The Midpoint Extended Life Order (M-ELO)
Frequently Asked Questions

What is the M-ELO order type?

M-ELO is an order type that is designed to attract and unite counterparties with longer-term investment horizons. M-ELO orders will only execute against other resting M-ELO orders and eligible CXC mid-point orders ensuring the matching of like-minded investors.

M-ELO orders are held for a 10 millisecond period before becoming executable. CXC mid-point orders must be marketable at the mid-point for at least 10 milliseconds before becoming eligible to match against M-ELO orders.

Who can access The M-ELO order type?

All Nasdaq Canada members will have the ability to enter M-ELO orders.

What CXC mid-points orders can interact with M-ELO orders?

All CXC mid-points orders will automatically be eligible to interact with M-ELO orders once they meet the minimum resting time of 10 milliseconds. CXC Post Only mid-point orders will not interact with M-ELO orders. Clients also have the option to opt-out of interacting with M-ELO orders with a port level setting.

What book will M-ELO orders trade on?

M-ELO orders will be entered on the CXC book and M-ELO trades will be identified with a unique marker on the CXC market data feed.

When does the M-ELO Timer Begin?

The M-ELO timer begins upon entry, if the order is marketable at the midpoint of the protected NBBO. If the order is not eligible to trade at the midpoint upon entry, the M-ELO timer will begin once the limit price of the order is priced at or better than the midpoint of the protected NBBO.

If the protected NBBO moves does the M-ELO timer reset?

No, the M-ELO timer will not reset. This is the case for both M-ELO orders that have fulfilled the minimum resting time, and M-ELO orders that have not.

How is priority determined for M-ELO orders?

M-ELO orders will be matched based on broker/time priority established at the time a M-ELO order becomes eligible to execute.

How is priority determined for eligible CXC mid-point orders?

In the event more than one eligible CXC mid-point order is available to match against one or more resting M-ELO orders, the eligible CXC orders will match in order of time priority.

Do M-ELO orders support broker preferencing?

Yes, both anonymous and attributed M-ELO orders are eligible for broker preferencing.

Is self-trade prevention supported by M-ELO orders?

Yes, all self-trade prevention options are supported by M-ELO orders.

How do I enter a M-ELO order?

Entering a M-ELO requires a new ExecInst (18) of "L".

Are M-ELO orders available to trade outside of regular market hours?

No. M-ELO orders are only available to trade from 9:30a.m. – 4:00pm ET. However, M-ELO orders may be entered prior to 9:30 a.m. ET but will not be eligible for execution until the listing market opens.

Can I send a M-ELO order with an IOC Time in Force?

No. M-ELO orders must rest on the order book.

Is Minimum Quantity supported by the M-ELO order type?

Yes, both Minimum Quantity (MQ) and Minimum Acceptable Quantity (MAQ) are supported by the M-ELO order type.

Can I send a M-ELO order for odd or mixed lot?

No, we do not accept odd lots or mixed lots for M-ELO Orders.

Do M-ELO orders execute in a locked or crossed market?

No. M-ELO orders do not execute in a locked or crossed market.

How are M-ELO executions displayed on data feeds?

M-ELO executions will be displayed in Nasdaq Canada's CXC data feed with a new Trade Attribute of "L".

Can I send a M-ELO order as a Post Only order?

No. We do not offer a Post Only attribute for M-ELO orders.

What securities are available for trading M-ELO orders?

All securities Nasdaq Canada makes available for trading will also be available for M-ELO orders.

When will M-ELO orders not execute?

M-ELO orders will not execute in the following situations:

- Anytime there is a single stock or market wide halt;
- If the NBBO is locked or crossed;
- If the midpoint of the NBBO is outside the Marketplace Threshold established by CIRO.

When would modifying an a M-ELO order result in losing queue position?

Any modification made to a resting M-ELO order will result in a loss of execution priority and a restart of the M-ELO timer with the exception of when the order quantity is reduced.

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