



TCA & Best Execution

The RegTech Suite to Monitor the Full Trade Cycle



Your Challenge

Regulators worldwide have defined and set up various investor protection regulations to ensure financial intermediaries trade in the best interest of their clients. MiFID, in particular, under its trade and transaction reporting section and the Regulatory Technical Standard, RTS 28, imposes strict reporting rules to justify best execution is followed. Analyzing what happened in the order life cycle and showing the real scenarios of what could have happened to improve the execution strategy could not only support compliance but also give investment firms a competitive advantage by reducing their transactions costs.

BME Inntech, a SIX company, has built its reputation on a rich expertise in the field of RegTech. Naturally our teams have worked with market participants to develop and propose a solution suite to monitor transactions costs and trades execution and support their compliance with this regulatory challenge and with their own best practice policies.

Our Offer

TCA (Transaction Cost Analysis) & BestExecution leverage a big data analytics SaaS platform that analyzes, through quantitative metrics, all the orders and executions to control the execution policy, venue and broker selection,

including implicit and explicit costs, while complying with MiFID II RTS 28 reports. This platform is very same that powers our flagship SICAM 2.0, our market abuse surveillance solution.

Features

TCA

To perform an extensive analysis of the transaction costs, the platform offer various data and metrics tools to get the clearest view of what a trade will cost with your defined counterparts.

- Broker's total transaction costs estimation (fees+ implicit execution costs).
- Broker evaluation for ranking of merits.
- Broker & Algorithm execution performance metrics.

Best Execution

To analyze and report the best execution, financial intermediaries need to cover the four key pillars scrutinized by the regulation: Analysis of quantitative data to justify the venue Selection, reporting of best execution under the RTS28 (TOP5 and Best Exec Policy Monitoring), market quality monitoring and competition comparison to measure the maximum potential price improvement obtained from adding alternative trading venues and a smart order routing.

Analysis:

- Breakdowns and filters: Instrument, market, broker, benchmark, between dates, sorting orders, etc. multiple filtering and aggregation functionalities

RTS28:

- TOP 5 venues: For each class of financial instrument, differentiating professional and retail clients, etc.
- Reports: Ad-hoc generation of custom reports
- Different metrics for: Aggressive, passive, directed, SOR and DMA orders





Quality:

- Markets ratios: Market share, spread, liquidity, EBBO, execution probability, SOR improvement, etc.

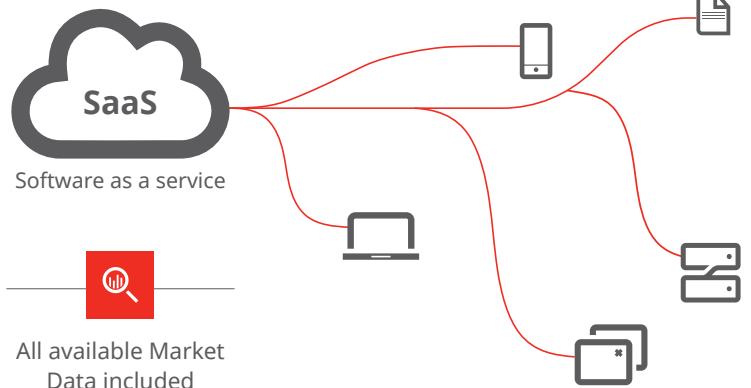
Competitiveness:

- Strategy: Analysis of the management of algorithmic trading
- Industry Standard Metrics: Smart Order Routing comparison vs all available markets, speed, execution, POV, VWAP interval, Arrival price, PVWAP20, Ranking, etc.

Key Benefits

-  **Coverage:** 40 exchanges and MTF are covered.
-  **Cost mitigation:** the SaaS solution allows no infrastructure cost on your side and the market data is included.
-  **Security:** the web access is secured with 2FA security and the sensitive data encrypted.
-  **User experience:** tailored to your needs, you may customize your analysis, your tools, your metrics or build your own ones in a user-friendly environment.

No infrastructure or any other kind of hidden cost



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