



Annual Execution Quality Statement & Information on the Identity of Execution Venues

Regulatory Technical Standards 28

Year Ended December 31st, 2022.

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Scope

This document has been prepared by NAGA Markets Europe Ltd (herein referred the “**Company**”) pursuant to Articles 27 (6) and 27 (10)(b) of the Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (herein referred as the “**MiFID II**”) and Commission Delegated Regulation (EU) 2017/576 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 purpose of this Document is to ensure the Company’s compliance with the section 9 of the Questions and Answers Document of the European Securities and Markets Authority (ESMA) issued on 11 October 2016 with reference ESMA /2016/1454 with respect to the provision of CFDs and other speculative products to retail investors.

This Document which called Execution Quality Summary Statement (hereinafter the EQSS), refers also as RTS 28 sets out the technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

The Company urges its clients and/or potential clients to read the RTS 28 carefully as it contains information as regards to the execution venue(s) used by the Company where it executed all client orders during 2022, herein referred as the “**period under review**”.

Furthermore, please note the following:

- during the period under review, the Company did not use output of a consolidated tape provider;
- during the period under review there were no cases where other criteria were given precedence over immediate price and cost when executing retail client orders in both CFD and Real Stock trading;
- during the period under review the Company did not have any executed client orders in Securities Financing Transactions (SFTs).

Following the provisions of Section 8 of the Company’s Order Execution Policy, available [here](#), during the period under review, all prices presented in the Company’s Platform were provided by Thomson Reuters for convenience and information purposes. In this respect, any price quoted in the Company’s Platform may differ from the execution price.

The RTS 28 along with the accompanying tables will remain on the Company’s website for at least two years post its publication. This document is solely for own use and cannot be published elsewhere without the written consent of the Company.

Best Execution

The Company takes all sufficient steps to act in the best interest of its clients when executing clients’ orders and obtain the best possible result for clients taking into account the execution factors listed below.

The Company when executing clients’ orders is required under the relevant regulatory framework to assign

relative importance to the following executing factors:

- **Price:** refers to the resulting price of the transaction excluding our own execution charges and it will usually be our most important consideration for both CFD and Real Stock orders. The Company has established business relationship and continuously monitor and assesses the data feeds in real time;
- **Market Impact:** This entails detecting threats to the orderly operation of financial markets, including to reliability and transparency of their price formation process and tackling any behavior that may conclusively result in cascading market impact or large market impact in general. NAGA will never take any action which may result in market distortion or give a misleading impression of trade volumes or value of any financial instrument.
- **Speed of execution:** Taking into consideration the technological developments, the speed of orders executions is minimal. However, the Company monitors on a daily basis the speed of execution to ensure minimal distribution of services and minimum deal of services.
- **Likelihood of execution and Size:** This factor increases in importance in situations where access to liquidity in the relevant instrument is constrained in some way. The Company relies on third-party LPs for prices and available volume of the different financial instruments the Company offers. By having multiple LPs, the Company enhance the likelihood of execution across the instruments it offers; and
- **Cost:** Trading in CFD instruments entails commissions and other fees, as those are disclosed in the Company's website, available here, and trading platform. The Company's charges are either in the form of a percentage of the overall value of the trade or as fixed amounts. In addition, the Company continually monitors all commissions and charges that are passed on to its clientele to ensure its competitiveness.

For details on how each factor is assessed ex ante when executing clients' order please refer to the Company's [Order Execution Policy](#).

Client Categorization

During the period under review the Company offered services to the following categories of client:

- a. **Retail Clients:** Pursuant to the regulatory framework, the Company is required to provide best execution in accordance with total consideration whereby total consideration represents the price of the Financial Instruments and the Cost related to the execution of the clients' orders, which include all expenses incurred by the client and which are directly related to the execution of orders; and
- b. **Professional 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 (as per point a above).

The order execution does not differ according to the client categorization and does not treat the two categories of clients differently, i.e. retail and professional clients.

Conflict of Interest

The Company's approach is to identify and prevent or manage conflicts of interest, which may arise during its business activities. For further information please visit the Company's Conflicts of Interest Policy, available [here](#). The Company implements and has in place sufficient measures to manage and/or mitigate such conflicts. The Company does not have any close links and/or common ownership structures with any of the execution venues where clients' orders were executed in the period under review.

Change in the list of the Execution Venues

During the period under review, the Company, in its Annual Assessment of its Execution Venues and to ensure the best possible result for its clients' orders, entered into business relationship with Invast Financial Services Pty Ltd.

Payment or non-monetary benefits made to or received by Execution Venues

During the period under review the Company was the main Execution Venue for the execution of clients' orders in relation to CFD instruments and acted as an intermediary for the transmission of Real Stock orders to Saxo Capital Markets UK Ltd. In all cases stated above, the Company did not establish any specific arrangements regarding payments, discounts, rebates or other non – monetary benefits, in order to ensure the provisions of the Company's [Order Execution Policy](#).

Tools and data used during the Period under review.

The Company during the period under review monitored its Order Execution Policy and arrangements through a specialized monitoring tool which monitors transactions on a T+1 timeframe. The Company in a constant basis review its order execution arrangements so as to provide best execution for its clients on a continuous basis.

The Company takes into account several factors when executing a client's orders such as but not limited to the price, costs, speed of execution. The Company monitors its execution arrangements on an ongoing basis by selecting appropriate samples of orders executed and evaluating the samples as described below:

A. Evaluation of Execution Quality:

- Price Latency
- Speed of Execution
- Frequency and Duration of Price Freezing
- Depth of Liquidity
- Price Transparency
- Re-quotes

B. Comparing prices relayed by price feed providers with the prices quoted by the Company;

- C. Monitor slippage on a regular basis to identify whether is asymmetric or not;
- D. Monitor IT infrastructure (e.g. responsiveness of interfaces used, adequate integration with data providers, etc.);
- E. The Company's control functions (i.e. Compliance Function and Internal Audit) scrutinize the monitoring procedure and the actions taken by the Company's Senior Management. The Company's Control Functions present any findings to the Company's Board of Directors, at least annually, for further actions that may be necessary to be implemented.

Report on Execution Venues

The information presented in the tables below refers to the top five (5) execution venues in terms of trading volume used by the Company for orders made by retail and professional clients. The information refers to the following asset classes for the period under review:

No	Execution Venue	Country of Establishment	Commencement date of relationship with the Company
1	NAGA Markets Europe Ltd	Cyprus	N/A
2	Saxo Bank A/S	Denmark	20/06/2019
3	Finalto Trading Ltd	United Kingdom	19/01/2018
4	Invast Financial Services Pty Ltd	Australia	02/03/2022
5	LMAX Broker Limited	United Kingdom	21/08/2019