



**Execution Quality Summary Statement**

**for the year 2020**

**on execution arrangements for  
CFDs**

**Exness (Cy) Ltd**

**CIF 178/12**

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## **Purpose**

The Execution Quality Summary Statement (hereinafter the EQSS or the Statement) is a statement that Exness (Cy) Ltd (hereinafter, the “Company”), an Investment Firm authorised and regulated by the Cyprus Securities and Exchange Commission with Licence Number 178/12, is required to disclose to its clients under Regulation EU 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

The EQSS is a summary of the analysis and conclusions the Company drew from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders during the year 2020, covering a full year cycle (hereinafter, the “Year Under Review”).

The Company urges its clients and/or potential clients to read the Statement carefully as it contains information on how the Company executes orders to various execution venues in relation to the Asset Class of CFDs.

The EQSS along with the accompanied tables will remain on the Company’s website for two years at least post its publication.

This document is solely for your own use and cannot be published elsewhere without the written consent of the Company.

## 1. Relative Importance of Execution Factors during the Year Under Review

The Company when executing Clients' Orders is required under the relevant regulatory framework to assign a relative importance on the following execution factors:

- (a) Price;
- (b) Cost;
- (c) Speed of Execution;
- (d) Likelihood of execution;
- (e) Likelihood of settlement;
- (f) Size of order;
- (g) Market Impact;
- (h) Nature of order.

For details on how each factor is assessed ex ante when executing clients' orders please refer to the Company's [Best Interest and Order Execution Summary Policy](#). The Company during the Year Under Review offered services to the following categories of clients until the end of January 2020. The Company offers services only to per-se Professional Clients and Eligible Counterparties as of February 2020.

### i. Retail Clients

For these clients, the Company by virtue of the applicable regulatory framework is required to provide best execution in accordance with total consideration whereby total consideration represents the price of the Financial Instrument and the costs related to execution, which include all expenses incurred by the client which directly related to the execution of the Order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order, as applicable.

### ii. Professional Clients (including per-se Professional and elective Professionals)

The Company has in place the appropriate execution arrangements to offer services to Professional Clients. The Company places emphasis on price and execution costs aligning its execution arrangements for these clients as those applicable to Retail Clients (see point i. above).

## 2. Execution Venues during the year under review

The Company's execution venue(s) during the year under review were:

No.	Name of Execution Venue	Country of Establishment	Commencement date of the relationship with the Company	End date of the Business relationship with the Company
1	Forex Capital Markets Limited	United Kingdom	10/2013	/
2	CFH Clearing Limited	United Kingdom	09/2016	/

The Company does not have close links or common ownership structures with any of the aforementioned execution venues.

## 3. Change of Execution Venues during the year under review

During the year under 2020, the Company did not terminate the business relationship with any Execution Venues. The Company, for the execution of orders collaborates with entities established and regulated in the EEA or duly authorised and regulated entities domiciled in a third country for which there is an equivalence decision for the purposes of Article 107(4) or Regulation (EU) No 575/2013, specifically for the type of entity they collaborate with or in a country which is a member of the G20.

## 4. Conflicts of Interest

The Company lists (non-exhaustive) the possible conflicts of interest it is facing (inclusive of conflicts of interest in relation to the execution venues it uses) as well as the relative mitigation measures in its [Conflicts of Interest Summary Policy](#).

## **5. Payments or non-monetary benefits (made or received) to/by Execution Venues**

During the Year Under Review the Company's arrangements with its liquidity providers stipulated that the Company does not receive any monies or non-monetary benefits from the liquidity providers for the execution of Clients orders. The Company pays its liquidity providers a fee based on trading volume that does not create a conflict of interest.

The Company generates its revenues from commissions paid by its Clients upon initiating a trading order. The Company's costs and charges are listed on the Company's website.

## **6. Tools and Data used during the Year Under Review.**

The Company during the Year Under Review deployed a number of methodologies and tools in order to monitor, and where applicable adjust, its execution parameters in order to ensure consistency with its overarching obligation to offer the best possible result for its clients' orders. In broad terms the Company monitors on an ongoing basis its execution arrangements by selecting appropriate samples of orders executed and evaluates the samples in accordance to the following dimensions:

(a) Evaluating the Company's execution venues in accordance to the following:

- Pricing Frequency (price updates in real time);
- Speed of execution;
- Frequency and duration of price freezing ;
- Depth of liquidity;
- Pricing transparency ;
- Slippage frequency etc.

(b) Price Fairness by comparing independent prices relayed by independent market data providers with the prices quoted by its execution venues. For this purpose the Company has subscribed to independent price aggregators.

(c) Technological prowess of Company systems (responsiveness of interface, lag, integration with the IT systems of the execution venues etc.).

## 7. Reviews of Execution Monitoring - Control Functions

The Company's brokerage department produces reports on a monthly basis with the evaluation process described above (please refer to Section 6) and if actions are required liaise with the Company's senior management for next steps.

The Company's control functions (Compliance and Internal Audit) scrutinise the monitoring procedure conducted by the brokerage department and the actions taken by the Company's senior management. The Company's control functions present their findings to the Company's Board of Directors at least annually, for further scrutiny and actions.

## 8. Execution Venues Report

The information presented below refers to the top five execution venues in terms of trading volumes used by the Company for executing the orders of Retail and Professional Clients. The information refers to the Asset Class of CFDs for the year 2020.

Information on the top five execution venues during the year 2020 (Retail Clients)					
Class of Instrument	Contracts for difference (CFDs)				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded 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

Exness (Cy) Limited, 213800TS6IQF7NLQSP32	99.97%	99.84%	0% (none)	100.00%	0% (none)
Forex Capital Markets Limited, 549300S24DMOQB7FX206	0.02%	0.10%	0% (none)	100.00%	0% (none)
CFH Clearing Limited, 549300FSY1BKNGVUOR59	0.02%	0.05%	0% (none)	100.00%	0% (none)

Information on the top five execution venues during the year 2020 (Professional Clients)					
Class of Instrument	Contracts for difference (CFDs)				
Notification if < 1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded 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
Exness (Cy) Limited, 213800TS6IQF7NLQSP32	100.00%	100.00%	0% (none)	100.00%	0% (none)