

2018

**ANNUAL EXECUTION QUALITY  
SUMMARY STATEMENT**

**TRADE**

CAPITAL  
MARKETS

## 1. INTRODUCTION

When we execute orders on our clients' behalf, we are obliged by the European Regulatory Requirements (Article 27(10)(b) of MiFID II) to take all sufficient steps to achieve the best possible results on a consistent basis.

To enable the public and investors understand and evaluate the quality of our execution practices, we publish this annual information about how and where we have executed our clients' orders in the given year.

## 2. IMPORTANCE OF EXECUTION FACTORS WHEN ASSESSING THE QUALITY OF EXECUTION

We monitor and assess the quality of execution we deliver to our clients daily. This is achieved by taking into consideration the following parameters and by placing the relative importance on each execution factor as described below:

Factors	Our Remarks
<p>Price</p> <p>HIGH IMPORTANCE</p>	<p>Price is the most important factor for us when considering best execution and thus we have access to different price feeds through our multiple Liquidity Providers.</p> <p>In 2018, daily checks were run by the dealing desk, comparing the prices quoted by the platform with other Liquidity Providers multiple times per day and assessing whether the price feeds and hedging venues the Company relies on pricing its products, allow it to achieve best execution on a consistent basis or whether adjustments are required. The methodology used to ensure that the price offered to our clients is at any given time the best price we could obtain on their behalf, is regularly audited and adjusted, if needed. Finally, regular slippage reports are performed to ensure that the actual execution prices are in line with clients' requests and current market conditions.</p>
<p>Likelihood of execution</p> <p>HIGH IMPORTANCE</p>	<p>Our trading platforms automatically accept all placed orders. The likelihood of execution generally depends on the liquidity available in the market and the depth of liquidity pools of the Liquidity Providers.</p> <p>Given that we rely on third-party Liquidity Providers for the price and volume of our offered products, execution of clients' orders depends on their availability at the time the orders were received, especially during abnormal market conditions.</p>

Factors	Our Remarks
	To assess the likelihood of execution, dealing desk monitors and analyses the rejection cases daily and monthly.
<p>Speed HIGH IMPORTANCE</p>	<p>All client orders are executed with “no-dealing desk execution”. This means that we use automated execution engines rather than manual intervention and thus minimising the possibility of delays.</p> <p>Execution duration is closely and regularly monitored by dealing desk, and any failures or unusual patterns are investigated and rectified.</p> <p>During 2018 we have optimised our trading infrastructure by allocating our trading servers to reliable data centers like Equinix and LD4. As a result our clients are provided with stable and fast connection to the trading platform. Furthermore, we have optimal connections to our Liquidity Providers and market data vendors so as to provide to our clients faster execution and real-time market data.</p>
<p>Costs HIGH IMPORTANCE</p>	<p>During 2018, we have established a Liquidity Hub aiming to keep the costs of our clients’ transactions low and competitive by optimising the trading infrastructure, eliminating certain elements, intermediaries or counterparties which are not justified for the overall execution quality and thus making the execution process as cost effective as possible.</p> <p>We are transparent about our charges and fees, so our clients always know what they will be charged when they trade with us. Please refer to our Charges and fees section on our website.</p>
<p>Other factors AS APPLICABLE</p>	Varying depending on circumstances

**3. COMMON OWNERSHIP AND CONFLICTS OF INTEREST**

We act as a Principal to our clients’ trades under a Matched Principal Capacity. This means that we match all clients’ trades with our Execution Venues. We do not share any close link, conflicts of interest or common ownership with any of our executing venues.

## 4. OTHER INFORMATION

1. **Liquidity Providers:** During 2018, we established Liquidity agreements with 4 new Liquidity Providers, domiciled in EU and terminated our relationship with our affiliated Company “LeadCapital Corp”. Those actions have been taken by us as part of our efforts to improve our services and act for the best interest of our clients.
2. **Client Categorisation:** We provide best execution to both retail and professional clients. Even though we do not treat our clients’ order differently depending on their categorisation, we do acknowledge the variation in the nature of trading between the two categories. For our retail clients, price and cost are usually the most important factors to achieve the best possible result. For our professional clients, importance may also be given to other factors such as speed and likelihood of execution, depending on their needs.
3. **Data and tools used:** We have an industry-leading price and execution technology software and Liquidity Bridge enabling us to send and receive prices, process clients’ execution requests and generate reports automatically. Those reports are reviewed by our dealing desk constantly to evaluate the quality of execution and make the relevant adjustments, if needed.

## 5. INFORMATION ON THE TOP FIVE EXECUTION VENUES

**Leveraged products:** We have changed our trading model since 1st August 2018 from transmitting orders for execution (i.e. STP) to executing on a principal-to-principal basis for transactions in CFDs (i.e. Matched Principal). This means that when our clients trade with us we act as the sole execution venue to their trades and match all their trades with our Execution Venue.

**Shares trading:** When we receive an order from our clients for shares trading, we transmit that order to our executing broker. This means that, even though our clients are contracting with us, we transmit their orders to another execution venue.

Information about the top five venues (for CFDs) and top five transmission venues (for shares) are found on the tables below as well as on the separate set of tables on our website.

## ANNEX

### Summary Table 1: Retail Clients

Class of financial Instrument – Contracts for Difference					
Notification if <1 average trade per business day in the previous year			N		
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
LeadCapital Corp (213800KQJNQNL59JCW24)	94.15%	87.05%	0%	100%	0%
Magnasale Trading Limited (549300M2TA4XMO4UUZ22)	5.84%	12.95%	0%	100%	0%

### Summary Table 2: Professional Clients

Class of financial Instrument – Contracts for Difference					
Notification if <1 average trade per business day in the previous year			N		
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
LeadCapital Corp (213800KQJNQNL59JCW24)	79.21%	77.54%	0%	100%	0%
Magnasale Trading Limited (549300M2TA4XMO4UUZ22)	20.79%	22.46%	0%	100%	0%

### Summary Table 3: Retail Clients

Class of financial Instrument – Shares					
Notification if <1 average trade per business day in the previous year			N		
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Just2Trade Online Ltd (52990029TKC9LBIJWM35)	100%	100%	5.56%	94.44%	0%

### Summary Table 4: Professional Clients

Class of financial Instrument – Shares					
Notification if <1 average trade per business day in the previous year			N		
Top five execution venues ranked in terms of trading volumes (descending orders)	Proportion of volume trades as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Just2Trade Online Ltd (52990029TKC9LBIJWM35)	0%	N/A	N/A	N/A	N/A