

OFFERSFX

ONLINE TRADING

Execution of Orders on CFDs during 2020

EXECUTION QUALITY SUMMARY STATEMENT

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1. INTRODUCTION

Xtrade Europe Ltd (hereinafter, the “Company”) is an Investment Firm incorporated and registered under the laws of the Republic of Cyprus, with registration number HE248449. The Company is authorised and regulated by the Cyprus Securities and Exchange Commission (hereafter the “CySEC”) under the license number 108/10.

This is the **Execution Quality Summary Statement** (hereinafter, the “Statement”) of the Company, with the application of the Investment Services and Activities and Regulated Markets Law of 2017, pursuant to the requirement of disclosure of such information under Regulation EU 2017/576 supplementing MiFID II. MiFID II is the European Parliament and Council’s Directive 2014/65/EC.

The Company is required to inform all its Retail Clients about all sufficient steps taken to obtain the best possible result for its Clients (“best execution”) either when executing Client orders or receiving orders for execution in relation to financial instruments. This Statement is a summary of those sufficient steps taken by the Company in addition to those referred in the best execution policy of the Company, as well as analysis and conclusions derived by the monitoring undertaken with respect to Clients orders’ execution on the execution venues utilized by the Company within 2020.

2. APPLICATION

This Policy applies to Retail and Professional Clients of the Company

In the case of Retail Clients, in applying the best execution in the normal course of business, we determine the best possible result in terms of total consideration. Total consideration is the price of the financial instrument concerned and the costs payable by the retail Client as a result of execution. These costs include all expenses incurred that are directly related to the execution of the order (such as execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order). These costs do not include our own commission, spread or margin. We may take the other execution factors into account where they are instrumental in delivering the best possible result (in terms of total consideration) for the retail Client.

The application of the best execution is neither a guarantee that the best price will be obtained nor a guarantee that the transaction will be executed in full.

3. RELATIVE IMPORTANCE OF EXECUTION FACTORS DURING 2020

For the assessment of execution of Clients’ Orders the Company takes into consideration the following factors:

- (a) Price
- (b) Cost
- (c) Speed
- (d) Likelihood of execution
- (e) Likelihood of settlement

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- (f) Size of order
- (g) Market Impact
- (h) Nature of order.

You may refer to the best execution policy of the Company for further details on the above.

4. EXECUTION VENUES USED BY THE COMPANY

The Company during 2020 was the sole execution venue with respect to the execution of clients orders, since during the reference year of this Statement acted as a principal at all times.

In selecting an execution venue for the execution of a transaction the Company takes into account the following:

- price
- cost of execution
- liquidity available for the financial instruments concerned
- speed of execution
- reliability of the venue
- continuity of trading
- creditworthiness – good standing of the venue
- quality of any related clearing and settlement facilities, and
- such other factors as we consider relevant to the application of the overarching principle.

The Company deems that the pricing obtained through its price feed providers enable the Company to offer the best possible result with respect to the execution of its clients orders while acting as a principal, instead of using third party execution venues.

5. CONFLICTS OF INTEREST

The Company does not maintain any close links or common ownership with any third party execution venue or price feed providers.

6. PAYMENTS OR NON-MONETARY BENEFITS BETWEEN THE COMPANY AND ITS EXECUTION VENUES

Since the Company acted the sole execution venue during 2020 no such payments or nonmonetary benefits were paid/provided to, or received by the Company.

7. ONGOING MONITORING

The Company monitors the arrangements described in this Statement in order to identify any deficiencies and to assess whether we need to make any changes. This monitoring includes the monitoring of the performance of connected parties and other third parties to whom we may engage in the future to transmit Client orders to.

The Company monitors on an ongoing basis its execution arrangements by checking the orders executed and evaluates them taking into consideration the below:

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- Price updates (ticks per minute)
- Latency (speed of execution – time from reception to execution)
- Market depth of its venues with respect to all CFDs offered
- Price freezing or halts
- Technology – connectivity of platforms with the execution venues; The Company has its own technology Company, developing, maintaining and supporting 24/7, all the technology of the Company's platform/back office.
- Comparison of pricing (for the quotes provided pre-execution and the price obtained post execution) with independent price data providers such as Bloomberg, Thomson Reuters etc.
- Slippage monitoring (where occurs to be balanced and reasonably justified)

The Company's Brokerage Department is monitoring the above in coordination with the IT Department and reports to the Senior Management of the Company on a daily basis.

Finally, the above monitoring procedure is under the review of the Control functions of the Company, namely the Compliance and Internal Audit functions which report directly to the Board of Directors of the Company their findings and recommendations on an annual basis at least.