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# Monthly CAT Update

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March 23, 2023

# Agenda

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- CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates
- Transaction Technical Specifications Updates
- CAIS Reporting Updates
- Compliance Updates
- Upcoming Industry Webinars and Other Updates
- Q&A
- Appendix- Transaction Production Statistics

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# CAT NMS Plan, Exemptive Relief and Transaction Interpretive Updates

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# Transaction Interpretive Updates

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# New and Updated FAQs

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- ▶ One new Transaction [FAQ](#).
  - FAQ [B77](#) describes the reporting requirements when a security is the subject of a corporate action and is now a different security but trades under the same issue symbol.
- ▶ Two Transaction [FAQs](#) were updated.
  - FAQ [B74](#) provides additional clarity on how to handle the cancellation of Good till Cancelled (“GTC”) orders if the issue symbol has been delisted due to a corporate action.
  - FAQ [D10](#) was updated to conform with the new Release Schedule for the validation of CASH orders requiring the *quantity* field to be populated with ‘0’.

# Technical Specification Updates

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- ▶ There were no updates to the Transaction Technical Specifications or Reporting Scenarios document.
  - Industry Member Technical Specifications (2d) v4.0.0 r19 is scheduled to be published on Friday, April 7, 2023.

# 2023 Industry Member Releases (Transaction) – Scope and Schedule

## 2023 – ADF Release

Spec Publication – 12/16/2022

Industry Test Release – 3/6/2023

Production/Production Mirror Release – 3/27/2023

### Onboarding FINRA ADF

- Add new event - MENQS - New Quote Supplement event
- Add new event - MERQS - Quote Route Supplement event
- Add *representativeQuoteInd*, *askAggregatedOrders*, and *bidAggregatedOrders* fields to MENQ event
- Add *destinationType* and *session* to MERQ event
- Change *firmDesignatedID* and *accountHolderType* fields on MENQ event from Required to Conditional
- Requirement update to optionally populate *quantity=0* for CASH orders

## 2023 – Mid-Year Release

Spec Publication – 4/7/2023

Industry Test Release – 6/5/2023

Production/Production Mirror Release – 7/24/2023

### New *handlingInstructions* Validations

- Add a validation to restrict allowed paired values for CASH, SWQ and SW *handlingInstructions* to be greater than 0
- Add a validation to restrict allowed paired value for DISP *handlingInstructions* to be greater than or equal to 0

### Meta File Removal Phase 2

- Reject meta files at File Acknowledgement stage of processing

## 2023 – FDID Validation to Production Release

Production/Production Mirror Release – TBD – Not anticipated to be before the second half of 2023

### CAIS-related validations & Statistics

- Validate FDID against CAIS data
- Daily statistics reflecting FDID errors
- Provide a new linkage summary feedback file containing missing or invalid FDIDs

# 2023 Industry Member Releases (Transaction) – Scope and Schedule

## 2023 – FDID Validation Report Card Release

Production Release – TBD – Not anticipated to be before the second half of 2023

### Transaction Report Cards

- FDID Errors in Transaction Report Cards are not anticipated to be before the second half of 2023

## 2023 – Report Card by Processing Date Release

Production Release – 11/15/2023

### Transaction Report Cards

- Generate Report Cards by Processing Date starting with the Report Cards covering October 2023

## 2023 – Year-End Release

Spec Publication – 7/28/2023

Industry Test Release – 9/25/2023

Production/Production Mirror Release – 12/11/2023

### New *quantity* Field Validations

- Add a validation requiring *quantity* field value to be 0 for CASH orders

### Additional Scope - TBD

- *Potential additional scope, including Electronic RFQ Responses and other Exemptive Relief-Related items, may be added to this release or subsequent releases. Any scope changes will be announced and posted with sufficient notice.*



# Other Release Notes

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- ▶ Due to the ADF Release, the CAT Transaction and CAIS Production and Production Mirror Environments will be unavailable on Monday, March 27, 2023 from approximately 8 a.m. ET to 10 a.m. ET. During this time, Industry Members will not be able to submit data to these environments. There is no impact to the CAT Transaction Test or CAT CAIS Test environments.
  - FINRA CAT will send a communication when the system becomes unavailable and will send another communication when the system is back up.

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# CAIS Reporting Updates

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# CAIS Deadlines Set Forth in Guidance

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## ▶ June 2023

- 'UNPARSED' in the *firstName* field (disallowed effective June 13, 2023). See FAQ [Q58](#) for more information.
- Industry Member CAT Customers that reported themselves in a *role* of 'AUTH3RD' must update their *role* to 'AUTHREP' (last day is June 13, 2023). See FAQ [T7](#) for more information.

## ▶ July 2023

- Industry Member CAT Customers that were not identified with a *customerType* of 'BD' (last day is July 11, 2023). See [Planned Full CAIS Technical Specification Updates](#) for more information.
- Address required at the Customer-level (required effective July 12, 2023). See FAQ [Q67](#) for more information.

## ▶ These deadlines will be delayed:

- Periodic Full Account Refresh Requirement (currently noted to take effect in June 2023)
- Retirement of the Authorized Trader Names List (currently slated for retirement effective July 12, 2023). Please note that an exemption request has been submitted to the SEC.

# Full CAIS Industry Member Release Rollout

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## CAIS Report Card Release

### Report Card

- The first Full CAIS Report Card will be published for the first full month following the Full CAIS Compliance Go-Live date.
- Compliance Rates distinguished for Correspondent data

## Planned Future Enhancements

- INACTIVE End Reason will be made available prior to the periodic Customer & Account Information refresh
- Automated Transfer Procedure
- Optimization of error feedback
- Validate that *correspondentCRD* is a different identifier than the *catReporterCRD*

# New and Updated CAIS FAQs

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- ▶ No new CAIS [FAQs](#).
- ▶ One CAIS [FAQ](#) was updated.
  - FAQ [Q16](#) was updated to include an example for FDID and Customer associations in the Full CAIS Phase.

# Full CAIS Technical Specification Updates

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- ▶ There were no updates to the Full CAIS Technical Specifications or Reporting Scenarios document.

# CAIS Checkpoint Calls

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- ▶ The CAIS Industry Testing Checkpoint Calls are being held monthly until further notice.
  - The next [Call](#) will be on Wednesday, April 5, 2023 at 4:15 pm ET.
- ▶ The presentation and recording for [03/01/2023 CAIS Industry Testing Checkpoint Call](#) is available on the CAT website.

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# Compliance Updates



# Industry Member Report Card Updates

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- ▶ The February 2023 CAT Industry Member Transaction Report Cards were published on March 15, 2023
- ▶ Compliance Resources:
  - [Industry Member Report Card- Known Issues List](#)
  - [CAIS Compliance Glossary](#)
  - [Transaction Compliance Glossary](#)
  - Previously Recorded and Posted [Report Card Webinars](#)

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# Upcoming Industry Webinars and Other Updates

# Monthly CAT Update Industry Webinars

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- ▶ The next [Monthly CAT Update](#) will be held on April 20, 2023 at 4:15 pm ET.
- ▶ The recording and presentation from the [February 23, 2023](#) Monthly CAT Update is available on the CAT website.

# Live CAT Overview Training Sessions

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- ▶ FINRA CAT, LLC is now offering live and interactive CAT Overview training sessions for Industry Members and CAT Reporting Agents.
- ▶ The CAT Overview will focus on the CAT NMS Plan, Transaction and CAIS Subsystems, and Report Cards, and include a live demonstration of the CAT Reporter Portal.
- ▶ All training sessions are fully customizable to suit your firm's needs.
- ▶ Please contact the FINRA CAT Helpdesk at [help@finracat.com](mailto:help@finracat.com) or (888) 696-3348 to schedule a training session for your firm.

# Other Updates

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- ▶ CAT Organizations With Super Account Administrators (SAAs)
  - FINRA's [User Accounts Certification Process for Super Account Administrators \(SAAs\)](#) is scheduled for April 17 – June 19, 2023. During this period, SAAs for CAT Firms with one or more user and/or administrator accounts must certify that authorized users are only entitled to those privileges necessary to perform their job responsibilities on the FINRA Entitlement Platform or remove access if no longer required.
- ▶ The [Consolidated Audit Trail Advisory Committee List](#) was updated on March 1, 2023.

# FINRA CAT Helpdesk

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Questions may be directed to the FINRA CAT Helpdesk at 888-696-3348 or [help@finracat.com](mailto:help@finracat.com)

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**Q&A**

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# How to Ask a Question during Today's Call

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- **For participants using computer audio:**
  - Click the “Raise Hand” button at the bottom of the participants window.
  - A visual prompt will indicate that your line has been unmuted.
- **For participants using phone audio:**
  - Enter \*9 on your phone keypad.
  - An audio prompt will indicate that your line has been unmuted.



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# Appendix

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# Equities – Rolling Five Day Period

## Initial T+1 vs. T+5 8 am Data Ready for Regulators

### February 15, 2023 – March 2, 2023

Trade Date	Late%	Rejection Initial	Rejection Adjusted	Intrafirm Initial	Intrafirm Adjusted	Interfirm Sent Initial	Interfirm Sent Adjusted	Interfirm Received Initial	Interfirm Received Adjusted	Exchange Initial	Exchange Adjusted	Trade Initial	Trade Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
2/15/2023	.0001%	.0009%	.0006%	.0006%	.0004%	.0001%	.0000%	.0183%	.0173%	.0004%	.0004%	.0250%	.0248%	.0033%	.0028%
2/16/2023	.0024%	.0009%	.0006%	.0006%	.0004%	.0004%	.0000%	.0025%	.0013%	.0004%	.0004%	.0345%	.0339%	.0040%	.0035%
2/17/2023	.0029%	.0011%	.0007%	.0004%	.0003%	.0001%	.0001%	.0245%	.0239%	.0004%	.0004%	.0263%	.0256%	.0067%	.0062%
2/21/2023	.0429%	.0021%	.0017%	.0005%	.0003%	.0003%	.0001%	.1060%	.0114%	.0004%	.0004%	.0260%	.0251%	.0545%	.0449%
2/22/2023	.2658%	.0128%	.0004%	.0005%	.0002%	.0003%	.0001%	.3513%	.0017%	.0004%	.0004%	.0292%	.0286%	.3123%	.2664%
2/23/2023	.0004%	.0006%	.0004%	.0004%	.0002%	.0001%	.0001%	.0020%	.0010%	.0004%	.0004%	.0449%	.0318%	.0016%	.0012%
2/24/2023	.3964%	.0005%	.0003%	.0003%	.0003%	.0001%	.0001%	.5003%	.0010%	.0003%	.0003%	.1869%	.0287%	.4458%	.3970%
2/27/2023	.0011%	.0004%	.0002%	.0004%	.0003%	.0002%	.0001%	.0082%	.0016%	.0005%	.0005%	.0273%	.0255%	.0027%	.0017%
2/28/2023	.0002%	.0005%	.0002%	.0005%	.0004%	.0003%	.0001%	.0027%	.0019%	.0005%	.0005%	.0372%	.0361%	.0013%	.0009%
3/1/2023	.4515%	.0009%	.0006%	.0004%	.0003%	.0055%	.0001%	.8270%	.0016%	.0004%	.0004%	.0233%	.0224%	.5344%	.4525%
3/2/2023	.0825%	.0005%	.0002%	.0005%	.0003%	.0012%	.0001%	.0118%	.0109%	.0004%	.0004%	.0373%	.0364%	.0847%	.0841%

# Equities – Rolling Five Day Period

## Initial T+1 vs. T+5 8 am Data Ready for Regulators

### March 3, 2023 – March 16, 2023

Trade Date	Late%	Rejection Initial	Rejection Adjusted	Intrafirm Initial	Intrafirm Adjusted	Interfirm Sent Initial	Interfirm Sent Adjusted	Interfirm Received Initial	Interfirm Received Adjusted	Exchange Initial	Exchange Adjusted	Trade Initial	Trade Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
3/3/2023	.0246%	.0008%	.0002%	.0004%	.0003%	.0003%	.0002%	.0194%	.0020%	.0006%	.0005%	.0343%	.0332%	.0278%	.0253%
3/6/2023	.0004%	.0004%	.0001%	.0005%	.0004%	.0001%	.0001%	.0014%	.0010%	.0005%	.0004%	.0302%	.0292%	.0014%	.0010%
3/7/2023	.1208%	.0003%	.0001%	.0004%	.0003%	.0001%	.0000%	.3046%	.0014%	.0004%	.0003%	.0344%	.0338%	.1514%	.1214%
3/8/2023	.0092%	.0003%	.0001%	.0004%	.0003%	.0001%	.0000%	.0019%	.0012%	.0004%	.0004%	.7769%	.0605%	.0105%	.0098%
3/9/2023	.0004%	.0003%	.0001%	.0004%	.0004%	.0001%	.0001%	.0038%	.0012%	.0004%	.0003%	.0322%	.0302%	.0015%	.0010%
3/10/2023	.0094%	.0007%	.0000%	.0002%	.0002%	.0021%	.0001%	.0321%	.0293%	.0003%	.0003%	.0268%	.0260%	.0135%	.0124%
3/13/2023	.0562%	.0003%	.0001%	.0004%	.0002%	.0002%	.0001%	.1560%	.0020%	.0002%	.0002%	.0279%	.0253%	.0711%	.0568%
3/14/2023	.0305%	.0003%	.0001%	.0003%	.0003%	.0001%	.0001%	.1098%	.0723%	.0003%	.0003%	.0279%	.0266%	.0416%	.0378%
3/15/2023	.4771%	.0002%	.0001%	.0008%	.0002%	.0003%	.0003%	.9927%	.0011%	.0004%	.0004%	.0277%	.0267%	.5723%	.4775%
3/16/2023	.4356%	.0003%	.0002%	.0008%	.0003%	.0007%	.0006%	.1377%	.0017%	.0004%	.0004%	.0261%	.0245%	.4499%	.4362%

# Options – Rolling Five Day Period

## Initial T+1 vs. T+5 8 am Data Ready for Regulators

### February 15, 2023 – March 2, 2023

Trade Date	Late%	Rejection Initial	Rejection Adjusted	Intrafirm Initial	Intrafirm Adjusted	Interfirm Sent Initial	Interfirm Sent Adjusted	Interfirm Received Initial	Interfirm Received Adjusted	Exchange Initial	Exchange Adjusted	Trade Initial	Trade Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
2/15/2023	.0299%	.0009%	.0008%	.0008%	.0007%	.0197%	.0019%	2.3884%	.0035%	.0006%	.0006%	.1276%	.0989%	.0465%	.0315%
2/16/2023	.0006%	.0012%	.0006%	.0008%	.0008%	.0199%	.0028%	.0113%	.0061%	.0002%	.0002%	.3009%	.3009%	.0027%	.0019%
2/17/2023	.0000%	.0005%	.0005%	.0007%	.0007%	.0252%	.0039%	.0036%	.0034%	.0004%	.0003%	.0388%	.0145%	.0014%	.0011%
2/21/2023	.0602%	.0004%	.0003%	.0005%	.0005%	2.8954%	.0072%	.0725%	.0152%	.0020%	.0020%	.0463%	.0360%	.0797%	.0615%
2/22/2023	.0082%	.0003%	.0003%	.0005%	.0004%	1.4374%	.0136%	.0872%	.0221%	.0035%	.0035%	.1982%	.1937%	.0185%	.0101%
2/23/2023	.0312%	.0004%	.0004%	.0152%	.0151%	.0262%	.0102%	.5727%	.0121%	.0042%	.0040%	.0505%	.0404%	.0473%	.0435%
2/24/2023	.0000%	.0004%	.0003%	.0005%	.0005%	.0218%	.0015%	.0052%	.0032%	.0024%	.0024%	.3677%	.3466%	.0017%	.0015%
2/27/2023	.0002%	.0002%	.0002%	.0017%	.0017%	.0193%	.0015%	.0061%	.0033%	.0010%	.0010%	.0609%	.0355%	.0021%	.0019%
2/28/2023	.3861%	.0002%	.0002%	.0020%	.0020%	.0167%	.0012%	.0049%	.0023%	10.4545%	10.4544%	.0886%	.0689%	3.5099%	3.5098%
3/1/2023	.0002%	.0003%	.0003%	.0018%	.0018%	.0653%	.0071%	.0263%	.0031%	.0010%	.0010%	.0429%	.0393%	.0027%	.0021%
3/2/2023	.0087%	.0004%	.0002%	.0006%	.0005%	.0170%	.0010%	.6122%	.0023%	.0038%	.0038%	.0399%	.0399%	.0150%	.0106%

# Options – Rolling Five Day Period

## Initial T+1 vs. T+5 8 am Data Ready for Regulators

### March 3, 2023 – March 16, 2023

Trade Date	Late%	Rejection Initial	Rejection Adjusted	Intrafirm Initial	Intrafirm Adjusted	Interfirm Sent Initial	Interfirm Sent Adjusted	Interfirm Received Initial	Interfirm Received Adjusted	Exchange Initial	Exchange Adjusted	Trade Initial	Trade Adjusted	Overall Error Rate Initial	Overall Error Rate Adjusted
3/3/2023	.0005%	.0004%	.0002%	.0006%	.0006%	.0201%	.0013%	.0364%	.0033%	.0003%	.0002%	.3003%	.3003%	.0017%	.0012%
3/6/2023	.1078%	.0003%	.0002%	.0006%	.0005%	.0176%	.0013%	.0066%	.0028%	.0010%	.0008%	.1474%	.0211%	.1090%	.1086%
3/7/2023	.0007%	.0002%	.0001%	.0005%	.0005%	.0220%	.0012%	.0389%	.0022%	.0018%	.0017%	.0368%	.0184%	.0023%	.0017%
3/8/2023	.0007%	.0002%	.0001%	.0004%	.0004%	.0197%	.0009%	.0056%	.0025%	.0004%	.0001%	.3729%	.3386%	.0014%	.0011%
3/9/2023	.3754%	.0002%	.0002%	.0006%	.0006%	.0178%	.0018%	.0114%	.0026%	.0029%	.0028%	.3820%	.3820%	.3771%	.3768%
3/10/2023	.9042%	.0002%	.0001%	.0007%	.0007%	.0263%	.0019%	.0066%	.0032%	.0050%	.0050%	.0719%	.0719%	.9066%	.9063%
3/13/2023	.0083%	.0002%	.0002%	.0007%	.0006%	.0296%	.0029%	.0065%	.0029%	.0033%	.0032%	.1261%	.0545%	.0102%	.0099%
3/14/2023	.0979%	.0002%	.0001%	.0085%	.0006%	.0199%	.0014%	1.1445%	.9381%	.0007%	.0007%	.3642%	.3368%	.1104%	.1035%
3/15/2023	.0561%	.0003%	.0002%	.0010%	.0008%	.0277%	.0016%	.9441%	.0029%	.0003%	.0003%	.0763%	.0564%	.0630%	.0570%
3/16/2023	.0472%	.0002%	.0002%	.0007%	.0007%	.0214%	.0206%	.0059%	.0031%	.0004%	.0004%	.1624%	.1447%	.0482%	.0481%

# Equities – Industry Aggregate Trade Date Statistics

## February 15, 2023 – March 2, 2023

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Trade Date	Processed	Accepted	Late	Overall Errors Count
2023-02-15	32,887,822,472	32,887,496,941	74,312	935,504
2023-02-16	36,797,786,452	36,797,397,390	907,732	1,293,529
2023-02-17	36,303,816,274	36,303,207,364	5,881,535	6,352,047
2023-02-21	32,773,919,815	32,773,089,428	14,050,839	14,733,682
2023-02-22	39,454,011,714	39,434,679,172	104,840,845	105,126,441
2023-02-23	35,762,564,252	35,762,312,498	137,461	415,201
2023-02-24	36,358,445,637	36,358,228,830	144,121,351	144,345,719
2023-02-27	30,785,036,433	30,784,881,115	352,367	531,484
2023-02-28	31,372,835,469	31,372,669,786	53,878	277,064
2023-03-01	34,081,636,613	34,081,309,754	153,900,172	154,233,723
2023-03-02	32,443,600,998	32,443,429,200	26,771,236	27,263,863

# Equities – Industry Aggregate Trade Date Statistics

## March 3, 2023 – March 16, 2023

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Trade Date	Processed	Accepted	Late	Overall Errors Count
2023-03-03	28,234,789,393	28,234,545,666	6,954,537	7,145,192
2023-03-06	28,865,578,153	28,865,438,047	112,011	288,632
2023-03-07	37,731,814,851	37,731,683,833	45,590,947	45,784,320
2023-03-08	33,813,357,145	33,813,206,439	3,123,020	3,294,456
2023-03-09	37,874,358,812	37,874,211,530	162,515	378,538
2023-03-10	58,820,985,966	58,820,548,494	5,557,201	7,294,576
2023-03-13	67,556,110,136	67,555,918,723	38,006,414	38,362,943
2023-03-14	48,585,848,430	48,585,682,507	14,804,610	18,349,414
2023-03-15	59,729,134,050	59,728,306,511	284,965,150	285,208,885
2023-03-16	48,480,713,419	48,474,136,605	211,164,051	211,490,557

# Options – Industry Aggregate Trade Date Statistics

## February 15, 2023 – March 2, 2023

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Trade Date	Processed	Accepted	Late	Overall Errors Count
2023-02-15	5,111,611,635	5,111,564,949	1,534,115	1,608,174
2023-02-16	4,940,312,230	4,940,252,352	38,807	91,337
2023-02-17	5,129,181,785	5,129,152,327	13,213	64,078
2023-02-21	5,196,657,013	5,196,631,592	3,130,488	3,196,375
2023-02-22	5,550,071,150	5,550,051,191	458,405	557,153
2023-02-23	5,269,360,401	5,269,337,221	1,650,526	2,290,936
2023-02-24	5,530,438,514	5,530,414,883	5,584	83,599
2023-02-27	5,329,494,981	5,329,479,483	9,887	99,751
2023-02-28	7,771,886,277	7,771,869,286	580,811,625	580,916,969
2023-03-01	4,705,795,423	4,705,778,889	34,945	98,651
2023-03-02	5,028,911,729	5,028,888,118	441,367	531,946



# Options – Industry Aggregate Trade Date Statistics

## March 3, 2023 – March 16, 2023

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Trade Date	Processed	Accepted	Late	Overall Errors Count
2023-03-03	5,003,687,945	5,003,668,169	23,743	60,417
2023-03-06	4,933,645,415	4,933,629,848	5,321,680	5,358,890
2023-03-07	5,036,507,486	5,036,494,737	36,497	88,278
2023-03-08	5,211,311,995	5,211,300,594	42,011	65,322
2023-03-09	5,497,236,089	5,497,222,218	20,638,137	20,714,163
2023-03-10	6,599,459,143	6,598,722,993	59,674,030	59,811,163
2023-03-13	7,153,527,352	7,152,784,721	608,307	720,130
2023-03-14	6,759,227,757	6,758,356,598	6,618,475	6,998,851
2023-03-15	6,391,134,378	6,390,434,095	3,511,745	3,570,396
2023-03-16	5,723,726,172	5,723,203,576	1,452,255	1,507,384