

TRADE NOW

Designed to increase execution opportunities

Overview

The Trade Now order instruction allows certain resting non-displayed orders to convert into an executable order that removes liquidity against an incoming Post Only order.

IEX Trade Now and IEX Post Only functionality are designed to help prevent information leakage. Post Only orders are only available on displayed orders that are at least a round or mixed lot size, which may establish a new NBBO.

Order Types that Use Trade Now

The Trade Now instruction will always apply to non-displayed limit orders, including non-displayed portions of reserve orders and non-displayed Discretionary Limit (“D-Limit”) orders, while being optional for Midpoint Peg (“M-Peg”), Fixed Midpoint Peg, Market Peg, and Offset Peg (“O-Peg”) orders. By default, the above four pegged order types will not include the Trade Now instruction. Users may change the default Trade Now settings at the port level or on an order-by-order basis.

The Trade Now instruction will not be supported for Discretionary Peg (“D-Peg”), Corporate Discretionary Peg (“C-Peg”), Primary Peg (“P-Peg”), and Retail Liquidity Provider (“RLP”) orders. Incoming Post Only orders will not trade against D-Peg, P-Peg, C-Peg and RLP orders.

Functionality Examples

Scenario 1: M-Peg Order with Trade Now

An M-Peg sell order with Trade Now rests at the midpoint.

Booked Sell Order		Ex. 1
NBO 10.12	—	—
MID 10.11	M-Peg w/ Trade Now	Post Only Buy
NBB 10.10	—	Filled ↑

A Post Only order enters to buy at \$10.11. As the incoming Post Only order's limit price matches the M-Peg order's book price, the trade occurs at \$10.11, with the resting M-Peg order becoming the remover due to the Trade Now instruction. Without the Trade Now instruction, no trade would occur. The Post Only Order would book at \$10.11 and the M-Peg order would rest at the new midpoint of \$10.115.

Scenario 2: D-Peg vs. Incoming Post Only Order

A D-Peg sell order rests 1 MPV above the NBO with discretion to the midpoint.

Booked Sell Order		Ex. 2
10.15	D-Peg Sell	10.15 D-Peg Sell
NBO 10.14	—	NBO 10.14
10.13	—	MID 10.13
MID 10.12	—	NBB 10.12
10.11	—	Post Only Buy
NBB 10.10	—	Booked

A Post Only order enters to buy at \$10.12. D-Peg orders do not support the Trade Now instruction. The resting D-Peg order does not trade and the Post Only order books at \$10.12, establishing a new NBB. D-Peg remains booked at \$10.15, with discretion to the new midpoint of \$10.13.

Technical Details

Tag	Field Name	Required	Details
18	ExecInst	Yes	M = Midpoint peg o = Offset peg P = Market peg For Fixed Midpoint Peg, ExecInst[18]=M and ExtendedExecInst[9416]=F
40	OrdType	Yes	P = Pegged
9303	RoutingInst	No	N = Trade Now - = None

Port Session Default: Trade Now

By default, M-Peg, Fixed M-Peg, Market Peg, and O-Peg orders will not include the Trade Now instruction. Users may change the default election as a port level setting by submitting an updated Equities Port Request Form, or on an order-by-order basis via new FIX tag 9303 ("RoutingInst"). Specifying the instruction on an order will override the port session default.

More Information

- [IEX Rule Filing: SR-IEX-2023-13](#)
- [IEX FIX Specification](#)
- [Port Request Form](#)
- [Trading Alerts](#)