

AGM Markets Limited

Execution Quality Summary Statement (EQSS) - RTS 28 for 2018

Introduction

AGM Markets Limited (hereinafter the “Company”) is a Cyprus Investment Firm (CIF) regulated by the Cyprus Securities and Exchange Commission (CySEC) with CIF License number 145/11 and Company registration number HE 269879.

Pursuant to Article 27(10)(b) of MiFID II, as adopted by the European Commission, Commission Delegated Regulation (EU) 2017/576, with respect to the publication of the annual Execution Quality Summary Statement (EQSS).

Under Commission Delegated Regulation 2017/576 (RTS 28) with respect to the publication of the annual Execution Quality Summary Statement (EQSS), the Company is required to publish the RTS 28 which is intended to help the public and investors to evaluate the quality of a firm’s execution practices by requiring publication of valuable information about how and where the firm has executed client orders.

Best Execution Factors and Criteria

The Company takes all reasonable steps to provide its Clients with Best Execution and act in their best interest when receiving, transmitting and executing Clients orders. Price, costs, speed, likelihood of execution and settlement, size, market impact or any other consideration relevant to the execution of the orders are factors which are taken into consideration in a manner than the best possible outcome for its clients is achieved. The below list is not exhaustive and therefore the Company places relative importance to each factor as follows:

- 1. Price:** Price is the most important factor for ensuring best execution. For any given Instrument, the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long) that Instrument, and the lower price (BID) at which the Client can sell (go short) that Instrument; collectively they are referred to as the Company’ price. The difference between the lower and the higher price of a given Instrument is the spread.

Such orders as Buy Limit, Buy Stop and Stop Loss, take profit for opened short position are executed at ASK price. Such orders as Sell Limit, Sell Stop and Stop Loss, take profit for opened long position are executed at BID price. The Company’s price for a given Instrument is calculated by reference to the price of the relevant underlying asset, which the Company obtains from third party external reference sources. The Company’s prices can be found on the Company’s website. The Company updates its prices as frequently as the limitations of technology and communications links allow. The Company reviews its third party external reference sources at least once a day (constantly during trading session, more than once a day), to ensure that the data obtained continues to remain competitive. The Company will not quote any price outside the Company’s operations time therefore no orders can be placed by the Client during that time.

If the price reaches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell Stop these orders are instantly executed. But under certain trading conditions it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit, Sell

Stop) at the declared Client price. In this case the Company has the right to execute the order at the first available price. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted, or this may occur at the opening trading sessions.

The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit and Sell Stop orders, for a given Instrument, is specified under Contract Specifications on the main Website of the Company.

- 2. Costs:** For opening a position in some types of Instruments the Client may be required to pay commission or financing fees, the amount of which is disclosed on the Company Website commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amount. In the case of financing fees, the value of opened positions in some types of Instruments 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 Instruments that the Company offers, the fixed commission and financing fees paid by the Client are not incorporated into the Company’s quoted price and are instead charged explicitly to the Client’s account.
- 3. Quoted price:** The quoted price made available by the Company on any given instrument to the Client will include execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order.
- 4. Speed of Execution:** 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 at all times. The Client is responsible for the security of his Access Data. If the Client undertakes transactions on an electronic system (Trading Platform), he will be exposed to risks associated with the system including the failure of hardware and software (Internet / Servers). The result of any system failure may be that his order is either not executed according to his instructions or it is not executed at all. The Company does not accept any liability in the case of such a failure.
- 5. Likelihood of Execution:** The likelihood of execution depends on the availability of prices of other market/makers/financial institutions. In some case it may not be possible to arrange an order for execution, for example but not limited in the following cases: during news times, trading session start moments, during volatile markets where prices may move significantly up or down and away from declared prices, where there is rapid price movement, where there is insufficient liquidity for the execution of the specific volume of a specific Financial Instrument at the declared price, or if a Force Majeure Event has occurred. In the event that the Company is unable to proceed with an order with regard to price or size or other reason, the order will not be executed. In addition, the Company is entitled at any time and at its discretion without giving any notice or explanation to the Client, to decline or refuse to transmit or arrange for the execution of any order or Request or Instruction of the Client in circumstances explained in the Client Agreement. In addition, when the Company transmits orders for execution to another third party, the likelihood of execution depends on the availability of prices by such other third party.
- 6. Likelihood of settlement:** The Company shall proceed to a settlement of all transaction upon execution of such transactions whether it is acting as agent or principal.

- 7. Size of order:** All orders are placed in monetary value. The actual minimum size of an order is different for each type of account. A lot is a unit measuring the transaction amount and it is different for each type of Instrument. Please refer to the Company's website for the value of minimum size of an order and each lot for a given Instrument type. It is noted that the Company may limit the maximum volume of the single transaction. The actual maximum volume of the single transaction is different for each type of account. In addition, the Company reserves the right to decline an order as explained in the agreement entered with the Client. Please refer to the Company's website for the value of the maximum volume of the single transaction.
- 8. Market Impact:** Some factors may affect rapidly the price of the underlying Instruments from which the Company's quoted price is derived and may also affect the rest of the factors herein. The Company will take all reasonable steps to obtain the best possible result for its Client. The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor. Nevertheless, whenever there is a specific instruction from the Client the Company shall make sure that the Client's order shall be executed following the specific instruction.

Execution Venues

Execution Venues are the entities with which the orders are placed or to which the Company transmits orders for execution. For the purposes of orders for the Financial Instrument, the Company may will enter into these transactions as an agent (therefore some third financial institution will be the Execution Venue) and not as a principal (therefore, the Company will not be an Execution Venue for the execution of the Customer's orders thus ensuring that the Company does not take any position against its clients).

The Client acknowledges that the transactions entered in Instruments with the Company are not undertaken on a recognized exchange, rather they are undertaken over the counter (OTC) and as such they may expose the client to greater risks than regulated exchange transactions. Therefore, the Company may not execute an order, or it may change the opening (closing) price of an order in case of any technical failure of the trading platform or quote feeds.

In 2018, the Company's Liquidity Providers and Execution Venues were RoboMarkets Ltd, AAA Trade Ltd and Maxigrid Limited (previously AGM Markets Limited). The Company has no close link or common ownership with RoboMarkets Ltd neither with AAA Trade Ltd. The Company maintains Agreements with RoboMarkets Ltd, a Cyprus Investment Firm regulated by Cyprus Securities and Exchange Commission with License Number 191/13 and with AAA Trade Ltd a Cyprus Investment Firm regulated by Cyprus Securities and Exchange Commission with License Number 244/14.

The Company in selecting an execution venue for the execution of a transaction, considered in respect of the venue the following:

- reliability of the venue;
- price;
- credit worthiness of the venue;
- liquidity available for the financial instrument concerned;
- speed of execution;

- continuity of trading;
- cost of execution;
- quality of any related clearing and settlement facilities

Best Execution and Conflicts of Interests:

The Company will determine the relative importance of the above Best Execution Factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the criteria described below:

- a) The characteristics of the Client including the categorization of the Client as retail or professional;
- b) The characteristics of the Client order;
- c) The characteristics of financial instruments that are the subject of that order;
- d) The characteristics of the execution venues to which that order can be directed.

For Retail Clients, 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 does not have any close links or common ownerships with respect to any execution venues used to execute orders outside or its market making and algorithmic offering. Regarding the factors and changes in the list of execution venues listed in the Company's execution policy it should be noted that there were no such.

Order Execution for Retail and Professional clients

The Best Execution Obligation applies in respect to all orders by Retail Clients, Eligible Counterparties or Professional Clients. When the Company executes an order on behalf of a its Client, the best possible result is determined in terms of the total consideration representing the price of the financial instrument and the costs associated with the execution, which will also include all of the expenses sustained by the Client that were linked with the execution of the order, like execution venue fees, clearing and settlement fees and/or any other fees paid to third parties involved in the execution of the order.

Data or tools relating to the quality of Execution, including any data published under Delegated Regulation (EU) 2017/575 (RTS 27)

The Company, has not used any data or tools relating to the quality of execution, including data published under Delegated Regulation (EU) 2017/575 (RTS 27).

Consolidated Tape Provider (CTP)

The Company, as of today has not used output of a Consolidated Tape Provider (CTP) established under Article 66 of L.87(I)/2017.

Summary of the analysis and conclusions drawn from our detailed monitoring of contracts for difference

The conclusions drawn from our monitoring of the quality of execution, confirm that the execution

venue used to execute client orders in contracts for differences meets our standards in delivering best execution to our clients on a consistent basis.

Furthermore, it should be noted that the transactions are reviewed on a real-time basis by the Company's traders to ensure that they are executed on the best terms available. The Company's control team carries out frequent monitoring of the transactions through the use a third-party surveillance system. The Company's Order Execution Policy is reviewed at least an annual basis and the Company has a dialogue with the relevant execution venues and, where appropriate, will propose changes to processes to correct any potential deficiencies.

TABLE 1: RETAIL CLIENTS

Class of Instrument	CFD				
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
Robomarkets Ltd - 213800DNRKVK9S3ASC71	100%	100%	0%	100%	0%
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)					

TABLE 2: PROFESSIONAL CLIENTS

Class of Instrument	CFD				
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
AAA Trade Ltd LEI Number 213800PF75J5KIBM8E68	0%	0%	0%	0%	0%
Maxigrid Limited (previously AGM Markets Limited) LEI Number: 2138009ANNM9859QLD76	100%	100%	0%	100%	0%
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					
Name and Venue Identifier (MIC or LEI)					

TABLE 3: CLIENT ORDERS IN SFTs

Class of Instrument	N/A	
Notification if < 1 average trade per business day in the previous year	Y/N	
Top 5 Venues ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Name and Venue Identifier(MIC or LEI)	N/A	N/A
Name and Venue Identifier(MIC or LEI)	N/A	N/A
Name and Venue Identifier(MIC or LEI)	N/A	N/A
Name and Venue Identifier(MIC or LEI)	N/A	N/A
Name and Venue Identifier(MIC or LEI)	N/A	N/A