



---

# EXECUTION QUALITY SUMMARY STATEMENT (EQSS) 2021

## RTS 28

---

### Contents

1. Introduction .....	2
2. Execution factors.....	2
2.1 Prices:.....	2
2.2 Costs:.....	2
2.3 Speed of Execution:.....	2
2.4 Likelihood of Execution: .....	2
2.5 Likelihood of settlement: .....	2
3. Conflicts of interests.....	3
4. Execution Venues .....	3
5. Client Categorisation .....	3
6. Quality of Execution .....	4
7. Tables of information .....	4

## **1. Introduction**

The purpose of this document is to enable the public and investors to evaluate the quality of an investment firm's execution practices and to provide information in relation to client orders executed on trading venues/liquidity providers.

To this effect, the below are a small summary of several related sections/matters and are not exhaustive. Further details are provided on the Company's website.

## **2. Execution factors**

Company considers all execution factors as important in relation to the quality of execution of orders, in order to be able to provide the best execution and to provide the best quality of services for the best interest of the clients. Further details on the relevant procedures are provided in the Conditions/Legal information/Best Execution Policy of our website.

### **2.1 Prices:**

For any given CFD, the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long) that CFD, and the lower price (BID) at which the Client can sell (go short) that CFD. Collectively, the ASK and BID prices are referred to as the Company's price. The difference between the lower and the higher price of a given CFD is the spread. If the price reaches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop, these orders are instantly executed. However, under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop) at the Client's requested price. In this case, the Company has the right to execute the order at the first available price.

### **2.2 Costs:**

For opening a position in some types of CFDs the Client may be required to pay commission or financing fees, the amount of which is disclosed on the Company's website. Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. In the case of financing fees, the value of opened positions in some types of CFDs is increased or reduced by a daily financing fee "swap rate" throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available on the Company's website. For all types of CFDs that the Company offers, the commission and financing fees are not incorporated into the Company's quoted price and are instead charged explicitly to the Client account.

### **2.3 Speed of Execution:**

The Company does not execute the Client Order in CFDs as a principal to principal against the Client, i.e. the Company is not the Execution Venue (as defined in Commission Directive 2006/73/EC implementing MiFID) for the execution of the Client's Order. The Company transmits Client Orders or arranges for their execution with a third party. However, the Company places a significant importance when executing Client's orders and strives to offer high speed of execution within the limitations of technology and communications links.

### **2.4 Likelihood of Execution:**

The Company transmits Orders for Execution or executes it with another party. So execution may sometimes be difficult. The likelihood of execution depends on the availability of prices of the market makers/financial institutions. In some case it may not be possible to arrange an Order for execution

### **2.5 Likelihood of settlement:**

The Financial Instruments (i.e. CFDs) offered by the Company do not involve the delivery of the underlying asset, so there is no settlement as there would be for example if the Client had bought shares.

### **2.6 Market Impact:**

Some factors may rapidly affect the price of the underlying instruments/products from which the Company's quoted price is derived and may also affect other factors listed herein. The Company will take all reasonable steps to obtain the best possible result for its Clients.

### **3. Conflicts of interests**

When the Company deals with the Client, the Company, an associate or some other person connected with the Company may have an interest, relationship or arrangement that is material in relation to the Transaction concerned or that it conflicts with the Client's interest. By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on him/her. Further, the Client consents to and authorises the Company to deal with the Client in any manner which the Company considers appropriate, notwithstanding any conflict of interest or the existence of any material interest in a Transaction, without prior reference to the Client. In the event that the Company is unable to deal with a conflict of interest situation it shall revert to the Client. If during the course of a business relationship with a Client or group of Clients, the organizational or administrative arrangements/measures in place are not sufficient to avoid or manage a conflict of interest relating to that Client or group of Clients, the Company will disclose the conflict of interest before undertaking further business with the Client or group of Clients. Further details of the relevant procedures are provided in the Conditions/Legal information/Conflict of Interest Policy of our website.

### **4. Execution Venues**

During the year under review, the Company maintained KTrade (PTY) Ltd as its Execution Venue.

During the year under review the Company's arrangements with its liquidity provider stipulated that the Company does not receive any payments or non-monetary benefits from its liquidity provider for the execution of clients' orders. The Company pays its liquidity provider fees that are necessary for the provision of investment services as an STP broker and thus are not considered as inducements as by their nature cannot give rise to conflicts with the Company's duty to act honestly, fairly and professionally in accordance with the best interests of its clients.

The Company generates its revenues from commissions paid by its clients upon initiating a trading order. The Company adds a mark-up on the spread of the underlying CFD as received from its execution venue prior to offer it to its Clients. The Company's costs and charges are listed on the Company's website and platform.

### **5. Client Categorisation**

Where the Company treats a Client as a Retail Client, the Client is entitled to more protections under the Law, than if the Client was treated as a Professional Client.

When executing Client orders, the Company takes all reasonable steps to achieve best execution of the Client's orders that is to obtain the best possible result for its Clients. Where the Company executes an order of a **Retail Client**, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, which shall include all expenses incurred by the Client which are 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. The Company sends a notice to a Retail Client confirming execution of the order as soon as possible and no later than the first business day following execution or, if the confirmation is received by the Company from a third party, no later than the first business day following receipt of the confirmation from the third party, as applicable. The Company informs Retail Clients of material difficulties relevant to the proper carrying out of their order(s) promptly upon becoming aware of the difficulty. Retail Clients are also provided with more information than Professional Clients as regards the execution of their orders.

**Professional Clients** are also entitled to a confirmation for the execution of their orders however there is no specific timeframe involved as to when the Professional Client will receive this information. Nevertheless, this confirmation is provided promptly.

For an **Eligible Counterparty**, the Client will be entitled to fewer protections under the Law than it would be entitled to as a Retail or Professional Client. The Company is not required to provide the Client with best execution in executing the Client's orders, not required to implement procedures and arrangements which provide for the prompt, fair and expeditious execution of its Client orders, relative to other Client orders or its trading interests and not required to provide reports to the Client on the execution of its orders or the management of his investments. Further details of the relevant procedures are provided in the Conditions/Legal information/Best Execution Policy of our website.

## 6. Quality of Execution

The Company uses the data that come as requirement from each related legislation as well as each client's characteristics, characteristics of the Financial Instruments subject to each order and characteristics of the execution venues. Furthermore, the Company applies necessary policies which include tools for transparency, appropriateness and best execution of orders and ensures that orders executed on behalf of Clients are promptly and accurately recorded and allocated, carries out otherwise comparable Client orders sequentially and promptly unless the characteristics of the order or prevailing market conditions make this impracticable and finally informs Clients about any material difficulty relevant to the proper carrying out of orders promptly upon becoming aware of the difficulty.

## 7. Tables of information

The below tables refer to the Company's execution venue in terms of trading volumes for all executed client orders per class of financial instruments. Information regarding retail clients are set out in Table 1 and information regarding professional clients are set out in Table 2. The Company only had 1 (one) execution venue during 2021.

Class of Instruments	Contracts for Difference				
Notification if < 1 average trade per business day in the previous year	No				
Top 5 Execution Venues ranked in terms of trading volumes (Retail Clients)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as % of total in that class	Percentage of passive <sup>1</sup> orders	Percentage of aggressive <sup>2</sup> orders	Percentage of directed <sup>3</sup> orders
<b>KTRADE (PTY) LTD</b> <b>LEI:</b> <b>2138002ANP1IAPKMGO18</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>

Class of Instruments	Contracts for Difference				
Notification if < 1 average trade per business day in the previous year	No				
Top 5 Execution Venues ranked in terms of trading volumes (Elective Professional Clients)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as % of total in that class	Percentage of passive <sup>1</sup> orders	Percentage of aggressive <sup>2</sup> orders	Percentage of directed <sup>3</sup> orders
<b>KTRADE (PTY) LTD</b> <b>LEI:</b> <b>2138002ANP1IAPKMGO18</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>