

# Virtu Europe Trading Limited

## Best Execution Disclosure 2022

### Equity and Equity-Like Instruments

On an annual basis Virtu Europe Trading Limited (“VETL” 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 of 1 January through 31 December 2022.

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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, VETL considers the following execution factors: Price, Cost, Speed, Likelihood of execution and Settlement, Size and Nature of order. VETL 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 and price reversion post-execution across multiple intervals are reviewed. Size of execution is also an important factor as VETL may 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 intervals in order to monitor for performance changes post changes, both market wide and VETL 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**

VETL is wholly owned by Virtu Financial Inc. Through Virtu Financial Inc, VETL has regional affiliate relationships in Asia Pacific, Canada and the United States. VETL uses its regional affiliates for execution of orders outside of the EMEA region. VETL looks to ensure that affiliates provide a global execution capability to VETL clients including POSIT Alert block crossing, consistent global algorithms and agency high-touch execution. In addition, VETL requires affiliates to 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. When VETL accesses venues directly, through affiliate brokers and through third party brokers or dealers VETL 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**

VETL does not have any bespoke arrangement with any execution venues regarding payments made or received, discounts 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, VETL has adjusted its execution strategies interaction with different venues based on performance observed as well as EMEA market landscape changes. For example, VETL added Periodic Auction venues and SI's 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 VETL persons charged with reviewing VETL'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**

VETL does not differentiate between Professional and ECP clients when assessing execution quality. VETL's 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**

VETL 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**

For the purpose of monitoring and measuring execution quality, VETL uses a bespoke execution measurement tools and the proprietary VETL 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 in the EU, VETL generates a virtual BBO book from the market feeds which VETL Execution Strategies have access to trade on.



- **Additional information on VETL's RTS 28 Disclosures**

VETL RTS 28 Top 5 Venue Report can be accessed via this [link](#)

This report includes client order flow for all VETL 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").

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**Questions?** Contact your Virtu regional representative

#### **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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