on TRADE REPORT DATA

**NOTE:** If you are using a third-party to report on your behalf, and the third-party uses the “Give-Up” field to report your trades, you CAN see these reports from this page.

## Trade Reports

By/Against	Trade Type	Trade Report Date	Time Range
<input checked="" type="radio"/> By <input type="radio"/> Against <input type="radio"/> Both	<input type="radio"/> Sell <input type="radio"/> Buy <input checked="" type="radio"/> All	7/3/2008	Start Time: 00:00:00 End Time: 23:59:59
TRACE Symbol or CUSIP	Contra	Branch Seq #	Format
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/> Pipe delimited <input checked="" type="radio"/> Formatted
			<input type="button" value="Submit"/> <input type="button" value="Clear"/>

Figure 4.8 – Trade Report Data Query

### Trade Report Data Query Fields

#### By/Against

Click the appropriate radio button to select trades entered by the requesting firm, entered against the requesting firm or both. The Against button allows you to see trade reports being entered by other TRACE participants who are listing your firm as their counterparty.

#### Trade Type

Click the appropriate radio button to select the following types of trades:

- *Sell* - Displays only trades where your firm was the seller.
- *Buy* - Displays only trades where your firm was the buyer.
- *All* - Displays all trades (buy and sell).

#### Trade Report Date

From the pick list, select an individual trade report date, beginning with the current business day and going back an additional 9 business days, to retrieve a total of 10 days' trading activity reported to the system. Data must be retrieved one reporting day at a time.

#### Time Range

Enter the desired time range to limit the trade report times to be returned. Start Time must be less than End Time and must be in the range of 00:00:00 through 23:59:59. The default time range returns trades for the entire day.

#### TRACE Symbol or CUSIP

Enter the nine-digit CUSIP or the TRACE Symbol to view trade information for a specific security. If this field is left blank, trades for all securities will be displayed.

#### Contra

Enter the Contra ID to display only trades with that Contra party. If this field is left blank, trades with all contras will be displayed based upon the other criteria selected.

#### Branch Seq#

This is an optional entry field. The Branch sequence # is an in-house reference number assigned to the trade by the Reporting Party. It is typically used by firms with several branch offices that want to identify which branch input a particular trade. This field will allow you to limit the search to a particular Branch Sequence number. If this field is left blank, all trades will be displayed based upon the other criteria selected.

#### Format

Click the appropriate radio button to select one of the following data formats:

- *Pipe delimited* – Returns the data as a file with pipe characters (“|”) between each field. This is most useful for loading data into other applications, such as spreadsheets or databases.
- *Formatted* – Returns the data as a file pre-formatted for printing directly from your browser.

Click the **Submit** button to begin search, or click the **Clear** button to clear all selections.

### Trade Report Data Results

Once you click on the Submit button, TRACE will search for all of the transactions that meet your search criteria, and will return them at the bottom of the Trade Report Data page.

```
Status|ExecDate|ExecTime|ReportDate|ReportTime|Symbol|CUSIP|Buy/Sell|Capacity|Vol|Price|Comm|Yield|RPID|RPGU|CPID|CPGU|As-of/Reversal|Mod
T|10/08/2003|11:25:00|10/08/2003|11:26:28|HRHO.GA|413627AD2|S|P|1000.00000|108.250000|0.000000|3.870000|NQWB|MLCO|2811000014|
N|10/08/2003|11:25:00|10/08/2003|11:46:50|HRHO.GA|413627AD2|S|P|1000.00000|108.250000|0.000000|3.870000|NQWB|MLCO|2811000014|
T|10/07/2003|17:35:28|10/08/2003|11:38:30|HRHO.GA|413627AD2|B|P|1000.00000|108.000000|0.000000|4.003000|NQWB|C|Y|2810000002|
W|10/08/2003|11:25:00|10/08/2003|11:46:49|HRHO.GA|413627AD2|S|P|1500.00000|108.250000|0.000000|3.870000|NQWB|MLCO|2811000015|
T|10/08/2003|12:20:50|10/08/2003|12:21:21|HRHO.GA|413627AD2|S|P|1000.00000|108.375000|0.000000|3.812000|NQWB|C|2811000016|
T|10/08/2003|12:47:15|10/08/2003|12:47:46|HRHO.GA|413627AD2|S|A|100.00000|108.250000|0.125000|3.812000|NQWB|C|2811000017|
N|10/08/2003|12:47:15|10/08/2003|12:49:11|HRHO.GA|413627AD2|S|A|100.00000|108.250000|0.125000|3.812000|NQWB|C|2811000017|
W|10/08/2003|12:47:15|10/08/2003|12:49:11|HRHO.GA|413627AD2|S|A|200.00000|108.250000|0.125000|3.812000|NQWB|C|2811000018|
T|10/08/2003|08:17:02|10/08/2003|13:05:04|HRHO.GA|413627AD2|S|P|900.00000|108.250000|0.000000|3.870000|NQWB|C|2811000019|
T|10/08/2003|09:03:01|10/08/2003|13:07:34|HRHO.GA|413627AD2|S|P|2000.00000|108.250000|0.125000|3.812000|NQWB|C|W|2811000020|
T|10/08/2003|14:55:11|10/08/2003|14:55:16|HRHO.GA|413627AD2|S|P|1000.00000|108.250000|0.000000|3.870000|NQWB|C|2811000024|
T|10/07/2003|11:46:49|10/08/2003|14:58:14|HRHO.GA|413627AD2|B|P|1000.00000|108.000000|0.000000|4.003000|NQWB|C|Y|2810000004|
T|10/08/2003|15:00:00|10/08/2003|15:00:05|HRHO.GA|413627AD2|S|P|1000.00000|108.375000|0.000000|3.812000|NQWB|C|2811000025|
T|10/08/2003|15:01:20|10/08/2003|15:01:46|HRHO.GA|413627AD2|S|A|250.00000|108.250000|0.125000|3.812000|NQWB|C|2811000026|
T|10/08/2003|08:17:02|10/08/2003|15:03:08|HRHO.GA|413627AD2|B|P|900.00000|108.250000|0.000000|3.870000|NQWB|C|2811000029|
T|10/08/2003|09:03:01|10/08/2003|15:06:04|HRHO.GA|413627AD2|B|A|500.00000|108.250000|0.125000|3.927000|NQWB|C|2810000006|
T|10/08/2003|13:06:05|10/08/2003|15:08:09|HRHO.GA|413627AD2|S|P|3000.00000|108.375000|0.000000|3.812000|NQWB|C|W|2811000027|
T|10/08/2003|15:36:42|10/08/2003|15:35:47|HRHO.GA|413627AD2|S|P|250.00000|107.900000|0.000000|4.058000|NQWB|C|C|2811000029|
T|10/08/2003|09:05:03|10/08/2003|15:40:45|HRHO.GA|413627AD2|S|P|50.00000|108.750000|0.000000|3.640000|NQWB|C|SLD|2811000033|
```

Figure 4.9 – Trade Report Data Results – Pipe Delimited

St.	Execution Date Time	Reporting Date Time	Issue Symbol	CUSIP	B/S	Cap	Volume	Price	Comm.	Yield	Reporting RPID RPGU	Contra CPID CPGU	As-of/Rev
N	10/08/2003 11:25:00	10/08/2003 11:46:50	HRHO.GA 413627AD2	S	P		1000.00000	108.250000	0.000000	3.870000	NQWB	MLCO	
	BR Seq #	Ref #					Cntrl # 2811000014			Mod 1	Mod 2	SPI	
T	10/08/2003 11:25:00	10/08/2003 11:26:28	HRHO.GA 413627AD2	S	P		1000.00000	108.250000	0.000000	3.870000	NQWB	MLCO	
	BR Seq #	Ref #					Cntrl # 2811000014			Mod 1	Mod 2	SPI	
T	10/07/2003 17:35:28	10/08/2003 11:38:30	HRHO.GA 413627AD2	B	P		1000.00000	108.000000	0.000000	4.003000	NQWB	C	Y
	BR Seq #	Ref #					Cntrl # 2810000002			Mod 1	Mod 2	SPI	
W	10/08/2003 11:25:00	10/08/2003 11:46:49	HRHO.GA 413627AD2	S	P		1500.00000	108.250000	0.000000	3.870000	NQWB	MLCO	
	BR Seq #	Ref #					Cntrl # 2811000015			Mod 1	Mod 2	SPI	
T	10/08/2003 12:20:50	10/08/2003 12:21:21	HRHO.GA 413627AD2	S	P		1000.00000	108.375000	0.000000	3.812000	NQWB	C	
	BR Seq #	Ref #					Cntrl # 2811000016			Mod 1	Mod 2	SPI	
T	10/08/2003 12:47:15	10/08/2003 12:47:46	HRHO.GA 413627AD2	S	A		100.00000	108.250000	0.125000	3.812000	NQWB	C	
	BR Seq #	Ref #					Cntrl # 2811000017			Mod 1	Mod 2	SPI	
N	10/08/2003 12:47:15	10/08/2003 12:49:11	HRHO.GA 413627AD2	S	A		100.00000	108.250000	0.125000	3.812000	NQWB	C	
	BR Seq #	Ref #					Cntrl # 2811000017			Mod 1	Mod 2	SPI	
W	10/08/2003 12:47:15	10/08/2003 12:49:11	HRHO.GA 413627AD2	S	A		200.00000	108.250000	0.125000	3.812000	NQWB	C	
	BR Seq #	Ref #					Cntrl # 2811000018			Mod 1	Mod 2	SPI	

Figure 4.10 – Trade Report Data Results - Formatted

### Trade Scan Results Fields

#### Status

<b>Status</b>	<b>Description</b>
T	A status "T" represents a trade entry.
C	A status "C" represents a Cancelled transaction.
N	A status "No" represents the No portion of a No/Was transaction, or the incorrect trade entry.
W	A status "W" represents the Was portion of a No/Was transaction, or the corrected trade entry.

**Execution Date/Time**

Displays the date and time the trade was executed.

**Reporting Date/Time**

Displays the date and time the trade was reported to TRACE.

**Issue Symbol**

Displays the TRACE symbol of the bond.

**CUSIP**

Displays the CUSIP of the bond.

**Buy/Sell**

Indicates whether the trade was reported as a Buy or a Sell.

**Cap**

Displays the capacity of the transaction, "P" for Principal, "A" for Agent.

**Volume**

Displays the quantity traded. Expressed as number of bonds or number of shares, not par value.

**Price**

Displays the price at which the trade was executed.

**Comm**

Displays the commission that was reported.

**Yield**

Displays the yield that was reported.

**Reporting RPID/RPGU**

Displays the MPID of the reporting firm and the Give-Up firm (if entered).

**Contra CPID/CPGU**

Displays the MPID of the contra firm and the Give-Up firm (if entered).

**As-Of/Reversal**

Indicates if the trade was reported as an "as-of" report or a reversal report.

**Br-Seq #**

Displays a one to eight character alphanumeric code denoting the branch office and sequence number, if it was entered.

**Ref #**

Displays the reference number created by the reporting firm (if entered).

**Cntrl #**

Displays the unique 10-digit TRACE control number of the trade. The first three digits of the control number denote the Julian (calendar) date, and the last seven digits denote a sequential number assigned by TRACE.

**Mod 1**

Displays the first modifier (if applicable) associated with the trade.

**Mod 2**

Displays the second modifier (if applicable) associated with the trade.

**SPI**

Indicates if a special condition was associated with this trade.

## Reject Scan

The Reject Scan function enables a Reporting Party to search and view TRACE rejected trades using a number of filtering criteria. Reporting Parties can repair and close rejected trade regardless of source (CTCI, NSCC, Web).

To reach the Trade Rejects screen please follow the steps below:

- Select TRADE MANAGEMENT on the menu bar
- Click on REJECT SCAN

### Trade Rejects

Status	Reason Code		Reject Control No.
<input checked="" type="radio"/> Open <input type="radio"/> Closed <input type="radio"/> Repaired <input type="radio"/> All	<input type="text"/>		<input type="text"/>
TRACE Symbol or CUSIP	Contra	Exec Time	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button" value="Submit"/> <input type="button" value="Clear"/>

Figure 4.11 – Reject Scan Screen

#### Status

Click the appropriate radio button to select the following trade rejects:

Status	Description
Open rejects	Displays rejects that require follow up action.
Closed rejects	Displays rejects that were closed by an unsuccessful repair or close request
Repaired rejects	Displays rejects that have been successfully repaired on the TRACE website.
All	Displays all rejects regardless of status.

#### Reason Code

Select a Reason Code from the drop down list to filter for a specific reject reason

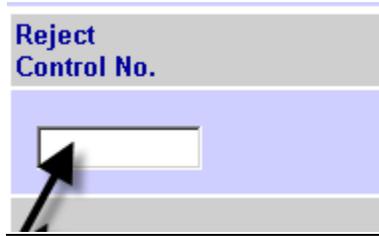
Reason Code Example	Description
Blank	Displays all reject reason codes
046 – INVALID YIELD	Displays only invalid yield rejects for the requesting firm.
013 – INVALID PRICE	Displays only invalid price rejects for the requesting firm.

Reason Code
<input type="text" value="062-INVALID SYMBOL"/>

Figure 4.12 – Filter by Reason Code

#### Reject Control Number

Enter the 10-digit control number assigned by TRACE to the rejected trade to display a specific trade reject. If this field is left blank, all rejects will be displayed based upon the other criteria selected.



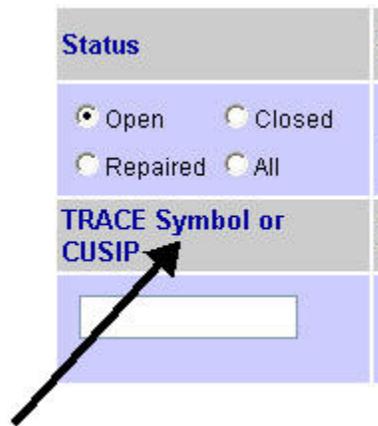
**Figure 4.13 – Filter by Reject Control Number**

TRACE Symbol / CUSIP

Enter the 9-digit CUSIP or the TRACE symbol to select rejected trade information for a specific bond. If this field is left blank, reject information for all bonds will be displayed. The user may utilize the Bond Scan, under Directory Services, to search for a bond’s CUSIP number or TRACE Symbol.

*Note: Different TRACE Symbols exist for When-Issued trades and Regular way trades for the same bond. Take notice to enter the correct TRACE Symbol or to select a When-Issued bond.*

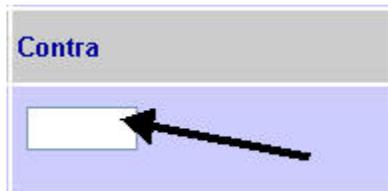
*Please note that if a CUSIP or Symbol is not found in TRACE’s database, it does not mean that the bond is not trade reportable. The Reporting Party will need to contact FINRA Operations to have the bond set up for trade reporting.*



**Figure 4.14 – Filter by TRACE Symbol or CUSIP**

Contra

Enter the Contra ID to display only rejected trades with the contra party or ‘C’ to display rejected customer trades. If this field is left blank, all rejected trades will be displayed based upon the other criteria selected.



**Figure 4.15 – Filter by Contra Party**

Execution Time

Enter the Execution time to display rejected trades that were executed at that time. If this field is left blank, all rejected trades will be displayed based upon the other criteria selected.

<b>Contra</b>	<b>Exec Time</b>	
<input type="text"/>	<input type="text"/>	<input type="button" value="Sub"/>

**Figure 4.16 – Filter by Execution Time**

Click on the Submit button to begin search or click on the Clear button to clear all selections.

**Trade Reject Results Screen**

**Results**

Status	Buy	Sell	B/PA	Quantity	Symbol	Price	Exec Date	Control#	BCL#
	G/U	G/U	S/PA		CUSIP	Yield	Exec Time	Br Seq	SCL#
<b>Memo</b>					<b>Special Price Memo</b>				
Reject Status	Reject#	Reject Reason(s)							
T	C	*NQWB	P	200.00000		106.425000			
			P		37042GSM9	4.664000	10:40:00		
Open	2312000034	IREJ - EXECUTION TIME GREATER THAN TRADE REPORT TIME							
T	*NQWB	NQWB	P	400.00000		97.725000			
			P		345370CA6	7.650000	10:30:00		
Open	2312000036	IREJ - GIVE UP REQUIRED							
T	BLAH	*NQWB	P	700.00000		101.384000			
			P		37042GAA4		10:15:00		
Open	2312000032	IREJ - CPID NOT AUTHORIZED							
T	C	*NQWB	P	20.00000		88.000000			
			P		370442AX3		10:10:35		
Open	2312000031	IREJ - PRICE OUT OF RANGE							
T	C	*NQWB	P	500.00000		94.340000			
			P		345370CA6	4.950000	10:10:00		
Open	2312000028	IREJ - YIELD DOES NOT MATCH CALC-YLD							

**Figure 4.17– Trade Reject Results Screen**

### ***Trade Reject Results Fields***

<b>Status</b>	<b>Status Description</b>
T	A status "T" represents a trade entry.
C	A status "C" represents a Cancelled transaction.
N	A status "No" represents the No portion of a No/Was transaction, or the incorrect trade entry.
W	A status "Was" represents the Was portion of a No/Was transaction, or the corrected trade entry.

#### **Buy**

Displays the MPID of the buy side of the trade. An asterisk (\*) positioned in front of the MPID denotes a buy trade entered by the reporting party.

#### **Buy G/U**

Displays the MPID of the buyer Give-Up firm.

#### **Sell**

Displays the MPID of the sell side of the trade. An asterisk (\*) positioned in front of the MPID denotes a sell trade entered by the reporting party.

#### **Sell G/U**

Displays the MPID of the seller Give-Up firm.

#### **Buyer P/A (B/PA), Seller P/A (S/PA)**

Displays the Buyer's and Seller's capacity in the transaction, "P" for Principal, "A" for Agent.

#### **Quantity**

Displays the quantity traded. Expressed as number of bonds or number of shares, not par value.

#### **Symbol**

Displays the TRACE symbol.

#### **Price**

Displays the price at which the trade was executed.

#### **Execution Date**

Displays the date the trade was executed.

#### **BCL #**

Displays the buy-side clearing firm number.

#### **SCL #**

Displays the sell-side clearing firm number.

#### **CUSIP**

Displays the CUSIP of the bond. For When-Issued CUSIPs, a "WI" will appear after the CUSIP number.

#### **Yield**

Displays the yield at which the bond was reported or calculated by TRACE (the lower of YTC or YTM).  
TRACE<sup>SM</sup> User Guide

#### **Execution Time**

Displays the time at which the trade was executed.

**Br-Seq**

Displays a one to eight character alphanumeric code denoting the branch office and sequence number, if it was entered.

**Memo**

Displays up to 10 alphanumeric characters. This field is for internal memo purposes only and will not be displayed to the contra side.

**Special Memo**

Displays 50 characters of alphanumeric text to describe terms of a specified or special trade

**Reject Status**

Status	Description
Open	Reject requiring user action
Closed	Reject was closed by the an action outside TRACE or the result of an unsuccessful repair attempt
Repaired	Reject was successfully repaired on TRACE Website

**Reject#**

Displays the unique 10-digit TRACE assigned reject number for the trade.

**Reject Reason**

The TRACE reason for rejecting the entry.

***Taking Action on a Specific Reject***

To take action on a specific reject, click on the radio button of the appropriate reject and then click on the desired command button. The status of the trade will change after you take action.

**The following actions are available**

- Close  
Click the radio button of the trade you wish to update and click the Close button
- Repair  
*Click the radio button of the trade you wish to update and click the Repair button. The Repair screen will be populated wit the rejected trade information. Enter the corrected data in the appropriate fields and click the Submit Button.*

*Trace will validate the updated entry and generate a close/repaired trade if successful. If the updated entry is not valid the original will be closed and a new open item will be created.*

Reject Reason: 087: IREJ - INVALID CONTROL NUMBER

### No/Was - Repair

<b>Side *</b> <input type="radio"/> Buy <input checked="" type="radio"/> Sell <input type="radio"/> Invalid Side	<b>Quantity * ( 000 )</b> 1897.00000	<b>TRACE Symbol or CUSIP *</b> 125581AP9	<b>Price *</b> 73.000000	<b>Yield</b> 10.854055 <input type="checkbox"/> Override
<b>Buyer Commission (in points)</b> 0.000000	<b>Seller Commission (in points)</b> 0.000000	<b>Contra MPID *</b> NQWB	<b>Exec Time (Military ET) *</b> 16:46:31	<b>Buyer P/A</b> <input type="radio"/> Principal <input type="radio"/> Agent <input checked="" type="radio"/> Invalid []
<b>Seller P/A</b> <input type="radio"/> Principal <input type="radio"/> Agent <input checked="" type="radio"/> Invalid P/A	<b>Modifier</b> <input checked="" type="radio"/> N/A <input type="radio"/> .W <input type="radio"/> .ND <input type="radio"/> .C <input type="radio"/> .S <input type="text"/> <input type="radio"/> Invalid Modifier		<b>Your</b> Give Up: <input type="text"/> Clearing #: <input type="text"/>	<b>Contra</b> Give Up: <input type="text"/> Clearing #: <input type="text"/>
<b>AGU</b> <input type="checkbox"/> Automatic Give Up		<b>As Of / Reversal</b> <input checked="" type="radio"/> As Of <input type="radio"/> Reversal <input type="radio"/> N/A <input type="radio"/> Invalid MMDDYYYY 07/01/2008	<b>Branch Seq #</b> <input type="text"/>	<b>Contra Branch Seq #</b> <input type="text"/>
<b>Memo</b> <input type="text"/>			<b>Special Price / Memo</b> <input type="checkbox"/> <input type="text"/>	
				<input type="button" value="Submit"/> <input type="button" value="➤"/>

Figure 4.18– Reject Repair Screen

Updates and corrections can be made to the following fields:

- Side
- Quantity
- Price
- Yield
- Price / Yield flag
- Commission
- Contra MPID
- Execution Time
- Principal/Agent
- Modifier
- Your Give Up / Clearing #
- Contra Give Up / Clearing #
- AGU
- As Of
- Branch Sequence #
- Contra Branch Sequence #
- Memo
- Special Flag and Special Memo

### Trade Report Alerts

The Trade Report Alerts allows the user to view mismatched and unmatched interdealer trade reports for the current reporting day. These reports are available to FINRA reporting firms where their reported trades do not have a corresponding match against the reported contra broker/dealer's trade report or could

potentially be duplicate submissions, or where trades were reported against them (alleged) and no matching report was found. This is to alert member firms to potential duplicate trade reports, discrepant trade reports or non-submitted trade reports requiring their investigation.

The trade alerts are first generated after 10:00am ET and are refreshed at approximately 12:00pm ET, 2:00pm ET, 4:00pm ET, 5:30pm ET and 6:30pm ET. Firms are encouraged to check these alerts often throughout the day in order to investigate and take corrective actions in a timely manner.

To reach the Trade Report Alerts screen please follow the steps below:

- Select TRADE MANAGEMENT on the menu bar
- Click on TRADE REPORT ALERTS

### Trade Report Alerts

Trades Not Reported	Trade Type	Trade Report Date	Execution Time Range
<input type="radio"/> By You <input type="radio"/> By Contra <input checked="" type="radio"/> Both	<input type="radio"/> Sell <input type="radio"/> Buy <input checked="" type="radio"/> All	7/3/2008 ▾	Start Time: 00:00:00   End Time: 23:59:59
TRACE Symbol or CUSIP	Contra	Branch Seq #	Format
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/> Pipe delimited <input checked="" type="radio"/> Formatted
			<input type="button" value="Submit"/> <input type="button" value="Clear"/>

Figure 4.19– Trade Report Alerts Screen

### Trade Report Alerts Query Fields

#### Trades Not Reported

Click the appropriate radio button to request a display of the trade report alerts filtered by:

- *By You* - Displays trades reported against your firm where no matching report by your firm was found.
- *By Contra* - Displays trades reported by your firm where no matching report from the alleged contra party was found.
- *Both* - Displays all unmatched trades (By You and By Contra).

The default selection for this field shall be 'Both'.

#### Trade Type

Click the appropriate radio button to request a display of the following types of trades:

- *Sell* - Displays unmatched trades where your firm was the seller.
- *Buy* - Displays unmatched trades where your firm was the buyer.
- *All* - Displays all unmatched trades (buy and sell).

The default selection for this field shall be 'All'.

#### Trade Report Date

From the pick list, select an individual trade report date, beginning with the current business day and going back an additional 3 business days, to retrieve a total of 4 business days' trading activity reported to the system. Data must be retrieved one reporting day at a time. Prior days' data will reflect unmatched trades as of the end of the reporting day (6:30pm ET). Current day data will be available starting after 10:00am ET. After 10:00am, unmatched data will be refreshed during the current day approximately every other hour.

### **Execution Time Range**

Enter the desired time range to limit the reported execution times to be returned. Start Time must be less than End Time and must be in the range of 00:00:00 through 23:59:59. The default time range returns trades for the entire day.

### **TRACE Symbol or CUSIP**

Enter the nine-digit CUSIP or the TRACE Symbol to view trade information for a specific security. If this field is left blank, trades for all securities will be displayed.

### **Contra**

Enter the Contra MPID to display only trades with that Contra party. If this field is left blank, trades with all contras will be displayed based upon the other criteria selected.

### **Branch Seq#**

This is an optional entry field. The Branch sequence # is an in-house reference number assigned to the trade by the Reporting Party. This field will allow you to limit the search to a particular Branch Sequence number. If this field is left blank, all trades will be displayed based upon the other criteria selected.

*Please note: Input of a Branch Sequence Number can only be used when selecting Trades Not Reported By Contra, since these trades reflect trades submitted by your firm where no matching report was found to be submitted by the alleged contra party.*

### **Format**

Click the appropriate radio button to select one of the following formats for resulting data:

- *Pipe delimited* – Returns the data as a text file page with pipe characters (“|”) between each field. This is most useful for loading data into other applications, such as spreadsheets or databases.
- *Formatted* – Returns the data as a pre-formatted HTML page for printing directly from your browser.

Click the **Submit** button to begin search, or click the **Clear** button to clear all selections.

### **Trade Report Alerts Results**

Once you click on the Submit button, TRACE will search for all of the transactions that meet your search criteria, and will be returned on a new page.

```
ReportDate|ExecTime|RptgParty|Symbol|CUSIP|Buy/Sell|Vol|Price|ContraParty|Control#|BrSeq#|Comments|
12/12/2006|09:36:07|NQWB|LNG.GC|785583AA3|S|1000.00000|99.812500|NQWA|3461001313|HY||
12/12/2006|09:46:27|NQWB|FSEM.GH|35687HAL1|S|2000.00000|99.625000|NQWA|3461001546|HY||
12/12/2006|10:06:01|NQWA|OI.GK|690768BC9|S|5000.00000|100.937500|NQWB|3461002103|||
12/12/2006|10:36:00|NQWA|PEMX.GH|706451AH4|S|167.00000|110.880000|NQWB|3461003296|||
12/12/2006|11:50:21|NQWB|SDS.GG|867363AH6|S|2000.00000|105.500000|NQWA|3461005749|HY||
12/12/2006|12:42:47|NQWB|CHRCY.GD|12626PAG8|S|8000.00000|102.288000|NQWA|3461007536|IG||
12/12/2006|13:32:51|NQWB|MIKE.GB|594087AG3|S|2000.00000|103.437500|NQWA|3461009044|HY||
12/12/2006|14:11:40|NQWB|JCOU.GB|47215QAC8|S|1000.00000|98.937500|NQWA|3461010389|HY||
12/12/2006|14:35:59|NQWB|JCOU.GB|47215QAC8|S|1000.00000|98.812500|NQWA|3461011242|HY||
12/12/2006|15:00:46|NQWA|AIG.ZS|02635PSK0|S|2743.00000|95.904000|NQWB|3461012520|||
12/12/2006|16:55:08|NQWB|PG.GZ|742718DB2|S|2000.00000|106.163000|NQWA|3461015848|IG||
12/12/2006|07:41:54|NQWB|LUV.GU|844741AY4|B|3000.00000|99.490000|NQWA|346000015|IG||
12/12/2006|08:46:29|NQWA|SUN.GH|86764PAD1|B|5000.00000|99.598000|NQWB|3460000601|||
12/12/2006|08:48:00|NQWB|SUN.GH|86764PAD1|B|5000.00000|99.598000|NQWA|3460000530|||
12/12/2006|09:59:09|NQWB|OI.GK|690768BC9|B|5000.00000|101.937500|NQWA|3460001804|HY||
12/12/2006|11:55:20|NQWA|MRNS.GC|58984WAB3|B|2000.00000|58.125000|NQWB|3460006688|||
12/12/2006|15:20:59|NQWB|USG.GL|903293AQ1|B|1000.00000|100.779000|NQWA|3460013376|IG||
12/12/2006|16:05:00|NQWA|ALSTR.GE|01446PAG9|B|100.00000|100.250000|NQWB|3460015806|||
12/12/2006|16:09:17|NQWA|GT.GF|382550AH4|B|2000.00000|99.250000|NQWB|3460015569|||
```

**Figure 4.20 – Trade Report Alerts Results – Pipe Delimited**

Trades Not Reported or Incorrectly Reported By You											
Report Date	Exec Time	Rptg Party	Issue Symbol	CUSIP	B/S	Volume	Price	Contra Party	Control #	BR Seq#	Comments
12/12/2006	10:06:01	NQWA	OI.GK	690768BC9	S	5000.00000	100.937500	NQWB	3461002103		
12/12/2006	10:36:00	NQWA	PEMX.GH	706451AH4	S	167.00000	110.880000	NQWB	3461003296		
12/12/2006	15:00:46	NQWA	AIG.ZS	02635PSK0	S	2743.00000	95.904000	NQWB	3461012520		
12/12/2006	08:46:29	NQWA	SUN.GH	86764PAD1	E	5000.00000	99.598000	NQWB	3460000601		
12/12/2006	11:55:20	NQWA	MRNS.GC	58984WAB3	B	2000.00000	58.125000	NQWB	3460006688		
12/12/2006	16:05:00	NQWA	ALSTR.GE	01446FAG9	B	100.00000	100.250000	NQWB	3460015806		
12/12/2006	16:09:17	NQWA	GT.GF	382550AH4	B	2000.00000	99.250000	NQWB	3460015569		

Trades Not Reported or Incorrectly Reported By Your Contra											
Report Date	Exec Time	Rptg Party	Issue Symbol	CUSIP	B/S	Volume	Price	Contra Party	Control #	BR Seq#	Comments
12/12/2006	09:36:07	NQWB	LNG.GC	785583AA3	S	1000.00000	99.812500	NQWA	3461001313	HY	
12/12/2006	09:46:27	NQWB	FSEM.GM	35687MAL1	S	2000.00000	99.625000	NQWA	3461001546	HY	
12/12/2006	11:50:21	NQWB	SDS.GG	867363AH6	S	2000.00000	105.500000	NQWA	3461005749	HY	
12/12/2006	12:42:47	NQWB	CHRCY.GD	12626FAG8	S	8000.00000	102.288000	NQWA	3461007536	IG	
12/12/2006	13:32:51	NQWB	MIKE.GB	594087AG3	S	2000.00000	103.437500	NQWA	3461009044	HY	
12/12/2006	14:11:40	NQWB	JCOU.GB	47215QAC8	S	1000.00000	98.937500	NQWA	3461010389	HY	
12/12/2006	14:35:59	NQWB	JCOU.GB	47215QAC8	S	1000.00000	98.812500	NQWA	3461011242	HY	
12/12/2006	16:55:08	NQWB	PG.GZ	742718DB2	S	2000.00000	106.163000	NQWA	3461015848	IG	
12/12/2006	07:41:54	NQWB	LUV.GU	844741AY4	E	3000.00000	99.490000	NQWA	3460000015	IG	
12/12/2006	08:48:00	NQWB	SUN.GH	86764PAD1	B	5000.00000	99.598000	NQWA	3460000530		
12/12/2006	09:59:09	NQWB	OI.GK	690768BC9	B	5000.00000	101.937500	NQWA	3460001804	HY	
12/12/2006	15:20:59	NQWB	USG.GL	903293AQ1	B	1000.00000	100.779000	NQWA	3460013376	IG	

Figure 4.21 – Trade Report Alerts Results - Formatted

## Trade Report Alerts Results Fields

### Report Date

Displays the date the trade was reported.

### Execution Time

Displays the time the trade was executed.

### Reporting Party

Displays the MPID of the reporting firm.

### Issue Symbol

Displays the TRACE symbol of the bond.

### CUSIP

Displays the CUSIP of the bond.

### Buy/Sell

Indicates whether the trade was reported as a Buy or a Sell.

### Volume

Displays the quantity traded. Expressed as number of bonds or number of shares, not par value.

### Price

Displays the reported price at which the trade was executed.

### Contra Party

Displays the MPID of the contra firm.

**Control #**

Displays the unique 10-digit TRACE control number of the trade. The first three digits of the control number denote the Julian (calendar) date, and the last seven digits denote a sequential number assigned by TRACE.

**BR-Seq #**

Displays a one to eight character alphanumeric code denoting the branch office and sequence number, if entered.

**Comments**

Can display one or both of the following text:

- “MULTIPLE REPORTS BY REPORTING PARTY” – indicates the trade report may be a part of a group of multiple trade reports submitted by the reporting party that are found to be similar in trade details, including possible duplicate trade reports that may have been submitted in error.
- “POTENTIAL PRIMARY TRADE” – indicates that the trade was reported on the reported bond’s effective date. This alerts firms to the potential of having reported an execution of a bond prior to that issue being in the secondary market.

## Chapter 5: System Alerts

System Alerts are messages generated to quickly notify you of system and market warnings. System Alerts will notify you of system-related issues, such as system open, early close, and administrative broadcast messages, as well as trading-related issues, such as halts, etc., on a particular security.

To reach the System Alerts screen please follow the steps below:

- Click ALERTS on the menu bar

The resulting page will list all the alert messages broadcasted for the current date.

### System Alerts

#### System Alerts

Sequence	Time	Message
3	04:55:01	THE DAILY LIST IS NOW AVAILABLE
2	12:30:00	TRACE WILL CLOSE AT 1:00 P.M. ET TODAY
1	09:00:00	TIME AND SALES DATA IS NOW AVAILABLE

Figure 5.1 – System Alert History

System Alerts are also viewable on every page just beneath the Menu Bar in the yellow box. The most recent messages will repeatedly scroll in this box. Clicking on the “System Alerts” text on the left-hand side of the box will also take you to the System Alerts page described above.

The screenshot shows the FINRA TRACE Trade Reporting and Compliance Engine interface. At the top right, there are navigation links: Home, FAQs, Contacts, Help, and News. The main navigation bar includes: TRADE MANAGEMENT, BOND PORTFOLIO WATCH, ALERTS, DAILY LIST, TIME & SALES, and DIRECTORY SERVICES. The current date and time are July 03, 2008, 15:35:46. A yellow box labeled "System Alerts" is open, displaying a list of alerts:

13:14:54	BOND ACTIVE SYM=BCS.TM CUSIP=06738R6A0
13:15:09	BOND ACTIVE SYM=BCS.TN CUSIP=06738R6Z5
13:15:23	BOND ACTIVE SYM=JPM.KUQ CUSIP=48123LEB6

Figure 5.2 – Scrolling System Alerts

## Chapter 6: Time & Sales

The Time & Sales menu allows you to review disseminated transactions or to download a file of closing prices from the previous day.

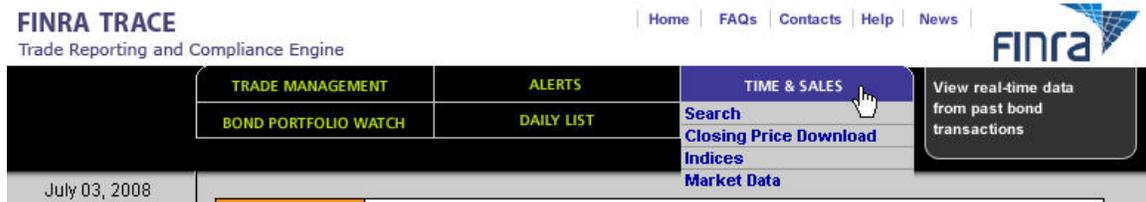


Figure 6.1 – Time & Sales Menu

### Time & Sales Search

Search allows you to view the trade history of any issue for which dissemination is made available by TRACE in real-time, for the current day, a specific day(s) or a specific week(s). No Time & Sales data is available for bonds in which no dissemination is provided by TRACE.

To reach the Search screen please follow the steps below:

- Select TIME & SALES on the menu bar
- Click on SEARCH

**TIP:** The current list of securities that is eligible for dissemination is available from the Bond Scan option of the Directory Services menu. See Chapter 9: Directory Services.

### Time & Sales Search

<b>TRACE Symbol or CUSIP</b>		<b>Statistics</b>	
<input type="text"/>		<input checked="" type="radio"/> Trades <input type="radio"/> Daily Summary <input type="radio"/> Weekly Summary	
<input type="checkbox"/> When Issued			
<b>Date Range</b>		<b>Trade Size (par value)</b>	
Start: MM / DD / YYYY    End: MM / DD / YYYY		<input type="radio"/> Greater than or equal to: <input type="text"/>	
		<input type="radio"/> Less than or equal to: <input type="text"/>	
		<input checked="" type="radio"/> N/A	
<b>Sort by</b>			
<input checked="" type="radio"/> Most recent data first <input type="radio"/> Oldest data first		<input type="button" value="Submit"/> <input type="button" value="Clear"/>	

Figure 6.2 – Time & Sales Search

### Time & Sales Search Fields

#### TRACE Symbol or CUSIP

Enter a TRACE symbol or CUSIP number of the bond for which you would like to view the trade history. Click the When Issued check box if the symbol or CUSIP pertains to a When-Issued security.

### Statistics

- *Trades* - Click this radio button to retrieve trade data of a particular bond. The default selection is the current day's trades. If a start date is provided, more than the current day will be visible.
- *Daily Summary* - Click this radio button to retrieve statistics for a particular bond on a daily basis. At least 90 days may be displayed. A Date Range is required for this selection.
- *Weekly Summary* - Click this radio button to retrieve statistics for a particular bond on a weekly basis. Up to 52 weeks may be displayed. A Date Range that begins on a Monday is required for this selection. If you enter a date that is not a Monday, the system will use the Monday following the date entered.

### Date Range

- *Start Date* - Enter the earliest date of the trade history you would like to view. Without a start date, only the current date will be visible.
- *End Date* - Enter the last date of the trade history you would like to view. By entering the earliest and the latest dates for which you are searching, you can narrow the parameters of your search.

### Trade Size

- *Greater Than Or Equal To* - Click this radio button and enter a trade size to search for trades that are greater than or equal to your entered size (in par value). Enter the trade size in the blank field. For example, to limit your search to only those trades of 500 bonds or more (\$500,000 par value), enter 500000. For equity-linked notes that trade in shares as units (par value = 1), the trade size entered would be indicative of the total amount of shares traded. For example, to limit your search to only those trades of 500 shares or more, enter 500.
- *Less Than Or Equal To* - Click this radio button and enter a trade size to search for trades that are less than or equal to your entered size (in par value). Enter the trade size in the blank field.

### Sort by

- *Most Recent Data First* - Click this radio button to view most recent trades first. This is the default selection.
- *Oldest Data First* - Click this radio button to view oldest trades first.

Click the **Submit** button to begin the Time & Sales search, or Click the **Clear** button to clear all search selections.

#### **Time & Sales Search Results: Detail Trades**

[Time & Sales Search](#)

Issue: HRHO.GA HET 7.875 12/15/05

Execution		Status	Quantity	Price	Yield	Comm.	Modifier	2nd Mod.	Special	As Of
Date	Time									
10/08/2003	15:36:42:00	T	250000	107.90	4.058		C			
10/08/2003	15:01:20:00	T	250000	108.375	3.812	Y				
10/08/2003	15:00:00:00	T	1000000	108.375	3.812					
10/08/2003	14:55:11:00	T	1000000	108.25	3.87					
10/08/2003	13:20:00:00	T	100000	108.25	3.87					
10/08/2003	13:06:05:00	T	1MM+	108.375	3.812		W			
10/08/2003	09:05:03:00	T	50000	108.75	3.64		SLD			
10/08/2003	09:03:01:00	T	500000	108.125	3.927	Y				
10/08/2003	08:17:02:00	T	900000	108.25	3.87					

**Figure 6.3 – Time & Sales Results Page**

#### **Time & Sales Search Results Fields: Detail Trades**

##### Issue

Displays the issue's TRACE symbol and description.

**Execution Date**

Displays the date the trade was executed.

**Execution Time**

Displays the time the trade was executed.

**Quantity Disseminated**

Displays the disseminated volume for the particular issue. The volume disseminated is displayed in par value (i.e. a reported trade for 500 bonds would be displayed as 500,000). Trades reported for mixed lots (i.e., consisting of whole bonds plus a partial, or “baby bond” of less than \$1,000 par value,) will be rounded down to the nearest whole number (e.g., 20.5 bonds will rounded down to 20 even and will be displayed as 20000. TRACE will always round down for mixed lots.

**NOTES:**

**Investment grade debt** – For a reported trade with a par value above \$5 million (more than 5,000 bonds), the quantity disseminated will be displayed as “5MM+”. Investment grade bonds are bonds rated from Aaa/AAA down to and including Baa3/BBB-.

**Non-Investment grade debt (high-yield and unrated debt)** - for a reported trade with a par value above \$1 million (more than 1,000 bonds), the quantity disseminated will be displayed as “1MM+”. High yield bonds are below investment grade bonds with ratings from Ba/BB+ to C/D and split rated bonds (rated investment grade by one rating service and non-investment grade by another, e.g., Ba1/BBB). For purposes of TRACE, unrated (NR or NA) bonds are classified also as Non-Investment grade by the system and are subject to the same dissemination cap.

**Status**

Status	Description
T	A status “T” represents a trade entry.
C	A status “C” represents a Cancelled transaction.
W	A status “W” represents the Was portion of a No/Was transaction, or the corrected trade entry.

**Price**

Displays the price at which the trade was executed. Any commissions that were reported as part of the trade will be incorporated into the disseminated price.

**Yield**

Displays the yield entered by the reporting party or a system-calculated yield. Displays “N/A” if a yield was not supplied by the reporting party and could not be calculated by the system, as in the case of a variable-rate security.

**Commission (Comm.)**

Displays whether a commission was charged on this transaction. When a commission is charged, it is factored into both the price and the yield. For very small trades, the impact of commission on price/yield can be significant, so this indicator helps explains a potentially aberrant price.

**Modifier**

The TRACE system can store up to two modifiers on each trade report. The first modifier can be entered by the reporting firm if any conditions apply to the report (weighted average, short settlement, etc.) Some modifiers are determined by the TRACE system itself (e.g. late trade). If no modifier is entered by the reporting party, then TRACE will use the field for any calculated modifiers. If the reporting party does use

the modifier field, then TRACE will store a calculated modifier in the 2<sup>nd</sup> Modifier field. Valid first modifiers include:

- *C* - Cash Sale (same day delivery/settlement)
- *ND* - Next Day (next day delivery/settlement)
- *S* - Sellers Option (extended settlement; valid days are 2, 4 to 60)
- *W* – Weighted Average (indicates that the price of the trade was based upon a weighted average of some previous transactions. If a particular trade report is both a weighted average and an odd settlement period (C, ND, S), the weighted average modifier takes precedence.)
- *A* - After Aggregates (for trades reported between 5:15 PM ET, when the daily high, low, and “last” sale are finalized for the day, and 6:30 PM ET, which is system close)
- *SLD* - reported late.

**2<sup>nd</sup> Modifier**

Displays the system-appended modifier. Valid second modifiers include:

- *A* - After Aggregates (for trades reported between 5:15 PM ET, when the daily high, low, and “last” sale are finalized for the day, and 6:30 PM ET, which is system close)
- *SLD* - reported late.

**Special**

Displays whether the issue was traded under special circumstances that differ from current trading convention for the bond (i.e., a specified trade). Trades that are marked as Special are NOT included in the daily High/Low/Last aggregate figures.

**As-Of**

Displays whether the trade was reported on an As-Of basis. Valid values are “Y” (an As-Of trade) or blank (not an As-Of trade).

**Time & Sales Search link**

Click this link to return to the Time & Sales Search page.

Time & Sales Search Results: Daily Summary						<a href="#">Time &amp; Sales Search</a>
Issue: HRHO.GA HET 7.875 12/15/05						
<b>Yearly Summary</b>						
<b>High Price:</b>	111.08	<b>High Date Attained:</b>	06/05/2003	<b>Low Price:</b>	94.88	<b>Low Date Attained:</b> 02/28/2003
Trade Date	High Price	Low Price	Last Price	Most Recent Price	Most Recent Yield	
09/25/2003	108.38	108.38	108.38	108.38	3.876886	
09/24/2003	108.26	108.00	108.00	108.00	4.051338	

**Figure 6.4 – Time & Sales Daily Summary**

***Time & Sales Search Results Fields: Daily Summary***

**Issue**

Displays the issue’s TRACE symbol and description.

**High Price**

Displays the issue’s highest price for the year, based upon the 5:15 PM ET calculations.

**High Date Attained**

Displays the date on which the issue’s highest price occurred for the year, based upon the 5:15 PM ET calculations.

**Low Price**

Displays the issue’s lowest price for the year, based upon the 5:15 PM ET calculations.

**Low Date Attained**

Displays the date on which the issue’s lowest price occurred for the year, based upon the 5:15 PM ET calculations.

**Trade Date**

Displays the execution date of the trade.

**“Last” Price**

Displays the issue’s “last” price of the day reported up until 5:15 PM ET. Although the bond market has no official close, the “last” sale provides an artificial cutoff for market data vendors to close out the day. Trade reports will continue to be disseminated up until 6:30 PM ET, but those trades will be marked with the .A modifier and will not update the market aggregates.

**Most Recent Price**

Displays the issue’s most recent price, which may have been reported after the final daily summary calculations at 5:15 PM ET. Most Recent will be the same as “last” unless one or more trade reports are received after 5:15 on the given day.

**Most Recent Yield**

Displays the yield associated with the Most Recent price above.

**Time & Sales Search Results: Weekly Summary**

[Time & Sales Search](#)

Issue: HRHO.GA HET 7.875 12/15/05

**Yearly Summary**

<b>High Price:</b> 111.08	<b>High Date Attained:</b> 06/05/2003	<b>Low Price:</b> 94.88	<b>Low Date Attained:</b> 02/28/2003
<b>Week Beginning</b>	<b>High Price</b>	<b>High Date Attained</b>	<b>Low Price</b>
09/22/2003	108.38	09/25/2003	108.00
09/15/2003	109.13	09/16/2003	108.25

**Figure 6.5 – Time & Sales Weekly Summary**

***Time & Sales Search Results Fields: Weekly Summary***

**Issue**

Displays the issue’s TRACE symbol and description.

***Yearly Summary***

**High Price**

Displays the issue’s highest price for the year, based upon the 5:15 PM ET calculations.

**High Date Attained**

Displays the date on which the issue’s highest price occurred for the year, based upon the 5:15 PM ET calculations.

**Low Price**

Displays the issue’s lowest price for the year, based upon the 5:15 PM ET calculations.

**Low Date Attained**

Displays the date on which the issue’s lowest price occurred for the year, based upon the 5:15 PM ET calculations.

***Weekly Summary***

**Week Beginning**

Displays the first date of the week being summarized.

**High Price**

Displays the issue’s highest price for the week, based upon the 5:15 PM ET calculations.

**High Date Attained**

Displays the date on which the issue’s highest price occurred for the given week.

**Low Price**

Displays the issue’s lowest price for the week, based upon the 5:15 PM ET calculations.

**Low Date Attained**

Displays the date on which the issue’s lowest price occurred for the given week.

***Closing Price Downloads***

This page allows you to download a complete list containing the end of day closing prices of all issues for which dissemination is provided. Two formats of the list are provided: Fixed Field or Pipe Delimited. File layouts for each format are viewable by clicking on the **View** link in the Layout column. The files are available after 9:15 p.m. ET following each business day and will be replaced each night by the next business day’s file.

To reach the Closing Price Downloads screen please follow the steps below:

- Select TIME & SALES on the menu bar
- Click on CLOSING PRICE DOWNLOADS

**Closing Price Downloads**

List	Format	List	Layout	File Date
Closing Price Report (w) CUSIP	Fixed Field	<a href="#">Download</a>	<a href="#">View</a>	7/4/2003 10:15:05 PM
Closing Price Report (w) CUSIP	Pipe Delimited	<a href="#">Download</a>	<a href="#">View</a>	7/4/2003 10:15:07 PM

**Figure 6.6 – Closing Price Downloads**

To download a list, click on the **Download** link in the List column. The list provided to you will either contain CUSIP numbers or not, depending on whether your firm has demonstrated to FINRA that your firm has a CUSIP Daily License in effect. The process for verifying your firm’s possession of a Daily License is described in Appendix II of the “*FTP Download Technical Specifications*” document and also in the FINRA Web site TRACE FAQs/Agreements section (<http://www.finra.org/RegulatorySystems/TRACE/FrequentlyAskedQuestions/AgreementsContracts/index.htm>.) If your firm is identified as owning a Daily License, the files accessible to you will contain CUSIP numbers. Otherwise, the lists will not contain CUSIP numbers but will show FINRA proprietary reporting symbols.

The list will provide high price, low price, closing price (as of 5:15 pm ET) and the associated yields for each bond that traded during the day. If a particular bond did not trade, and the system knows a previous “close”, then a historical closing price and yield will be populated along with the date of that price.

### ***Indices***

FINRA and Bloomberg have jointly developed two corporate bond indices (Investment Grade and High Yield) that help gauge daily overall market direction using actual pricing data of the most actively traded TRACE reportable corporate bonds.

To reach the Indices screen please follow the steps below:

- Select TIME & SALES on the menu bar
- Click on INDICES



July 03, 2008 16:21:07	<b>TRADE MANAGEMENT</b>	<b>ALERTS</b>	<b>TIME &amp; SALES</b>
	<b>BOND PORTFOLIO WATCH</b>	<b>DAILY LIST</b>	<a href="#">Search</a>
			<a href="#">Closing Price Download</a>
		<a href="#">Indices</a>	
		<a href="#">Market Data</a>	
<b>System Alerts</b>			

## FINRA-Bloomberg Active US Corporate Bond Indices

Select the date to see Daily indices detail: 07 02 2008 Go

Index Date: 7/2/2008

[About the Indices](#)

### Investment Grade (NBBI) [Membership Details](#)

	Index Value	Change
Total Return	129.79	+ 0.08
Price	95.29	+ 0.05
Yield	6.16	- 0.01
Volume *	1,700	- 65

\* Par Value In \$ Millions

### High Yield (NBBH) [Membership Details](#)

	Index Value	Change
Total Return	183.51	- 0.70
Price	120.49	- 0.50
Yield	12.03	+ 0.10
Volume *	1,143	- 304

\* Par Value In \$ Millions

#### Investment Grade Top 10 Most Active Bonds

Symbol	CUSIP	Rank
<a href="#">CFC.MB</a>	22237LPA4	1
<a href="#">CFC.IH</a>	22237LHE5	2
<a href="#">CMCSA.HA</a>	20030NAM3	3
<a href="#">FE.GR</a>	337932AB3	4
<a href="#">CFC.MN</a>	22237LPM8	5
<a href="#">FD.GO</a>	314275AB4	6
<a href="#">BRKA.II</a>	084664AC5	7
<a href="#">BSC.GFR</a>	073902PN2	8
<a href="#">HD.GK</a>	437076AS1	9
<a href="#">HPQ.GG</a>	428236AM5	10

#### High Yield Top 10 Most Active Bonds

Symbol	CUSIP	Rank
<a href="#">CFC.NX</a>	222372AJ3	1
<a href="#">GM.HB</a>	370442BT1	2
<a href="#">F.GRY</a>	428040BZ1	3
<a href="#">GMA.HC</a>	370425RU6	4
<a href="#">F.GRZ</a>	428040CA5	5
<a href="#">F.IB</a>	345397SG9	6
<a href="#">WYNN.GE</a>	983130AD7	7
<a href="#">DJTE.GA</a>	89816WAA4	8
<a href="#">URL.GS</a>	911365AL8	9
<a href="#">F.GY</a>	345370CA6	10

#### Investment Grade Leading Movers

Symbol	CUSIP	Bond Price	Change
<a href="#">MBL.GA</a>	55262CAB6	94.90	+ 11.86
<a href="#">CIT.VL</a>	125568AE5	81.96	+ 8.86

#### High Yield Leading Movers

Symbol	CUSIP	Bond Price	Change
<a href="#">F.GN</a>	345370BP4	53.50	+ 5.09
<a href="#">HET.GN</a>	413627AW0	55.55	+ 3.82

Figure 6.7 – Indices

### About the Indices

When clicked on, takes you to a new page containing information regarding the Indices.

## FINRA-Bloomberg Active US Corporate Bond Indices

### About the Indices:

The FINRA – Bloomberg Active US Corporate Bond Indices are comprised of the "active" (most frequently traded) fixed coupon bonds represented by FINRA TRACE – FINRA's transaction reporting facility that disseminates all over-the-counter secondary market transactions in these public bonds. The index values are generated at 5:15PM using TRACE transactions from that business day and are posted after 5:30PM. The indices are rebalanced on a monthly basis – see Membership Eligibility Criteria.

### How to understand the Index Tables:

**Total Return (Index)** measures the total amount earned by owning a security over the time period. It incorporates the accrued interest on the bond during ownership, coupons paid out on the bond, and rise and fall of the bond's price. It is the most complete measure of the amount of money made on holding fixed income issues in the index.

**Price (Index)** is the weighted average Index price of all bonds in the index. Please see below for details.

**Yield (Index)** is the weighted average Index yield of all bonds in the index. Please see below for details.

**Change** - Calculated as today's value less yesterday's value.

**Volume** - Total par value traded for all bonds in the index in millions of U.S. dollars - this is the total volume reported to TRACE and is not constrained by Disseminated Volume caps.

### SUPPORTING INDEX INFORMATION:

**Bond Price** - Index fixing price for each bond calculated as the TRACE Disseminated Volume Weighted Average Price (*see definition*).

Figure 6.8 – About Indices

### Index-Level Data

Investment Grade (NBBI) <a href="#">Membership Details</a>			High Yield (NBBH) <a href="#">Membership Details</a>		
	Index Value	Change		Index Value	Change
Total Return	117.40	- 0.46	Total Return	169.61	- 1.06
Price	99.18	- 0.41	Price	136.09	- 0.90
Yield	5.58	+ 0.09	Yield	9.28	+ 0.14
Volume *	3,975	+ 107	Volume *	2,754	- 327

\* Par Value In \$ Millions

Figure 6.9 – Index Level Data

### Index Level Data Fields

#### Total Return

Measures the total amount earned by owning a security. It incorporates the accrued interest on the bond during ownership, coupons paid out on the bond, and rise and fall of the bond's price. It is the most complete measure of the amount of money made on holding fixed income issues in the index.

#### Price

The weighted average price of all bonds in the index.

#### Yield

The weighted average yield of all bonds in the index.

**Volume**

Total par value traded for all bonds in the index in millions of U.S. dollars - this is the total volume reported to TRACE and is not constrained by Disseminated Volume caps.

**Change**

Calculated as today's value less yesterday's value

**Most Active Bonds**

Investment Grade Top 10 Most Active Bonds			High Yield Top 10 Most Active Bonds		
Symbol	CUSIP	Rank	Symbol	CUSIP	Rank
<a href="#">SBC.OC</a>	78387GAQ6	1	<a href="#">GMA.HF</a>	370425RZ5	1
<a href="#">MWD.RU</a>	61746SBC2	2	<a href="#">GM.HB</a>	370442BT1	2
<a href="#">C.OD</a>	172967BF7	3	<a href="#">GMA.IMW</a>	370425SL5	3
<a href="#">F.GLY</a>	345397UC5	4	<a href="#">CPN.GO</a>	13134VAA1	4
<a href="#">C.OF</a>	172967BH3	5	<a href="#">LEA.GD</a>	521865AE5	5
<a href="#">WMT.HT</a>	931142BZ5	6	<a href="#">DPHIQ.GD</a>	247126AD7	6
<a href="#">SBC.OA</a>	78387GAN3	7	<a href="#">F.GY</a>	345370CA6	7
<a href="#">SBC.ID</a>	78387GAD5	8	<a href="#">GMA.HE</a>	370425RX0	8
<a href="#">GIS.JH</a>	370334AX2	9	<a href="#">DPHIQ.GB</a>	247126AB1	9
<a href="#">FON.HK</a>	852060AT9	10	<a href="#">FMX.GE</a>	344126AM9	10

**Figure 6.10 – Most Active Bonds**

**Most Active Bonds Fields**

**Symbol**

Displays the TRACE symbol.

**CUSIP**

Displays the CUSIP of the bond.

**Rank**

Lists the order in ascending order

**Leading Movers**

Lists the bonds with the largest Bond Price increase (Leaders) with respect to the previous days Bond Price.

**Investment Grade Leading Movers**

Symbol	CUSIP	Bond Price	Change
<a href="#">F.JS</a>	3454023J8	85.25	+ 5.60
<a href="#">PNC.GJ</a>	693476AR4	100.76	+ 2.16
<a href="#">FON.GM</a>	852060AG7	108.63	+ 1.81
<a href="#">LEH.HQ</a>	524908CF5	110.40	+ 1.77
<a href="#">F.OC</a>	345402X63	89.47	+ 1.65
<a href="#">WB.MN</a>	929771AH6	103.58	+ 1.58
<a href="#">SLE.HH</a>	803111AQ6	91.60	+ 1.56
<a href="#">VZ.IL</a>	362320AW3	106.10	+ 1.38
<a href="#">CIT.QI</a>	125581AR9	98.68	+ 1.36
<a href="#">LZ.GD</a>	549271AE4	98.47	+ 1.22

**High Yield Leading Movers**

Symbol	CUSIP	Bond Price	Change
<a href="#">S.JY</a>	812404BG5	103.00	+ 4.63
<a href="#">DOW.HD</a>	905572AD5	105.01	+ 3.76
<a href="#">JASA.GC</a>	47758PAE9	96.50	+ 3.50
<a href="#">FFRX.GF</a>	303901AG7	83.00	+ 3.25
<a href="#">BFT.GB</a>	05873KAF5	92.40	+ 2.68
<a href="#">FFIG.GD</a>	317887AD9	85.62	+ 2.62
<a href="#">TBC.GF</a>	87971KAE7	68.35	+ 2.60
<a href="#">F.GJ</a>	345370BJ8	81.86	+ 2.58
<a href="#">FRN.GC</a>	358497AC9	95.30	+ 2.46
<a href="#">TBC.GC</a>	87971KAC1	68.98	+ 2.02

**Figure 6.11 – Leading Movers****Leading Movers Fields****Symbol**

Displays the TRACE symbol.

**CUSIP**

Displays the CUSIP of the bond

**Bond Price**

Volume weighted average price of bond.

**Change**

Represents the change in bond price from the previous business day.

**Lagging Movers**

Lists the bonds with the largest Bond Price decrease (Laggers) with respect to the previous days Bond Price.

**Investment Grade Lagging Movers**

Symbol	CUSIP	Bond Price	Change
<a href="#">MOT.GE</a>	620076AH2	114.73	- 4.29
<a href="#">SBC.NY</a>	78387GAL7	98.84	- 3.94
<a href="#">GE.GM</a>	36158FAB6	99.02	- 3.47
<a href="#">F.PK</a>	428040BJ7	95.67	- 3.02
<a href="#">VZ.QY</a>	92344WAB7	84.82	- 2.94
<a href="#">GE.GL</a>	36158FAA8	99.82	- 2.92
<a href="#">MER.HA</a>	590188JF6	108.89	- 2.67
<a href="#">GS.QA</a>	38141GCU6	100.65	- 2.57
<a href="#">HLABP</a>	44181EJY5	102.28	- 2.37
<a href="#">F.PM</a>	428040BL2	98.64	- 2.34

**High Yield Lagging Movers**

Symbol	CUSIP	Bond Price	Change
<a href="#">DAL.PJ</a>	247367AR6	84.67	- 5.98
<a href="#">CHCG.GJ</a>	16117PAZ3	79.50	- 4.63
<a href="#">AMR.GA</a>	001765AC0	67.00	- 4.52
<a href="#">Q.HS</a>	912920AL9	88.00	- 4.38
<a href="#">CURE.GC</a>	23126WAC4	64.67	- 3.58
<a href="#">CPN.GC</a>	131347AD8	88.00	- 3.40
<a href="#">CPN.GH</a>	131347AV8	46.78	- 3.18
<a href="#">GM.GE</a>	370442AR6	68.32	- 3.12
<a href="#">RACI.GC</a>	759576AE1	86.88	- 2.88
<a href="#">SRRN.GA</a>	805844AC1	95.18	- 2.84

**Figure 6.12 – Lagging Movers****Leading Movers Fields****Symbol**

Displays the TRACE symbol.

**CUSIP**

Displays the CUSIP of the bond

**Bond Price**

Volume weighted average price of bond.

**Change**

Represents the change in bond price from the previous business day.

***Historical Index Details***

Provides daily historical Indices data from October 1 2002 up to September 30 2005.

**FINRA-Bloomberg Active Investment Grade US Corporate Bond Index**

Historical Index Details from October 01, 2002 - December 31, 2002

[Next>>](#)

Date	Total Return	Price	Yield	Duration	Number of Bonds
10/01/2002	100.0179	100	6.1338	5.1099	810
10/02/2002	99.9968	99.9605	6.1459	5.1202	810
10/03/2002	99.7984	99.741	6.1759	5.0947	810
10/04/2002	99.3123	99.2297	6.2624	5.0982	810
10/07/2002	99.2882	99.1508	6.2703	5.0711	810
10/08/2002	98.5134	98.3466	6.4106	5.0431	810
10/09/2002	97.8075	97.6123	6.5386	5.0268	810
10/10/2002	97.4833	97.2653	6.618	5.0235	810
10/11/2002	98.0427	97.8147	6.5382	5.0386	810
10/14/2002	98.4058	98.1286	6.4752	5.0355	810
10/15/2002	98.024	97.724	6.5785	5.0455	810
10/16/2002	97.5601	97.2363	6.6636	5.0229	810
10/17/2002	97.0872	96.7395	6.7675	5.0055	810
10/18/2002	96.9121	96.5441	6.8038	5.0067	810

**Figure 6.13 – Historical Details**

***Historical Data Fields***

**Date**

Historical data for the specified date.

**Total Return**

Total Return of the Index for the specified date.

**Price**

Index Value Price for the specified date.

**Yield**

Index Value Yield for the specified date.

## Duration

The average Duration of all the bonds that comprise the Index.

## Number of Bonds

The number of bonds that comprised the Index for the specified month.

## **Market Data**

These market aggregate statistics provide an end-of-day recap of corporate bond market activity including the number of securities and total par amount traded as well as advances, declines, and 52-week highs and lows. In addition, the ten most active investment grade, high yield and convertible bonds for the day are listed. The data is updated by approximately 7:00 p.m. ET daily, Monday through Friday, except holidays.

To reach the Market Data screen please follow the steps below:

- Select TIME & SALES on the menu bar
- Click on MARKET DATA

FINRA TRACE  
Trade Reporting and Compliance Engine

Home | FAQs | Contacts | Help | News

TRADE MANAGEMENT | ALERTS | TIME & SALES

BOND PORTFOLIO WATCH | DAILY LIST

Search  
Closing Price Download  
Indices  
Market Data

July 03, 2008  
16:27:36

System Alerts

## **FINRA Corporate Bond Data**

Select the date to see Market data detail: 07 02 2008 Go

### **Bond Date: 7/2/2008**

#### **Market Breadth**

	All Issues	Investment Grade	High Yield	Convertibles
<b>Total Issues Traded</b>	4,073	2,906	928	239
<b>Advances</b>	1,881	1,445	333	103
<b>Declines</b>	1,744	1,135	493	116
<b>Unchanged</b>	133	70	57	6
<b>52 Week High</b>	76	55	3	18
<b>52 Week Low</b>	482	239	228	15
<b>Dollar Volume *</b>	11,517	7,005	2,745	1,767

#### *About This Information:*

End of Day data. Activity as reported to FINRA TRACE (Trade Reporting and Compliance Engine). The Market breadth information represents activity in all TRACE eligible publicly traded securities. The most active information represent the most active fixed-coupon bonds (ranked by par value traded). Inclusion in Investment Grade or High Yield tables based on TRACE dissemination criteria. "C" indicates yield is unavailable because of issue's call criteria.

\* Par value in millions.

#### **Most Active Investment Grade Bonds**

Issuer Name	Symbol	CUSIP	Coupon	Maturity	Rating Moody's/S&P/ Fitch	High	Low	Last	Change	Yield %
COUNTRYWIDE FINANCIAL CORP	CFC.NX	222372AJ3	6.250%	May 2016	Aa3/AA-/BB+	95.100	92.000	94.000	5.000	7.264
TIME WARNER CABLE	TWCA.GH	88732JAL2	6.750%	Jul 2018	Baa2/BBB+/BBB	100.690	100.230	100.281	-0.032	6.710
TIME WARNER CABLE	TWCA.GI	88732JAN8	7.300%	Jul 2038	Baa2/BBB+/BBB	99.772	99.052	99.543	0.930	7.337
SHELL INTL FINANCE BV	RDS.GA	822582AA0	5.625%	Jun 2011	Aa1/AA+/AA+	105.126	104.719	105.017	0.704	3.821
INTL PAPER CO	IP.IP	460146CA9	7.950%	Jun 2018	Baa3/BBB-/BBB-	101.014	98.130	98.130	-0.802	8.227
VULCAN MATERIALS CO	VMC.GS	929160AK5	7.000%	Jun 2018	A3/A-/--	101.734	101.359	101.734	0.122	6.757

**Figure 6.14 – Market Data**

**Market Breadth**

The Market Breadth information represents activity in all TRACE eligible publicly traded securities.

<b>Market Breadth</b>				
	<b>All Issues</b>	<b>Investment Grade</b>	<b>High Yield</b>	<b>Convertibles</b>
<b>Total Issues Traded</b>	4,073	2,906	928	239
<b>Advances</b>	1,881	1,445	333	103
<b>Declines</b>	1,744	1,135	493	116
<b>Unchanged</b>	133	70	57	6
<b>52 Week High</b>	76	55	3	18
<b>52 Week Low</b>	482	239	228	15
<b>Dollar Volume *</b>	11,517	7,005	2,745	1,767

*About This Information:*  
End of Day data. Activity as reported to FINRA TRACE (Trade Reporting and Compliance Engine). The Market breadth information represents activity in all TRACE eligible publicly traded securities. The most active information represent the most active fixed-coupon bonds (ranked by par value traded). Inclusion in Investment Grade or High Yield tables based on TRACE dissemination criteria. "C" indicates yield is unavailable because of issue's call criteria.

\* Par value in millions.

**Figure 6.15 – Market Breadth**

**Market Breadth Fields**

**Total Issues Traded**

The total number of issues traded that day, falling into the following groupings (All Issues, Investment Grade, High Yield, and Convertibles).

**Advances**

The total number of issues where the closing price for that day is higher than the prior closing price

**Declines**

The total number of issues where the closing price for that day is lower than the prior closing price

**Unchanged**

The total number of issues where the closing price for that day remains the same as the prior closing price.

**52 Week High**

The total number of issues where the closing price for that day is higher than a prior closing price within the past 52 business weeks (on a rolling basis).

**52 Week Low**

The total number of issues where the closing price for that day is lower than a prior closing price within the past 52 business weeks (on a rolling basis).

**Dollar Volume**

Representing the current day's total traded par value (in millions).

**Most Active Bonds**

The Most Active information represents the 10 most active Investment Grade, High Yield and Convertible bonds (ranked by par value traded). There are three separate tables for the Most Actives.

### Most Active Investment Grade Bonds

Issuer Name	Symbol	CUSIP	Coupon	Maturity	Rating Moody's/S&P/ Fitch	High	Low	Last	Change	Yield %
HSBC FINANCE CORP	HBC.QT	40429CFN7	5.500%	Jan 2016	Aa3/-/AA-	101.345	99.247	99.656	-0.106	5.545
MBNA CAPITAL A	MBPI.GA	55263BAA9	8.278%	Dec 2026	Aa3/A/A+	106.311	106.275	106.311	-0.689	5.283
GOLDMAN SACHS GP	GS.VO	38141GEF7	5.000%	Jan 2011	Aa3/-/AA-	100.601	98.880	99.333	0.133	5.154
JPMORGAN CAPITAL XV	JPM.GBN	46627NAA3	5.875%	Mar 2035	A1/A-/A	98.852	97.959	98.798	0.272	5.962
TALISMAN ENERGY	TLM.GE	87425EAJ2	5.850%	Feb 2037	Baa1/BBB+/--	99.289	97.710	98.994	0.070	5.921
COMCAST CORP	CMCSA.GX	20030NAK7	6.500%	Nov 2035	Baa2/BBB+/BBB+	101.436	99.232	100.936	0.703	6.428
WELLPOINT	WLP.GN	94973VAL1	5.850%	Jan 2036	Baa1/BBB+/A-	100.007	98.233	99.013	-0.463	5.920
AAG HLD	GFR.GA	000336AE7	6.875%	Jun 2008	Baa3/BBB-/BBB+	103.714	103.305	103.714	0.088	5.147
HOUSEHOLD FINANCE	HI.KV	441812GM0	8.000%	Jul 2010	Aa3/A/AA-	110.937	110.477	110.752	-0.048	5.250
AOL TIME WARNER	AOL.HH	00184AAG0	7.700%	May 2032	Baa1/BBB+/BBB+	112.664	110.863	112.260	1.199	6.700

Figure 6.16 – Most Active Investment Grade Bonds

### Most Active Fields

#### Issuer Name

Issuer of the bond.

#### Symbol

Current TRACE bond symbol.

#### CUSIP

CUSIP of the bond.

#### Coupon

Current coupon rate of the bond.

#### Maturity

Maturity date (month and year) of the bond.

#### Rating Moody's/S&P/Fitch

A bond's rating as provided by Moody's, S&P and Fitch Ratings (in that order). Where '-' is displayed, the rating is not available by that rating service.

#### High

Highest traded price of the current day in the issue.

#### Low

Lowest traded price of the current day in the issue.

#### Last

The current day's closing price in the issue.

#### Change

The difference in the current day's closing price versus the prior closing price. "N/A" indicates no change in price.

**Yield**

The weighted average yield of the bond. "C" indicates yield is unavailable because of the issue's call criteria.

## Chapter 7: Bond Portfolio Watch

The Bond Portfolio Watch Menu allows you to create and maintain lists of disseminated securities that you wish to monitor and then quickly take you to historical pricing data for those portfolios.

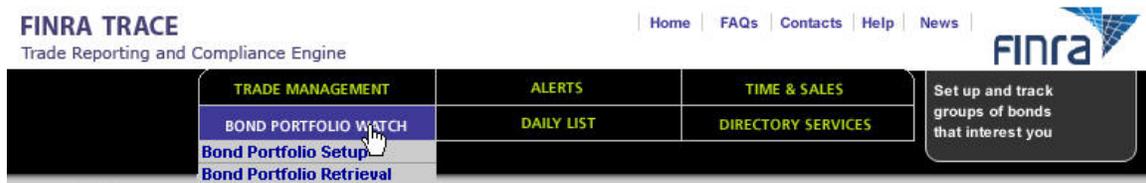


Figure 7.1 – TRACE Portfolio Watch Menu

### ***Bond Portfolio Setup***

The Bond Portfolio Setup allows you to create your own bond portfolios, each containing up to 50 different securities. Creating a portfolio of securities allows you to quickly view historical price information for the whole group, rather than having to look them up one at a time. A maximum of 8 portfolios may be created.

To reach the Bond Portfolio Setup screen please follow the steps below:

- Select BOND PORTFOLIO WATCH on the menu bar
- Click on BOND PORTFOLIO SETUP

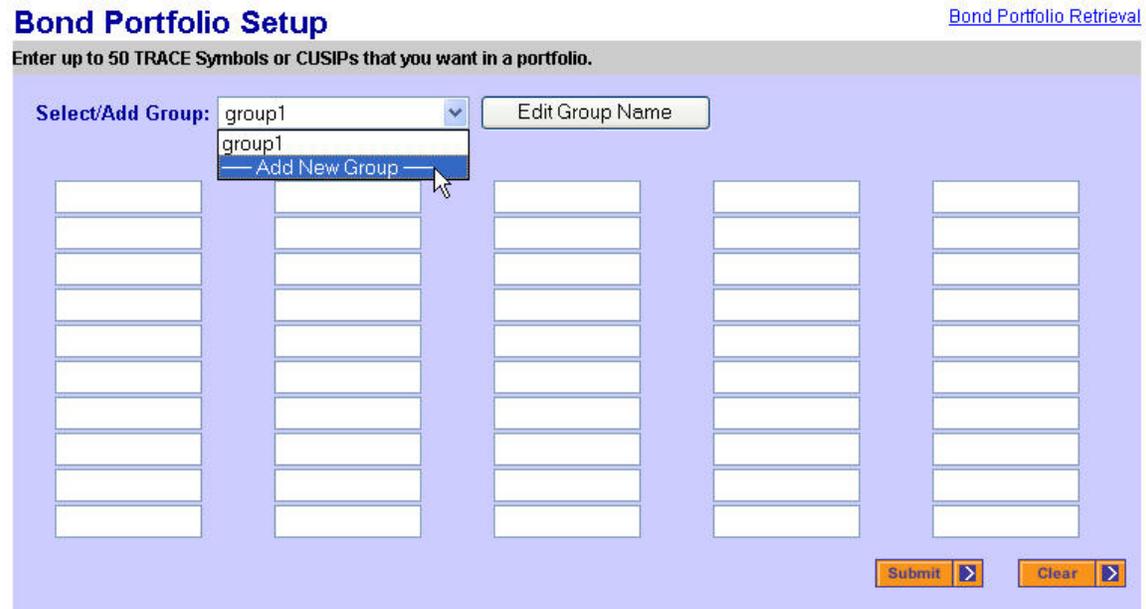


Figure 7.2 – Bond Portfolio Setup

### ***Creating a Bond Portfolio***

To create a new portfolio, click on the Select/Add Group dropdown, and select “**Add New Group**”. A window will appear, asking you to enter the name of your group.



**Figure 7.3 – New Group Name Window**

Enter a name for the group of 8 characters or less, then click on OK. The name will be put into the Group Name box, and you will be given a message that at least one security is required to create the group.

Enter up to 50 TRACE symbols or CUSIPs to be defined in your portfolio in the boxes provided, then click on the **Submit** button at the bottom of the screen. Your group will be created. You can create up to a total of eight groups by following the same steps.

### ***Changing the Name of a Group***

Select the group that you want to change in the Select/Add Group dropdown, then click on the **Edit Group Name** button. A window will appear, asking you to enter the new group name.



**Figure 7.4 – Edit Group Name Window**

Enter the new name for the group, then click on the OK button. The group name will be changed.

### **Bond Portfolio Retrieval Link**

Click on this link under the masthead to retrieve existing portfolios.

Click the **Submit** button to submit your selections to your portfolio or click the **Clear** button to clear all selections.

### ***Bond Portfolio Retrieval***

This page is used to allow you to select from the different portfolios you have set up. Select the portfolio by clicking on one of the Group Names to display information about the bonds within that portfolio. Click on the desired group name to view the results for that group.

To reach the Bond Portfolio Retrieval screen please follow the steps below:

- Select BOND PORTFOLIO WATCH on the menu bar
- Click on BOND PORTFOLIO RETRIEVAL

## Choose Portfolio Group

Choose the Portfolio Group you wish to view.

[Energy](#)

[Finance](#)

[Telecom](#)

Figure 7.5 – Choose Portfolio

## Bond Portfolio Retrieval Search Results

This page displays available information for the securities in the selected portfolio. It contains the bond's short description, (TRACE symbol, issue name, coupon, maturity date), Last Sale Price and Yield, High and Low Price and Yield, Most Recent Price and Yield, and the Net Change in Price from the previous "close".

### Portfolio Results

Issue: 00130HAQ8 AES.GG AES CORPORATION (THE) 9.50 06/01/2009											<a href="#">Time and Sales</a>	<a href="#">Descriptive Data</a>
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change		
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield	Price	
09/25/2003	99.00	9.727	99.00	9.727	98.25	9.904	9/25/2003	99.00	9.727	-3.25		

Issue: 008685AC3 AHO.GC AHOLD FINANCE U.S.A., INC. 8.25 07/15/2010											<a href="#">Time and Sales</a>	<a href="#">Descriptive Data</a>
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change		
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield	Price	
09/25/2003	107.50	6.847479	108.00	6.758582	105.00	7.30	9/25/2003	107.50	6.847479	-0.3125		

Issue: 018606AD5 AIQ.GA ALLIANCE IMAGING INC. 10.375 04/15/2011											<a href="#">Time and Sales</a>	<a href="#">Descriptive Data</a>
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change		
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield	Price	
09/25/2003	104.0625	9.415205	104.0625	9.415205	103.75	9.487154	9/25/2003	104.0625	9.415205	-0.1875		

Issue: 01958XAQ0 AWAS.GE ALLIED WASTE NORTH AMERICA INC 10.00 08/01/2009											<a href="#">Time and Sales</a>	<a href="#">Descriptive Data</a>
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change		
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield	Price	
09/25/2003	108.625	6.177999	111.00	2.575468	108.25	5.689	9/25/2003	108.625	6.177999	-0.375		

Issue: 023135AF3 AMZN.GC AMAZON.COM, INC. 4.75 02/01/2009											<a href="#">Time and Sales</a>	<a href="#">Descriptive Data</a>
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change		
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield	Price	
09/25/2003	96.50	5.515	98.125	5.15496	95.50	5.627	9/25/2003	96.50	5.515	-1.00		

Figure 7.6 – Portfolio Retrieval Results

In addition, there are two links on the right-hand side of the page for each security returned.

**Time and Sales** – clicking on this link will take you to the Time and Sales Search page as described in Chapter 5, pre-filling in the selected security in the "TRACE Symbol or CUSIP" box.

**Descriptive Data** – clicking this link will take you to the **Detailed Bond Information** page, which provides additional security data from the TRACE security master file such as bond type, coupon type, redemption features, call schedule, etc.

### **Detailed Bond Information**

This page provides some basic descriptive data for each of the securities on the TRACE securities master file.

#### **Detailed Bond Information**

#### **Call Schedule**

<b>TRACE Symbol:</b> USB.OV	<b>Call Date</b>	<b>Call Price</b>
<b>Issue:</b> USB 1.231 12/11/35 '08 FRN 12/11/2035	12/11/2007	100.00
<b>CUSIP:</b> 902973AL0	12/11/2008	100.00
<b>Bond Type:</b> Debenture	12/11/2009	100.00
<b>Moody/S&amp;P/Fitch Rating</b> Aa2 / AA / AA-	12/11/2010	100.00
<b>Payment Frequency:</b> Quarterly	12/11/2011	100.00
<b>Industry:</b> Banks	12/11/2012	100.00
<b>Industry Subsector:</b> Banking	12/11/2013	100.00
<b>Coupon Type:</b> Floating: Floating then Zero	12/11/2014	100.00
<b>Callable:</b> Y	12/11/2015	100.00
<b>Other Features:</b> Puttable , 144A , Portal Bond	12/11/2016	100.00

**Figure 7.7 – Detailed Bond Information**

## Chapter 8: Daily List



Figure 8.1 – Daily List Menu

The Daily List is a summary of the additions, deletions, and symbol changes made to the Issue Master file on a given day. Clicking on the Daily List menu item will take you directly to the most recent Daily List available. You can view previous Daily Lists by clicking on the yearly links at the upper-right part of the page.

Clicking on a year will take you to the **Daily List Index** page containing a summary of all of the Daily Lists for that year that you can view or download.

### **Daily List Index**

FINRA TRACE Daily List Index		2008	<a href="#">2007</a>	<a href="#">2006</a>	<a href="#">2005</a>
<b>Daily Lists For 2008</b>					
July 3, 2008	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 7/3/2008 1:17:23 PM)		
July 2, 2008	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 7/2/2008 5:23:30 PM)		
July 1, 2008	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 7/1/2008 5:16:03 PM)		
June 30, 2008	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 7/1/2008 12:06:34 PM)		
June 27, 2008	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 6/27/2008 5:05:53 PM)		
June 26, 2008	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 6/26/2008 6:10:50 PM)		

Figure 8.2 – Daily List Index

To view a particular Daily List, click on the **View** link for the desired date. You will be taken to the **Daily List Detail** page for the selected date.

### **Daily List Detail**

This page provides a detailed list of bonds that have been added to, deleted from, or modified in the Issue Master file for the current day. Although security additions are performed during the day, mandatory transaction reporting would not be effective until the following business day.

**Bond Market Changes for Friday, June 20, 2008**

Security Additions										
Symbol	CUSIP	Company Name	Rate	Maturity Date	Description	Effective Date	Dis	Par Value	Security Type	
DJR.RRR	765432109	Dennis Test ELN	N/A	06/30/2012	DJR 5.178 06/2012	06/20/2008	Y	1000	ELN	

Security Deletions										
Symbol	CUSIP	Company Name	Rate	Maturity Date	Comments	Effective Date	Dis	Par Value	Security Type	

Name/Symbol Changes												
Effective Date	Symbol/CUSIP/Name	Rate	Maturity Date	Dis	Par Value	SecurityNew	Symbol/CUSIP/Name	New Rate	New Maturity Date	New Dis	New Par Value	New Security Type

**Figure 8.3 – Daily List Detail**

**Daily List Download File**

Clicking on the **Download** link will give you a text-file version of the list that you can save by using the **File/Save As** menu on your web browser.

```
Daily List Date|Effective Date|Event Type|Event Comment|Bond Symbol|CUSIP|Description|Coupon Rate|Type Rate|Maturity Date|Dissem|Security Type|Par Value|New
06/20/2008|06/20/2008|Security Addition|DJR 5.178 06/2012|DJR.RRR|765432109|Dennis Test ELN|5.178|N/A|06/30/2012|Y|ELN|1000|
```

**Figure 8.4 – Daily List Download File**

Each field is “|” (pipe) delimited. Length shown is the maximum length. All fields starting with the name “new” are empty except when the Event Type is “Name/Symbol Change”.

## Chapter 9: Directory Services

The Directory Services menu has two sub-menu choices, allowing you to access the **Bond Scan** and the **Participant Scan** search pages. These pages will help you find particular bonds or groups of bonds or FINRA member firms that are TRACE participants. In addition, this menu allows you to access downloadable versions of the Issue Master file and the TRACE market participant file.

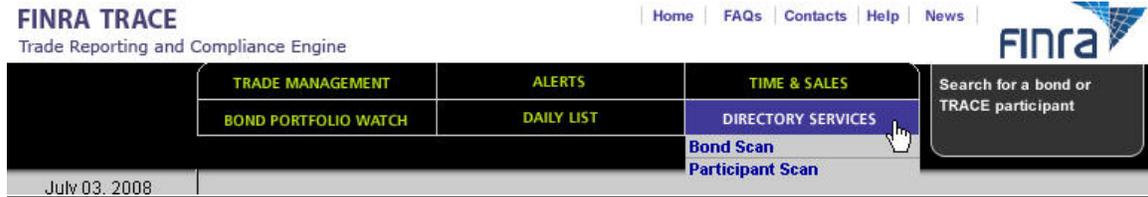


Figure 9.1 – Directory Services Menu

### Bond Scan

Select the Bond Scan page to search for a specific bond or many different bonds within the TRACE database by utilizing the various filtering criteria. A downloadable list of bonds is also available on this page by clicking on the **Download Issue Master** link.

To reach the Bond Scan screen please follow the steps below:

- Select DIRECTORY SERVICES on the menu bar
- Click on BOND SCAN

### Bond Scan

Search by Issue			
<input type="radio"/> TRACE Symbol <input type="radio"/> Issuer Name <input type="radio"/> CUSIP (6 character minimum) <input checked="" type="radio"/> N/A	<input type="text"/> <input type="checkbox"/> When Issued		
	<b>Minimum</b>	<b>Maximum</b>	
<input type="checkbox"/> Coupon	<input type="text"/>	<input type="text"/>	
<input type="checkbox"/> Maturity Date	<input type="text"/>	<input type="text"/>	
<input type="checkbox"/> Rating	<input type="text" value="v"/>	<input type="text" value="v"/>	
<input type="checkbox"/> 144A Debt Securities Only			
<a href="#">Download Issue Master</a>		<input type="button" value="Submit"/> <input type="button" value="Clear"/>	

Figure 9.2 – Bond Scan Search

### Bond Scan Fields

#### Search by Issue

- *TRACE Symbol* - Click this radio button to search for bonds using the TRACE symbol. Enter the TRACE symbol in the blank field on the right.
- *Issuer Name* - Click this radio button to search for bonds by issuer name. Enter the issuer name in the blank field on the right.

- *CUSIP* - Click this radio button to search for bonds by CUSIP number. Enter the 9-character CUSIP in the blank field on the right. You can also enter just a partial CUSIP number (at least the first six characters).
- *N/A* - Click this radio button if none of the above criteria apply to your search. This is the default selection, and can be used to clear out the other radio buttons if you previously had one selected.
- *When Issued* - Check the “When Issued” check box to limit your search on the other fields to include only those securities that TRACE considers to be currently trading WI in the secondary market.

**Coupon**

Check the Coupon check box to search for issues using this filtering criterion. Enter the minimum and/or maximum coupon rates of the issue(s) for which you want to search. The TRACE system will search for those issues with coupon rates between and including the minimum and maximum coupon rates entered.

**Maturity Date**

Check the Maturity Date check box to search for issues using this filtering criterion. Enter the minimum and/or maximum maturity date range of the issue(s) for which you want to search. The TRACE system will search for those issues from, to, and including the end date of the range.

**Rating**

Check the Rating check box to search for issues using this filtering criterion. Click the drop-down arrow to select the minimum and/or maximum Moody’s, S&P and Fitch bond ratings. The TRACE system will search for those issues from, to, and including the last selected ratings in the range.

**144A Debt Securities Only**

Check the 144A Debt Securities Only check box to search for TRACE-eligible Rule 144A debt issues.

**Download Issue Master**

Click this link to retrieve the Available Downloads screen for downloading or viewing the Issue Master and the Issue Par Value file. Note: Those wishing to view the Issue Master and Issue Par Value files with CUSIP numbers must secure a CUSIP daily license. Numbers are the property of the American Bankers Association (“ABA”) and are administered by Standard and Poor’s’ CUSIP Bureau.

Click the *Submit* button to begin search, or click the *Clear* button to clear all selections.

***Bond Scan Results***

The Results page displays the relevant identifying information of the selected securities. The display fields are CUSIP, Symbol, Bond Status, Issuer Name, Description, Coupon, Maturity Date, Dated Date, and Moody’s/S&P ratings.

**Results**

CUSIP	Symbol	Stat	Issuer Name	Description	Coupon	Maturity Date	Dated Date	Moody's / S&P / Fitch
<a href="#">00130HAU9</a>	<a href="#">AES.GJ</a>	Actv	AES CORPORATION (THE)	SENIOR UNSECURED NOTE	8.875000	02/15/11	02/09/01	B1 /B /BB

**Figure 9.3 – Bond Scan Results**

**TIP:** By clicking on the actual CUSIP number or TRACE Symbol of a bond, you will be taken directly to the Trade Entry page, where you can enter the trade details for the CUSIP or Symbol you have selected.

## Available Downloads

This page allows you to download a complete list of the debt issues, as well as a complete list of issues that have a par value other than 1000. Two formats of the lists are provided: Fixed Field or Pipe Delimited. File layouts for each format are viewable by clicking on the **View** link in the Layout column.

## Available Downloads

List	Format	List	Layout	File Date
Issue Master (w) CUSIP	Fixed Field	<a href="#">Download</a>	<a href="#">View</a>	7/3/2008 10:05:16 AM
Issue Master (w) CUSIP	Pipe Delimited	<a href="#">Download</a>	<a href="#">View</a>	7/3/2008 10:05:22 AM
Issue Par Value File (w) CUSIP	Fixed Field	<a href="#">Download</a>	<a href="#">View</a>	7/3/2008 10:05:34 AM
Issue Par Value File (w) CUSIP	Pipe Delimited	<a href="#">Download</a>	<a href="#">View</a>	7/3/2008 10:05:34 AM

Figure 9.4 – Available Downloads

### Issue Master

To download a list, click on the **Download** link in the List column. The list provided to you will either contain CUSIP numbers or not, depending on whether your firm has demonstrated to FINRA that your firm has a CUSIP Daily License in effect. The process for verifying your firm’s possession of a Daily License is described in Appendix II of the “*FTP Download Technical Specifications*” document and also in the FINRA Web site TRACE FAQs/Agreements section (<http://www.finra.org/RegulatorySystems/TRACE/FrequentlyAskedQuestions/AgreementsContracts/index.htm>). If your firm is identified as owning a Daily License, the files accessible to you will contain CUSIP numbers. Otherwise, the lists will not contain CUSIP numbers. The fourth-to-last column in each record indicates whether the issue is a Rule 144A debt security (Y/N). The third-to-last column in each record indicates whether the issue is subject to dissemination (Y/N). The second-to-last column in each record indicates whether the issue is an Investment Grade (I) or a High Yield or Non-Rated bond (H). The last column in each record indicates whether the issue is a corporate bond (C) or an equity-linked note (E).

### Issue Par Value File

To download a list, click on the **Download** link in the List column. The list provided to you will either contain CUSIP numbers or not, depending on whether your firm has demonstrated to FINRA that your firm has a CUSIP Daily License in effect. The list also contains TRACE Symbol, Issuer Name, Bond Detail, Security Type, and Par Value amount of the issue.

### Participant Scan

Select the Participant Scan page to search for TRACE market participants with their listed clearing broker numbers. A downloadable Participant list is also available on this screen by clicking the *Download Participant List* link.

To reach the Participant Scan screen please follow the steps below:

- Select DIRECTORY SERVICES on the menu bar
- Click on PARTICIPANT SCAN

### Participant Scan

**Search by**

MPID

Name

N/A

Submit > Clear >

**Figure 9.5 – Participant Scan**

### ***Participant Scan Fields***

#### **Search by**

- *MPID* - Click this radio button to search for market participants by their FINRA Market Participant Identifier (MPID). Enter the MPID in the blank field, then Click Submit.
- *Name* - Click this radio button to search for market participants by Name. Enter the participant name in the blank field, then Click Submit.
- *N/A* - Click this radio button if the MPID or the market participant's name is not known. This selection will retrieve all participants, and can be used to clear out the other two radio buttons if you previously selected one of them.

#### **Download Participant List**

Click this link to retrieve the Download Participant List screen for downloading or viewing a list of the TRACE participants and their MPIDs.

Click the ***Submit*** button to begin search, or click the ***Clear*** button to clear all selections.

## Participant Scan Results

### Participant Scan

**Search by**

MPID  
 Name  
 N/A

[Download Participant List](#)

### Results

Firm Name	MPID	Major CLR#	CLR#2	CLR#3	CLR#4	CLR#5
BANC OF AMERICA SECURITIES	BACC					
INVESTMENT PARTNERS INC	BAII					
BANKERS & INVESTORS CO	BAIN					
JAMES BAKER & ASSOC LTD PTSHP	BAKR					
BALENTINE & COMPANY	BALE					
BALFOUR INVESTORS CORPORATION	BALF					
BALLEW INVSTMT INC	BALL					
BALDWIN ANTHONY SECURITIES, INC.	BAMC					
BROKERAGEAMERICA, LLC	BAMM					
BANC ONE SECURITIES CORPORATION	BANC					
BROADBAND CAPITAL MANAGEMENT, LLC	BAND					
PRIMEVEST FINANCIAL SERVICES	BANK					
QUANTUM CAPITAL CORP	BANX					
BRNETT	BARB					
BARCLAY INVESTMENTS INC	BARC					
BAIRD (ROBERT W.) & CO. INCORPORATED	BARO					
BARRIGER & BARRIGER	BARG					
BARRETT & COMPANY	BARR					
ING BARINGS FURMAN SELS LLC	BARS					
BARWELL SECURITIES CORP	BARW					

Figure 9.6 – Participant Scan Results

### Participant Scan Results Fields

#### **Firm Name**

Displays the full name of the Market Participant.

#### **MPID**

Displays the FINRA Market Participant Identifier.

#### **Major CLR #**

Displays the Market Participant's major (default) clearing broker number.

#### **CLR #2**

Displays the Market Participant's second clearing broker number, if it was provided.

#### **CLR #3**

Displays the Market Participant's third clearing broker number, if it was provided.

#### **CLR #4**

Displays the Market Participant's fourth clearing broker number, if it was provided.

**CLR #5**

Displays the Market Participant's fifth clearing broker number, if it was provided.

Click the *More* button at the bottom of the page to see additional participants.

**Download Participant List**

This page allows you to download a complete list of all TRACE participants. Two formats of the list are provided: Fixed Field or Pipe Delimited. File layouts for each format are viewable by clicking on the **View** link in the Layout column. To download a list, click on the **Download** link in the List column.

**Participant Downloads**

List	Format	List	Layout	File Date
Participant List	Fixed Field	<a href="#">Download</a>	<a href="#">View</a>	
Participant List	Pipe Delimited	<a href="#">Download</a>	<a href="#">View</a>	

**Figure 9.7 – Download Participant List**

```
ADVS|ADVEST, INC. |
AGED|A. G. EDWARDS & SONS, INC. |
ASEL|ASIEL & CO. |
BEST|BEAR, STEARNS & CO. |
DEAN|DEAN, WITTER, REYNOLDS, INC. |
FACT|FIRST ALBANY CORPORATION|
GSCO|GOLDMAN, SACHS & CO. |
MSCO|MORGAN STANLEY & CO., INC. |
SALB|SALOMON BROTHERS, INC. |
```

**Figure 9.8 – Sample Pipe Delimited Participant List**

## Chapter 10: Glossary

### **Agent**

A broker or intermediary authorized by the principal party to execute trades on its behalf with a third party and for which the trader is paid a commission that is specifically identified on the customer's confirmation.

### **As-Of transaction**

A transaction reported by a FINRA member on a date later than the actual transaction date. In TRACE, trades executed after the system closes, between 6:30 p.m. and 11:59:59 p.m. ET, must be reported on the next business day within the timeframe specified in the TRACE Rules as As-Of trades, effective the previous business day. FINRA members will be allowed to enter the trade date for an "As-Of" for a period of up to one calendar year. As-Of transactions are not included in the day's market aggregates (i.e., high, low, last sales), but, if eligible, will be disseminated when reported.

### **Automatic Give-Up (AGU)**

AGU transactions can either be one-sided to two-sided. A typical one-sided AGU occurs when a clearing firm executes a trade with one of its correspondents. A two-sided AGU would occur when a FINRA member alternative trading system/electronic communications network (ATS/ECN) matches a Buy and a Sell order on its system, creating a "locked-in" trade between the two parties. The trading platform could submit a two-sided AGU trade report to TRACE, indicating both sides of the trade in addition to itself.

### **Cash Sale**

A transaction in which the delivery of securities and payment must occur on the same day that the trade was executed. Denoted by the ".C" modifier.

### **Commission**

Fees paid to a broker for executing a trade as agent based on the number of bonds traded or the dollar amount of the trade.

### **Contra Party**

A FINRA member or non-member (either a non-member firm or an end customer) on the other side of the trade. Contra parties that are non-FINRA members will be identified with the letter "C" (for Customer). FINRA members CANNOT consider other FINRA members their customers with respect to TRACE reporting of contra parties.

### **CUSIP**

CUSIP stands for the Council on Uniform Securities Identification Procedures. A CUSIP number is a unique nine-character alphanumeric code appearing on the face of each stock or bond certificate that is assigned to a security by Standard & Poor's Corporation. CUSIP numbers are the property of the American Bankers Association (ABA) and are administered by Standard & Poor's. The number is used to expedite clearance and settlement.

### **Equity-Linked Note**

Typically a debt instrument whose return on investment is tied to the equity markets. It may be tied to a single stock, a basket of stocks, or an index. Equity-linked notes can either have a par value of \$1000, or can be traded in shares as units (like an equity instrument). The Issue Master identifies equity-linked note issues and the Issue Par Value file identifies equity-linked notes that trade in shares as units (par value = 1). FINRA rules require that trades of equity-linked notes not listed on a national exchange be reported to TRACE.

### **Execution Date**

The date on which the trade took place. If the transaction was reported on a later date (an As-Of trade or a Reversal), this field will be populated with the date on which the trade originally took place.

### **Execution Time**

The actual trade time corresponding to the time stamp on the trader's ticket and as reported by the FINRA member firm into the TRACE system. If the transaction reported was an As-Of trade or a Reversal, this field will be populated with the time (as well as the date) on which the original trade was executed. In transactions where the price is determined by a spread off a benchmark, the execution time will be considered the time that the benchmark yield is determined.

### **High Yield Bond**

A high-yield bond is by definition a "Non-Investment Grade" security under the TRACE Rules. A high-yield bond is a corporate bond that is rated as speculative grade by a nationally recognized statistical rating agency (i.e., Ba1 or lower by Moody's Investors Services or BB+ or below by Standard & Poor's Corporation). For purposes of TRACE dissemination, unrated (NR/NA) debt securities are also classified as Non-Investment Grade securities.

### **Investment Grade Bond**

A bond rated in one of its four highest generic rating categories by a nationally recognized statistical rating agency (i.e., Baa3 or better by Moody's Investors Service or BBB- or better by Standard & Poor's Corporation).

### **Last Sale Price**

The "last" sale price reported for the specific bond throughout the day, up until 5:15 p.m. ET. Although the bond market does not have an official close, and can function as long as a trader is willing to deal, for purposes of establishing a historical benchmark at a single point in time, after the bulk of the day's trading is over, TRACE uses 5:15 p.m. ET, as the cutoff time for determining a "last" sale price. The authentic last reported sale of the day, which includes all disseminated trade reports up until the TRACE system closes at 6:30 p.m. ET is referred to as "Most Recent Price." *Please see Most Recent Price.*

### **Last Sale Yield**

The yield associated with the current last sale price of the day.

### **Market Participant**

For purposes of TRACE, a FINRA member that is also a TRACE participant.

### **Market Participant Identifier (MPID)**

A unique, four-character alphanumeric identifier created by FINRA, used to identify a FINRA member market participant. The MPID is used to identify the contra party on a trade report.

### **Modifier**

Codes used to provide additional qualifying information about a transaction. Modifiers include those to indicate special trade conditions, long or short settlement, or a trade that has been reported late.

### **Most Recent Trade Price**

The last price reported for a given bond on a given trade date. The Most Recent Trade Price may have been reported to TRACE after the 5:15 PM ET cutoff time for calculation of daily summary data.

### **Next Day Trade**

A transaction for which the delivery of securities and payment must occur on the next business day following the trade execution date. This is also known as "T+1", or trade date plus one day. Denoted by the ".ND" modifier.

### **No/Was Transaction**

A function to correct or update a trade report submitted today. TRACE assigns a new control number to the corrected ("Was") trade, and changes the status of the incorrect trade to "No".

### **Price**

The reported price for a reported transaction must be inclusive of a mark-up or markdown, but is exclusive of a commission, since a commission is reported in a separate field. TRACE will, however, incorporate the commission into the disseminated price.

### **Principal**

Dealers who execute for their own accounts at net prices (prices that include either a markup or markdown). Dealers cannot act as both principal and agent in the same transaction.

### **Quantity**

The size of the trade, also known as the volume, or number of bonds or shares (for certain equity-linked notes) traded. When entering quantity into the TRACE web application, a 50 bond trade (\$50,000 par value) would be entered as "50". A trade for \$1,450 worth of a bond would be reported with a quantity of "1.45". Equity-linked notes with a \$1000 par value would be submitted the same way. For equity-linked notes that trade in shares as units, the quantity would be entered as number of shares traded. For example, a trade of 500 shares would be entered as "500". See Chapter 4 for additional guidance on how to report issues with non-standard par values.

### **Reporting Party**

A FINRA member firm that is required under NASD Rule 6200 Series to report transactions in eligible corporate securities into TRACE. In the case of "Give Up" transactions, the Reporting Party is the firm submitting the report, and the MPID of the firm responsible for actually reporting would be put into the "Give Up" field.

### **Reversal Transaction**

A trade cancellation for a trade report that was originally submitted into TRACE on a previous date.

### **Seller's Option**

A transaction in which the seller has the right to deliver the security at any time within a specific period, other than Regular Way Corporate (T+3) settlement. When the parties to the transaction agree to a settlement period of either 2 or 4 – 60 days, this modifier is used to indicate the settlement period. The number of days is indicated in the blank box next to the .S modifier.

### **"Sold" Late**

A late trade report indicator, applicable to both buy- and sell-side reports, showing that the trade was reported during current business hours but outside of the mandatory reporting interval outlined in NASD Rule 6200 Series. This modifier is appended to the trade report by the TRACE system itself. Denoted by the ".SLD" modifier.

### **Special Price Flag**

This field denotes trades that were consummated contrary to the current standard convention for the particular bond. Also known as a "specified trade", e.g., when a debt security that conventionally and in the current market is traded at a price that reflects a due bill or warrant, is, in the transaction to be reported, traded as specified without the due bill or warrant, a price deviation from the normal market is to be expected. Note that a trade identified with a "Special Price Indicator" will, if eligible, be disseminated, but will not be incorporated in the calculation of the day's high, low and last price for the security.

### **Symbol**

The unique TRACE regulatory reporting symbol that is assigned to each TRACE-reportable security by FINRA Operations. Firms can identify the security traded using either the Symbol or CUSIP number.

### **TRACE<sup>SM</sup>**

Under NASD Rule 6200, FINRA members are required to report OTC secondary market transactions in eligible fixed income securities to FINRA. The Trade Reporting and Compliance Engine (TRACE) is the

FINRA-developed vehicle that facilitates the mandatory trade reporting of eligible corporate bonds and the public dissemination of market data, subject to certain restrictions.

**Weighted Average Price**

A transaction in which the price is determined by a weighted average of the prices of prior related transactions. Denoted by the “.W” modifier.

**When Issued**

A security trading on a “when, as, and if issued” basis. The term refers to a conditional security: one authorized for issuance but not yet actually issued. All “when issued” transactions are on an “if” basis, to be settled if and when the actual security is issued. Note: The term “When Issued” generally connotes transactions taking place in the primary market; however, for purposes of TRACE, which captures secondary market transactions only, “WI” bonds are those generally created as the result of a corporate event, such as reorganization.

**Yield**

The Yield is the effective rate of return earned on a security expressed as a percentage. TRACE will disseminate the lower of Yield to Call (retirement of the bond at a date prior to maturity) or Yield to Maturity. The call that is used for TRACE is the one that produces the worst yield (excluding sinking fund calls). For certain variable-rate securities, no yield will be displayed.

## Appendix A: Handling of GMAC Zeros Due 2012 and 2015

This information was taken from the TRACE FAQs found on the TRACE website:

<http://www.finra.org/RegulatorySystems/TRACE/FrequentlyAskedQuestions/Reporting/index.htm>

**How do I report quantity and price for GMAC 0 12/1/12 and GMAC 0 6/15/15? These issues trade on the NYSE in units and in prices expressed in hundreds rather than in bond dollars (representing a percentage of par). If I execute OTC, however, how do I report quantity, price, and yield into TRACE?**

Both the GMAC 0 12/1/12, CUSIP 370424CZ4 (Symbol GMAC.GC) and the GMAC 0 6/15/15 CUSIP 370424DA8 (Symbol GMAC.GD) are exceptions to the norm for reporting to TRACE, since firms may hold these differently on their stock records, and price can also be expressed in multiple ways. Firms typically settle these trades ex-clearing, with settlement necessitating that both parties use the same standards.

Both issues have par values greater than \$1,000 and a final maturity value of \$10,000. On the NYSE both issues are traded in units: 1 unit=\$10,000. For example, if one unit having a maturity value of \$10,000 trades for a contracted value of \$4,950, a price of 49.50 for a quantity of 1 unit (or one tenth of the contract amount) would be reported to the exchange. To arrive at the same yield that is posted on the NYSE, market participants can perform a zero-coupon calculation using a workaround solution of entering a dollar price of 49.50 (moving the decimal place an additional place to the left, or one hundredth of the contract amount), which "resembles" bond dollars.

In order to accommodate reporting of these two bonds, the TRACE system adopts the same workaround solution for the calculation of yield to maturity, based upon a "bond like" price (a price under 100). The TRACE system assumes a \$1,000 par; hence, reporting a quantity of 1 (unit) would be disseminated as \$1,000, which would be both incorrect and misleading. Therefore, since each security trades in increments of \$10,000, the reporting party should report a quantity of 10 for each unit traded. When the transaction information is disseminated, the quantity will appear as 10,000. Report yield to maturity (YTM) only. Firms executing OTC transactions in either of these issues should submit their TRACE reports according to the example below. Firms reporting through third party intermediaries should make sure that they can support this methodology; otherwise, reporting will have to be accomplished manually. When reporting through NSCC, the entry should be submitted using a zero-coupon price (e.g., less than 100) and a quantity 10 times the number of units traded (rather than contract amount). The entry should be marked as a "reporting only" report, so that it will not flow through NSCC's comparison system. Any possible submissions to NSCC for comparison in these securities should be done separately from the regulatory report.

### **Example:**

1 unit having a maturity value of \$10,000, reported quantity = 10; reported price = 49.50; yield to maturity is determined from this price, using the zero coupon calculation. When disseminated, the quantity reported of 1 unit will appear as 10,000 traded at 49.50 with the corresponding yield to maturity. (To report 4 units, quantity = 40)

**Note:** Report YTM only.

### **How to report commission for these issues:**

**Commissions in fractions of a point:** Because the maturity value of each unit is \$10,000, 1 point = \$100, rather than the norm of \$10 for a bond with a \$1,000 maturity value. If the commission charged to the customer is an eighth of a point (.125) on the trade, this represents \$12.50 per maturity value of \$10,000. In this example, enter .125 in the commission field. If, for example, the price of one unit traded is \$4,950 (on

the NYSE: \$495), on TRACE, the price reported is 49.50. Add or subtract the eighth of a point (depending upon whether you sold or bought) to/from the price that will be used to calculate the yield. If selling, the all-inclusive price would be 49.625 ( $49.50 + .125$ ), with YTM calculated from this price. If buying, the all-in price would be 49.375 ( $49.50 - .125$ ), with YTM calculated from this price.

**Flat-fee commissions:** If the commission charged to the customer on 2 units of \$10,000 is \$50, and the price of one unit is \$4,950 (on the NYSE: \$495), then the price reported to TRACE is 49.50, and the commission is reported as .25. If selling, add .25 to 49.50 and calculate YTM from an all-in price of 49.75. If buying, subtract .25 from 49.50 giving an all-in price of 49.25 with which to calculate YTM.