14.1 Core Concepts—Instrument

CTS describes in Section 3 Common Semantic Elements of CTS the concepts of Resource, Product, and how time and duration are expressed. This hierarchy and relationship is a key concept, enabling participants (parties) to express what they wish to buy or sell without needing to know the details of potential markets.

FIX defines an instrument\(^\text{19}\) as that which is offered to be traded (bought or sold), for example a stock symbol or identifier. The semantic richness is far greater than CTS, which focuses on Resources, Products, and the specific time of availability for a given offer to buy or sell.

A FIX instrument is market-independent, although further metadata may tie a specific offer to a specific market or markets.

The CTS concepts that relate to an offer to trade, which we define below as a CTS Instrument, are a triple comprised of

- Resource
- Product
- Time interval of availability using a [WS-Calendar-PIM] time Interval

Integration software must therefore map a CTS Instrument to and from a FIX instrument.

14.2 Core Concepts—Offers and Agreement to Buy or Sell

There are multiple terms that describe offers to buy or sell an instrument including

- Offer
- Bid
- Ask
- Tender

FIX uses the term Order and CTS uses the term Tender.

FIX uses the term [Trade] Match to describe an agreement among parties to buy and sell, with both sides represented. A TradeMatchReport\(^\text{20}\) may reflect multiple parties each with a separate, market-driven match.

A FIX order is keyed by its OrderId\(^\text{21}\) (which is assigned by the sell side, and must be unique within the day of the order).

TODO More than two parties – terminology? Captured in TradeMatchReport?

CTS uses the term Transaction which has a single party for each side. CTS requires a Transaction description for each side, so if a party offers to sell say 100 of an instrument and ten different parties buy quantities adding to 100, there will be ten CTS/ Transactions produced. In the corresponding FIX message, there would be line items (potentially across messages) for each of the ten.

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