



**EXECUTION QUALITY
SUMMARY STATEMENT ON
EXECUTION ARRANGEMENTS
FOR CONTRACTS FOR
DIFFERENCE (CFDS)
FOR THE YEAR 2020**

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EXECUTION QUALITY SUMMARY STATEMENT ON EXECUTION ARRANGEMENTS FOR CONTRACTS FOR DIFFERENCE (CFDS) FOR THE YEAR 2020

Purpose

The Execution Quality Summary Statement (hereinafter the “EQSS” or the “Statement”) is a statement that Trading Point of Financial Instruments Ltd (hereinafter the “Company”), an Investment Firm authorised and regulated by the Cyprus Securities and Exchange Commission (CySEC) with License Number 120/10, 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 regards 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 as regards the execution venue(s) used by the Company in relation to the asset class of Contracts for Differences (CFDs).

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

This document is solely for 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 relative importance to the following execution factors:

- (a) Price;
- (b) Cost;
- (c) Speed of execution;
- (d) Likelihood of execution;
- (e) Likelihood of settlement;
- (f) Size of Order; and
- (g) Market Impact.

For details on how each factor is assessed *ex ante* when executing clients' orders please refer to the Company's [Order Execution Policy](#). During the year under review the Company offered services to the following categories of clients:

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 and which are directly related to the execution of the order.

ii. Professional Clients

During the year under review, the Company placed emphasis on price and execution costs, aligning its execution arrangements for these clients as those applicable to retail clients (as per point i above).

2. Execution venues during the Year under Review

The Company acts as principal and not as agent on the Client's behalf and, therefore, the Company is the sole execution venue for the execution of the Client's orders in financial instruments provided by the Company ("*supported financial instruments*").

3. Change of Execution Venues during the Year under Review

During the year under review, the Company was the sole execution venue for the execution of client's orders.

4. Conflicts of Interest

As mentioned in section 2 above, the Company is the sole Execution Venue for the execution of the client's orders. Should the client decide to open a position in a financial instrument with the Company, then that open position may only be closed with the Company. The Company's approach to identify and prevent or manage conflicts of interest, which may arise during the course of its business activities is set out in the [Summary Conflict of Interest Policy](#).

5. Payments or non-monetary benefits made to or received by Execution Venues

As explained above, the Company is the sole Execution Venue for the execution of the client's orders and, therefore, it does not have any specific arrangements with other execution venues regarding payments made or received, discounts, rebates or other non-monetary benefits.

6. Methodologies/Tools and data used for the Monitoring of Execution Arrangements

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 to its clients. In broad terms, the Company monitors its execution arrangements, through the performance of inter alia the following monitoring functions:

- (a) The Company monitors, on a real-time basis, the execution quality by taking into account the following execution metrics (not a comprehensive list):
 - real-time price updates;
 - spreads at individual financial instrument level;
 - speed of execution;
 - pricing transparency;
 - depth of liquidity.
 - frequency and duration of price freezing;
 - price jumps; and
 - symmetric slippage.
- (b) Each liquidity provider's price feed is subject to predetermined checks and verifications that occur close to real time, which are carried out by the Company at individual financial instrument level, before a price becomes available for clients to trade.
- (c) The Company evaluates price fairness by comparing, on a real-time basis, prices relayed by market data providers with the prices quoted by the Company.
- (d) Also, the Company performs real-time monitoring of its spreads at individual financial instrument level by comparing actual spreads against previous spreads received from the same liquidity provider.
- (e) Real-time monitoring of latency of the price of an individual financial instrument.
- (f) Further to the real-time monitoring mentioned above, the Company performs, on a weekly basis, comparison of the average prices provided by its liquidity providers against external price sources or other venues to ensure that no significant deviations in the prices quoted to clients had occurred.
- (g) The Company uses in-house tools to monitor the overall slippage as well as the slippage per type of order, on a regular basis, to ensure that it is symmetric (i.e. balance between positive and negative slippages) and fair.
- (h) The Company evaluates, on a regular basis, the capabilities of its automated systems and technological prowess (e.g. responsiveness of interface, integration with the IT systems of market data providers, lag levels etc.).

7. Corrective Action on Execution Monitoring - Control Functions

In case any weakness/deficiency is detected by the Company's personnel responsible for the monitoring of the execution arrangements, as per the Company's monitoring process described in Section 6 above, the said personnel liaise with the Company's relevant departments and/or senior management for corrective action.

The Company's control functions (compliance function and internal audit) scrutinise, on a regular basis, the monitoring process on execution arrangements and any action taken by the Company's relevant personnel. In addition, the Company's control functions present, at least annually, any findings/observations in relation to execution arrangements to the Company's Board of Directors for further scrutiny and action.

8. Report on Execution Venues

The information presented below refers to the top five (5) execution venues in terms of trading volumes used by the Company for executing the orders of retail clients and professional clients. The information refers to the asset class of Contracts for Differences (CFDs) for the year 2020.

Information on the top five execution venues during the year 2020 (Retail Clients)					
Class of Instrument	Contracts for Differences (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
TRADING POINT OF FINANCIAL INSTRUMENTS LTD (2138006UVTSIVZ8XQ833)	100%	100%	N/A	N/A	N/A
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					

Information on the top five execution venues during the year 2020 (Professional Clients)

Class of 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 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
TRADING POINT OF FINANCIAL INSTRUMENTS LTD (2138006UVTSIVZ8XQ833)	100%	100%	N/A	N/A	N/A
Name and Venue Identifier (MIC or LEI)					
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