

Virtu ITG Europe Limited

Best Execution Disclosure 2019

Equity and Equity-Like Instruments

On an annual basis Virtu ITG Europe Limited (“VIEL” or the “Firm”) is required under the requirements of Regulatory Technical Standard 28 (“RTS 28”) and Delegated Acts, Article 65 of MiFID II to provide additional disclosures around the execution venues and brokers utilised for each asset class and certain information on the quality of execution.

This report has been prepared by the Firm for the period starting 1 January through 31 December 2019.

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- **Explanation of the importance the Firm gave to the execution factors of price, costs, speed, and likelihood of execution or any other consideration including qualitative factors when making assessments of the quality of execution:**

As specified in the Firm’s Order Execution Policy, VIEL considers the following execution factors: Price, Cost, Speed, Likelihood of execution and Settlement, Size and Nature of order. VIEL execution quality assessment has placed higher importance on Price, but has not limited its review to this factor. When assessing Price, best price available at time of execution, price reversion post-execution across multiple intervals are reviewed. Size of execution is also an important factor as VIEL will seek to trade in Large in Scale in order to reduce price impact and increase spread capture. Other factors such as hit rates and fill rates across venues among other factors are considered as well.

The assessment of execution quality is performed over different time intervals, it is analysed and compared over these time interval in order to monitor for performance changes post changes both market wide and VIEL own adjustments to its execution strategies.

- **Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders**

VIEL ensure clients have access to the broad market in any stock including access to liquidity in exchanges, alternative trading systems and bank / broker liquidity where relevant. VIEL accesses venues directly or through affiliate brokers. It also provides its clients with access to its trading venue, namely POSIT MTF which operates reference price and auction segments. VIEL also accesses Virtu’s EU Systematic Internaliser which is operated by a separate EU-regulated affiliate entity. VIEL is wholly owned by Virtu Financial Inc. Through Virtu Financial Inc, VIEL has regional affiliate relationships in Asia Pacific, Canada and the United States. VIEL uses its regional affiliates for execution of orders outside of the EMEA region. VIEL looks to ensure that affiliates provide a global execution capability to VIEL clients, consistent global algorithms and agency high-touch execution. When VIEL accesses venues directly, through affiliate brokers and through third party brokers or dealers VIEL measures the performance of these executions to identify outliers and help ensure appropriate standards of execution which are consistent with our MiFID II order execution policy.



- **Description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received**

VIEL does not have any bespoke arrangement with any execution venues regarding payments made or received, discount or non-monetary benefits.

- **Explanation of the factors that led to a change in the list of execution venues listed in the Firm's execution policy, if such a change occurred**

During the period this report covers, VIEL has adjusted its execution strategies interaction with different venues based on performance observed as well as EMEA market landscape changes. For example, VIEL added Periodic Auction venues and SI as they became live. As part of a regular Best Execution Committee reviews, priority and minimum fill settings have been adjusted. Such adjustments are implemented on regular basis and are reviewed by a designated group of VIEL persons charged with reviewing VIEL's order execution.

- **Explanation of how order execution differs according to client categorisation, where the Firm treats such category of client differently and where it may affect order execution arrangements**

VIEL does not differentiate between Professional and ECP clients when assessing execution quality. VIEL order execution policy is published here.

- **Explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client**

VIEL does not provide execution services directly to retail clients.

- **Explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under RTS 27**

For the purpose of monitoring and measuring execution quality VIEL uses a bespoke execution measurement tools and the proprietary VIEL bespoke research database.

- **Explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU**

As there isn't a consolidated tape available, VIEL uses a bespoke internal solution which consolidates the market feeds which VIEL Execution Strategies have access to trade on.

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VIEL RTS 28 Top 5 Venue Report can be accessed via this link

This report includes client order flow for all VIEL European client flow regardless of client classification (Professional or Eligible Country Party), all Equity and Equity-Like Instruments and all trading venues and local brokers.

The report differentiates orders executed through the Firm's own membership and orders transmitted to a local broker for execution (RTO).

Questions? Contact your Virtu regional representative or reach us at brokerdealerdesk@virtu.com or 1.800.274.9382

ABOUT VIRTU

Virtu is a leading financial firm that leverages cutting-edge technology to deliver liquidity to the global markets and innovative, transparent trading solutions to our clients. As a market maker, Virtu provides deep liquidity in over 25,000 securities, at over 235 venues, in 36 countries worldwide that helps to create more efficient markets. We leverage our market structure expertise and scaled, multi-asset technology infrastructure to provide a complete suite of client solutions.

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