

PureStream on Nasdaq Europe

Frequently Asked Questions

What is PureStream on Nasdaq Europe?

PureStream on Nasdaq Europe¹ is a volume-based trajectory trading facility designed to minimize market impact while maximizing liquidity from equal counterparts.

PureStream matches Indications of Interest (IOIs) based on liquidity transfer rates. This allows institutional investors to minimize market impact and automate parent orders execution by trading a percentage of the market's future volume at the market's Volume-Weighted Average Price (VWAP). PureStream on Nasdaq Europe is offered by Nasdaq Investment Firm B.V., which pre-arranges trades that are thereafter formalized as negotiated trades on the relevant Nasdaq Nordic trading venues².

Why is Nasdaq launching PureStream in Europe?

The rise in indexing and passive investing has increased the popularity of benchmark strategies such as VWAP and Percentage of Volume (POV). PureStream on Nasdaq Europe facilitates these strategies by introducing a volume-based trajectory facility that executes pre-arranges trades in open-ended batches, as an alternative to single point-in-time liquidity sourcing.

What are the benefits of PureStream on Nasdaq Europe?

1. **Minimal market impact:** PureStream's unique Liquidity Transfer Rate (LTR) matching tracks the market's volume, pre-arranges a trade at the VWAP, and ensures no pre-trade information is revealed before the trade is formalized on Nasdaq Nordic trading venues - effectively reducing both the risk of information leakage and the market impact when executing larger trading interest.
2. **Flexible:** PureStream supports trading in fractions or multiples of the market's future volume.
3. **Risk management:** With no predefined time for trades and a robust reputational scoring mechanism, PureStream discourages unwanted behavior.
4. **Access to liquidity:** PureStream on Nasdaq Europe allows you to tap into a broad pool of liquidity, especially compared to in-house solutions.
5. **Simplicity:** Use the PureStream service through your existing Nasdaq Europe connectivity.

What is a non-actionable Indication of Interest (IOI)?

An IOI is an expression of conditional trading interest to buy or sell an instrument. PureStream IOIs are non-disclosed and non-actionable and contain information on quantity of shares, Liquidity Transfer Rate, and the limit price.

Is there a minimum size for IOIs?

Yes. An IOI needs to be at least €20,000 when entered (or an equivalent amount in the instrument's trading currency).

What is the Liquidity Transfer Rate (LTR)?

The LTR is a percentage of the market's future volume that a member is willing to trade. When IOIs are submitted, the LTR is expressed as a range – each IOI has a minimum and maximum LTR.

Which Liquidity Transfer Rate ranges are available?

The standard LTR ranges a trader may select are 5-15%, 5-30%, and 10-200%. Traders may also choose a custom range, as long as the minimum LTR is 1% or above and the maximum is 500% or below.

How does the matching logic work in PureStream on Nasdaq Europe?

1. Non-actionable IOIs are submitted to PureStream on Nasdaq Europe. The system tries to identify a match.
2. When a match is found, the clients are asked to firm up their IOI within a specific time period. Once the firm-ups are received, a PureStream matching cycle begins.
3. Nasdaq records the benchmark trades executed on the benchmark venues by monitoring real-time trade feeds. The volume executed across the benchmark trades is aggregated until at least five benchmark trades have been executed at more than one price level, and a minimum notional threshold is reached. This is the Minimum Stream Value (MSV).
4. Once a set of benchmark trades reaches the MSV, a PureStream trade is pre-arranged at VWAP calculated over the benchmark trades. The size of the pre-arranged trade formalized on the relevant Nasdaq Nordic trading venues is the agreed LTR times the aggregated total volume traded in the benchmark trades.
5. Steps 3 and 4 are repeated until the full volume is traded, the limit price of one of the IOIs crosses the price of one of the benchmark trades, or one of the IOIs is cancelled.

How can I protect from matching with small sized IOIs?

It's possible to add a Minimum Acceptable Quantity (MAQ) in order to specify the minimum quantity eligible for matching on the contra side. The MAQ is validated before a stream starts. It is not validated for each PureStream trade.

How is the matching priority determined?

PureStream on Nasdaq Europe prioritizes and matches IOIs based on the Liquidity Transfer Rate, rather than price or time. Matching priority is Client/LTR/Size/Limit price/Time. IOIs are matched based on their highest common LTR.

What is Volume-Weighted Average Price (VWAP)?

VWAP is the Volume-Weighted Average Price that an instrument has traded at throughout a time period or instances, based on both volume and price.

Which trades contribute to the calculation of the VWAPs used by PureStream on Nasdaq Europe?

VWAP is calculated based on trades executed on lit order books as part of continuous trading on benchmark venues. These trades are defined as benchmark trades. At least five benchmark trades at more than one price level are required to calculate the VWAP for a PureStream trade.

Which instruments are available for trading in PureStream on Nasdaq Europe?

European shares and depositary receipts primary listed in regulated markets in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Norway, Netherlands, Portugal, Spain and Sweden. Details on markets and instruments in scope will be available in Nasdaq reference data services.

What are the benchmark venues used for calculating VWAP?

The primary market where an instrument is listed on and the MTFs where it's traded.

- **Primary markets:** Nasdaq Copenhagen, Nasdaq Helsinki, Nasdaq Stockholm; Euronext Amsterdam, Brussels, Dublin, Lisbon, Milan, Oslo, Paris; Deutsche Börse XETRA; Bolsa de Madrid; Vienna Stock Exchange.
- **MTFs:** Cboe Europe, Aquis Europe, Turquoise Europe and First North Sweden.

What is the Minimum Stream Value (MSV)?

The Minimum Stream Value is the minimum size of a PureStream pre-arranged trade to be formalized based on the benchmark trades and LTR. The MSV is set to €1,000 or the equivalent amount in the instrument's trading currency.

How can I identify trades executed via PureStream on Nasdaq Europe in post-trade market data feeds?

PureStream pre-arranged trades formalized on the Nasdaq Nordic trading venue will be published in real time on the market data feeds as any negotiated trades formalized on these trading venues. Clients may identify those with the following Market Identifier Codes (MIC): PCSE for Nasdaq Copenhagen instruments, PHEL for Nasdaq Helsinki instruments, PSTO for Nasdaq Stockholm instruments and PFSE for European instruments (including Norwegian shares) on First North Sweden. The trades will also be flagged as any similar negotiated trades with the post-trade flags PRIC and BENC.

How will Nasdaq monitor trading activity on PureStream?

A robust automatic reputational scoring mechanism is used to monitor trading activity and protect the integrity of the service. Scores will be put in place to monitor users, and users who are repeatedly breaking established PureStream matches and not responding to firm-up requests will have their access limited.

How do I connect to PureStream on Nasdaq Europe?

All Nasdaq Nordic members will have access to PureStream service through their existing FIX or OUCH ports for their respective Nasdaq Nordic exchanges after becoming a client to Nasdaq Investment Firm B.V. For trading European instruments on First North Sweden, relevant post-trade arrangements will need to be verified. PureStream on Nasdaq Europe is supported both on FIX and OUCH protocols.

What are the post-trade arrangements for PureStream trades?

PureStream trades are CCP cleared through Nasdaq Nordic trading venues existing interoperable clearing model allowing members the choice of a CCP from Cboe Clear N.V., LCH Ltd and SIX x-clear Ltd.

Do IOIs participate in Nasdaq Nordic lit or dark order book trading?

No. PureStream on Nasdaq Europe is a Nasdaq Investment Firm offering, which is fully separate from the other trading methods offered by Nasdaq Nordic trading venues.

Nasdaq Investment Firm

What is Nasdaq Investment Firm B.V.?

Nasdaq Investment Firm is a Dutch-based MiFID-authorized investment firm within the Nasdaq group. In relation to PureStream on Nasdaq Europe, Nasdaq Investment Firm provides investment services to professional clients in the PureStream workflow.

Why is Nasdaq Investment Firm involved in PureStream on Nasdaq Europe?

Nasdaq Investment Firm is involved to facilitate the PureStream workflow by acting as an introductory broker and pre-arranger of PureStream trades. Its role is to receive and transmit conditional trading interest and to facilitate the agreement of execution parameters between participants. This structure allows PureStream trades to be efficiently pre-arranged while ensuring that all pre-arranged trades are formalized as negotiated trades on Nasdaq Nordic trading venues.

Do I need to be a client of Nasdaq Investment Firm to use PureStream on Nasdaq Europe?

Yes. Participation in PureStream on Nasdaq Europe requires becoming a client of Nasdaq Investment Firm. Participants must also be members of the relevant Nasdaq Nordic trading venues where PureStream trades are formally executed.

What investment service does Nasdaq Investment Firm provide in PureStream?

Nasdaq Investment Firm provides the investment service of Receipt and Transmission of Orders (RTO) in relation to PureStream on Nasdaq Europe. In this role, Nasdaq Investment Firm receives and transmits clients' conditional Indications of Interest for the purpose of pre-arranging PureStream trades. Execution of trades takes place exclusively on Nasdaq Nordic trading venues.

Does Nasdaq Investment Firm execute transactions in PureStream?

No. Nasdaq Investment Firm does not execute transactions in PureStream, either for its own account or on behalf of clients. All transactions resulting from PureStream are formally executed on Nasdaq Nordic trading venues, in accordance with the applicable venue rulebooks and regulatory requirements.

Is Nasdaq Investment Firm ever a counterparty to a PureStream trade?

No. Nasdaq Investment Firm is never a counterparty to a PureStream trade. PureStream trades are executed directly between market participants on Nasdaq Nordic trading venues.

Does Nasdaq Investment Firm hold any positions or exposure towards PureStream clients?

No. Nasdaq Investment Firm does not hold positions, inventory or market exposure in relation to PureStream trades. All positions, clearing and settlement obligations arise between the trading counterparties and the applicable clearing and settlement infrastructure of the executing Nasdaq Nordic trading venue.

What are the respective roles of Nasdaq Investment Firm and the Nasdaq Nordic trading venues?

Nasdaq Investment Firm is responsible for the pre-arrangement of PureStream trades. This includes the receipt and transmission of conditional Indications of Interest and the facilitation of agreement on execution parameters between participants, including calculation of the VWAP prices. Nasdaq Nordic trading venues are responsible to formalize and publish the trade using Nasdaq Trading venues Negotiated trade Waivers alongside sending the trades to the CCPs.

¹ For the purpose of this document, Nasdaq Europe refers to Nasdaq Investment Firm B.V., which offers the PureStream service to its clients.

² Nasdaq Nordic refers to trading venues operated by Nasdaq Copenhagen A/S, Nasdaq Helsinki Ltd and Nasdaq Stockholm AB.

All information contained herein is obtained by Nasdaq from sources believed to be accurate and reliable. Neither Nasdaq Europe or any of its affiliates or subsidiaries (collectively "Nasdaq") assumes any responsibility for any errors or omission contained herein. The information herein is not intended to provide legal advice on any matter, nor is it intended to be comprehensive. All information is provided "AS IS" without warranty of any kind. While the information has been prepared on the basis of the best information available, Nasdaq accepts no liability for decisions taken by any party, based on this information.

© Copyright 2026. All rights reserved. Nasdaq is a registered trademark of Nasdaq, Inc. 0615-26