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# Execution Quality Summary Statement for 2020

Version 4, April 2021

## 1. Purpose

The Execution Quality Summary Statement (hereinafter the EQSS or the Statement) is a statement that KEY WAY INVESTMENTS LTD (hereinafter, the “Company”), an Investment Firm authorised and regulated by the Cyprus Securities and Exchange Commission with License Number 292/16, 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 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 on how the Company executes orders to various execution venues when operating under the STP model in relation to the Asset Class of CFDs.

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

## 2. 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 and
- h) Nature of order

For details on how each factor is assessed ex ante when executing clients' orders please refer to the Company's [Best Interest and Order Execution Summary 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.
- ii. **Professional Clients (including per-se Professional and elective Professionals)**  
For these 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 (see point i. above).

### 3. 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	Magnasale Trading Limited	Cyprus	December 2016	N/A
2	Key Way Investments Ltd	Cyprus	N/A	N/A

The Company does not maintain close links or common ownership structures with the execution venue Magnasale Trading Limited established in Cyprus a duly licensed Cyprus Investment Firm regulated by CySEC with authorization number 264/15.

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#### **4. Change of Execution Venues during the year under review**

The Company notes that during the year under review, added itself as an execution venue since it obtained the Dealing on Own Account license and used the said license during the year 2020, acting as the counterparty for a number of trades. The Company as an execution venue acting as the Client's counterparty in a number of trades, has updated its Best Interest and Order Execution Summary accordingly.

#### **5. Conflicts of Interest**

There is no close link, or common ownership with respect to Magnasale Trading Limited used to execute orders.

The Company as an execution venue acts as the Client's counterparty in a number of trades. In this respect the Company has established robust mechanisms for mitigating all conflicts of interest.

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

#### **6. Payments or non-monetary benefits (made or received) to/by Execution Venue**

During the year under review, 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](#).

#### **7. 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 with the following dimensions:

- a) Evaluating the Company's execution venues in accordance with the following:
  - Pricing Frequency (price updates in real time).
  - Speed of execution.

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- 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. For this purpose, the Company has subscribed to independent price aggregators (such as Bloomberg, Thomson Reuters, etc.).
- c) Technological prowess of Company systems (responsiveness of interface, lag, integration with the IT systems of the execution venues etc.).

## **8. Reviews of Execution Monitoring - Control Function**

The Company's brokerage department produce reports on a daily basis with the evaluation process described above (please refer to Section 7) 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.

**Table 1: Retail Clients**

Class of Instrument	Contracts for Difference (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
Magnasale Trading Limited LEI: 549300M2TA4XMO4UUZ22	99.9997%	99.982%	N/A	N/A	N/A
Key Way Investments Ltd LEI: 549300ICPBJ0N44ZSY20	0.00035%	0.018%	N/A	N/A	N/A

**Table 2: Professional Clients**

Class of Instrument	Contracts for Difference (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
Magnasale Trading Limited LEI: 549300M2TA4XMO4UUZ22	100%	100%	N/A	N/A	N/A
Key Way Investments Ltd LEI: 549300ICPBJ0N44ZSY20	0%	0%	N/A	N/A	N/A