

DATE:	2/4/2011
SUBJECT:	NASDAQ PEGGED ORDERS
FROM:	OPERATIONS GROUP
TO:	LIGHTSPEED TRADING CUSTOMERS/TRADERS

Lightspeed Trader Version 7.0.195.1 and above supports two new Pegged Orders: Nasdaq-Primary-Pegged Order and Nasdaq-Midpoint-Pegged Order.

How do I get permission to Nasdaq Pegged Orders?

Ask your RM for permission to use these new order types.

What is Nasdaq Primary Peg?

A Nasdaq Primary Peg is a passive order that is intended to peg to the best non-Nasdaq participant on NBBO on same side of market. Users can select an offset to peg an order x cents better or select no offset to peg at same price.

What is Nasdaq Midpoint Peg?

Nasdaq Midpoint Peg is a hidden order that is pegged to the midpoint of the bid and offer. These orders will peg in half-penny increments in the event of an odd spread. For more information about the Nasdaq Midpoint Peg order, consult the following document: http://www.nasdagtrader.com/content/productsservices/trading/midpointpeg.pdf

How do I map Nasdaq Primary Peg and Nasdaq Midpoint Peg to my Keyboard?

Once you have permission to Pegged orders, you can map both keys to your keyboard in your Keyboard Tab. Select the type of key to map (Tier, Closeout, or Closeout Full) and be sure to select "Enhanced Keys" to see the extended list of keys available.

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Once you have found the keys, map them to your keyboard as seen below:



How do I use Nasdaq Primary Peg?

Set your peg offset to the amount above the best bid (when buying) or below the best offer (when selling) you would like your order to display. When your offset is 0 you will peg at same price as best NBBO.

Set your price to your Limit Price, the highest price you would be willing to buy at or the lowest price you would be willing to sell at.

In the example below, the order in GOOG will display at 611.02 and will continue to peg to the best bid until the bid price exceeds 612.01 or until the order is filled.

	100 GOOG	1					
612.01	100 0 01	E					c _ >
	GOOG						25%
💽 L 612.70	сно +1.66		сно % +0.27%	v 1,7	60.5		
HI 614.34	OPEN 611.00		X OPN 611.00	TIER	N1		
L0 607.53	CLOSE 612.00		PR VOL 2,736.6	X NS	DQ		
B SHRS 🛛	Reg O			NOL			
1 arca	611.01	1	nsdq	612.00	Z	612.70	25
5 nsdq	608.19	1	arca	612.45		612.10	1
1 edgx	605.00	2	edgx	614.00	Z 7	612.28	5

Corder Entry : GOOG			C_X
Symbol	Shares	Limit Price	Market
GOOG	100 ≑	612.01 ≑	NSDQ -
Туре	Visible	Peg Offset	TIF
NSDQ Primary Peg 🔻	100 🗘	0.01 ≑	DAY -
	Inside Bid	Inside Ask	
SELL	611.01	612.00	BUY



How do I use Nasdaq Midpoint Peg?

Set the price to your Limit Price, the highest price you would be willing to buy at or the lowest price you would be willing to sell at.

In the example below, the order in IMAX will be a hidden order to buy at 26.82 (the midpoint of the best bid and offer). As the price of the displayed NBBO changes, the price of your non-displayed midpoint peg order will keep changing until the midpoint exceeds your limit of 27.29 or until your order is filled entirely.

MDPT Peg 100 27.29	100 IMAX			,	
IM	AX				25%
L 26.80 HI 27.43 LO 26.66 B SHRS 0	CHG - 0.57 OPEN 27.27 CLOSE 26.80 Reg 0	CHG % - 2.08% X OPN 27.27 PR VOL 1,598.9	v 820.9 TIER N1 X NSDQ NOI 0		
30 nsdq 6 arca 1 edgx 2 bosx 2 edga	26.35 26.34 26.14 25.75 25.74	arca nsdq edgx bosx edga	27.29 Z 27.39 Z 27.55 Z 27.57 W 27.59 W	26.80 26.83 26.80 26.80 26.80	1 11 2 5 1

When placing Midpoint Pegged Orders with the Order Entry Window, there is no Limit Price. The price of your order will keep changing until your order is filled or until the user cancels the orders.

L Order Entry : IMAX					C _ X
Symbol	Shares	_		Market	
IMAX	100	* *	Market ‡	NSDQ	-
Туре	Visible			TIF	
Midpoint Peg 👻	100	÷	0.00 🖨	DAY	-
	Inside Bid		Inside Ask		
SELL	26.35		27.29	BUY	

When are Nasdaq Pegged Orders Supported?

These orders are only supported by Nasdaq during market hours, 9:30am - 4pm EST.