

NZX DARK

ANONYMOUS. CONTROLLED. FUNCTIONAL.

FREQUENTLY ASKED QUESTIONS

May 2025



1. General

Q: What is NZX Dark?

A: NZX Dark is an exchange-managed hidden and anonymous mid-point order book which is only able to match orders at the current mid-point price of the central limit order book (NZX Central).

Q: Why can't I see the orderbook depth in NZX Dark?

A: There is no publicly available market depth and investors and NZX Participants only have visibility of their own orders in this book. This type of order book is commonly referred to as a "Dark" market.

Q: How do orders on NZX Dark match?

A: NZX Dark operates on a time priority basis. This means that if there are multiple orders eligible to trade in NZX Dark (considering their limits versus the current midpoint price and all other order parameters are met) the order entered earliest into NZX Dark will trade.

Q: What fees apply to NZX Dark?

A: All fees relating to NZX Dark are available on the NZX fee schedule here: [NZX Dark Fees](#)

Q: What products are available to trade on NZX Dark?

A: Any of the products available on the NZX Main Board (NZSX) are able to be traded on NZX Dark. This includes listed equities and funds.



2. Sweep Orders

Q: What is a sweep order?

A: A sweep order is a NZX Dark Order that will immediately be routed to NZX Central, to the extent it fails to match in NZX Dark. This feature allows Participants to potentially access additional liquidity, and to benefit from price improvement on all or part of the order.

Q: How should I use a sweep order?

A: A sweep order allows Participants to potentially access additional liquidity, and to benefit from price improvement on all or part of the order. Participants may consider using a sweep order when placing orders on screen to test NZX Dark for liquidity prior to the order hitting the NZX Central orderbook. This testing of the dark enhances the opportunity for execution at the midpoint providing price improvement that may otherwise not have been possible.

3. Access

Q: How do I access NZX Dark?

A: All NZX Trading Participants will have access to NZX Dark and can provide access to clients in the same manner that they access NZX Central currently.

Q: When can NZX Dark be used?

A: NZX Dark is only operational during the Normal Trading Session (continuous trading) and is never available during auctions or while in halt.

Q: Can retail investors access NZX Dark?

A: Yes, retail investors are encouraged to speak with their brokers directly about the use of NZX Dark.



4. Functionality

Q: What is the Minimum Execution Quantity (MEQ)?

A: The Minimum Execution Quantity (MEQ) allows order placers and users of NZX Dark to specify a minimum number of shares (minimum partial fill) that an opposing order must satisfy to create a matching trade execution within NZX Dark. MEQ is an optional tool available to users to ensure they achieve what they individually consider to be quality order executions without exposing volume resting in NZX Dark.

Q: Are there any minimum order size criteria in NZX Dark?

A: There are no minimum order size criteria in NZX Dark. Order placers can use the MEQ functionality to determine the order size they wish to interact with.

Q: Are NZX Dark trades reported to the market?

A: NZX Dark orders are not disseminated to the market down any public market data feeds, however trades executed on NZX Dark are reported to market, as on-market trades, and can be identified as having been executed via this venue.

Q: Are trades on NZX Dark price setting?

A: Yes, trades on NZX Dark are price setting assuming they meet the existing price setting trade parameters.

Q: What message protocols will support NZX Dark

A: Native FIX and OUCH will support NZX Dark for order placement and NZX Dark Trades are visible down the ITCH and MDF data feeds as well as the MT518 post trade confirmation message.

Q: Is Self-match prevention functionality available on NZX Dark?

A: Yes, Self-match prevention (SMP) functionality is available on NZX Dark

Q: Does NZ RegCO Surveillance monitor activity in NZX Dark?

A: Yes, NZ RegCo Surveillance will monitor all activity on NZX Dark to ensure NZX markets remain fair, orderly and transparent and to monitor potential breaches of Participant trading conduct obligations.

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