



Execution Quality Summary Statement
for the year 2017
on execution arrangements for CFDs

Royal Forex Limited

CIF 269/15



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Purpose

The Execution Quality Summary Statement (hereinafter the EQSS or the Statement) is a statement that **Royal Forex Limited** (hereinafter, the “Company”), an Investment Firm authorised and regulated by the Cyprus Securities and Exchange Commission with Licence Number **269/15**, 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 **2017**, 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 when operating under the STP model in relation to the Asset Class of CFDs.



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 [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 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.

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	Sucden Financial Limited	United Kingdom	09/2015	11/2017

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

The Company notes that during the year under review did not change the list of execution venues as these are listed in its [Order Execution Policy](#).

4. Conflicts of Interest

The Company does not have any close links and/or common ownership structures with **Sucden Financial Limited**.

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

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

6. During the Year under Review the Company's arrangements with Sucden Financial Limited stipulated that the Company paid commissions to Sucden Financial Limited. The Company generates its revenues from Commissions/spreads paid by its Clients upon initiating a trading order. The Company's costs and charges are listed [here](#). 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, as well as comparing prices between execution venues not listed in the company's execution venues list, and the company uses quarterly reports published by other Execution Venues that trade similar or identical financial instruments with those offered by the Company.
- (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 quarterly 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.



Information on the top five execution venues during the year 2017 (Retail Clients)					
Class of Instrument	Contracts for difference (CFDs)				
Notification if < 1 average trade per business day in the previous year	NO				
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 ¹	Percentage of aggressive orders ²	Percentage of directed orders ³
Sucden Financial Limited 213800W2XOTEIWVRS823	100%	100%	100%	0%	0%

¹ Passive Order means an order entered into the order book that provided liquidity;

² Aggressive Order means an order entered into the order book that took liquidity;

³ Direct Order means an order where a specific execution venue was specified by the client prior to the execution of the order;